

Sent: Thursday 28 September 2023 16:07

To: Planning - Planning and Development Secretariat

Subject: Submission ref forthcoming draft development plan for Wicklow / Rathnew



Submission ref consultation for new Wicklow-Rathnew development plan.

28th September 2023

Dear Planners & Councillors,

I believe the plans for urban house building in Wicklow/Rathnew must be significantly more ambitions than the old plans, which we drawn up at a time of severe recession, in the wake of the financial crash. The economy has recovered strongly since then with substantial growth in population, employment and incomes while new home construction has remained below volumes needed to satisfy demand for all but the most affluent buyers. The population of Wicklow/ Rathnew is growing in line with trends along the east coast and the greater Dublin metropolitan region with a large number of young adults, likely to add further to demand for new homes over the next decade.

Census 2022 shows that the population of Wicklow grew by 9% to 155,851, an increase of 13,426 between April 2016 and April 2022.(CSO, May '23). Housing supply also increased by about 9% over the same period. On first glance this suggests housing supply is in line with demand however a deeper look into the numbers tells a different story.

There is ample evidence that housing provision has been inadequate to meet demand for many years, at least since the financial crash a decade ago. A 9% increase in housing supply from an already inadequate level cannot be taken to mean that supply is keeping pace with current needs. In fact it's likely that a period of excess provision is required, over and above the rate of population growth, to clear the backlog of unfulfilled demand and restore a long-term balance in the housing market, with consequent moderation in prices and rents. Such a period should last not much less than the preceding period of inadequate supply, roughly equivalent to the forthcoming plan timescale.

Evidence of inadequate supply over the past decade comes in numerous forms. There has been a significant change from long term trends with fewer people in the 25-44 age group owning their own home. More people are renting a space to live (or survive), either giving up on home ownership or deferring buying a home until they can save a deposit for homes with prices remaining stubbornly out of reach. Homelessness has increased sharply while house prices and rents have risen well above the general rate of inflation. All these factors, taken together along with anecdotal evidence of people trading down to

inadequate housing in room-shares and short term letting, suggest that supply has been inadequate to meet demand for new homes, particularly among price-sensitive buyers/ renters, for many years.

The suggested need for 1,500 additional housing units in Wicklow/ Rathnew from 2023 to 2030 would run a serious risk of under provision given the scale of demand, continuing population growth and a backlog of unsatisfied need resulting from under supply in prior years. Matching anticipated population growth to housing stock growth is not enough to fulfil all needs where there is a significant backlog of unfulfilled need.

1,500 added homes over seven years, proposed in the council's introductory brochure, equates to an average of 214 new homes per year. There were 350 applicants for 94 new affordable homes in Wicklow town earlier this year (journal.ie), evidence that existing demand for housing at affordable prices runs far above the level of supply anticipated in the 214 p.a. figure.

ESRI estimates that 80% of people in Ireland own their own home but less than 40% of people under 40 years of age are homeowners. This is well below historic trends, a legacy of recession and affordability issues resulting from restricted supply after the financial crash. These figures help to explain anecdotal evidence of high pent-up demand for new homes, particularly at lower price points. The cohort aged 25-44 years of age, about 34% of the total population, is likely to form the bulk of demand for new homes in the next decade. Based on comparable national figures there are likely to be approx 4,600 people in the 25-44 age group in Wicklow/ Rathnew. It's difficult to judge how many are homeowners and how many are frustrated buyers, from national aggregate figures but it's reasonable to suggest that something in the region of 40% or 2,300 people in this age category in Wicklow/ Rathnew might be inclined to become homeowners or to trade up to more spacious and secure accommodation if they could to find an affordable property of acceptable quality but cannot presently do so. Housing demand is not limited to the 25-44 age category. People of other age groups need new homes for reasons including marital breakdown, new employment, inward investment and changed circumstances.

These numbers refer to housing need among the current population. We must also provide for population growth and high numbers of younger people and housing people who are currently homeless all of which will add to demand in the next decade.

Failure to supply adequate housing has serious economic and social impacts and encourages a shift towards anti-social behaviour and extreme political views among those who are adversely affected, particularly, but not exclusively, younger people. Limited housing supply promotes higher rents and a focus on high value projects among builders. County Wicklow is reported to have "eclipsed Dublin" as the highest priced area for new homes in the state, (Irish Times 4 Aug '23). Government ministers and T.D.s of all the main parties say they are committed to increasing the supply of new homes to meet demand and to cool price & rent inflation. The headline figure of 1,500 new homes for Wicklow / Rathnew up to 2030 suggests a dangerously restrictive policy is being contemplated, imposing limits on an already inadequate supply of new homes with potentially serious adverse effects, risking further homelessness, more price inflation and historically low rates of home ownership.

Tight housing supply generally means less choice and fewer options than in a well supplied market, leading to frustration and discontent among home-seekers. I believe a modest level of over provision is probably justified at all times to ensure a competitive market and acceptable quality and choice for all buyers and renters.

It can be argued that new housing should be placed elsewhere in the county rather than in Wicklow/ Rathnew but that would increase pressure on other towns and for building in the countryside, contrary to Wicklow County Council and national policies. It's also argued that home rental is no bad thing, in line with continental preferences. That may be true but it remains the case that whether occupiers are owners or renters there is ample evidence of inadequate supply of homes across a range of needs and price points, particularly for low-medium income occupiers, in recent years.

If future housing demand is to be satisfied while making real progress towards CO2 reduction targets we must make adequate provision in established urban settlements like Wicklow/ Rathnew, where there is ample land for home construction, established utility connections and links to central Dublin and the airport well served by public transport, roads, rail and bus.

Investment in new educational, health, amenity and social facilities is best justified in the context of growing population, well served by a choice of new homes for all ages and incomes with ample space for recreation and environmental enhancement. Conversely, constraints on housing provision risks driving public and private investment elsewhere.

The housing crisis of particular relevance to me as a Wicklow resident with adult family members who are finding it difficult to get an adequate foothold in the housing market, so much so that one has emigrated and another is contemplating it.

I respectfully request that these points be considered in drawing up a draft plan. I would be happy to engage in discussion and or consultation in whatever form may be deemed useful, to advance the preparation of a new draft plan.

Yours faithfully,

