

APPENDIX 1

Housing Strategy Incorporating Interim Housing Need Demand Assessment (HNDA)

1.0 Advisory Note

It is essential that the Dublin City Housing Strategy is kept up-to-date to reflect any emerging trends in the housing market. Therefore, in accordance with the Planning and Development Act (as amended) it is necessary to review the housing strategy periodically. The Chief Executive of Dublin City Council must undertake this review within two years of the authority making the development plan. However, if significant changes take place in the housing market or in spatial planning policy this review should take place sooner. Where this review indicates that new or revised housing needs have been identified, the Chief Executive may recommend that the housing strategy be amended and the development plan varied accordingly.

This housing strategy is prepared pending the publication of updated national guidelines on the preparation of housing strategies. There is an intent by all four Dublin Authorities to prepare a regional Housing Need and Demand Assessment (HNDA) in partnership with the Eastern and Midland Regional Assembly (EMRA) as part of implementing the policies of the Regional Spatial and Economic Strategy (RSES). The HNDA produced here is therefore considered to be an interim measure until such time as the regional project is delivered and new national guidelines on Housing Strategies are published. Any such project will consequently inform future variations to the Dublin City Development Plan.

2.0 Introduction

The provision of quality, appropriate and affordable housing is essential to meet the needs of our growing population and provide for the development of sustainable, inclusive and vibrant communities in the city. It is important that the type and mix of housing provided in the city responds to the needs of all sectors of society as well as those with special needs, including persons with a disability, elderly households, homeless households and members of the Traveller community. The development plan housing strategy is the tool that the City Council uses to respond to the demand for housing provision in order to deliver sustainable residential development.

The preparation of this housing strategy has come at a time of unprecedented challenges for the City arising from the impacts of the Covid-19 pandemic, Brexit and climate change. This Strategy must meet these challenges and build on the success of the significant investment and housing regeneration seen in the City over the period

of the 2016-2022 development plan. The housing strategy should be read in conjunction with Chapter 2, Core Strategy and Chapter 5, Quality Housing and Sustainable Neighbourhoods for further policy context and specific housing objectives.

2.1 Background and Scope of the Housing Strategy and Interim HNDA

A local authority housing strategy and interim HNDA must have regard to the proper planning and sustainable development of its administrative area and must address the overall supply of housing within the population context set at National and Regional level.

The housing strategy in combination with the interim HNDA informs the housing policies and objectives of the Dublin City Development Plan and provides detail in relation to housing provision, location, requirements for different house types, sizes and tenures and the requirements of zoned land which cater for housing for future populations.

The purpose of this housing strategy and interim HNDA is to address the requirements under Section 94 of the Planning and Development Act, 2000 as amended, (see paragraph 3.1) while also having regard to National, Regional and prevailing statutory and non-statutory planning policy for housing and planning.

Specific objectives for Dublin City's Housing Strategy are:

- To identify the existing and likely future need for housing in the area of the development plan 2022-2028.
- To ensure that sufficient zoned and serviced land is provided to meet the different needs of different categories of households within Dublin City Council.
- To ensure that Dublin City Council provides for the development of sufficient housing to meet its obligations as set out in the Eastern Midlands Regional Spatial Economic Strategy.
- To counteract undue segregation between persons of different social backgrounds.

The housing strategy forms an integral part of the city development plan by incorporating national and regional housing policies and housing demand and supply requirements at a local level. Following the publication of National and Regional level planning policy, the housing strategy is now supported by an evidence-based interim HNDA.

The HNDA model is a tool developed to assist local authorities to (a) produce long term strategic views of housing need and effective housing market demand across all tenures; (b) provide a robust evidence base to inform policies around housing; and, (c) support the preparation of housing strategies. HNDAs are designed to give broad, long-run estimates of future housing need and market demand under various scenarios for population and economic growth.

Dublin City Council commissioned KPMG Future Analytics to undertake a HNDA analysis, the results of which underpin the preparation of the City's Housing strategy. KPMG Future Analytics were also directed to complete analysis of two smaller sub-city areas of the inner city in order to provide a more granular analysis of housing market dynamics impacting local neighbourhoods in Liberties and the North Inner City.

2.2 Housing Strategy and HNDA - Guiding Principles

The City Council's vision for the implementation of the NPF and RSES seeks to provide high quality new housing in a mixture of locations and settings, identified and defined in the Core Strategy, to deliver sustainable new and healthy communities within the City with a good mix of housing that responds to the many needs of society.

Dublin's Housing Strategy 2022-2028 has three core principles that inform and guide the overall Core Strategy of the development plan related to housing. These are:

- To ensure the provision of good quality housing across owner-occupied and rental housing tenures in sustainable communities.
- To ensure the planning and building of housing and residential space in the city contributes to sustainable and balanced development.
- To ensure adequate provision of social and affordable housing (i.e. social and cost rental and affordable purchase) for households unable to afford housing from their own resources.

Furthermore, this housing strategy will support the implementation of the Core Strategy of the development plan by pursuing the following guiding principles:

- Supporting the RSES regional settlement strategy which seeks to manage future growth in the region and consolidate development in Dublin city and suburbs. The continued implementation of the Strategic Development Regeneration Areas remains as a central element in the provision of new housing at scale within the City.

- Providing for an appropriate quantity and quality of residential accommodation incorporating sustainable densities and designs.
- Engaging in active land management through the Dublin Housing Supply Coordination Taskforce and working closely with other key stakeholders such as the Land Development Agency (LDA) and Approved Housing Bodies (AHBs).
- Providing for a variety of housing typologies and tenures that are adaptable, flexible and meet changing family needs over the family lifecycle and throughout people's lives.
- Providing for the right quantity of appropriate housing in the right locations that is accessible and affordable for all residents of the city through the implementation of the housing strategy.
- Providing for the creation of attractive mixed-use sustainable neighbourhoods that benefit from the phased delivery of supporting infrastructure.

The provision of Dublin's housing also requires attention to the wider policies and Core Strategy of the development plan. These policies advance the delivery of quality dwellings at higher densities to help create and help maintain a consolidated urban form that fosters the development of compact city neighbourhoods. In turn, compact neighbourhoods help ensure a critical mass of people can use and contribute to the viability of local residential infrastructure particularly as it relates to local social, economic, amenity, cultural and transport infrastructures. Planning for the production of compact, quality, accessible and affordable residential neighbourhoods must, therefore, ensure the realisation of the following key criteria for successful spaces and places to live and make a home:

1. Affordable dwellings for social, cost rental and purchase to ensure a mixed-income profile that will reduce undue social segregation in any compact neighbourhood.
2. Adaptable and flexible dwelling units that readily provide for changing needs over time and the life-cycle, including the needs of families with children and elderly households.
3. High-quality spacious dwelling units with good levels of amenity in terms of green open space, daylight and sunlight;
4. Sustainable building designs that are energy efficient and utilise renewable energy sources;
5. Dwellings with high quality, well designed communal areas.

6. Dwellings with good property management.
7. The agreed phasing of larger developments to ensure appropriate infrastructure is provided in tandem with residential development.

This housing strategy and interim HNDA sets out the measures and options available to Dublin City Council to deliver social, cost rental and affordable purchase housing over the lifetime of this and subsequent development plans (Section 7). These options include:

- The construction of new dwellings for social rental, cost rental and affordable purchase (including estate and area-based regeneration schemes and renovation and renewal of unoccupied or vacant public housing stock);
- The provision of new dwellings for social and affordable housing under Part V arrangements;
- The purchase, acquisition and leasing of new or second-hand dwellings;
- Casual vacancies from within existing social housing stock;
- The Rental Accommodation Scheme (RAS); and,
- The Housing Assistance Payment Scheme (HAP).

2.3 Housing Strategy and Interim HNDA Structure

The structure of this housing strategy is set out as follows:

- Housing Strategy Context (3.0)
- Baseline Demographics (4.0)
- Baseline Demographics and Housing (5.0)
- Housing Needs Demand Assessment (6.0)
- Meeting Social and Affordable Housing Demand (7.0)
- Policy Recommendations (8.0)

3.0 Housing Strategy Context

3.1 Legislative Context

The housing strategy is a requirement under Section 94 of the Planning and Development Act 2000. Part V of the Planning and Development Act (as amended) requires each planning authority to prepare a housing strategy which will cover the period of its development plan. The Act specifies that:

“...each housing strategy should have regard to the proper planning and sustainable development of an area and should be concerned with the overall supply of housing within the planning authority”.

Section 94 (3) of the Act (as amended by the Affordable Housing Act 2021) specifies that in preparing such a housing strategy, a planning authority shall take into account:

- The existing need and likely future need for housing for the purposes of the provision of social housing support, affordable dwellings and cost rental housing;
- The need to ensure that housing is available for persons who have different levels of income;
- The need to ensure that a mixture of house types and sizes is developed to reasonably match the requirements of the different categories of households, as may be determined by the planning authority, and including the special requirements of older people and persons with disabilities; and,
- The need to counteract undue segregation in housing between persons of different social backgrounds.

It is required that each housing strategy be consistent with high level strategic plans such as the National Planning Framework (NPF) and Housing for All: A New Housing Plan for Ireland. Planning Authorities are required to demonstrate how the housing strategy aligns with the population projections contained in the Core Strategy and the relevant Regional Spatial and Economic Strategy (RSES) for the Region. Development plans are also required to be consistent with Specific Planning Policy Requirements (SPPRs) specified in Guidelines made under Section 28 of the Act.

Urban Regeneration and Housing Act 2015

The Urban Regeneration and Housing Act 2015 amended the Planning and Development Act 2000 to include that there will be a requirement for up to 10 percent social housing in developments with more than nine units. It also introduces a series of measures to encourage urban regeneration, including the imposition of a vacant site levy to incentivise re-use of vacant and derelict sites for housing and urban renewal. Further legislative changes brought about by the Affordable Housing Act in 2021 have now altered and introduced further provisions with respect to the requirements for social and affordable housing.

Affordable Housing Act 2021

The Affordable Housing Act was enacted in July 2021. The purpose of the Act is to provide the legislative and policy framework for a number of schemes aimed at making housing for purchase and rent more affordable for eligible households. These include:

- The provision of affordable purchase housing by Local Authorities and the Land Development Agency;
- The introduction of a new Affordable Purchase Shared Equity Scheme for the delivery of homes by private developers; and,
- The introduction of a new form of rental tenure known as Cost Rental, which will initially see new dwellings delivered by the Land Development Agency, Approved Housing Bodies and Local Authorities for rent at least 25 percent below open market values.

The Act also provides the requirement that any new planning permission granted for housing subject to the Act will have a 20 percent Part V requirement on that land where:

- At least half of the land or equivalent net monetary value obtained under Part V must be used for social housing support;
- The remainder can be used for affordable purchase housing, cost rental housing or both; and,
- If there is no requirement for affordable housing, the remainder can be used as an additional discount on construction costs, or for more social housing.

In relation to housing strategies, the 2021 Act requires a housing strategy:

- To include an estimate of the amount of social, affordable purchase and cost rental housing which is required in the local authority area; and,
- To specify a percentage (not more than 20 percent) of land to be reserved for the delivery of social, affordable, and cost rental housing under Part V.

3.2 National and Regional Level Planning Policy

There has been significant change to planning policy at both national and regional level since the adoption of the Dublin City Development Plan 2016-2022. Housing Strategies must now be in conformity with a new, higher-tier planning and housing policy framework. This framework is made up of numerous policy documents, including:

- Part V of the Planning and Development Act 2000 – Guidelines for Planning Authorities (DoEHLG 2000).
- Sustainable Urban Housing, Design Standards for New Apartments: Guidelines for Planning Authorities (2018).
- Project 2040 – The National Development Plan and National Planning Framework (2018).
- Implementation Roadmap for the NPF (July 2018).
- Eastern and Midland Regional Spatial and Economic Strategy 2019-2031.
- Housing Supply Target Methodology for Development Planning, Guidelines for Planning Authorities' (2020).
- Circular Letter Housing 14/2021, Re: Housing Need and Demand Assessment (HNDA).

Part V of the Planning and Development Act 2000 – Guidelines for Planning Authorities (DoEHLG 2000)

The original 2000 Guidelines provide details on the framework and methodology to be used in developing a Model Housing Strategy to implement Part V of the Act in a practical manner. With regard to the provision of social housing, the DHPLG published its latest Guidelines on

Part V of the Planning and Development Act in 2017. These Guidelines, which address a number of specific issues (primarily relating to the making of Part V agreements), note the large number of circulars and guidance documents issued in the period from 2000 relating to Part V. The Guidelines go on to state that some of this guidance is either no longer relevant or requires updating. Specific reference is made to the 2000 Guidelines for Planning Authorities on Part V of the Planning and Development Act and the accompanying Model Housing Strategy and Step-by-Step Guide that are stated to require updating.

Sustainable Urban Housing, Design Standards for New Apartments: Guidelines for Planning Authorities (2018)

In 2018 the DHPLG issued its Sustainable Urban Housing, Design Standards for New Apartments: Guidelines for Planning Authorities. These Guidelines, which set out standards for apartment development, are an update of previous 2015 guidelines and include a number of new Specific Planning Policy Requirements (SPPRs) which must be applied by planning authorities and An Bord Pleanála in carrying out their functions.

SPPR1 provides that apartment developments may include up to 50 percent one-bedroom or studio type units (with no more than 20-25 percent of the total proposed development as studios) and there shall be no minimum requirement for apartments with three or more bedrooms. Statutory development plans may specify a mix for apartment and other housing developments, but only further to an evidence based Housing Need and Demand Assessment (HNDA) that has been agreed on an area, county, city or metropolitan area basis and incorporated into the relevant development plan.

- SPPR 9 of the Guidelines introduces a presumption against granting planning permission for shared accommodation/co-living developments unless the development is "required to meet specific demand identified" by a HNDA process.

Project 2040 – The National Development Plan and National Planning Framework

Project Ireland 2040 is the Government's overarching policy initiative for the country, and is comprised of the National Planning Framework (NPF) and the National Development Plan (NDP), 2018 - 2027. The vision for housing is to balance the provision of good quality housing that meets the needs of a diverse population, in a way that makes our cities, towns, villages and rural areas good places to live now and in the future.

The NPF predicts that between 2018 and 2040, an average output of at least 25,000 new homes will need to be provided in Ireland every year to meet people's needs for well-located and affordable housing. Within this figure, there is a wide range of differing housing needs that will be required to be met. The Framework states that achieving this level of supply will require increased housing output into the 2020s to deal with a deficit that has built up since 2010. To meet projected population and economic growth as well as increased household formation, annual housing output will need to increase between 30,000 to 35,000 homes per annum in the years to 2027 and will be subject to monitoring and review.

The NPF identifies a number of national core principles to guide future housing as follows:

- Ensure a high standard quality of life for future residents as well as environmentally and socially sustainable housing and placemaking through integrated planning and consistently excellent design.
- Allow for choice in housing location, type, tenure and accommodation in responding to need.
- Prioritise the location of new housing provision in existing settlements as a means to maximising better quality of life for people through accessing services, ensuring a more efficient use of land and allowing for greater integration with existing infrastructure.
- Tailor the scale and nature of future housing provision to the size and type of settlement where it is planned to be located.
- Integrate housing strategies where settlements straddle boundaries (county and/or regional).
- Utilise existing housing stock as a means to meeting future demand.

National Policy Objective (NPO) 37 of the NPF states that a Housing Need Demand Assessment (HNDA) is to:

- Be undertaken for each Local Authority Area in order to correlate and accurately align future housing requirements;
- Be undertaken by Local Authorities with coordination assistance to be provided by the Regional Assemblies, and at a Metropolitan scale, particularly where inter-county and inter-regional settlement interactions are to be planned for and managed;

- Be undertaken to primarily inform housing policies, housing strategies and associated land use zoning policies as well as assisting in determining where new policy areas or investment programmes are to be developed; and,
- Be supported through the establishment of a coordination and monitoring unit to assist Local Authorities and Regional Assemblies in the development of the HNDA (DHPLG, Regional Assemblies and the Local Authorities). This will involve developing and coordinating a centralised spatial database for Local Authority Housing data that supports the HNDA being undertaken by Local Authorities.

The NPF references the fact that there are a number of key evidence inputs which inform and drive a HNDA model namely:

- Demographic trends, affordability trends and wider economic trends;
- Housing stock profile pressures; and,
- Estimating future housing need and demand.

The NPF provides additional clarification as to the nature and role of HNDAs and links their use to the need to ensure that the plan making system is supported by a robust methodology to inform policies around housing and to support the preparation of housing strategies with long term strategic views of housing need across all tenures, and providing a robust evidence base to support decisions about new housing supply.

Implementation Roadmap for the NPF (July 2018)

Subsequent to the publication of the NPF in 2018, a NPF 'Roadmap' circular was issued to all planning authorities, setting out projected county population ranges (in the format of minimum and maximum parameters), for both 2026 and 2031. These population projections, set out in Appendix 2 of the NPF Roadmap, have subsequently been incorporated into the statutory Regional Spatial and Economic Strategies (RSEs) adopted by each of three Regional Assemblies. Table 1 below shows the projection for County Dublin as a whole for 2016, 2026 and 2031.

Table 1: Population Projection for County Dublin, 2016-2031 (as revised)

| Dublin | 2016 | 2026 | 2031 |
|--------|-----------|--------------------------|--------------------------|
| | 1,347,500 | 1,489,000 - 1,517,500 | 1,549,000 - 1,590,000 |

Source: Government of Ireland (2018) NPF Implementation Roadmap, Appendix 2

Housing Supply Target Methodology for Development Planning, Guidelines for Planning Authorities' (2020)

The Department of Housing, Local Government and Heritage issued Section 28 Guidelines on 'Housing Supply Target Methodology for Development Planning' in December 2020. These guidelines are intended to assist planning authorities in appropriately integrating the strategic national and regional population projections into their statutory planning processes, such as the preparation of their city/county development plan and the preparation of their housing strategy, informed by the Housing Need and Demand Assessment (HNDA) process. The Guidelines and associated Appendix give projected housing demand produced by the ESRI in each local authority area for the period of 2020-2031. Table 2 below details the Housing Supply Target given for Dublin City Council.

Table 2: ESRI NPF Scenario Housing Supply Target

| Dublin City Council | Annual Average | Total Households |
|--|----------------|------------------|
| A ESRI NPF scenario projected new household demand 2017 to 2031 | 3,864 | 57,960 |
| B Actual new housing supply 2017-19 | 1,755 | 5,266 |
| C Homeless households, and estimated unmet demand as at Census 2016 | N/A | 5,634 |
| D Housing Demand 2020-31 = Total (A-B+C)/12 | 4,861 | 58,328 |

Source: Appendix 1 – Housing Demand and Housing Supply Targets, DHLGH.

Circular Letter Housing 14/2021, Re: Housing Need and Demand Assessment (HNDA), DHLGH

The Department's Circular Letter, 14/2021 clarifies that a HNDA is to be used as the central evidence base to inform the housing strategy preparation (under section 94 of the Planning and Development Act 2000).

The Circular letter further clarifies that the ESRI NPF Scenario Housing Supply Targets of December 2020 (see above) facilitate decisions regarding new housing supply targets for the six year period of development plans that are being formulated currently and that decisions on new housing supply targets are to be determined in advance of the full integration of new HNDA methodology into the housing strategy preparation process. Planning authorities are therefore advised to ensure that the relevant Housing Supply Target determined through applying the Housing Supply Target Methodology for Development Planning is used as the basis for the development plan process.

In this regard, 'Guidance on the Preparation of a Housing Need and Demand Assessment' issued by DHLGH and accompanying Circular Letter, 14/2021 provides detail on a consistent HNDA methodology that can provide local authorities with the necessary baseline information for the making of their housing strategies as they move through their development plan process.

The Eastern and Midland Regional Spatial and Economic Strategy 2019-2031

The Regional Spatial and Economic Strategy (RSES) for the EMRA area sets out a strategic plan and investment framework to shape development and manage planning in the Region. The RSES contains 16 Regional Strategic Outcomes (RSOs), which are aligned with the NPF and also sets out a suite of Regional Policy Objectives (RPOs).

The growth strategy for the region supports the continued sustainable growth of Dublin and its transition to a low carbon, climate resilient and environmentally sensitive region in accordance with the Dublin Metropolitan Area Strategic Plan (MASP), which is contained in the RSES. The RSES sets out specific population projections for Dublin City Council up to 2031 as per Table 3.

Table 3: RSES Baseline Population Projections for Dublin City Council, 2016-2031

| Dublin City Council | 2016 | 2026 low - 2026 high | 2031 low - 2031 high |
|---------------------|---------|----------------------|----------------------|
| | 554,500 | 613,000 - 625,000 | 638,500 - 655,000 |

Source: EMRA (2019) RSES, Appendix B Strategic Planning Area (SPA) and County Population Tables.

Section 9.3 of the RSES addresses the issue of housing and regeneration, focusing on housing supply and affordability, housing tenure and homelessness. The provision of affordable, appropriate and adaptable accommodation is identified as a key challenge facing the Eastern and Midland Region.

The importance of rigorously assessing housing need is also emphasised. To this end, the RSES references NPO 37 on the preparation of Housing Need Demand Assessments, stating that a Regional HNDA is appropriate for the four Dublin local authorities, pending statutory guidance on the matter.

Regional Policy Objective (RPO) 9.5 provides to “support local authorities, either individually or combined, in the provision of a Housing Need Demand Assessment that will inform housing policy that provides for diverse housing demand and is in accordance with statutory guidelines”. The RSES goes on to note that new statutory guidelines on development plans will be provided in relation to housing provision and the gathering of housing data.

3.3 National Housing Policy

Programme for Government: Our Shared Future (2020)

The ‘Programme for Government: Our Shared Future’ was published in June 2020 and sets out key goals the Government will pursue over its term. This Programme places emphasis on housing policy through the ‘Housing for All’ mission and is based on eight pillars setting a five-year vision for housing policy:

- Put affordability at the heart of the housing system.
- Prioritise the increased supply of public, social and affordable homes.
- Progress a State-backed affordable home purchase scheme to promote home ownership.

- Increase the social housing stock by more than 50,000, with an emphasis on new builds.
- Tackle homelessness.
- Ensure local authorities are central to delivering housing.
- Work with the private sector to ensure an appropriate mix and type of housing is provided nationally.
- Improve the supply and affordability of rental accommodation and the security of tenure for renters.

The Government has expanded on the ‘Housing for All’ mission with the publication of Housing for All: A new Housing Plan for Ireland in September 2021. Housing for All replaces Rebuilding Ireland as the main national housing plan to 2030.

Housing for All - a New Housing Plan for Ireland (Sept 2021)

The government’s vision for the housing system over the longer term is to achieve a steady supply of housing in the right locations with economic, social and environmental sustainability built into the system. Launched in September 2021, ‘Housing for All - a New Housing Plan for Ireland’ is the government’s housing plan to 2030. It is a multi-annual, multi-billion euro plan which seeks to improve Ireland’s housing system and deliver more homes of all types for people with different housing needs. The plan aims to satisfy demand for housing across four tenures – affordable, social, private rental and private ownership. The plan estimates that that Ireland will need an average of 33,000 new homes to be provided each year from 2021 to 2030 to meet targets set out for additional households, as outlined in the National Planning Framework. This will include over 10,000 social homes each year over the next five years, with 9,500 of these being new-builds, and an average of 6,000 affordable homes for purchase or rent. The projected housing output is given in Table 3.1 below.

Table 3.1: Projected Housing Output (New Build) 2022- 2030

| Tenure | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Social Homes | 9,000 | 9,100 | 9,300 | 10,000 | 10,200 | 10,200 | 10,200 | 10,200 | 10,200 |
| Affordable and Cost Rental | 4,100 | 5,500 | 6,400 | 6,400 | 6,100 | 6,300 | 6,400 | 6,300 | 6,300 |
| Private Rental and Private Ownership | 11,500 | 14,400 | 17,750 | 18,200 | 19,800 | 20,400 | 21,500 | 23,000 | 24,000 |
| Total | 24,600 | 29,000 | 33,450 | 34,600 | 36,100 | 36,900 | 38,100 | 39,500 | 40,500 |

Source: Housing for All: A new Housing Plan for Ireland pp32

The plan provides four pathways to achieving housing for all supported by actions to be taken by government departments, local authorities, State agencies and others to enable a sustainable housing system. Please refer to www.gov.ie/housing for the full detail of actions included in the plan. The four pathways to housing for all are:

1. Supporting home ownership and increasing affordability.
2. Eradicating homelessness, increasing social housing delivery and supporting social inclusion.
3. Increasing new housing supply.
4. Addressing vacancy and efficient use of existing stock.

An overarching governance structure will be established in the Department of the Taoiseach to oversee the implementation of Housing for All. Government departments, State agencies, Local Authorities, Approved Housing Bodies (AHBs), the Land Development Agency (LDA) and other delivery partners will work with the delivery office to achieve the implementation of the plan. Housing for All is supported by the Affordable Housing Act 2021.

Housing Options for Our Ageing Population (2019)

In 2019, the Department of Housing, Planning and Local Government (DHPLG) in conjunction with the Department of Health (DOH) issued a policy statement 'Housing Options for Our Ageing Population'. The purpose of the Statement is to provide a policy framework to support Ireland's ageing population in a way that will increase the

accommodation options available and give meaningful choice in how and where people choose to live as they age. It identifies a programme of 40 strategic actions to further progress housing options for older people under the themes of data gathering, collaborative working, delivering choice, support services, comfort and safety and maintaining momentum.

National Vacant Housing Reuse Strategy 2018-2021

Published in 2018, the National Vacant Housing Reuse Strategy supports Pillar 5 of the Rebuilding Ireland: Action Plan for Housing and Homelessness, drawing together relevant policy initiatives and actions to reduce vacancy in Ireland's housing stock and bring as many habitable homes back into use as possible. To support this overall Strategic Objective the strategy sets out five key objectives and relevant Key Actions to support their accomplishment:

- Objective 1: Establish robust, accurate, consistent and up-to-date data sets on vacancy.
- Objective 2: Bring forward measures to ensure, to the greatest degree possible, that vacant and underused privately owned properties are brought back to use.
- Objective 3: Bring forward measures to minimise vacancy arising in Social Housing Stock.
- Objective 4: Continued engagement with and provision of support to key stakeholders to ensure suitable vacant properties held by banks, financial institutions and investors are acquired for social housing use.
- Objective 5: Foster and develop cross-sector relationships, collaborating in partnership to tackle vacant housing matters.

Housing First National Implementation Plan 2018-2021

This implementation plan was launched by the Minister of Housing and the Minister of Health in September 2018. The key principles of the Housing First approach are stated whereby housing will be provided to rough sleepers and the long-term homeless alongside a range of supports. The plan sets targets for each Local Authority area to deliver.

Residential Tenancies Board Legislation 2017

The Residential Tenancies Act 2004 was revised to establish Rent Pressure Zones in the Dublin area and elsewhere as a means of controlling the evident increases in rental inflation for private rented

accommodation and capping annual increases to a maximum of 4 percent. The Residential Tenancies (Amendment) Act 2019 was signed into law on May 31st, 2019. The Act provides the RTB with more effective powers to directly regulate the rental sector, particularly in relation to Rent Pressure Zones and associated Rent Exemptions, and in relation to Notice of Terminations. The legislation sets out a complaints, investigations and sanctions process that will allow the RTB to proactively monitor and enforce the legislation.

Rebuilding Ireland – An Action Plan for Housing and Homelessness (2016)

The overarching aim of Rebuilding Ireland is to significantly increase the supply of housing across all tenures to help individuals and families meet their housing needs. The Action Plan pledged to support the enhanced role of existing initiatives for Social Housing delivery and also introduced a number of new initiatives and schemes, as follows:

Local Authority Construction & Acquisition (Social Housing Investment Programme)

To provide funding to local authorities for the provision of social housing by means of construction and acquisition. It also covers expenditure under the Rapid Build Housing Programme, Part V acquisitions, Land Aggregation Scheme and the Special Resolution Fund for unfinished housing developments.

Capital Assistance Scheme (CAS)

To provide essential funding to AHBs for the provision of accommodation for persons with specific categories of housing need such as Homeless and Older Persons, People with Disabilities, Returning Emigrants and Victims of Domestic Violence.

Vacant Housing Repair and Leasing Initiative

This scheme enables local authorities, having identified appropriate vacant privately-owned properties in their functional areas, to provide upfront financial assistance to meet reasonable renovation works and to enter into long term lease arrangements with property owners.

Part V Delivery

The Action Plan sets out a commitment to ensure adequate resources are made available to both local authorities and Approved Housing

Bodies, to allow them to purchase or lease newly built private dwellings to the fullest extent envisaged by Part V of the Planning and Development Act 2000. In addition, where appropriate, the leasing of additional privately developed dwellings beyond the extent envisaged by Part V is supported. Furthermore, the up-front purchase of the Part V social housing requirement will be facilitated.

Prior to the introduction of Rebuilding Ireland in 2016, there were a number of other government policy documents relating to housing provision in place including:

- Construction 2020 – A Strategy for a Renewed Construction Sector (2014)
- Social Housing Strategy 2020 – Support, Supply and Reform (2014)
- The National Statement on Housing Policy (2011)
- The National Housing Strategy for People with a Disability (2011)

As part of the development plan making process, this housing strategy and interim HNDA have been prepared having regard to all necessary and relevant government housing policy documents, including those listed above.

4.0 Baseline - Demographics

This section provides an overview of the existing population profile in Dublin City Council to inform the housing strategy. Most of the demographic information outlined is sourced from the Central Statistics Office (CSO) unless otherwise referenced.

4.1 Population Change

The population of Dublin city has increased on average by approximately 5 percent each intercensal period between 2006 -2016. The 2006 Census recorded a population figure of 506,211, rising to a recorded population figure of 527, 612 (+ 4.2 percent) in 2011 with a recorded population figure of 554,554 (+5 percent) in Census 2016.

Table 4: Population Change

| Census year | Population | % increase |
|-------------|------------|--------------------|
| 2006 | 506,211 | |
| 2011 | 527,612 | +4.2% over 5 years |
| 2016 | 554,554 | +5% over 5 years |

| Census year | Population | % increase |
|------------------------------|------------|-------------------|
| 2020 CSO population estimate | 595,434 | 7.4% over 4 years |

Source: CSO Census

The CSO’s 2020 population estimate for the Dublin Region was 1,417,700* persons. Dublin City Council’s share of the 2016 Census regional population figure for Dublin was approximately 42 percent. Assuming the same share for the CSO 2020 estimated regional population figure for Dublin, this gives an estimated population figure of 598,434 for Dublin City Council in April 2020. This indicates an estimated 7.4 percent rise in the population of Dublin city over a four year period from 2016 through to 2020.

*new CSO population estimates published for April 2021 give estimated population for Dublin region at 1,426,000 persons. Using same approach as above, estimate of population can now be calculated to be 598,920. See here for more: <https://www.cso.ie/en/releasesandpublications/ep/p-pme/populationandmigrationestimatesapril2021/mainresults/>

Table 5, shows the population of Dublin City Council, the other Dublin Authorities, County Dublin and the EMRA area as a percentage of the overall percentage of the state, and confirms Dublin City’s dominance in the region with nearly 12 percent of the State’s population.

Table 5: Population of Dublin City Council as a Percentage of the Population of the State, 2006-2016

| Area | 2006 | 2011 | 2016 |
|----------------------|-----------|-----------|-----------|
| Dublin City | 506,211 | 527,612 | 554,554 |
| % of State | (11.9%) | (11.5%) | (11.7%) |
| DLR | 194,038 | 206,261 | 218,018 |
| % of State | (4.6%) | (4.5%) | (4.6%) |
| Fingal | 239,992 | 273,991 | 296,020 |
| % of State | (5.7%) | (6.0%) | (6.2%) |
| South Dublin | 246,935 | 265,205 | 278,767 |
| % of State | (5.8%) | (5.8%) | (5.9%) |
| County Dublin | 1,187,176 | 1,237,069 | 1,347,359 |
| % of State | (28.0%) | (27.0%) | (28.3%) |
| EMRA | 2,025,467 | 2,209,463 | 2,328,517 |
| % of State | (47.8%) | (48.2%) | (48.9%) |
| State | 4,239,848 | 4,588,252 | 4,761,865 |

Source: CSO Census

4.2 Age Profile

Table 6 shows the age of people living in Dublin City Council at the time of the 2016 Census by different age groups. Dublin City falls below county, regional and state percentages in the proportion of population in the 0-4 years age group as well as in the 5-19 years age group. For over 65’s Dublin City Council broadly aligns with the County, Region and State averages.

Table 6: Age Profile of Dublin City Council 2016

| | 0 - 4 years | 5 - 19 years | 20 - 39 years | 40 - 64 years | 65+ |
|-------------------|-------------|--------------|---------------|---------------|---------|
| DCC | 58,620 | 53,374 | 213,801 | 156,404 | 72,355 |
| (%) | (10.6%) | (9.6%) | (38.6%) | (28.2%) | (13.0%) |
| Co. Dublin | 181,831 | 156,870 | 447,522 | 396,152 | 164,984 |
| (%) | (13.5%) | (11.6%) | (33.2%) | (29.4%) | (12.2%) |
| EMRA | 339,582 | 296,752 | 704,507 | 707,844 | 279,832 |
| (%) | (14.6%) | (12.7%) | (30.3%) | (30.4%) | (12.0%) |
| State | 687,076 | 622,292 | 1,322,467 | 1,492,463 | 637,567 |
| (%) | (14.4%) | (13.1%) | (27.8%) | (31.3%) | (13.4%) |

Source: CSO Census

4.3 Family Profile

Table 7 presents data relating to household composition or the family cycle in Dublin City Council for 2016 based on the following CSO classification for family units:

- **Pre- family:** Family nucleus of married or cohabiting couple without children where female is under 45 years.
- **Pre-school:** Family nucleus where oldest child is aged 0-4 years.
- **Early-school:** Family nucleus where oldest child is aged 5-9 years
- **Pre-adolescent:** Family nucleus where oldest child is aged 10-14 years.
- **Adolescent:** Family nucleus where oldest child is aged 15-19 years.

- **Adult:** Family nucleus where oldest child is aged 20 years and over.
- **Empty-nest:** Family nucleus of married or cohabiting couple without children where female is aged between 45 and 64 years.
- **Retired:** Family nucleus of married or cohabiting couple without children where female is aged 65 years and over.

The data shows that Dublin City Council has a noticeably higher proportion of the Pre-family category (with 18.3 percent) than the County, Region or State.

Table 7: Population Categorised by Family Cycle, 2016

| Area | Pre Family | Empty Nest | Retired | Pre-School | Early-School | Pre-Adol- escent | Adol- escent | Adult |
|----------------|------------|------------|---------|------------|--------------|---------------------|-----------------|---------|
| DCC | 22,925 | 9,880 | 11,452 | 13,387 | 12,487 | 10,648 | 12,166 | 32,255 |
| % total | (18.3%) | (7.9%) | (9.1%) | (10.7%) | (10.0%) | (8.5%) | (9.7%) | (25.8%) |
| Dublin | 43,144 | 27,104 | 31,525 | 5,775 | 39,251 | 34,502 | 35,678 | 84,809 |
| % total | (13.0%) | (8.1%) | (9.5%) | (11.0%) | (11.8%) | (10.4%) | (10.7%) | (25.5%) |
| EMRA | 63,235 | 52,641 | 54,412 | 632,68 | 72,770 | 67,113 | 69,675 | 148,351 |
| % total | (10.7%) | (8.9%) | (9.2%) | (10.7%) | (12.3%) | (11.3%) | (11.8%) | (25.1%) |
| State | 111,525 | 121,720 | 122,404 | 122,285 | 144,861 | 139,045 | 150,353 | 306,177 |
| % total | (9.2%) | (10.0%) | (10.0%) | (10.0%) | (11.9%) | (11.4%) | (12.3%) | (25.1%) |

Source: CSO Census

5.0 Baseline - Housing

5.1 Housing Stock and Vacancy

Table 8 presents CSO census data relating to the total housing stock, the number of vacant units as well as the percentage of vacant units in Dublin City Council in 2011 and 2016. The census data indicates that between 2011 and 2016, the growth in housing stock in Dublin was relatively static. This is consistent with the overall decline in construction activity associated with the recessionary impacts in Ireland of the Global Financial Crisis (GFC). The data also shows that there was a decrease in the total number and percentage of residential units which were classified as vacant at the time of the 2011 and 2016 census.

Table 8: Total Housing Stock, Residential Vacancy in Dublin City Council, 2011-2016

| Area | Stock and Vacancy | 2011 | 2016 | Change 2011-2016 |
|-------------------|-------------------|-----------|-----------|------------------|
| DCC | Total Stock | 241,678 | 240,553 | -1,125 |
| | Vacant | 24,638 | 19,446 | -5,192 |
| | (% total stock) | (10.19%) | (8.08%) | (-2.11%) |
| Co. Dublin | Total Stock | 900,589 | 906,960 | 6,371 |
| | Vacant | 84,503 | 64,906 | -19,597 |
| | (% total stock) | (9.38%) | (7.16%) | (-2.23%) |
| State | Total Stock | 1,994,845 | 2,003,645 | 8,800 |
| | Vacant | 289,451 | 245,460 | -43,991 |
| | (% total stock) | (14.51%) | (12.25%) | (-2.26%) |

Source: CSO Census

While accurate and timely data on intercensal residential vacancy rates are not sufficiently available at present, housing policy objective 19.12 of Housing For All commits to collect data on vacancy levels in residential property with a view to introducing a vacant property tax. To this end, the Local Property Tax returns of November 2021 will be relied upon to provide data on vacancy levels in residential property.

5.2 Planning and Construction Activity for New Housing Supply

The Dublin Housing Task Force (DHTF) provides a quarterly update of residential planning and construction activity for the four Dublin Local Authorities. The DHTF figures provide a 'snapshot' in time that includes all extant permissions that are 'live' at the time the DHTF return is prepared and published. As of Q1 2021, there were 22,972 residential units with extant permissions across the City and there were a further 5,609 proposed residential units pending a planning decision. In addition, there were potentially 23,055 residential units at pre planning consultation (PACs) stage.

Table 9: Dublin City Council DHTF Returns Q1 2021

| Planning Application Stage (Q1 2021) | No of residential units |
|--|-------------------------|
| Extant Planning Permissions (permitted) | 22,972 |
| Pending Planning applications (proposed) | 5,609 |
| Pre planning consultation [PACs] (potential) | 23,055 |

Source: DHTF Returns

A closer examination of the data provides further detail on the uptake of permissions. As detailed in Table 10, permission for 14,413 residential units has not yet been activated.

Table 10: Dublin City Council DHTF Returns Q1 20201 - Construction Site Activity

| Sites | No. of sites | No. of residential units |
|------------------|--------------|--------------------------|
| Active site | 70 | 8,559 |
| Non active sites | 129 | 14,413 |
| Total | 199 | 22,972 |

Source: DHTF Returns

This low uptake of permissions has been a trend for a number of years. The figures in Table 11 have been taken from the first quarter (Q1) over the last 5 years of Housing Taskforce Returns to highlight the level of construction on the ground versus the level of extant permissions in the system. Whilst the data shows that the level of extant permissions has more than doubled in a four year period, from approximately 8,000 units in 2017 to over 22,972 in 2021, it also reveals that the average ratio of extant permissions to residential units under construction in Dublin City is 1:4.7 in Q1 2021. This analysis demonstrates a trend that notwithstanding the high volume of extant permissions, only approximately one fifth of the permissions granted are being realised on the ground. The reasons for this are many, including the complex nature of site development, acquisition, land speculation and funding models in the city.

Table 11: Analysis of Dublin City Council DHTF Returns Q1 2017 – Q1 2021 – Ratio of Residential Permissions and on Site Activity

| Permission / Construction | Q1 2017 | Q1 2018 | Q1 2019 | Q1 2020 | Q1 2021 |
|---------------------------|---------|------------|-------------|-----------|----------|
| No. Extant Permissions | 8,014 | 10,927 | 11,466 | 18,836 | 22,972 |
| No. Under Construction | 1,924 | 2,695 | 1,914 | 4,334 | 5,316 |
| Approx. Ratio | 8:2 = 4 | 11:2.5=4.4 | 11.5:2=5.75 | 19:4=4.75 | 23:5=4.6 |

Source: DHTF Returns

Figure 1: Chart of Dublin City Council DHTF Returns Q1 2017 – Q1 2021 – Residential Permissions and on Site Activity



Source: DHTF Returns

According to CSO New Dwelling Completions figures for Q4 2016 – Q4 2020 the numbers of new dwellings completed in Dublin city since the adoption of the last development plan (from Q4 2016 until Q4 2020) was 7,687 units, or, on average 1,922 units per year. Assuming the same annual average applies going forward, then completions within the full six year period of the current development plan to 2022 would realise c. 11,530 units.

5.3 Household Size

Table 12 presents Census data from 2011 and 2016 relating to the number of private households, the number of persons in private households and the average number of persons in private households in Dublin City Council as well as the same information at county, regional and national level.

According to the CSO, a 'private household' comprises either one person living alone or a group of people (not necessarily related) living at the same address with common housekeeping arrangements - that is, sharing at least one meal a day or sharing a living room or sitting room.

The table indicates that contrary to historical trends towards smaller household sizes, the average number of persons in private households in Dublin City Council, but also across the region and in the State as a whole increased between 2011 and 2016. This increase may in part, be attributed to economic conditions related to the GFC.

Table 12: Private Households in Dublin City Council 2011-2016

| | 2011 | | | 2016 | | |
|-------------------|--------------------|-------------------------------|---|--------------------|-------------------------------|---|
| | Private households | Persons in private households | Average number of persons in private households | Private households | Persons in private households | Average number of persons in private households |
| DCC | 208,008 | 499,659 | 2.40 | 211,747 | 525,229 | 2.48 |
| DLR | 75,819 | 202,594 | 2.67 | 78,601 | 213,468 | 2.72 |
| FCC | 93,146 | 271,958 | 2.92 | 96,812 | 292,989 | 3.03 |
| SDCC | 90,019 | 263,723 | 2.93 | 92,523 | 277,168 | 3.00 |
| Co. Dublin | 466,992 | 1,237,934 | 2.65 | 479,683 | 1,308,854 | 2.73 |
| EMRA | 791,688 | 2,168,270 | 2.74 | 815,557 | 2,282,857 | 2.80 |
| State | 1,654,208 | 4,510,409 | 2.73 | 1,702,289 | 4,676,648 | 2.75 |

Source: CSO Census

5.4 Housing Stock Type

Table 13 shows private households by type of private accommodation in Dublin City Council based on Census data from 2006-2016. The historic composition of the dwelling stock presented demonstrates a steady and consistent trend in Dublin City for apartments and flats comprising a growing proportion of the dwelling stock at 35.1 percent as of 2016.

Table 13: Households by Dwelling Type in Dublin City, 2006-2016

| Households | 2006 | 2011 | 2016 | 2006 | 2011 | 2016 |
|---------------------------------|---------|---------|---------|-------|-------|-------|
| House/Bungalow | 125,357 | 133,014 | 133,709 | 69.7% | 67.0% | 64.8% |
| Flat/Apartment | 54,329 | 65,497 | 72,526 | 30.2% | 33.0% | 35.1% |
| Caravan/Mobile Home | 273 | 161 | 156 | 0.2% | 0.1% | 0.1% |
| Total (incl. Not Stated) | 190,984 | 208,008 | 211,747 | | | |

Source: CSO Census

5.4.1 Change in Private Households by Type of Private Accommodation

Table 14 which shows the average change in selected types of private accommodation between 2006 and 2016. This confirms an increase in the provision of apartment developments over other dwelling types.

Table 14: Historic Dwelling Type Change in Dublin City 2006-2016

| Persons Per Household | Change % | | Average Change % | |
|----------------------------|----------|-------|------------------|-------------|
| | 06-11 | 11-16 | Intercensal Avg. | Annual Avg. |
| House/Bungalow | -2.7% | -2.2% | -2.4% | -0.49% |
| Flat/Apartment | 2.8% | 2.2% | 2.5% | 0.50% |
| Caravan/Mobile Home | -0.1% | 0.0% | 0.0% | -0.01% |

Source: CSO Census

5.4.2 Number of Rooms and Bedrooms per Dwelling

Table 15 shows household size composition for DCC for each Census between 2002 and 2016. Compared to the State as a whole in 2016, Dublin City had a higher proportion of one-person households (28.3 percent compared to 23.5 percent nationally) and two-person households (32 percent compared to 28.6 percent nationally), and a lower proportion of four-person households (13.2 percent compared to 16.9 percent nationally) and five plus person households (9.4 percent compared to 13.5 percent nationally).

Table 15: Historic Household Composition in Dublin City, 2002-2016

| Persons Per Household | 2002 | 2006 | 2011 | 2016 | 2002 | 2006 | 2011 | 2016 |
|-----------------------|---------|---------|---------|---------|-------|-------|-------|-------|
| 1 person | 52,517 | 55,957 | 63,795 | 60,001 | 29.0% | 29.3% | 30.7% | 28.3% |
| 2 persons | 51,644 | 58,295 | 66,684 | 67,707 | 28.6% | 30.5% | 32.1% | 32.0% |
| 3 persons | 30,086 | 32,144 | 34,557 | 36,277 | 16.6% | 16.8% | 16.6% | 17.1% |
| 4 persons | 24,607 | 24,956 | 24,979 | 27,943 | 13.6% | 13.1% | 12.0% | 13.2% |
| 5+ persons | 21,998 | 19,501 | 17,993 | 19,819 | 12.2% | 10.2% | 8.7% | 9.4% |
| Total | 180,852 | 190,853 | 208,008 | 211,747 | | | | |

Source: CSO Census

5.4.3 Flats/Apartments in Purpose Built Blocks by Nature of Occupancy

Table 16 presents Census data relating to the nature of occupancy associated with flats or apartments in purpose built blocks in 2016. This does not include flats or apartments in converted houses or buildings. The data shows that just over half of such apartments in Dublin City Council are rented from private landlords with less than 20 percent owner occupied.

Table 16: Flats/Apartments in Purpose Built Blocks by Nature of Occupancy, Dublin City Council, 2016

| | Owner Occupied | Rented Private Landlord | Rented LA / AHB | Free of Rent / Not Stated | Total |
|------------|----------------|-------------------------|-----------------|---------------------------|---------|
| DCC | 10,365 | 30,932 | 13,506 | 5,546 | 60,349 |
| (% total) | (17.2%) | (51.3%) | (22.4%) | (9.2%) | |
| Co. Dublin | 24,709 | 53,184 | 18,814 | 8,388 | 105,095 |
| (% total) | (23.5%) | (50.6%) | (17.9%) | (8.0%) | |

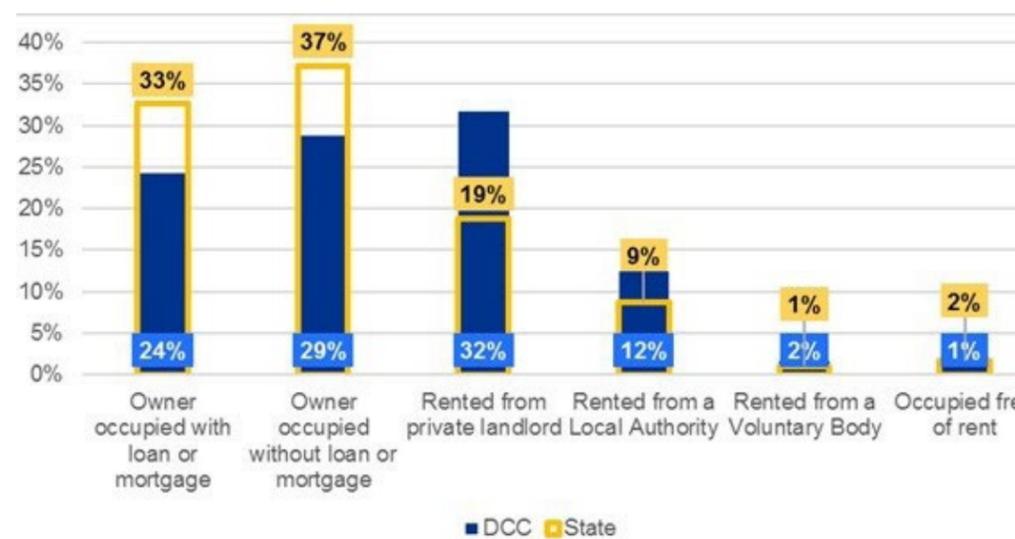
| | | | | | |
|------------------|---------|---------|---------|--------|---------|
| EMRA | 29,693 | 65,127 | 21,837 | 9,671 | 126,328 |
| (% total) | (23.5%) | (51.6%) | (17.3%) | (7.7%) | |
| State | 35,094 | 92,356 | 31,186 | 13,460 | 172,096 |
| (% total) | (20.4%) | (53.7%) | (18.1%) | (7.8%) | |

Source: CSO Census

5.5 Housing Tenure

An examination of the 2016 census for household tenure indicates that 68 percent of households in the State are owner-occupied (both with and without mortgages). In Dublin City by comparison just 52.9 percent of households are owner-occupied. The breakdown of households by type of tenure are compared between Dublin City and the State in the Figure below.

Figure 2: Tenure Breakdown in Dublin City and the State (Census 2016)



Source: CSO Census

5.5.1 Private Rental – Number of Households

Table 17 presents data from the 2011 and 2016 relating to households which rented from a private landlord differentiated by the broad housing categories. The emerging trend shows a decrease in rental of private houses with an increase of rental for Flats, Apartments and Bedsits.

Table 17: All Households Rented from Private Landlord in Dublin City Council 2011-2016

| | Detached House | | Semi-Detached and Terraced House | | Flat, Apartment and Bedsit | | All Households Rented from Private Landlord | |
|------------------|----------------|---------|----------------------------------|---------|----------------------------|---------|---|---------|
| | 2011 | 2016 | 2011 | 2016 | 2011 | 2016 | 2011 | 2016 |
| DCC | 2,907 | 2,273 | 20,041 | 18,918 | 42,553 | 41,017 | 66,613 | 62,865 |
| Co. Dub | 8,017 | 6,751 | 43,605 | 41,535 | 63,120 | 64,844 | 116,935 | 114,462 |
| (% total) | (6.9%) | (5.9%) | (37.3%) | (36.3%) | (54.0%) | (56.7%) | | |
| EMRA | 19,253 | 18,890 | 67,821 | 66,926 | 76,201 | 79,031 | 166,375 | 166,863 |
| (% total) | (11.6%) | (11.3%) | (40.8%) | (40.1%) | (45.8%) | (47.4%) | | |
| State | 54,970 | 57,159 | 134,600 | 134,685 | 11,0519 | 114,085 | 305,377 | 309,728 |
| (% total) | (18.0%) | (18.5%) | (44.1%) | (43.5%) | (36.2%) | (36.8%) | | |

Source: CSO Census

5.6 House Price Trends

In this section, house prices (Inc. apartments) are examined based on data sourced from the CSO - Property Price Register. Property transaction prices in Dublin City Council have fluctuated significantly throughout the last ten years and it is anticipated that there will be a continuation of change throughout the plan period.

Table 18: Average Dwelling Price in Dublin City, 2013-2020

| Year | Dublin City | |
|-------------|-------------|---------------|
| | % Change | Average Price |
| 2013 | 12.3% | €283,575 |
| 2014 | 6.3% | €301,352 |
| 2015 | 6.2% | €320,085 |
| 2016 | 11.4% | €356,524 |
| 2017 | 10.5% | €394,112 |
| 2018 | 7.0% | €421,561 |
| 2019 | -2.1% | €412,828 |
| 2020 | 1.7% | €419,650 |

Source: KPMG FA.

5.7 Private Rental Trends

In this section, the costs of private rental in Dublin city are examined. To ensure a comprehensive capture of the rental market, analysis of the Residential Tenancies Board register and price index hosted by the CSO has been performed. The Table below sets out the average rent in Dublin city, based on the neighbourhood areas that were deemed representative of the local authority boundary along with the annual average percentage change in rent.

Table 19: Historic Average Rent in Dublin City

| Year | % Change | Average Price |
|-------------|----------|---------------|
| 2013 | 3.2% | €1,019 |
| 2014 | 8.0% | €1,100 |
| 2015 | 8.3% | €1,191 |
| 2016 | 7.7% | €1,282 |
| 2017 | 7.2% | €1,375 |
| 2018 | 8.1% | €1,487 |
| 2019 | 6.3% | €1,580 |
| 2020 | 3.2% | €1,632 |

Source: KPMG FA.

Rental inflation in Dublin has been driven by a number of factors such as employment and wage growth, housing supply levels, continued population growth etc. It is noted that Dublin City Council is now contained in a Rent Pressure Zone to moderate the rise in rents and create a stable and sustainable rental market. Rents cannot be increased by more than 4 percent per annum for both new and existing tenancies in this area.

5.8 Social Housing Provision

Social housing is delivered by Local Authorities (LAs) and Approved Housing Bodies (AHBs) through a variety of mechanisms, including:

- Construction (new build and renovation/ renewal and regeneration)
- Acquisition
- Applicant Sourced Homes (ASH)
- Social Housing Leasing Initiative (SHLI)
- Rental Accommodation Scheme (RAS)

- Housing Assistance Payment (HAP)

The statutory basis for the Social Housing Leasing Initiative and RAS is provided for within the Housing (Miscellaneous Provisions) Act, 2009. The statutory provision for HAP is provided for within the Housing (Miscellaneous Provisions) Act, 2014. In accordance with Section 9 of the Housing Act 1988, housing authorities are required to undertake an assessment of housing need in their administrative area (discussed further under Section 5.9 below).

5.8.1 Dublin's Social Housing Tenure

This section examines the breakdown of existing social housing provision in the city. Traditionally local authorities have been the largest providers of social housing in the state. Social housing is a vital part of the overall housing market and system, and is directed to those unable to provide accommodation from their own resources. Under Rebuilding Ireland, 50,000 social housing units are to be delivered by 2021. This is under the various social housing programmes, together with the expansion of the HAP scheme nationwide. As can be seen from Table 20 below, the data illustrates the increasing role of the voluntary housing sector in delivering social housing units. Since its introduction in Dublin city, the Housing Assistance Payment (HAP) has also ensured substantial demand for social housing options are being met.

Table 20: Provision of Social Housing, Dublin City Council, 2016-2020

| Type | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------------------|-------|-------|-------|-------|
| LA New Build [1] | 56 | 295 | 264 | 90 | 124 |
| AHB New Build [2] | 99 (incl. Pt. Vs) | 214 | 282 | 302 | 114 |
| Part V -New Build [3] | - | 56 | 104 | 119 | 81 |
| Total New Build | 155 | 565 | 650 | 511 | 319 |
| LA Acquisitions inc Housing Agency Acq (HAA) and Reg Acq (RA) | 147 | 217 | 265 | 424 | 240 |
| AHB Acquisition excl. HAA | 68 | 116 | 280 | 123 | 45 |
| CALF HAA Acquisition | - | - | - | - | 21 |
| Acquisition Total [8] | 215 | 333 | 545 | 547 | 306 |
| Leasing [4] | 25 | 79 | 61 | 115 | 246 |
| RAS [5] | 31 | 60 | 1 | 62 | 113 |
| HAP [6] [7] | 952 | 2,752 | 2,511 | 2,774 | 3,141 |

Source: Dept. of Housing, Local Government and Heritage, June 2021

Notes

1. LA New Build includes units delivered through Rapid, Traditional, Turnkey, PPP and Regeneration.
2. AHB New Build includes CAS and CALF New Build.
3. Part V New Build includes Part V's delivered under LA Build and AHB Build.
4. Previously Long Term Leasing Scheme.
5. RAS - New transfers is defined as the number of households which have moved from Rent Supplement to RAS in that specific year. It includes households who remained in their existing accommodation and those for whom the LA had to source new properties.
6. HAP - New Households Supported refers to the number of qualified households with an established housing need who are being accommodated under the HAP scheme for that year.
7. DRHE Delivery Output includes Homeless HAP which is administered by Dublin City Council on behalf of the 4 Dublin LA's and came to a total of 2,627 for 2020. The breakdown of this figure is DCC - 1486, DLR - 206, Fingal - 407 & SDCC - 528.
8. The LA Acquisitions total includes LA Acquisitions, CALF Acquisitions, HAA units which were delivered under the Housing Agency program and included as part of the LA and CALF Acquisitions numbers and Regen Acquisitions.

5.9 Social Housing Assessment

In accordance with Section 9 of the Housing Act 1988, housing authorities are required to undertake an assessment of housing need in their administrative area. The Summary of Social Housing Assessment (SSHA), prepared annually by the Housing Agency, brings together information provided by local authorities on households that are qualified for social housing support but whose social housing need is not currently being met. The SSHA is intended as a point-in-time assessment of the identified need for social housing support within Dublin City Council. Results of the most recent assessment were published in March 2021 and represents data collated in November 2020.

Table 21: Summary of Households Qualified for Social Housing Support in Dublin City Council (2019 -2020)

| 2019 | | 2020 | | Change 2019/2020 | |
|-----------|------|-----------|------|------------------|-------|
| No. of HH | % | No. of HH | % | No. of HH | % |
| 16,529 | 24.1 | 14,001 | 22.6 | -2,528 | -15.3 |

Source: <https://www.gov.ie/en/publication/970ea-summary-of-social-housing-assessments-2020-key-findings/>

It should be noted that the key figure reported in the SSHA is referred to as 'net need' which is the total number of households qualified for social housing support whose need for support is not being met. This total excludes those already in receipt of social housing support, for example: households currently living in local authority rented accommodation; voluntary/co-operative accommodation; accommodation provided under the HAP scheme; accommodation provided under the RAS; or accommodation provided under the Social Housing Current Expenditure Programme (SHCEP) schemes. It also excludes those who have a primary application with another Local Authority.

In terms of specific accommodation requirements where special needs can be identified, the Summary of Social Housing Assessment (SSHA) 2020 indicates that 300 persons identified as enduring physical, sensory, mental health or intellectual issues, 95 identified as Traveller persons and 1,061 persons indicated an age of 65 years or more.

5.9.1 Homeless Households and Individuals June 2021

Dublin City Council (DCC) in consultation with the Dublin Region Homeless Executive (DRHE) have provided an updated estimate of homeless household within the Council's administrative area as of June 2021 to provide an up-to-date picture of homelessness in Dublin City. Data from DCC's social housing waiting list indicates there are 1,976 homeless households, comprising 2,738 individuals. This comprises those housing applicants assessed as eligible for social housing due to homelessness, whose need is not currently met and who have their main application with DCC. The majority (82 percent) of the 1,976 homeless households consist of one person, with corresponding high demand for one-bedroom accommodation. This is further discussed at Section 7.0.

6.0 Interim Housing Need Demand Assessment

6.1 Introduction

Dublin City Council engaged KPMG Future Analytics to prepare an interim Housing Need Demand Assessment (HNDA) to inform the preparation of this development plan. This section briefly describes the methodology of HNDA and summarises the conclusions of the interim HNDA carried out for the plan. The full detail of the HNDA prepared is included as Annex 1 of this Strategy.

The requirement for local authorities to prepare a HNDA to support the preparation of statutory housing strategies and development plans was introduced in the National Planning Framework (NPF) in 2018. The NPF states that the role of the HNDA is to correlate and accurately align future housing requirements. The NPF intends for the HNDA to become a keystone of the plan-making system which will "inform housing policies, housing strategies and associated land-use zoning policies as well as assisting in determining where new policy areas or investment programmes are to be developed."

Moreover, the NPF indicates that the purpose of the HNDA tool is to:

- Assist local authorities to develop long-term strategic views of housing need across all tenures.
- Provide a robust evidence base to support decisions about new housing supply, wider investment and housing related services that inform an overall national housing profile.
- Inform policies about the proportion of social and affordable housing required, including the need for different types and sizes of provision.
- Provide evidence to inform policies related to the provision of specialist housing and housing related services.

The NPF states that HNDAs are to give broad, long run estimates of potential future housing need, rather than precision estimates. This is a new way of assessing current and future housing need.

6.2 HNDA Model Overview

The DHLGH has collaborated with the Scottish Centre for Housing Market Analysis to produce an Irish version of the Scottish HNDA and its associated HNDA Tool. This was published in April 2021, together with a repository of housing-related data (see here: <https://www.gov.ie/en/publication/ea999-housing-need-and-demand-assessment-hnda/>)

The HNDA Tool is an Excel-based model that uses calculative macros based on a set of stated assumptions adopted by the Department of Housing to assess a range of datasets in order to produce projections of the demographic housing demand by tenure type and to allow for a variety of scenarios to be investigated.

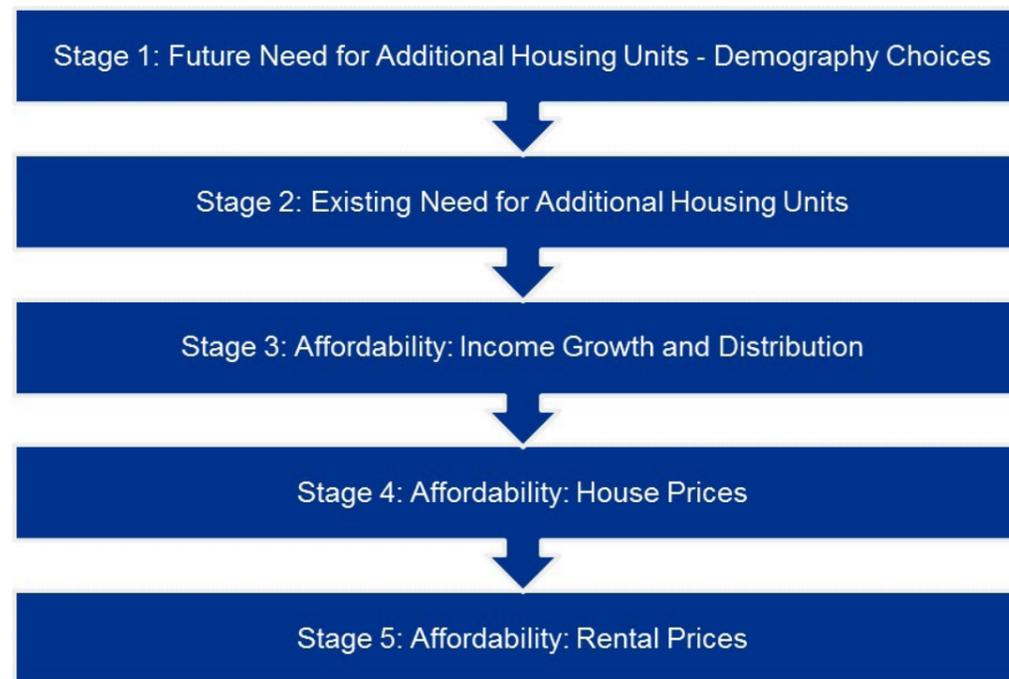
The HNDA Tool can project the future need for housing by tenure type. These projections are based on incomes, house prices and rents, structural demand for housing, existing need and projections for how these indicators will evolve over the coming years.

The HNDA model combines a range of data from public datasets across key housing market drivers, including data specially tabulated for the Tool. The most important of these drivers are demographic projections (published by the Economic and Social Research Institute (ESRI) in December 2020), household incomes, property sales prices, rental prices, and estimates of existing unmet housing need (through data on overcrowding and homelessness), as well as a number of assumptions and forecasts about the Irish housing market.

The HNDA Tool operates firstly by forecasting the number of newly formed households in a local authority in each year of the projection period (2020-2040), based on the selected projection scenario. It also forecasts future household incomes and distributions, house prices, and rental prices in the local authority. Based on the combination of forecast incomes, prices, and key assumptions about the market, the HNDA Tool assesses whether forecast new households can sustainably afford housing in the private sector (owner-occupation or private rental) or require either social or affordable housing.

The DHLGH guidance on using the HNDA Tool sets out five broad stages in setting up the HNDA model and setting these key inputs, as shown in Figure 3 below:

Figure 3: HNDA Toolkit Preparation Stages



Source: KPMG FA.

6.3 HNDA Context and Findings

6.3.1 'Housing Supply Target Methodology for Development Planning' Section 28 Guidelines

The immediate context for the new interim HNDA findings are the results of applying the Section 28 Guidelines methodology for calculated Housing Supply Targets for development planning. These Guidelines, issued in December 2020 ahead of the HNDA model and its Toolkit, set a methodology for the application of population and housing projections into local authority plan processes.

This sets a means of calculating the total housing demand and Housing Supply Target for the exact 6-year period of the development plan, to the nearest quarter. Accordingly, the Housing Supply Target methodology focuses on producing new housing supply targets to meet need and demand in a strict 6-year period, aligning to the lifetime of a single development plan.

KPMG Future Analytics have calculated a total Housing Supply Target of 40,138 households for the Dublin City Development Plan 2022-2028 (Table 22). This is the target that the development plan and its Core Strategy is required to follow. The methodology for this calculation is provided as Annex 2 of this strategy.

Table 22: Projected Housing Demand for Dublin City Area 2020 – 2031 ESRI NPF Scenario Housing Supply Target of S28 Housing Supply Target Methodology for Development Planning, December 2020

| | | Total Households | Number of Relevant Years | Annual Average |
|----------|---|---|--------------------------|----------------|
| A | ESRI NPF scenario projected new household demand 2017 to end Q4 2028 | 47,941 | 12 | 3,995 |
| | ESRI Baseline scenario projected new household demand 2017 to end Q4 2028 | 47,534 | - | - |
| B | Actual new housing supply 2017 to end Q4 2022 (actual to Q4 2020 and estimated 2021 and 2022 Q1 – Q4;no COVID impact) | 11,708 | 6 | 1,951 |
| C | Homeless households (latest Data), and unmet demand as at most recent Census – DCC Approved Values – 23 06 2021 | 3,905 | - | - |
| D | Plan Housing Demand = Total (A-B+C), (Projected ESRI NPF demand – new completions) = Unmet demand | 40,138 (Rounded to 40,000 for Core Strategy) | 6 | 6,690 |

Source: KPMG FA

6.3.2 HNDA Toolkit Methodology

The HNDA Tool includes forecasts over the whole period 2020-2040 to align with the long-term approach of the NPF, with a particular focus on the period to 2031 which is identified as a key milestone in the NPF. As it adopts a considerably longer timeframe for the calculation of overall housing need and effective housing demand, the HNDA Tool produces a significantly different estimate of overall housing need and demand for this plan period than that provided in Annex 2 using the Section 28 Housing Supply Target Methodology.

It should also be noted that according to the DHLGH, the HNDA Tool is intended to “give broad, long-run estimates of what future housing need might be, rather than precision estimates.” It offers ‘policy-off’ forecasts with its outputs subject to the inputs, scenarios, and assumptions built into the model and set out in this report. The HNDA as a result identifies potential issues and pressures in the housing market. This allows Dublin city Council to formulate housing and planning policy to meet current and future housing need in Dublin city.

6.3.3 HNDA Forecasts

The interim HNDA for the Dublin City Development Plan 2022-2028, forecasts that housing need in the Dublin City administrative area will comprise 27,219 households over the plan period. This includes:

- 10,247 social rented households (of which 2,343 comprises existing need that is estimated to be met within the plan period, made up of 1,157 estimated overcrowded households based on Census 2016 and 1,186 of the homeless households on the DCC social housing waiting list as of June 2021);
- 4,997 households in the owner-occupied sector;
- 4,088 in the private rented sector; and,
- 7,887 ‘affordability constrained’ households who are ineligible for social housing but face affordability challenges in the private market.

The breakdown of this housing need is shown in Table 23 below. It is important to note here that the social and ‘affordability constrained’

components of the projected extent of 'housing need' during the plan period relates only to the additional anticipated households during that time and, thus, is in addition to the current extent of unmet need as per the existing social housing waiting list.

These findings confirm a higher need for social and affordable housing provision over the plan period. This is driven by several factors; it in part reflects high existing property prices and rents in Dublin city, as measured by 2019 baseline data. Although household incomes in Dublin city are relatively high by national standards, high housing costs result in relatively high numbers of households facing affordability challenges. As forecast rents in this interim HNDA are estimated to grow at a slightly faster pace than incomes, and as household incomes in lower deciles rise above the eligibility limits for social housing, consequentially the 'affordability constraint sector' is forecast to grow over the plan period.

Table 23: HNDA Estimated Housing Need by Tenure, 2023-2028

| Tenure | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Social Rent | 2,024 | 1,816 | 1,661 | 1,612 | 1,564 | 1,570 | 10,247 |
| Affordability Constraint | 1,306 | 1,296 | 1,231 | 1,301 | 1,330 | 1,423 | 7,887 |
| Private Rented | 777 | 719 | 661 | 639 | 633 | 659 | 4,088 |
| Buyers | 950 | 879 | 808 | 780 | 775 | 805 | 4,997 |
| Total Housing Need | 5,057 | 4,710 | 4,361 | 4,332 | 4,303 | 4,457 | 27,219 |

Source: KPMG FA.

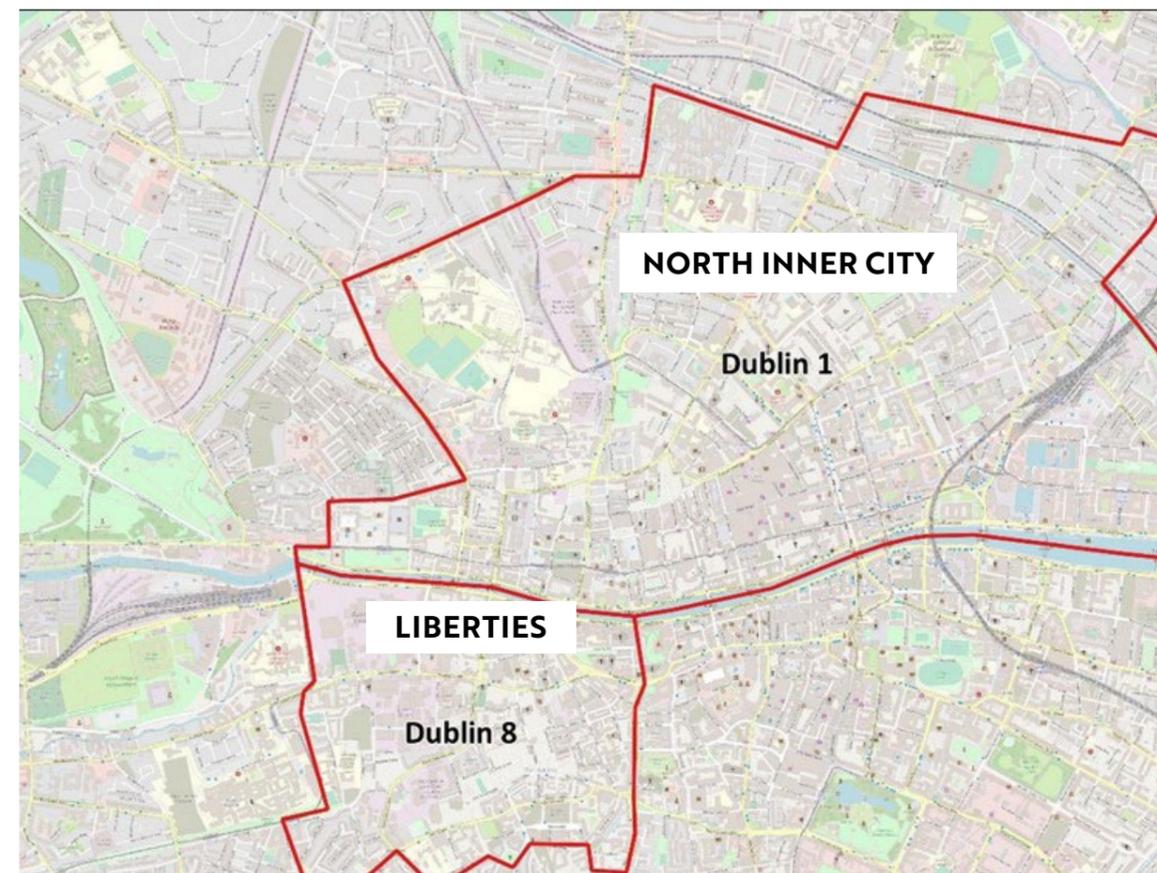
6.4 Supplementary Sub-City HNDA Analysis

Dublin City forms a unique and varied housing market area with strong existing and forecast future demand for housing. As part of the preparatory research for the development plan and alongside the preparation of the HNDA for the City, Dublin City Council additionally directed KPMG Future Analytics to prepare a further HNDA assessment of two smaller sub-city areas of the North Inner City and the Liberties in order to provide an additional insight into the operation of the housing market and related housing need in these areas (Figure 4). These areas were selected due to three main factors that differentiates them from the wider city in terms of residential developmental pressure-

- 1) These areas have higher volumes of smaller housing stock (both historic and twentieth century);

- 2) They have significant regeneration opportunity lands; and,
- 3) They have in recent years experienced a high proportion of Strategic Housing Development applications, which have been dominated by BTR and a preponderance of smaller units.

Figure 4: Dublin City HNDA Sub-Areas



Source KPMG FA/DCC.

In the absence of the current HNDA Toolkit allowing for modelling below local authority level, KPMG Future Analytics have developed a robust methodology and bespoke HNDA model to inform decision-making around the current and future housing supply these areas in accordance with the NPF and all other relevant statutory requirements. This approach is based on a combination of elements of the established 'Louth Model' affordability assessment along with additional considerations including private rental market affordability, mortgage capacity and Central Bank macro-prudential rules, and forecasts for household composition, dwelling type, and tenure. This modelling focuses the two inner-city areas with Dublin City as a whole also examined for comparison purposes.

This work is intended to build on the analysis of the main Dublin City

HNDA (through the Toolkit model) and further inform the development plan at a more granular level, as well as provide useful context for and comparison with the HNDA Toolkit outputs. This analysis captures the complex housing market dynamics and specific housing needs of the Liberties and the North Inner City and in turn informs the development of housing policy and policies for these SDRAs in the development plan.

6.4.1 Custom Sub-City/City HNDA Methodology

The table below briefly describes the custom methodology used to examine these areas. A commentary on the conclusions of the analysis carried out is then provided. The full detail of the analysis prepared is given as Annex 3 of this Strategy.

Table 24: Custom Sub-City/City HNDA Methodology Components

| Step | Objective | Method |
|------|---|--|
| 1 | Determination of Housing Supply Targets and Household Demand | Determination of plan period housing supply targets (HSTs)/expected sub-area households and resulting annual housing demand based on Section 28 Guidelines. |
| 2 | Calculation of Estimated Distribution of Household Disposable Incomes | Calculation of estimated distribution of household disposable incomes for the established deciles (by the CSO) based on weekly and annualised disposable incomes at national level and adjusted for the City based on application of an "inflator" or "deflator" rate. |
| 3 | Calculation of Average Annual Household Disposable Income Distribution | Calculation of estimated distribution of annual disposable household incomes per decile during the plan period based on the preceding step and application of a forecast GDP growth rate. |
| 4 | Calculation of Average Monthly Household Disposable Income Distribution | Calculation of estimated distribution of monthly disposable household incomes per decile during the plan period based on the preceding step and application of a forecast GDP growth rate. |

| Step | Objective | Method |
|------|--|--|
| 5 | Determination of Distribution of Total Anticipated Households | Calculation of the estimated distribution of household units for each decile throughout the plan period as well as the distribution of housing units in the State from the Household Budget Survey (by the CSO). |
| 6 | Determination of Distribution of Additional Anticipated Households | Calculation of the estimated distribution of additional anticipated households annually during the plan period as well as the distribution of housing units in the State from the Household Budget Survey (by the CSO). |
| 7 | Calculation of Projected House Price Bands | Calculation of projected house price bands based on the percentage split of the established (by the DHLGH) eight price bands and a projected annual price increase or decrease. |
| 8 | Calculation of Mortgage Capacity of Households | Calculation of the approximate affordable house price per decile per year based on the application of the "Annuity Formula". This is based on the determination of an "Affordability Threshold", a "Loan to Value Ratio", an "Annual Percentage Rate (APR) - Interest Rate", a "Monthly Percentage Rate (MPR) - Interest Rate", and the determination of a "Loan Term (Years/Months)". |
| 9 | Calculation of Projected Needs for Ownership | Based on the application of the "Annuity Formula", calculate the housing affordability for each of the 10 household deciles. |
| 10 | Calculation of Projected Needs for Private Rental | Calculation of the households that will not meet the affordability criteria to privately rent a home during the plan period with respect to the number of households that cannot qualify for a mortgage. |
| 11 | Calculation of Projected Social (and Affordable) Housing Need | Based on the determination of additional households required, the projected house price bands and the housing affordability, calculate the number of households not meeting the "Affordability Criteria". This informs the necessary provision of social (and affordable) housing units within the local authority. |

| Step | Objective | Method |
|------|--|--|
| 12 | Historic Data Analysis and Approximate Projection of Tenure, Size Cohort, and Dwelling Type. | Calculation of historic intercensal change for private household tenure, cohort sizes and dwelling type to determine annualised change. This informs the basis of an annual rate of change for which additional anticipated households can be roughly forecasted for household tenure, cohort sizes and dwelling type. |

Source: KPMG FA.

6.4.2 Summary of Projected Housing Need and Demand

As, previously noted, Section 28 Guidelines provided by the DHLGH set a methodology for the application of recommended population and housing projections into Local Authority plan processes. Through this calculation, housing demand over the six-year plan period is determined to be 39,906 households or 6,651 households per annum for DCC.

The summary of the social (and affordable) housing requirements for Dublin City and the sub-areas over the plan period 2023 – 2028 is set out in the Tables below, based on the application of the ‘custom’ HNDA modelling described above in Table 24. The outputs of the custom model for Dublin City Council as a whole are presented for comparison and to inform the context of the sub-area analysis. It should be noted that the findings presented here do not supersede the city-wide analysis undertaken through the HNDA Toolkit.

DCC

Throughout the plan period, 41.3 percent of 39,906 households identified using custom HNDA modelling are estimated to not qualify for a mortgage and not be able to afford rent. This equates to 16,484 households over the plan period.

North Inner City

In this sub area throughout the plan period, 61.5 percent of the 1,500 households allocated to the area are estimated to not qualify for a mortgage and not be able to afford market rent. This equates to 923 households over the plan period.

Liberties

In this sub area throughout the plan period, 61.5 percent of the 2,000 households allocated to the area are estimated to not qualify for a mortgage and not be able to afford market rent. This equates to 1,230 households over the plan period.

Table 25: Overview of Social and Affordable Housing Requirements in DCC

| DCC | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| No. Households | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 |
| Households That Do Not Qualify for a Mortgage | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 |
| Housing Shortfall (%) | 41.3% | 41.3% | 41.3% | 41.3% | 41.3% | 41.3% |

Table 26: Overview of Social and Affordable Housing Requirements in NIC

| North Inner City | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| No. Households | 250 | 250 | 250 | 250 | 250 | 250 |
| Households That Do Not Qualify for a Mortgage | 154 | 154 | 154 | 154 | 154 | 154 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 154 | 154 | 154 | 154 | 154 | 154 |
| Housing Shortfall (%) | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% |

Table 27: Overview of Social and Affordable Housing Requirements in Liberties

| Liberties | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------|-------|-------|-------|-------|-------|
| No. Households | 333 | 333 | 333 | 333 | 333 | 333 |
| Households That Do Not Qualify for a Mortgage | 205 | 205 | 205 | 205 | 205 | 205 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 205 | 205 | 205 | 205 | 205 | 205 |
| Housing Shortfall (%) | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% |

Source: KPMG FA.

6.4.3 Household Composition, Dwelling Type and Tenure

In addition to the custom HNDA, analysis of historic intercensal trends for household composition (size), tenure and dwelling type has been conducted to enable estimation of future households under each component. This element is outlined in steps 13 through 15 in the custom HNDA methodology (Table 24) and the results of the analysis are presented below.

6.4.3.1 Household Composition

Analysis of historic Census data (2002-2016 for DCC and 2006-2016 for sub areas) in relation to the composition of households has been undertaken to understand the dynamics of change over time and estimate how they may change into the future. The intercensal average has been used to determine a trended annual average change in household composition as set out in Table 28 below. The composition forecast for all areas is illustrated in the Figures below.

Table 28: Forecasted Annual Change in Household Size Cohorts

| Annual Change | 1 person household | 2 person household | 3 person household | 4 person household | 5+ person household |
|---------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Dublin City | -0.05% | 0.23% | 0.03% | -0.03% | -0.19% |
| NIC | -0.10% | 0.20% | -0.03% | -0.05% | -0.01% |
| Liberties | -0.30% | 0.33% | 0.06% | -0.03% | -0.06% |

Source: KPMG FA.

Based on the identified intercensal changes DCC sees a reduction in one and four person households at a relatively slow rate and Five plus person households at a much higher rate. Two and three person households are on an upward trend with two person households increasing at the highest rate (0.23 percent per annum).

North Inner City

Based on the identified intercensal changes NIC sees a reduction in all household composition save for two person households, which are on an upward trajectory of 0.20 percent per annum.

Liberties

Based on the identified intercensal changes Liberties sees a reduction in Four and five person households at a relatively slow rate and one person households at a much higher rate. Two and three person households are on an upward trend with two person households increasing at the highest rate (0.33 percent per annum).

Figure 5: Forecast Household Composition over the Plan Period - DCC

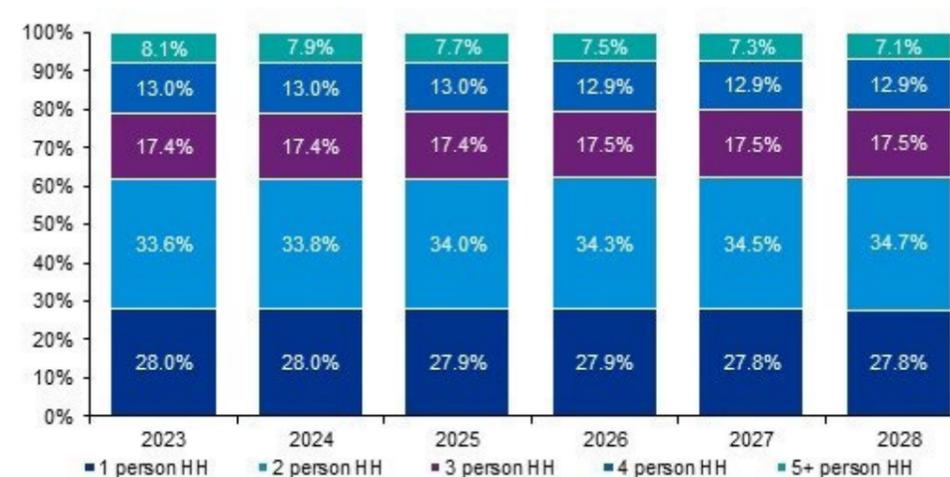


Figure 6: Forecast Household Composition over the Plan Period - NIC

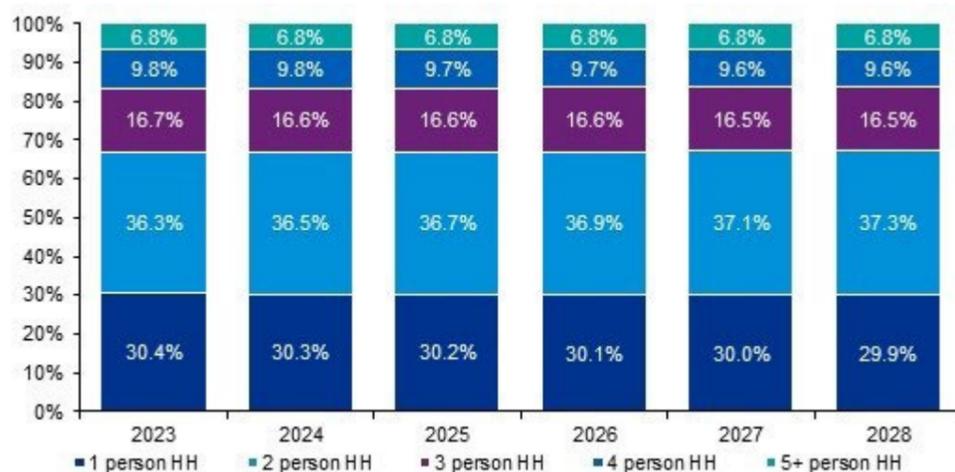
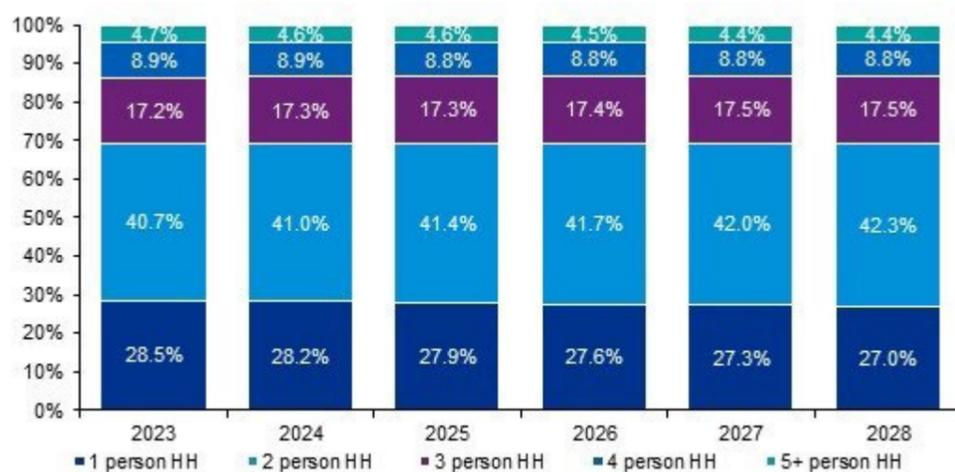


Figure 7: Forecast Household Composition over the Plan Period - Liberties



Source: KPMG FA.

In order to gain a further understanding of household size and composition and how it may relate to the dwelling stock, Census data has been examined on the number of rooms per household in 2016. Table 29 below indicates that households are fairly evenly distributed across the total room categories over Dublin city as a whole with a slight multiplicity of 5-room dwellings (18.6 percent). However, dwellings tend to have less rooms in the Sub-Areas, with 12.9 percent of households recording only one room in NIC.

Table 29: Rooms per Household (%), 2016

| Number of rooms | DCC | NIC | Liberties |
|-----------------|---------------|---------------|---------------|
| 1 room | 5.4% | 12.9% | 6.5% |
| 2 rooms | 12.3% | 25.3% | 26.8% |
| 3 rooms | 14.9% | 19.5% | 28.2% |
| 4 rooms | 15.0% | 14.2% | 19.0% |
| 5 rooms | 18.6% | 8.0% | 6.7% |
| 6 rooms | 13.7% | 4.0% | 2.2% |
| 7 rooms | 6.5% | 1.3% | 0.3% |
| 8 or more rooms | 5.4% | 0.7% | 0.2% |
| Not stated | 8.3% | 14.0% | 10.2% |
| Total | 100.0% | 100.0% | 100.0% |

Source: KPMG FA.

6.4.3.2 Household Dwelling Type

Analysis of historic intercensal data on private household dwelling type has been undertaken to understand unit-mix dynamics and estimate how they may change over time. Specifically, the intercensal average has been used to determine a trended annual average change in dwelling type mix. The annual average change in dwelling type for Dublin city and sub areas is set out in Table 30 below.

Table 30: Forecast Change in Dwelling Type for Households

| Annual Change | House/Bungalow | Flat/Apartment | Caravan/Mobile Home |
|--------------------|----------------|----------------|---------------------|
| Dublin City | -0.49% | 0.50% | -0.01% |
| NIC | -0.30% | 0.33% | -0.03% |
| Liberties | -0.43% | 0.44% | -0.01% |

Source: KPMG FA.

DCC

Based on the identified intercensal changes DCC overall sees an increase in apartment type dwellings and an almost equal reduction in house type dwellings. By the end of the plan period this trend would see just over 40 percent of all dwellings in DCC being apartments.

North Inner City

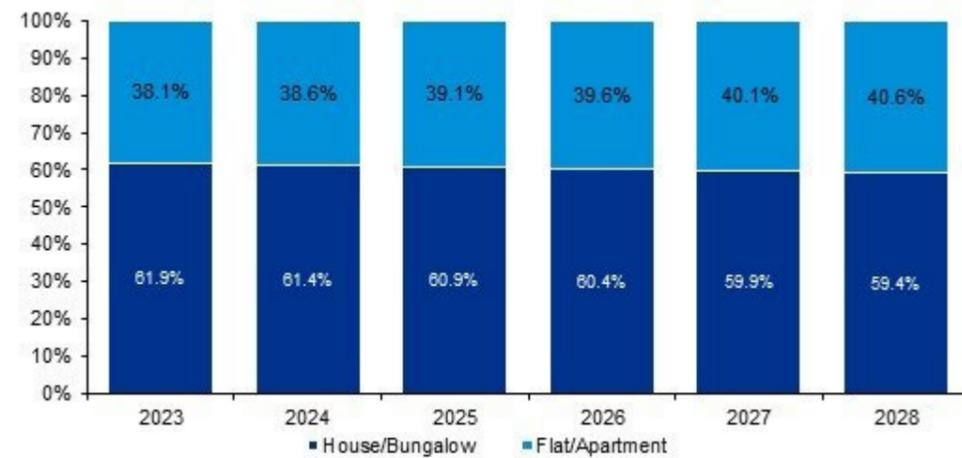
Based on the identified intercensal changes and the current dwelling type distributions, new dwelling type in the NIC is estimated to predominantly be apartments by the end of the plan period.

Liberties

Based on the identified intercensal changes and the current dwelling type distributions, new dwelling type in the Liberties is estimated to predominantly be apartments by the end of the plan period.

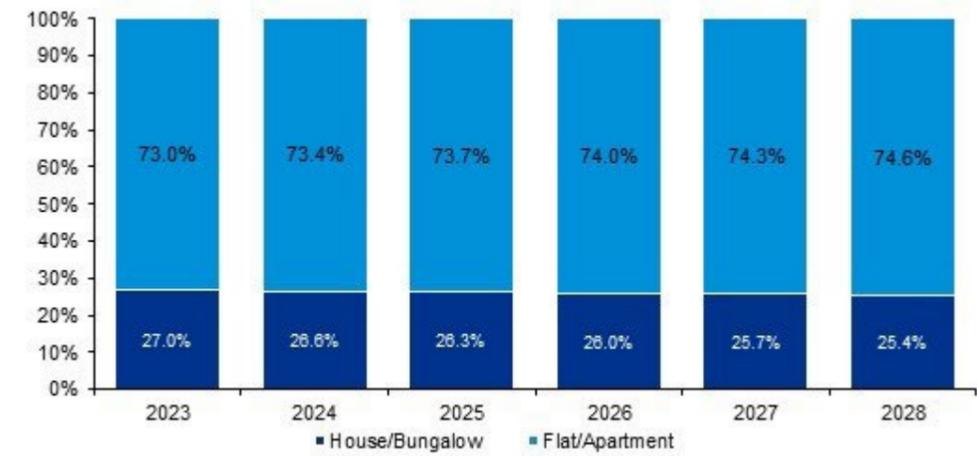
The Figures 8, 9 and 10 below illustrate the forecast distribution by dwelling type for the plan period. It should be noted that these are an approximate continuation of observed trends as influenced by the market dynamics and it is noted that external market factors can influence the future dynamics in relation to unit mix and dwelling type throughout the plan period. The figures presented are based on a continuation of recent historic trends assigned to the additional anticipated households

Figure 8: Forecast Dwelling Type Distribution 2023-2028 – DCC



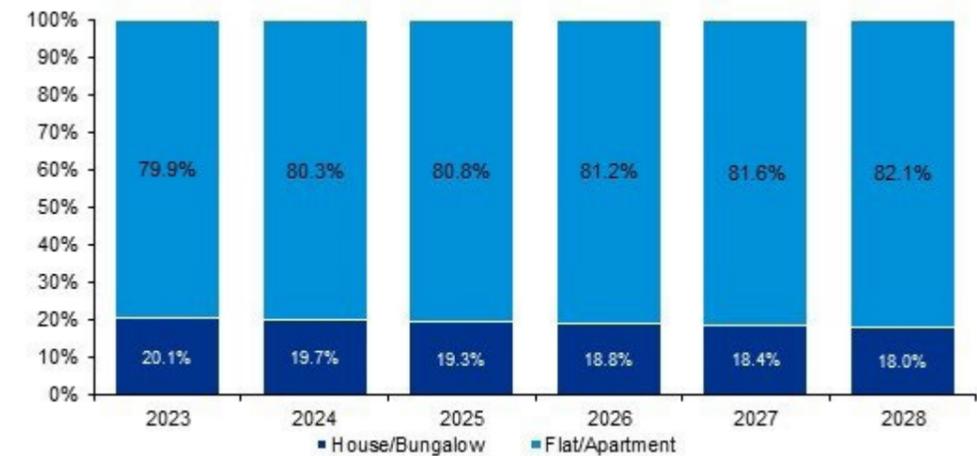
Source: KPMG FA.

Figure 9: Forecast Dwelling Type Distribution 2023-2028 - NIC



Source: KPMG FA.

Figure 10: Forecast Dwelling Type Distribution 2023-2028 - Liberties



Source: KPMG FA.

6.4.3.3 Household Tenure

Analysis of historic Census data (2002-2016 for DCC and 2006-2016 for sub areas) in relation to the tenure of households has been undertaken to understand these dynamics and estimate how they may change over time. The intercensal average has been used to determine a trended annual average change in household tenure in DCC. It should be noted that this does not supersede the tenure analysis undertaken through the HNSA Toolkit and presents only a continuation of historic trends, primarily to ascertain these trends at local level. Household tenure has been grouped into owner-occupied (comprised of those with and without mortgages), private rental sector and social housing (rented

from a local authority or voluntary organisation).

Table 31: Forecast Change in Tenure Composition of Households

| Annual Change | Social Housing | Private Rental | Owner occupied |
|--------------------|----------------|----------------|----------------|
| Dublin City | 0.18% | 0.64% | -0.82% |
| NIC | -1.12% | 1.62% | -0.50% |
| Liberties | -1.09% | 1.58% | -0.49% |

Source: KPMG FA.

The impacts of the GFC are very much still represented in these estimates. This is due to the fundamental shift in tenure patterns that occurred arising from changes in post-2008 labour markets combined with economic and property market declines. The sheer number of households that transitioned from owner-occupancy into private rental tenure between 2006 and 2011 thus affects the long-term change. Table 32 below highlights the notable changes that took place between the 2006-2011 period as a direct result of the financial crisis.

Table 32: Intercensal Change in Tenure

| | Dublin City | | NIC | | Liberties | |
|-----------------------------|-------------|-----------|-----------|-----------|-----------|-----------|
| | 2006-2011 | 2011-2016 | 2006-2011 | 2011-2016 | 2006-2011 | 2011-2016 |
| Social Housing | -4.5% | 1.0% | -14.2% | 3.0% | -12.8% | 2.0% |
| Rented (Privately) | 12.7% | -1.1% | 19.6% | -3.4% | 17.5% | -1.8% |
| Owner Occupied (All) | -8.2% | 0.1% | -5.4% | 0.4% | -4.7% | -0.2% |

Source: KPMG FA.

6.5 Specific Planning Policy Requirements (SPPRs)

In 2020, the DHPLG issued its Sustainable Urban Housing, Design Standards for New Apartments: Guidelines for Planning Authorities. These Guidelines, which set out standards for apartment development, are an update of previous 2015 guidelines and include a number of new Specific Planning Policy Requirements (SPPRs) which must be applied by planning authorities and An Bord Pleanála in carrying out their functions.

SPPR1 provides that apartment developments may include up to 50 percent one-bedroom or studio type units (with no more than 20-25 percent of the total proposed development as studios) and there shall be no minimum requirement for apartments with three or more bedrooms. Statutory development plans may specify a mix for apartment and other housing developments, but only further to an evidence based Housing Need and Demand Assessment (HNDA) that has been agreed on an area, county, city or metropolitan area basis and incorporated into the relevant development plan.

SPPR 9 of the Guidelines introduces a presumption against granting planning permission for shared accommodation/co-living developments unless the development is "required to meet specific demand identified" by a HNDA process.

To respond to SPPR1 and SPPR 9, and in the absence of any specific Departmental guidance, historic trends on dwelling type and household size from previous Census for Dublin city were projected to analyse potential changes in household and dwelling compositions. This makes use of historic intercensal trends to apply a projection to Census 2016 household composition and dwelling type rates. This is more fully described in Annex 1 and 3.

There are limitations that must be noted for this approach. It represents a continuation of historic trends that may not reflect subsequent policy choices and market dynamics. Furthermore, previous Census did not measure bedrooms per household (as distinct from other rooms). As such, there is no comprehensive profile of the number of bedrooms per dwelling in Dublin city to project forward or to otherwise more accurately address SPPR 1. Data on household composition (persons per household) has been used as a proxy and this allows a qualitative assessment of potential household sizes that future stock will need to address.

Finally, it should be noted that the Guidelines and SPPR 9 do not specifically define the type of demand for co-living that the HNDA may identify. The previous 2018 ‘Design Standards for New Apartments’ Guidelines (updated in 2020) refer to demand for co-living primarily in terms of accommodation needs in particular employment sectors and locations rather than demographic need. As a highly site- and sector-specific assessment is beyond the scope of this HNDA, one-person households and private rented sector need are used as the main indicators of demand for this type of accommodation.

SPPR1 Evidential Response

The provision of a mix of quality dwellings of different size, type and mix, that is suitable for citizens throughout their lives and adaptable to people’s changing circumstances (e.g. aging, disability, growing family) is fundamental to creating a properly functioning city with sustainable neighbourhoods. It is critical that any new residential development provided over the plan period provides choice for people throughout the lifecycle. This is key to the creation of future stable communities and is of benefit to us all at a societal level.

Evidential analysis of carried out below as part of this housing strategy and interim HNDA using historical trends indicates a forecast gradual decline in the proportion of one-person, four-person, and five plus person households and an increase in the proportion of two-person and three-person households.

Table 33 shows household size composition for DCC for each Census between 2002 and 2016. Compared to the State as a whole in 2016, Dublin City had a higher proportion of one-person households (28.3 percent compared to 23.5 percent nationally) and two-person households (32 percent compared to 28.6 percent nationally), and a lower proportion of four-person households (13.2 percent compared to 16.9 percent nationally) and five+ person households (9.4 percent compared to 13.5 percent nationally).

Table 33: Historic Household Composition in Dublin City, 2002-2016

| Pers Per Household | 2002 | 2006 | 2011 | 2016 | 2002 | 2006 | 2011 | 2016 |
|--------------------|----------------|----------------|----------------|----------------|-------|-------|-------|-------|
| 1 person | 52,517 | 55,957 | 63,795 | 60,001 | 29.0% | 29.3% | 30.7% | 28.3% |
| 2 persons | 51,644 | 58,295 | 66,684 | 67,707 | 28.6% | 30.5% | 32.1% | 32.0% |
| 3 persons | 30,086 | 32,144 | 34,557 | 36,277 | 16.6% | 16.8% | 16.6% | 17.1% |
| 4 persons | 24,607 | 24,956 | 24,979 | 27,943 | 13.6% | 13.1% | 12.0% | 13.2% |
| 5+ | 21,998 | 19,501 | 17,993 | 19,819 | 12.2% | 10.2% | 8.7% | 9.4% |
| Total | 180,852 | 190,853 | 208,008 | 211,747 | | | | |

Source: KPMG FA.

Table 34 below indicates the percentage change for each household size cohort in Dublin City between each of the four Census periods. The intercensal average for this period has been used to determine a trended annual average change in household composition as set out in Table 34 and Table 35 below. This trend is then applied forward from 2016 to 2028 to provide a forecast for the plan period, as presented in Figure 11.

Table 34: Historic Household Composition Change in Dublin City, 2002-2016

| Persons Per Household | Change % | | | Average Change % | |
|-----------------------|-----------|-----------|-----------|------------------|-------------|
| | 2002-2006 | 2006-2011 | 2011-2016 | Intercensal Avg. | Annual Avg. |
| 1 person | 0.3% | 1.4% | -2.3% | -0.2% | -0.05% |
| 2 persons | 2.0% | 1.5% | -0.1% | 1.1% | 0.23% |
| 3 persons | 0.2% | -0.2% | 0.5% | 0.2% | 0.03% |
| 4 persons | -0.5% | -1.1% | 1.2% | -0.1% | -0.03% |
| 5+ persons | -1.9% | -1.6% | 0.7% | -0.9% | -0.19% |

Source: KPMG FA.

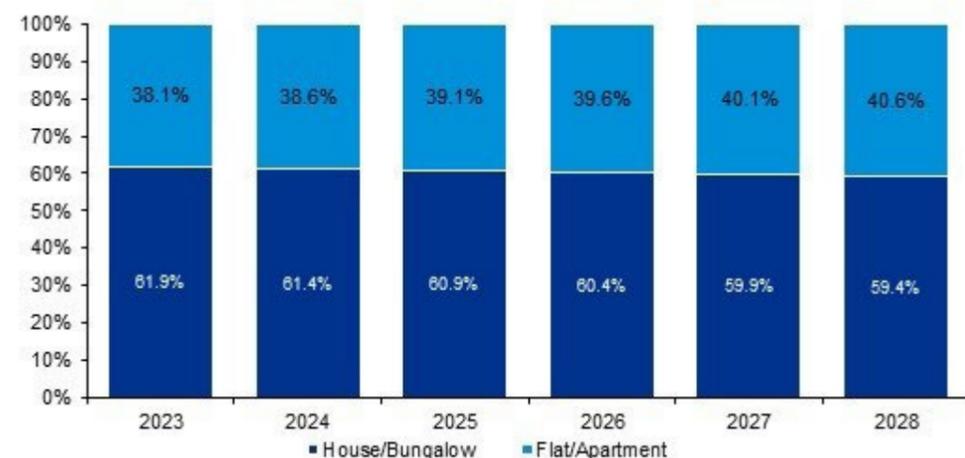
Table 35: Forecasted Annual Change in Household Size Cohorts in DCC

| Annual Change | 1 person household | 2 person household | 3 person household | 4 person household | 5+ person household |
|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Dublin City | -0.05% | 0.23% | 0.03% | -0.03% | -0.19% |

Source: KPMG FA.

Based on the identified intercensal changes, DCC will see a reduction in one- and four- person households at a relatively slow rate and five+ person households at a much higher rate. Two- and three- person households are on an upward trend with two- person households increasing at the highest rate (0.23 percent per annum). The composition forecast for DCC is illustrated in Figure 11 below.

Figure 11: Forecast Household Composition in Plan Period (2023 to 2028)



Source: KPMG FA.

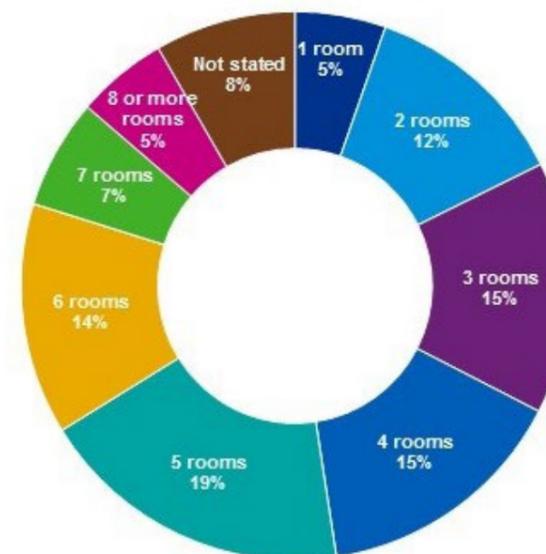
To gain a further understanding of household size and composition and how it may relate to the dwelling stock, Census data has been examined on the number of rooms per household in 2016. Table 36 and Figure 12 below indicate that households in Dublin city tended to have access to less rooms than the national average, with an average of 4.3 rooms per household in Dublin city compared to 5.4 for the State overall.

Table 36: Households by Number of Rooms in Dublin City, 2016

| Number of rooms | DCC | DCC |
|-----------------|----------------|---------------|
| 1 room | 11,337 | 5.4% |
| 2 rooms | 26,105 | 12.3% |
| 3 rooms | 31,446 | 14.9% |
| 4 rooms | 31,796 | 15.0% |
| 5 rooms | 39,358 | 18.6% |
| 6 rooms | 28,889 | 13.7% |
| 7 rooms | 13,698 | 6.5% |
| 8 or more rooms | 11,370 | 5.4% |
| Not stated | 17,592 | 8.3% |
| Total | 211,591 | 100.0% |

Source: KPMG FA.

Figure 12: Households by Number of Rooms in Dublin City, 2016



Source: KPMG FA.

Census 2022 will provide more detail on recent housing trends but overall the picture coming forward is of a city that is both growing and attracting new households comprising a variety of household types. The outcome of the two local HNDAs indicates increased demand for two and three person households and declining demand regarding single person households. (Section 2.4.1 of Appendix 01.03 refers.). Taking into account;

- (i) the modelled changing demand over the lifetime of the Plan which indicates a declining demand for one bed units, and
- (ii) the current pattern of applications for development that have high proportions of studio and one bed units and no three bed units;

It is considered appropriate that a policy response is made to address this issue within these locations. This is required to ensure the provision of a mix of dwelling types and sizes so as to best cater for the expected future household needs in these areas, so that as household needs change, the need of citizens, in all stage of lifecycle and family circumstance can be met within or adjoining their existing neighbourhoods.

6.5.1 Sub-City Residential Mix Requirements

Based on the analysis in the interim HNDA and custom HNDA it is recommended that the development plan will require planning applications for residential schemes in the North Inner City and Liberties Sub-City areas to include a residential mix as per Table 37. SPPR1 is applicable to the remainder of the Dublin City Council administrative area.

Table 37: Mix of Residential Units, Minimum and Maximum Requirements:

| Sub-City Residential Mix | |
|---|---|
| Geographic Area: (Figure 4) | <ul style="list-style-type: none"> • NIC Sub-City Area. • Liberties Sub-City Area. |
| Thresholds: | <ul style="list-style-type: none"> • Applies to proposals of 15 units for more. |
| Each multi-unit residential development shall contain: | <ul style="list-style-type: none"> • A minimum of 15 percent three or more bedroom units. • A maximum of 25 percent-30 percent one bedroom/ studio units. |

Exemptions:

- Council Part 8 or Part 10 residential schemes may propose a different mix having regard to the specific needs of the Housing & Community Services Department.
- Standards may be relaxed for other social housing needs and/or where there is a verified need for a particular form of housing, e.g. for older people, subject to the adjudication of the Housing & Community Services Department.
- In accordance with Specific Planning Policy Requirement 2, all building refurbishment schemes on sites of any size, or urban infill schemes on sites of up to 0.25ha, where up to 9 residential units are proposed, notwithstanding SPPR 1, there shall be no restriction on dwelling mix, provided no more than 50 percent of the development (i.e. up to 4 units) comprises studio-type units.
- It is noted in the guidelines that all standards set out shall generally apply to building refurbishment schemes on sites of any size, or urban infill schemes, but there shall also be scope for planning authorities to exercise discretion on a case-by-case basis, having regard to the overall quality of a proposed development.

Notes:

1. SPPRI is applicable to the remainder of the Dublin City Council administrative area.
2. Subject to variation, the mix may be altered and/or a further residential mix requirement may be applied to other areas of the city where an evidential need has been identified by Dublin City Council.

SPPR9 Evidential Response

The interim HNDA indicates a relatively strong need in the 'Affordability Constraint' tenure category (Table 38) compared to the private rented sector, indicating that proportion of households who would be both reliant on and able to sustainably afford the private rental sector is relatively low.

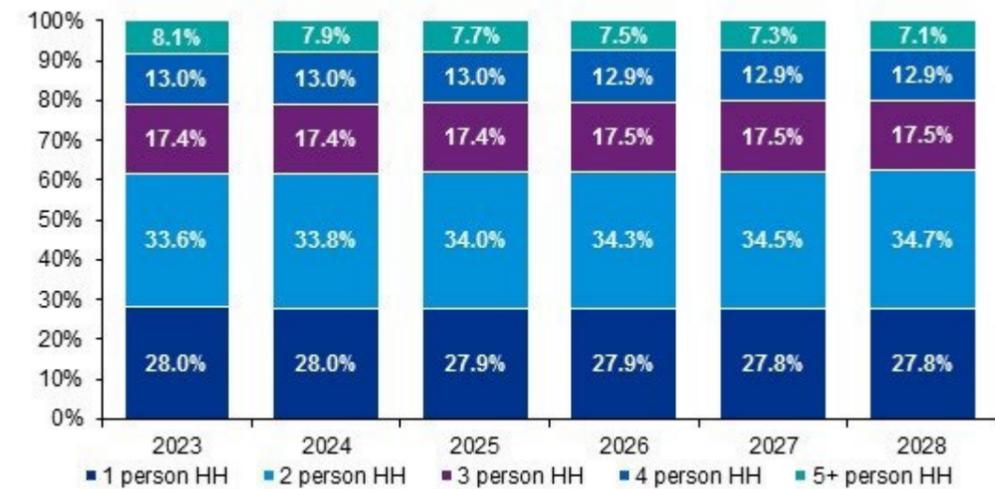
Table 38: Estimated Housing Need by Tenure, 2023-2028 (%)

| Tenure | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2023-2028 |
|---------------------------------|-------|-------|-------|-------|-------|-------|-----------|
| Social Rent | 40.0% | 38.6% | 38.1% | 37.2% | 36.3% | 35.2% | 37.6% |
| Affordability Constraint | 25.8% | 27.5% | 28.2% | 30.0% | 30.9% | 31.9% | 29.0% |
| Private Rented | 15.4% | 15.3% | 15.2% | 14.7% | 14.7% | 14.8% | 15.0% |
| Buyers | 18.8% | 18.7% | 18.5% | 18.0% | 18.0% | 18.1% | 18.4% |

Source: KPMG FA.

Over the period of the Plan, Forecast Household Composition (Figure 13), indicates a continuing decline in the proportion of one-person households, which may be considered the principle target household type for co-living. It would be, therefore, appropriate for the Dublin City Development Plan 2022-2028 to plan for a dwelling mix appropriate to future household need and wider policy goals of securing a broad mix of housing types and sizes.

Figure 13: Forecast Household Composition in Plan Period



Source: KPMG FA.

The Minister’s foreword to the December 2020 Guidelines, ‘Sustainable Urban Housing: Design Standards for New Apartments’ indicates that “given the scale, location and potential impact of co-living development permitted to date... there are sufficient shared accommodation/co-living units either permitted or subject to consideration within the planning system” to demonstrate the concept and support the presumption against the granting of planning permission for co-living development.

Accordingly, the results of the HNDA analysis do not indicate a strong or specific demand for shared accommodation/co-living in Dublin City. It is considered appropriate, therefore, for the Dublin City Development Plan 2022-2028 to provide a policy presumption against shared accommodation/ co-living type developments. This policy recommendation seeks to avoid mono tenure and mono type schemes and ensure provision of sustainable, liveable, mixed neighbourhoods in line with policies set out in Chapter 5, Quality Housing and Sustainable Neighbourhoods.

7.0 Meeting Social & Affordable Housing Demand

7.1 Estimate of Social, Affordable Purchase and Cost Rental Housing Required.

The Affordable Housing Act 2021 requires housing strategies to include an estimate of the amount of Social, Affordable Purchase and Cost Rental Housing which is required in the local authority area during the period of the development plan.

The HNDA Tool (as described in Section 6.0) has been used to development estimates of housing requirements and affordability over the period of this development plan. Based on the combination of forecast incomes, prices, and key assumptions about the market, the Tool assesses whether forecast new households can sustainably afford housing in the private sector (owner-occupation or private rental) or require either social or affordable housing.

Definitions of housing affordability are manifold across and within different housing tenures and measurements of affordability are often taken from the qualifying criteria required for access to market provided housing and as applied for eligibility state supported housing options, including affordable purchase, cost and social rental.

For example, for access to owner occupation Central Bank of Ireland macro-prudential rules apply to borrowing limits and set fixed multiples of household income that can be borrowed. In addition, mortgage providers lending criteria stress test first time borrower’s capacity to withstand shocks to their ability to avoid missed payments and default due to income loss and changed interest rates. Debt based ratios such as mortgage repayment rate to income (MRTI) are commonly deployed to adjudicate on mortgage stress and overall house price ‘affordability’, particularly to low and intermediate income households. Elsewhere, and particularly for social rental tenure, residual income measures that consider the impact housing costs make on overall income are more commonly deployed and used.

The HNDA Tool carries out an assessment for owner-occupation first (assessed against the 25th percentile property price identified for the local authority) followed by an assessment for private rental (against median rental cost for a 2 bed unit) for those households who cannot afford to buy plus an assumed proportion of those who could afford to purchase but do not do so.

Households with less than the maximum household income eligibility for social housing (€35,000 a year in Dublin city) are assigned to social housing. Households above this threshold who cannot afford to purchase or rent privately are assigned to the ‘affordability constraint’ category. KPMG Future Analytics have developed a number of custom scenarios for use in the Dublin City HNDA to better reflect a Dublin City Context.

The output of the HNDA modelling carried out for Dublin City using the HNDA Toolkit (Section 3 of Annex 1) is given in Table 39 below. It shows that over the six year plan period, there is an estimated need for 10,247 social homes in Dublin City (2,343 comprise existing unmet need). The estimated demand for affordable purchase and cost rental homes is 7,887.

Table 39: Estimated Social, Affordable Purchase & Cost Rental Housing Need over Plan Period

| Tenure | Total |
|--|--------|
| Social Rental Housing | 10,247 |
| Affordable Purchase & Cost Rental Housing | 7,887 |

Source: KPMG FA.

For clarity, Dublin City Council will require the maximum allowable provision under the Planning Act (as amended) for social, affordable purchase & cost rental housing need as part of future planning permissions, reflecting the high levels of demand within the City, i.e. this means that Dublin City Council will require that 20 percent of land zoned for residential use, or for a mixture of residential and other uses for development of 4 or more units or development of units on land more than 0.1 hectares be reserved for the provision of, social, affordable purchase and cost rental housing in accordance with Part V of the Planning and Development Act, as amended by the Affordable Housing Act 2021.

7.2 Meeting Social Housing Needs

The statutory context for the provision of social and affordable housing has changed under the Affordable Housing Act 2021 and while the provision of social housing via the established Part V mechanism will continue to play a role in the delivery of social housing in Dublin City Council, other delivery channels for social housing are likely to be more significant in terms of their potential to contribute to the social housing targets set out in this Strategy. For Part V developments, a minimum 10 percent social housing requirement will be applied in relation to

all sites that are residentially zoned or proposals where a mixed-use development, including residential is proposed on any zoning in Dublin City Council, unless otherwise stated in the strategy, or exempt from the provisions of Part V. Dublin City Council may increase this provision or require an additional discount on construction costs if there is no requirement for affordable housing in accordance with Part V of the Planning and Development Act as amended by the Affordable Housing Act 2021.

The Affordable Housing Act 2021 provides for a requirement that any new planning permission granted for housing subject to the Act will have a 20 percent Part V requirement on that land where;

- At least half of the land or equivalent net monetary value obtained under Part V must be used for social housing support.
- The remainder can be used for affordable purchase housing, cost rental housing or both.
- If there is no requirement for affordable housing, the remainder can be used as an additional discount on construction costs, or for more social housing.

The Planning Authority will review the Part V of the requirements contained in this Plan if the legislation underpinning this requirement is amended.

Dublin City Council will continue to meet identified social housing provision requirements via a combination of existing delivery schemes. Social housing support is administered by the Housing and Community Services Department and there are mechanisms in the social housing system to meet assessed social housing need and broader demand for affordable purchase and cost rental housing from qualifying households. The range of social rental housing options is as summarised below:

- A social rented tenancy in a property owned and managed by the local authority.
- A tenancy in a property the local authority is renting or has leased from a private owner.
- A social rented tenancy in property owned and managed by an approved housing body (AHB).
- A social rented tenancy in property owned by a private individual or body (Housing Assistance Payment)

- Accommodation provided specifically for Travellers and for people with specific housing needs such as older persons, people with disabilities and homeless households
- A tenancy where the local authority arranges short or long-term leases with private landlords for particular properties

7.2.1 Delivering Social Rental Tenancy via the Local Authority

Social rented tenancy can be provided in any property that is owned and managed by Dublin City Council, or alternatively, can relate to any tenancy in a property that Dublin City Council is managing or has leased from a private property owner for the purpose of providing social housing. These can include properties arising from:

- **Construction Projects:** This is housing specifically constructed by Dublin City Council.
- **Portfolio Acquisitions:** Suitable portfolios of vacant properties can be acquired by Dublin City Council from financial institutions and investors.
- **Turn-keys:** Dublin City Council buy a new property from a developer.
- **Acquisitions:** This is the purchase by Dublin City Council of a second-hand house on the open market.
- **Buy and Renew:** Under this scheme, Dublin City Council can buy sub-standard properties, which have been vacant for over a year, refurbish them and bring them back into use through the Council's housing stock. This initiative, which complements the Repair and Leasing Scheme (private owners), is designed to assist local authorities and AHBs (Approved Housing Bodies) to harness the accommodation potential that exists in certain vacant properties for social housing use.
- **Part V:** Provision of Social Housing under Part V of the Planning and Development Acts 2000 (as amended).

7.2.2 Social Rental Tenancy from Approved Housing Bodies

Dublin city has the nomination rights to a social rented tenancy in any property that is owned and managed by an Affordable Housing Body (AHB). AHBs have been formed for the purpose of relieving housing need and the provision and management of social housing. They are established by a voluntary management board to benefit the community in which they are based and are approved and funded by the Department of Housing, Local Government and Heritage. AHBs can also include self-help and jointly owned member/user housing associations or societies operating as housing cooperatives for rental and purchase. Projects undertaken by any AHB may be in response to the needs of older persons, people with disabilities, homeless persons or families and single people on low incomes.

Specifically, some AHBs have been formed to specialise in meeting a particular housing need, whilst others develop with broader aims in relation to the provision of social housing. The specific housing services offered by the AHB can depend on the aims or concerns of the members, the needs of tenants as well as the financial and other resources available for both capital costs and ongoing management running costs.

7.2.3 Specialist Provision Support from Dublin City Council

Dublin City Council recognises how the housing needs for distinct cohorts and categories of households require special attention under the City's housing strategy. This part of the strategy deals with the assessment of need for specialist provision for households requiring a specific housing solution suited to their needs and that addresses complex issues where the objective is to support independent living and allow people to live well and with dignity. Dublin City Council provides accommodation specifically for individual groups including Travellers and for people with specific housing needs such as people with disabilities, homeless and Older Persons. As per the Department of Housing's annual summary of Social Housing Assessments, Table 40 shows the breakdown of specialist needs for 2019 and 2020.

Table 40: Total Breakdown of Specialist Needs, Dublin City Council 2019, 2020

| | 2020 | 2019 |
|---|-------|-------|
| Enduring physical, sensory, mental health or intellectual issues | 300 | 368 |
| Homeless | 2,933 | 2,795 |
| Traveller | 95 | 117 |
| Aged 65 years or more | 1,061 | 1,124 |

Source: The Housing Agency

Meeting the Housing and Accommodation Needs of the Travelling Community

Dublin City Council's policy is to recognise the identity, culture, tradition and history of the Travelling people and to work to reduce the levels of disadvantage that Travellers experience. Dublin City Council is committed to the provision of quality Traveller accommodation in accordance with the aspirations and desires of the majority of Traveller families identified in the annual assessment of needs. It is Dublin City Council's policy to provide choice in both housing tenure and location insofar as is possible.

Group Housing is provided at Cara Park and Northern Close, Coolock; Avila Park and St Mary's Park, Finglas; Labre Park and Kylemore Grove, Ballyfermot; and Bridgeview, Clondalkin. Halting Sites are provided at Tara Lawns, Coolock; St Margaret's Park, Ballymun; St Joseph's Park, Finglas and St Oliver's Park, Clondalkin.

In accordance with the provisions of the Housing (Traveller Accommodation) Act 1998, Dublin City Council prepared and adopted a five year Traveller Accommodation Programme (TAP) for 2019–2024 to meet the existing and projected accommodation needs of Travellers in its administrative area. This details a comprehensive housing programme and includes a commitment to examine the city's landholding to identify new sites for development.

The TAP identified that as of November 2018, there are 293 families in the Dublin City Council area in need of accommodation. The TAP intends to meet this housing need through the following methods:

- Proposed new house builds (47)
- Proposed new halting bay builds (7)
- The refurbishment of vacant houses (6)
- De-tenanting priorities (12)
- The allocation of vacant/unauthorised occupied bays and houses (7)
- Temporary bays to facilitate upgrades (16)
- The refurbishment of bays (50)
- Standard housing allocations (56).
- Traveller standard void allocations (25)
- Private rented accommodation

It is recommended that development plan policy seeks to implement the 'Traveller Accommodation Programme 2019-2024' and that in accordance with the Programme, Traveller specific accommodation for the City's normally resident Traveller Community be provided through the development of new sites, the refurbishment and extension of existing sites, Part V Developments, casual vacancies and general needs housing.

Households Experiencing Homelessness and Rough Sleeping

The Dublin Region Homeless Executive (DRHE) is a shared service operation, provided under the aegis of Dublin City Council as the lead statutory authority for the Dublin Region in respect of the co-ordination and funding of homeless services. The DRHE provides a range of supports and services to homeless service providers in collaboration with the Dublin Joint Homelessness Consultative Forum and through the Statutory Management Group. It has specific responsibilities for the operational co-ordination of the Homelessness Action Plan, regional service provision and the disbursement of Section 10, 1988 Housing Act funding for homeless services and in commissioning new service provision.

In line with Chapter 6 Housing (Miscellaneous Provisions) Act 2009, the Dublin Joint Homelessness Consultative Forum and Management Group adopt the regional action plan for Dublin for the provision of services. The current plan, Homelessness Action Plan Framework for Dublin 2019-2021 is available at www.homelessdublin.ie. Successor plans will be proposed and adopted over the period of the development plan.

The Homelessness Action Plan sets out a strategic approach for implementation across the Region and identifies actions required to prevent, protect and progress those at risk of or experiencing homelessness in the Dublin region. The four strategic aims of the Action Plan are:

- Prevention - providing early intervention to people at risk of homelessness.
- Protection - protecting people experiencing homelessness through emergency accommodation provision and targeted support.
- Progression - identifying and enabling pathways to long term housing solutions.
- Proper Governance and Finance Oversight - ensuring that appropriate governance and accountable structures are in place for all service providers.

For each year of the action plan, a business plan is issued that sets out the key actions to be achieved to meet the overall strategic aims of the business plan. This business plan sets an annual target for the provision of housing to ensure exits to independent living with support (as required) for all households experiencing homelessness and rough sleeping.

Dublin City Council is committed to addressing the issue of homelessness in its functional area and has adopted the Homelessness Action Plan Framework for Dublin, 2019–2021 which was prepared in conjunction with the four other Dublin Local Authorities in accordance with Section 37 of the Housing (Miscellaneous Provisions) Act, 2009.

Dublin City Council will support the implementation of the Homeless Action Plan Framework for Dublin 2019-2021 or any subsequent review and support related initiatives to address homelessness.

Meeting the Housing Needs of Older Persons and Persons with Disabilities

This housing strategy will facilitate the implementation of Dublin City Council's Strategic Plan for Housing People with a Disability 2016, and its successor currently being drafted. Dublin City Council is also committed to implementing the framework for the delivery of housing for persons with disabilities set out under the 'National Housing Strategy for People with Disability 2011–2016' and its successor. The strategy is about facilitating the provision of housing options and related services to persons with disabilities to allow individual choice and support independent living. A new national strategy, National Housing Strategy for Persons with Disabilities 2022-2027 is being developed with the objective of facilitating the provision of housing options and related services to people with disabilities to allow individual choice and support independent living. The provisions of the new national strategy will be incorporated into any forthcoming review of the development plan.

Dublin City Council is committed to implementing Universal Design models to all new developments and encouraging private developers to incorporate them into all residential dwelling design proposals having regard to the Universal Design Guidelines for Homes in Ireland, published by the National Disability Authority in 2015. All new housing should be designed in a way that is adaptable and flexible to the changing needs of the homeowner as set out in the Lifetime Homes Guidance contained in Section 5.2 of the Department of Environment, Heritage and Local Government 'Quality Housing for Sustainable Communities – Best Practice Guidelines for Delivering Homes Sustaining Communities' (2007). In line with Part M of the Building Regulations (as amended), all public and private buildings must also have provision for suitable access and use for all persons.

Through the Council, persons with a disability can apply for a number of grants to partly fund necessary improvements to their home. The Housing Adaptation Grant for People with a Disability Scheme provides grant aid to applicants to assist them with carrying out works that make their house more suitable for the accommodation needs of a person with a disability.

The Mobility Aids Grant Scheme provides grant aid to applicants to carry out works designed to address mobility problems that they may have. Both of these grants are available to applicants in owner-occupied housing, houses being purchased from a local authority under the tenant purchase scheme, private rented accommodation, accommodation provided under the voluntary housing Capital

Assistance and Rental Subsidy schemes and accommodation occupied by persons living in communal residence.

Housing for older people is becoming an increasingly significant issue. In 2016, 72,355 people were aged 65 years and over, comprising 13 percent of the City's population and representing an 8.8 percent increase since 2011. Under most recent Central Statistics Office (CSO) population projections, trends indicate that the number of people over the age of 65 is expected to increase nationally by approximately 34 percent in the period 2021-2031. The quality of life of older people can be improved through planning and the incorporation of universal design principles in the design of the built environment, particularly, housing, community and care facilities and accessible transportation including public transport and footpaths.

The Dublin City Age Friendly Strategy 2020-2025 recognises that there is insufficient life-cycle appropriate, alternative accommodation for older persons (including sheltered accommodation and nursing homes) in local communities. In this context, the provision of specific accommodation for older people is supported by the objectives of this housing strategy to provide alternative residential choices for older people not requiring access to a nursing home with the goal of supporting older people across the city to age comfortably in the communities they belong to.

This housing strategy supports the concept of independent living and assisted living for older people, the increased provision of supported housing units, the provision of specific purpose built accommodation, including retirement villages, and rightsizing proposals that allow independent living for older people (as well as those living with a disability).

This housing strategy supports projects by Approved Housing Bodies and other organisations which enable older homeowners to reconfigure their family-sized homes in a way that meets the needs of an ageing population, creates new single occupancy rentals in an efficient and sustainable way, promotes intergenerational living and helps to regenerate mature urban neighbourhoods.

This Strategy supports HomeShare. Typically a HomeShare is a not-for-profit enterprise that can be described as an au pair for older people. Householders are generally older, or those who need support to continue to live in their own homes, whereas Home Sharers are often younger working professionals or students who cannot afford housing where they work/study. HomeShare is being promoted by the

City Council's Housing Department. Further information is available on www.thehomeshare.ie.

This housing strategy will support a commitment whereby a minimum of 7 percent of new allocations or acquired developments will be fully accessible for older persons, persons with disabilities or those with mobility issues, to support independent living in line with Universal Design principles, having regard to the National Disability Authority's, Universal Design Guidelines for Homes in Ireland, 2015.

This housing strategy will support a commitment whereby a minimum of 10 percent of dwellings in all schemes over 100 units are designed to accommodate people with disabilities and older people in accordance with the Universal Design Guidelines for Homes in Ireland, 2015.

Please refer to Chapter 5, Quality Homes and Sustainable Neighbourhoods for specific policy provision based on the recommendations of this housing strategy.

International Protection Applicants

Dublin City Council will have regard to emerging Government policy, in consultation with the Department of Children, Equality, Disability, Integration and Youth, in responding to the accommodation needs of international protection applicants and those in need of refuge.

Students

Rebuilding Ireland: Action Plan for Housing and Homelessness (2016), identifies the important contribution that increased student accommodation provision can make to resolving the overall housing supply problem.

The Government's National Student Accommodation Strategy (2017) is designed to ensure that there is an increased level of supply of purpose built student accommodation (PBSA) to reduce the demand for accommodation in the private rental sector by both domestic and international students attending Higher Education Institutions (HEIs). The strategy states that the increase in the number of students participating in higher education is creating unprecedented demand for suitable, affordable student accommodation.

Dublin City Council recognises that there continues to be demand for high quality professionally-managed student accommodation developments in the city. In line with Government policy, the provision of purpose-built student accommodation is supported by the

development plan. It is anticipated that increased supply of PBSA can result in increased overall access to housing by releasing housing stock in multiple occupation in the private residential sector.

It is recommended that development plan policy supports the provision of high-quality, professionally managed and purpose-built third-level student accommodation in line with the provisions of the National Student Accommodation Strategy (2017), on campuses or in appropriate locations close to the main campus, in the inner city or adjacent to high-quality public transport corridors and cycle routes, in a manner which respects the residential amenity and character of the surrounding area. In this regard, the development plan will include policies to prevent the over-provision of PBSA in any given area.

7.2.4 Local Authority Support for Leases with Private Landlords

A tenancy can be created for social housing purposes where the local authority arranges short or long-term leases with private landlords for particular properties.

The increase in social leasing units reflects government policy aimed at facilitating local authorities to deliver social housing by leasing houses and apartments from private owners and allocating them to tenants from their social housing lists. Local Authorities can enter into a lease arrangement with a property owner for periods of up to a maximum of 25 years

Tenant households can be supported in this way under the Rental Accommodation Scheme (RAS) or Repair and Lease.

The Rental Assistance Scheme (RAS) is an initiative to cater for the accommodation needs of certain persons in receipt of rent supplement, normally for more than 18 months. Qualifying individuals have been assessed as having a long-term housing need and under the RAS Dublin City Council pays rent directly to the accommodation providers on behalf of the tenant (which is a maximum of 92 percent of the market rent).

The Rebuilding Ireland Action Plan for Housing and Homelessness introduced a new scheme, the Vacant Housing Repair and Leasing Initiative (i.e. Repair and Lease). This scheme specifically targets the delivery of social housing and seeks to ensure that existing housing stock is used to the maximum degree possible. The basis of the Repair and Lease scheme is that repair and improvement works to suitable

vacant properties are funded in order to bring them up to the standard for rented accommodation and the cost of the works is then deducted from lease payments over an agreed lease term.

7.2.5 Housing Assistance Payment (HAP)

Housing Assistance Payment is a scheme established under the Housing Miscellaneous Provisions Act 2014 for people who have a long-term housing need and who qualify for social housing support. It is administered by housing authorities and it is envisaged it will eventually replace long-term rent supplement (i.e. RS). The HAP scheme aims to allow all social housing supports to be accessed via Dublin City Council to enable people to take up full-time employment whilst keeping their housing support. Under the HAP scheme, the housing applicant finds appropriate private rented accommodation (within specific caps) and Dublin City Council then pays the landlord directly as the tenant pays rent to the local authority based on the differential rent scheme

7.3 Meeting Affordable Purchase and Cost Rental Housing Needs

Urban regeneration proposals will play a key role in delivering new homes in the city. There is a renewed emphasis over the period of the development plan on delivering housing through the redevelopment of key brownfield sites. The Core Strategy of the development plan identifies a number of Strategic Development and Regeneration Areas (SDRA) where most new housing delivery will take place. Given the quantum of development that can be provided through regeneration and urban redevelopment in the SDRAs, this will be an important means of meeting social and affordable housing needs through Part V of the Planning and Development Act.

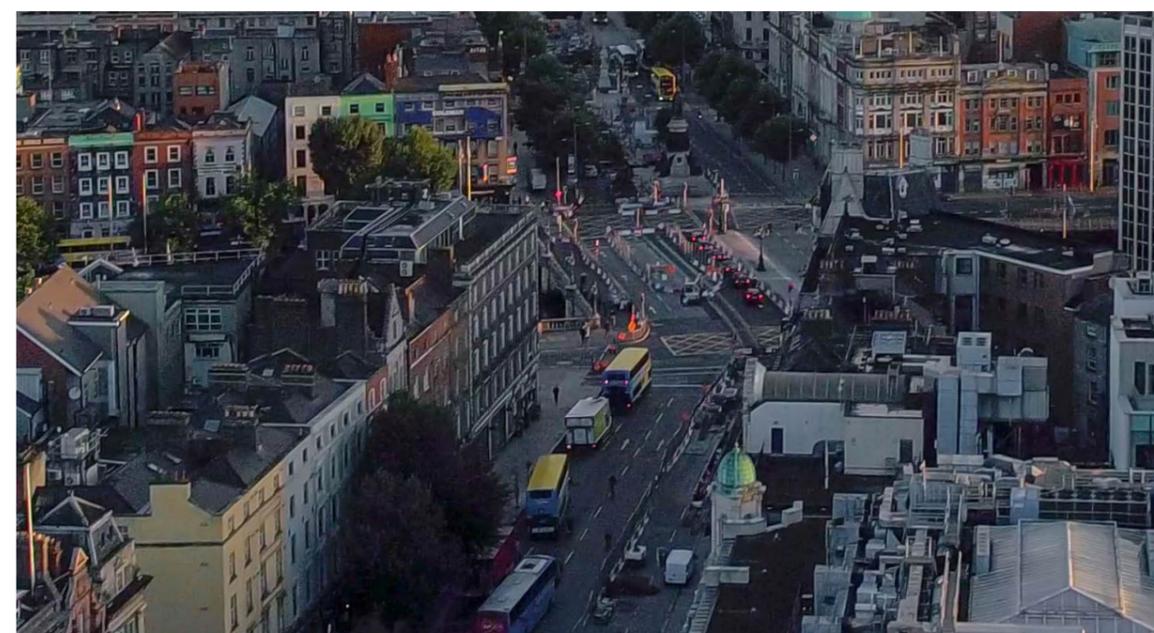
Dublin City Council will work with the Land Development Agency and Approved Housing Bodies as delivery partners to facilitate the delivery Affordable Purchase and Cost Rental housing across the city. Under Housing For All: A new Housing Plan for Ireland, the Land Development Agency (LDA) is envisaged as playing an important role in delivering cost rental and affordable housing as a delivery partner with Dublin city working through regeneration projects in the city. The LDA was established to coordinate land within State control for more optimal uses where appropriate, with a focus on the provision of housing and providing a stronger supply of housing land in urban centres. The LDA will pursue the new forms of affordable housing as set out under the Affordable Housing Act 2021 to meet growing demand for housing

among households that are not eligible for traditional social housing but may qualify for state supports through affordable purchase or cost rental schemes. In developing public land owned by Dublin city, and subject to national legislation and requirements, Dublin city seeks to maximise its overall public housing provision of social, cost rental and affordable purchase housing provision in a manner that contributes to sustainable communities and healthy place making. The findings of the interim HNDA for this development plan period will be relied upon to help inform the proposed balance of dwelling types and tenure in locales and neighbourhoods where public lands are located.

Dublin City Council will seek to ensure any selection of land or housing units obtained or provided by Dublin City Council, including Part V, counteracts undue segregation of persons with different social backgrounds. In far as practicable, it will be a requirement that in all new developments, Part V allocations can be pepper potted across developments to ensure full access to available amenities and services for residents.

7.4 Housing Land Supply

Dublin City Council has undertaken a review of housing land as part drafting the development plan. A land capacity analysis was carried out by the Planning Department to calculate the yield of undeveloped land; with a particular focus on the 17 Strategic Development Regeneration Areas that are prioritised for development over the plan period. Of 5,850 hectares of land zoned for residential or mixed (including residential) uses; it has been estimated that there are approximately 550 hectares available to develop during this development plan cycle which can provide approximately 48,500 residential units.



In line with the statutory requirements of the development plan, based on this housing capacity, there is evidently sufficient zoned land to meet the needs of the population and housing targets set by the Ministerial Guidelines and the NPF, as the analysis undertaken demonstrates that Dublin City Council has the capacity to accommodate the required need of 40,000 residential units over the plan period within its administrative area.

In addition to this, there are also significant regeneration lands as yet not zoned for housing/mixed use that have potential to deliver additional housing which can be expedited to ensure that the Core Strategy is implemented in the appropriate timescale. Please refer to Chapter 2, Section 2.3.2 of the Core Strategy for further detail.

In light of the Government strategy Housing for All, these land areas currently identified for housing beyond the 6 year life of this Plan, will be considered to bring forward for variation where they are associated with projects led by Dublin City Council and/or the Land Development Agency; with the Core Strategy updated to remain in accordance with the NPF and RSES.

8.0 Key Policy Recommendations

8.1 Housing Strategy and Interim HNDA Key Policy Recommendations

This housing strategy and the integrated city and sub-city HNDA findings contain an analysis of the existing and future housing needs of Dublin City, setting out an evidence base for Dublin City Council to plan for housing over the Plan period.

Dublin City Council will monitor and review the housing strategy as appropriate in accordance with any forthcoming guidance on HNDA methodology issued by the Department of Housing, Local Government and Heritage.

The following sets out the housing strategy and interim HNDA overarching policy recommendations which inform the development plan to guide housing delivery in the city. Please refer to the development plan written statement and to individual chapters for full policy context.

Policy Recommendations to inform the Dublin City Development Plan 2022-2028 and as required by the 2000 Planning Act (as amended):

- To ensure adequate and appropriately zoned land is available to facilitate and implement the aims of the Core Strategy, as informed by the National Planning Framework 2018, the Regional Spatial and Economic Strategy for the Eastern and Midland Region 2019 (including the Metropolitan Area Strategic Plan) and the Ministerial Circular relating to Structural Housing Demand in Ireland and Housing Supply Targets, and the associated Section 28 Guidelines: Housing Supply Target Methodology for Development Planning, to deliver sustainable development, and to meet likely future housing need as identified by the housing strategy and interim HNDA.
- To facilitate the maximum allowable provision under the Planning Act (as amended) for affordable and social housing provision as part of future planning permissions, reflecting the high levels of demand within the City.
- To require that 20 percent of land zoned for residential use, or for a mixture of residential and other uses for development of four or more units or development of units on land more than 0.1 hectares be reserved for the provision of, social, affordable purchase and cost rental housing in accordance with Part V of the Planning and Development Act, as amended by the Affordable Housing Act 2021.
- To provide for social, affordable purchase and cost rental housing over the Plan period to meet forecast future housing need as identified in the housing strategy and interim HNDA.
- To provide for social, affordable purchase and cost rental housing accommodation through a range of delivery mechanisms including new builds, acquisitions, renovations and acquisitions of vacant homes, leasing, and housing supports including RAS and HAP or any other mechanism promoted or forthcoming under Government Housing Policy.
- To include a defined mix of dwelling unit types for the City and addressing the particular challenges of the inner city areas identified, that responds to the demographic changes in households and taking into account the current housing stock.

ANNEX 1 TO APPENDIX 1

Dublin City Housing Need Demand Assessment (HNDA)

Executive Summary

This summary has been written using the National Adult Literacy Agency's Plain English Guidelines.

All local authorities in Ireland must make a development plan for their area every six years. These must include a housing strategy that assesses current and future need for housing, including social and affordable housing.

The National Planning Framework requires local authorities to carry out a Housing Need and Demand Assessment (HNDA). This is a new way of assessing current and future housing need. This evidence will support decisions about housing and planning. In April 2021, the Government published a new HNDA Tool. This assesses housing need using the latest statistics on the economy and housing. This HNDA Tool gives broad, long-run estimates of housing need over the next decade.

KPMG Future Analytics have used this HNDA Tool for the Dublin City Development Plan 2022-2028. This HNDA assesses:

- The forecast population and households for Dublin City over the new plan period.
- How the economy, household incomes, house prices, and rents will grow over the plan period.
- What future incomes, prices and rents will mean for housing affordability.
- The housing need for the plan period for private ownership, private renting, social housing, and affordable housing.
- How household sizes and the housing stock may change. This is to help Dublin City Council plan for the future housing stock needed in the new Development Plan.

The HNDA finds that for the years 2023 to 2028, about 38% of new households will need social housing, 15% will be able to buy a home, 18% will be able to rent, and 29% will need affordable housing (such as cost rental or affordable purchase). The population of Dublin City will grow to 638,000 in 2031, and there will be over 52,000 new households in Dublin City between 2020 and 2031.

This evidence shows potential issues in the housing market. It will inform new housing and planning policy in the Dublin City Development Plan 2022-2028. This will support Dublin City Council's democratic responsibility for planning for the future of Dublin City.

1.0 Introduction

1.1 HNDA Overview

This report summarises the Housing Need and Demand Assessment (HNDA) that has been prepared by KPMG Future Analytics to inform the Dublin City Development Plan 2022-2028.

The requirement for local authorities to prepare a HNDA to support the preparation of statutory Housing Strategies and Development Plans was introduced in the National Planning Framework (NPF) in 2018. The NPF states that the role of the HNDA is to correlate and accurately align future housing requirements. The NPF intends for the HNDA to become a keystone of the plan-making system which will “inform housing policies, housing strategies and associated land use zoning policies as well as assisting in determining where new policy areas or investment programmes are to be developed³³.”

Moreover, the NPF indicates that the purpose of the HNDA tool is to:

- Assist local authorities to develop long-term strategic views of housing need across all tenures.
- Provide a robust evidence base to support decisions about new housing supply, wider investment and housing related services that inform an overall national housing profile.
- Inform policies about the proportion of social and affordable housing required, including the need for different types and sizes of provision.
- Provide evidence to inform policies related to the provision of specialist housing and housing related services.

The NPF states that HNDAs are to give broad, long run estimates of potential future housing need, rather than precision estimates. Additionally, a logical, sequential framework will allow for updating, monitoring and evaluation.

1.1.1 HNDA Toolkit and Guidance

The Department of Housing, Local Government and Heritage (DHLGH) published ‘Guidance on the Preparation of a Housing Need and Demand Assessment’ and a HNDA Tool in April 2021. This is intended to be the first iteration of the DHLGH’s HNDA Tool for use by local authorities in the preparation of housing strategies and development plans.

³³ National Planning Framework, National Policy Objective 17, p. 97.

The HNDA Tool produces an estimate of total future housing need in a local authority over the period 2020-2040 and an estimate of this need broken down into four tenure types:

- Owner-occupation
- Private rented
- Social rented
- Affordability constraint (i.e. households that are above the eligibility threshold for social housing but cannot afford to buy or rent privately and may require a form of affordable housing such as affordable purchase or cost rental).

The HNDA Toolkit may be amended in a number of ways to reflect custom scenarios and updated assumptions. Section 2 sets out an overview of how the Toolkit models housing need and sets out all of the custom changes that have been made for Dublin City. Section 3 provides presents the outputs of the HNDA model including the housing need by tenure for the period of the Dublin City Development Plan 2022-2028, while Section 4 provides a concise conclusion of the issues raised by the HNDA.

2.0 Methodology

This Section sets out the sequential steps involved in the development and application of the HNDA model undertaken for Dublin City. This modelling has made use of the latest version available of the HNDA Toolkit and Guidance issued by the DHLGH.

2.1 HNDA Toolkit Structure

2.1.1 Modelling Overview

The HNDA Tool has been developed by the DHLGH for Local Authorities in collaboration with the Scottish Centre for Housing Market Analysis and is very closely based on the HNDA model used by Scottish local authorities. This Tool is an Excel-based system using macros to assess a range of datasets (some of which may be customised or varied) to produce the demographic housing demand by tenure type.

It combines a range of data from public datasets across key housing market drivers, including data specially tabulated for the Tool. The most important of these drivers are demographic projections (published by

the Economic and Social Research Institute (ESRI) in December 2020³⁴), household incomes, property sales prices, rental prices, and estimates of existing unmet housing need (through data on overcrowding and homelessness), as well as a number of assumptions and forecasts about the Irish housing market.

The HNDA Tool operates firstly by forecasting the number of newly formed households in a local authority in each year of the projection period (2020-2040), based on the selected projection scenario. It also forecasts future household incomes and distributions, house prices, and rental prices in the local authority. Based on the combination of forecast incomes, prices, and key assumptions about the market, the Tool assesses whether forecast new households can sustainably afford housing in the private sector (owner-occupation or private rental) or require either social or affordable housing.

Affordability is defined by default as a household being required to pay either no more than 3.9 times the household income for owner-occupation (equivalent to the household taking out a mortgage which has a loan to value of 90% and a mortgage to income ratio of 3.5,) or no more than 35% of the household net income for private rental. The Tool carries out an assessment for owner-occupation first (assessed against the 25th percentile property price identified for the local authority) followed by an assessment for private rental (against median rental cost for a 2 bed unit) for those households who cannot afford to buy plus an assumed proportion of those who could afford to purchase but do not do so (see Section 2.1.5; this in part reflects those who do not have a deposit). Households with less than the maximum household income eligibility for social housing (€35,000 a year in Dublin City) are assigned to social housing. Households above this threshold who cannot afford to purchase or rent privately are assigned to the 'affordability constraint' category.

The HNDA Toolkit may be customised and used to assess scenarios in several areas, through setting data inputs and scenarios. The DHLGH instructions on using the HNDA Tool³⁵ sets out five broad stages in setting up the HNDA model and setting these key inputs, as shown in Figure 2.1 below:

³⁴ Bergin and García-Rodríguez, 'Regional demographics and structural housing demand at a county level' (ESRI, December 2020). [Online: <https://www.esri.ie/publications/regional-demographics-and-structural-housing-demand-at-a-county-level>]. The HNDA Toolkit makes use of the full projection dataset at local authority level.

³⁵ DHLGH, 'Housing Need and Demand Assessment – HNDA Tool Instructions' (April 2021).

Figure 2.1: HNDA Toolkit Preparation Stages



The following sections set out each of these stages in detail, and what assumptions and inputs KPMG Future Analytics have applied in the Dublin City HNDA.

2.1.2 Stage 1: Future Need for Additional Housing Units – Demography

Data on forecast demography and forecast population and household growth to 2040 at local authority level has been provided by the ESRI and is built into the Toolkit. The model includes five different scenarios (based on different international migration scenarios and other assumptions):

- 1 **Convergence** scenario (default scenario): 50:50 city scenario adjusted for new housing supply since 2017, and to facilitate convergence to NPF strategy per the section 28 Planning Guidelines 'Housing Supply Target Methodology for Development Planning'.
- 2 **50:50 city** scenario with population increase roughly equally split between the East and Midlands regions and urban areas/cities in the rest of the country and allows for a more even spread across the country.

- 3 **Baseline** based on net international migration declining linearly from +33,700 in 2019 to +15,000 by 2024 and remaining constant thereafter.
- 4 **High migration**, based on net international migration of +30,000 in 2020 and remaining constant thereafter; and
- 5 **Low migration**, based on net international migration dropping to +5,000 by 2022 and adjusting towards the baseline scenario over the following years.

In all situations the default scenario (convergence with ESRI forecasts and standard rate of inflation) must be run. Local Authorities are required to comply with the Section 28 Guidelines 'Housing Supply Target Methodology for Development Planning' from December 2020 when drafting their statutory development plans. The DHLGH's HNDA Guidance states that the 'Convergence' Scenario is intended to be consistent with the methodology from the Section 28 Guidelines. **Accordingly, KPMG Future Analytics have applied the Convergence Scenario for undertaking the Dublin City HNDA.**

However, although both the Convergence Scenario and the Housing Supply Target methodology have been produced by the DHLGH for use by Local Authorities, they are calculated in a slightly different way and can produce significantly different results over a single plan period for the reasons explained below.

2.1.2.1 Housing Supply Target Methodology and the Convergence Scenario

As part of the development plan process, local authorities must demonstrate how their development plan is consistent with the NPF and the NPF Implementation Roadmap population projections for their area. In December 2020, the DHLGH issued the 'Housing Supply Target Methodology for Development Planning' Section 28 Guidelines to translate these more consistently into development plans. These Guidelines build on research undertaken by the ESRI into regional demographics and structural housing demand at county level, taking the ESRI's 50:50 City Scenario household projections as the recommended housing demand scenario to be used by local authorities.

The Guidelines set a methodology for the application of population and housing projections into local authority plan processes. This sets a means of calculating the total housing demand and Housing Supply Target for the exact 6-year period of the development plan, to the nearest quarter. This methodology is as follows:

- **Total** 50:50 City projected new households from 2017 to the end of the plan period (in this case 2017 to Q4 2028, a total of 47,941 for DCC),
- **Minus** actual and estimated new housing supply between 2017 and the start of the plan period (2017 to Q4 2022, a total of 11,708 for DCC),
- **Plus** existing 'unmet demand' (latest homeless households and an estimate of overcrowded households from the 2016 Census) (3,905 for DCC)³⁶.

Using this method, KPMG Future Analytics have calculated a **total Housing Supply Target of 40,138 households for the Dublin City Development Plan 2022-2028**. This is the target that the Development Plan and its Core Strategy is required to follow.

However, the HNDA Toolkit's Convergence Scenario produces a significantly different estimate of housing demand for this period, as it is based on a longer-term approach to calculating housing demand. The Housing Supply Target methodology focuses on need in a strict 6-year period, aligning to the lifetime of a single development plan. The HNDA Toolkit includes forecasts over the whole period 2020-2040 to align with the long-term approach of the NPF, with a particular focus on the period to 2031 which is identified as a key milestone in the NPF. As a result, the Convergence Scenario for each local authority is based on:

- **Total** ESRI 50:50 City scenario projected new household demand 2017 to 2031 (57,960 for Dublin City),
- **Minus** actual new housing supply for 2017-19 only (5,266 for Dublin City).

This gives a total housing demand for Dublin City of 52,694 between 2020 and 2031. The resulting proportional uplift to the 50:50 City Scenario is applied for the 50:50 City forecasts each year, resulting in 24,876 households for Dublin City for the plan period. It does not include unmet demand (this is included separately in the Toolkit, spread by default over 10 years instead of 6), and it does not carry forward some of the shortfall between forecast demand and actual supply for 2020 onwards as with the Housing Supply Target.

36. Two further adjustments may be made where justified for some local authorities to converge with the NPF projections to 2026; these were not applied for Dublin City.

As a result, the Convergence Scenario as used in the HNDA Toolkit gives a total new household demand (not including existing unmet need) of 24,876 households for the plan period – significantly lower than the Housing Supply Target of 40,138. This is because DHLGH’s HNDA Toolkit is intended to give broad, long-run estimates of housing need from 2020 to 2040, rather than condensing housing need, housing shortfalls and unmet demand into a tight six-year period as required by DHLGH’s Housing Supply Target methodology. Therefore, the Convergence Scenario should be considered as a broad demographic estimate rather than a planning target.

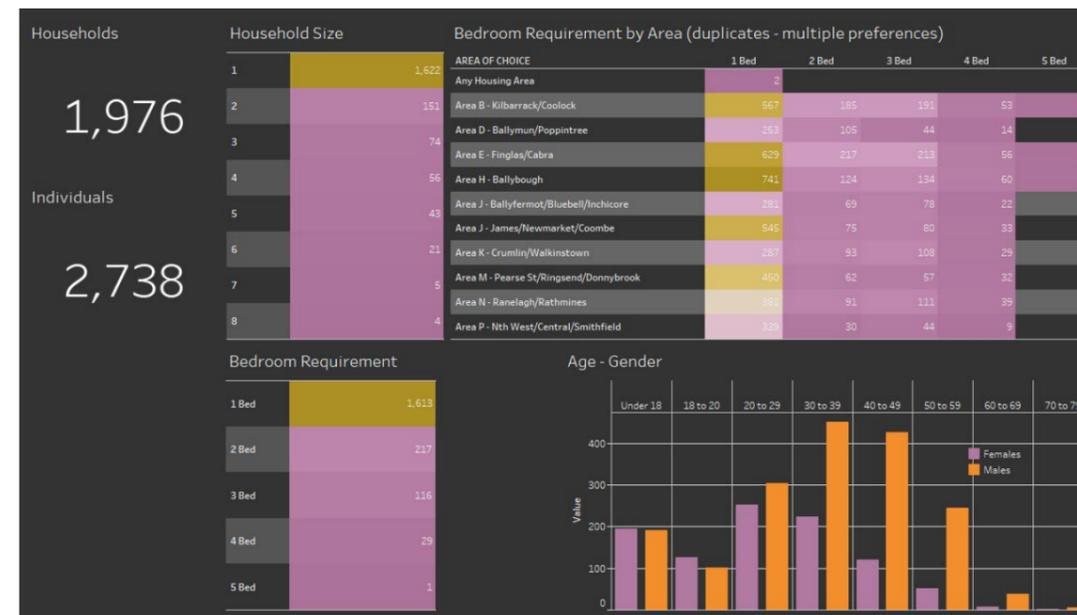
Finally, it should be noted that this step defines the total number of new households that subsequently go through the affordability assessment and does not affect the metrics used in that assessment. As a result, the tenure percentage breakdown of need would remain the same whatever total new household scenario or figure is used.

2.1.3 Stage 2: Existing Need for Additional Housing Units

The Toolkit includes built-in data on existing unmet housing need. This is a combination of two datasets: an estimate of overcrowded households by local authority (based on a special tabulation of Census 2016 data) and data on homelessness households (based on maximum numbers of households interacting with homelessness services in the last week December 2019, comprising 1,542 households for Dublin City). Local Authorities may substitute their own estimate of unmet need with sufficient justification. The model can be modified to apportion existing need across all tenures or to assign all existing need to social rent. It can also be modified to set an assumption on how many years it will take to clear existing need (the default setting being 10 years).

In compiling this section for the Dublin City HNDA, KPMG Future Analytics have made use of the default estimate of overcrowded households (1,929 households in 2016). However, Dublin City Council (DCC) in consultation with the Dublin Region Homeless Executive have provided an updated estimate of homeless household within the Council’s administrative area as of June 2021. Data from DCC’s social housing waiting list indicates there are 1,976 homeless households, comprising 2,738 individuals. This comprises those housing applicants assessed as eligible for social housing due to homelessness, whose need is not currently met and who have their main application with DCC. The majority (82%) of the 1,976 homeless households consist of one person, with corresponding high demand for one-bedroom accommodation. Further detail is presented in Figure 2.2 below.

Figure 2.2: Homeless Households and Individuals (Dublin City Social Housing Needs Assessment, June 2021)



This data has been used to represent a more up-to-date picture of homelessness in Dublin City. Homelessness is a highly fluid and varied phenomenon, with several potential ways of counting homeless households. Homelessness has been affected by the COVID-19 pandemic and public policies introduced during the pandemic to prevent a rise in homelessness (including restrictions on private rent increases and the use of former short-term lets for homeless services), with the number of households presenting as homeless to service providers declining over 2020 and the first half of 2021 as a result. More recent data captures this change. Furthermore, the use of data from the social housing waiting list (as opposed to the number of households accessing emergency accommodation, as used by default in the HNDA Toolkit) is used to better capture the variety of forms of homelessness present in Dublin City and not solely those in contact with emergency homeless services.

KPMG Future Analytics have also applied the default assumption of 10 years to clear existing need for this HNDA.

It should be noted that the HNDA Toolkit does not by default make use of local authority social housing needs assessments. In practice, the HNDA Toolkit by default only makes use of a portion of existing need for social housing in a local authority (assuming those classed as homeless or estimated as overcrowded are on the social housing waiting list). This reflects the HNDA’s focus on forecast, future demographic need for housing from newly created households. It also reflects the December

2020 Section 28 Guidelines on Housing Supply Targets, which require Housing Supply Targets to include homeless households and estimates of overcrowding in their calculation. The Housing Supply Target methodology does not include other forms of existing housing need or existing households such as the rest of a social housing waiting list, as it also focuses on forecast demographic need. As a result, this HNDA does not account for the portion of the existing social housing waiting list in DCC which is not classed as homeless and may not yet be housed at the beginning of the plan period.³⁷

2.1.4 Stage 3: Affordability – Income Growth and Distribution

The HNDA Toolkit is prepopulated with CSO data on household incomes sourced from Census 2016, the Revenue Commissioners and Department of Social Protection data and forecasted to 2019 using county incomes from national accounts and the CSO Earnings and Labour Costs annual data. Several assumptions on future income growth and changes may be set at this stage in the Toolkit:

Income Growth Scenarios:

Three pre-set scenarios may be used to forecast how household income will grow over the projection period (to 2040). These are:

- **Modest real-terms growth** (household income growth of 3.5% per annum in nominal terms, 1.5 percentage points above the European Central Bank (ECB) inflation rate target of 2% per annum);
- **No real terms growth** – Inflation target (household income growth of 2% per annum in nominal terms to 2040, the same the ECB inflation target – this is the default setting);
- **Below real terms growth** (household income growth of 0.5% per annum in nominal terms 1.5 percentage points below the ECB inflation target and falling in real terms).

Custom income scenarios may also be developed and used, with appropriate justifications and evidence-bases.

³⁷ For reference, the most recent Social Housing Needs Assessment published by the Housing Agency indicated a 'net need' of 14,001 households as of November 2020, of whom 2,957 were classed as homeless. Housing Agency, 'Summary of Social Housing Assessments 2020: Key Findings' [Online: <https://www.housingagency.ie/sites/default/files/2021-03/SSHA-2020.pdf>].

KPMG Future Analytics have developed a custom income growth scenario for use in the Dublin City HNDA, based on a review of recent available economic forecasts. This has been developed to reflect historic trends more accurately, including the ongoing economic effects of the COVID-19 pandemic and post-pandemic recovery as well as the latest economic forecasts from a range of agencies.

This scenario has been derived from an economic review undertaken to forecast Gross Domestic Product (GDP) growth to 2025 and beyond. The sources reviewed include:

- 2021 Outlook paper published by Davy in January 2021³⁸;
- Q2 2021 Quarterly Bulletin published by the Central Bank of Ireland in April 2021³⁹;
- Q1 2021 Economic Outlook published by IBEC in Q1 of 2021⁴⁰;
- Quarterly Economic Commentary published by the ESRI in March 2021⁴¹;
- Winter 2021 Economic Forecast published by the European Union in February 2021⁴²; and
- IMF World Outlook in April 2020⁴³.

Based on this review, the following forecast income growth rates are applied in the Dublin City HNDA:

- 2020: 3.4% GDP/income growth which is consistently reflected across the following sources: Central Bank, Davy, IBEC, EU, CSO and ESRI.
- 2021: 4.4% GDP/income growth which aligns with the latest forecasts.
- 2022: 4.5% GDP/income growth which aligns with the latest forecasts.
- 2023: 3.7% GDP/income growth.
- 2024: 2.8% GDP/income growth.

³⁸ <https://www.davy.ie/market-and-insights/insights/marketwatch/2021/outlook-2021/looking-past-the-pandemic.html>

³⁹ <https://www.centralbank.ie/publication/quarterly-bulletins>

⁴⁰ <https://www.ibec.ie/influencing-for-business/economy-and-tax/quarterly-economic-outlook-q1-2021>

⁴¹ <https://www.esri.ie/publications/quarterly-economic-commentary-spring-2021>

⁴² https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-performance-country/ireland/economic-forecast-ireland_en

⁴³ <https://www.imf.org/en/Countries/IRL#countrydata>

- 2025 onwards: 2.6% GDP growth which aligns with the IMF outlook and represents conservative tapering for the remainder of the plan period.

This approach allows a flexible growth rate to be applied over the forecast period, to reflect an expected post-COVID recovery and a tapered return to a lower growth rate thereafter.

Changes in Income Distributions

Assumptions on how different household income distributions will grow for a given overall growth rate may also be set in the Toolkit. This defines how household income at the 10th and 90th percentiles grow relative to median household income (the 50th percentile). Three pre-set scenarios are built into the Toolkit:

- Greater equality: The income growth rate for the least affluent households (the 10th percentile of the income distribution) is one percentage point per annum above the growth rate in median household income, while the income growth rate for the most affluent households (90th percentile) is one percentage point below the median.
- No change (core/default scenario): The incomes of the least affluent (10th percentile) and the most affluent (90th percentile) increase at the same rate as median household income.
- Greater inequality: The income growth rate for the least affluent (10th percentile) is one percentage point per annum below the median, while the income growth rate for the most affluent households (90th percentile) is one percentage point above the median.

Custom scenarios may also be developed and used, with appropriate justifications and evidence-bases. KPMG Future Analytics have applied the default scenario with no change in income distributions for this HNDA.

Parts of the Income Distribution of Interest

The Tool is set up to analyse affordability (incomes divided by house prices and rent prices) at the 25th percentile of income, house prices and rental prices; however, another point in the income distribution can be examined for a given year for illustrative purposes only. By default, this is set to the 75th percentile.

2.1.5 Stage 4: Affordability – House Prices

The Tool is pre-programmed with house price data sourced from the CSO's Property Price Register (PPR) index, and with five house price scenarios for how house prices are forecast to change over the projection period (2020-2040):

- Strong growth: Nominal house price growth is 6% per annum, every year to 2040.
- Modest growth: Nominal house price growth is 4% per annum, every year to 2040.
- Weak growth (no real-terms growth): Nominal house price growth is 2% per annum, every year to 2040, in line with the ECB's inflation target.
- Flat growth (real-terms decline): Average house prices are unchanged in nominal terms, and declining in real terms if inflation is in line with the ECB's inflation target of 2%.
- Economic and Social Research Institute Forecast (core/default): This scenario is based on the ESRI's model and assumes a 2.25% increase in prices.

Custom scenarios may also be developed and used, with appropriate justifications and evidence-bases. KPMG Future Analytics have developed a custom house price scenario for use in the Dublin City HNDA, based on the review of recent available economic forecasts used for income growth described above. This is also based on consideration of historic house price growth in Dublin City. Specifically, the distribution of the price of units in the housing market during 2012-2020 have been reviewed for Dublin City. Following review of information from the Residential Property Price Register (RPPR) for Dublin City between the years 2012-2020 the average house price change over the past four years (2017-2020) of 4.27% has been used as a basis for future changes in average house price from 2021 onwards (i.e. future baseline), as can be seen in Table 2.1 and Table 2.2 below.



Table 2.1: Historic Sales Growth - PPR

| Dublin City | Growth | Sales |
|-------------------|--------|--------|
| 2012 | -2.07% | Actual |
| 2013 | 12.30% | |
| 2014 | 6.27% | |
| 2015 | 6.22% | |
| 2016 | 11.38% | |
| 2017 | 10.54% | |
| 2018 | 6.96% | |
| 2019 | -2.07% | |
| 2020 | 1.65% | |
| 2017-2020 Average | 4.27% | |

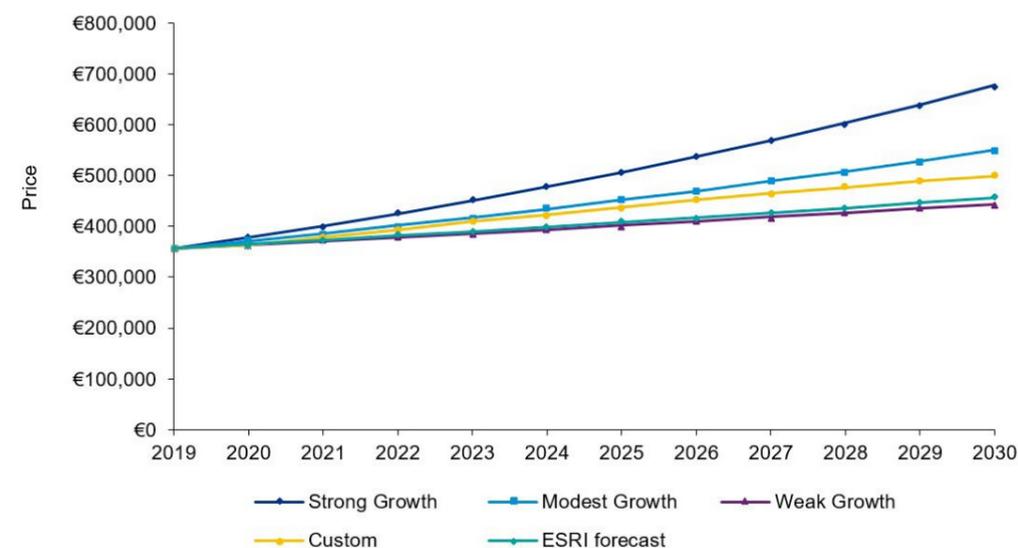
Table 2.2: Custom Sales Scenario

| Dublin City | Growth | Sales |
|-------------|--------|----------|
| 2019 | -2.07% | Actual |
| 2020 | 1.65% | |
| 2021 | 4.27% | Forecast |
| 2022 | 4.00% | |
| 2023 | 4.00% | |
| 2024 | 3.50% | |
| 2025 | 3.50% | |
| 2026 | 3.00% | |
| 2027 | 3.00% | |
| 2028 | 2.50% | |
| 2029 | 2.50% | |
| 2030 | 2.00% | |

The custom scenario sees the growth rate reduce by 0.5% every two years towards a sustained 2% growth by 2030. This scenario is an attempt to show variation over time, which is evident in the historic data, while also being reflective of the Dublin City market. The staggered reduction aims to align with the ESRI forecast scenario of 2.25% per year by the end of the modelling timeline.

Figure 2.3 below shows that the custom scenario sees sale prices grow at a greater rate than the ESRI and “Weak Growth” scenarios but below those of the “Modest” and “Strong” growth scenarios, which were shown to push modelled sales prices to very high levels by 2030.

Figure 2.3: Median Price Forecasts in Dublin City (Default and Custom Scenarios)



Toolkit users can also set an affordability criterion to decide a cut-off point for who can afford to buy in the private market and who cannot (and will need to rent). The default setting in the Tool assumes that a household is suitable for home ownership provided that they could afford to purchase a house at the lower quartile (25th percentile) of the house price distribution. The test for affordability is that the house price is no more than 3.9 times the household’s income. This is equivalent to the household taking out a mortgage which has a loan to value of 90% and a mortgage to income ratio of 3.5, which are both based on the Central Bank’s macro-prudential rules. The income ratio (3.9 by default) may be varied by users with sufficient justification and evidence base. KPMG Future Analytics have applied the default affordability criteria for this HNDA.

2.1.6 Stage 5: Affordability – Rental Prices

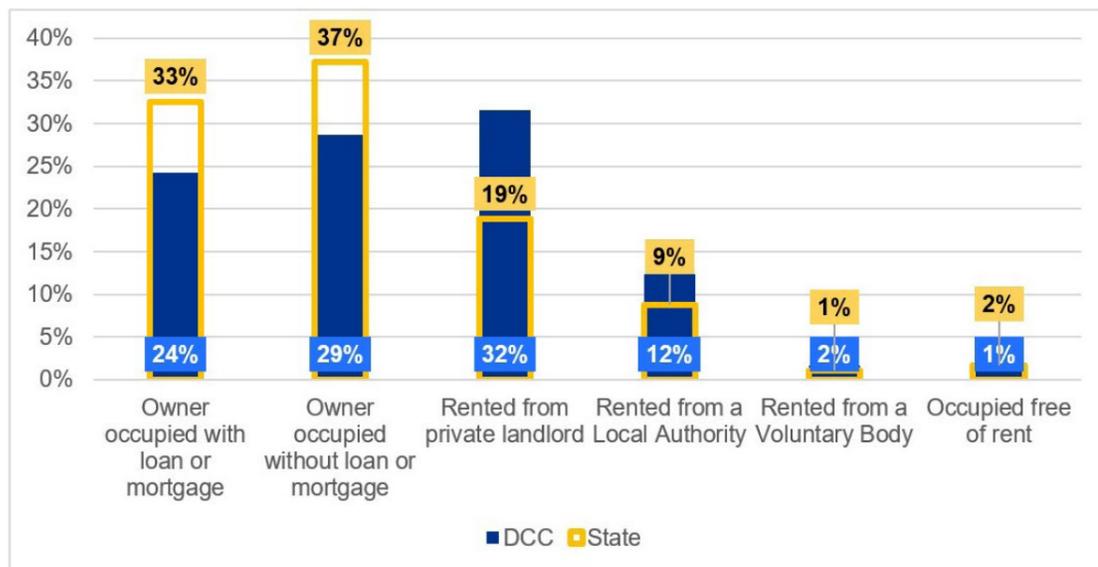
In addition to assumptions on house prices, several assumptions on the rental market may be made for the projection period.

Proportion of Purchasers

Toolkit users may set the proportion of those who can afford to purchase in the market and will actually go on to do so. The default in the Tool is set at 70%. This assumes, of those who can afford mortgage repayments, only 70% also have the deposit to go on to buy. This is based on data from the Banking and Payments Federation Ireland (BPF) on average numbers of first-time buyer mortgage drawdowns between 2011 and 2020.

An examination of the 2016 census for household tenure indicates that 68% of households in the State are owner-occupied (both with and without mortgages). In Dublin City by comparison just 52.9% of households are owner-occupied. The breakdown of households by type of tenure are compared between Dublin City and the State in Figure 2.4.

Figure 2.4: Tenure Breakdown in Dublin City and the State (Census 2016)



Based on the substantial difference between the default value, of 70%, and the proportion of homeowners from the latest Census in Dublin City of 53%, there is a strong case for modifying this value within the Toolkit to be more representative of Dublin City.

Therefore, KPMG Future Analytics have applied a proportion of 55% in the HNDA Toolkit to better align data available for Dublin City from the latest census. This 55% value represents a slight increase on the 2016 tenure profile; this reflects the slight increase in the Toolkit between Census 2016 data and the Toolkit default of 70% as well as an aspiration in national and local policy more broadly to support home ownership at sustainable levels.

Affordability Thresholds

The Toolkit uses thresholds to split the remainder of need into three rental sectors:

- The 1st threshold determines those who can afford to rent in the private sector. If a household can afford median rent with less than or equal to 35% of their net income, the Tool assumes they can afford to rent in the private sector.

- The 2nd threshold determines those who may be eligible for social housing. If household income is less than the minimum cut-off for social housing (up to €35,000 for Dublin City), the Tool assumes they are suitable for social rent.
- The remainder is allocated to an “affordability constraint” category in cases of households not being eligible for social housing but facing affordability constraint (with regard to income and house prices). This is in effect those households requiring ‘affordable’ tenure types (such as Cost Rental or affordable purchase).

KPMG Future Analytics have applied the default settings for these affordability thresholds.

Rental Price Forecasts

The Tool is pre-programmed with rental price data sourced from the Residential Tenancies Board (RTB), and with five rental price scenarios for how rents are forecast to change over the projection period (2020-2040). These are the same scenarios as those for house prices (including the default ESRI scenario of 2.25% per annum), although the model can run different scenarios for sales prices and rents at the same time.

Custom scenarios may also be developed and used, with appropriate justifications and evidence-bases. KPMG Future Analytics have developed a rental price scenario for use in the Dublin City HNDA, based on the review of recent available economic forecasts used for income growth and house price growth described above. This is also based on consideration of historic rental growth in Dublin City.

To ensure the most up to date market context, 2020 has been selected as the baseline year and rental information as recorded by the Residential Tenancies Board (RTB) during that year has been considered representative. Information has been extracted for Dublin City for 2010-2020. Utilising the standardised average rent for “All Bedrooms” from the RTB/CSO⁴⁴, varying growth rates across the timeline were identified. Due to this variance the period of 2017-2020 has been selected, where the average growth over this period was 6.22%, to be representative of the average rental growth for Dublin City. The custom scenario applies this value to the 2021 baseline values, following which the growth rate reduces by 0.5% per annum until reaching 4% where it holds constant for the remainder of the forecast period. The rental growth rate is held at 4% per annum due to Dublin City being fully within a Rent Pressure Zone (RPZ), where rental increases are capped at 4% per annum.

⁴⁴ CSO, Online [https://data.cso.ie/], PXStat Table RIQ02

Table 2.3: Historic Rental Growth - RTB

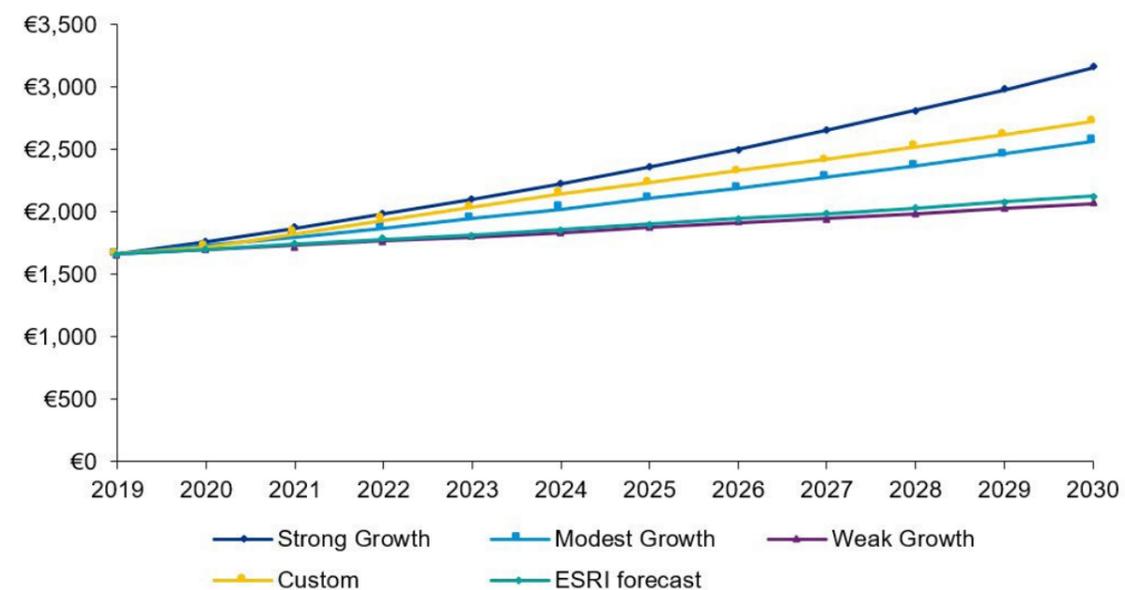
| Dublin City | Growth | Rental |
|-------------------|--------|--------|
| 2012 | 0.72% | Actual |
| 2013 | 3.16% | |
| 2014 | 7.97% | |
| 2015 | 8.27% | |
| 2016 | 7.70% | |
| 2017 | 7.23% | |
| 2018 | 8.11% | |
| 2019 | 6.31% | |
| 2020 | 3.23% | |
| 2017-2020 Average | 6.22% | |

Table 2.4: Custom Rental Scenario

| Dublin City | Growth | Rental |
|-------------|--------|----------|
| 2019 | 6.31% | Actual |
| 2020 | 3.23% | |
| 2021 | 6.22% | Forecast |
| 2022 | 6.00% | |
| 2023 | 5.50% | |
| 2024 | 5.00% | |
| 2025 | 4.50% | |
| 2026 | 4.00% | |
| 2027 | 4.00% | |
| 2028 | 4.00% | |
| 2029 | 4.00% | |
| 2030 | 4.00% | |

Figure 2.5 shows that by 2030 the custom scenario forecasts higher rental costs than those of the “Modest”, “Weak” and “ESRI” forecasts but below that of the “Strong Growth” scenario. Due to both the observed historic variance and high growth rates in the rental market and the presence of the RPZ the custom scenario is seen as more representative of the Dublin City rental market.

Figure 2.5: Median Rental Forecast for Dublin City (Default and Custom Scenarios)



2.1.7 Additional HNDA Elements – Composition and Dwelling Type

KPMG Future Analytics have also carried out additional research and modelling for Dublin City to meet further requirements of the HNDA which are not currently dealt with in the HNDA Toolkit. This includes elements included in the December 2020 updated version of the ‘Sustainable Urban Housing: Design Standards for New Apartments’ Section 28 Guidelines⁴⁵. In particular, these Guidelines include two Specific Planning Policy Requirements (SPPRs) relevant to the HNDA:

- SPPR 1 allows a local authority development plan to specify a dwelling size mix for apartment and other housing developments, where supported by a HNDA.
- SPPR 9 introduces a presumption against granting planning permission for shared accommodation/co-living developments unless the development is “required to meet specific demand identified” by a HNDA process.

⁴⁵ DHLGH, ‘Sustainable Urban Housing: Design Standards for New Apartments – Guidelines for Planning Authorities issued under Section 28 of the Planning and Development Act, 2000 (as amended)’, December 2020. [Online: http://www.housing.old.gov.ie/sites/default/files/publications/files/december_2020_-_design_standards_for_new_apartments.pdf]

To examine these elements in the absence of specific treatment of dwellings in the HNDA Toolkit, KPMG Future Analytics have examined historic trends on dwelling type and household size from previous Censuses for Dublin City to project potential changes in household and dwelling compositions. This makes use of historic intercensal trends to apply a projection to Census 2016 household composition and dwelling type rates.

There are two limitations that must be noted for this approach. Firstly, these represent a continuation of historic trends and are a 'policy-off' approach that may not reflect subsequent policy choices and market dynamics. Furthermore, previous Censuses did not measure bedrooms per household (as distinct from other rooms). As such, there is no comprehensive profile of the number of bedrooms per dwelling in Dublin City to project forward or to otherwise more accurately address SPPR 1, and data on household composition (persons per household) has been used as a proxy. This allows a qualitative assessment of potential household sizes that future stock will need to address.

Finally, it should be noted that the Guidelines and SPPR 9 do not specifically define the type of demand for co-living that the HNDA may identify. The previous 2018 'Design Standards for New Apartments' Guidelines⁴⁶ refer to demand for co-living primarily in terms of accommodation needs in particular employment sectors and locations rather than demographic need. As a highly site- and sector-specific assessment is beyond the scope of this HNDA, KPMG Future Analytics have considered one-person households and private rented sector need as the main indicators of demand for this type of accommodation.

2.1.8 Other Modifications and Changes

KPMG Future Analytics have made use of the most recently available version of the Toolkit, obtained in June 2021. Technical changes were made to the Toolkit to fix formula issues in the model to allow calculation of custom scenarios, as the unamended version would not otherwise read custom scenarios correctly. Changes were also made to ensure consistency in how the model applies custom projections for income, rents, and sales prices for each year, which were calculated on an inconsistent basis in the original model. A technical fix was applied to ensure that the custom 'existing need' figure for DCC was wholly assigned to social housing and not partially run through the affordability assessment as in the unamended model. Some issues in aligning years to the plan period correctly were also addressed. The model 'start year'

⁴⁶ DHLGH, 'Sustainable Urban Housing: Design Standards for New Apartments – Guidelines for Planning Authorities,' March 2018. [Online: <https://www.gov.ie/en/publication/15f0b-design-standards-for-new-apartments-dsfna-2018/>].

was set to 2020 (as per the default), as a later start year does not project baseline (2019) values for interim years.

A technical note has been prepared separately that provides greater detail on the issues identified and the technical fixes applied for the Dublin City HNDA. This note is intended to constructively inform the further refinement and development of the HNDA Toolkit and will accordingly be shared with the DHLGH.

3.0 HNDA Outputs

This section summarises the outputs of the HNDA modelling carried out for Dublin City using the HNDA Toolkit (incorporating the custom variations set out in Section 2). The Toolkit outputs show potential need for housing across tenures (ownership, private rental, social rental, and 'affordability constrained').

Throughout this section, data has been given for the period of the Dublin City Development Plan 2022-2028, with some data presented for future periods for context. As the Plan is currently due to come into force in late 2022, and in order to align with the Housing Supply Target methodology⁴⁷, for this HNDA the plan period has been rounded up to the nearest quarter (Q1 2023) and is presented as the full six calendar years 2023 to 2028. All results presented have been rounded to the nearest whole number to remove any decimalisation of people or households.

3.1 Future Population

While the HNDA Toolkit does not directly model population, it includes updated population and household projections produced by the ESRI as a key evidence base (originally published by the ESRI in December 2020⁴⁸). Population projections under the four scenarios modelled by the ESRI are included for each local authority in supplementary material released by DHLGH. The four scenarios are:

- **Baseline:** net international migration nationally declines linearly from +33,700 in 2019 to +15,000 by 2024 and remains constant thereafter;

⁴⁷ DHLGH, 'Housing Supply Target Methodology for Development Planning: Guidelines for Planning Authorities issued under Section 28 of the Planning and Development Act, 2000 (as amended),' December 2020/

⁴⁸ Bergin and García-Rodríguez, 'Regional demographics and structural housing demand at a county level,' (ESRI, December 2020). [Online: <https://www.esri.ie/publications/regional-demographics-and-structural-housing-demand-at-a-county-level>]. Full local authority-level data from this research is used in the HNDA Toolkit.

- **50:50 city:** 50% of population nationally growth between 2016 and 2040 in Eastern/Midlands region and additional population growth focused on major cities within each region, aligning with the NPF;
- **High migration:** net international migration of nationally +30,000 in 2020 and remaining constant thereafter;
- **Low migration:** net internal migration nationally drops to +5,000 by 2022 and adjusts towards baseline scenario over following five years

Population projections for Dublin City are presented in Table 3.1 below up to 2031 (a key milestone year in the National Planning Framework), with baseline population for 2016 included:

Table 3.1: Population Projections for Dublin City, 2020-2031

| Year | Baseline | 50:50 City | High Migration | Low Migration |
|---------------|----------|------------|----------------|---------------|
| 2016 (Actual) | 554,554 | 554,554 | 554,554 | 554,554 |
| 2020 | 592,234 | 593,120 | 592,020 | 587,786 |
| 2021 | 599,612 | 600,654 | 599,720 | 591,141 |
| 2022 | 605,998 | 607,165 | 606,984 | 593,964 |
| 2023 | 611,537 | 612,793 | 613,969 | 597,278 |
| 2024 | 616,152 | 617,459 | 620,604 | 601,019 |
| 2025 | 620,145 | 621,464 | 627,211 | 604,674 |
| 2026 | 623,725 | 625,023 | 633,465 | 607,937 |
| 2027 | 626,921 | 628,163 | 639,394 | 610,850 |
| 2028 | 629,863 | 631,010 | 645,121 | 613,564 |
| 2029 | 632,548 | 633,562 | 650,639 | 616,064 |
| 2030 | 635,111 | 635,949 | 656,072 | 618,485 |
| 2031 | 637,448 | 638,068 | 661,310 | 620,756 |

Source: DHLGH HNDA Tool Data Source List.

3.2 Future Households – Structural Household Projections

The HNDA Tool incorporates household projections produced at county and local authority level by the ESRI (alongside the population projections described above) in December 2020. There are five scenarios inbuilt into the tool which form a basis for the calculation of housing need across all tenures:

- **Convergence:** based on ESRI 50:50 City Scenario and incorporating unmet demand in years 2017-2019 inclusive over the period 2020-2031.
- Baseline
- 50:50 city
- High migration
- Low migration

The additional, newly-formed households forecast under these scenarios form the structural housing demand for Dublin City over the plan period and beyond and are shown in Table 3.2 below. The figures presented in this table do not include the existing unmet need of 3,905 subsequently inputted into the HNDA Tool.

Table 3.2: Forecast Additional Households Per Annum

| Year | Convergence | Baseline | 50:50 City | High Migration | Low Migration |
|------|-------------|----------|------------|----------------|---------------|
| 2020 | 5,515 | 4,504 | 4,573 | 4,428 | 2,929 |
| 2021 | 5,295 | 4,333 | 4,391 | 4,446 | 2,886 |
| 2022 | 4,926 | 4,039 | 4,085 | 4,350 | 2,737 |
| 2023 | 4,666 | 3,838 | 3,870 | 4,354 | 3,002 |
| 2024 | 4,320 | 3,564 | 3,582 | 4,293 | 3,223 |
| 2025 | 3,970 | 3,289 | 3,292 | 4,237 | 3,159 |
| 2026 | 3,941 | 3,278 | 3,268 | 4,252 | 3,176 |
| 2027 | 3,912 | 3,267 | 3,244 | 4,264 | 3,191 |
| 2028 | 4,067 | 3,408 | 3,372 | 4,423 | 3,356 |
| 2029 | 4,009 | 3,374 | 3,325 | 4,403 | 3,338 |
| 2030 | 4,047 | 3,419 | 3,356 | 4,459 | 3,396 |
| 2031 | 4,025 | 3,415 | 3,338 | 4,460 | 3,404 |

3.3 Forecast Household Incomes

As set out in Section 2.1.4 previously, KPMG Future Analytics have applied a custom scenario for household income rises in the HNDA (based on a review of historic data and recent economic forecasts), with a forecast rise in incomes of 4.4% in 2021 and gradually falling to an annual increase of 2.6% by 2026. As a result, forecast incomes across the income spectrum are forecast to grow strongly over the HNDA period, with median incomes in Dublin City growing from a baseline of €50,869 in 2019 to €67,788 in 2028.

Table 3.3: Forecast Household Incomes in Dublin City, 2019-2028

| Year | Median Income | 75th Percentile Income | 25th Percentile Income |
|------|---------------|------------------------|------------------------|
| 2019 | €50,869 | €88,760 | €27,583 |
| 2020 | €52,598 | €91,778 | €28,521 |
| 2021 | €54,913 | €95,816 | €29,776 |
| 2022 | €57,384 | €100,128 | €31,116 |
| 2023 | €59,507 | €103,832 | €32,267 |
| 2024 | €61,173 | €106,740 | €33,171 |
| 2025 | €62,764 | €109,515 | €34,033 |
| 2026 | €64,396 | €112,362 | €34,918 |
| 2027 | €66,070 | €115,284 | €35,826 |
| 2028 | €67,788 | €118,281 | €36,757 |

3.4 Forecast Property Prices

As set out in Section 2.1.4 previously, KPMG Future Analytics have applied a custom scenario for property sales prices in the HNDA, with a forecast price rise of 4.27% in 2021 gradually falling to an annual increase of 2% by 2030. Table 3.4 below shows how mean, median and 25th percentile (i.e. the price of the property at the 25th percentile point on the overall sales distribution) are forecast to change over the period 2020-2028, with the median property price in Dublin City forecast to rise from €362,899 in 2020 to €476,760 in 2028.

Table 3.4: Projected Sales Prices in Dublin City, 2020-2028

| Year | Mean Price | Median Price | 25th Percentile Price |
|------|------------|--------------|-----------------------|
| 2020 | € 437,868 | € 362,899 | € 279,544 |
| 2021 | € 456,574 | € 378,403 | € 291,487 |
| 2022 | € 474,837 | € 393,539 | € 303,146 |
| 2023 | € 493,831 | € 409,281 | € 315,272 |
| 2024 | € 511,115 | € 423,605 | € 326,307 |
| 2025 | € 529,004 | € 438,432 | € 337,727 |
| 2026 | € 544,874 | € 451,585 | € 347,859 |
| 2027 | € 561,220 | € 465,132 | € 358,295 |
| 2028 | € 575,251 | € 476,760 | € 367,252 |

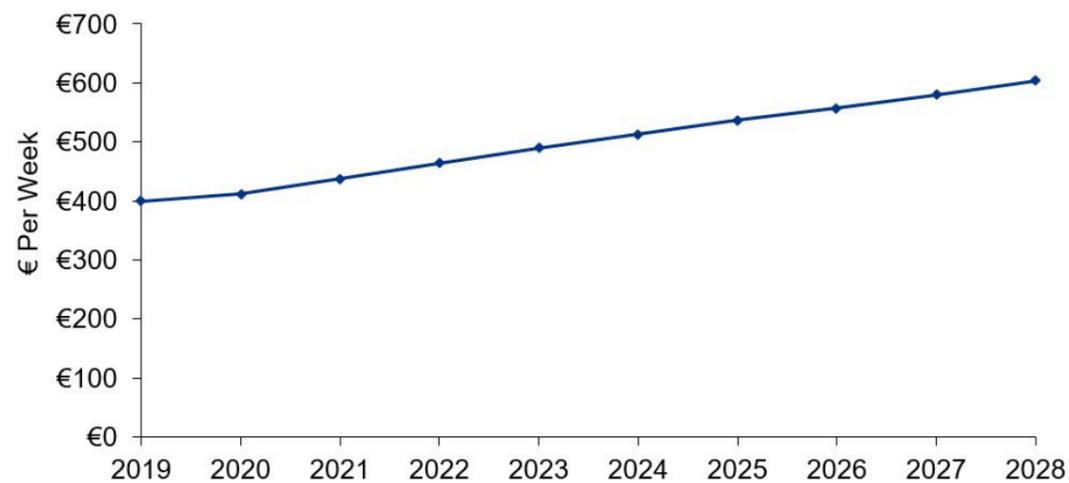
3.5 Rental Forecasts

As set out in Section 2.1.5 previously, KPMG Future Analytics have applied a custom scenario for rents in the HNDA, with a forecast of median rent increases of 6.2% in 2021 (based on analysis of historic rent growth in recent years) and gradual slowing of growth to 4% in 2026 onwards (based on Rent Pressure Zone caps). While this gives a higher growth rate than the HNDA Tool default (ESRI forecast of 2.25%), this reflects recent historic trends in Dublin City. Table 3.5 and Figure 3.1 below show the projected rise in median weekly rents over the period 2020-2028.

Table 3.5: Projected Median Rents in Dublin City, 2020-2028

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|----------------------|------|------|------|------|------|------|------|------|------|
| Median rent - weekly | €411 | €437 | €463 | €489 | €513 | €536 | €558 | €580 | €603 |

Figure 3.1: Projected Median Weekly Rents, 2020-2028



3.6 Total Forecast Housing Need

The total housing need figure over the plan period used in the HNDA is a combination of a household projection scenario (in this case the Convergence scenario) and an estimate of existing unmet housing need, as discussed in Section 2.1.2. This estimate of unmet need includes an estimate of overcrowded households from the 2016 Census (1,929 households in Dublin City) combined with existing homeless households. DCC and the Dublin Region Homeless Executive have provided a total figure of 1,976 homeless households as of June 2021. This results in a combined unmet need of 3,905 households. As discussed in Section 2.1.2, the assumption included in the HNDA Tool is that this need will be cleared over 10 years, and thus is equally distributed over the years 2020 (model start year) to 2030. As a result, 2,343 households are classified as existing need falling within the plan period (9.4% of total housing need over the period). For the purposes of the tenure assessment in Section 3.7 below, these households have all been classified as social housing need.

Table 3.6 below shows the total housing need for Dublin City over the plan period, combining structural housing demand forecasts (the Convergence scenario) and existing need:

Table 3.6: Total Annual Housing Need, 2023-2028

| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|--------------------------------|-------|-------|-------|-------|-------|-------|--------|
| Total Housing Need | 5,057 | 4,710 | 4,361 | 4,332 | 4,303 | 4,457 | 27,219 |
| Convergence Projections | 4,666 | 4,320 | 3,970 | 3,941 | 3,912 | 4,067 | 24,876 |
| Existing need | 391 | 391 | 391 | 391 | 391 | 391 | 2,343 |

3.7 HNDA Outputs: Housing Need by Tenure

Based on the application of the additional anticipated households in the HNDA model and the scenarios for existing need, incomes, affordability criteria, house prices, and rental prices as described in Section 2, the HNDA Tool calculates total housing need for each year and how many forecast households can afford to purchase homes in the private market. Of those who cannot, it calculates how many can afford to rent privately, how many require social housing, and how many are 'affordability constrained' and require a form of affordable housing tenures (such as Cost Rental or affordable purchase).

The following tables summarise this estimate of housing need across all tenures. Over the six-year plan period of 2023-2028, there is an estimated need for 10,247 social homes in Dublin City (37.6% of the total, of which 2,343 comprise existing unmet need as described in the previous section), as well as 7,887 affordable homes (29% of the total); 4,997 households (18.4%) are estimated to be able to access private ownership in Dublin City, while 4,088 households (15%) are estimated to be able to meet their needs in the private rental market.

Table 3.7: Estimated Housing Need by Tenure, 2023-2028 (Households)

| Tenure | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---------------------------------|-------|-------|-------|-------|-------|-------|--------|
| Social Rent | 2,024 | 1,816 | 1,661 | 1,612 | 1,564 | 1,570 | 10,247 |
| Affordability Constraint | 1,306 | 1,296 | 1,231 | 1,301 | 1,330 | 1,423 | 7,887 |
| Private Rented | 777 | 719 | 661 | 639 | 633 | 659 | 4,088 |
| Buyers | 950 | 879 | 808 | 780 | 775 | 805 | 4,997 |

| | | | | | | | |
|---------------------------|-------|-------|-------|-------|-------|-------|--------|
| Total Housing Need | 5,057 | 4,710 | 4,361 | 4,332 | 4,303 | 4,457 | 27,219 |
|---------------------------|-------|-------|-------|-------|-------|-------|--------|

Table 3.8: Estimated Housing Need by Tenure, 2023-2028 (%)

| Tenure | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2023-2028 |
|---------------------------------|-------|-------|-------|-------|-------|-------|-----------|
| Social Rent | 40.0% | 38.6% | 38.1% | 37.2% | 36.3% | 35.2% | 37.6% |
| Affordability Constraint | 25.8% | 27.5% | 28.2% | 30.0% | 30.9% | 31.9% | 29.0% |
| Private Rented | 15.4% | 15.3% | 15.2% | 14.7% | 14.7% | 14.8% | 15.0% |
| Buyers | 18.8% | 18.7% | 18.5% | 18.0% | 18.0% | 18.1% | 18.4% |

Figure 3.2 and Figure 3.3 below illustrate the estimate of housing needs by tenure over the plan period. This shows that the need for social housing remains high over the plan period but declines steadily from 40% in 2023 to 35.2% in 2028, reflecting the effect of housing incomes in lower income cohorts rising above the social housing upper income threshold. By contrast, the 'affordability constraint' estimate grows steadily over the same time from 25.8% in 2023 to 31.9% in 2028. This suggests a growing cohort above the eligibility threshold for social housing who cannot afford housing in the private market. The estimated proportions of those who can afford to buy or to privately rent remain relatively stable over the plan period, marginally declining by less than a percentage point.

Figure 3.2: Projected Housing Need in Dublin City by Tenure, 2023-2028

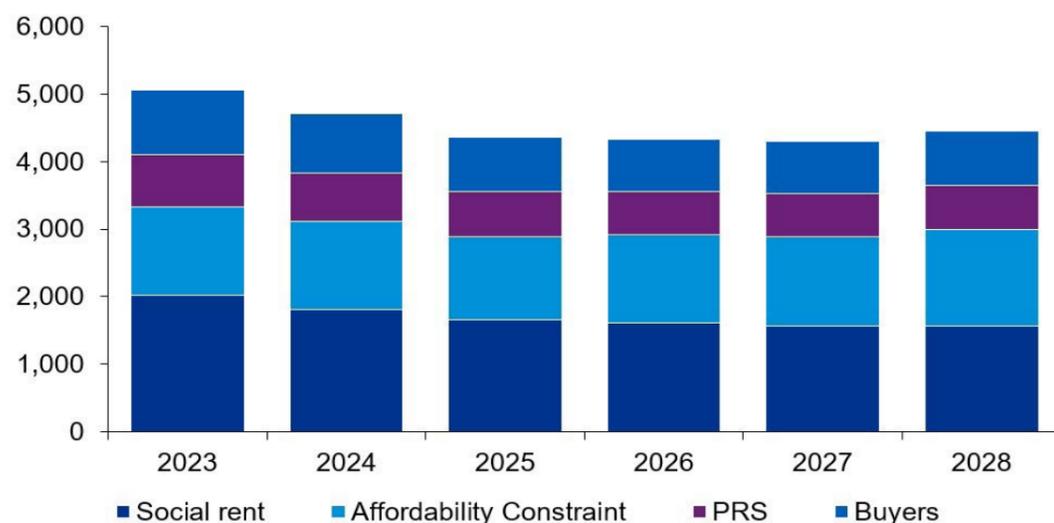
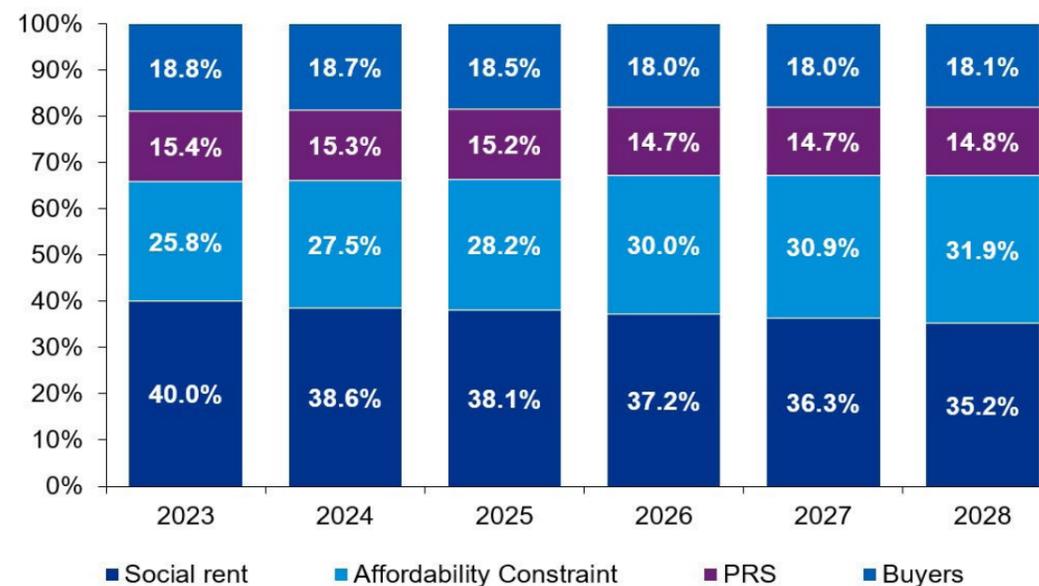


Figure 3.3: Projected Housing Need by Tenure – Annual Distribution, 2023-2028



3.8 Additional HNDA Elements – Household Composition

Analysis of historic Census data over the period 2002-2016 for DCC of the composition of households has been undertaken to understand the dynamics of change over time and estimate how this may change into the future. Table 3.9 below shows household size composition for DCC for each Census between 2002 and 2016. Compared to the State as a whole in 2016, Dublin City had a higher proportion of one-person households (28.3% compared to 23.5% nationally) and two-person households (32% compared to 28.6% nationally), and a lower proportion of four-person households (13.2% compared to 16.9% nationally) and five+ person households (9.4% compared to 13.5% nationally).

Table 3.9: Historic Household Composition in Dublin City, 2002-2016

| Persons Per Household | 2002 | 2006 | 2011 | 2016 | 2002 | 2006 | 2011 | 2016 |
|-----------------------|---------|---------|---------|---------|-------|-------|-------|-------|
| 1 person | 52,517 | 55,957 | 63,795 | 60,001 | 29.0% | 29.3% | 30.7% | 28.3% |
| 2 persons | 51,644 | 58,295 | 66,684 | 67,707 | 28.6% | 30.5% | 32.1% | 32.0% |
| 3 persons | 30,086 | 32,144 | 34,557 | 36,277 | 16.6% | 16.8% | 16.6% | 17.1% |
| 4 persons | 24,607 | 24,956 | 24,979 | 27,943 | 13.6% | 13.1% | 12.0% | 13.2% |
| 5+ persons | 21,998 | 19,501 | 17,993 | 19,819 | 12.2% | 10.2% | 8.7% | 9.4% |
| Total | 180,852 | 190,853 | 208,008 | 211,747 | | | | |

Table 3.10 below indicates the percentage change for each household size cohort in Dublin City between each of the four Censuses examined. The intercensal average for this period has been used to determine a trended annual average change in household composition as set out in Table 3.10 and Table 3.11 below. This trend is then applied forward for DCC from 2016 to 2028 to provide a forecast for the plan period, as presented in Figure 3.4.

Table 3.10: Historic Household Composition Change in Dublin City, 2002-2016

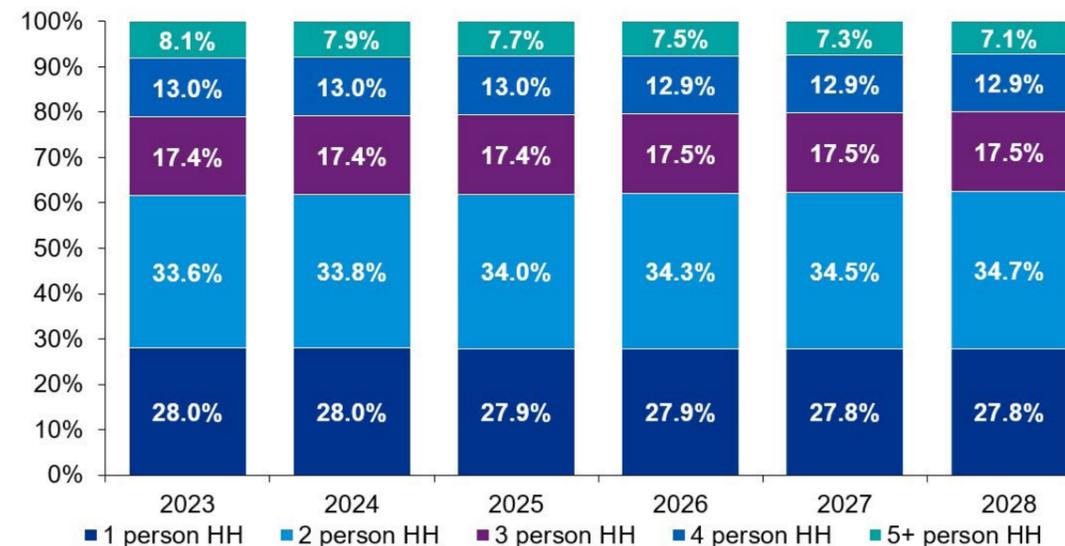
| Persons Per Household | Change % | | | Average Change % | |
|-----------------------|-----------|-----------|-----------|------------------|-------------|
| | 2002-2006 | 2006-2011 | 2011-2016 | Intercensal Avg. | Annual Avg. |
| 1 person | 0.3% | 1.4% | -2.3% | -0.2% | -0.05% |
| 2 persons | 2.0% | 1.5% | -0.1% | 1.1% | 0.23% |
| 3 persons | 0.2% | -0.2% | 0.5% | 0.2% | 0.03% |
| 4 persons | -0.5% | -1.1% | 1.2% | -0.1% | -0.03% |
| 5+ persons | -1.9% | -1.6% | 0.7% | -0.9% | -0.19% |

Table 3.11: Forecasted Annual Change in Household Size Cohorts in DCC

| Annual Change | 1-person household | 2-person household | 3-person household | 4-person household | 5+ person household |
|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Dublin City | -0.05% | 0.23% | 0.03% | -0.03% | -0.19% |

Based on the identified intercensal changes, DCC sees a reduction in one- and four- person households at a relatively slow rate and five+ person households at a much higher rate. Two- and three- person households are on an upward trend with two- person households increasing at the highest rate (0.23% per annum). The composition forecast for DCC is illustrated in Figure 3.4 below.

Figure 3.4: Forecast Household Composition over the Plan Period

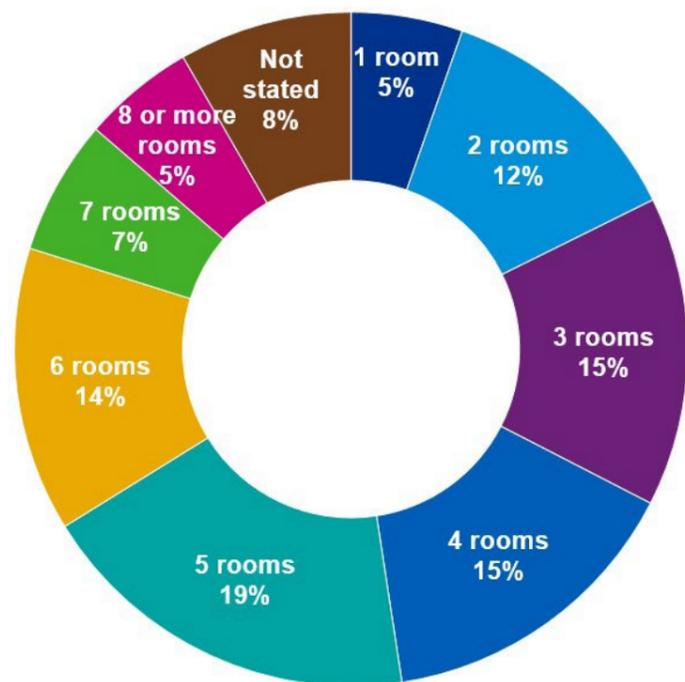


As noted previously, the 2016 Census did not differentiate between bedrooms and all other rooms, and as a result it is not possible to obtain a full dwelling size mix for Dublin City. To gain a further understanding of household size and composition and how it may relate to the dwelling stock, Census data has been examined on the number of rooms per household in 2016. This data is contextual and does not solely indicate bedrooms. Census respondents were instructed not to count bathrooms, toilets, kitchenettes, utility rooms, consulting rooms, offices, shops, halls or landings, or rooms that can only be used for storage such as cupboards – these are therefore not included in the data below. They were instructed to count all other rooms such as kitchens, living rooms, bedrooms, conservatories, and studies. The data in Table 3.12 and Figure 3.5 below indicate that households in Dublin City are fairly evenly distributed across the room number categories; however, households tended to have access to less rooms than the national average, with an average of 4.3 rooms per household in Dublin City compared to 5.4 for the State overall.

Table 3.12: Households by Number of Rooms in Dublin City, 2016

| Number of rooms | DCC | DCC |
|-----------------|----------------|---------------|
| 1 room | 11,337 | 5.4% |
| 2 rooms | 26,105 | 12.3% |
| 3 rooms | 31,446 | 14.9% |
| 4 rooms | 31,796 | 15.0% |
| 5 rooms | 39,358 | 18.6% |
| 6 rooms | 28,889 | 13.7% |
| 7 rooms | 13,698 | 6.5% |
| 8 or more rooms | 11,370 | 5.4% |
| Not stated | 17,592 | 8.3% |
| Total | 211,591 | 100.0% |

Figure 3.5: Households by Number of Rooms in Dublin City, 2016



3.9 Additional HNDA Elements – Dwelling Type

Analysis of historic intercensal data on private household dwelling type has been undertaken to understand unit-mix dynamics and estimate how they may change over time. Specifically, the intercensal average has been used to determine a trended annual average change in dwelling type mix. It should be noted that estimated trends do not account for ‘bed-sits’ or ‘not stated’ dwelling types as categorised by the Census. Therefore, forecasts for house/bungalow, flat/apartment and caravan/mobile homes are set out from 2023 to 2028 with the intercensal average determined from a reduced sample size. The historic composition of the dwelling stock is presented in Table 3.13 below. This demonstrates a steady and consistent trend in Dublin City for apartments and flats comprising a growing proportion of the dwelling stock.

Table 3.13: Households by Dwelling Type in Dublin City, 2006-2016

| Households | 2006 | 2011 | 2016 | 2006 | 2011 | 2016 |
|---------------------------------|----------------|----------------|----------------|-------|-------|-------|
| House/Bungalow | 125,357 | 133,014 | 133,709 | 69.7% | 67.0% | 64.8% |
| Flat/Apartment | 54,329 | 65,497 | 72,526 | 30.2% | 33.0% | 35.1% |
| Caravan/Mobile Home | 273 | 161 | 156 | 0.2% | 0.1% | 0.1% |
| Total (incl. Not Stated) | 190,984 | 208,008 | 211,747 | | | |

The annual average change in dwelling type in DCC is set out in Table 3.14 below. The annual average forms the basis of the forecast for the plan period.

Table 3.14: Historic Dwelling Type Change in Dublin City 2006-2016

| Persons Per Household | Change % | | Average Change % | |
|-----------------------|----------|-------|------------------|-------------|
| | 06-11 | 11-16 | Intercensal Avg. | Annual Avg. |
| House/Bungalow | -2.7% | -2.2% | -2.4% | -0.49% |
| Flat/Apartment | 2.8% | 2.2% | 2.5% | 0.50% |
| Caravan/Mobile Home | -0.1% | 0.0% | 0.0% | -0.01% |

Table 3.15 Forecast change in dwelling type for households

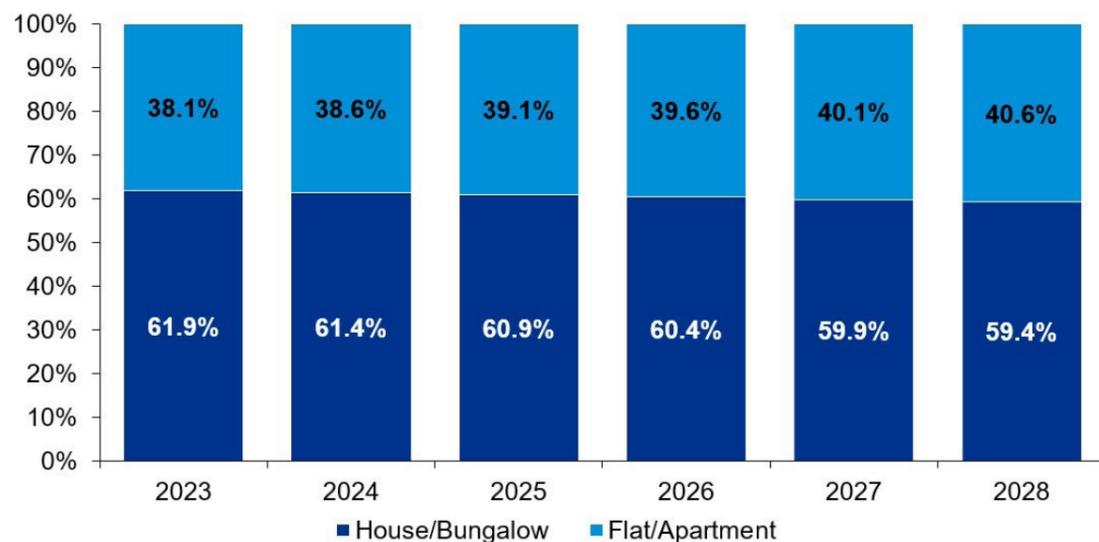
| Annual Change | House/Bungalow | Flat/Apartment | Caravan/Mobile Home |
|---------------|----------------|----------------|---------------------|
| Dublin City | -0.49% | 0.50% | -0.01% |

Figure 3.6 illustrates the forecast distribution by dwelling type for the plan period. It should be noted that these are an approximate continuation of observed trends from 2016 to the end of the plan period as influenced by the market dynamics during that historic period and it is noted that external market factors can influence the future dynamics in relation to unit mix and dwelling type throughout the strategy period. The graph presented is based on a continuation of recent historic trends assigned to the additional anticipated households.

It should also be noted that “caravan/mobile home” is not visible on these graphs as it represents a very small portion of the housing stock and due to the forecast estimating that they will either no longer be present in DCC or constitute less than 0.03% of all dwellings by the plan period.

Based on the identified intercensal changes, DCC overall sees an increase in apartment type dwellings and an almost equal reduction in house type dwellings. By the end of the plan period this trend would see just over 40% off all dwellings in DCC being apartments. It should be highlighted that duplex units are classified as apartments, which could indicate that not all new apartments would necessarily be in higher-density blocks.

Figure 3.6: Forecast Dwelling Type Distribution 2023-2028 in Dublin City



4.0 Conclusion

The HNDA for the Dublin City Development Plan 2022-2028 forecasts that housing need in the Dublin City administrative area will comprise 27,219 households over the plan period. This includes 10,247 social rented households (of which 2,343 comprises existing need that is estimated to be met within the plan period, made up of 1,157 estimated overcrowded households based on Census 2016 and 1,186 of the homeless households on the DCC social housing waiting list as of June 2021), 4,997 households in the owner-occupied sector, 4,088 in the private rented sector, and 7,887 ‘affordability constrained’ households who are ineligible for social housing but face affordability challenges in the private market.

Table 4.1: Estimated Housing Need by Tenure, 2023-2028 (%)

| Tenure | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|--------------------------|-------|-------|-------|-------|-------|-------|--------|
| Social Rent | 2,024 | 1,816 | 1,661 | 1,612 | 1,564 | 1,570 | 10,247 |
| Affordability Constraint | 1,306 | 1,296 | 1,231 | 1,301 | 1,330 | 1,423 | 7,887 |
| Private Rented | 777 | 719 | 661 | 639 | 633 | 659 | 4,088 |
| Buyers | 950 | 879 | 808 | 780 | 775 | 805 | 4,997 |
| Total Housing Need | 5,057 | 4,710 | 4,361 | 4,332 | 4,303 | 4,457 | 27,219 |

This represents a relatively high need for social and affordable housing over the plan period. This is driven by several factors; it in part reflects high existing property prices and rents in Dublin City, as measured by 2019 baseline data. Although household incomes in Dublin City are relatively high by national standards, high housing costs result in relatively high numbers of households facing affordability challenges. As forecast rents in this HNDA are estimated to grow at a slightly faster pace than incomes, and as household incomes in lower deciles rise above the eligibility limits for social housing, the ‘affordability constraint sector’ is as a result forecast to grow over the plan period.

The estimated social housing need of 9,987 also comprises 2,343 estimated existing households with unmet needs (those in overcrowded accommodation and homelessness) whose needs are estimated to be met within the plan period, with the remainder comprising forecasted new households. It should be noted also that only a portion of the existing social housing needs assessment for Dublin City Council is included in the model as unmet need (plus

an estimate of overcrowding), with only those classed as homeless included. This is due to the requirements of the HNDA Guidance and the December 2020 Guidelines on the Housing Supply Target Methodology⁴⁹. The HNDA Tool does not account for additional existing social housing need that may not be met by the commencement of the plan period.

It should be noted that according to the DHLGH, the HNDA Tool is intended to “give broad, long-run estimates of what future housing need might be, rather than precision estimates.” It offers ‘policy-off’ forecasts with its outputs subject to the inputs, scenarios, and assumptions built into the model and set out in this report. The HNDA as a result identifies potential issues and pressures in the housing market. This will allow Dublin City Council to formulate housing and planning policy to meet current and future housing need in Dublin City.

4.1 Additional HNDA Elements and Implications

KPMG Future Analytics’ additional demographic analysis based on historic trends indicates a forecast gradual decline in the proportion of 1-person, 4-person, and 5+ person households and an increase in the proportion of 2-person and 3-person households. It would be therefore appropriate for the Dublin City Development Plan 2022-2028 to plan for a dwelling mix appropriate to future household need and wider policy goals of securing a broad mix of housing types and sizes.

SPPR 9 of the December 2020 ‘Sustainable Urban Housing: Design Standards for New Apartments’ guidelines introduces a presumption against granting permission for shared accommodation/co-living development unless required to meet specific demand identified in the HNDA. The following considerations may inform the approach of the Dublin City Development Plan 2022-2028 to co-living/shared accommodation:

- This HNDA has indicated a relatively strong need in the ‘affordability constraint’ tenure category compared to the private rented sector, indicating that proportion of households who would be both reliant on and able to sustainably afford the private rental sector is relatively low.

⁴⁹ DHLGH, ‘Housing Supply Target Methodology for Development Planning: Guidelines for Planning Authorities issued under Section 28 of the Planning and Development Act, 2000 (as amended),’ December 2020.

- Forecast household composition indicates a slight decline in the proportion of one-person households, which may be considered the principle target household type for co-living.
- The Minister’s foreword to the 2020 Guidelines indicates that “given the scale, location and potential impact of co-living development permitted to date... there are sufficient shared accommodation/co-living units either permitted or subject to consideration within the planning system” to demonstrate the concept and support the presumption against the granting of planning permission for co-living development.

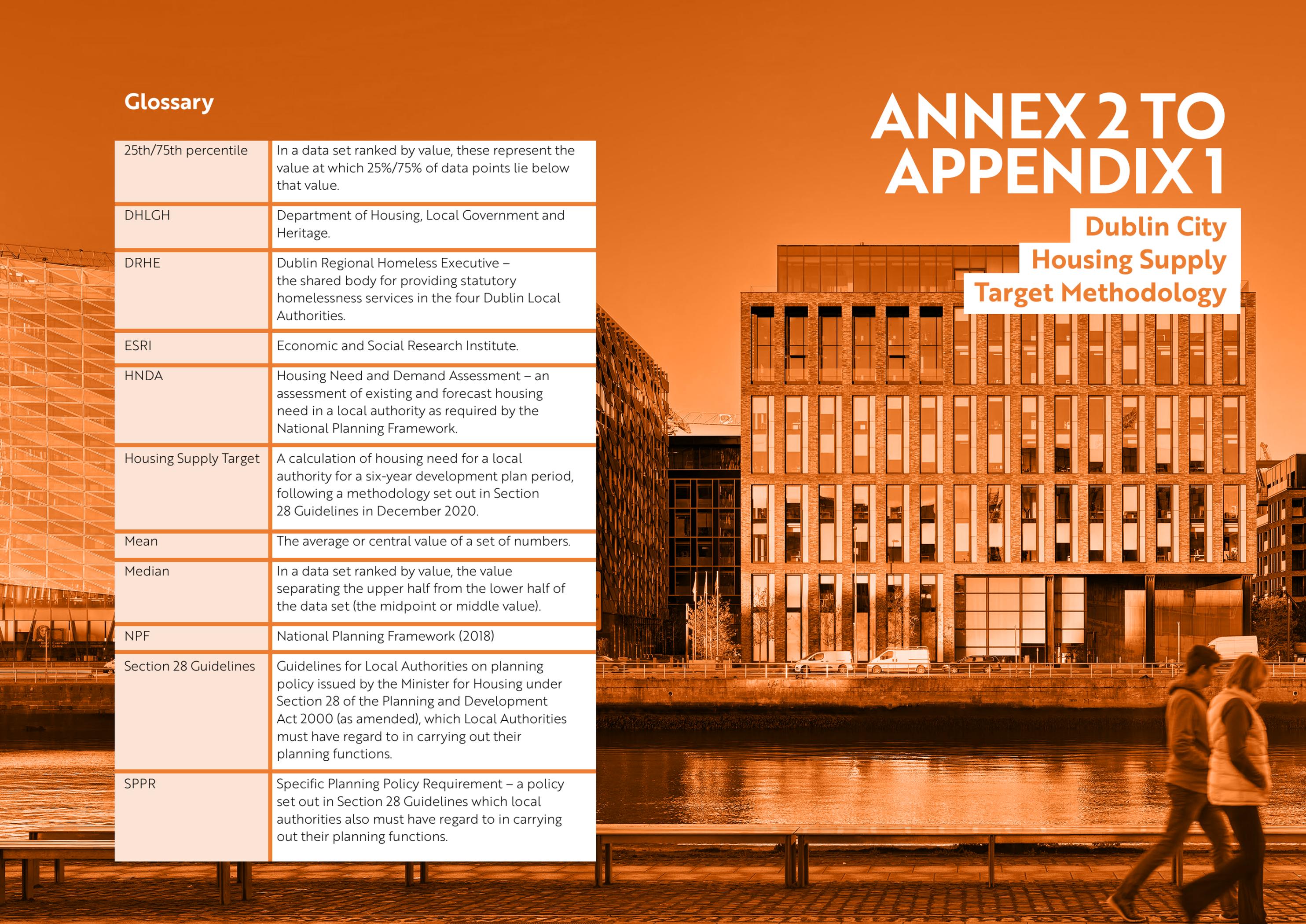
Accordingly, the results of this HNDA analysis do not indicate a strong or specific demand for shared accommodation/co-living in Dublin City and it may be appropriate for the Dublin City Development Plan 2022-2028 to continue the presumption against shared accommodation/co-living development.

Glossary

| | |
|-----------------------|--|
| 25th/75th percentile | In a data set ranked by value, these represent the value at which 25%/75% of data points lie below that value. |
| DHLGH | Department of Housing, Local Government and Heritage. |
| DRHE | Dublin Regional Homeless Executive – the shared body for providing statutory homelessness services in the four Dublin Local Authorities. |
| ESRI | Economic and Social Research Institute. |
| HNDA | Housing Need and Demand Assessment – an assessment of existing and forecast housing need in a local authority as required by the National Planning Framework. |
| Housing Supply Target | A calculation of housing need for a local authority for a six-year development plan period, following a methodology set out in Section 28 Guidelines in December 2020. |
| Mean | The average or central value of a set of numbers. |
| Median | In a data set ranked by value, the value separating the upper half from the lower half of the data set (the midpoint or middle value). |
| NPF | National Planning Framework (2018) |
| Section 28 Guidelines | Guidelines for Local Authorities on planning policy issued by the Minister for Housing under Section 28 of the Planning and Development Act 2000 (as amended), which Local Authorities must have regard to in carrying out their planning functions. |
| SPPR | Specific Planning Policy Requirement – a policy set out in Section 28 Guidelines which local authorities also must have regard to in carrying out their planning functions. |

ANNEX 2 TO APPENDIX 1

Dublin City Housing Supply Target Methodology



Scenario 1: Baseline Scenario (As-is):

Worked Example of Section 28 Guidelines Table 1 - Assuming Plan Period of 6 years covering Q1 2023 – Q4 2028 Inclusive

| | | DCC |
|---------------|-----------|---|
| PART 1 | A | ESRI NPF scenario projected new household demand 2017 to end Q4 2028 |
| | - | ESRI Baseline scenario projected new household demand 2017 to end Q4 2028 |
| | B | Actual new housing supply 2017 to end Q4 2022 (actual to Q4 2020 and estimated 2021 and 2022 Q1-Q4; no COVID impact) |
| | C | Homeless households (latest data), and unmet demand as at most recent Census - DCC Approved values - 23.06.2021 |
| | D | Plan Housing Demand = Total (A-B+C), (Projected ESRI NPF demand - new completions) = Unmet demand |
| PART 2 | E | Potential adjustment 1 to end 2026 portion of plan period to facilitate convergence to NPF strategy (where justified) |
| | E1 | ESRI Baseline scenario projected new household demand 2017, to Q4 2026 |
| | E2 | ESRI NPF scenario projected new household demand 2027 - Q4 2028 |
| | E3 | Mid-point between ESRI NPF (A - E2) and baseline scenarios to Q4 2026 (E1) |
| | E4 | Adjusted Total Demand calculation based on E2 + E3 in lieu of A above... (E2+E3-B)+C |
| PART 3 | F | Potential adjustment 2 (plus 25%) to end 2026 is not applicable for DCC because B (actual housing supply 2017-2020) does not exceed or close to D (plan period housing demand) |
| | F1 | E3 + 25% |
| | F2 | Remainder plan period demand to Q4 2028 |
| | F3 | Adjusted Total Plan Demand calculation based on E3 in lieu of A above and F1+F2... (F1+F2-B)+C |

NOTES:

PART 1 - this determines the housing requirement over the Development Plan period.

PART 2 - this determines the housing requirement over the Development Plan period to facilitate convergence to NPF strategy.

| Total Households | Number of Relevant Years | Annual Average Households |
|--|--------------------------|--|
| 47,941 | 12 | 3,995 |
| 47,534 | - | - |
| 11,708 | 6 | 1,951 |
| 3,905 | - | - |
| 40,138 | 6 | 6,690 |
| Adjusted Total Demand | - | Mid-point between ESRI NPF and baseline scenarios to Q3 2028 in lieu of A above |
| 40,859 | 10 | 4,086 |
| 6,617 | 2 | - |
| 41,092 | 10 | 4,109 |
| 39,905 | 6 | 6,651 |
| Mid-point between ESRI PF and baseline scenarios to 2026 in lieu of A above, plus up to 25% | - | Adjusted Total Demand |
| 51,365 | 10 | 5,137 |
| 6,617 | - | - |
| 50,178 | 6 | 8,363 |

PART 3 - this determines the housing requirement over the Development Plan period to facilitate convergence to NPF strategy and to include an additional 25% provision of units where justified.

ANNEX 3 TO APPENDIX 1

Dublin City Sub-City HNDA

1.0 Introduction

1.1 Overview

This report sets out the supplementary Housing Need and Demand Assessment (HNDA) modelling prepared by KPMG Future Analytics on the behalf of Dublin City Council to inform the Dublin City Development Plan 2022-2028. This analysis complements and builds on the full HNDA modelling and analysis carried out for Dublin City using the Department of Housing, Local Government and Heritage's (DHLGH's) HNDA Toolkit by providing additional analysis at a local, sub-city level.

The National Planning Framework (NPF) requires each local authority to develop a Housing Need and Demand Assessment (HNDA) which must outline existing and future housing need and underpin and support the preparation of housing strategies and housing policy. KPMG Future Analytics have applied the DHLGH HNDA Toolkit for Dublin City to fulfil this requirement for the Dublin City Development Plan 2022-2028.

However, the HNDA Toolkit does not at present allow for modelling below local authority level. Dublin City forms a unique housing market area with strong local variation and high existing and forecast future demand for housing. National, regional, and local planning policy places a strong emphasis on the crucial social and economic role of Dublin City, including the role of housing delivery and regeneration in the existing inner city. This presents a complex challenge for spatial planning.

In order to assist Dublin City Council in planning for homes and communities in the Dublin City Development Plan 2022-2028, KPMG Future Analytics have carried out additional sub-city HNDA modelling. This modelling focuses on two inner-city areas, broadly capturing Dublin 1 and Dublin 8 (based on custom area definitions provided by Dublin City Council), with Dublin City as a whole also examined for comparison purposes only. This analysis captures the complex housing market dynamics and specific housing needs of the Liberties and the North Inner City.

In the absence of HNDA Toolkit modelling below local authority level, KPMG Future Analytics have developed a robust methodology and bespoke HNDA model to inform decision-making around the current and future housing supply these areas in accordance with the NPF and all other relevant statutory requirements. This approach is based on a combination of elements of the established 'Louth Model' affordability assessment along with additional considerations including private rental market affordability, mortgage capacity and Central Bank macro-

prudential rules, and forecasts for household composition, dwelling type, and tenure.

This is intended to build on the analysis of the main Dublin City HNDA (through the Toolkit model) and further inform the Development Plan at a more granular level, as well as provide useful context for and comparison with the HNDA Toolkit outputs.

1.2 Housing Need and Demand Assessment (HNDA)

An evidence-based and future-proofed methodological approach has been adopted to ensure that the HNDA aligns with local, regional and national guidelines. Specifically, the NPF indicates that the purpose of the HNDA tool is to:

- Assist local authorities to develop long-term strategic views of housing need across all tenures.
- Provide a robust evidence base to support decisions about new housing supply, wider investment and housing related services that inform an overall national housing profile.
- Inform policies about the proportion of social and affordable housing required, including the need for different types and sizes of provision.
- Provide evidence to inform policies related to the provision of specialist housing and housing related services.

KPMG Future Analytics' HNDA model incorporates current socio-economic data for Dublin City and projects future need over the lifetime of the Development Plan. The analysis examines household growth/housing supply targets, incomes, mortgage capacity and rental affordability, social housing and housing needs as well as tenure, type, and dwelling size using evidence-based assumptions relating to employment growth, income levels and affordability in the housing market.

The NPF states that HNDAs are designed to give broad, long run estimates of potential future housing need, rather than precision estimates. Additionally, a logical, sequential framework will allow for updating, monitoring and evaluation. The HNDA assesses three core areas: Population, Housing and Economy. The sequential steps are presented in further detail in Section 1.3.

1.3 Methodology

This Section sets out the sequential steps involved in the development and application of the KPMG Future Analytics HNDA model undertaken for the study areas. There are three components to the modelling that has been undertaken by KPMG Future Analytics on behalf of Dublin City Council as shown in Figure 1.1.

Figure 1.1: Overview of the HNDA Modelling



The first component of the modelling examines expected household growth. The Housing Supply Target as required by recent Departmental Guidelines under Section 28 of the Planning and Development Act 2000 (as amended) is set out for Dublin City. This provides plan period targets and annualised figures for housing demand which have been analysed in the HNDA. In addition, Dublin City Council have provided household estimates for the two sub-areas, based on information from the draft Core Strategy.

The third component relates to an assessment of housing affordability. This assessment supports the identification of social housing needs for the local authority during the plan period with the relevant information presented in Section 2.3.

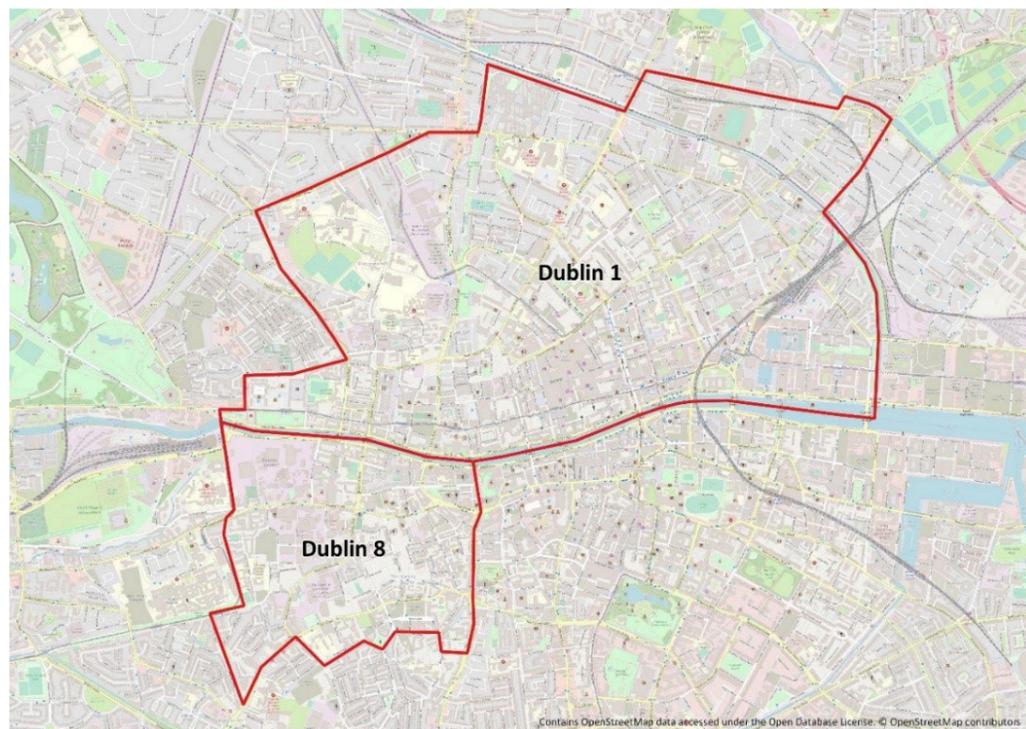
Following this, analysis has been undertaken in relation to specific requirements of the additional anticipated households as set out in the NPF in relation to the existing market forces, composition, tenure, and dwelling type. This information is presented in Section 2.4.

1.3.1 Study Areas

KPMG Future Analytics have applied this analysis for two areas in Dublin City, termed 'Dublin 1' and 'Dublin 8'. These areas are not entirely coterminous with postcode areas, as they are composed of Electoral Divisions (EDs) and reflect area definitions provided by Dublin City Council. These areas are used to examine housing need in the Liberties (covering the area of the Liberties Local Area Plan 2009) and the North Inner City. The two areas are shown in Figure 1.2 below.

In addition, outputs from KPMG Future Analytics’ HNDA model for Dublin City Council as a whole are presented for comparison and to inform the context of the sub-area analysis.

Figure 1.2: Dublin City HNDA Sub Areas



2.0 Future Housing: Projected Housing Need and Supply

2.1 Introduction

This section summarises the methodology, inputs and outputs of the Dublin City sub-area Housing Need and Demand Assessment (HNDA) which has been processed and analysed to inform the Dublin City Development Plan 2022-2028. This provides details relating to the demographic, economic and social inputs to the HNDA model and enables an estimate of forecasts of projected population and households and relative demand for housing throughout the plan period. This HNDA model and associated elements have been processed as set out in the methodology as described below in Table 2.1.

This chapter establishes the consideration and application of the demographic and market factors as part of the assessment of the future needs and demands for housing in Dublin City. Given that the Section 28 Guidelines on Housing Supply Targets as identified in Section 2.2.1 require calculation of housing demand to the nearest plan period quarters, and given the Dublin City Development Plan 2022-2028 is expected to come into force in late 2022, the start of the plan period has been rounded up to the nearest quarter (Q1 2023) and the full six calendar years 2023 Q1 to 2028 Q4 have been used for modelling purposes.

2.1.1 Methodology

An overview of the process for the HNDA modelling and relevant sections within this chapter is provided below:

Table 2.1 HNDA Methodology Components

| Step | Objective | Method | Relevant Section |
|------|--|--|---------------------------------|
| 1 | Determination of Housing Supply Targets and Household Demand | Determination of plan period housing supply targets (HSTs)/ expected sub-area households and resulting annual housing demand based on Section 28 Guidelines. | Section 2.2.1 |
| 2 | Calculation of Estimated Distribution of Household Disposable Incomes | Calculation of estimated distribution of household disposable incomes for the established deciles (by the CSO) based on weekly and annualised disposable incomes at national level and adjusted for the City based on application of an “inflator” or “deflator” rate. | Section 2.2.2 and Section 2.2.3 |
| 3 | Calculation of Average Annual Household Disposable Income Distribution | Calculation of estimated distribution of annual disposable household incomes per decile during the plan period based on the preceding step and application of a forecast GDP growth rate. | |

| Step | Objective | Method | Relevant Section |
|------|---|---|------------------|
| 4 | Calculation of Average Monthly Household Disposable Income Distribution | Calculation of estimated distribution of monthly disposable household incomes per decile during the plan period based on the preceding step and application of a forecast GDP growth rate. | |
| 5 | Determination of Distribution of Total Anticipated Households | Calculation of the estimated distribution of household units for each decile throughout the plan period as well as the distribution of housing units in the State from the Household Budget Survey (by the CSO). | |
| 6 | Determination of Distribution of Additional Anticipated Households | Calculation of the estimated distribution of additional anticipated households annually during the plan period as well as the distribution of housing units in the State from the Household Budget Survey (by the CSO). | |
| 7 | Calculation of Projected House Price Bands | Calculation of projected house price bands based on the percentage split of the established (by the DHLGH) eight price bands and a projected annual price increase or decrease. | Section 2.2.5 |

| Step | Objective | Method | Relevant Section |
|------|---|--|---------------------------------|
| 8 | Calculation of Mortgage Capacity of Households | Calculation of the approximate affordable house price per decile per year based on the application of the "Annuity Formula". This is based on the determination of an "Affordability Threshold", a "Loan to Value Ratio", an "Annual Percentage Rate (APR) - Interest Rate", a "Monthly Percentage Rate (MPR) - Interest Rate", and the determination of a "Loan Term (Years/Months)". | Section 2.2.4 |
| 9 | Calculation of Projected Needs for Ownership | Based on the application of the "Annuity Formula", calculate the housing affordability for each of the 10 household deciles. | |
| 10 | Calculation of Projected Needs for Private Rental | Calculation of the households that will not meet the affordability criteria to privately rent a home during the plan period with respect to the number of households that cannot qualify for a mortgage. | Section 2.2.6 |
| 11 | Calculation of Projected Social (and Affordable) Housing Need | Based on the determination of additional households required, the projected house price bands and the housing affordability, calculate the number of households not meeting the "Affordability Criteria". This informs the necessary provision of social (and affordable) housing units within the local authority. | Section 2.3.1 and Section 2.3.2 |

| Step | Objective | Method | Relevant Section |
|------|--|--|----------------------------------|
| 12 | Historic Data Analysis and Approximate Projection of Tenure, Size Cohort, and Dwelling Type. | Calculation of historic intercensal change for private household tenure, cohort sizes and dwelling type to determine annualised change. This informs the basis of an annual rate of change for which additional anticipated households can be roughly forecasted for household tenure, cohort sizes and dwelling type. | Sections 2.4.1, 2.4.2 and 2.4.3. |

2.2 Key Inputs: Affordability Assessment and HNDA

2.2.1 Housing Supply Targets and Future Households

This section demonstrates how the Section 28 Guidelines provided by the DHLGH have been considered as part of the assessment of future housing needs and demands.

As part of the development plan process, planning authorities must demonstrate the manner in which their plan is consistent with the NPF and established NPF Implementation Roadmap population projections for their local authority area. In December 2020, the DHLGH issued guidelines to assist planning authorities to incorporate these projections into the preparation of development plans and housing strategies in a consistent and coherent approach.

These Guidelines build on research undertaken by the Economic and Social Research Institute (ESRI) into regional demographics and structural housing demand at county level. The ESRI’s research applies a projection model to four different development scenarios, including the ‘NPF 50:50 City Scenario.’ The Section 28 Guidelines indicate that this is the recommended housing demand scenario to be used by local authorities to plan for the provision of housing to meet projected levels of demand. Thus, planning authorities must now demonstrate how their development plans are consistent with the NPF 50:50 City housing demand projection scenario identified by the ESRI.

The Guidelines set a methodology for the application of recommended population and housing projections into Local Authority plan processes. Dublin City Council have approved calculations of these targets to be applied in the City-wide HNDA comparison by KPMG FA. Through this calculation, housing demand over the six-year plan period is determined to be 39,906 households or 6,651 households per annum for DCC.

DCC have also provided household allocations for the Dublin 1 and Dublin 8 areas based on emerging Core Strategy allocations. The Dublin 1 sub area has an allocation of 1,500 new households for the plan period, or 250 per annum and Dublin 8 has an allocation of 2,000 new households for the plan period, or 333 per annum.

Table 2.2 Annual Housing Demand and Allocation for Dublin City and Sub Areas Over the Plan Period

| | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|--------------------|-------|-------|-------|-------|-------|-------|--------|
| Dublin City | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 | 39,906 |
| Dublin 1 | 250 | 250 | 250 | 250 | 250 | 250 | 1,500 |
| Dublin 8 | 333 | 333 | 333 | 333 | 333 | 333 | 2,000 |

2.2.2 Income Analysis

Disposable (or net) income is the amount of income, after tax is deducted, that is available for spending and saving. It functions as an important measure of the ability of a household to purchase their own home (i.e. housing affordability). The weekly, monthly and annual disposable incomes at national level from the CSO’s Household Budget Survey have been adjusted to local authority level for DCC based on the application of an adapter rate through inflation or deflation of the state figure. This process was also applied to the sub area in order to more accurately represent the income in these areas.

Gross (or total) income is the amount of income prior to tax deductions earned by an individual or household. The calculation of gross (or total) and disposable incomes has been undertaken for DCC, Dublin 1 and Dublin 8 as set out in Table 2.3.

To estimated income per decile, CSO published gross incomes (2018) and disposable income (2018) have been applied. In both cases these have been adapted over time using applied GDP rates for relevant years. The income figures have been further disaggregated into ten roughly equal income segments or ‘deciles’ by application of proportion of households from the CSO Household Budget Survey. This has been undertaken to represent income distribution by households per decile, for use in the affordability assessment.

Table 2.3 Gross and Disposable Income in DCC, Dublin 1 and Dublin 8

| Income | Gross Income [2018] | Gross Income Adaptor | Disposable Income [2018] | Disposable Income Adaptor |
|-------------|---------------------|----------------------|--------------------------|---------------------------|
| Dublin City | €35,197 | 1.144 | €24,969 | 1.174 |
| Dublin 1 | €26,214 | 0.852 | €18,596 | 0.874 |
| Dublin 8 | €26,469 | 0.861 | €18,777 | 0.883 |

2.2.3 Economic Outlook

The local and regional economy is a key aspect of the housing market. Specifically, economic conditions can impact on housing needs and household incomes which can affect demand and supply within the market. In order to reflect the longer-term economic outlook for Dublin city growth rates have been forecasted for Gross Domestic Product to assess household income change over time.

This HNDA has been prepared during the COVID-19 pandemic, which is ongoing at the time of preparation and publication, and as such impacts on the economy are subject to change. The economic forecast that has been applied has considered several data sources that reflect the latest available evidence considering the COVID-19 pandemic.

Publications indicate that national GDP growth was 8.1% in 2017, 8.2% in 2018 and 5.6% in 2019 respectively and hence these rates of GDP growth have been applied in the HNDA.

Based on a review of the most recently available economic forecasts at time of writing, the following GDP growth rates have been applied in the HNDA to reflect projected growth in household income:

- 2020: 3.4% GDP growth;
- 2021: 4.4% GDP growth;
- 2022: 4.5% GDP growth;
- 2023: 3.7% GDP growth;
- 2024: 2.8% GDP growth;
- 2025 onwards: 2.6% GDP growth per annum.

2.2.4 Central Bank Rules and mortgage Capacity

The Central Bank of Ireland have implemented measures on mortgages to manage the amount that consumers can borrow to purchase a home, in order to strengthen the resilience and stability of the housing market. These measures are enforced via the loan-to-value (LTV) and loan-to-income (LTI) limits for mortgages. This HNDA has therefore analysed whether households could qualify for a mortgage that would enable them to purchase a house in the lowest price band under these rules.

The key variables used to determine whether households in a decile can qualify for a mortgage to purchase a house within a given year are:

- Loan-to-Value (LTV) ratio of 0.90;
- a maximum Loan-to-Income (LTI) ratio of 3.5; and
- the upper value of the first house price band for that year.

As such, if a household does not have sufficient income to meet the Central Bank rules (i.e. 3.5 times their gross income is less than 90% of the value of purchase a house in the lowest projected price band for that year), they will not qualify for a mortgage that would enable them to purchase a home in their relevant area.

The household mortgage capacity per decile in DCC, Dublin 1 and Dublin 8 are set out in Table 2.4, Table 2.5 and Table 2.6 respectively. These values were used to evaluate a household's ability to purchase. This HNDA assumes that households without the capacity to purchase a home progress to a rental assessment. Deciles that cannot afford to purchase, and subsequently move into the rental analysis, are coloured light blue.

Table 2.4: Household Mortgage Capacity Per Decile in Dublin City

| Decile | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|-------------|----------|----------|----------|----------|----------|----------|
| 1st Decile | €51,812 | €53,263 | €54,648 | €56,069 | €57,527 | €59,022 |
| 2nd Decile | €87,344 | €89,789 | €92,124 | €94,519 | €96,977 | €99,498 |
| 3rd Decile | €126,881 | €130,434 | €133,825 | €137,305 | €140,875 | €144,537 |
| 4th Decile | €166,385 | €171,044 | €175,491 | €180,054 | €184,736 | €189,539 |
| 5th Decile | €212,299 | €218,244 | €223,918 | €229,740 | €235,713 | €241,842 |
| 6th Decile | €261,978 | €269,313 | €276,315 | €283,500 | €290,871 | €298,433 |
| 7th Decile | €318,857 | €327,785 | €336,307 | €345,051 | €354,023 | €363,227 |
| 8th Decile | €387,119 | €397,958 | €408,305 | €418,921 | €429,813 | €440,988 |
| 9th Decile | €492,789 | €506,587 | €519,759 | €533,272 | €547,137 | €561,363 |
| 10th Decile | €803,807 | €826,314 | €847,798 | €869,841 | €892,457 | €915,660 |

Table 2.5: Household Mortgage Capacity Per Decile in Dublin 1

| Decile | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|-------------|----------|----------|----------|----------|----------|----------|
| 1st Decile | €38,589 | €39,669 | €40,701 | €41,759 | €42,845 | €43,959 |
| 2nd Decile | €65,052 | €66,873 | €68,612 | €70,396 | €72,226 | €74,104 |
| 3rd Decile | €94,499 | €97,145 | €99,670 | €102,262 | €104,921 | €107,648 |
| 4th Decile | €123,920 | €127,390 | €130,702 | €134,101 | €137,587 | €141,164 |
| 5th Decile | €158,116 | €162,543 | €166,770 | €171,106 | €175,554 | €180,119 |
| 6th Decile | €195,116 | €200,579 | €205,794 | €211,145 | €216,634 | €222,267 |
| 7th Decile | €237,478 | €244,127 | €250,475 | €256,987 | €263,669 | €270,524 |
| 8th Decile | €288,318 | €296,391 | €304,097 | €312,004 | €320,116 | €328,439 |
| 9th Decile | €367,019 | €377,296 | €387,106 | €397,170 | €407,497 | €418,092 |
| 10th Decile | €598,659 | €615,422 | €631,423 | €647,839 | €664,683 | €681,965 |

Table 2.6: Household Mortgage Capacity Per Decile in Dublin 8

| Decile | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|-------------|----------|----------|----------|----------|----------|----------|
| 1st Decile | €38,964 | €40,055 | €41,096 | €42,165 | €43,261 | €44,386 |
| 2nd Decile | €65,684 | €67,523 | €69,279 | €71,080 | €72,928 | €74,824 |
| 3rd Decile | €95,417 | €98,088 | €100,639 | €103,255 | €105,940 | €108,694 |
| 4th Decile | €125,125 | €128,628 | €131,972 | €135,404 | €138,924 | €142,536 |
| 5th Decile | €159,653 | €164,123 | €168,390 | €172,768 | €177,260 | €181,869 |
| 6th Decile | €197,012 | €202,528 | €207,794 | €213,196 | €218,739 | €224,427 |
| 7th Decile | €239,786 | €246,500 | €252,909 | €259,484 | €266,231 | €273,153 |
| 8th Decile | €291,120 | €299,271 | €307,052 | €315,035 | €323,226 | €331,630 |
| 9th Decile | €370,586 | €380,962 | €390,867 | €401,030 | €411,456 | €422,154 |
| 10th Decile | €604,476 | €621,402 | €637,558 | €654,135 | €671,142 | €688,592 |

2.2.5 Ownership Analysis

This section sets out background information on house price trends in the current housing market within Dublin City, Dublin 1 and Dublin 8 sub areas. To ensure the most up to date market context, data from 2012-2020 has been selected to form the baseline analysis and property transactions as recorded on the Residential Property Price Register (PPR) during that period have been used to understand house prices and the distribution of housing units per price band.

Data on transactions from 2012 to 2020 has been analysed to understand the breakdown of properties sold by price bands across Dublin City which will be a determining factor for the ownership assessment within the HNDA model. The distribution of property transactions by price in Dublin City has changed significantly over the past ten years. As such a more recent sample has been applied to determine the appropriate distribution. The following bands are reflective of market volume during the 2017-2020 period:

Table 2.7: Distribution of Property Transactions in Dublin City

| Band | Price | % Transactions |
|----------|---------------------|----------------|
| 1st Band | €50,000 - €200,000 | 7.4% |
| 2nd Band | €200,001 - €275,000 | 20.7% |
| 3rd Band | €275,001 - €350,000 | 21.5% |
| 4th Band | €350,001 - €425,000 | 17.2% |
| 5th Band | €425,001 - €500,000 | 11.4% |
| 6th Band | €500,001 - €575,000 | 5.6% |
| 7th Band | €575,001 - €650,000 | 4.2% |
| 8th Band | €650,001 | 12.0% |
| Total | - | 100.0% |

In order to allow comparisons to the overall Dublin City market the sub area modelling needs to align with these price bands. Both the sub areas have differing sale value distributions when compared to Dublin City as a whole, as set out in Table 2.8.

Table 2.8: Distribution of Property Transactions in Dublin 1 and Dublin 8

| Band | Price Range | D1 % Transactions | D8 % Transactions |
|----------|---------------------|-------------------|-------------------|
| 1st Band | €50,000 - €200,000 | 14.2% | 11.0% |
| 2nd Band | €200,001 - €275,000 | 38.1% | 39.7% |
| 3rd Band | €275,001 - €350,000 | 21.3% | 33.1% |
| 4th Band | €350,001 - €425,000 | 11.0% | 9.6% |
| 5th Band | €425,001 - €500,000 | 5.9% | 1.5% |
| 6th Band | €500,001 - €575,000 | 2.6% | 1.5% |
| 7th Band | €575,001 - €650,000 | 1.6% | 2.2% |
| 8th Band | €650,001 | 5.3% | 1.5% |
| Total | - | 100.0% | 100.0% |

Property transaction prices in DCC and the sub areas have fluctuated significantly throughout the last ten years and it is anticipated that there will be continuation of change throughout the plan period. Historic house prices have been investigated through analysis of the Residential Property Price Register from 2012 onwards to also analyse general trends and rates of change.

Given significant market change over the last decade, the average house price change over the past four years (2017-2020) has been used as a basis for future changes in average house price from 2021 onwards (i.e. the future baseline).

It is anticipated, therefore, that average house prices may change over time as described in Table 2.9 below.

Table 2.9: Historic and Forecasted Average Price in Dublin City

| Year | Dublin City | |
|------|-------------|---------------|
| | % Change | Average Price |
| 2013 | 12.3% | €283,575 |
| 2014 | 6.3% | €301,352 |
| 2015 | 6.2% | €320,085 |
| 2016 | 11.4% | €356,524 |
| 2017 | 10.5% | €394,112 |
| 2018 | 7.0% | €421,561 |
| 2019 | -2.1% | €412,828 |
| 2020 | 1.7% | €419,650 |
| 2021 | 4.3% | €437,578 |
| 2022 | 4.0% | €455,082 |
| 2023 | 4.0% | €473,285 |
| 2024 | 3.5% | €489,850 |
| 2025 | 3.5% | €506,994 |
| 2026 | 3.0% | €522,204 |
| 2027 | 3.0% | €537,870 |
| 2028 | 2.5% | €551,317 |

Assessment of the Dublin 1 and Dublin 8 markets using the same methodology results variation to the forecast for Dublin City, but is more representative of the dynamics in the respective local markets. The historic and forecast average sale prices for Dublin 1 and 8 are set out in Table 2.10

Table 2.10: Historic and Forecasted Average Price in Dublin 1 and Dublin 8

| Year | Dublin 1 | | Dublin 8 | |
|------|----------|---------------|----------|---------------|
| | % Change | Average Price | % Change | Average Price |
| 2013 | 7.5% | €194,527 | 20.4% | €155,545 |
| 2014 | 20.9% | €235,105 | 11.2% | €172,927 |
| 2015 | 16.0% | €272,758 | 8.2% | €187,037 |
| 2016 | -2.6% | €265,646 | 16.2% | €217,416 |
| 2017 | 13.9% | €302,701 | 16.0% | €252,211 |
| 2018 | 9.4% | €331,161 | 9.2% | €275,417 |
| 2019 | 2.5% | €339,371 | 3.9% | €285,987 |
| 2020 | -2.5% | €330,780 | 1.6% | €290,566 |
| 2021 | 5.8% | €350,046 | 4.9% | €304,746 |
| 2022 | 5.5% | €369,299 | 4.5% | €318,460 |
| 2023 | 5.5% | €389,610 | 4.5% | €332,790 |
| 2024 | 5.0% | €409,091 | 4.0% | €346,102 |
| 2025 | 5.0% | €429,545 | 4.0% | €359,946 |
| 2026 | 4.5% | €448,875 | 3.5% | €372,544 |
| 2027 | 4.5% | €469,074 | 3.5% | €385,583 |
| 2028 | 4.0% | €487,837 | 3.0% | €397,151 |

2.2.6 Rental Analysis

This section sets out the data inputs and assumptions that relate to the Dublin City rental market both historically and forecast throughout the plan period. To ensure a comprehensive capture of the rental market, analysis of the Residential Tenancies Board register and price index hosted by the CSO have been performed. Table 2.11 sets out the historic average rent in Dublin City, based on the areas that were deemed representative of the LA boundary, for all units (all bedrooms) along with the annual average change in rent. Table 2.12 details the same information for the Dublin 1 and Dublin 8 sub areas.

As with the property prices analysis, historic information has been considered to forecast future changes in market rents by unit type. Analysis of the change in average rental price for all bedroom units over the period 2018-2020 has been used in the absence of any statistically robust scenarios for accounting for the impact of COVID-19 and thus the same assumptions as those for house prices in the ownership analysis have been applied for forecasting market rents. Table 2.11 and Table 2.12 illustrate the forecast annual change in market prices for private rental in Dublin City and the sub areas respectively for the plan period.

Table 2.11: Historic and Forecasted Average Rent in Dublin City

| Year | % Change | Average Price |
|------|----------|---------------|
| 2013 | 3.2% | €1,019 |
| 2014 | 8.0% | €1,100 |
| 2015 | 8.3% | €1,191 |
| 2016 | 7.7% | €1,282 |
| 2017 | 7.2% | €1,375 |
| 2018 | 8.1% | €1,487 |
| 2019 | 6.3% | €1,580 |
| 2020 | 3.2% | €1,632 |
| 2021 | 6.2% | €1,733 |
| 2022 | 6.0% | €1,837 |
| 2023 | 5.5% | €1,938 |
| 2024 | 5.0% | €2,035 |
| 2025 | 4.5% | €2,127 |
| 2026 | 4.0% | €2,212 |
| 2027 | 4.0% | €2,300 |
| 2028 | 4.0% | €2,392 |

Table 2.12: Historic and Forecasted Average Rent in Dublin 1

| Year | Dublin 1 | | Dublin 8 | |
|------|----------|---------------|----------|---------------|
| | % Change | Average Price | % Change | Average Price |
| 2013 | 5.3% | €925 | 1.0% | €963 |
| 2014 | 8.0% | €999 | 5.0% | €1,033 |
| 2015 | 7.6% | €1,075 | 7.3% | €1,121 |
| 2016 | 9.1% | €1,172 | 8.6% | €1,221 |
| 2017 | 7.9% | €1,265 | 8.9% | €1,337 |
| 2018 | 7.4% | €1,358 | 9.5% | €1,457 |
| 2019 | 5.0% | €1,425 | 9.0% | €1,542 |
| 2020 | 5.6% | €1,504 | 5.9% | €1,590 |
| 2021 | 6.4% | €1,601 | 6.9% | €1,700 |
| 2022 | 6.0% | €1,697 | 6.5% | €1,810 |
| 2023 | 5.5% | €1,790 | 6.0% | €1,919 |
| 2024 | 5.0% | €1,880 | 5.5% | €2,024 |
| 2025 | 4.5% | €1,964 | 5.0% | €2,125 |
| 2026 | 4.0% | €2,043 | 4.5% | €2,221 |
| 2027 | 4.0% | €2,125 | 4.0% | €2,310 |
| 2028 | 4.0% | €2,210 | 4.0% | €2,402 |

Demand by unit type has been determined through analysis of the Residential Tenancies Board register which provides a count of tenancies in Dublin City by unit size (number of beds) and Postcode, which is applied to determine demand by unit type in the private rental market for the purpose of the HNDA. Table 2.13 sets out the varying demand for individual unit types according to present registered tenancies and is considered reflective of the overall demand per unit type within Dublin City and its sub areas. As such, this information has been used to understand future demand per unit type.

Table 2.13: Demand by Unit Type in Dublin City and Sub Areas from RTB Tenancies

| | 1 Bed Unit | 2 Bed Unit | 3 Bed Unit | 4+ Bed Unit |
|--------------------|------------|------------|------------|-------------|
| Dublin City | 37.9% | 41.4% | 15.3% | 5.4% |
| Dublin 1 | 51.5% | 40.2% | 6.5% | 1.9% |
| Dublin 8 | 42.4% | 44.4% | 11.1% | 2.1% |

2.3 Assessment of Needs

2.3.1 Ownership

Housing affordability is connected to disposable household income, which has been determined for DCC as described in detail in Section 2.2.2. Section 93 of the Planning and Development Act 2000 (as originally enacted) defined affordability by setting the parameters for an 'eligible person' as:

"A person who is in need of accommodation and whose income would not be adequate to meet the payments of a mortgage for the purchase of a house to meet his or her accommodation needs because the payments calculated over the course of a year would exceed 35% of that person's annual income net of income tax and pay related social insurance..."

Although this part of the Act was amended and removed by the Housing (Miscellaneous Provisions) Act 2009, it was included in the 'Louth Model' through the DoECLG Model Housing Strategy's annuity formula as a definition of affordability. Following this definition, if housing costs exceed 35 per cent of a household's disposable income, housing is considered to be unaffordable as housing costs consume a disproportionately high amount of income. Based on this information, this HNDA has calculated the number of households not meeting the 'Affordability Criteria' (i.e. those households where household costs would be greater than 35 per cent of disposable household income).

The projections for household income during the plan period described above are applied to the DoECLG Model Housing Strategy annuity formula for the relevant spatial scales in the following tables. This formula determines the maximum affordable house price for each of the ten income deciles based on several evidence-based variables that have been established through analysis of historic mortgage data from the Central Bank of Ireland. The key variables used in the annuity formula include an affordability threshold of a maximum of 35% expenditure of household income on mortgage costs, a loan to value ratio of 0.90, an annual interest rate (APR) of 3%, and a loan term of 29 years.

Based on the determination of additional households required, the projected house price bands and the calculation of housing affordability; the number of households that can qualify for a mortgage, and the housing surplus/deficit per price band has been set out for each area.

Analysis of ownership potential evaluated via the above variables (of which variables for each area are unique due to varying affordability dynamics such as income and costs) enabled determination of affordability and housing surplus and deficit per price band. Within this analysis, decile affordability thresholds were benchmarked against price bands to determine the theoretical demand and compare projected delivery within each price band.

This analysis was prepared in the following steps:

Component 1:

- Step 1: Determine house price affordability under each decile in a given year
- Step 2: Determine the household band position (i.e.1st band, 2nd band, etc.)
- Step 3: Determine the house price band for the year of analysis
- Step 4: Calculate the number of houses expected within each band
- Step 5: Determine the percentage of housing units projected to be provided within each band

Component 2:

- Step 6: Calculate the number of housing units projected to be provided within each band

Comparison:

- Step 7: Determine the housing surplus/deficit (difference between Step 4 and Step 6)

Where delivery (based on historic market distribution) was higher than demand within a given price band a surplus was identified and therefore if anticipated demand exceeded projected supply a deficit was identified. Throughout this assessment an overriding logic was applied whereby cases in which a decile had no financial capacity within a price band, the proceeding decile would apply downward pressure and purchase a unit within this band (e.g. if the 5th decile had no capacity to afford a house in the 3rd price band, it is assumed that the 6th decile households would purchase within this band). This was applied throughout the relationship between decile income and price bands in all years in each area. The following tables summarises the outcome of the ownership assessment in DCC and the sub areas:

Table 2.14: Number of Households in Dublin City that do not Qualify for a Mortgage

| Year | Households | Pass Mortgage Qualification | Fail Mortgage Qualification |
|------|------------|-----------------------------|-----------------------------|
| 2022 | 6,651 | 3,904 | 2,747 |
| 2023 | 6,651 | 3,904 | 2,747 |
| 2024 | 6,651 | 3,904 | 2,747 |
| 2025 | 6,651 | 3,904 | 2,747 |
| 2026 | 6,651 | 3,904 | 2,747 |
| 2027 | 6,651 | 3,904 | 2,747 |
| 2028 | 6,651 | 3,904 | 2,747 |

Table 2.15: Number of Households in Dublin 1 that do not Qualify for a Mortgage

| Year | Households | Pass Mortgage Qualification | Fail Mortgage Qualification |
|------|------------|-----------------------------|-----------------------------|
| 2022 | 250 | 96 | 154 |
| 2023 | 250 | 96 | 154 |
| 2024 | 250 | 96 | 154 |
| 2025 | 250 | 96 | 154 |
| 2026 | 250 | 96 | 154 |
| 2027 | 250 | 96 | 154 |
| 2028 | 250 | 96 | 154 |

Table 2.16: Number of Households in Dublin 8 that do not Qualify for a Mortgage

| Year | Households | Pass Mortgage Qualification | Fail Mortgage Qualification |
|------|------------|-----------------------------|-----------------------------|
| 2022 | 333 | 128 | 205 |
| 2023 | 333 | 128 | 205 |
| 2024 | 333 | 128 | 205 |
| 2025 | 333 | 128 | 205 |
| 2026 | 333 | 128 | 205 |
| 2027 | 333 | 128 | 205 |
| 2028 | 333 | 128 | 205 |



Table 2.17: Ownership Assessment - DCC

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2023 | 1st Decile | 0 | 0 | 113,947 | 1st Band |
| | 2nd Decile | 0 | 0 | 189,704 | |
| | 3rd Decile | 0 | 0 | 272,681 | 2nd Band |
| | 4th Decile | 0 | 0 | 347,509 | 3rd Band |
| | 5th Decile | 682 | 682 | 425,539 | 4th Band |
| | 6th Decile | 661 | 1,343 | 506,569 | 5th Band |
| | 7th Decile | 640 | 1,983 | 595,110 | 6th Band |
| | 8th Decile | 642 | 2,625 | 696,624 | 7th Band |
| | 9th Decile | 639 | 3,264 | 835,464 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,250,581 | |
| | | | 3,904 | | |
| 2024 | 1st Decile | 0 | 0 | 117,137 | 1st Band |
| | 2nd Decile | 0 | 0 | 195,016 | |
| | 3rd Decile | 0 | 0 | 280,316 | 2nd Band |
| | 4th Decile | 0 | 0 | 357,239 | 3rd Band |
| | 5th Decile | 682 | 682 | 437,454 | 4th Band |
| | 6th Decile | 661 | 1,343 | 520,753 | 5th Band |
| | 7th Decile | 640 | 1,983 | 611,773 | 6th Band |
| | 8th Decile | 642 | 2,625 | 716,129 | 7th Band |
| | 9th Decile | 639 | 3,264 | 858,857 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,285,597 | |
| | | | 3,904 | | |
| 2025 | 1st Decile | 0 | 0 | 120,183 | 1st Band |
| | 2nd Decile | 0 | 0 | 200,086 | |
| | 3rd Decile | 0 | 0 | 287,605 | 2nd Band |
| | 4th Decile | 0 | 0 | 366,527 | 3rd Band |
| | 5th Decile | 682 | 682 | 448,828 | 4th Band |
| | 6th Decile | 661 | 1,343 | 534,292 | 5th Band |
| | 7th Decile | 640 | 1,983 | 627,679 | 6th Band |
| | 8th Decile | 642 | 2,625 | 734,749 | 7th Band |
| | 9th Decile | 639 | 3,264 | 881,188 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,319,023 | |
| | | | 3,904 | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 225,562 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 310,147 | 0 | 20.7% | 807 | 807 |
| 394,733 | 632 | 21.5% | 838 | 206 |
| 479,318 | 638 | 17.2% | 671 | 32 |
| 563,904 | 608 | 11.4% | 444 | -164 |
| 648,489 | 564 | 5.6% | 220 | -344 |
| 733,075 | 420 | 4.2% | 163 | -258 |
| None | None | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | |
| 233,456 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 321,002 | 0 | 20.7% | 807 | 807 |
| 408,548 | 637 | 21.5% | 838 | 202 |
| 496,094 | 643 | 17.2% | 671 | 28 |
| 583,640 | 612 | 11.4% | 444 | -168 |
| 671,187 | 568 | 5.6% | 220 | -348 |
| 758,733 | 423 | 4.2% | 163 | -261 |
| None | - | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | 550.20 |
| 241,627 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 332,237 | 0 | 20.7% | 807 | 807 |
| 422,848 | 642 | 21.5% | 838 | 196 |
| 513,458 | 648 | 17.2% | 671 | 22 |
| 604,068 | 618 | 11.4% | 444 | -173 |
| 694,678 | 573 | 5.6% | 220 | -353 |
| 785,288 | 427 | 4.2% | 163 | -264 |
| None | - | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | |

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2026 | 1st Decile | 0 | 0 | 123,307 | 1st Band |
| | 2nd Decile | 0 | 0 | 205,288 | |
| | 3rd Decile | 0 | 0 | 295,082 | 2nd Band |
| | 4th Decile | 0 | 0 | 376,057 | 3rd Band |
| | 5th Decile | 682 | 682 | 460,498 | 4th Band |
| | 6th Decile | 661 | 1,343 | 548,184 | 5th Band |
| | 7th Decile | 640 | 1,983 | 643,999 | 6th Band |
| | 8th Decile | 642 | 2,625 | 753,852 | 7th Band |
| | 9th Decile | 639 | 3,264 | 904,099 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,353,317 | |
| | | 3,904 | | | |
| 2027 | 1st Decile | 0 | 0 | 126,513 | 1st Band |
| | 2nd Decile | 0 | 0 | 210,626 | |
| | 3rd Decile | 0 | 0 | 302,755 | 2nd Band |
| | 4th Decile | 0 | 0 | 385,835 | 3rd Band |
| | 5th Decile | 682 | 682 | 472,470 | 4th Band |
| | 6th Decile | 661 | 1,343 | 562,437 | 5th Band |
| | 7th Decile | 640 | 1,983 | 660,743 | 6th Band |
| | 8th Decile | 642 | 2,625 | 773,452 | 7th Band |
| | 9th Decile | 639 | 3,264 | 927,605 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,388,503 | |
| | | 3,904 | | | |
| 2028 | 1st Decile | 0 | 0 | 129,803 | 1st Band |
| | 2nd Decile | 0 | 0 | 216,102 | |
| | 3rd Decile | 0 | 0 | 310,626 | 2nd Band |
| | 4th Decile | 0 | 0 | 395,866 | 3rd Band |
| | 5th Decile | 682 | 682 | 484,755 | 4th Band |
| | 6th Decile | 661 | 1,343 | 577,060 | 5th Band |
| | 7th Decile | 640 | 1,983 | 677,922 | 6th Band |
| | 8th Decile | 642 | 2,625 | 793,562 | 7th Band |
| | 9th Decile | 639 | 3,264 | 951,723 | 8th Band |
| | 10th Decile | 640 | 3,904 | 1,424,605 | |
| | | 3,904 | | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 248,876 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 342,204 | 0 | 20.7% | 807 | 807 |
| 435,533 | 645 | 21.5% | 838 | 194 |
| 528,861 | 651 | 17.2% | 671 | 20 |
| 622,190 | 620 | 11.4% | 444 | -176 |
| 715,518 | 576 | 5.6% | 220 | -356 |
| 808,847 | 429 | 4.2% | 163 | -266 |
| None | - | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | |
| 256,342 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 352,471 | 0 | 20.7% | 807 | 807 |
| 448,599 | 647 | 21.5% | 838 | 191 |
| 544,727 | 653 | 17.2% | 671 | 17 |
| 640,856 | 623 | 11.4% | 444 | -178 |
| 736,984 | 578 | 5.6% | 220 | -358 |
| 833,112 | 430 | 4.2% | 163 | -268 |
| None | - | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | |
| 262,751 | 0 | 7.4% | 290 | 290 |
| | | | | |
| 361,282 | 0 | 20.7% | 807 | 807 |
| 459,814 | 647 | 21.5% | 838 | 192 |
| 558,345 | 653 | 17.2% | 671 | 18 |
| 656,877 | 622 | 11.4% | 444 | -177 |
| 755,409 | 577 | 5.6% | 220 | -357 |
| 853,940 | 430 | 4.2% | 163 | -267 |
| None | - | 12.0% | 470 | - |
| | | | | |
| | | 100.00% | 3,904 | |

Table 2.18: Ownership Assessment - Dublin 1

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2023 | 1st Decile | 0 | 0 | 84,865 | 1st Band |
| | 2nd Decile | 0 | 0 | 141,287 | |
| | 3rd Decile | 0 | 0 | 203,087 | |
| | 4th Decile | 0 | 0 | 258,817 | 2nd Band |
| | 5th Decile | 0 | 0 | 316,933 | |
| | 6th Decile | 0 | 0 | 377,282 | 3rd Band |
| | 7th Decile | 24 | 24 | 443,226 | 4th Band |
| | 8th Decile | 24 | 48 | 518,831 | 5th Band |
| | 9th Decile | 24 | 72 | 622,237 | 6th Band |
| | 10th Decile | 24 | 96 | 931,407 | 7th Band, 8th Band |
| | | | 96 | | |
| 2024 | 1st Decile | 0 | 0 | 87,241 | 1st Band |
| | 2nd Decile | 0 | 0 | 145,244 | |
| | 3rd Decile | 0 | 0 | 208,774 | |
| | 4th Decile | 0 | 0 | 266,064 | 2nd Band |
| | 5th Decile | 0 | 0 | 325,807 | |
| | 6th Decile | 0 | 0 | 387,846 | 3rd Band |
| | 7th Decile | 24 | 24 | 455,636 | 4th Band |
| | 8th Decile | 24 | 48 | 533,359 | 5th Band |
| | 9th Decile | 24 | 72 | 639,659 | 6th Band |
| | 10th Decile | 24 | 96 | 957,486 | 7th Band, 8th Band |
| | | | 96 | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 235,571 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| 323,910 | 0 | 38.1% | 37 | 37 |
| | | | | |
| 412,249 | 22 | 21.3% | 20 | -2 |
| 500,588 | 24 | 11.0% | 11 | -14 |
| 588,928 | 22 | 5.9% | 6 | -16 |
| 677,267 | 2 | 2.6% | 3 | 1 |
| None | - | 6.9% | 7 | - |
| | | 100.00% | 96 | |
| 247,350 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| 340,106 | 0 | 38.1% | 37 | 37 |
| | | | | |
| 432,862 | 23 | 21.3% | 20 | -2 |
| 525,618 | 25 | 11.0% | 11 | -14 |
| 618,374 | 22 | 5.9% | 6 | -17 |
| 711,130 | 2 | 2.6% | 3 | 1 |
| None | - | 6.9% | 7 | - |
| | | 100.00% | 96 | |

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|------------------------------|
| 2025 | 1st Decile | 0 | 0 | 89,510 | 1st Band |
| | 2nd Decile | 0 | 0 | 149,020 | |
| | 3rd Decile | 0 | 0 | 214,202 | |
| | 4th Decile | 0 | 0 | 272,982 | 2nd Band |
| | 5th Decile | 0 | 0 | 334,278 | |
| | 6th Decile | 0 | 0 | 397,930 | 3rd Band |
| | 7th Decile | 24 | 24 | 467,483 | 4th Band |
| | 8th Decile | 24 | 48 | 547,226 | |
| | 9th Decile | 24 | 72 | 656,290 | 5th Band, 6th Band |
| | 10th Decile | 24 | 96 | 982,381 | 7th Band, 8th Band |
| | | 96 | | | |
| 2026 | 1st Decile | 0 | 0 | 91,837 | 1st Band |
| | 2nd Decile | 0 | 0 | 152,894 | |
| | 3rd Decile | 0 | 0 | 219,771 | |
| | 4th Decile | 0 | 0 | 280,080 | 2nd Band |
| | 5th Decile | 0 | 0 | 342,969 | |
| | 6th Decile | 0 | 0 | 408,276 | 3rd Band |
| | 7th Decile | 24 | 24 | 479,637 | 4th Band |
| | 8th Decile | 24 | 48 | 561,454 | |
| | 9th Decile | 24 | 72 | 673,354 | 5th Band |
| | 10th Decile | 24 | 96 | 1,007,923 | 6th Band, 7th Band, 8th Band |
| | | 96 | | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 259,717 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| 357,111 | 0 | 38.1% | 37 | 37 |
| | | | | |
| 454,505 | 23 | 21.3% | 20 | -3 |
| 551,899 | 37 | 11.0% | 11 | -27 |
| | | | | |
| 746,687 | 12 | 8.5% | 8 | -4 |
| None | - | 6.9% | 7 | - |
| | | 100.00% | 96 | |
| 271,404 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| 373,181 | 0 | 38.1% | 37 | 37 |
| | | | | |
| 474,958 | 24 | 21.3% | 20 | -3 |
| 576,734 | 38 | 11.0% | 11 | -27 |
| | | | | |
| 678,511 | 3 | 5.9% | 6 | 3 |
| None | - | 9.5% | 9 | - |
| | | 100.00% | 96 | |

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|------------------------------|
| 2027 | 1st Decile | 0 | 0 | 94,225 | 1st Band |
| | 2nd Decile | 0 | 0 | 156,870 | |
| | 3rd Decile | 0 | 0 | 225,485 | |
| | 4th Decile | 0 | 0 | 287,362 | 2nd Band |
| | 5th Decile | 0 | 0 | 351,886 | |
| | 6th Decile | 0 | 0 | 418,891 | 3rd Band |
| | 7th Decile | 24 | 24 | 492,108 | |
| | 8th Decile | 24 | 48 | 576,051 | 4th Band |
| | 9th Decile | 24 | 72 | 690,861 | 5th Band |
| | 10th Decile | 24 | 96 | 1,034,129 | 6th Band, 7th Band, 8th Band |
| | | 96 | | | |
| 2028 | 1st Decile | 0 | 0 | 96,674 | 1st Band |
| | 2nd Decile | 0 | 0 | 160,948 | |
| | 3rd Decile | 0 | 0 | 231,348 | |
| | 4th Decile | 0 | 0 | 294,833 | |
| | 5th Decile | 0 | 0 | 361,035 | 2nd Band |
| | 6th Decile | 0 | 0 | 429,782 | 3rd Band |
| | 7th Decile | 24 | 24 | 504,903 | |
| | 8th Decile | 24 | 48 | 591,029 | 4th Band |
| | 9th Decile | 24 | 72 | 708,824 | 5th Band |
| | 10th Decile | 24 | 96 | 1,061,016 | 6th Band, 7th Band, 8th Band |
| | | 96 | | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 283,618 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| 389,974 | 0 | 38.1% | 37 | 37 |
| | | | | |
| 496,331 | 42 | 21.3% | 20 | -21 |
| | | | | |
| 602,687 | 21 | 11.0% | 11 | -11 |
| 709,044 | 3 | 5.9% | 6 | 3 |
| None | - | 9.5% | 9 | - |
| | | 100.00% | 96 | |
| 294,962 | 0 | 14.2% | 14 | 14 |
| | | | | |
| | | | | |
| | | | | |
| 405,573 | 0 | 38.1% | 37 | 37 |
| 516,184 | 42 | 21.3% | 20 | -22 |
| | | | | |
| 626,795 | 22 | 11.0% | 11 | -11 |
| 737,406 | 3 | 5.9% | 6 | 3 |
| None | - | 9.5% | 9 | - |
| | | 100.00% | 96 | |

Table 2.19: Ownership Assessment - Dublin 8

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2023 | 1st Decile | 0 | 0 | 85,690 | 1st Band |
| | 2nd Decile | 0 | 0 | 142,660 | |
| | 3rd Decile | 0 | 0 | 205,061 | |
| | 4th Decile | 0 | 0 | 261,332 | 2nd Band |
| | 5th Decile | 0 | 0 | 320,012 | 3rd Band |
| | 6th Decile | 0 | 0 | 380,948 | |
| | 7th Decile | 32 | 32 | 447,533 | 4th Band |
| | 8th Decile | 32 | 64 | 523,873 | 5th Band |
| | 9th Decile | 32 | 96 | 628,283 | 6th Band |
| | 10th Decile | 32 | 128 | 940,457 | 7th Band, 8th Band |
| | | | 128 | | |
| 2024 | 1st Decile | 0 | 0 | 88,089 | 1st Band |
| | 2nd Decile | 0 | 0 | 146,655 | |
| | 3rd Decile | 0 | 0 | 210,803 | |
| | 4th Decile | 0 | 0 | 268,650 | 2nd Band |
| | 5th Decile | 0 | 0 | 328,973 | 3rd Band |
| | 6th Decile | 0 | 0 | 391,615 | |
| | 7th Decile | 32 | 32 | 460,064 | 4th Band |
| | 8th Decile | 32 | 64 | 538,541 | 5th Band |
| | 9th Decile | 32 | 96 | 645,875 | 6th Band |
| | 10th Decile | 32 | 128 | 966,790 | 7th Band, 8th Band |
| | | | 128 | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 229,063 | 0 | 11.0% | 14 | 14 |
| | | | | |
| | | | | |
| 314,962 | 0 | 39.7% | 51 | 51 |
| 400,861 | 29 | 33.1% | 42 | 14 |
| | | | | |
| 486,759 | 31 | 9.6% | 12 | -19 |
| 572,658 | 28 | 1.5% | 2 | -26 |
| 658,557 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |
| 238,226 | 0 | 11.0% | 14 | 14 |
| | | | | |
| | | | | |
| 327,560 | 0 | 39.7% | 51 | 51 |
| 416,895 | 29 | 33.1% | 42 | 13 |
| | | | | |
| 506,230 | 31 | 9.6% | 12 | -19 |
| 595,565 | 28 | 1.5% | 2 | -26 |
| 684,899 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2025 | 1st Decile | 0 | 0 | 90,379 | 1st Band |
| | 2nd Decile | 0 | 0 | 150,468 | |
| | 3rd Decile | 0 | 0 | 216,283 | |
| | 4th Decile | 0 | 0 | 275,635 | 2nd Band |
| | 5th Decile | 0 | 0 | 337,526 | |
| | 6th Decile | 0 | 0 | 401,797 | 3rd Band |
| | 7th Decile | 32 | 32 | 472,025 | 4th Band |
| | 8th Decile | 32 | 64 | 552,543 | 5th Band |
| | 9th Decile | 32 | 96 | 662,668 | 6th Band |
| | 10th Decile | 32 | 128 | 991,927 | 7th Band, 8th Band |
| | | | 128 | | |
| 2026 | 1st Decile | 0 | 0 | 92,729 | 1st Band |
| | 2nd Decile | 0 | 0 | 154,380 | |
| | 3rd Decile | 0 | 0 | 221,907 | |
| | 4th Decile | 0 | 0 | 282,801 | 2nd Band |
| | 5th Decile | 0 | 0 | 346,302 | |
| | 6th Decile | 0 | 0 | 412,243 | 3rd Band |
| | 7th Decile | 32 | 32 | 484,298 | 4th Band |
| | 8th Decile | 32 | 64 | 566,909 | 5th Band |
| | 9th Decile | 32 | 96 | 679,897 | 6th Band |
| | 10th Decile | 32 | 128 | 1,017,717 | 7th Band, 8th Band |
| | | | 128 | | |
| 2027 | 1st Decile | 0 | 0 | 95,140 | 1st Band |
| | 2nd Decile | 0 | 0 | 158,394 | |
| | 3rd Decile | 0 | 0 | 227,676 | |
| | 4th Decile | 0 | 0 | 290,154 | 2nd Band |
| | 5th Decile | 0 | 0 | 355,306 | |
| | 6th Decile | 0 | 0 | 422,962 | 3rd Band |
| | 7th Decile | 32 | 32 | 496,890 | 4th Band |
| | 8th Decile | 32 | 64 | 581,649 | 5th Band |
| | 9th Decile | 32 | 96 | 697,574 | 6th Band |
| | 10th Decile | 32 | 128 | 1,044,177 | 7th Band, 8th Band |
| | | | 128 | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 247,755 | 0 | 11.0% | 14 | 14 |
| | | | | |
| 340,663 | 0 | 39.7% | 51 | 51 |
| | | | | |
| 433,571 | 29 | 33.1% | 42 | 13 |
| 526,479 | 32 | 9.6% | 12 | -19 |
| 619,387 | 29 | 1.5% | 2 | -27 |
| 712,295 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |
| 256,426 | 0 | 11.0% | 14 | 14 |
| | | | | |
| 352,586 | 0 | 39.7% | 51 | 51 |
| | | | | |
| 448,746 | 30 | 33.1% | 42 | 13 |
| 544,906 | 32 | 9.6% | 12 | -20 |
| 641,066 | 29 | 1.5% | 2 | -27 |
| 737,226 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |
| 265,401 | 0 | 11.0% | 14 | 14 |
| | | | | |
| 364,927 | 0 | 39.7% | 51 | 51 |
| | | | | |
| 464,452 | 30 | 33.1% | 42 | 12 |
| 563,978 | 32 | 9.6% | 12 | -20 |
| 663,503 | 29 | 1.5% | 2 | -27 |
| 763,028 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |

| Year | Range | No. of Additional Anticipated Households That Qualify for a Mortgage | Running Total | Affordability Threshold | Household Price Band(s) |
|------|-------------|--|---------------|-------------------------|-------------------------|
| 2028 | 1st Decile | 0 | 0 | 97,614 | 1st Band |
| | 2nd Decile | 0 | 0 | 162,512 | |
| | 3rd Decile | 0 | 0 | 233,596 | |
| | 4th Decile | 0 | 0 | 297,698 | 2nd Band |
| | 5th Decile | 0 | 0 | 364,543 | |
| | 6th Decile | 0 | 0 | 433,959 | 3rd Band |
| | 7th Decile | 32 | 32 | 509,809 | 4th Band |
| | 8th Decile | 32 | 64 | 596,772 | 5th Band |
| | 9th Decile | 32 | 96 | 715,711 | 6th Band |
| | 10th Decile | 32 | 128 | 1,071,326 | 7th Band, 8th Band |
| | | 128 | | | |

| Upper Value of Price Band | No. of Households That Qualify for a Mortgage Able to Purchase at Upper Value | % of Housing Units Anticipated per Price Band | No. Housing Units Anticipated per Price Band | Housing Surplus (+) or Deficit (-) per Price Band |
|---------------------------|---|---|--|---|
| 273,363 | 0 | 11.0% | 14 | 14 |
| | | | | |
| 375,874 | 0 | 39.7% | 51 | 51 |
| | | | | |
| 478,386 | 30 | 33.1% | 42 | 12 |
| 580,897 | 32 | 9.6% | 12 | -20 |
| 683,408 | 29 | 1.5% | 2 | -27 |
| 785,919 | 2 | 1.5% | 2 | 0 |
| None | - | 3.7% | 5 | - |
| | | 100.00% | 128 | |

2.3.2 Rental

Analysis of affordability in relation to private rental market has been undertaken in order to ensure a comprehensive understanding of the housing market in accordance with the requirements of the NPF. As stated previously, only households that fail to qualify for a mortgage are considered in this analysis. The key variables used to determine whether households in a decile can qualify for a private rental for a specific unit are:

- Disposable income per decile per year (monthly) as described in Section 2.2.2;
- Projected market rents per unit type per year as set out in Section 2.2.6;
- Additionally, the demand for a specific unit type (as set out in Section 2.2.6) has been factored in to estimate what type of unit the additional anticipated households are likely to prefer to rent.

Specifically, households are tested for the rental cost of each unit size forecasted under the RTB demand by unit type component.

Analysis of the above factors indicates that if a household has sufficient income to meet the private rental rates for a unit in a given year (i.e. the average market rent is less than 35% of their monthly disposable income), they can sustainability afford the rent. It should also be noted that it is just those additional anticipated households that do not qualify for a mortgage are considered as part of the assessment for private rental. The number of households that cannot afford a mortgage nor to privately rent are set out in Table 2.20 for DCC, Table 2.21 for Dublin 1 and Table 2.22 for Dublin 8. These tables include the distribution by unit size.

Table 2.20 Number of Households that do not Qualify for a Mortgage and Cannot Afford Private Rental - DCC

| Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---------------|-------|-------|-------|-------|-------|-------|
| 1 Bed | 1,040 | 1,040 | 1,040 | 1,040 | 1,040 | 1,040 |
| 2 Bed | 1,138 | 1,138 | 1,138 | 1,138 | 1,138 | 1,138 |
| 3 Bed | 421 | 421 | 421 | 421 | 421 | 421 |
| 4+ Bed | 148 | 148 | 148 | 148 | 148 | 148 |
| Total | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 |

Table 2.21: Number of Households that do not Qualify for a Mortgage and Cannot Afford Private Rental - Dublin 1

| Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---------------|------|------|------|------|------|------|
| 1 Bed | 79 | 79 | 79 | 79 | 79 | 79 |
| 2 Bed | 62 | 62 | 62 | 62 | 62 | 62 |
| 3 Bed | 10 | 10 | 10 | 10 | 10 | 10 |
| 4+ Bed | 3 | 3 | 3 | 3 | 3 | 3 |
| Total | 154 | 154 | 154 | 154 | 154 | 154 |

Table 2.22: Number of Households that do not Qualify for a Mortgage and Cannot Afford Private Rental – Dublin 8

| Year | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---------------|------|------|------|------|------|------|
| 1 Bed | 87 | 87 | 87 | 87 | 87 | 87 |
| 2 Bed | 91 | 91 | 91 | 91 | 91 | 91 |
| 3 Bed | 23 | 23 | 23 | 23 | 23 | 23 |
| 4+ Bed | 4 | 4 | 4 | 4 | 4 | 4 |
| Total | 205 | 205 | 205 | 205 | 205 | 205 |

2.3.3: Summary of Projected Needs During the Plan Period

Following the application of the preceding steps in the HNDA model, the summary of the social (and affordable) housing requirements for Dublin City and the sub areas over the plan period 2023 – 2028 is set out in Table 2.23, Table 2.24 and Table 2.25 below.

The Social (and Affordable) Requirements reflect the projected extent of ‘housing need’ during the plan period. This relates only to the additional anticipated households during that time and thus it is in addition to the current extent of unmet need as per the existing social housing waiting list.

DCC

Throughout the plan period 41.3% of the 39,906 households are estimated to not qualify for a mortgage and not be able to afford rent. This equates to 16,484 households over the plan period.

Dublin 1

In this sub area throughout the plan period 61.5% of the 1,500 households allocated to the area are estimated to not qualify for a mortgage and not be able to afford rent. This equates to 923 households over the plan period.

Dublin 8

In this sub area throughout the plan period 61.5% of the 2,000 households allocated to the area are estimated to not qualify for a mortgage and not be able to afford rent. This equates to 1,230 households over the plan period.

Table 2.23: Overview of Social and Affordable Housing Requirements as in DCC

| DCC | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------|-------|-------|-------|-------|-------|
| No. Households | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 | 6,651 |
| Households That Do Not Qualify for a Mortgage | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 | 2,747 |
| Housing Shortfall (%) | 41.3% | 41.3% | 41.3% | 41.3% | 41.3% | 41.3% |

Table 2.24: Overview of Social and Affordable Housing Requirements as in D1

| D1 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------|-------|-------|-------|-------|-------|
| No. Households | 250 | 250 | 250 | 250 | 250 | 250 |
| Households That Do Not Qualify for a Mortgage | 154 | 154 | 154 | 154 | 154 | 154 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 154 | 154 | 154 | 154 | 154 | 154 |
| Housing Shortfall (%) | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% |

Table 2.25: Overview of Social and Affordable Housing Requirements as in D8

| D8 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|-------|-------|-------|-------|-------|-------|
| No. Households | 333 | 333 | 333 | 333 | 333 | 333 |
| Households That Do Not Qualify for a Mortgage | 205 | 205 | 205 | 205 | 205 | 205 |
| Households That Do Not Qualify for a Mortgage & Cannot Rent | 205 | 205 | 205 | 205 | 205 | 205 |
| Housing Shortfall (%) | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% | 61.5% |

Figure 2.1: Summary of Needs - Dublin City

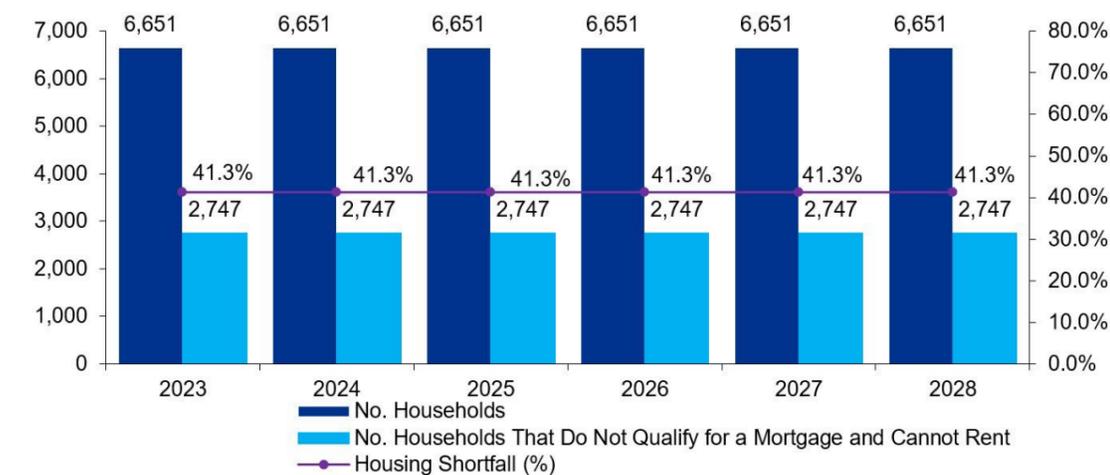


Figure 2.2: Summary of Needs - Dublin 1

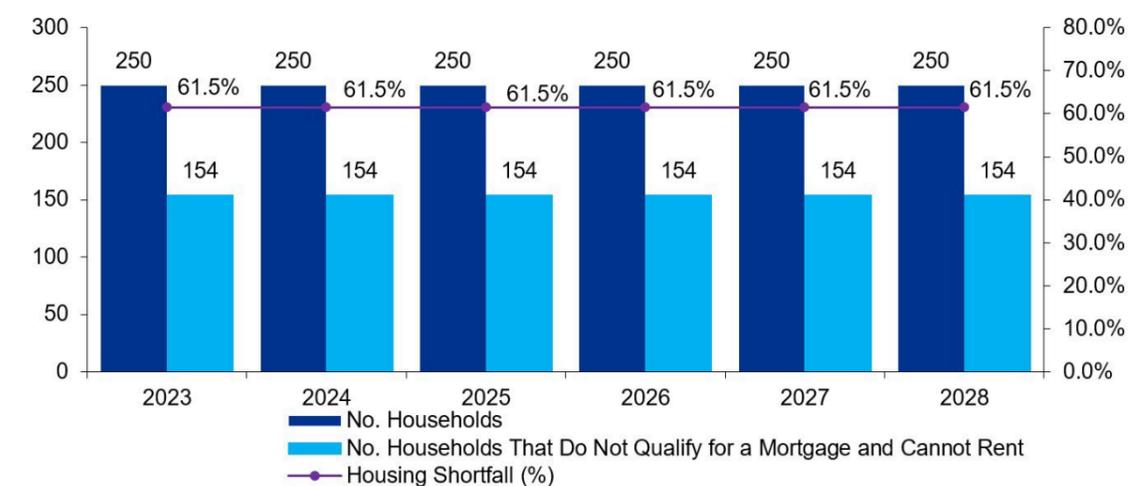
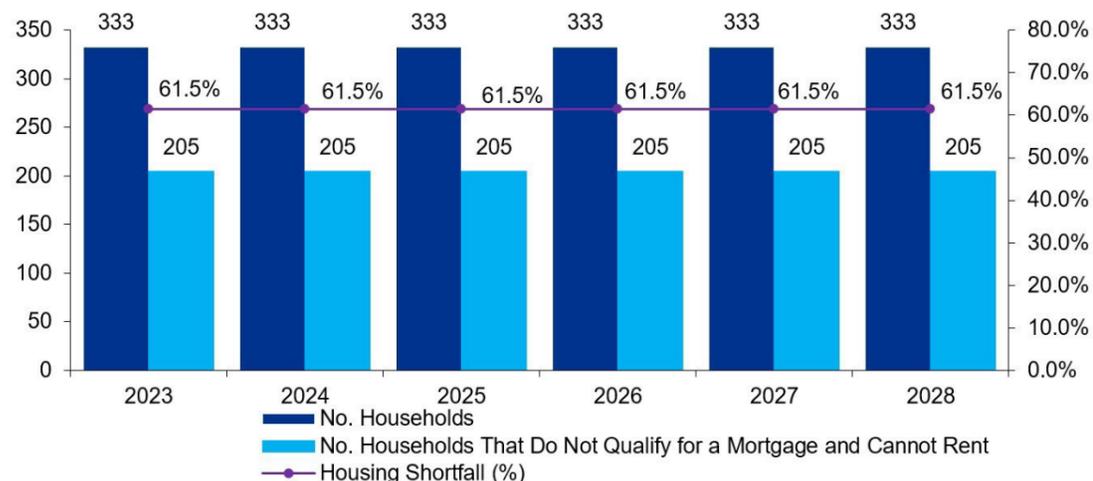


Figure 2.3: Summary of Needs - Dublin 8



2.4 HNDA Components

In addition to the HNDA, analysis of historic intercensal trends for household composition (size), tenure and dwelling type has been conducted to enable estimation of future households under each component. This element is outlined in steps 13 through 15 in the HNDA methodology in Table 2.1 and the results of the analysis are presented below.

2.4.1 Household Composition

Analysis of historic Census data (2002-2016 for DCC and 2006-2016 for sub areas) in relation to the composition of households has been undertaken to understand the dynamics of change over time and estimate how they may change into the future. The intercensal average has been used to determine a trended annual average change in household composition as set out in Table 2.26 below. The composition forecast for DCC is illustrated in Figure 2.4, while the sub areas of Dublin 1 and Dublin 8 are illustrated in Figure 2.5 and Figure 2.6 respectively.

Table 2.26: Forecasted Annual Change in Household Size Cohorts

| Annual Change | 1 person household | 2 person household | 3 person household | 4 person household | 5+ person household |
|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Dublin City | -0.05% | 0.23% | 0.03% | -0.03% | -0.19% |
| Dublin 1 | -0.10% | 0.20% | -0.03% | -0.05% | -0.01% |
| Dublin 8 | -0.30% | 0.33% | 0.06% | -0.03% | -0.06% |

DCC

Based on the identified intercensal changes DCC sees a reduction in 1 and 4 person households at a relatively slow rate and 5+ person households at a much higher rate. 2 and 3 person households are on an upward trend with 2 person households increasing at the highest rate (0.23% per annum).

Dublin 1

Based on the identified intercensal changes Dublin 1 sees a reduction in all household composition save for 2 person households, which are on an upward trajectory of 0.20% per annum.

Dublin 8

Based on the identified intercensal changes Dublin 8 sees a reduction in 4 and 5+ person households at a relatively slow rate and 1 person households at a much higher rate. 2 and 3 person households are on an upward trend with 2 person households increasing at the highest rate (0.33% per annum).

Figure 2.4: Forecast Household Composition over the Plan Period - DCC

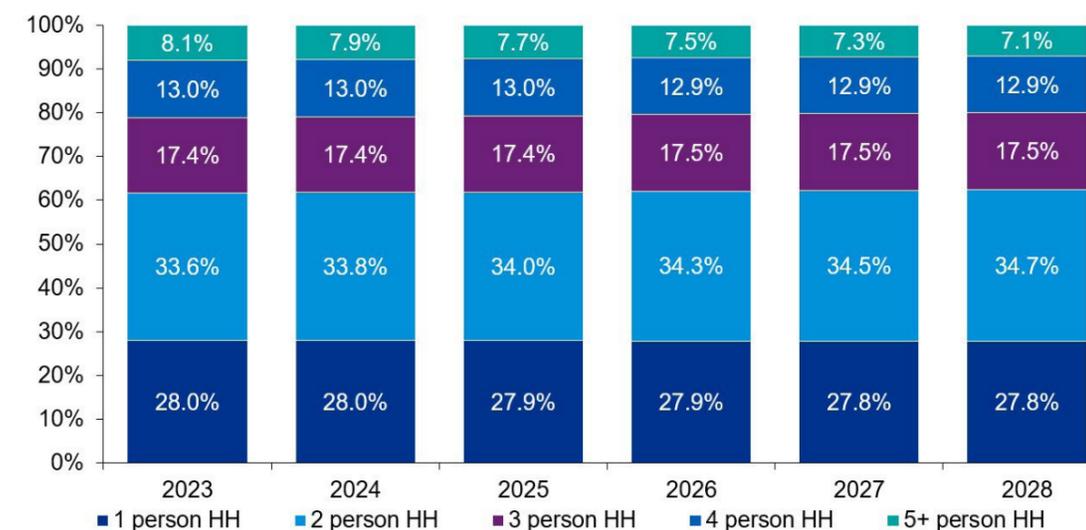


Figure 2.5: Forecast Household Composition over the Plan Period - D1

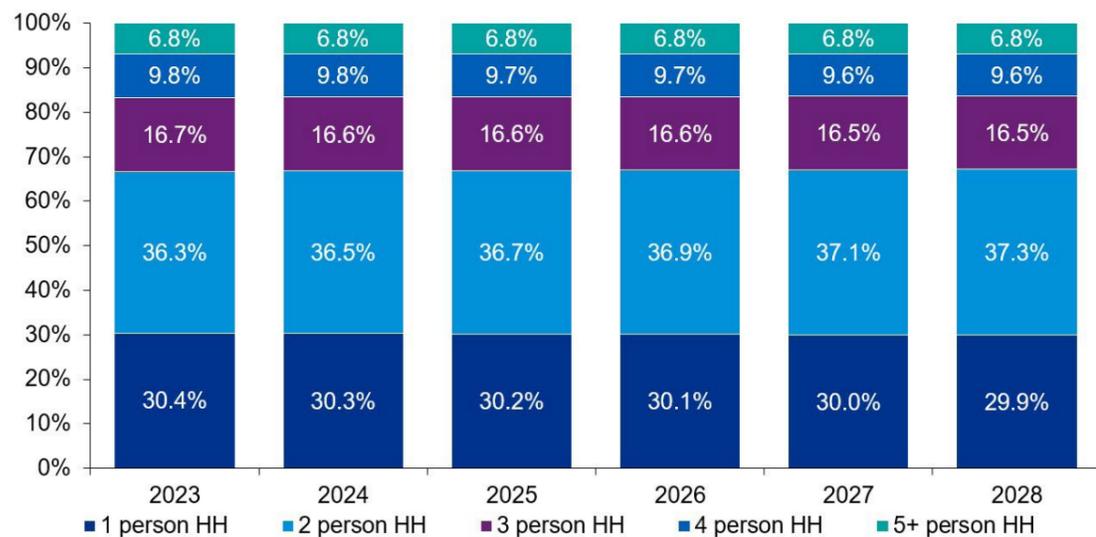
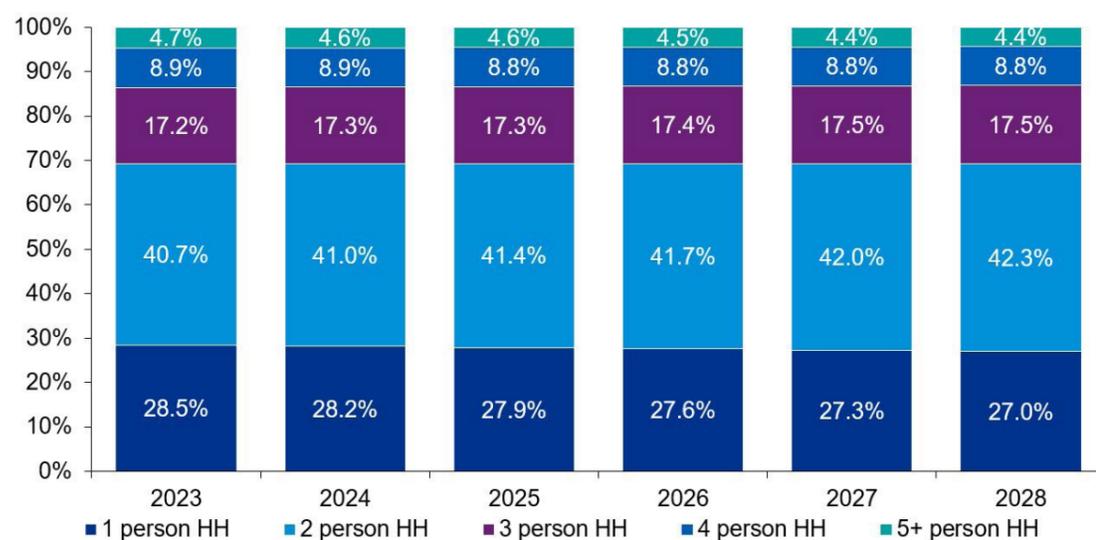


Figure 2.6: Forecast Household Composition over the Plan Period - D8



In order to gain a further understanding of household size and composition and how it may relate to the dwelling stock, Census data has been examined on the number of rooms per household in 2016. Unfortunately, the 2016 Census did not differentiate between bedrooms and all other rooms, and as a result it is not possible to obtain a full dwelling size mix for Dublin City. This data is therefore contextual and does not solely indicate bedrooms. Census respondents were instructed not to count bathrooms, toilets, kitchenettes, utility rooms, consulting rooms, offices, shops, halls or landings, or rooms that can only be used for storage such as cupboards – these are therefore not included in the data below. They were instructed to count all other rooms such as kitchens, living rooms, bedrooms, conservatories, and studies.

Table 2.27 and Table 2.28 below indicate that households are fairly evenly distributed across the total room categories over Dublin City as a whole with a slight plurality of 5-room dwellings (18.6%). However, dwellings tend to have less rooms in D1 and D8, with 12.9% of households recording only one room in D1.

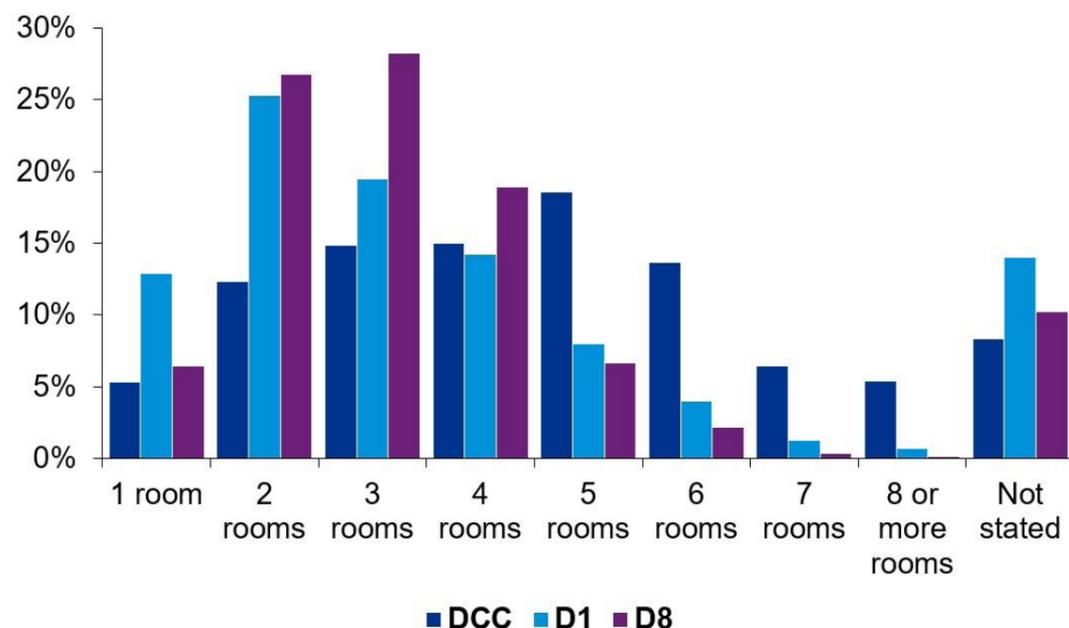
Table 2.27: Rooms Per Household, 2016

| Number of rooms | DCC | D1 | D8 |
|-----------------|----------------|---------------|--------------|
| 1 room | 11,337 | 2,658 | 425 |
| 2 rooms | 26,105 | 5,222 | 1,759 |
| 3 rooms | 31,446 | 4,024 | 1,854 |
| 4 rooms | 31,796 | 2,933 | 1,244 |
| 5 rooms | 39,358 | 1,650 | 437 |
| 6 rooms | 28,889 | 831 | 142 |
| 7 rooms | 13,698 | 267 | 21 |
| 8 or more rooms | 11,370 | 148 | 10 |
| Not stated | 17,592 | 2,887 | 671 |
| Total | 211,591 | 20,620 | 6,563 |

Table 2.28: Rooms Per Household (%), 2016

| Number of rooms | DCC | D1 | D8 |
|-----------------|---------------|---------------|---------------|
| 1 room | 5.4% | 12.9% | 6.5% |
| 2 rooms | 12.3% | 25.3% | 26.8% |
| 3 rooms | 14.9% | 19.5% | 28.2% |
| 4 rooms | 15.0% | 14.2% | 19.0% |
| 5 rooms | 18.6% | 8.0% | 6.7% |
| 6 rooms | 13.7% | 4.0% | 2.2% |
| 7 rooms | 6.5% | 1.3% | 0.3% |
| 8 or more rooms | 5.4% | 0.7% | 0.2% |
| Not stated | 8.3% | 14.0% | 10.2% |
| Total | 100.0% | 100.0% | 100.0% |

Figure 2.7: Rooms Per Household (%), 2016



2.4.2 Household Dwelling Type

Analysis of historic intercensal data on private household dwelling type has been undertaken to understand unit-mix dynamics and estimate how they may change over time. Specifically, the intercensal average has been used to determine a trended annual average change in dwelling type mix. It should be noted that estimated trends do not account for ‘bed-sits’ or ‘not stated’ dwelling types as categorised by the Census. Therefore, forecasts for house/bungalow, flat/apartment and caravan/mobile homes are set out from 2023 to 2028 with the intercensal average determined from a reduced sample size. The annual average change in dwelling type DCC and sub areas is set out in Table 2.29

Figure 2.8, Figure 2.9 and Figure 2.10 illustrate the forecast distribution by dwelling type for the plan period. It should be noted that these are an approximate continuation of observed trends as influenced by the market dynamics during that historic period and it is noted that external market factors can influence the future dynamics in relation to unit mix and dwelling type throughout the plan period. The graphs presented are based on a continuation of recent historic trends assigned to the additional anticipated households.

It should also be noted that “caravan/mobile home” is not visible on these graphs due the forecast estimating that they will either no longer be present in the areas or constitute less than 0.03% of all dwellings by the plan period.

Table 2.29: Forecast Change in Dwelling Type for Households

| Annual Change | House/Bungalow | Flat/Apartment | Caravan/Mobile Home |
|--------------------|----------------|----------------|---------------------|
| Dublin City | -0.49% | 0.50% | -0.01% |
| Dublin 1 | -0.30% | 0.33% | -0.03% |
| Dublin 8 | -0.43% | 0.44% | -0.01% |

DCC

Based on the identified intercensal changes DCC overall sees an increase in Apartment type dwellings and an almost equal reduction in house type dwellings. By the end of the plan period this trend would see just over 40% off all dwellings in DCC being apartments. It should be highlighted that duplex units are classified as apartments, which could indicate not all the apartments will be in blocks.

Dublin 1

Based on the identified intercensal changes Dublin 1 and the current dwelling type distributions Dublin 1 is estimated to predominantly Apartments by the end of the plan period.

Dublin 8

Based on the identified intercensal changes Dublin 8 and the current dwelling type distributions Dublin 8 is estimated to predominantly Apartments by the end of the plan period.

Figure 2.8: Forecast Dwelling type distribution 2023-2028 - DCC

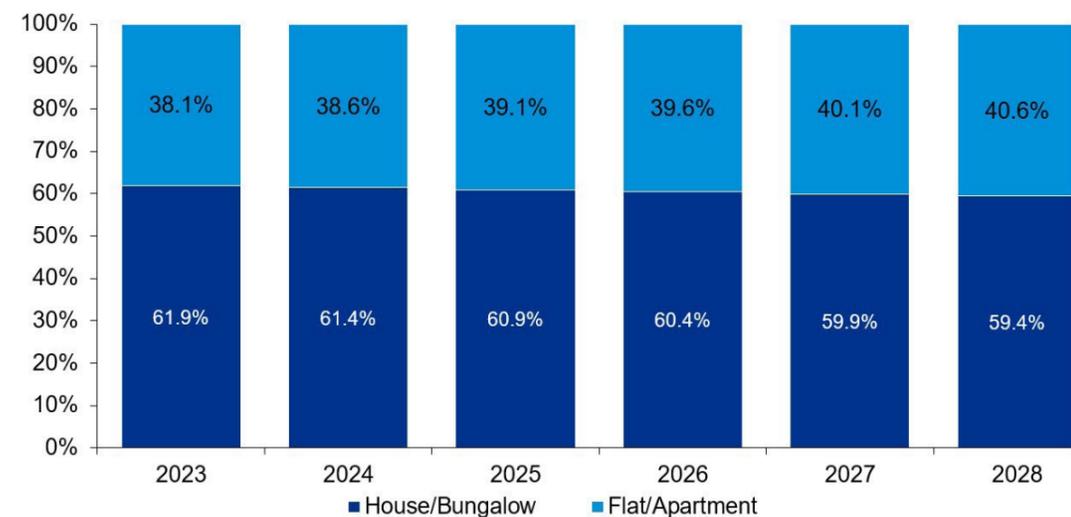


Figure 2.9: Forecast Dwelling Type Distribution 2023-2028 - D1

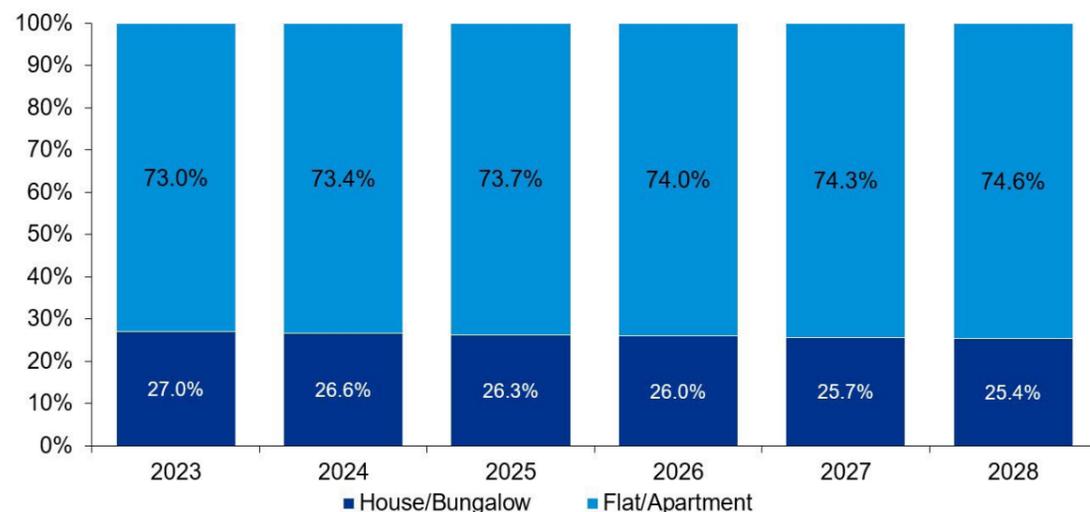
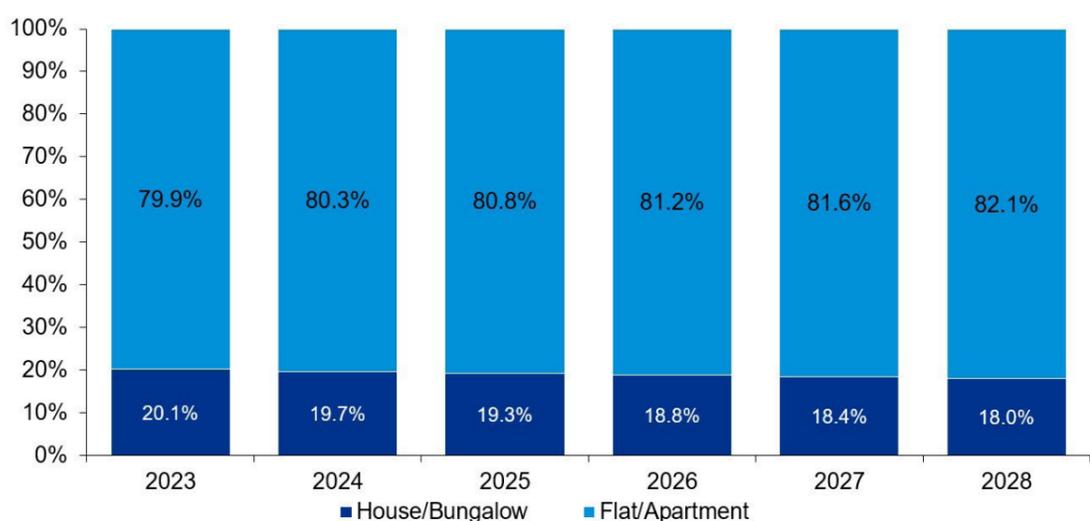


Figure 2.10: Forecast Dwelling Type Distribution 2023-2028 - D8



2.4.3 Household Tenure

Analysis of historic Census data (2002-2016 for DCC and 2006-2016 for sub areas) in relation to the tenure of households has been undertaken to understand these dynamics and estimate how they may change over time. The intercensal average has been used to determine a trended annual average change in household tenure in DCC and its sub areas and have been set out in Table 2.30 below. It should be noted that this does not supersede the tenure analysis undertaken through the HNDA Toolkit and presents only a continuation of historic trends, primarily to ascertain these trends at local level.

Household tenure has been grouped into owner-occupied (comprised of those with and without mortgages), private rental sector and social housing (rented from a local authority or voluntary organisation).

Table 2.30: Forecast Change in Tenure Composition of Households

| Annual Change | Social Housing | Private Rental | Owner occupied |
|--------------------|----------------|----------------|----------------|
| Dublin City | 0.18% | 0.64% | -0.82% |
| Dublin 1 | -1.12% | 1.62% | -0.50% |
| Dublin 8 | -1.09% | 1.58% | -0.49% |

KPMG Future Analytics’ HNDA model approach of historic intercensal change to estimate the future distribution of composition and dwelling type is based on historic property market trends. These trends are also driven by historic economic trends and policies and may not reflect future trends and policies. Estimates of tenure are as a result very susceptible to wider political and economic forces.

The impacts of the financial crisis are very much still represented in these estimates. This due to the fundamental shift in tenure that occurred because of the post-2008 economic and property market declines. The sheer volume of households that shifted from owner-occupancy into private rental between 2006 and 2011 thus affects the long-term change.

Table 2.31 highlights the extreme changes that took place between the 2006-2011 period as a direct result of the financial crisis.

Table 2.31: Intercensal Change in Tenure

| | Dublin City | | Dublin 1 | | Dublin 8 | |
|-----------------------------|-------------|-----------|-----------|-----------|-----------|-----------|
| | 2006-2011 | 2011-2016 | 2006-2011 | 2011-2016 | 2006-2011 | 2011-2016 |
| Social Housing | -4.5% | 1.0% | -14.2% | 3.0% | -12.8% | 2.0% |
| Rented (Privately) | 12.7% | -1.1% | 19.6% | -3.4% | 17.5% | -1.8% |
| Owner Occupied (All) | -8.2% | 0.1% | -5.4% | 0.4% | -4.7% | -0.2% |