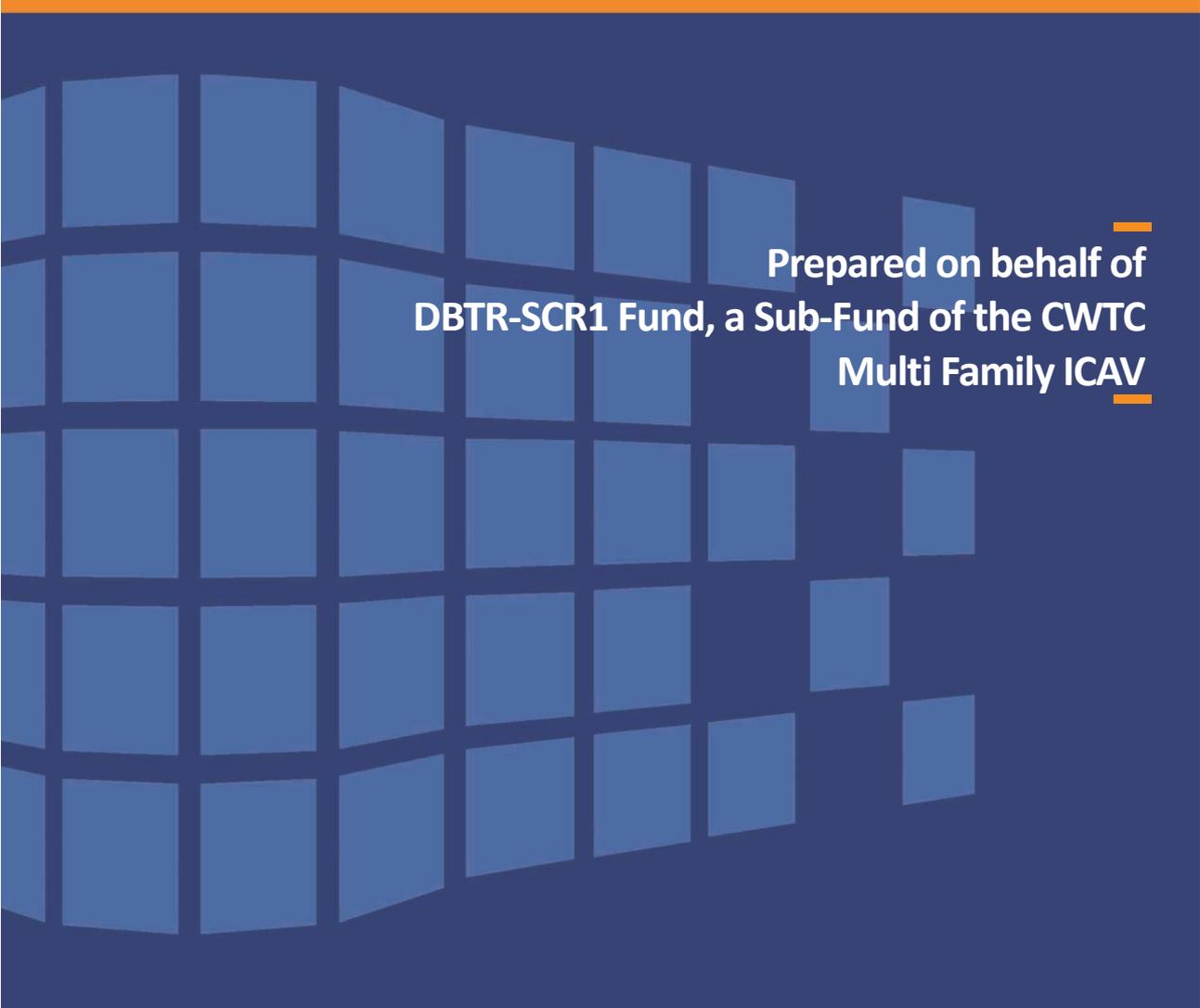


# Shared Accommodation Demand Report

Proposed Strategic Housing Development on the former Player Wills site and undeveloped land owned by Dublin City Council at South Circular Road, Dublin 8.

December 2020



Prepared on behalf of  
DBTR-SCR1 Fund, a Sub-Fund of the CWTC  
Multi Family ICAV

## Document Control Sheet

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# 1. Introduction

This report has been prepared by McCutcheon Halley Planning for DBTR-SCR1 Fund, a Sub-Fund of the CTWC MULTI FAMILY ICAV .

This report is prepared in response to section 5.18 of the Design Standards for New Apartments - Guidelines for Planning Authorities (March 2018) which requires proposers of a shared accommodation scheme to demonstrate to the planning authority that their proposal is based on accommodation need and to provide a satisfactory evidential base.

The Guidelines highlight that shared accommodation type development “*is only appropriate where responding to an identified urban housing need at particular locations. It is not envisaged as an alternative or replacement to the more conventional apartment developments which are provided for elsewhere in these Guidelines. It is important that planning authorities strike a balance between the need to provide a particular format of accommodation to respond to a specific housing need in an urban location and the overall requirement to provide quality urban apartment development as a viable long term housing option.*”

This report identifies that a specific housing need exists for the proposed development of 240 no. single occupancy shared accommodation private living areas as part of a wider build to rent proposal incorporating 492 no. apartments in this inner city urban location.

Shared accommodation forms part of the strategic response to the shortage of affordable housing in metropolitan areas. Renting a private living area in a shared accommodation complex comes as a less costly option than renting an apartment. As shared accommodation is expanding on an international level, it is experiencing a shift from the majority of tenants comprising digital nomads or young professionals to offering a solution to tackle social problems such as a lack of affordable housing and social isolation.

Rebuilding Ireland – Action Plan for Housing and Homelessness (2016) highlights that ensuring sufficient stable and sustained provision of housing that is affordable, in the right locations, meets peoples different needs and is of lasting quality is one of the greatest challenges facing the country at present. A key objective of the plan is to mature the rental sector so that tenants see it as one that offers security, quality and choice of tenure in the right locations. This proposal for shared accommodation is consistent with the key objectives of this plan. The proposed shared accommodation is in a central and accessible location, close to high density employment centres that can be accessed by active transport (walking and cycling) and public transport. Being part of a wider build to rent development proposal, it offers those who initially occupy the shared accommodation to transition to apartment units of varying sizes to suit their needs and lifecycle.

The NPF’s long-term vision aims to balance the provision of good quality housing that meets the needs of a diverse population by developing our cities, towns and villages as attractive places to live both now and in the future. The plan embraces the principle of compact growth, promoting development that is within the existing built-up footprint of settlements or contiguous to existing developed lands. The target is for at least 50% of all new housing to be delivered within the existing built-up areas of cities on infill and/or brownfield sites. These include vacant and under-occupied buildings, with high housing and job densities, better serviced by existing facilities and public transport.

The proposed shared accommodation as part of a larger build to rent development satisfies this vision. The scheme as a whole provides a range of high quality housing that will meet the needs of the city by providing homes for professionals starting their careers, young adults seeking to leave the family home, couples wishing to start a home and families. The proposed shared accommodation is within the existing built footprint and facilitates bringing a vacant building of historical architectural merit into active use.

European experience demonstrates that the primary residents in operational shared accommodation schemes is a young demographic, aged between 21 and 35. A report<sup>1</sup> published by CBRE highlights that shared accommodation schemes are a response to a shortage of quality accommodation that caters for younger people who move to cities for job opportunities. This younger generation, seek flexible, central and sociable accommodation.

Given the infancy of the shared accommodation model in Ireland, a review of established markets in European Cities (London, Berlin, Amsterdam, Madrid) is beneficial to understand the factors that drive demand for this type of rental offering. The CBRE Report provides such a review and it identifies the following issues;

- Population growth
- Floating population – people who move frequently for employment
- Demand generated by graduates
- Shortfall in new homes
- Affordability issues
- Shift toward private renting

Dublin is an international city of scale and comparable to the examples cited above. The drivers for shared accommodation in Dublin City mirrors the identified stimulus in other European cities.

## 2.1 Suitability of Proposed Location

### 2.1.1 Apartment Guidelines, 2018

The 2018 Apartment Guidelines identifies city centre locations as most appropriate for shared accommodation development proposals. The proposed development site is located at South Circular Road, Dublin 8 and its location satisfies the criteria established in the 2018 Apartment Guidelines to qualify as a 'Central and/or Accessible Urban Locations';

- *Sites within walking distance (i.e. up to 15 minutes or 1,000- 1,500m), of principal city centres, or significant employment locations, that may include hospitals and third-level institutions;*

Significant employment locations proximate to the site include the Coombe Hospital (less than 5 minute walking time), Griffith College (6 minute walk time) and St. James's Hospital approx. 1km distance.

- *Sites within reasonable walking distance (i.e. up to 10 minutes or 800- 1,000m) to/from high capacity urban public transport stops (such as DART or Luas); and*

Fatima LUAS stop is c. 900m north-west of the site (12 minute walk time), while South Clondalkin Quality Bus Corridor (QBC) connecting the site with the city centre and south-western suburbs of Dublin extends along Cork Street and Dolphin's Barn Street and is situated c.200m to the west (2-4 minute walk).

- *Sites within easy walking distance (i.e. up to 5 minutes or 400-500m) to/ from high frequency (i.e. min 10 minute peak hour frequency) urban bus services.*

The QBC is served by multiple high frequency services including Routes 17 and 17D (Rialto to Blackrock station), 27 (Jobstown to Clare Hall), 56A (Tallaght to Ringsend Road), 77A (Citywest to Ringsend Road) and 151 (Foxborough to Docklands), connecting the subject site with Dublin city centre and the greater Dublin metropolitan area.

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<sup>1</sup> CBRE Ltd. Europe Co-Living Report (2020)

### 2.1.2 Department of Housing, Local Government and Heritage Report, 2020

In October 2020, the Department of Housing, Local Government and Heritage published a report that included a recommendation to further clarify appropriate locations within the Apartment Guidelines. The report highlights that shared accommodation schemes should generally be located within 15 minutes walk (i.e. a 1km radius), or, a maximum 15 minutes morning peak hour public transport accessibility of a high density employment cluster. Such a 'cluster' comprises at least two defined CSO 'workplace zones' with more than 500 employees per hectare in close proximity i.e. within a maximum of 400m (five-minutes walk) of each other.



**FIGURE 1 HIGH INTENSITY EMPLOYMENT LOCATIONS IN DUBLIN**

As illustrated above, the high intensity employment zones are to the east of the proposed development site and primarily city centre. The closest are the Harcourt Street area, Dublin 2, to the east of the site and the Wood Quay area, Dublin 1, to the north east.

The Table below establishes the public transport infrastructure available locally. There are 8 no. Dublin Bus routes and the LUAS. 3 no. Dublin Bus Routes (122, 27 and 150) have a frequency of 15 minutes or less during the morning peak hour.

Route		Week Day		Weekend	
		AM Peak	Interpeak	Saturday	Sunday
68	Hawkins St./Newcastle	60	60	60	45-90
122	Ashington/Drimnagh	10	20	20	20
27	Clarehall/Jobstown	10	10	10	15
56a	Ringsend/Tallaght	60	75	75	75
77a	Ringsend/Citywest	20	20	20	30
151	Docklands/Foxborough	20	20	20	30
150	Hawkins St/Rossmore	15	20	20	30
17	Blackrock/UCD/Rialto	20	20	20	30
Luas	Tallaght/Saggart/Citywest-Connolly/Point	4	4	6	9

Dublin Bus No. 122 provides direct access from the proposed development site to the Harcourt Street area with 10-minute morning peak frequencies and a journey time of approx. 10 minutes. Access to Wood Quay is

provided by Dublin Bus routes 150 and 27 which both operate at or less than 15 minute intervals during the morning peak and journey times are approx. 15-minutes.

The proposed development site thus meets the recommendations from the planning division of the Department of Housing, Local Government and Heritage on locational criteria for shared accommodation proposals.

The Report acknowledges that historic structures can be subject to layout and structural constraints that make them unsuitable for conventional apartment type developments, recommending that exceptions to the locational criteria be made in these instances. The objective to preserve the former Player Wills factory building, as an important marker of the site’s industrial heritage, is an integral element of this scheme. Although the building is not a Protected Structure, it is listed on the NIAH. Following an extensive and carefully considered design process, shared accommodation was determined to be the optimal means of ensuring its retention, by conserving the building’s historic fabric and ensuring its continued viability.

## 2.2 Population Growth

### 2.2.1 National Planning Framework & Regional Spatial Economic Strategy

The National Planning Framework (NPF) and Eastern and Midlands Regional Spatial Economic Strategy (RSES) population targets are derived from the 2016 census of population and project a population of 5.7m nationally by 2040.

The period against which the NPF projections are based 2011-2016, coincided with a period of severe economic downturn in the State leading to a significant under-estimation in population growth for the period up to 2040. The population growth estimates used in the NPF, and by extension the RSES, were prepared in 2017, when the economic recovery was still underway. This was prior to a return to full employment and net inward migration, and the ensuing increase in housing demand had not been foreseen. Since 2017, housing demand has increased further, as the Irish economy has benefitted from a sustained period of growth.

The Central Statistic Office (CSO) published *Ireland’s Facts and Figures* in January 2020 and it estimates the population of Ireland in 2019 as 4,921,500. This represents 3.35% growth in the period 2016-2019 or 1.2% per annum. Applying this annual growth rate to the 2016 baseline of 4,761,865, the estimated population of the State in 2040 is approximately 6.1m. Thus, based on the most recent published data, the NPF population projection to 2040 is underestimated by approx. 400,000. As the population projections set out in the RSES are derived from the NPF, it follows that they too are well below the likely growth trajectory.

The RSES contains population targets which are allocated to the various settlements. Appendix B identifies forecast population growth for the Dublin Strategic Planning Area (SPA) which includes Dublin, South Dublin, Fingal and Dún Laoghaire-Rathdown administrative areas of up to 242,500 to 2031, the life term of the Plan.

**Table 1** identifies the population targets for the Dublin SPA and Dublin City for the period.

Population Projection	2016	2026 Low – High	2031 Low - High
Dublin SPA	1,347,500	1,489,000 – 1,517,500	1,549,500 – 1,590,000
Dublin City	554,500	613,000 – 625,000	638,500 – 655,000

**TABLE 1 POPULATION TARGETS FOR THE DUBLIN SPA AND SDCC (SOURCE EMRA RSES, APPENDIX B)**

The Eastern and Midlands Regional Spatial Economic Strategy (RSES) anticipates that Dublin City and Suburbs will experience population growth of 220,000 over the period 2019-2031, with 50% of all housing to be provided within or contiguous to the existing built-up area.

As highlighted above this projected growth is based on conservative modelling techniques. The population forecasts included in the NPF and in turn, the RSES are based upon levels of inward migration lower than that which have been achieved historically and recently.

### 2.2.2 Central Statistic Office Data

The latest migration data published by the Central Statistics Office (CSO)<sup>2</sup> identifies net migration of 33,700 per annum. In contrast, the NPF projections which are transposed in the RSES assume net migration of approximately 8,000 persons per annum between 2017-2021, increasing to 12,500 from 2021.

In the year to April 2019, 61,700 non-Irish nationals arrived to live in Ireland and net inward migration remained strong, estimated to be +35,800 in 2019.

At a regional level, population growth in the year to April 2019, is estimated at 25,100 persons (1.8%) in Dublin. Consequently, the population of Dublin in April 2019 was estimated to be almost 1.4 million persons (28.4% of the total population), already exceeding the forecasted low scenario for 2026.

The 2019 CSO data estimated population is not broken down by detailed sub-categories i.e. county, city etc. However, it can be reasonably concluded that a significant proportion of the population growth has taken place within the Dublin metropolitan area.

The CSOs Regional Population Projections 2017 – 2036 is informed by the Census 2016 ‘usually resident’ population (4,739,597 persons), the base population for these projections. If internal migration returns to a more traditional patterns and reflects inflows to Dublin from the other regions (Dublin Inflow), Dublin’s population is projected to increase by 39.3% from 1,335,900 to 1,860,700 under the high international migration scenario and by 31.9% to 1,762,400 under the more moderate variant.

While there are variations between the NPF/RSES growth projections and the information published by the CSO, what is clear, is that the population of Dublin City will grow substantially. Population growth coupled with the existing pent-up demand in Dublin City and insufficient housing output requires an immediate response and shared accommodation can form part of that response.

## 2.3 Housing Output

Since 2009, there has been a persistent undersupply of new homes in Dublin. In 2018, the Taoiseach confirmed that the housing and homeless crisis is a national emergency.

Population and housing demand have sharply outpaced the growth in the housing stock in Dublin from 2011 to 2019. The Central Statistics Office (CSO) estimates of population growth, report that Dublin’s population grew by 10.6 per cent between 2011 and 2019, whereas the housing stock grew by only 4.9 per cent.

The NPF requires an average output of at least 25,000 new homes across the State between 2018 and 2040 to meet people’s needs for well-located and affordable housing, with increasing demand to cater for one- and two-person households. It states that within this, there is a wide range of differing housing needs that will be required to be met. To meet projected population and economic growth as well as increased household formation, annual housing output will need to increase to 30,000 to 35,000 homes per annum in the years to 2027.

In cities, the Housing Agency has identified an aggregate need for at least 45,000 new homes in Dublin, Cork, Limerick, Galway and Waterford up to 2020, more than 30,000 of which are required in Dublin City and suburbs.

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<sup>2</sup> <https://www.cso.ie/en/releasesandpublications/er/pme/populationandmigrationestimatesapril2020/>

Research undertaken by, Ronan Lyons, Assistant Professor of Economics at Trinity College Dublin, highlighted that demand for housing in Dublin will increase, driven by four main sources of housing demand including: population increases; net migration; obsolescence and changing demographics. Changing household size is a major factor in determining the requirements to meet growing need. Ireland is following a similar trend to most major European countries with a reduction in the number of people per household. In the 1960s the average household contained 4.2 people, compared to a 2.7 person rate currently and a predicted 2.2 person rate by 2060. Lyons anticipates that this trend is expected to increase housing demand further by another 10,000 to 15,000 homes per year on top of what is required for natural increase.

The current average household size of 2.7 persons is artificially elevated by the rates of crowding which have occurred in recent years due to the persistent undersupply of housing. A study by European Union body Eurofound has identified that almost half of all Irish people between the ages of 25 and 29 are still living with their parents. The report, titled 'Household composition and well-being', monitored housing data between 2007 and 2017. It found that Ireland had experienced the largest increase in young adults living in the family home over that period, with a rise of 11% in the number of persons in their mid-to-late-twenties recorded as residing in the family home. This was compared to an average increase of just 2% across EU member states.

### 2.3.1 Dwelling Completions

The CSOs New Dwelling Completions confirm that between 2017 and 2019, 53,600 new homes were delivered. This is 29% below the minimum target of 75,000 for this period.

Full reporting from the CSO for 2020 was not available at the time of writing, the figures reflect reporting up to and including Q3 2020. It is estimated that completions for 2020 will be approx. 16,000. This reduced level of output is likely impacted by restrictions put in place for Covid-19.

<b>New Dwelling Completions</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>State</b>	14,407	17,952	21,241	14,735
<b>Dublin 8</b>	Not Reported	179	259	199

**TABLE 2 NEW DWELLING COMPLETIONS 2017-2020**

A review of the Dublin 8 postcode identifies that over the period 2018 to Q3 2019, 637 no. new dwellings have been completed. This represents just 1.2% of the total housing completions (53,928) over the reporting period.

In the context of this area's location, within the canal cordon and contiguous with the city centre, together with the availability of brownfield underutilised lands, this level of delivery is extremely low.

### 2.3.2 Shared Accommodation

Currently, there are 15 no. planning applications for shared accommodation schemes, all located in Dublin. Of these:-

- 8 applications have been granted planning permission (comprising c.1,350 bedspaces)
- 2 applications have been refused permission/quashed (comprising c.430 bedspaces), and
- 5 applications are presently under consideration (comprising c.944 bedspaces).

The geographical distribution together with the number of bedspaces of all applications (permitted, refused and proposed) is presented in the Figure below.

Notably, within the south city area there is just 1 no. permitted shared accommodation scheme, New Row South, with 69 bedspaces. There is one other scheme comprising 397 no. bedspaces proposed on Cork Street and it is currently before An Bord Pleanála, ref. PL29S.308162. Other schemes in the south Dublin area lie beyond the canal cordon.



**FIGURE 2 GEOGRAPHICAL DISTRIBUTION OF SHARED ACCOMMODATION**

In total there are 2,294 permitted and proposed shared accommodation bed spaces across the wider Dublin area. Despite the city centre’s locational suitability for shared accommodation, presently, permitted shared accommodation developments within the canal cordon, only provide for a combined total of 401 no. bed spaces across the 3 permitted schemes.

Of the 3 no. applications for sites in the canal cordon for which decisions are pending, there are is potential for this to increase to 645 no. bed spaces. Shared accommodation schemes within the most suitable location, the city centre, thus only represent 46% of the total.

Significantly, the report from the Department highlights that permitted shared accommodation bedspaces equates to less than 0.05% of all non-shared accommodation bedspaces granted permission in Ireland in 2019. This demonstrates the very low share of the market occupied by shared accommodation.

Notably, the report highlights that this planning activity has not led to the commencement of construction of any approved shared accommodation scheme.

## 2.4 Area Profile 2016

### 2.4.1 Population

The County of Dublin has a population of 1,347,359 (CSO 2016) which has steadily increased by 21% between 1996 and 2016. Dublin City accounts for approximately 41% of the wider Dublin population with a total of 554,544 people. This figure has increased by 9.5% over the past decade.

Based on the CSO’s estimates of population growth, Dublin’s population grew by 10.6% between 2011 and 2019. Net in-ward migration has played a substantial role in this growth, with a significant proportion of immigrants settling in Dublin for employment purposes. Since 2016, the net national migration figures were 19,800 (2017), 34,000 (2018) and 33,700 (2019).

The latest data published by the CSO in August 2020 indicates that net inward migration was 28,900 persons nationally.<sup>3</sup> Although there has been a recent slight decrease in inward migration which will have been impacted by the COVID-19 pandemic, this figure reflects a sustained high level of inward migration that is significantly greater than the assumed figure of 8,000 per annum (based on 2011 to 2016 census data) which informed the National Planning Framework’s (NPF) population projections to 2021. Thus, in reality, the levels of net in-migration have been three to four times greater than forecast over the period to 2020. It is anticipated that Dublin City will continue to be the primary destination for new arrivals to Ireland, being the focal point for internationally mobile investment and high skilled jobs.

The Irish health workforce relies heavily on migrant health professionals. Since 2000, Ireland has become a popular destination country for doctors, nurses and midwives from low- and middle-income non-European Union countries. Ireland ranks highest among OECD countries in terms of its reliance on foreign-trained nurses and doctors. Based on qualitative and quantitative findings, migrant health carers working in Ireland are a potentially highly mobile group, many of whom consider migrating onwards and are not seeking permanent homes.

*“In 2008, Ireland ranked highest among OECD countries in terms of its reliance on foreign-trained nurses and ranked second highest in its reliance on foreign-trained doctors (international medical graduates). Data recently released from OECD show that 36.1% of Ireland’s doctors in 2014 were foreign trained. Ireland’s foreign-trained doctors are largely from non-European Union countries, including India, Pakistan, South Africa and Sudan.”<sup>4</sup>*

Thus, the site’s proximity to major hospital campuses (Coombe Hospital and St. James’s Hospital) that comprise a substantial number of immigrant workers makes shared living appropriate at this location by offering an attractive, well managed form of residential accommodation. Such a scheme would provide new employees a short term accommodation option during an establishment or local acclimatisation period.

The subject site is located within the ‘Merchants Quay F’ Electoral Division (ED) which had a total population of 2,158 during the last census (2016). The data shows that despite wider growth trends, this ED has been decreasing in population size (by -12.2% in the last 10 years).

**Table 3** below shows the population figures for the Merchants Quay F ED, when compared to the wider study area, the Dublin City administrative area and the State. In total, there were 68,945 (12% of the City’s total population) people living within the ED’s in a 1km radius of the proposed development site in 2016 which represents a 4.47% increase since 2011 and an 8.82% increase since the 2006 census, demonstrating that the study area is experiencing continued strong population growth. It is reasonable to expect that this upward trajectory in population growth will continue in the study area, having regard to its proximity to the city centre.

Location	2006	2011	2016	5-year	10-year
Merchants Quay F	2,459	2,405	2,158	-10.3%	-12.2%
Study Area	62,585	65,573	68,945	+5.14%	+10.16%
Dublin City	506,211	527,612	554,544	+5%	+9.5%
State	4,239,848	4,588,252	4,761,865	+3.8%	+12.3%

**TABLE 3 POPULATION TRENDS – LOCAL, COUNTY & NATIONAL**

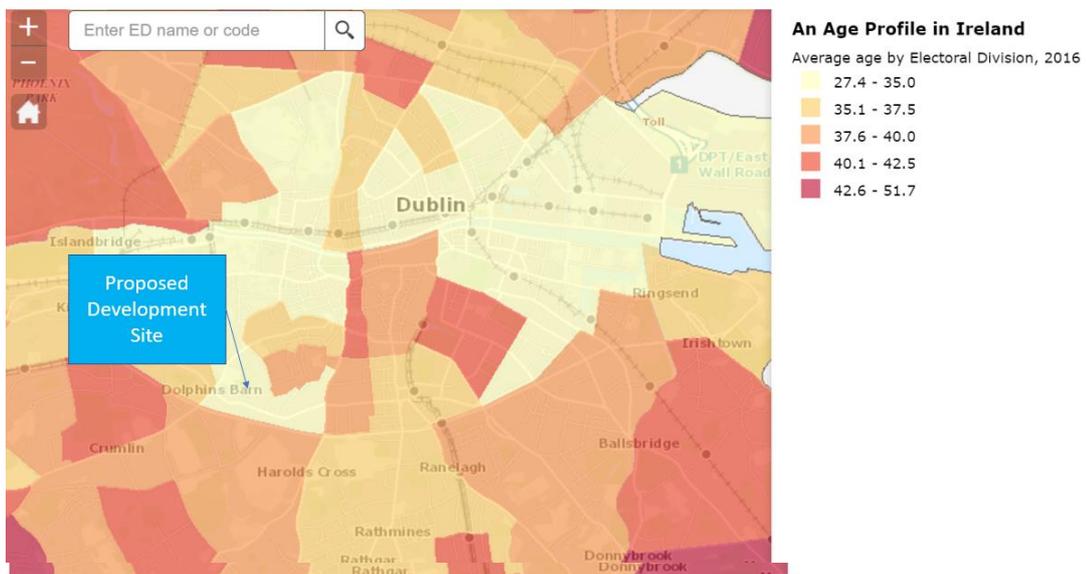
<sup>3</sup> Source: <https://www.cso.ie/en/releasesandpublications/er/pme/populationandmigrationestimatesapril2020/>

<sup>4</sup> Royal College of Surgeons in Ireland, *Ireland A Destination and Source Country for Health Professional Migration*, Professor Ruairí Brugha, Dr Sara McAleese and Dr Niamh Humphries, November 2015.

The sustained population growth in the study area since 2006, is in contrast to the population decline experienced within the Merchants Quay F ED in the same period, alluding to a deficiency in the availability of appropriate accommodation to meet the housing needs of the population in the immediate area. This may be due to a number of factors such as unsuitability of existing housing stock, affordability and insufficient availability of rental accommodation in the immediate area.

### 2.4.2 Age Profile

Almost 30% of Dublin City’s population is within the 20-34 year age category. In Merchants Quay F, this age cohort rises to 38% (866 people) and across the study area it is 37% (25,320 people). The Figure below graphically illustrates the average age in Dublin City and demonstrates the high proportion of 27-35 year olds that occupy the city centre within the canal cordons. This clearly demonstrates that there is a need to provide suitable living accommodation for this age cohort and internationally it is demonstrated that shared accommodation can successfully contribute to meeting this need.



**FIGURE 3 AVERAGE AGE BY ELECTORAL DIVISION (CENSUS 2016)**

### 2.4.3 Households and Families

The proportion of households with 2 or less persons has substantially increased. In 1996, this proportion was over 44% and by 2016 had risen to 52%. In 2016, across Dublin City 60% of the population were 1-2 person households and within Merchants Quay F ED this rises to 69%.

The housing profile in the local area and wider city is substantially comprised of pre-1945 houses and are thus not suitable for this dramatically changed household formation. It is necessary to introduce a greater range of homes to the city, to allow people continue to live there and ensure vibrancy and vitality in the long-term.

Location	1-2 Person Households	Total Households	% 1-2 Person Households
<b>Merchants Quay F</b>	605	871	69%
<b>Study Area</b>	19,141	29,675	64%
<b>Dublin City</b>	127,639	211,747	60%
<b>State</b>	886,351	1,702,289	52%

**TABLE 4 CENSUS 2016, 1-2 PERSON HOUSEHOLDS**

When considered in the surrounding context, it is evident that Merchants Quay F ED has a higher proportion of 1 person households (36%), compared with the study area (32%) and Dublin City (28%), as shown in **Table 5** below.

Location	1 Person Households	% 1 Person Households	2 Person Households	% 2 Person Households
Merchants Quay F	314	36%	291	33%
Study Area	9,858	32%	9,575	32%
Dublin City	60,001	28%	67,707	32%

**TABLE 5 BREAKDOWN OF 1 AND 2 PERSON HOUSEHOLDS (CENSUS 2016)**

Thus, the breakdown of households by size in this location reinforces the importance of providing suitable accommodation for smaller households.

### **Young Adults Residing at Home**

The 2016 census results also provide data on the number of families where the youngest child is 20 years or more. Following in **Table 7** is the proportion of families in both the Merchants Quay F ED and the 1km study area, where the youngest child in the family is at least 20 years of age.

Location	% Families where youngest child is 20yrs+
Merchants Quay F ED	17%
Study Area	26%

**TABLE 6 FAMILIES WHERE YOUNGEST CHILD IS AGE 20 YEARS OR MORE, CSO 2016**

In addition, following is a breakdown of families by family cycle, based on Census 2016. It classifies family units on the basis that the family nucleus has no children, i.e., pre-family, empty nest and retired or where they have children, that the oldest child is in the age category identified.

As can be seen in **Table 8**, 11.8% of families in the Merchants Quay F ED are made up of families where the oldest child is an adult (20 years or over) and this figure is even greater in the wider area comprising Dublin South Central, being 28%.

Family Cycle		Merchants Quay F ED		Dublin South Central	
		No. Families	% Total	No. Families	% Total
No Children	Pre-Family	142	35.7%	4,874	17.4%
	Empty Nest	31	7.8%	2,303	8.2%
	Retired	18	4.5%	2,156	7.7%
With Children	Pre-School	55	13.8%	3,108	11%
	Early School	42	10.6%	2,867	10.2%
	Pre-Adolescent	35	8.8%	2,419	8.6%
	Adolescent	28	7%	2,780	9.8%
	Adult	47	11.8%	7,848	28%
<b>Total</b>		398	100%	27,985	100%

**TABLE 7 FAMILIES BY FAMILY CYCLE FOR MERCHANTS QUAY F ED & DUBLIN SOUTH CENTRAL, CSO 2016**

Additionally, 48% of families in the Merchants Quay F ED have no children, significantly higher than the surrounding region of Dublin South Central for which the proportion is 33.3%.

The information provided in **Tables 7** and **8** indicates that young adults are living at home for longer, unable to secure appropriate housing due to lack of supply and particularly constrained by the resultant lack of affordability. This corresponds with national data that shows a trend towards more working adults continuing to live in the family home, as follows:

*“The number of adults, aged 18 years and over, who were working and still living at home increased by 19 per cent between 2011 and 2016, increasing from 180,703 to 215,088... Those aged 30 to 34 saw a 26 per cent increase rising from 23,835 to 30,137 over the five years.”<sup>5</sup>*

The Central Bank of Ireland 2019 publication *Population Change and Housing Demand in Ireland*, also highlights this trend, pointing to a declining headship rate as evidence of recent trends that show younger age cohorts are delaying new household formation. The headship rate is the proportion of individuals in an age cohort that list themselves in the census as ‘head of household’ and the Central Bank analysis reveals a reversal of this trend with 2016 data showing the headship rate declining. This shift mirrors the recent increase more widely in persons per household. The report states;

*“...the younger 25-29 and 30-34 age cohorts recorded the largest declines in headship, reversing the upward trend in headship rates for these groups evident up to Census 2011 (see Byrne at al., 2014). The fall in headship in the 2016 Census is consistent with individuals in these younger age cohorts delaying the formation*

<sup>5</sup> Source: <https://www.cso.ie/en/releasesandpublications/ep/p-cp4hf/cp4hf/fmls/>

of independent households by remaining in the family home or continuing to live in multi-person households for longer than at the time of Census 2011.”<sup>6</sup>

The data points to a chronic undersupply of housing and lack of affordable rental accommodation as having a marked impact on the capacity of young people, including working adults to move outside the family home. This trend, which has persisted since the economic downturn is unlikely to be reversed unless a significant increase in housing output is achieved.

#### 2.4.4 Household Tenure

Ireland’s rental profile is witnessing an upward trajectory. Census 2016 reported that rented accommodation has continued its upward trend with 497,111 households renting, an increase of 4.7 per cent on 2011. This meant that renting was the tenure status for almost 30% of all of occupied dwellings in the last census.

The age at which home ownership became the majority tenure category was 35 years in 2016. Prior to that age, more householders were renting rather than owning their home.

42% of the housing stock in Dublin City is rented either through private landlords or from a public body. In Merchants Quay F ED, the percentage of private rented households in 2016 was 47.1%.

Across the Dublin region’s local authorities in 2016, the age grouping that represents the largest proportion of private renters are 30-34 year olds (24%), followed by 25-29 year olds (20%). Notably, the largest change in terms of movement into private renting between 2011 and 2016, are the 35-39 year age cohort (+23% change) and 40-44 year age group (+22%).

This trend is consistent with the delayed age of household purchase and means that the future rental market will need to provide greater certainty, increased quality and better security, to cater to the growing number of households that are renting and elect to rent for longer periods and until later in the household cycle. Thus, there is likely to be a continued strong demand for rental accommodation in this accessible location close to Dublin.

#### 2.4.5 Employment

Employment opportunities in the City is driven to a large extent by foreign direct investment companies choosing to locate here. According to the IDA Ireland<sup>7</sup>, the inward investment agency of the Irish Government, Dublin is the country’s leading city of international scale and remains an attractive place for investors to locate, despite the serious disruption to business caused by the global COVID-19 pandemic. The IDA highlights that Ireland’s interests in winning FDI requires a strong capital city and this means *inter alia* ensuring a sufficient supply of housing capable of supporting a diversity of tenures.

International mobility has enabled companies in Dublin to attract talent from all over the world, yet supply of flexible housing has not kept pace with the needs of this demographic. As workforce transition is leading to an increasing number of mobile workers, the flexibility of movement from one location to another makes modern employees rethink their housing options. Shared accommodation offers flexible lease term, all inclusive billing, fully furnished private living areas with an emphasis on creating a community.

The number of people working in Dublin city and suburbs surpassed the half a million mark (512,449) in 2016, with a daytime working population of 512,449, an increase of 9% on the 2011 figure of 469,987. The daytime

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<sup>6</sup> Central Bank of Ireland, Economic Letter, *Population Change and Housing Demand in Ireland*, Thomas Conefrey and David Staunton. Vol. 2019, No. 14.

<sup>7</sup> [https://www.idaireland.com/getmedia/f83d12d8-d955-43fe-8d5e-1b8192e9a737/IDA\\_AR\\_2019-Final.pdf.aspx](https://www.idaireland.com/getmedia/f83d12d8-d955-43fe-8d5e-1b8192e9a737/IDA_AR_2019-Final.pdf.aspx)

working population is made up of those who reside and work in the urban area and those who commute in from the surrounding areas, less those who commute elsewhere for work. A total of 422,404 workers resided in Dublin city and suburbs in April 2016, an increase of 9% on the 2011 figure of 388,083 workers. 130,447 workers travelled into the city area to their place of employment, this represents a 10.9% increase on the 2011 figure. 25% of Dublin workers commute from outside the city and suburbs.

The proposed development site is in Dublin 8, an inner city location, in close proximity to employment opportunities, see section 2.1.2. The Coombe Hospital has over 700 no. medical staff<sup>8</sup> and St James's Hospital has over 5,000 employees<sup>9</sup> which will increase further upon completion of the new children's hospital due to open in 2023.

Census 2016 is the first census for which data on the 'daytime population' of areas are being published. The daytime population includes everybody who indicated they worked or studied in the area, along with persons in that area who do not work or study (and so are there during the day).

The Coombe is located in Workplace Zone: DC0665 and in 2016 there was an estimated daytime population of 1,041 persons in this workplace zone, of which 924 persons were at work and 824 recorded their industry as health. Notably, 61% identified their mode of travel as car and approx. 18% walked/cycled, while 15% accessed their employment by public transport.

St. James's Hospital is in Workplace Zone DC1020, in 2016 there was an estimated daytime population of 4,611 persons in this workplace zone, of which 4,289 persons were at work and 3,963 recorded their industry as health. 55% identified their mode of travel as car and approx. 26% walked/cycled, while 22% accessed their employment by public transport.

The Figure below demonstrates that the proposed development site is well located with respect to high intensity employment areas. The high proportion of people using a car to access their place of work indicates that people are travelling from outside the city area. This is unsustainable in terms of its environmental impacts and effects on health and well being. It undermines the recent Dublin City Council initiative, The 15-minute City, which aims to achieve walkable communities in which people can live and access most of their daily needs within 15-minutes of active transport i.e. walking/cycling.

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<sup>8</sup> Source: <https://www.coombe.ie/>

<sup>9</sup> St James Hospital Annual Report 2018



**FIGURE 4 PERCENTAGE OF WORKERS OVER DAYTIME POPULATION 2016**

The Irish health workforce relies heavily on migrant health professionals. Since 2000, Ireland has become a popular destination country for doctors, nurses and midwives from low- and middle-income non-European Union countries. Ireland ranks highest among OECD countries in terms of its reliance on foreign-trained nurses and doctors. Based on qualitative and quantitative findings, migrant health carers working in Ireland are a potentially highly mobile group, many of whom consider migrating onwards and are not seeking permanent homes.

Thus, the site's proximity to major hospital campuses that comprise a substantial number of immigrant workers together with its proximity to the city centre makes shared living appropriate at this location by offering an attractive, well managed form of residential accommodation that would achieve the 15-minute city vision.

## 2.5 Affordability

Affordability is a key driver of shared accommodation demand. Rents in the most desirable urban locations are well beyond what is affordable for many, regardless of age. Notably, the CBRE research demonstrates that rents for shared accommodation in key boroughs of London are typically lower than rents in comparable studios and 1–2 bed apartments. Shared accommodation thus offers many would-be renters an opportunity to transition from the family home and those seeking to relocate to Ireland for employment an affordable solution.

According to the Dublin Housing Observatory mapping<sup>10</sup> the existing housing stock surrounding the proposed development site is comprised of a high proportion of pre-1945 dwellings. These older buildings are typically less energy efficient, which can in turn elevate monthly utility costs to renters. The improvements in efficiencies offered by modern living environments offers measurable savings as it relates to broader utility usage.

On occupying shared accommodation, a resident gains access to a fully furnished space that includes access to a wide range of amenities, well-developed programmatic platforms, regularly scheduled cleaning and all inclusive utilities for 20% less than the comparable studio alternative. It is reported that an individual with an average London income of £37,000 would have an all-in rent-to-income ratio of 43.8% in a traditional studio;

<sup>10</sup> <https://airomaps.geohive.ie/dho/>

this ratio improves considerably with the value proposition of a shared accommodation facility, declining to 33.7% of annual income.

The Daft.ie Rental Price Report<sup>11</sup> highlights that the most acute shortages of housing in Ireland are for housing in or close to the main cities, and for smaller households (of one- to two-persons). Rent pressure is a direct result of supply deficit. While availability of rental properties has increased in Dublin over the last year arising from the Covid-19 pandemic which has resulted in a downward pressure on rents, this is a finite resource and should not be considered a solution to the supply problem.

When Dublin's rental premium in Q3 2020 is compared to the four other cities it has only fallen from 60% pre-COVID-19 to 50% in the latest Daft report.

Significant to this report is the finding that Covid-19 has not impacted smaller homes. Daft highlight that *“compared to a three-bed with five other students, or a four-bed with three other young professionals, a one-bedroom apartment sounds distinctly more sanitary – as do purpose-built student and co-living blocks. The data in this report seem to back this up, with the discount for a one-bedroom apartment falling slowly but steadily from 35% pre-Covid to 32% in the latest report.”*

While Dublin has witnessed a reduction in rents over the past year, the average price has fallen just 2.3% from €2,083 per month in Q3 2019 to €2,035 in Q3 2020.

Looking at Dublin 8, the location of the proposed development site, the decrease over the same period is 2% for a 1-bedroom unit from €1,730 to €1,696. It should be noted that between 2018 and 2019, the monthly rent had increased by 6.5%.

Notably within Dublin 8 the largest decrease in monthly rent between Q3 2019 and Q3 2020 was for 3 bedroom units (4.8%) and 2 bedroom units (3.5%). This is indicative of smaller household formations but also perhaps a desire to live separate from grouped rental households.

While the release of short-term tourism accommodation arising from Covid-19 has eased pressure in Dublin on the traditional long-term rental market, according to an AIB report<sup>12</sup> affordability constraints is a primary cause of the slowdown in residential property prices, particularly in the Dublin market. In their opinion, a combination of affordability issues and regulatory constraints, rather than any marked increase in the supply of rental stock to date, have combined to restrain the increase in rental inflation.

Greater competition for a finite supply of urban housing has led to higher prices, which has made traditional options unaffordable for many cohorts, particularly younger occupants. This affects both for-sale and rental stock, creating what has been widely accepted as an affordability crisis.

According to the CSO, average rent accounted for 32% of the Cities tenants' households' disposable income in 2016, above the 30% benchmark - beyond which affordability becomes increasingly challenging. In fact, the rent burden was 35% or higher in many locations in Dublin and in 2016 had exceeded 40% of disposable income of tenants in a small number of locations.

The Central Bank's Loan to Income (LTI) requirements are a binding constraint on young professionals. The combination of the cost of starter homes and the LTI restrictions on residential mortgage lending to the typical

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<sup>11</sup> An analysis of recent trends in the Irish rental market 2020 Q3

<sup>12</sup> <https://aib.ie/content/dam/aib/corporate/docs/real-estate-finance/aib-the-irish-housing-market-are-we-there-yet-february-2020.pdf>

first-time-buyer has caused an affordability wedge that is driving demand for a greater choice of affordable high quality rental accommodation.

The housing output in Dublin is far off reaching equilibrium in demand/supply balance in the medium term. Unaffordability is leading to more young professionals living at home with parents for longer or moving back home after university. Cost effective city centre housing solutions such as this proposed shared accommodation scheme are required urgently to create a bridge for young adults wanting to leave home and pursue their career in the city.

## 2.6 Quality of Offering

The minimum bedroom size for shared accommodation as set out in Table 5A of the 2018 Design Standards for New Apartments is 12 sq.m.

Notably, the October 2020 Report prepared by the Department of Housing, Local Government and Heritage provides an overview of the private living spaces in shared accommodation developments. Of those permitted, the bedrooms range from 14-25sq.m.

This proposal is for 240 no. **single occupancy** private living areas that range from 19 sq.m - 32 sq.m. All rooms thus significantly exceed the minimum standard of 12 sq.m.

Shared Accommodation – All Units Single Occupancy								
Level	Level Total	Type A 25sqm	Type B 22.5sqm	Type C 19sqm	Type D 30sqm	Type E 23sqm	Type F 20sqm	Type Part M (26sqm- 32sqm)
L. 01	62	24	29	0	1	4	2	2
L. 02	62	25	29	0	1	4	2	1
L. 03	58	0	0	52	0	3	2	1
L. 04	58	0	0	52	0	3	2	1
	<b>240</b>	<b>49</b>	<b>58</b>	<b>104</b>	<b>2</b>	<b>14</b>	<b>8</b>	<b>5</b>

**TABLE 8 PROPOSED SHARED ACCOMMODATION – PRIVATE LIVING AREAS**

When the area of private bed spaces are taken together with shared amenity areas and common living and kitchen facilities, the Report to the Minister indicates that the average floor area per person of permitted shared accommodation schemes is 27.1sq.m, which exceeds the minimum average required in a conventional apartment by approximately 20%.

Based on the cumulative floor area of the 240 no. co-living units (5,193sq.m), the common living and kitchen facilities (1,036sq.m) and the dedicated shared amenities/services areas (727sq.m), the average floor area per person within the proposed shared accommodation proposal exceeds the average of permitted developments, being 29 sq.m per person.

The report highlights that to ensure equivalence between shared accommodation development and standard apartment development in terms of minimum average floorspace per person, a minimum floor area requirement per person should be specified in updated planning guidance. A recommendation of 28.6 square metres per bedspace (to be rounded up or down) ,which would include private space together with shared

support services and amenities, but exclude corridors and general circulation space. As set out above, the proposed development meets this recommendation.

The Report also examines the provision of common kitchen and living areas for residents. noting that almost all proposals to date do not accord with the cluster format set out in the Guidelines and thus, an inconsistent approach has been applied to this aspect of the developments. It recommends that the “*maximum number of bedrooms sharing a kitchen/dining space should be limited to 20-25.*”

Within the proposed development, we note the generous distribution of common kitchen and dining areas across each floor. On each level there are 2 no. primary combined kitchen and dining areas supported by satellite kitchens. In total there are 21 no. kitchen/dining areas. Thus the maximum number of tenants sharing a kitchen/dining space is 11, significantly below this recommendation.

A commonality among shared accommodation globally is a strong focus on community building. Part of the value proposition is the access to shared spaces and experiences with others that share similar values.

It is thus evident that the proposed Player Wills development will create a high quality co-living experience that ensures excellent levels of resident amenity by providing generous sized bedrooms and ample kitchen and dining areas, which will be further complemented by shared amenity spaces and facilities.

## **2.7 Conclusion**

Dublin City is the engine for the State’s economy. It attracts people to live, to work or to be educated. However, nationally there exists a housing crisis. Population growth coupled with the existing pent-up demand in Dublin City and insufficient housing output requires an immediate response and shared accommodation can form part of that response.

Ireland’s rental profile is witnessing an upward trajectory. Census 2016 reported that rented accommodation has continued its upward trend with 497,111 households renting, an increase of 4.7 per cent on 2011. This meant that renting was the tenure status for almost 30% of all of occupied dwellings in the last census.

The age at which home ownership became the majority tenure category was 35 years in 2016. Prior to that age, more householders were renting rather than owning their home.

In 2019, Ireland was the most youthful Member State in the EU-27, as people aged 0-29 years accounted for nearly 4 out of every 10 inhabitants (39.0%). Almost 30% of Dublin City’s population is within the 20-34 year age category and in Merchants Quay F, it rises to 38%. The information presented in this report identifies the high proportion of 27-35 year olds that occupy the city centre within the canal cordons. This clearly demonstrates that there is a need to provide suitable living accommodation for this age cohort and internationally it is demonstrated that shared accommodation can successfully contribute to meeting this need.

28% of families in Dublin South Central are made up of families where the oldest child is an adult (20 years or over). This is indicative of the fact that young adults are living at home for longer, unable to secure appropriate housing due to lack of supply and particularly constrained by issues of affordability.

Affordability is a key driver of shared accommodation demand. Rents in the most desirable urban locations are well beyond what is affordable for many, regardless of age. Notably, CBRE research demonstrates that rents for shared accommodation in key boroughs of London are typically lower than rents in comparable studios and 1–2 bed apartments. Shared accommodation thus offers many would-be renters an opportunity to transition from the family home and those seeking to relocate to Ireland for employment an affordable solution.

The proposed development site is in Dublin 8, an inner city location, in close proximity to employment opportunities. The Coombe Hospital and St James's Hospital are significant employment locations and high intensity employment zones to the east and north east are easily accessible by high quality and high frequency public transport.

The proposed development site satisfies an identified urban housing need. Importantly, the proposal strikes a balance by providing much needed rental accommodation in traditional apartment type development and supplementing this provision with an element of shared living units, thereby catering to the varied needs of the rental market.

The proposed shared accommodation will serve the young and increasingly international workforce with a lower emphasis on home ownership. Renting a private living area in a shared accommodation complex creates a bridge for young adults wanting to leave home and pursue their career in the city. In the context of population growth and demographic trends, lack of available housing stock and affordability, there is a clear need for the proposed development.