The Urban Renewal Act 1986 introduced a range of fiscal incentives intended to encourage the property-led regeneration of selected rundown inner-city areas in the Republic of Ireland. These measures, known as the ‘urban renewal scheme’, enabled the construction or refurbishment costs of commercial premises or dwellings for owner-occupation or rent to be offset against income or business tax. In the two decades since then their design has changed only marginally, but their duration and scope has been repeatedly extended. Consequently, they were withdrawn only in 2006 and, prior to this, were extended significantly, first to include new ‘designated areas’ in the inner and outer city suburbs and then to include 42 large and medium-sized towns.

At the same time, the context for their implementation changed radically. In the mid 1990s, a decade long recession was replaced by strong economic growth—GDP per capita in Ireland increased from 10% below the European Union average in 1995, to 18% above in 2006, which contributed to equally dramatic demographic change, as the population increased by 15% and the number of households expanded by 23% concomitantly (Federcasa/Ministry of Infrastructure, 2006). These developments precipitated an unprecedented house price boom and a dramatic growth in housing output (Norris and Shiels, 2007). House price inflation jumped from 7.7% per annum between 1990 and 1993 to 22% per annum between 1996 and 2002 and housing output peaked at 19 units per 1,000 inhabitants in 2004—almost five times the EU average (Federcasa/Ministry of Infrastructure, 2006).

In terms of scope, impact, expenditure and context these measures are significant in both Irish and international terms. By the time of its abolition, the scheme had expanded to cover parts of every Irish region and incurred expenditure (in terms of tax forgone) which dwarfs that of other renewal programmes. The scheme’s expenditure was 204 million euro annually between 1999 and 2004 (Goodbody Economic Consultants, 2005). By contrast, the local area partnerships, which are the principal direct state investment programme in disadvantaged neighbourhoods in Ireland, cost just 42.5 million euro to run in 2005 (Pobal, 2005). Most western countries have trialled a variety of interventions to regenerate low-income and rundown urban areas since the Second World War (see Carmon, 1999 for a review), many of which have employed property development as a catalyst for regeneration (Jones, 1996). However, in most of Europe, these have been operationalized via direct public spending and the use of indirect investment, via tax reliefs, is more common in Anglophone countries such as the USA and the UK (Jones and Evans, 2008). The Irish urban renewal scheme is distinguished by its spectacular success in attracting private investment into its target areas, as similar programmes elsewhere have suffered from lower take-up rates (see Adair et al., 2003). Despite its success in physically regenerating target areas, the available evidence indicates that the urban renewal scheme failed to socio-economically regenerate the communities indigenous to these districts and
it generated problematic unintended impacts (KMPG, 1996; Goodbody Economic Consultants, 2005). Moreover, due to the changing socio-economic and policy context for its implementation, the scheme provides useful insights into the policy and socio-economic conditions necessary for successful residential property-led regeneration and of the most effective design and implementation strategies for such measures.

Despite the significance of the urban renewal scheme, the relevant research and evidence base is patchy. It consists principally of case studies which assess the scheme’s impact on a single district, city or region (for example MacLarran and Murphy, 1997; Williams, 2006). The Irish government commissioned a detailed review of its opening phase and a more cursory review of its closing phase (KPMG, 1996; Goodbody Economic Consultants, 2005). However, no global assessment of the design, implementation, costs and impacts of the urban renewal scheme over its lifetime has been conducted to date.

This article addresses this omission by reviewing the impacts of the incentives provided under the urban renewal scheme. It employs census data to measure the success of the scheme, as well as data from scheme evaluations to examine the principal unintended impacts identified in the literature—displacement of investment from other neighbourhoods and economic activities; deadweight (i.e. investment which would have occurred in the absence of the incentives) and vacant dwellings (KPMG, 1996; Goodbody Economic Consultants, 2005; Fitz Gerald, 2005).

Methodology

A number of research methods, encompassing both primary and secondary analysis, were employed to operationalize this research.

First a geographical information systems (GIS) layer of the neighbourhoods designated for fiscal incentives under the urban renewal scheme was assembled. The areas where the scheme operated are set out in national legislation or land use planning documents. The electoral divisions (EDs) in which the designated areas are located were then identified. This is the smallest geographical area for which census data (small area population statistics or ‘SAPS’) are collected. This task was very important because this scheme is area based; our analysis of its impact had to be spatially orientated too.

Following Hemphill et al. (2004), an indicator-based approach was employed to assess the extent to which the urban renewal scheme achieved its stated aims. These aims were identified in the relevant policy documents and legislation and a list of potential indicators of the extent to which they were achieved was identified from SAPS data. We asked 20 key people (central and local government officials involved in the design and implementation of the scheme) for their opinions on the appropriateness of these indicator variables, and the final list of census variables was produced on the basis of this consultation.

Data from the 1991 and 1996 censuses was used to examine the urban renewal scheme prior to 1998. Data from the 2002 and 2006 censuses is relevant to its operation after 1998. There were 162 EDs designated under the urban renewal schemes between 1986 and 2006 (see figure 1). Indicator data on these EDs, before and after 1998, was compared with trends in the country as a whole and 788 EDs in Irish cities and large towns which were not included in the urban renewal scheme.

Thus the analysis presented here is based on comparisons of the percentage following census variables in the periods 1991–1996 and 2002–2006:

- Number of resident individuals.
- Numbers of private households.
- Persons with third level education.
- Numbers of social renting households.
- Private renting households.
- Owner-occupied households.
- Workers in the construction industry.
- Male unemployment rate (percentage).
- Female unemployment rate (percentage).

Data on the percentage of dwellings unoccupied (vacancy rate) were also examined, but these were available only for 2006.

This methodology has some shortcomings. For example, the EDs used for this analysis are generally larger than the sites designated under the urban renewal scheme. Census variables have also changed between 1991 and 2006, which limited the choice of indicator variables that could be employed. The indicators available for examination are limited by the type of data gathered in the census, which is the only comprehensive, longitudinal source of small area socio-economic data available in Ireland. Furthermore, the indicator-based approach cannot demonstrate a causal relationship between the various urban renewal scheme interventions and the developments in target populations which are employed as indicators of their achievements. It can only highlight a coincidence or the lack of, between the two (see Wong, 2006 for a full discussion of this issue). In order to
address this problem, the indicator data were supplemented by additional evidence on the impact of the scheme where available.

**Phase 1: 1986–1998**

**Design**

The urban renewal scheme was established in 1986. Legislation underpinning such a scheme had been introduced in 1981, but had not been implemented due to the severe recession at the time (Williams, 2006). The Urban Renewal Act 1986 applied the following, relatively narrow package of fiscal allowances, to selected areas of Ireland’s five main cities (Cork, Dublin, Galway, Limerick and Waterford):

- Capital spending on the building or refurbishment of commercial premises can be offset against income or business tax as can the rent paid on these buildings.
- Remission of local business taxes for a 10-year period.
- Capital spending on the building or refurbishment of residential premises can be offset against income tax by owner occupiers or against tax on rental income by landlords for a 10-year period (KPMG, 1996).

The objectives of the package were: ‘to promote urban renewal and redevelopment by promoting investment and reconstruction of buildings in designated areas’ (Department of Finance, 1999, p. 1).

In 1994, the scheme was reformed and extended to include some new neighbourhoods and urban centres and its duration was also extended until 1998. Therefore, prior to 1998, a total of 83 EDs in 36 urban areas qualified for these incentives. The 1994 reforms also focused the scheme on areas where dereliction was most severe and reduced the incentives available for commercial development on foot of evidence of oversupply of such developments under the preceding arrangements (Williams, 2006). Decisions regarding the qualifying neighbourhoods were reached on the basis of consultation between central and local government and the latter was responsible for the administration of the scheme on the ground in the vast majority of areas.

**Output**

Central government commissioned a review of the urban renewal scheme in 1996, which concluded that it had been highly successful in attracting investment to designated areas (KPMG, 1996). The scheme attracted a total of 2.2 billion euro in investment to the designated

neighbourhoods between 1986 and 1995. Residential development accounted for 28% of this investment and resulted in the construction or refurbishment of 7,603 dwellings (KPMG, 1996). Sixty three per cent of the residential investment generated was in Dublin and 60% of all residential units subsidised by the urban renewal scheme between these years were owned by private landlords; the remainder were owner-occupied. The KMPG (1996) review links this outcome to the fact that the financial incentives available to owner-occupiers were less attractive. Landlords can write off 100% of eligible construction or refurbishment costs against all of their income from rent (on any property), whereas owners-occupiers only write off 50% of the eligible costs of constructing a new dwelling, or 100% of the costs of refurbishing an existing dwelling. The review concluded that the urban renewal scheme had been very successful in addressing dereliction in target areas, but complained about the poor architectural quality of many of the developments it subsidised and the low take-up of the incentives for refurbishment.

**Intended impacts**

The results of the analysis of the indicators of

**Figure 1. Aggregate city and town areas in Ireland (2006) and areas designated under the urban renewal scheme (1998–1996).**
the progress made in achieving the urban renewal scheme’s stated objectives prior to 1998 are detailed in table 1. These data reveal that the scheme is associated with a very marked increase in population in qualifying neighbourhoods. The population of the designated EDs increased by 7.2% between 1991 and 1996, which is significantly above both the rate of population growth nationally (2.8%) and in urban areas not subject to the scheme (4.4%). A similar pattern prevailed in household growth concurrently. This development is directly attributable to the impact of the urban renewal scheme which drove a significant amount of the new house building and channelled a large proportion of the total urban housing output into these areas. As would be expected in view of the particular generosity of the incentives available for private landlords, mentioned above, the vast majority of the new households in urban renewal areas were private renting tenants, and owner occupation rates in designated areas increased by 10.4% between 1991 and 1996 compared to the 13.9% in non-designated urban areas concurrently.

Table 1 also highlights a dramatic change in the educational profile of the population of the neighbourhoods targeted under the urban renewal scheme during the period under examination. The number of residents with third level education increased by 89.5% between 1991 and 1996, compared to 57.5% in non-designated urban areas, and 61.3% in the country at large. This is significant because third level education is strongly correlated with high household income in Ireland and, due to the lack of small area census data on household income, third level education is used as a proxy indicator of this in this analysis.

Table 1 also reveals that both male and female unemployment in the urban renewal scheme target areas declined between 1991 and 1996, but the rate of decline was only marginally greater than the nationwide trend and the trend in non designated urban areas, and average unemployment rates in urban renewal scheme neighbourhoods remained comparatively high in 1996.

The available evidence indicates that the urban renewal scheme was a key driver of these socio-economic developments. The KPMG (1996) report revealed that residents of urban renewal scheme developments in Dublin had very high rates of employment. These residents are likely to have contributed to the increase in the proportion with third level education. The review also found that the original, mainly disadvantaged, residents of these districts failed to reap significant benefits from the scheme because it did not provide any direct funding for regeneration interventions relevant to their needs, such as employment promotion, public amenities, education and youth development (KMPG, 1996). Although separate measures of this type have been put in place in many urban renewal scheme target areas, these were still in their infancy by the mid 1990s (Walsh et al., 1998). Thus it is likely that the high unemployment rates in urban renewal scheme EDs reflect persistently high unemployment among the original residents, rather than the new residents who moved into the subsidised dwellings.

Table 1. Indicators of the urban renewal scheme’s intended impacts before 1998.

| Indicator variables                  | Urban renewal scheme designated areas | Non-designated city and town areas | Nationwide |
|-------------------------------------|---------------------------------------|-----------------------------------|------------|
|                                     | 1991 | 1996 | 1991–96(%) | 1991 | 1996 | 1991–96(%) | 1991 | 1996 | 1991–96(%) |
| Persons (N)                         | 250,082 | 268,190 | 7.2       | 1,768,166 | 1,845,322 | 4.4       | 3,525,719 | 3,626,887 | 2.8       |
| Private households (N)              | 75,995 | 89,251 | 17.4      | 512,522 | 572,973 | 11.8      | 1,019,721 | 1,123,388 | 10.2      |
| Persons with third level education (N) | 18,762 | 35,550 | 89.5      | 184,248 | 290,151 | 57.5      | 286,638 | 462,288 | 61.3      |
| Social renting households (N)       | 13,200 | 12,751 | -3.4      | 47,840 | 45,209 | -5.5      | 98,929 | 94,360 | -4.6      |
| Private renting households (N)      | 12,353 | 20,134 | 63.0      | 49,303 | 64,378 | 30.6      | 81,423 | 112,283 | 37.9      |
| Owner-occupier households           | 47,775 | 52,728 | 10.4      | 405,682 | 459,878 | 13.9      | 808,384 | 900,408 | 11.4      |
| Workers in construction (N)         | NAV  | 5,708 | NAV       | NAV  | 33,259 | NAV       | NAV  | 41,355 |
| Male unemployment (%)               | 25.2 | 25.0 | 17.4      | 15.2 | 13.0 | 10.9      | 18.4 | 16.4 | 14.1      |
| Female unemployment (%)             | 18.1 | 15.7 | 13.0      | 10.9 | 14.1 | 12.0      |

Note: ‘NAV’ means not available. Source: Central Statistics Office Ireland.
Unintended impacts
The 1996 review also examined the extent of the deadweight and displacement associated with the urban renewal scheme. In relation to the latter, it concluded that the scheme had been successful in displacing construction investment from other districts (one of its key objectives after all) and did not raise concerns about its role in displacing investment from other economic activities such as manufacturing, indeed the potential for this form of displacement is not considered at all in the report (KPMG, 1996). The latter aspect of KPMG’s analysis is contradicted by MacLaran and Murphy’s (1997, p. 35) case study research on Dublin’s inner city, which found that ‘Rapidly appreciating land values in the designated areas have helped to displace existing community relevant employment and may also deter the creation of new employment opportunities’. The KPMG (1996) report emphasised that deadweight is difficult to assess quantitatively, therefore it assessed it qualitatively on the basis of interviews with property developers, estate agents and town planners involved in the implementation of this phase of the urban renewal scheme. This analysis concluded that residential development subsidised by the scheme would have not gone ahead in its absence, however the level of associated deadweight was significantly higher in the early 1990s, compared to the 1980s.

The report does not consider the other key unintended impact of the urban renewal scheme which has been identified in the literature—the growth in vacant dwellings (Fitz Gerald, 2005). No SAPS data on this issue is available for the years under review, but national data indicates that 10.4% of dwellings were long-term vacant in 1991, but vacancy rates were significantly lower than this in Dublin (4.7%) and the other four cities (6.7%) which were designated under the urban renewal scheme.

Phase 2: 1998–2006
Design
The urban renewal scheme was revised to take account of the findings of the 1996 report and the revised version launched in 1998. According to the Department of the Environment (1997, p. i) this version will: ‘feature a much more focused approach...ensure that physical renewal contributes to social renewal...ensure that disadvantaged local communities and representative organizations...participate fully in the planning and realization of urban renewal programmes’.

Under this iteration, local authorities were requested to prepare integrated area plans (IAPs) for each urban area they wished to qualify for the fiscal incentives. A total of 78 IAPs were submitted to central government and 49 plans, covering 114 EDs were approved for designation. In an effort to minimize deadweight, designation this time was confined to individual sites, rather than entire districts. The package of incentives available, however, remained unchanged.

Output
A central government commissioned review of the post-1998 phase of the urban renewal scheme was published in 2005 (Goodbody Economic Consultants, 2005). This concluded that it generated a total investment of 1,281 million euro during the period 1999–2004, of which 612.5 million euro (47.6%) was in respect of residential activity. Over half of this investment was in the Dublin area; 19% occurred in provincial towns and provincial cities accounted for the rest. As in the case of the pre-1998 phase of the scheme, the bulk of the total investment in the post-1998 phase was on new-build dwellings and commercial premises (93.2%). Between 1999 and 2004, the scheme subsidised the construction and refurbishment of 426 residential and commercial developments, which contained 4,500 residential units. The review concludes that these developments have very positive effects on reducing dereliction and that their architectural quality was better than those subsidized during the earlier stage of the scheme.

Intended impacts
The results of the analysis of the indicators of the progress made in achieving the urban renewal scheme’s stated objectives are detailed in table 2. These data indicate that, in the post-1998 period, the urban renewal scheme had a less significant impact on target neighbourhoods than in its earlier phase.

Although the total population and number of households resident in target EDs increased between 2002 and 2006, the equivalent figures for the country as a whole and for the non-designated urban areas expanded even more concurrently. This outcome reflects the centrifugal distribution of the very dramatic population and housing output growth Ireland experienced during this period, which was concentrated largely in the hinterland of city-regions, rather than in the cities themselves (Gkartzios and Scott, 2005). Goodbody
Economic Consultants’ (2005) review of the urban renewal scheme in post-1998 period argues that its principal impact was not to increase the total national housing output, but to concentrate some of this development and the associated population growth in the designated neighbourhoods. Thus, the scheme may have played a role in concentrating development in existing urban areas and thereby helping to achieve the broad objective of the national spatial development strategy (NSS) which was published in 2002 (Department of the Environment and Local Government, 2002). However, several of the large towns which gained eligibility for the urban renewal scheme tax incentives were not identified as centres for growth in the national spatial development strategy, which indicates that these incentives may also have acted to undermine this strategy. In this regard, the urban renewal scheme is not unusual—it is one of a number of government programmes which have helped to disperse development rather than concentrate it in centres prioritized under the NSS—the advent of which Bannon (2005) links the strongly localist and clientelist nature of the Irish political system.

No data on the characteristics of those who occupied the dwellings subsidized under the urban renewal scheme in the post-1998 period are available. However, the indicator data presented in table 2 indicates that they were less affluent than their counterparts who moved into dwellings built during the pre-1998 phase of the scheme. It shows that the proportion of the population with third level education in the urban renewal scheme EDs rose by 21.4% between these years, which is lower than the equivalent figure for non-designated cities and towns (25.9%) and Ireland as a whole (28.2%). Similarly, the increase in home-owning households in the urban renewal areas post 2002 is much smaller than the increase presented in other areas at the same time. Both third level education and home ownership are strongly correlated with high household income in the Irish context.

Table 2 also reveals consistently high unemployment rates in urban renewal areas since in 2002 and 2006—despite the marked growth (52.3%) in the numbers of construction workers resident there between these years. It is likely that latter development is due in part to the direct influence of the scheme—Goodbody Economic Consultants (2005) estimate that it created an annual average demand for 1,400 construction workers, between 2000 and 2004 and some of whom have also resided in the areas designated under its auspices.

Goodbody Economic Consultants’ (2005) review of this phase of the urban renewal scheme concluded that it had more positive urban design impact than the previous phase. In particular, the use IAPs had encouraged more integrated development that would have been the case in their absence. Research by MacLaran (2008) found that local communities were much more extensively consulted about the design of the second phase of the urban renewal scheme. However, he raised concerns that these communities lacked the technical skills necessary to participate effectively in

| Indicator variables | Urban renewal scheme designated areas | Non-designated city and town areas | Nationwide |
|---------------------|--------------------------------------|------------------------------------|-----------|
|                     | 2002 | 2006 | 2002–06 (%) | 2002 | 2006 | 2002–06 (%) | 2002 | 2006 | 2002–06 (%) |
| Persons (N)         | 388,969 | 408,566 | 5.0 | 2,036,451 | 2,224,793 | 9.2 | 3,917,203 | 4,239,848 | 8.2 |
| Private households (N) | 129,691 | 141,287 | 8.9 | 651,322 | 747,857 | 14.8 | 1,252,999 | 1,421,742 | 13.5 |
| Persons with third level education (N) | 55,328 | 67,184 | 21.4 | 401,831 | 505,714 | 25.9 | 646,857 | 829,102 | 28.2 |
| Social renting households (N) | 19,705 | 22,875 | 16.1 | 42,204 | 51,621 | 22.3 | 88,206 | 105,509 | 19.6 |
| Private renting households (N) | 24,383 | 32,072 | 31.5 | 79,061 | 112,974 | 42.9 | 141,459 | 195,797 | 38.4 |
| Owner-occupier households (N) | 81,908 | 83,745 | 2.2 | 515,684 | 571,035 | 10.7 | 990,723 | 1,091,945 | 10.2 |
| Workers in construction (N) | 10,271 | 15,639 | 52.3 | 52,959 | 75,527 | 42.6 | 68,731 | 97,178 | 41.4 |
| Male unemployment (%) | 14.9 | 14.4 | 4.4 | 8.6 | 8.3 | 4.3 | 9.4 | 8.8 | 4.2 |
| Female unemployment (%) | 11.9 | 12.6 | 7.2 | 7.5 | 8.0 | 8.1 | 9.4 | 8.8 | 8.1 |

Note: ‘NAV’ means not available. Source: Central Statistics Office Ireland.

Table 2. Indicators of the urban renewal scheme’s intended impacts after 1998.
drafting IAPs and that the narrow focus of these plans limited the scope of this consultation, which led to dissatisfaction among community representatives.

**Unintended impacts**
The available evidence indicates that the level of deadweight associated with the urban renewal scheme rose significantly during the post-1998 period. Goodbody Economic Consultants (2005, p. 82) argue that the scheme played an important role in animating development in the designated areas during the late 1990s and during this time ‘dead weight at the project level tended to lie in the range of 20 to 40’%’, but by 2005 ‘it has risen above 70% in many cases’ so ‘the need for tax incentivization of individual developments has diminished’. These estimates are based on the same research methodology employed in earlier KMPG (1996) review—interviews with key actors involved in the design and implementation of the urban renewal scheme.

Other commentators (Department of Finance, 1999) have also raised concerns about the displacement associated with the urban renewal scheme in the post-1998 period. Not about displacement of construction investment from other districts, but in the context of Ireland’s economic and construction boom, from other types of investment such as manufacturing and its potential contribution to over-investment in construction. In Ireland, construction investment reached 16% of gross national income and construction jobs accounted for 12% of employment in 2005—both among the highest rates in OECD countries (OECD, 2008).

In recent years, a lively debate has taken place about housing oversupply in Ireland, inspired by census data which indicate that nationally 16.7% of dwellings were vacant in 2006—significantly in excess of the norm in north western Europe (Norris and Winston, 2009). Fitz Gerald (2005) has linked this development to excess supply generated by the urban renewal scheme and similar measures. This view is contradicted by Goodbody Economic Consultants (2005, p. 85) who found ‘little evidence of over-supply or vacant dwellings’ related to the scheme. But Fitz Gerald’s opinion is supported by our analysis of census data on vacant dwellings in the designated EDs. These data, which are available only for 2006, reveal that the vacancy rate in these EDs was 16.6%, which is significantly higher than the equivalent figure for non-designated urban areas (13.4%).

**Conclusions**
This article has presented a longitudinal review of the impacts of a major urban renewal scheme, which was intended to encourage property development in declining areas of Ireland’s main cities and towns. It has revealed that, in the years immediately following their introduction, the incentives were successful in drawing residential development and higher income residents into target areas and addressing dereliction. However, the decision to extend their lifespan and their geographical focus during Ireland’s economic boom of the late 1990s was problematic for several reasons. Although take-up of these incentives has remained high, over time they have become less effective in achieving their stated aims. In addition, in the context of a strong economic and construction boom, it is likely that a substantial proportion of the developments the scheme subsidized would have gone ahead in its absence; these developments have resulted in over-supply of housing leading to high vacancy rates and have displaced investment away from manufacturing into an already overheated construction sector.

Although outside the scope of this article, it is important to mention that the urban renewal scheme is only one of a large number of fiscal incentives for property development introduced in Ireland, which include similar incentives for property-led regeneration of rural areas and small towns (the rural and town renewal schemes) and for the development of hotels, holiday accommodation, private hospitals, car parks, nursing homes and third level educational buildings, among others (Goodbody Economic Consultants, 2005) indicates that these other fiscal incentive schemes had mixed success in achieving their stated aims, but they most are associated with the same unintended impacts as the urban renewal scheme. Thus collectively these measures played a key role in driving over investment in construction leading to excess supply of dwellings and services such as hotels, and over-reliance on this industry as a source of jobs, economic growth and tax revenue. This unbalanced economy has, in turn, made a key contribution to the very radical economic contraction and associated fiscal crisis Ireland has suffered in the wake of the recent international economic downtown (NESC, 2009). In this context, it is unlikely to see similar area-based regeneration schemes reintroduced in the future given their outcomes and value for money. This is confirmed by, for instance, the recent report of the Irish
government’s Commission on Taxation Report (2009).

In relation to the lessons for regeneration policy which arise from the Irish urban renewal scheme, this case confirms the results of other research which indicates that fiscal incentives can be a very effective mechanism to draw private investment into declining areas because they are easy for developers to understand and for government to implement and are associated with higher take up than direct public investment (Adair et al., 2003). However, if applied in an inappropriate context they can generate problematic perverse outcomes. Thus, they are useful for animating developments in clear instances of market failure, but should be closely monitored and withdrawn if this market failure dissipates (Jones, 1996). The urban renewal scheme also illustrates the difficulties associated with doing this in practice, as contrary to advice from independent commentators and the finance ministry, these schemes were not only continued but repeatedly expended by government. As Howard’s (1997) classic study of fiscal reliefs in the USA demonstrates, this expansionist tendency is much stronger in fiscal incentives, compared to direct public investment, principally because the costs of the former are more difficult to predict and calculate and therefore less likely to attract the opposition from policy-makers.

References
Adair, A., Berry, J. and McGreal, S. (2003), Financing property’s contribution to regeneration. Urban Studies, 40, 5–6, pp. 1065–1080.
Bannon, M. (2005), Spatial planning frameworks and housing. In Norris, M. and Redmond, D. (Eds), Housing Contemporary Ireland: Politics, Society and Shelter (Institute of Public Administration, Dublin).
Carmon, N. (1999), Three generations of urban renewal policies: analysis and policy implications. Geoforum, 30, 2, pp. 145–158.
Commission on Taxation (2009), Report 2009 (Stationery Office, Dublin).
Department of Finance (1999), Budget 2000—Tax Strategy Group Papers: TSG99/32—Urban and Rural Renewal Tax Incentive schemes (Dublin).
Department of the Environment (1997), 1998 Urban Renewal Scheme: Guidelines (Dublin).
Department of the Environment and Local Government (2002), National Spatial Strategy for Ireland, 2002–2020 (Dublin).
Federcasa/Ministry of Infrastructure (2006), Housing Statistics in the European Union, 2005/2006 (Rome).
Fitz Gerald, J. (2005), The Irish housing stock: growth in number of vacant dwellings. Quarterly Economic Commentary, 24, 3, pp. 1–22.
Gkartzios, M. and Scott, M. (2005), Urban-generated rural housing and evidence of counterurbanisation in the Dublin city-region. In Moore, N. and Scott, M. (Eds), Renewing Urban Communities (Ashgate, Aldershot), pp. 132–156.
Goodbody Economic Consultants (2005), Review of Area-Based Tax Incentive Renewal Schemes (Dublin).
Hemphill, L., Berry, J. and McGreal, S. (2004), An indicator-based approach to measuring sustainable urban regeneration performance. Urban Studies, 41, 4, pp. 725–755.
Howard, C. (1997), The Hidden Welfare State: Tax Expenditures and Social Policy in the United States (Princeton University Press, Princeton).
Jones, C. (1996), The theory of property-led local economic development policies. Regional Studies, 30, 8, pp. 797–801.
Jones, P. and Evans, J. (2008), Urban Regeneration in the UK (Sage, London).
KPMG (1996), Study on the Urban Renewal Schemes (Department of the Environment, Dublin).
MacLaran, A. and Murphy, L. (1997), The problems of taxation-induced inner-city housing development—Dublin’s recipe for success. Irish Geography, 30, 1, pp. 31–36.
MacLaran, A. (2008), Community participation in regeneration and development. Unpublished paper presented to Combat Poverty Agency research seminar.
NESC (2009), Ireland’s Five-Part Crisis: An Integrated National Response (Dublin).
Norris, M. and Shiels, P. (2007), Housing affordability in the Republic of Ireland: is planning part of the problem or part of the solution? Housing Studies, 22, 1, pp. 45–62.
Norris, M. and Winston, N. (2009), Rising second home numbers in rural Ireland: distribution, drivers and implications. European Planning Studies, 17, 9, pp. 1303–1322.
OECD (2008), Economic Survey of Ireland (Paris).
Pobal (2005), Annual Report (Dublin).
Walsh, J., Craig, S. and McCAfferty, D. (1998), Local Partnerships for Social Inclusion? (Dublin: Combat Poverty Agency).
Williams, B. (2006), Fiscal incentives and urban regeneration in Dublin: 1986–2006. Journal of Property Investment and Finance, 34, 6, pp. 542–558.
Wong, C. (2006), Indicators for Urban and Regional Planning (Routledge, London).