



UCD Geary Institute for Public Policy
Research, Analysis, Evidence



An Ghníomhaireacht
Tithíochta
The Housing Agency



TALKING ABOUT LAND

Session 4

Land Pooling and Readjustment

November 15th @ 12pm

To register and for more information visit
housingagency.ie/news-and-events

Speakers

Benjamin Davy, University of Johannesburg

Dearbhla Lawson, Land Development Agency

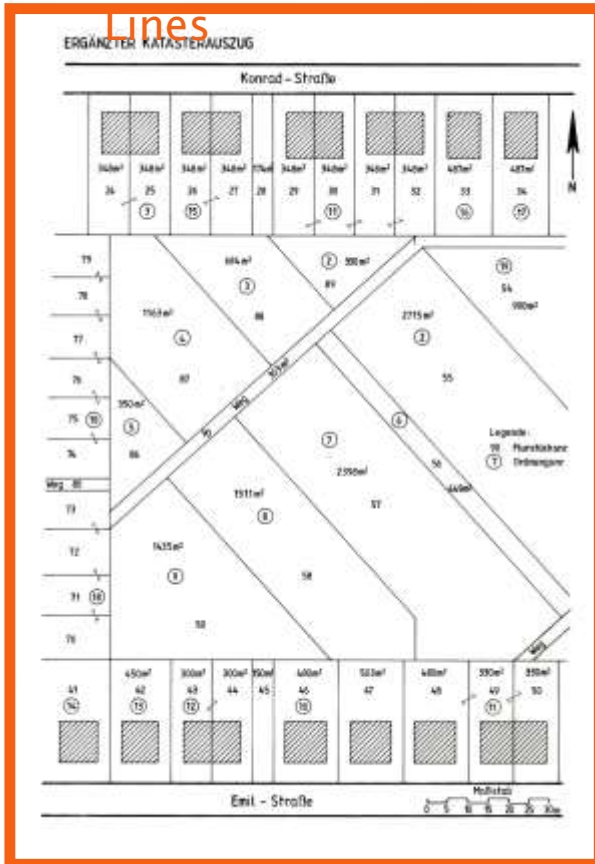
Land Readjustment in Germany

Ben Davy



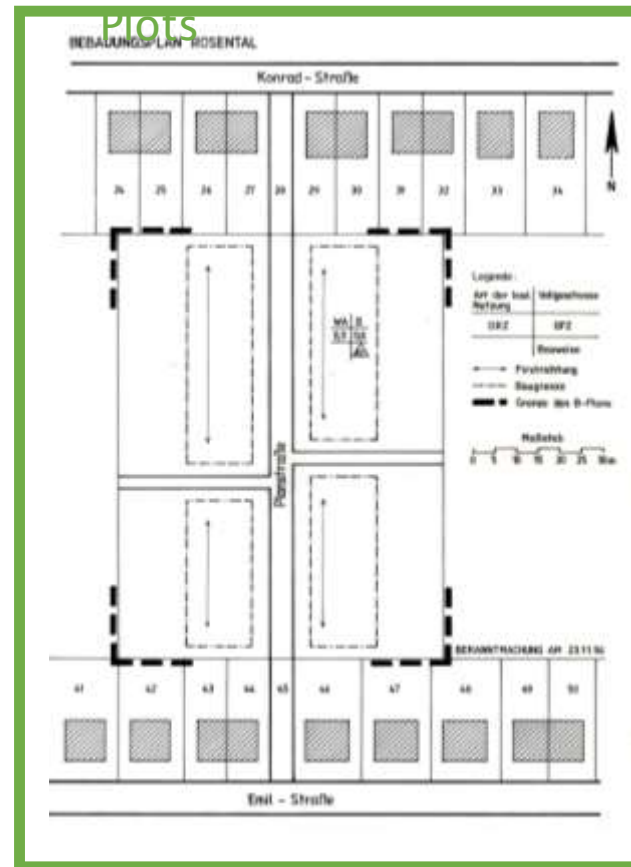
Basic Idea: Readjustment = Implementation

Current Property Lines



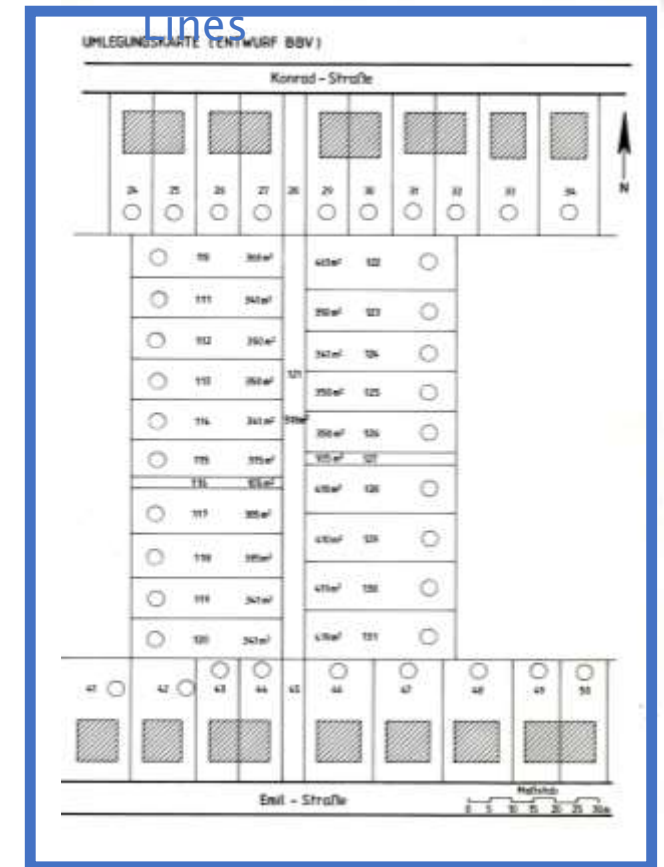
Cadastral Map

Designated Building Plots



Land Use Plan

Adjusted Property Lines



Readjustment Map

Step 1: Commencement of Land Readjustment

The Land Readjustment Authority ...

- ... defines the area selected for land readjustment with a view to recent land use planning,
- ... freezes all changes of the present land uses and all transfers of rights in the land,
- ... maps all properties and lists all landowners, and
- ... has the land register show that land readjustment has commenced.

Step 2: Preparation for Land Readjustment

The Land Readjustment Authority ...

- ... merges all properties into one bulk of land designated for re-adjustment,
- ... assesses the present market value of the land,
- ... subtracts all land designated for public use (e.g. local roads) and assigns the land to the municipality/development company,
- selects a standard for the redistribution (according to the relative value or relative size) of readjusted land, and
- ... determines the share of each individual owner.

Step 3: Value Capture and Reallocation

The Land Readjustment Authority ...

- ... determines the value of the readjustment gain that owners have to pay to the municipality (standard of relative value) or that may be retained in land (standard of relative size),
- ... considers the present and proposed uses of the land as well as the needs and suggestions of landowners,
- ... allocates readjusted plots of land to each owner, and
- ... determines the readjustment fee that landowners have to pay to the municipality, but also the compensation of landowners, who have not received their full share.

Step 4: Readjustment Plan

The Land Readjustment Authority ...

- ... issues a formal decision on the readjustment of land,
- ... determines the rights and obligations of each party (including the municipality),
- ... includes a map of the new property boundaries, and
- ... makes available legal remedies to all parties.

Step 5: Implementation of Readjustment Plan

The Land Readjustment Authority ...

- ... issues a public notice when, upon exhaustion of all legal remedies, the readjustment plan has become legally binding,
- ... files the readjustment plan with the land register, and
- ... monitors the legal and actual implementation of the readjustment plan.

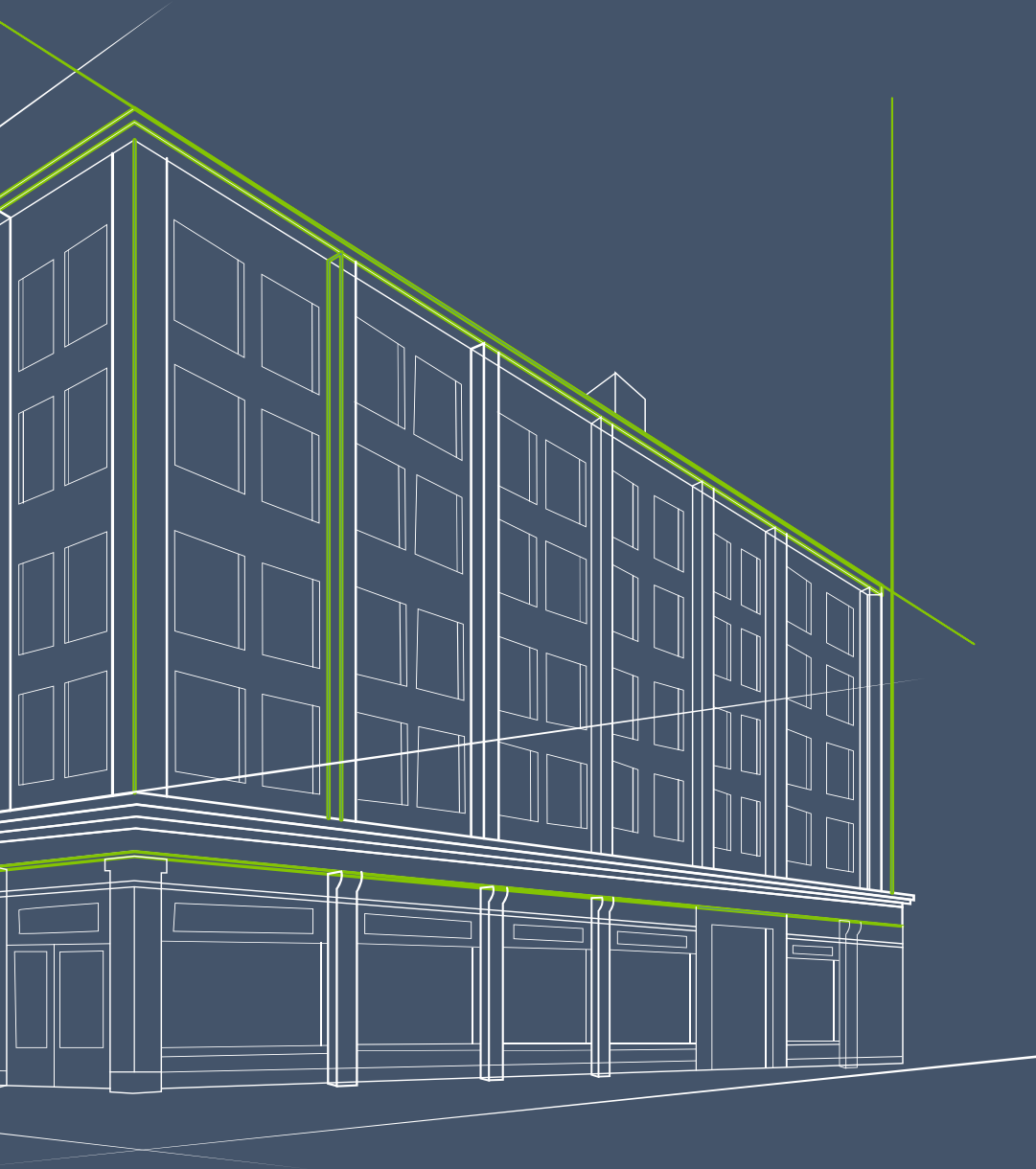
What Makes Land Readjustment a Successful Tool?

Land Readjustment Can Be Successful ...

- ... if all stakeholders understand that no development will occur at all (and the full land value of mature building land will remain dormant) unless the property lines conform with the designated building plots,
- ... if land owners accept and trust the Land Readjustment Authority,
- ... if the Land Readjustment Authority can rely on the accuracy of the land cadaster and the appraisal of land values, and
- ... if the formal procedure of mandatory land readjustment is preceded by long and trust-building informal talks.

Bibliography

- Benjamin Davy (2007) Mandatory happiness? Land readjustment and property in Germany. In: Yu-Hung Hong & Barrie Needham (editors): *Analyzing land readjustment. Economics, law, and collective action*. Cambridge, MA: Lincoln Institute of Land Policy: 37–55
- Benjamin Davy (2012) *Land policy. Planning and the spatial consequences of property*. Farnham, UK & Burlington, NC: Ashgate (2012; published in 2016 as Routledge paperback): 5–7



Talks About Land

Land Pooling & Readjustment

Dearbhla Lawson
Head of Strategic Planning
LDA

14th November 2022

Talking About
Land:

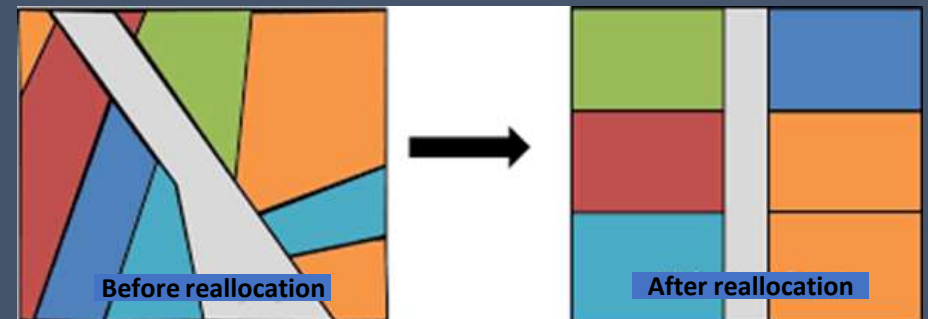
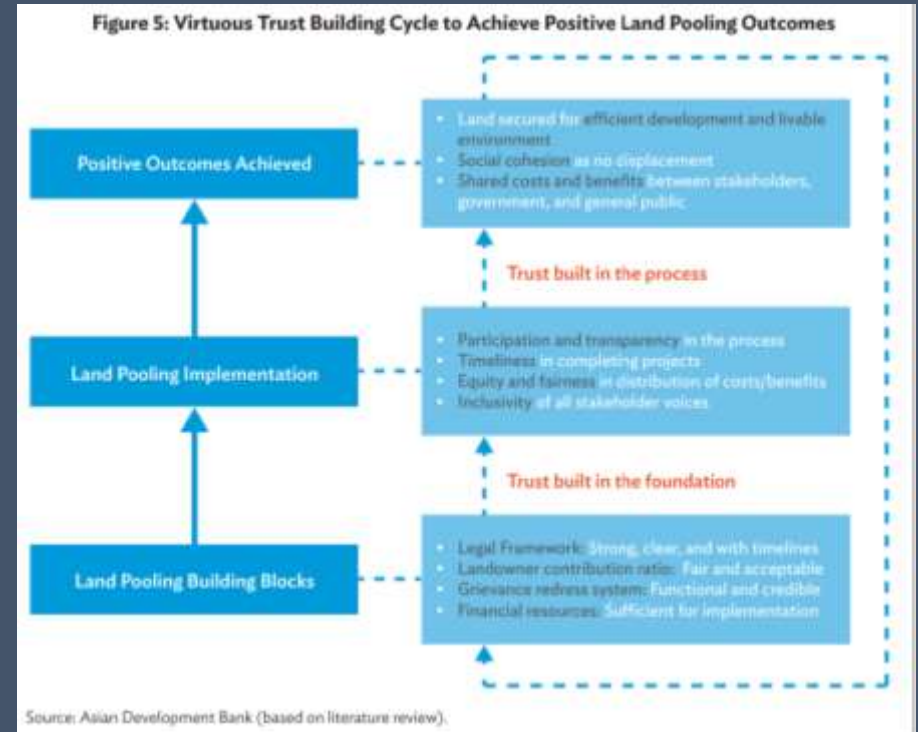
Land Pooling & Readjustment

Agenda

- **Response to Land Pooling & Readjustment**
- **Irish Context & challenges** (brief overview)
- **Why the LDA?**
Our remit in support of addressing the challenges
- **Looking to the Future**
What's needed? Potential opportunities
- **Q&A**

Land Pooling and Readjustment – Response

- Common / effective approach in Germany, the Netherlands, France, Spain & Asia: ‘pool’ land to facilitate new development opportunities.
- Benefit: land secured without substantial capital outlay
- Benefits & costs of redevelopment borne / shared by affected landowners
- Provides a basis for active participation where partnerships can be fostered with a common aim, transparency in process
- Collaborative: benefits from uplift in land values shared once planning achieved.



Overview of Irish Context

There is no legislative background for land pooling/ readjustment in Ireland.

Constitution of Ireland (Art 43) provides that the exercise of property rights are to be regulated by the principles of social justice and common good.

Ongoing debates since 1973 Kenny Report regarding capturing betterment 'in the public interest and how to best secure this: proposals included creation of *designated areas to be acquired by local authorities at agricultural values +25%*. The Report was not implemented.

Currently value increase in land due to public decision to zone or provide infrastructure goes largely to the landowner

Lack of access to affordable land is an ongoing issue impacting housing affordability: SCSi report on Real Costs of New Housing Delivery (2019) estimated that the land component of a newly-built house in greater Dublin 16% of final cost of house.

Land policy is one of the most influential and potentially most effective means to promote affordable housing , but in recent years has often been overshadowed by concerns related to housing finance'

Lawson, J.M & Ruonaveera, H

*'The focal point for **competition is land acquisition and land hoarding**, rather than quality or value for consumers. Overall, the supply of land is uncertain, patchy and costly. This tends to make the housing system risky, unstable and unaffordable'*
NESC Report 2018

The availability of land for housing in appropriate locations, in a way that is consistent with affordability, has long been an unresolved policy issue in Ireland.

NESC: Urban Development Land, Housing and Infrastructure: , April 2018



Overview of Irish Context

- **National Planning Framework (NPF) (2018):** drives sustainable development, focus on compact sustainable development (at least 40% brownfield/ infill) & rebalancing growth to Regional Cities
 - **Land for development:** Sufficient zoned land, no certainty on time / funding for infrastructure for more strategic sites
 - **Strategic Development Zones (SDZs) (P&D Act 2000):** Government designated areas for fast-track planning for development of strategic national importance.
 - **Costs of Infrastructure:** challenges especially for sites with big infrastructure requirements.
- **Betterment**
- Planning conditions / development contribution schemes represent a type of betterment levy. However, no certainty on timing or that contributions will be sufficient.
- **There is also a requirement that** up to 20% of land zoned for residential / mix of residential is to be reserved for social & affordable housing
- However, housing needs are much more significant and growing, and housing affordability continues to be a major issue. New policy measures introduced under 'Housing for All' are investing resources and prioritising the delivery of more affordable & social housing, and LDA has a key role in supporting these aims:



Clonburris SDZ 280ha site for 9,300 homes on rail corridor. Designated SDZ first in 2008 then 2015. Major challenge funding for infrastructure. In 2022 €186m Government funding approved & planning approvals following.

Why LDA and our remit in addressing challenges

Public Land

- Some public lands not in optimal usage
- Better co-ordination needed between public bodies
- Land transactions & development not a focus for some bodies with unrelated mandates
- Lack of centralised resources and expertise for development
- Latent large-scale delivery potential

The Land Market

- Highly volatile land prices
- Competitive focus is on *land acquisition* rather than *housing delivery* – speculation?
- Delivery delays due to disparate land ownership
- Disputes and delays over cost allocation for infrastructure
- Disconnect between land zoning decisions and actual delivery

The Housing Crisis

- Chronic shortage of supply
- Affordability a key concern
- Land availability a key issue
- The State must address land availability at source: cure the disease, not the symptoms
- Smooth the peaks and troughs of Ireland's land and housing market

Why LDA and our remit in addressing challenges



Identify Relevant
Public Lands



Examine scale



Review & Assess
Potential



Identify & Report
Recommendations



A critical resource is land in public ownership - LDA is undertaking a comprehensive audit of public lands, developing a **Register of Relevant Public Lands** to identify and Report to Government on land suitable for housing:

The **Register** will identify where Part 9 LDA Act 'Affordability Requirement' applies. Calculation of the market value will take into account requirements in Cities and Towns (over 10,000 population) which will apply to permissions for residential development where applicable and unless by Government Order exempted:

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✓ **Securing State land at nominal value is key to delivering more affordable housing into the future**

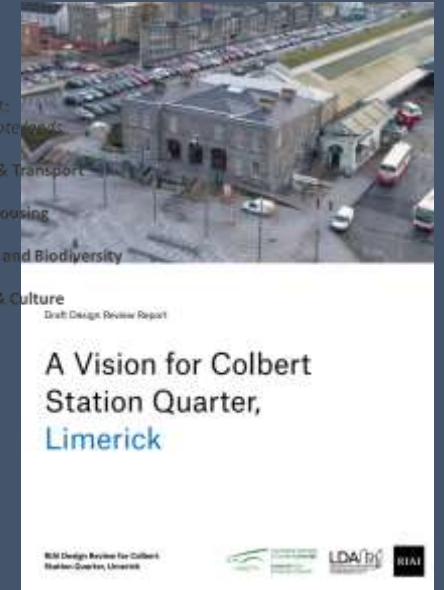
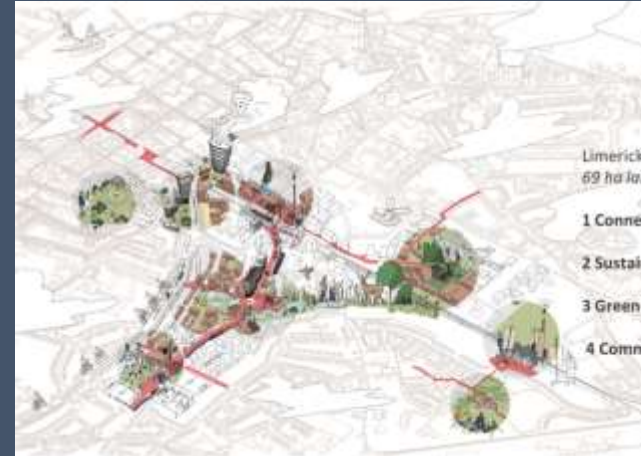


Data is for display purposes only and is subject to change

Why LDA and our remit in addressing challenges

Assembling land and plans for larger areas in Ireland's main cities for longer term development

- Transformational city projects
- Master-planning of strategic areas, collaborating Local Authorities
- Use state-owned land – but collaborate with non-state landowners too
- Diagnosis, costing, solving infrastructure challenges & Implementation plans
- Report on Relevant State Land to bring focus and explore potential across state land holding
- *By assembling land packages...the LDA can lower development land costs and tackle upward pressure on house prices. The LDA will enable Government to address traditional volatility in land prices as a result of land speculation, as well as delays in delivering housing and strategic urban redevelopment generally, as a result of delays in delivery due to disparate land ownership and cost allocation for infrastructure.'*



Building the pipeline....

What's needed / potential Opportunities ?

1. **Strategic Plans with a longer-term horizon** to support delivering priorities & outcomes in the public interest.
 - Role for Spatial Frameworks with clear vision & strategic plans, long time frame with an integrated approach, with clarity on infrastructure, costs and viability and their role in delivering wider socio-economic impacts
2. **Active Land Management –supported by resources and powers to drive delivery** of urban development & regeneration.
 - **Legislation & Policy initiatives needed to support aims** - value capture important for development of key sites: Potential identified in New Planning Bill which proposes
 - **Urban Development Zones** -a plan led approach which considers costs and viability to inform the basis of the plan.
 - **Land Value Sharing mechanism** – to capture some additional value created by public decisions / investment to share with State.
 - **Mechanism needs to support better outcomes for our communities**. *Land value capture from public action should generate public benefit.*
 - **Co-ordination and certainty over funding for priorities** – dedicated resource and prioritise strategic infrastructure (SDZ's/ UDZ's) to ensure timely progress on areas of national and regional importance



Thank you

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Find us at:



www.lda.ie



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Land Development Agency

