

# CONSTRUCTION INDUSTRY FEDERATION

## CORK BRANCH SOUTHERN REGION

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27<sup>th</sup> April 2022

Kevin O'Connor  
Senior Planner  
Planning Policy Unit  
Cork City Council  
City Hall, CORK

### Re: Submission to Cork City Development Plan Review Process – Amended Draft 2022

Dear Mr O'Connor

As Director, Construction Industry Federation (CIF), Southern Region, I make this submission to the Cork City Development Plan (CDP) Review Process – the Amended Draft Plan.

The proposed amendments applicable to this submission are detailed in Table 1.

Reference	Proposed Amendment
1.25	Amendment to paragraph 2.51 to remove reference to Tier 3 lands and replace with reference to longer term strategic development
1.28	Associated ancillary changes to text, tables, and objectives in the Plan that reference Tier 3 to reflect the correct reference to 'Long Term Strategic Residential'.
1.286	Update of Table 10.15 to delete reference to Tier 3.
1.341	Amend 12.15 to reflect the omission of ZO3 Residential Neighbourhoods to update zoning numbers.
1.343	Omit Tier 3 Residential Neighbourhoods

Table 1: Relevant Proposed Amendments to Cork City Development Plan

The CIF is the representative body for construction companies and contractors working across all sectors in Ireland and a key stakeholder in the deliver of future economic growth of Cork County.

The CIF submitted a detailed submission to the Draft Development Plan, with reference to the following topics: Housing Demand, Residential Land, Brownfield / Infill Land, Distribution of Core Strategy Targets, Employment Land, Commercial Parking Standards, Infrastructure Provision / Implementation, Building Heights & Density, View Management Framework, Development Management Requirements, and Implementation.



A primary concern of the CIF and its members is the significant reduction in the quantum of zoned residential development land, combined with increased density requirement and a focus on infill/brownfield sites in the absence of any structural incentives, or initiatives to increase the viability of such development.

The CIF is alarmed that, notwithstanding several submissions from the development industry identifying the impact that restricted lands supply will have on land values, development viability and housing output, the Amended Draft Plan will result in a substantial reduction in zoned land supply. This position is being exacerbated by the proposals in the Amended Draft Plan to redesignate Tier 3 lands as 'Long Term Strategic Residential' lands and remove the option for these lands to be considered during the lifetime of the development plan.

The CIF recognise that the reduction in zoned land is being driven by national level planning policy and submissions by the Office of the Planning Regulator which prescribe a restrictive policy approach in the provision of land supply. However, we also note that other Planning Authorities, including Cork County Council, have allowed for some reserve lands to be considered during the lifetime of forthcoming development plans, subject to safeguards which will prioritise Tier 1 and Tier 2 lands.

In the context of the current housing crisis, shortage of housing supply, increasing rental and purchase costs, and reduced viability of residential development, the extent of reduction in the availability of zoned residential zoned land supply is alarming. The reduction in residential land supply and removal of the option of 'Tier 3' lands to be considered during the lifetime of the forthcoming Development Plan will result in a deepening of the current housing crisis.

The CIF welcomed the approach in the draft City Development Plan to retain the residential zoning status of most of the land previously zoned in the Cork City Development Plan 2015 – 2021 and the relevant Cork County 2017 Local Area Plans. This was an innovative proposal by Cork City Council, which would allow infrastructure investment to be focused on Tier 1 and 2 lands but allow some 'flex' in the system should it become evident that these lands were not being brought forward for development, or should demand prove to be higher than estimated by the Housing Need Demand Assessment (HNDA) methodology.

The CIF consider that the HNDA is a limited tool for estimating housing demand, with several inherent flaws in its methodology. For example, the HNDA:

- Takes a precautionary approach to the levels of net migration,
- Takes a narrow position on projected headship rates. The methodology embeds headship rates which reflect the lack of housing supply, rather than reflecting societal trends towards smaller households. By doing so the HNDA under-estimates the extent of latent demand in the housing system.
- Under provides for obsolescence and frictional vacancy rates within a functioning housing system.

Rigid application of HNDA methodology has resulted in significantly reduced housing targets across the country. In other countries where HNDA is used as a tool to estimate housing demand, it is used for the purposes of ensuring a minimum provision to meet needs, and not to determine a maximum ceiling on land supply.



The level of adjustment on previous housing need projections is dramatic and, combined with a restrictive policy on provision of zoned land supply will result in increased land prices, reduced viability, and a reduction in housing output.

The approach taken on Tier 3 lands has significant implications on the housing market and potential for Cork City to achieve its growth targets. We would urge the City Council to reject the proposal to recategorize Tier 3 lands as 'Long Term Strategic Residential' lands. **The forthcoming City Development Plan should continue to allow these lands to be considered during the lifetime of the plan where it can be demonstrated that Tier 1 or 2 serviced or serviceable lands are not capable of being delivered.**

The potential impact of the reduction in the supply of zoned residential development land is so significant, that the CIF consider the adoption of the City Development Plan is premature pending a review of the National Planning Framework (NPF) population growth targets, which is programmed for June / July of this year.

The economic and migration indicators for Ireland have changed considerably since the NPF was adopted. Once again, reports in April from the Residential Tenancies Board and Economic Social Research Institute shows an increase in rental rates across the country. House prices are also increasing strongly. These price increases are indicative of a lack of supply in the housing market across both rental and owner-occupied properties. The impacts of sudden and high levels of migration associated with the war in Ukraine will add further pressure on already strained housing market.

The considerable reduction in land supply that will come into effect by the adoption of the Cork City Development Plan is a consequence of planning policy and population projections that were adopted by the NPF in 2020. It is evident from house and rental price metrics that housing supply is failing to adequately address housing demand and that our national housing crisis is deepening. Reducing the availability of residential zoned land, and removing any level of flexibility in zoning provision, in at a time when it is evident there is a continuing and deepening housing crisis is imprudent.

**We understand that it is the intention of the Minister for Housing to review the NPF population targets following the publication of the Census 2022 results in June/July of this year and that therefore call on Cork City Council to consider delaying the adoption of the City Development Plan until such time as there is a review of the NPFs' population growth targets.**

Thank you for your consideration of this submission.

Yours sincerely,



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**Conor O'Connell**  
**DIRECTOR – SOUTHERN REGION**

