



# Gníomhaireacht Náisiúnta um Bhainistíocht Sócmhainní National Asset Management Agency

First Revision to the NPF Consultation

Department of Housing

Custom House

Dublin 1

DO1 W6XO

Thursday, 12<sup>th</sup> September 2024

Dear Sir/Madam

**Re: First Revision to the National Planning Framework (NPF)**

The National Asset Management Agency (NAMA) welcomes the opportunity to comment on the First Revision to the NPF and commends the review group for its important work in reflecting the outcome of the Census 2022 and in seeking to address the challenges impacting the achievement of the spatial planning objectives of the NPF. Achieving a balance between supporting Dublin as Ireland's city region of scale capable of competing for investment at an international level, while also promoting development in the regions, is complex.

Investment in the Dublin region must continue to be supported and encouraged by careful land use management that adheres to principles of compact growth and avoids unsustainable urban sprawl. What this means is that growth in Dublin should not be curtailed; rather managed in a way that supports investment in accordance with sustainability principles.

In parallel, focussed regional investment in infrastructure, including housing, water, public transport, and community facilities, is needed if the positive impacts of our vibrant, open economy is to be spread equitably throughout the Country.

In order to achieve this balance, the NPF needs to be realistic in its understanding of the level of likely population growth over the next number of years and how that growth is to be managed in an 'all of government' manner.



## **Population Targets**

The Review document reflects the changes in population and housing targets reflected in the 2022 census and anticipates a 2040 population of 6.1m, equivalent to 950,000 additional people between 2022 to 2040. The Review translates this to a housing requirement of 50,000 per year to 2040. While this equates to the higher end of the ESRI's estimate of structural housing demand published in early July 2024, it does not reflect pent up demand.

Specifically, the ESRI considered 12 scenarios using three assumptions with regard to migration levels, which has been a key driver of population growth over the last number of years, and two assumptions with regard to both headship rate (household size) and obsolescence. The output provides a range of housing projections and acknowledges that previous projections, including those produced by the ESRI in 2020 and which determined the current Housing Need and Demand Assessments (HNDAs), underestimated demand.

Averaged out, the ESRI projects a demand for 44,000 new homes per annum between 2023 and 2030 and 39,700 new homes per annum between 2030 and 2040. The range in the scenarios is wide with the lowest estimate at 35,000 per annum between now and 2030 and the highest at 53,300 per annum.

However, the estimated figures purely relate to structural future housing demand based on the results of the 2022 Census and do not reflect the catch-up required to make up for previous years' shortfall which has variously been estimated at c.250,000.

In this regard, we urge Government to be more realistic in its estimate of housing need and more ambitious in its targets for financing the sector in the knowledge that the targets set out in the NPF will inform the HNDAs which in turn determine land zonings and the commitment to essential public infrastructure needed to service such land.

## **Implementation**

The Expert Group appointed to undertake a high-level assessment of the NPF made a number of recommendations in its Report, including:

1. New targets should be more ambitious (than the 2018 targets) and more clearly defined.
2. The roles of the bodies involved in its implementation should be clarified and strengthened with monitoring mechanisms put in place.



3. There should be greater co-ordination across government in the delivery of infrastructure projects with new efforts to generate support for national spatial planning.

With regard to implementation, we would agree with the view of this group that a cross departmental implementation group at the centre of government to prioritise and co-ordinate decisions in relation to infrastructure projects, including those set out in the National Development Plan should be established.

We would also refer you to the OECD Report *Towards Balanced Regional Attractiveness in Ireland: Enhancing the Delivery of the NPF* which makes recommendations to support NPF implementation. It notes that institutional arrangements need to adapt to support the NPF and move away from Business As Usual. It too recommends an all of Government approach, including the establishment of a Project Ireland 2040 Delivery Board to support the co-ordination of projections of a regional scale. It also supports new governance at a regional level to improve co-ordination between national, regional and local authorities, infrastructure providers to secure delivery of the RSES targets and the Metropolitan Area Strategic Plans. NAMA is supportive of these suggestions and look forward to the publication of the Implementation Road Map to better understand the new delivery mechanisms.

In conclusion, we commend you for your work in publishing the review and welcome the opportunity to comment. We ask that in finalising the document, more realistic housing targets are set that reflect increases in population and housing demand, including pent-up demand and that a more ambitious investment programme is established that supports critical infrastructure delivery and that is managed by a centralised body established by statute with clear targets.

Yours faithfully

**Deirdre O'Connor**

**Head of Planning**

**National Asset Management Agency**