

Chief Executive's Report

Submissions received in response to the Draft Louth Development Contribution Scheme

11th August 2023

Louth County Council

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Section 1 - Overview

1.1 Introduction

Louth County Council is proposing to make a Development Contribution Scheme under Section 48 of the Planning and Development Act 2000 (as amended). This contribution scheme will apply to the functional area of Louth County Council with the exception of the area covered by the North Drogheda R132 to Dublin-Belfast Railway Line Development Contribution Scheme, 2022.

1.2 Public Consultation

A copy of the proposed Development Contribution Scheme was made available for inspection from **Wednesday 31**st **May 2023** for a 6-week period, up to **Friday 14**th **July 2023**. The documents in respect of this proposed Development Contribution Scheme were made available at the following locations:

- County Hall, Millennium Centre, St. Alphonsus Road, Dundalk, Co. Louth, A91 KFW6
- Civic Offices, Fair Street, Drogheda, Co. Louth, A92 P440
- Town Hall, Crowe Street, Dundalk, Co. Louth, A91 W20C

In accordance with the requirements of section 48(5) of the Planning and Development Act 2000 (as amended) a copy of the Draft Development Contribution Scheme was sent to the Minister for Housing, Local Government and Heritage.

1.3 Next Steps

In accordance with Section 48 (6) (a) of the Planning and Development Act 2000 (as amended), the Chief Executive is required to prepare a Report on the submissions/observations received and to submit the report to the members of the authority for their consideration. In accordance with Section 48 (6) (b) the report shall:

- i. List the persons or bodies who made submissions or observations;
- ii. Summarise the issues raised by the persons or bodies in the submissions or observations;
- iii. Give the response of the Chief Executive to the issues raised taking account of the proper planning and sustainable development of the area.

In accordance with section 48(7) of the Planning and Development Act 2000 (as amended), the members shall consider the draft scheme and Chief Executive's Report, and shall have regard to any recommendations made by the Minister.



Following the consideration of the Chief Executive's Report, the members shall resolve to make the scheme, unless they decide, by resolution to vary or modify the scheme, or not to make the scheme. Such a resolution must be passed no later than 6 weeks after receiving the Chief Executive's Report.

1.4 Existing Scheme(s)

Following the adoption of this draft Development Contribution Scheme, the Louth Development Contribution Scheme 2016, adopted under Section 48 of the Planning and Development Act 2000 (as amended) will no longer apply to the area to which the proposed contribution scheme applies.

Section 2 – Submissions Received

There were 18 submissions received in response to the public consultation for the draft Development Contribution Scheme.

2.1 Summary of Submissions and Chief Executive's Response and Recommendations

Submission Ref. No. DDCS-1

Land Development Agency

Summary of Main Issues Raised:

The Land Development Agency (LDA) made comments on specific aspects of the Draft Contribution Scheme as follows:

- 1. Section 9.3 Local Authority Own Development The LDA seeks clarity as to whether waivers to contributions will apply to Local Authority developments carried out in partnership with the LDA.
- 2. Section 10.1 Protected Structures Given the significant cost involved in the adaptation/change of use of a Protected Structure there should be a waiver for extensions to Protected Structures in order to make the re-use of Protected Structures more economically feasible.
- 3. Section 10.3 Housing Housing delivered as cost rental and/or affordable for sale subject to an agreement made under the Affordable Housing Act 2021 should be exempt from development contributions.

Chief Executive's Response:

Section 9.8 of the Draft Contribution Scheme refers to Local Authority development. Any development carried out by the Council under Section 179 of the Act (Local Authority own development) is exempt from contributions.



If the Land Development Agency was developing a site in partnership with the Council, it would be exempt from development contributions.

In relation to the suggested further reduction for extensions to protected structures, there is currently provision under Section 10.1 for 100% reduction in contributions where a development pertaining to a protected structure is completed to a high architectural standard. Extensions to existing dwellings which are protected structures are exempt as provided for in the draft Scheme. There is provision for a 50% reduction for proposed new commercial extensions to protected structures where the works protect and enhance the character of the protected structure. This reduction is considered reasonable.

Section 10.3 of the Draft Scheme sets out the reductions for social and affordable housing. There is a 100% reduction for social housing and a 50% reduction for affordable housing. There would be no objections to facilitating a 50% reduction in contributions due for the development of cost-rental housing.

Chief Executive's Recommendation:

Expand section 10.3 of the Draft Contribution Scheme to allow for a 50% reduction in contributions due for cost-rental housing.



Drogheda Cycling Group

Summary of Main Issues Raised:

It is proposed that the €60 per m² for car parks be amended to incentivise car park owners to provide free, safe, and accessible covered parking for bicycles. This should not apply to areas identified for bicycle parking.

The loss of income (due to the provision of bicycle parking in lieu of car parking) should be recognised by a reduction in charges.

Any development that provides a safe access and egress points for cyclists and covered bicycle parking etc. should be able to "write" these costs off against the development contribution charges.

Chief Executive's Response:

Category 8a) of the Contribution Scheme relates specifically to paid commercial parking. The provision of bicycle parking does not fall under this category of the Scheme. The Council supports the provision of bicycle parking in the County through policy implementation as contained in the County Development Plan and also through its Active Travel Programme. It is not considered necessary to have specific categories/offsets relating to bicycle parking in the Contribution Scheme.

Chief Executive's Recommendation:



Philomena Matthews on behalf of V&P Matthews Developments Limited

Summary of Main Issues Raised:

The government has agreed a range of measures to make it cheaper to build and refurbish homes. This included the scrapping of development levies.

The Draft Contribution Scheme would increase the contribution of a residential unit by 115.66%. This represents a further increase in construction costs that will ultimately be passed on to the end purchaser.

If the scheme is implemented it will undo the benefits of the waiver scheme and the subsequent affordability of new housing.

It is considered that the Council is not doing enough to tackle the housing crisis in a fair and reasonable manner and it is projected the Council will not meet their housing targets for 2022-2023 or in subsequent years.

Chief Executive's Response:

The primary objective of development contributions is to fund (or part fund) essential public infrastructure projects in the County. The payment of a development contribution facilitates the delivery of public infrastructure and facilities benefiting development in the area by the local authority, all of which are vital to supporting and sustaining communities in County Louth. The contributions collected are, therefore, a vital source of funding for the Council. Appendix 2 of the Draft Contribution Scheme lists the projects that will benefit as a result of payment of the development contributions. As the population of Louth continues to increase it is critical that there is simultaneous investment in services and infrastructure so that the needs of the existing and future population can be met. This will ensure Louth continues to be an attractive location for people to live and businesses to invest.

It is acknowledged that the rate of contributions has increased. This increase must be viewed in the context of the low base of the current contribution rate. The Council cannot sustain such a low level of development contribution rates, and at the same time invest, provide, and maintain services, facilities, and amenities at a level that residents of the County would expect.

With regards to the challenges facing the construction sector it is accepted there are viability issues due to increased costs.



The Council is committed to supporting and facilitating house building in appropriate locations in the County and continues to work closely with the Department of Housing, Local Government, and Heritage in the progression and delivery of housing projects and associated critical infrastructure. It is often the case, that match funding is required from the Council to secure government funding for infrastructure projects. Development Contributions are generally the primary source of income for such projects.

The contribution rates as set out in the Draft Scheme are based on the recommended methodology in the 'Development Contributions, Guidelines for Planning Authorities, 2013' and are considered appropriate. The proposed draft scheme does not undo the benefits of the temporary time-limited waiver in respect of Section 48 Development contributions for residential development, which was introduced to expedite residential development in the immediate term.

Chief Executive's Recommendation:



Mary Fischer

Summary of Main Issues Raised:

The Louth County Development Plan 2021-2027 does not allow the submitter's 4 children to build on family owned lands. Due to current house prices they cannot afford to move into the town. The increased development contributions will place another obstacle in their way. Due to the current housing and cost of living crisis this is not the time to increase this levy. This is another tax for the "hidden homeless".

Chief Executive's Response:

It is acknowledged that people are facing significant challenges in accessing housing due to the pent up demand following a significant period of undersupply. This has been compounded by increased costs due to a range of factors such as labour shortages, rising energy costs, and global supply issues in construction materials. These factors are outside the control of the Council.

Development Contributions are a vital source of income to support investment in projects and the delivery of services to meet the needs of both the existing and future population of the County.

Chief Executive's Recommendation:



Eamonn Carroll

Summary of Main Issues Raised:

This is another tax on people wanting to build a family home. Home owners get nothing in return for this, especially if they are living in the countryside.

Chief Executive's Response:

The payment of a development contribution assists the delivery of public infrastructure and facilities benefiting development in the area by the local authority, all of which are vital to supporting and sustaining communities in County Louth.

The development contributions scheme includes a full list of projects that will benefit from the scheme. This is set out in Appendix 2 of the document and includes a range of Transport, Surface Water, Flood Related, Community, and Amenity based projects.

Chief Executive's Recommendation:



Brady Hughes on behalf of Lir Developments
Ltd and Condon Engineering Ltd

Summary of Main Issues Raised:

If adopted as proposed, the Draft Development Contribution Scheme will increase the contributions for warehouse developments from €12 per m² to €90 per m². The rate in County Meath is €11 per m² while open storage is €9 per m². In County Monaghan the rate is €7 per m² plus a one off payment of €530. There is a cap of €78,180 for industrial/warehouse developments.

A comparison was made for a warehouse development of 5,000m² in these 3 counties. Concerns are raised that the increase in contributions would put Louth at a competitive disadvantage.

It is also noted that the contribution for open storage has increased from €9 per m² to €60 per m² and no distinction is made between gross and nett storage. This potentially doubles the quantum of area that may be charged as it will result in circulation areas for HGVs, etc. being included in the calculation.

The 75% reduction provided for the expansion of authorised operations is welcomed, in addition to the 75% reduction for IDA and Enterprise Ireland client companies. There are concerns, however, in relation to the qualification of support currently available to LEO companies as the current scheme only applies to LEO companies that are also supported by Enterprise Ireland. It is considered that LEO clients should be entitled to the reduction without qualification.

The increase in levies for industrial/warehousing development will have a material impact on investment decisions in the County. If facilities can be located in East Meath or Monaghan it is likely the County will lose business. It is noted that in the 2021 Scheme in Fingal the rate for similar development is €76.69. Louth needs to be more competitive.

Chief Executive's Response:

The contribution rate for general warehousing as per the Draft scheme is €10 per m² and not €90 per m² as suggested by the submitter. Development Category 4 'Other Buildings' provides a rate of €10 per m² and this pertains to development other than that set out in Class 1, 2 and 3. Therefore, any warehousing that does not constitute retail warehousing is considered to fall under this category.

With regards to open storage, development category 10 refers 'Non-Building Storage' where a rate of €10 per m² applies. This rate would only apply to the actual storage areas proposed in the planning application as any hardstanding areas for circulation could not be used for storage for obvious reasons.



The 75% reduction rate for IDA and Enterprise Ireland supported developments, including companies supported by Enterprise Ireland through LEO Louth is a generous reduction that can be applied in a consistent and fair manner. This is aligned to Ireland's enterprise policy of supporting high value manufacturing and traded service businesses with the potential to trade internationally. It is considered this reduction should not be expanded further than that set out in the Draft Scheme.

Chief Executive's Recommendation:



Brady Hughes on behalf of Industrial and Farm **Machinery Ltd**

Summary of Main Issues Raised:

If adopted as proposed, the Draft Development Contribution Scheme will increase the contributions for warehouse developments from €12 per m² to €90 per m². The rate in County Meath is €11 per m² while open storage is €9 per m². In County Monaghan the rate is €7 per m² plus a one off payment of €530. There is a cap of €78,180 for industrial/warehouse developments.

A comparison was made for a warehouse development of 5,000 m² in these 3 counties. Concerns were raised that the increase in contributions would put Louth at a competitive disadvantage.

It is also noted that the contribution for open storage has increased from €9 per m² to €60 per m² and no distinction is made between gross and nett storage. This potentially doubles the quantum of area that may be charged as it will result in circulation areas for HGVs etc. being included in the calculation.

The 75% reduction provided for the expansion of authorised operations is welcomed in addition to the 75% reduction for IDA and Enterprise Ireland client companies. There are concerns however in relation to the qualification of support currently available to LEO companies as the current scheme only applies to LEO companies that are also supported by Enterprise Ireland. It is considered that LEO clients should be entitled to the reduction without qualification.

The increase in levies for industrial/warehousing development will have a material impact on investment decisions in the County. If facilities can be located in East Meath or Monaghan it is likely the County will lose business. It is noted that in the 2021 Scheme in Fingal the rate for similar development is €76.69. Louth needs to be more competitive.

Chief Executive's Response:

See response to submission DDCS-6

Chief Executive's Recommendation:



Brady Hughes on behalf of Lorrac Developments Ltd

Summary of Main Issues Raised:

If adopted as proposed, the Draft Development Contribution Scheme will increase the contributions for warehouse developments from €12 per m² to €90 per m². The rate in County Meath is €11 per m² while open storage is €9 per m². In County Monaghan the rate is €7 per m² plus a one off payment of €530. There is a cap of €78,180 for industrial/warehouse developments.

A comparison was made for a warehouse development of 5,000m² in these 3 counties. Concerns were raised that the increase in contributions would put Louth at a competitive disadvantage.

It is also noted that the contribution for open storage has increased from €9 per m² to €60 per m² and no distinction is made between gross and nett storage. This potentially doubles the quantum of area that may be charged as it will result in circulation areas for HGVs etc. being included in the calculation.

The 75% reduction provided for the expansion of authorised operations is welcomed in addition to the 75% reduction for IDA and Enterprise Ireland client companies. There are concerns however in relation to the qualification of support currently available to LEO companies as the current scheme only applies to LEO companies that are also supported by Enterprise Ireland. It is considered that LEO clients should be entitled to the reduction without qualification.

The increase in levies for industrial/warehousing development will have a material impact on investment decisions in the County. If facilities can be located in East Meath or Monaghan it is likely the County will lose business. It is noted that in the 2021 Scheme in Fingal the rate for similar development is €76.69. Louth needs to be more competitive.

Chief Executive's Response:

See response to submission DDCS-6

Chief Executive's Recommendation:



Irish Homebuilders Association (Construction Industry Federation)

Summary of Main Issues Raised:

The proposed scheme does not consider the wider economic climate and issues facing the construction industry. The proposed changes represent an increase of 115.66% per residential unit. This equates to an increase of €6,246 per unit or €218,610 per 35 units.

Whilst there is a need for infrastructure and amenities to support an increased housing supply the contribution scheme does not explain why an increase of over 115% has been proposed.

The increased contributions will ultimately be passed on to the end purchaser and will make housing affordability unachievable.

Should the draft scheme be implemented, it will undo the benefits of the waiver scheme introduced by the Government. If the scheme is implemented it should be a flat rate and not increase annually in line with the Wholesale Price Index for Capital Goods, Building and Construction as proposed.

It is recommended that the scheme is amended and the current rate for residential units is increased by 6% to €5,724. If this recommendation is not accepted then it is considered that the proposed rate should be a flat rate and not increase annually.

Chief Executive's Response:

The Council acknowledges the challenges facing the construction sector. The contribution rates as set out in the Draft Scheme is based on the recommended methodology in the 'Development Contributions, Guidelines for Planning Authorities, 2013' and are considered appropriate.

The primary objective of development contributions is to fund (or part fund) essential public infrastructure projects in the County. The payment of a development contribution assists the delivery of public infrastructure and facilities benefiting development in the area by the local authority.

The contributions collected are, therefore, a vital source of funding for the Council. Appendix 2 of the Draft Contribution Scheme lists the projects that will benefit as a result of the Scheme. As the population of Louth continues to increase it is critical that there is simultaneous investment in services and infrastructure so that the needs of the existing and future population can be met. This will ensure Louth continues to be an attractive location for people to live and businesses to invest.

The revised rate of contributions will not have any impact on the implementation of the Temporary Waiver of Development Contributions announced by the Government in April 2023. In order to ensure the contribution rate is aligned with the price of goods, products, and materials it is considered that it should be adjusted in accordance with the Wholesale Price Index for Capital Goods, Building and Construction as set out in section 11.2 of the Draft Scheme.



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Brady Hughes on behalf of Eliteform Manufacturing Ltd

Summary of Main Issues Raised:

If adopted as proposed, the Draft Development Contribution Scheme will increase the contributions for warehouse developments from €12 per m² to €90 per m². The rate in County Meath is €11 per m² while open storage is €9 per m². In County Monaghan the rate is €7 per m² plus a one off payment of €530. There is a cap of €78,180 for industrial/warehouse developments.

A comparison was made for a warehouse development of 5,000m² in these 3 counties. Concerns were raised that the increase in contributions would put Louth at a competitive disadvantage.

It is also noted that the contribution for open storage has increased from €9 per m² to €60 per m² and no distinction is made between gross and nett storage. This potentially doubles the quantum of area that may be charged as it will result in circulation areas for HGVs etc. being included in the calculation.

The 75% reduction provided for the expansion of authorised operations is welcomed in addition to the 75% reduction for IDA and Enterprise Ireland client companies. There are concerns however in relation to the qualification of support currently available to LEO companies as the current scheme only applies to LEO companies that are also supported by Enterprise Ireland. It is considered that LEO clients should be entitled to the reduction without qualification.

The increase in levies for industrial/warehousing development will have a material impact on investment decisions in the County. If facilities can be located in East Meath or Monaghan it is likely the County will lose business. It is noted that in the 2021 Scheme in Fingal the rate for similar development is €76.69. Louth needs to be more competitive.

Chief Executive's Response:

See response to submission DDCS-6

Chief Executive's Recommendation:



Brady Hughes on behalf of Flaxton Commercial Ltd

Summary of Main Issues Raised:

There is a standard rate for all commercial/industrial/retail/warehousing of €90 per m². It is requested that separate class is introduced for 'Domestic Self-Storage' and an appropriate rate applied.

Flaxton Commercial Ltd have lodged an application for 'Domestic Self-Storage Units' in Drogheda. If the rate of €90 per m³ is applied projects such as this will no longer make economic sense.

If adopted as proposed, the Draft Development Contribution Scheme will increase the contributions for warehouse developments from €12 per m² to €90 per m². The rate in County Meath is €11 per m² while open storage is €9 per m². In County Monaghan the rate is €7 per m² plus a one off payment of €530. There is a cap of €78,180 for industrial/warehouse developments.

A comparison was made for a warehouse development of 5,000m² in these 3 counties. Concerns were raised that the increase in contributions would put Louth at a competitive disadvantage.

It is also noted that the contribution for open storage has increased from €9 per m² to €60 per m² and no distinction is made between gross and nett storage. This potentially doubles the quantum of area that may be charged as it will result in circulation areas for HGVs etc. being included in the calculation.

The 75% reduction provided for the expansion of authorised operations is welcomed in addition to the 75% reduction for IDA and Enterprise Ireland client companies. There are concerns however in relation to the qualification of support currently available to LEO companies as the current scheme only applies to LEO companies that are also supported by Enterprise Ireland. It is considered that LEO clients should be entitled to the reduction without qualification.

The increase in levies for industrial/warehousing development will have a material impact on investment decisions in the County. If facilities can be located in East Meath or Monaghan it is likely the County will lose business. It is noted that in the 2021 Scheme in Fingal the rate for similar development is €76.69. Louth needs to be more competitive.

Chief Executive's Response:

See response to submission DDCS-6.

Domestic self-storage units are considered to fall under the development category 4 'Other Buildings' as they do not fall within the development categories provided under categories 1, 2 or 3. Therefore, a rate of €10 per m² is applicable for such development.

Chief Executive's Recommendation:



Irene Murphy

Summary of Main Issues Raised:

It is unclear what the development contributions have been used for.

Whilst there are no objections to the Council investing in the provision of social housing it is not acceptable for those who are buying their own homes to also be expected to pay these contributions.

Consideration should be giving to raising revenue elsewhere. For example there are many living in social housing who are in rent arrears – this money should be pursued.

Chief Executive's Response:

Section 48 of the Planning and Development Act, 2000 as amended, provides for the payment of a development contribution in respect of developments that benefit from the delivery of public infrastructure and facilities in the area by the local authority, all of which are vital to supporting and sustaining communities who live in County Louth.

The current Development Contributions Scheme includes a full list of projects that benefit from the scheme. This is set out in Appendix 2 of the document and includes a range of Roads, Surface Water, Recreation Amenities and Community based projects.

The collection of rent arrears is a separate issue outside of the Development Contributions Scheme.

Chief Executive's Recommendation:



Drogheda Port Company

Summary of Main Issues Raised:

The inclusion of the Port Access Route Phase B (Ballymakenny Road to Baltray Road) in the list of projects that will benefit from the Contribution Scheme is welcomed.

There are concerns however that the Draft Scheme no longer includes a specific rate for Port Warehousing and Open Storage. This has been replaced by a standard rate for all commercial/industrial/retail/warehousing and data centres of €90 per m². Even with the 75% reduction allowed for as it would fall under the expansion of a port operation/facility the rate would be €22.50 per m², which is essentially double the current rate. This will have a significant impact on the ability of the port to grow, expand, and attract new business opportunities.

It is requested that the rates for Port Warehousing and Port Open Storage/Hardstanding rates of €12 and €9 per m² as set out in the current scheme are reinstated into the Draft Scheme.

Chief Executive's Response:

The contribution rate for general warehousing, which includes warehousing associated with a port, as per the Draft scheme is €10 per m² and not €90 per m² as suggested. Development Category 4 'Other Buildings' provides a rate of €10 per m² and this pertains to development other than that set out in Class 1, 2 and 3. Therefore, any warehousing within buildings that does not constitute retail warehousing would be considered to fall under this category.

With regards to open storage, development category 10 refers 'Non-Building Storage' where a rate of €10 per m² applies. This rate would only apply to the actual storage areas proposed in the planning application as any hardstanding areas for circulation could not be used for storage for obvious reasons.

The 75% reduction as per Section 10.10 relates to industrial port operations and industrial facilities only. The reduction of 75% does not apply to open storage or general warehousing (non retail warehousing).

Chief Executive's Recommendation:



Wonderglade

Summary of Main Issues Raised:

The rate of increase in development contributions for a residential unit in the Draft Scheme is 116%. This is considered excessive. An increase of approximately 20% would be more appropriate particularly when these contributions are combined with other utility charges such as ESB and Irish Water.

Chief Executive's Response:

The primary objective of development contributions is to fund (or part fund) essential public infrastructure projects in the County. The contributions collected are a vital source of funding for the Council. Appendix 2 of the Draft Contribution Scheme lists the projects that will benefit as a result of the Scheme. As the population of Louth continues to increase it is critical that there is continued investment in services and infrastructure so that the needs of the existing and future population can be met. This will ensure Louth continues to be an attractive location for people to live and businesses to invest.

It is acknowledged that the rate of contributions has increased. This increase must be viewed in the context of the low base of the current contribution rate. The Council cannot sustain such a low level of development contribution rate and at the same time invest, provide, and maintain services, facilities, and amenities at a level that residents of the County would expect.

Chief Executive's Recommendation:



MJC on behalf of Groveview Builders

Summary of Main Issues Raised:

The lands owned by Groveview Builders in the Haggardstown area have the capacity for c.1,400 units. To date c.600 units have been completed. The remaining units in the development could yield up to €6 million in development contributions. In this context, in addition to the fact that the build out of the lands could result in a population increase of approximately 3,000 people there is a need to prioritise the following projects in the Contribution Scheme:

- The Link Road between the Marlbog Road roundabout and the Chapel Road roundabout
- Pedestrian crossing (Light Controlled) at the Marlbog Road/Seafield Road junction
- Walking and cycling network improvements
- Landscaping along the Western Infrastructure route
- At least a 50% reduction for the provision of a crèche building
- A 50% reduction for the provision of GP and Dental Practices

Chief Executive's Response:

The monies to be collected in the Contributions Scheme will be for the benefit of projects across the entire County. These projects are listed in Appendix 2 of the Draft Scheme.

Section 10.12 provides a reduction of 50% for medical facilities and these include GP surgeries and dental practices.

With regards to crèches, there are considered commercial developments and fall under development category 2. While there are no express reductions pertaining to this development type, reductions may apply where such new development are located in areas that promote town centre regeneration or on regeneration lands as provided for in Section 10.6. and 10.7. Section 9.5 provides an exemption from contributions where a change of use is proposed and where there is no need for new or upgraded infrastructure. Section 10.8 provides a 50% reduction in contributions for developments on Derelict Sites. It is considered that the Draft Scheme is fair and strikes an appropriate balance by facilitating new development and associated costs and promoting the re-use of existing structures at key locations and providing reductions for these type of developments that ultimately help achieve climate action targets.

Chief Executive's Recommendation:



Vincent Matthews on behalf of VPM Contracts
Ltd

Summary of Main Issues Raised:

The government has agreed a range of measures to make it cheaper to build and refurbish homes. This included the scrapping of development levies.

The Draft Contribution Scheme would increase the contribution of a residential unit by 115.66%. This represents a further increase in construction costs that will ultimately be passed on to the end purchaser.

If the scheme is implemented it will undo the benefits of the waiver scheme and the subsequent affordability of new housing.

The increased costs in development contribution charges will have a significant impact on housing delivery and scheme viability. There is a dire need for new affordable housing in Louth. Increasing contribution rates will have a detrimental effect on the delivery of these houses.

Chief Executive's Response:

The primary objective of development contributions is to fund (or part fund) essential public infrastructure projects in the County. The contributions collected are a vital source of funding for the Council. Appendix 2 of the Draft Contribution Scheme lists the projects that will benefit as a result of the Scheme. As the population of Louth continues to increase it is critical that there is continued investment in services and infrastructure so that the needs of the existing and future population can be met. This will ensure Louth continues to be an attractive location for people to live and businesses to invest.

It is acknowledged that the rate of contributions has increased. This increase must be viewed in the context of the low base of the current contribution rate. The Council cannot sustain such a low level of development contribution rate and at the same time invest, provide, and maintain services, facilities, and amenities at a level that residents of the County would expect.

With regards to the challenges facing the construction sector it is accepted there are viability issues due to increased costs.

The Council is committed to supporting and facilitating house building in appropriate locations in the County and continues to work closely with the Department of Housing, Local Government, and Heritage in the progression and delivery of housing projects and associated critical infrastructure. It is often the case that match funding is required from the Council to secure government funding for infrastructure projects. Development Contributions are often the primary source of income for such funding.

The contribution rates as set out in the Draft Scheme is based on the recommended methodology in the 2013 Development Contributions Guidelines for Planning Authorities and are considered appropriate.

Chief Executive's Recommendation:



William Baldwin

Summary of Main Issues Raised:

Whilst the need to augment income to facilitate the increased costs of providing infrastructure is understandable the Draft Contribution Scheme is an unbalanced and unfair way of raising funds as it places a disproportionate burden on new home purchasers at a time when they can least afford it.

The costs of improvements to infrastructure should be more fairly borne by the wider community through the Local Property Tax.

Similarly, the increase in the commercial contribution militates against the further development of local industry. It will not encourage businesses to progress/expand their enterprise.

Chief Executive's Response:

The comments and suggestions relating to the potential reform of how to fund local services and infrastructure are noted however these issues cannot be addressed under this process.

Section 48 of the Planning and Development Act, 2000 as amended, provides for the payment of a development contribution in respect of developments that benefit from the delivery of public infrastructure and facilities in the area by the local authority, all of which are vital to supporting and sustaining communities who live in County Louth.

Within the Draft Scheme there are a range of reductions and exemptions that businesses can avail of. Whilst it is accepted that the rate of contributions has increased it is important that the services and infrastructure are available in the County to ensure Louth continues to be an attractive location for businesses to invest.

Chief Executive's Recommendation:



| Submission Ref. No. DDCS-18 | Transport Infrastructure Ireland (TII) |
|---|--|
| Summary of Main Issues Raised: | |
| Transport Infrastructure Ireland has no o Contributions Scheme. | bservations to make in response to the Draft Development |
| Chief Executive's Response: | |
| Noted. | |
| Chief Executive's Recommendation: | |
| No change | |

Section 3 Appendices



Appendix One – List of Submissions Received

A total of 18 submissions were received by Louth County Council in relation to the draft Development Contribution Scheme, as detailed in Table 1 hereunder:

Table 1

| Submission No. | Name |
|----------------|---|
| 001 | Land Development Agency |
| 002 | Drogheda Cycling Group |
| 003 | Philomena Matthews on behalf of V&P Matthews Ltd |
| 004 | Mary Fischer |
| 005 | Eamonn Carroll |
| 006 | Brady Hughes on behalf of Lir Developments and Condon Engineering |
| 007 | Brady Hughes on behalf of Industrial and Farm Machinery Ltd |
| 800 | Brady Hughes on behalf of Lorrac Developments Ltd |
| 009 | Irish Homebuilders Association (Construction Industry Federation) |
| 010 | Brady Hughes on behalf of Eliteform Manufacturing Ltd |
| 011 | Brady Hughes on behalf of Flaxton Commercial Ltd |
| 012 | Brady Hughes on behalf of Irene Murphy |
| 013 | Drogheda Port Company |
| 014 | Wonderglade |
| 015 | Michael Cummings on behalf of Groveview Builders Ltd |
| 016 | Vincent Matthews on behalf of V&P Matthews Ltd |
| 017 | William Baldwin |
| 018 | Transport Infrastructure Ireland |



Appendix Two - Copy of Newspaper Advert

LOUTH COUNTY COUNCIL Comhairle Contae Lú

LOUTH COUNTY COUNCIL DRAFT DEVELOPMENT CONTRIBUTION SCHEME (Section 48 Planning and Development Act 2000 (as amended))

The Planning Authority is proposing to make a Development Contribution Scheme under Section 48 of the Planning and Development Act 2000 (as amended) to apply to development which is located in the functional area of Louth County Council, with the exception of the area covered by the North Drogheda - R132 to Dublin-Belfast Railway Line Development Contribution Scheme (Map Reference No. DDCS1). This is to provide for the necessary public infrastructure and facilities to facilitate development in the area.

The Draft Scheme provides for contributions as follows:

Residential: €11,646 per dwelling unit

Commercial: €90.00 per square meter of site area;

Other contributions apply to different development categories, please refer to draft Scheme for details.

The draft Scheme also provides for adjustment of the contribution rates payable on 1st January each year, based on changes to the Wholesale Price Index for Capital Goods, Building and Construction, published by the Central Statistics Office.

The draft Scheme in relation to the above will be available for inspection during office hours at Louth County Council Offices located at:

- County Hall, Millennium Centre, St. Alphonsus Road, Dundalk, Co. Louth, A91 KFW6
- · Civic Offices, Fair Street, Drogheda, Co. Louth, A92 P440
- Town Hall, Crowe Street, Dundalk, Co. Louth, A91 W20C

and

Online at https://consult.louthcoco.ie/

commencing Wednesday 31^{ct} May, 2023, for a 6-week period, up to Friday 14th July, 2023 (inclusive)

Written submissions/observations in connection with the above can be sent to the undersigned or via our consultation portal https://consult.louthcoco.ie/ on or before 5.00 pm on Friday, 14th July, 2023 and will be taken into consideration in making the proposed Development Contribution Scheme.

Thomas McEvoy, Director of Services, Strategic Economic Development, Town Hall, Crowe Street, Dundalk, Co. Louth A91 W20C

Dated: 30th May, 2023