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Sirs,

Might I suggest an adult evaluation of the facts?

Current development proposals are based on a seriously flawed platform. Regional development programmes have not a will not provide a basis for housing demand.

The consumer belt follows a line from Drogheda to Cavan, Monaghan, Longford, Athlone, Tullamore and Portlaoise Facts are supported by passenger and traffic levels across the public and private sectors

The recently announced Action Plan for Rural development is a recycled set of programmes and aspirations we have had since 1994. Very little results were achieved in the past and little can be expected. Many of these measure were, and are aspirational and not subject to performance ratings

To build one house, good foundations are a requirement. To build and sell a house, requires a DEMAND and FINANCE which is not a foregone conclusion

Regards,

John Moran



### **RURAL DEVELOPMENT Aspirational or Operational?**

February 2017

Presented By John Moran, info@mayoplus.ie

### **Background**

In Irelands, economic history the contribution of TK Whittaker and Sean Lemass must be acknowledged. In that dark era of the 1950s Irelands quest was one of economic survival, seemingly ignored by external, global, growth.

With vision and political strength, the architects of Irelands development recognised the need to abandon the prevailing protectionism and strike out with innovative, creative, economic strategy. The ensuing changes brought about the bedrock of Irish economic policy which is retained in modern times

Yet in the aftermath of 2008 the government of the day lacked the vision and the drive to respond to the necessary change. It was much easier to defer to the Troika and IMF

In the intervening period development policy was, and continues to be influenced by EU criteria and lack of vision.

2017 sees further additions to the plethora of regional and ill-conceived development programmes

Regional development does not deliver in Ireland simply because we do not provide the very necessary spatial platform. There is no synergy between Ballybrit and Ballyhaunis, Catherine Street in Limerick and Castleisland. The UK government abandoned the Regional development model in 2012 to a much more productive Local Enterprise Partnership, LEP. There is still a bias towards urban rather than rural, but with evident results

Europe has had regional structures for centuries, Basque, Lombardy, Alsace. This provided a near natural transition to what now exists as EU regions

### Current

Late in the day the government finally recognise the rural urban divide and now set about yet another national development campaign. A previous government reached a similar conclusion in 1994 an it too embarked on a similar crusade.

Ireland does have a significant legacy in local development, Investment and involvement in local group water schemes, GAA projects, community projects, Tidy Towns are just part of a contribution to local development. Many of these are Capital projects

However, an Oireachtas committee under chairman Peader Toibin, Regional Development, Rural Affairs and the Gaeltacht is partially tasked with an evaluation of existing regional and local development programmes. Interim indicators suggest serious fault lines in the objectives, and operations of some local projects.

 $\underline{\text{http://oireachtasdebates.oireachtas.ie/debates\%20authoring/debateswebpack.nsf/committeedatelist?r}\\ \underline{\text{eadform\&year=2017\&code=RG}}$ 

### The Reality

The impact of the 2008 fallout should have prompted a much more effective response. The Irish government had delegated much of its fiscal management to the Troika and IMF. The slight economic upturn, triggered by external factors, a reduction in oil prices and a more advantageous currency exchanges in both dollar and sterling, dulled any critical response

The subsequent economic development measures, are reminiscence of Einstein's theory on Lunacy, doing the same, or very similar actions and expecting a different outcome

Balanced Regional Development 1996 1999

National Development Plan 2000 2006

Area Development Management 1994 1999

National Spatial Plan 2002 2020

Putting People First./Action Plan for effective

Local Government 2012

Local Government Reform Act 2014

Subsequent proposed actions included

**LEADER** 

**CEDRA** 

TOWN and VILLAGE REGENERATION

SOCIAL ENTERPRISE

NATIONAL BROADBAND SCHEME

WILD ATLANTIC WAY

ATLANTIC ECONOMIC CORRIDOR

LCDC, Local Community Development Committee

LECP Local Economic and Community Plan

REDZ Rural Economic and Development Zone

This listing is indicative rather than exhaustive. The recent 2017 announcements are cosmetically enhanced versions of previous programmes. Progress in many of these worthwhile programmes was stymied by lack of funding

The 2008 fallout caused massive impact on every stratum of Irish society.

Rather than embrace much needed policy changes to combat a much different marketplace, the Irish economic model continues to be based on precedents from the Whittaker era.

Despite the amount of resources, projects, programmes and funding where are the results? Rural Ireland is still in real decline, socially and economically? Yet Government persists in a flawed, recycled set of policies

LEADER has had a track record. The current model has reduced funding, is delayed and now much more complex in project application.

Management of the programme has been handed to Local Authorities, where management fees will further erode the existing depleted budgets

An official audit criticised Mayo County Councils €451,000 in-house fee for management of 8.5m Shell fund. The Shell fund was provided for local community projects

CEDRA is an outstanding example of what can be achieved. This was researched at local level, local needs defined and could have been a game changer. However prepublication of the Cedra Report, it is alleged that departmental personnel edited some content. A minister for state was appointed with line responsibility. A budgetary allocation ONE MILLION EURO was agreed. (This is on a par with an allocation to gather wandering horses in Dublin housing estates.)

When will policy makers embrace different structures to finally deliver results? The Public Private Partnership structure could be effective.

Defining local needs in towns and villages and the provision of customised development templates could be a realistic solution

Development templates for local retail, tourism and Micro business supports, including exports and a county based online marketing platform

A network/cluster of Micro enterprises, in each county, can achieve scale and impact

This is about a probusiness support platform for rural Micro enterprises. The support includes local existing business and a basis for new Start Ups. The County Marketing Company is designed to provide an online marketing platform for local and export markets

Local bottom up economic, rather than community, development should lead

Present development models are outmoded, complex and are not market centred

The proposed templates must be transparent and have agreed performance indicators.

The adoption of Social Enterprise as a development channel

A demarcation between Community and Economic Development

The biggest opposition is the Public sector, reluctant to engage, cede power and some control, very reluctant to communicate

### The Future?

The New Generation Economic model is county based

Each local business group sets out long and short term objectives

The preferred structure is a Public Private Partnership

The strategy is by agreement with all stakeholders.

This is operational, not aspirational

Each county will have a County Marketing Company to drive online and offline marketing. These measures can be underway in a matter of weeks.

This about each community, in each county, having an active role in identifying local needs, and driving the necessary solutions. This is building a future for Rural Ireland.

Ireland faces three major challenges in the short term. The yet to be confirmed dual impact of both Trump policy and the Brexit outcome.

Ireland has an over reliance on the FDI sector, Corporate Tax receipts are €7.7bn. The Trump administration has indicated a reduction in its Corporation Tax rate and its intention to keep US operations on home turf. The UK has indicated its intention to lower its Corporate Tax rate to drive its FDI programme. The EU is considering a Common Consolidated Corporate Tax Base. Whatever the timeline, these proposals represent massive dangers to Ireland Inc. FDI can no longer be relied to deliver the very necessary growth.

The logical and adult counter measure is to support the Irish Micro /Rural sector in a much more meaningful manner

Currently the response is a collection of inadequate reconstituted economic development measures. Ireland needs robust, rock solid fast moving Micro operations to compete not just locally but with a focus on export. High Speed broadband is essential to the mix, talked about for the past decade, and still not delivered. Major funding is now required, a realistic evaluation of existing programmes, together with an innovative plan

### Comment

### Don't believe the myth there is no recovery beyond the M50 - look at the facts

### Dan O'Brien

HE number of people at work in Ireland grew at one of the strongest rates since the crash in the first three months of the year. Almost every region of the country is enjoying employment growth and almost every sector of the economy is contributing to the jobs expansion.

This is all very good news. What happens in the labour market is the single most important indicator of what is happening in the Irish economy, and much more important than Ireland's increasingly dodgy

GDP figures. Although the jobs measure shows we still have a number of years to go before the economy recovers to its pre-crash peak of 2008, Tuesday's quarterly jobs report from the

head of steam in the recovery. The increase in the numbers at work over three months was 15,400 when adjusted for seasonal volatility and fluctuations.

In percentage terms, the growth since the 2012 trough amounts to an increase of 9pc. While this is far less than the growth in GDP over the same period, it amounts to one of the biggest increases in the rich world over the past four years.

It brings the net gain in jobs since the depression reached its deepest point to 160,000, which, it is worth pointing out, is more than the increase in employment recorded between the first postindependence census in 1926 and the last census of the 20th century in 1996.

A hugely important aspect of the jobs figures is the regional breakdown. There has been a great deal of talk in recent years about the supposedly uneven geographic spread of the recovery. Some politicians have been all too happy to generate a sense of grievance among rural dwellers by making wild claims, such as that the recovery has not extended beyond Dublin's M50 ring road. Such claims are blown away by the facts.

Almost every shred of evidence at county and regional level shows that recovery has been taking place country.

Nonetheless, things are a long way from being back to acceptable levels, something which probably explains why people may be minded to believe the claims of grievancefostering populists that rural Ireland is being left behind.

Tuesday's jobs figures for the first three months of 2016 underscore yet again how the jobs recovery



has been broad-based, with one exception. Since the economy hit bottom in 2012, seven of the country's eight regions have enjoyed the accompanying chart shows, Dublin isn't even the region that has enjoyed the strongest expansion.

That accolade goes to the midlands. Remarkably, that region has recorded a truly impressive increase of more than 15pc in the numbers at work since its low point five years ago. Also outdoing Dublin in the jobs growth league are the border counties, not a group always

thought of as dynamic when it comes to employment creation. The number of people working in the six counties bordering Northern reland is up more than 14oc sinc their trough in 2012.

Employment in Dublin has grown by almost as much, so the widely held perception of a booming capital is on the money. That has been the case in recent times in particular. If we consider only the year to the first quarter of 2016, jobs growth in Dublin outstripped all seven other regions.

In the bottom half of the league

table are the south-west, mid-east and mid-west. But while these three regions have recorded jobs growth below the national average since heir turnarounds, their rates of growth have been impressive by historical standards. The only one of the three regions which might raise a concern is the mid-east - its labour market recovery appears to have run out of puff over the past year.

And so we come to the solitary part of the country that has yet to experience employment growth. In the western region, comprising Galway, Mayo and Roscommon, job destruction continues to outpace job creation. As of the first quarter of this year, employment hit yet another post-crash low, and is stuck at the level it was at in 2003. Delving deeper into the region's numbers shows that none of its industry sectors is showing much sign of life. When it comes to jobs,

the west is not yet awake.
Panning out to look at which sectors are driving the employment recovery nationally, we see that nearly every one of the 14 sectors covered in the jobs statistics is on the up, but that the performance varies considerably.

Three very traditional industries agriculture, construction and the hospitality sector - have accounted for just over half of the total net increase in employment since the economy turned around. These three sectors all continue to recover strongly. The information technology sector is also doing well and the number of professional jobs is growing solidly too.
The wholesale and retail trade

is the country's single biggest sectoral employer. Despite a very sectoral employer. Despite a very sharp increase in the amount of stuff being purchased in shops, according to retail sales figures, there has been a somewhat mysterious sluggishness in jobs growth in the sector. But recent quarters give cause to believe that distributors might finally be getting into hiring mode again - in the first three months of this year employment in the sector hit a fouryear high.

Another huge employer is



**Outdoing Dublin in** the jobs growth league are the border counties, not a group always thought of as dynamic when it comes to employment creation

manufacturing. In line with much of the rest of the developed world, the numbers employed on production lines is in long-term decline (owing to technological changes and cheaper foreign

This decline has been in evidence in Ireland since the turn of the century. In the eight years of the boom up to 2008, around 30,000 jobs, or 10pc of the total, were lost in the sector. After the crash another 60,000 jobs disappeared, and in a much shorter period.

But the good news is that since the bottom was hit in 2012 employment growth in the sector has been recording rates last seen in the late 1990s.

Almost 20,000 net jobs have been added, bringing the total to a quarter of a million. That augurs well for out-of-work blue collar

Overall, the latest jobs news augurs well for the entire economy. Such is the momentum in the labour market that the economy can be expected to continue its expansion well into the second half of 2016.

### 360 Degree Development

**Local Integrated Development Model** 

Business Support Structures
ShopPing
Tradebridge
QRVO

Local Tourism Development
County Marketing Company
Network To Work (N2W)

"Things do not happen. Things are made to happen"

J.F. Kenned



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### Mission Statement

"To identify a model or derivative, that can be effectively and quickly incorporated into the Irish rural economic development landscape, and to do so within reason cost and time parameters "

### **Executive Summary**

It is understood that national and radical change is not feasible. The preference is the development of local, networked development units, based on local and common economic needs based on optimized local synergies. The underlying focus is definitive ECONOMIC development, driven by an operational, rather than an aspirational agenda

### Strategy

The Strategy is to present a number of operational development templates, to support existing Micro enterprise, to provide more practical opportunity to survive, expand, and in doing so drive local job creation.

The typical target audience is the rural Micro sector, manufacturing, services and local retail. The longer term projects could involve community level projects in Green Energy and Broadband. The more immediate response is to the existing Micro business sector. The presented development templates are a collegiate, group based development platform, addressing identified local needs.

Each business aspires to a consistent market for its product and services. Migration, Immigration and the legacy of Austerity continues to challenge the viability of many remaining rural enterprises.

The proposed County Marketing Company is an online and offline sales/marketing platform for local enterprises. This is structured to provide access to local operations and tourist development projects.

The ITH, Information Technology Hub is designed to network with peers in Innovation, Learning, Technology Transfer and locally with Micro operations and local educational and training establishments.

CapacityPlus is a project to build a database of currently redundant production capacity. This will be presented in the context of Technology Transfer and Production Partnerships.

### Outcomes

Very little emphasis has hitherto been directed to local economic development, overshadowed to a larger extent by the much lauded social/community development. Unless early and effective action is considered, rural Ireland will continue in decline for another decade.

### What is proposed is a Public Private Partnership

The economic gain for participants is a more robust, bankable business model. The banking fraternity inherit a better resourced, higher impact, lower risk business model. The Public Sector can more effectively deliver supports to its client base. The community gains from a much more effective pro-business environment

### **Local V Regional Development**

Regional Development has failed to deliver, whereas local, bottom up initiatives has an effective legacy. Regional Development was abandoned in the UK in favour of Local Enterprise Partners LEP.



### Community Development v Community Economic Development May 2016

Despite government rhetoric, the prevailing factors in Rural Ireland continues to be Austerity, Migration and Emigration. In economic terms these elements combined challenge remaining local rural enterprise. The loss in consumer spend is simple terms is a reduction in market size. The erosion of smaller rural towns and villages is ample testimony. Rural planning policy appears to quell future individual building and thereby hindering development The irony is that official policy, seemingly supporting the closure of Rural Post Offices, seems to further reduce rural economies. When most agencies are going online with services the future of rural broadband is still in doubt

The regional development strategy adopted by government has little impact on rural communities. The UK policy changed in 2010 to a more localized LEP alternative. Logically, development, unless it has embedded links at local level, cannot hope to achieve. Regional development simply cannot reflect the needs of rural communities.

Minister Hogan, introduced Local Economic and Community Plans, under the Local Government Act 2014 to be developed in conjunction with Local Authorities

Most counties have already completed individual reports. Well-presented and written, the tone of many of these reports tends to be aspirational. Rural Ireland is in decline and seeks a much more immediate solution in a more assertive, operational approach.

One theory is that the resources are simply not available to support ambitious aspirations

The opinion is that the much heralded economic development plans are not effective. The evidence of real economic recovery is sparse

The subject of this discussion is to sustain existing local enterprises and jobs. The operational and management structure is a Public Private Partnership model that can be cost effective. Current stats will confirm the continued dangers in rural Ireland and the lack of any tangible effort to arrest that decline.

Local communities have often a rich and practical legacy in both social and economic development

Ballyhoura, in Limerick, has successfully developed a niche market for its tourism products

Skibbereen is now emerging as an IT development centre

Gweedore, in dark economic times, emerged as an economic innovator

The Credit Union is a successful socio-commercial project in most communities.

The Connemara Hill Lamb producers, have attained EU designation for product and appear to be having some success.

Local group water schemes, requiring some significant Capital Costs, are generally driven by community and are economic models that can be replicated

It is incorrect to imply that all communities are successful in all cases. The strength and commitment of potential participants can be ascertained early in the process, However, the proposal is presented as a template, and to build around the agreed needs of each locality, and only then becomes a project. The proposal is group based, to provide scale and impact The suggested format is the local needs will determine the needs. The second support layer includes the existing support agencies and private sector input. The nature of these required supports will emerge at the early point and allows for a more effective delivery of solutions.

It could emerge that existing local enterprise may need support. There may be potential to consider new potential, in local tourism? This is simply about looking to local needs and building a transparent response.

The enclosure is a Bullet Point/Power Point presentation that takes in various initial stages of local community engagement. This is not a hard sell process, which depends greatly on the local input. There is no *spoon feeding* involved

The subsequent development phase is a series of networked Business Development Units converging on a County Marketing Company, an online/offline sales and marketing platform. Individual enterprise retains its own business. Participation in a group structure offers scale and impact. The business model becomes more robust and bankable.

Our research has reviewed local economic development models in conflict areas and those with global influences. There is concern that some of these



already proven development programmes were muted and diluted under direction of senior Irish government minister. The much praised LECPs. The overall concern is that most reports ignore the urgency of early innovative strategy to combat a much changed marketplace. The plight and decline of rural Ireland was countered by vague notions of an economic recovery. The conclusion therefore is that existing measures are not fit for purpose.

An innovative set of strategies, with a more immediate and responsive application must now be considered on an operational level.

Funding is not available at national level, or indeed a willingness to engage on radical reform

The building block must be based on local needs. The proposed *Cluster Structure* provides for an element of local input and ownership. The suggested Public Private Partnership allows for a closer response and a more effective delivery of solutions

The size of typical Rural business operations is classified Micro, employing less than 10. It may also be assumed that a local market dependency exists and the operation may not have the resources to combat prevailing market challenges.

The key aspect of the current discussion is to engage with sectorial groups, clusters, Business Development Units, at local level. This unit in turn becomes part of a county wide network with a view to the creation of scale and impact. Marketing is the lifeblood of every enterprise and local networks link to a County Marketing Company, CMC. This assumes a role as an online/offline marketing platform.

There is now an urgent need to seriously evaluate the question of Rural Economic Development. The wider and somewhat despondent position of the Agri sector nationally does not auger well. This, combined with the indifferent attitude, the lack of effective programmes, the reduction in LEADER funding, demands action.

There is a market reluctance to concede that development programmes have failed. The recent investigation into Job Bridge failings has failed to elicit a response. The introduction of the Haddington Road agreement has prompted some in the public sector to adopt a work to rule stance, which limits an interaction with anything outside of the strict terms of reference.



### The Irish Economic Terms for us simple folk

We are told that the Irish economy is the fastest growing in Europe. Growth in job creation and economic development to the forefront of policy for the next government.

### Employment

Our unemployment is 329,000. This overlooks the fact that we have 80,000 persons on publicly funded training programmes. While there is some negative comment about some aspects of Job Bridge and its peer programmes, there is no guarantee of long term, full time employment. Is it not somewhat dishonest to expect that this exclude this from official unemployment statistics? It should be noted that up to 17% of workers are on or below minimum wage. Ironically Ireland is one the EU leaders in the provision of low pay, zero contract employment. While this may influence the employment status, this type of employment is not recognised by banking and lending agencies

In the wake of the economic fallout in 2008 one would assume the introduction of new, innovative, development measures to combat a much changed business landscape.

The much heralded Action Plan for Jobs contains nothing new, just an amalgam of long established business supports with new graphics.

- 1. The focus became *regional development* under this reconstituted plan. Regional Development Agencies, RDA strategy were abandoned many years ago, in the UK for the much more effective LEP alternative. Despite this, Irish policy fails to accept the sheer futility and still embarks on a hyped, cosmetic exercise
- 2. Pat Spillane and Cathal Donoghue conducted a wide ranging rural development research as a basis for a more enlightened rural development programme. This work was rewritten by Department of Environ officers. At later attempt to introduce the much modified CEDRA report was stifled by gross budgetary underfunding. A paltry one million euros was allocated, comparable to the allocation for gathering wild horses in Dublin housing estates.
- 3. OECD, Organisation for Economic and Community Development, is a global economic development organisation. One of its key programmes is LEED, Local Economic and Employment Development, deployed in Italy, Germany, France and the UK. LEED can be modified to suit local conditions. POBAL, in conjunction with OECD, led the project in Ireland. In the final stages, the Irish version of LEED was edited and diluted, apparently under the instructions of the relevant Ministers office.
- 4. A rural, group based development template was presented to the Policy Unit Dept of Jobs, Enterprise and Innovation in Jan 2014. The understanding was to fine tune a series of innovative, bottom up business supports for rural communities. 360 Degree Development was designed as a PPP model to complement and assist existing agencies The operational aspect was to integrate with the proven self-help

legacy so evident in local communities. It can only be assumed that the documentation has fallen into an abyss.

- 5. The Amarch Magnet, Magnet Regional Business Barometer published in 2015 researched the SME sector throughout Ireland. Some of the startling findings was a major lack of awareness by the sector and what supports are available from the state business support agencies. This calls into question the much stated government view of the priority of job creation and the obvious *disconnect* in this crucial sector.
- 6. An EY report published in late 2015 called for additional supports for SME sector.???
- 7. The Joint Committee on Jobs Enterprise and Innovation, presented its Policy Options to Support Growth and Job Creation and Retention in Town and Village Centres in March 2015. Despite quality inputs from competent sources, the final report might find an application at the bottom of a bird cage.
- 8. Previous Leader programmes generally brought a positive to most parts of rural Ireland. However, Leader is now under the auspices of the Local Authority network. The early impact is another cost level, where additional LA costs will eat into the already depleted and reduced funding.

### **Economic Growth**

In the immediate aftermath of the 2008 fallout IMF and the TROIKA assumed Irelands economic management. The Coalition input was to introduce Austerity and to cut costs across all public sector expenditure. Capital expenditure suffered as the campaigns to withdraw medical cards, social welfare and housing supports gained traction

Revenue income increased beyond forecast. The increases are incorrectly claimed by the coalition as its success. The reality is much different and is not attributable to policy.

- 1. Ireland is an open economy with established trading relations with both the UK and US markets.
- 2. Currencies differences has added considerably to Irish exporters and tourism sectors
- 3. Lower energy costs have provided a welcome cost benefit to most sectors
- 4. Corporation Tax has risen to reflect increased exports and to those operations, registered in Ireland but with larger manufacturing operations outside of Ireland
- 5. The Irish Exchequer would have gained from those large scale property transaction.

The balance sheet for Ireland might look impressive, the massive downturn in costs, driven by government measures, and the unexpected spike in revenues, with little intervention by government.

### Two Tier Economy, Case Proven

42% of Irelands GDP rests in the Dublin area. London, in contrast is 22%.

1 In Nov 2015 CSO stats, showed that, regional employment growth, in a three-year period to June 2015, Recorded growth West 2.1% Mid-West 1,5% Dublin 8.1%

2 FDI Foreign Direct Investments, site visits

Total IDA Site visits 2010 -2015 1,962 Nationally

Total IDA Site visits 2010-2015 4 Roscommon

Total IDA Site visits 2010-2015 42 Sligo

Total IDA Site visits 2010-2015 20 Donegal

Total IDA Site visits 2010-2015 10 Mayo

### Rural Ireland

Emigration, Migration and Austerity continue to impact on Rural Ireland

There is a valid argument that that areas of Dublin and large cities suffered much less than rural counterparts. Emigration and Migration has robbed local community of its people, young and old. This has both a social and economic effect. Those surviving local enterprises battle to sustain feasibility due to the loss of consumers and local spend. Minister Burton appears to undermine the efforts of local Post Offices to present a viable business model.

Austerity still impacts on disposable income in local areas. Social Welfare, in many parts of rural Ireland is disposable income

### Summary

There is ample factual and statistical evidence that large parts of rural Ireland have not received any benefit from any economic upturn. In fact, it could be another decade before restoration could be achieved.

More alarmingly our research has confirmed that attempts to introduce innovation by evaluation through new and proven economic development models continue to be ignored/thwarted by government agencies. 360 Degree Development is a local, bottom up option to engage with local communities and LEO to drive an early and effective local development agenda. The campaign to dialogue with Department of Enterprise, Jobs and Innovation first started in December 2013

This indifference is widespread. The LEED project has a positive track record globally. The Activa Barcelona appears to have an effective PPP structure. The muted and diluted rewrite and budgetary allocation for CEDRA raises questions. All the programmes cited here have the potential, in whole, or in part, to add significance to this worsening situation.

According to Minister Noonan, a created job brings €20,000 to the Exchequer. The race to reduce the unemployment rates is misleading and deceitful. The 17% is low pay, zero contact hours. Private sector job creation has a more realistic achievement.

Government policy fails to achieve the necessary job creation. The IT sector is hampered by the availability of graduates. The current training and education programmes continue to fail expectations and promises

Despite the rhetoric, spin and bs, there is NOT an effective strategy to implement and drive an early economic development programme in rural Ireland. Validated information confirms that the economic upturn is perilous, confined to limited parts of the country, and is influenced by external, non-government factors. Government policy is simply not addressing the fundamental, job creation, facts to hand suggest a hampering or indifference to development

This statement is apolitical. This is an attempt to counter much of misleading and deceptive information now being presented by politicians and in various media channels

### References

www.barcelonaactiva.cat

www.oecd.org/cfe/leed/local job creation.htm Local Economic and Employment Development

CEDRA Commission for the Economic Development of Rural Ireland

www.environ.ie LEADER Rural Development Programmes

Magnet Regional Business Barometer

CSO Regional Development NOV 2015

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### Structure and Operations

Each Business Development Unit. BDU, assumes a legal entity. Limited company, partnership, co-operative. Provision must be made to set some equity aside for external management

Tier 1 adopts the Operational role against a series of agreed Performance Indicators.

Tier 2 is essentially a Public Private Partnership structure that should involve existing support agencies, training and education providers, Banking and funding fraternities.

### Tier 3 Departmental Overview

TOSS, Training Objectives Structure and Strategy is based on a Needs Analysis of local business groups. This forms the basis of a group based draft development plan. This is evaluated by Tier 2, who in turn, determines the most effective solutions channel. The draft development plan is re-submitted to the BDU for acceptance and confirmation. This then becomes the operational document. There should be a charge for participants to underpin a commercial status. The document will have a series of Performance Indicators.

Each business, regardless of sector, needs marketplace access to survive and expand. The County Marketing Company is the commission based online and offline marketing platform. The CMC remit also includes the development of export markets.CMC also serves a support role as a research hub for start ups

The structure is designed for transparency and effective operations.

Each participant can avail of relevant training and business supports. The collegiate aspect is hard to define, but the group structure gives rise to better business impact.

The Objective is to design a platform based on current business needs but to allow flexibility to respond to future requirements. The key requirement is to drive growth for participants through the County Marketing Company.

The Structure should be a Public Private Partnership model that embraces all the support bodies, education and training, banking and lending bodies and Private sector. There is no conflict with existing Support Bodies.

The marketplace and the Micro sector faces a much more challenging environment. New Generation Economic Development is a needs-responsive model to address a new criteria.

The document and proposal is influenced greatly by LEED, Local Economic and Employment Development which advocates and presents a template for, local bottom up development. This document embraces a nearly forgotten legacy, local community strength, combined with decisive support and commercial management.

### WORKING TOGETHER, WORKING SMARTER, ACHIEVING MUCH MORE

New Generation Economic Development and 360 Degree Development is about the provision of effective local business support. The objective is also to provide a probusiness environment as a cornerstone to rural business communities.

The proposal is to harness the well proven community development record and to link this to existing and new support structures as a basis for a Public Private Partnership. The focus is a local group based development platform networking with peers groups and a County Marketing Company. The NGED is a draft document designed to include local inputs and activities. There is no conflict with existing support agencies.

The business sector in rural Ireland is MICRO, typically employing less than 10.

Rural markets are contracting as a result of an ongoing regionalized development policy, migration and immigration. NGED seeks to provide scale and impact to the Micro sector by adopting innovative, market led development.

The outcome is a co-ordinated, market led development structure. Each participant gains from a much better and robust business model and better market opportunity.

The existing support bodies gain from a much more efficient solutions that avoids the duplication so evident in the older structures.

The banking and lender sectors are offered a lower risk business proposal

The programme brings an initiative that owes more to a legacy than innovation. It lends itself to acceptance and early traction.

The most effective model combines the expertise and experience of existing support bodies, local business groups, educational and training groups and private sector interests. This PPP/Collaboration is about cost and operationally effective business support

### Key Discussion Points Meeting Nov 5 Minister Phelan

Media attention, pre, and post budget has concentrated on taxation and revenue matters.

This matrix can only be changed by one fundamental aspect, Growth, Growth and more Growth.

Economic growth, real, or perceived, is confined to city areas.

There is a realization that there is not an effective economic development strategy in place to support the Micro business sector or to assist in start-up projects

Our presentation is a proposal to embrace a Public Private Partnership model, to optimize a coordinated structure to drive a local, bottom up development agenda. The proposed model can be quickly deployed in every county

The proposal is local, group based, and responds to local needs. The group structure, Business Development Unit, BDU is selected to provide a more effective solutions channel, provides synergy and impact.

The three tier structure allows oversight at departmental levels, super visionary and strategic management and operational management

Departmental management and oversight will include Department Of Jobs, Enterprise and Innovation, Department of Agriculture, CEDRA, Department of Environment, Community and Local Government

Support Agencies at Tier 2 Management will include LEO, Teagasc, Banks and Lenders, Educational and Training agencies.

Operational Tier 1 will include local business groups, external management, start up enterprises.

Business Development Units will function to create a pro-business environment, respond to local business needs and to drive a business development agenda

The proposal will focus on the Micro sector, those employing less than 10 people. The initial focus is to sustain existing employing enterprises, ie services and manufacturing, retailing, local tourism. Job creation cannot impact in a vacuum. In short this is to provide a development platform for existing and new business.

The early project steps include

- 1 a general acceptance of 360 Degree Development
- 2 dialogue, and agreement, with the community development sections of the nominated government departments
- 3 Agreement on pilot implementation, funding and structures.
- 4 Selection of pilot sites
- 5 Implementation, Needs Analysis, Development Plan, Project Management.

Expected timeline 1-5 TWO MONTHS

### Answer (1)

The draft proposal is designed as a Public Private Partnership, which, in the first instance, embraces all relevant departments in the job creation sector. This is suggested to avoid the apparent duplication and to provide a more defined and effective solutions delivery.

In a post 2008 fallout little fundamental change was introduced to counter a much changed economic landscape. With the noted exception of Teagasc, support agencies, continue to offer conventional and passive services.

The by-product of the current proposal is to provide the relevant and required solutions on the ground with a direct and decisive engagement with the business community.

There is no conflict with existing agencies other that a more active and support engagement. We introduce a criteria, with an emphasis on Marketing that is not offered currently

TIER 2 calls for the inclusion of all support agencies in addition to Banks and training organisations. This is a strategic position to monitor, evaluate and capture economic development synergies.

### Answer (2)

Many of the support agencies are hampered by a number is issues. Staff embargoes, cuts in budgets continue to impact on service delivery.

Tourism development, with much reduced resources, continues to support high profile site and events, Dublin, Waterford, Tralee, and Kilkenny etc. The development of local tourism resources is therefore curtailed.

Some agencies will typically be reluctant to engage in innovation, fearing additional work and/or budgetary impact

We see the development of an export model for local food producers as viable, but does not meet a HPSU criteria.

Despite the innovation, the outcomes and benefits, what is proposed may not receive total acceptance. For those of us who see an innovative, and growth led, Micro business development agenda, our proposal is worthy of evaluation, and acceptance

We cannot continue to support an outmoded and ineffective development strategy

John Moran info@mayoplus.ie 087 25 27 407

### Economic Disparity, an unwelcome reality.

Recent CSO report shows and appalling result for job creation in the WEST. What is does not show is the ongoing impact of Immigration Migration and Austerity. What it does not reference are the thousands on sons, daughters, couples gone from rural communities.

Economic recovery, where it does exist, is tenuous. Exchequer returns, fails to consider, lower global bank rates, quantitative easing, an influential sterling exchange rate, driving exports and tourism, transfer pricing.

Logically the Irish recovery, is greatly influenced by external factors.

Irish government policy continues to ignore the hardest hit, the rural sector, those hardest hit by the downturn, those with the higher numbers of immigration. This indifference is confirmed where support agencies, similar to Einstein's theory of insanity, continues in an outmoded rural development strategy. There is no official recognition that rural sectors need a more proactive development. The reality is unless the situation is acknowledged, any change is remote. The LEADER programme, once a very effective rural economic driver, is now a much diluted entity. The CEDRA report implementation is funded to the same level as the budget for the control of wandering horses in Dublin. Vast areas in Rural Ireland continue to wait for effective Broadband. Correspondence from Minister Nash td, presents a very assertive position on existing business support policy and foresees little need for change

The bedrock of local economic and commercial development lies with local communities. This legacy comes from Credit Unions, Tidy Towns, GAA, Community initiatives, all projects benefiting local communities. It is these rural areas that have suffered most in the downturn. The higher levels of rural immigration directly impacts on consumer and market levels.

National campaigns, Your country, Your Call, the IDEAS Campaign, failed to achieve the desired objectives

This does not happen at regional level. Pursuing development at regional level cannot hope to deliver results in the short to medium term.

The successful LEED Local Economic and Employment Development model can be transplanted and adapted for a rural development programme. The ever present SILO prominence must give way to a much more enlightened and effective Public Private Partnership model.

Despite a number of years of rhetoric, waffle, PR and BS, with job creation as a core priority, the reality is now with us, job creation has failed, and policies have failed. The response and reaction to 2008 was evident across all business sectors. There was no evident response in the state agencies sector. Apart from some cosmetic policy changes, the outmoded and conventional, support strategy has failed.

There needs to be an innovative, Public Private Partnership model established to drive a realistic economic development agenda. The alternative is continued immigration, losing another generation

The proposal will require a networked, bottom up development. This is about linked rural communities with a County Marketing Company at its core. The needs are defined at local level as are the means to provide a solutions channel. The County Marketing Company is to function as an

online/offline marketing platform for local and export markets which also includes local tourism development.

The design networks all local communities to a central, county focus for greater market scale and impact. This capitalizes on proven local development foundation. The model responds and includes selected and agreed local needs.

The operational objective seeks to support existing local enterprise on a group basis, to create a positive, pro-business environment and to assist local job creation. Local Micro enterprise, Retail, Services Manufacturing and Local Tourism are identified as key economic drivers.

The commercial objective is a networked group/cluster, with a robust business model, scale and impact with an established presence in home and export markets.

Unless there is an early and fundamental policy change, rural Ireland faces little upturn for another decade

Ref CSO, Regional Development, MAGNET-Regional –Business –Barometer

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### Local, group based, Economic Development model

### TOSS

### Objectives, Structure, Strategy and Training.

The process includes a Needs Analysis. The Needs must be realistic and relevant ie **Objectives** 

The **Structure** must include a significant local input. TIER 1 management must include the local participants in a recognised group structure

The **Strategy** is obviously the development path, with Performance Indicators.

Training is an ongoing component

### **Primary Operational Area**

Micro, Services, Manufacturing (Export) Retail Tourism

### **Operational Structures**

This is a group/cluster/business development unit, integrated at local and county level under the auspices of a Public Private Partnership

### **Management Structure**

Tier 1 Operational

Tier 2 Supervisory and Support

Tier 3 Oversight

### **Programme Supports**

Network to Work

Builds a group support structure for those in the service sector

Tradebridge

With an emphasis on the export market, the focus is an upskill, improved market focus, knowledge transfer

VIP Visitor Information Point

Is a network of QRVO information points as a basis for local tourism development?

County Marketing Company

This is a county based sales and marketing platform for online and offline operations.

ShopPing

A retail development template for Rural Retail

Public Private Partnership

Ideally this includes LEO, Teagasc, Banks, Training Bodies, ETB, Private Sector Communications Company, Institutes of Technology

The objective is to create and support a network of sectorial rural business groups/clusters.

Each participant will retain ownership of his/her business. The proposal offers a collegiate structure to drive scale and impact. The focus is also to drive additional for home and export markets.

This is a discussion document that is open to comment and critique. There is a resistance in some quarters where existing structures may have failed and the adoption of this or similar supports that conclusion.

In the absence of any similar, short term initiative to address the crucial key consideration of rural development, the document merits a discussion

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### ShopPing

### Proposal for local independent retail sector

### Overview:

Traditional local retailers face three major influences.

- 1) The traditional retail market is dominated to a large extent by the migration to online shopping.
- 2) The growing position of the multiples, ease of parking, convenience, better ambience.
- 3) The issue of upward only rent reviews and unsympathetic rates structure.

### The Objective(s)

- To re-create a robust and innovative retail environment in town centres.
- To adopt a new shopping experience and new image for modern shoppers.
- To identify those critical local development pinch points.
- To form a dedicated working structure to implement an agreed series of proactive development measures.

### Development template:

The proposal is to adopt a group based, local, structure that includes the following key elements.

### Objectives, Structure, Strategy and Training, TOSS:

The Objectives, primary and secondary, long and short term, must be determined by the local business development group.

<u>The Structure</u>, Limited Company, Partnership, Co-Operative must have local agreement. This is also a case to include a nominal shareholding for an external management input.

<u>The Strategy</u> will be influenced by the Objectives/Needs analysis. Management will agree a time line and key objects which in turn, becomes part of the Business Plan and Project Management.

Training becomes the constant up skill and training element.

### Opportunity:

Online commerce is a growing opportunity and cannot be ignored. It is acknowledged that smaller retail operations may not have the skill or resources to effectively impact on this marketplace. The ShopPing

proposal is where a group of local retailers consider a group based communal ecommerce site not only to drive Internet business but also to drive increased in store footfall. The online aspect should be part of an overall promotional development strategy. ShopPING will be managed externally. The ShopPing template is not just about increasing retail sales but also to revive town centres as real shopping destinations.

The ShopPing template becomes the online commercial/retail/hub where group discounts and offers become the order of the day. There is also opportunity to bring back some additional retail activity. The introduction of Pop Up shops and new variations of hybrid retail units can increase overall footfall. The Pop Up shop offers two variants, uShop for single operations and uShop2, which is group based.

ShopPing is about marketing, promotion, perception, and image. Vacant or run down shop units need to be part of the solution. At the very least these shop fronts should be cleaned and painted. Vacant shop windows should display notices or information points about the local ShopPing campaign.

It is also expected that a Feedback process is an integral part of the development strategy. This is essentially a survey with shoppers, students, and local media to ensure a wider participation. This will determine the initial Needs Analysis and can be revisited to ensure compliance with ongoing needs.

As part of the wider New Generation Economic Development retail development cannot remain in isolation. Effective tie-ins with local sports and tourism events must be established to drive additional retail traffic.

### Operational Phases:

Objective/Needs analysis

This includes a series of survey and feedback sessions from the existing traditional retail sectors. The feedback should also include inputs from its own customers.

The outcome should provide the basis for a NEEDS ANALYSIS/OBJECTIVES.

STRATEGY becomes the means and timeline to achieve those needs and goals.

STRUCTURE. This is a commercial rather than a social venture and will require a business structure to manage the development agenda.

The outcome should be the basis of a development plan and the need for an Operating criteria to provide direction and reference points.

A typical Project Plan will include

- 1) Budget/Cost Estimates
- 2) Benefits, Benchmarks and criteria for measuring success
- 3) A project Work breakdown, Structure and Schedule.
- 4) Risk Analysis
- 5) Project Team Roles and Responsibilities.
- 6) Reporting Process
- 7) Financial function

The outcome is clarity of purpose and vision. All participants and stakeholders must have access to ALL related information. The model is a Public Private Partnership where all operational information is available.

### Management:

The core development company should be owned locally. It is suggested that some of the shareholding is included as part of the executive management structure.

The management structure is two tier, executive/operational and supervisory which should be a basis for a Public Private Partnership.

### Outcome:

The outcome should be an inviting and attractive environment to attract shoppers back to town Centre shopping.

The business perspective should adopt a more customer centered and responsive relationship.

### Summary:

Retail is changing and will continue to do so. The danger point includes the traditional retail sector. The ShopPing template seeks to equip this sector with the synergy and resources to successfully embrace these challenges. The individual shop retains its traditional ethos but now has access to online commerce, digital marketing and group based business savings. In addition the group based communial, collegiate, structure projects a very positive business environment.

New Generation Economic Development July 2014

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360 Degree Development

New Generation, local, group based, bottom up, economic development

Presented by John Moran, info@mayoplus.ie 087 25 27 407

- OBJECTIVES
- STRUCTURE STRATEGY TRAINING



- Objectives
- To support existing local enterprise
- To create a local pro-business environment
- To establish cluster/team/business development units.
- To introduce a Public Private Partnership model.
- To restore public confidence
- To introduce a Market led development
- Operational NOT Aspirational



# **Target Development Sectors**

- Short term Implementation
- export potential. Network to Work/Tradebridge Micro Services and Manufacturing, those with
- Traditional Retail Sector. ShopPing.
- Local Tourism Development. Faces and Places
- Longer term Implementation
- Local Development of Green Energy
- Development of Rural Broadband



## Support Programmes

- Network to Work, N2W
- Tradebridge
- Faces and Places
- CapacityPlus
- County Marketing Company



## Strategy...

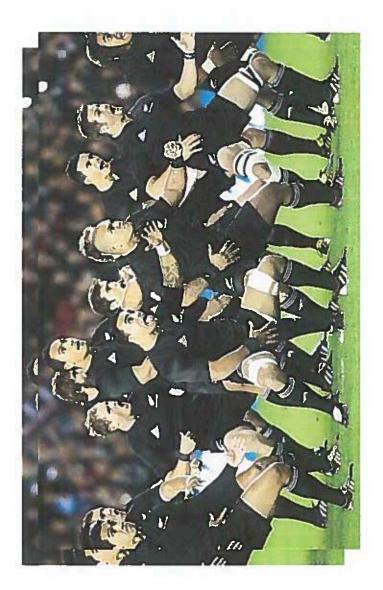
- Needs Analysis
- Objectives, Structure, Strategy, Training.
- Definition of local business needs and the Partnership model, to deliver effective process, embracing a Public Private solutions





## **ASPIRATIONAL**





### **OPERATIONAL**



### VIP, Visitor Information Point.

### **Needs Definition**

Tourism recognises two critical pillars, Information and Communication.

Many parts of rural Ireland offer such potential in terms of rich heritage, scenery, characters and events. The concern is that this information can be localized and lack the necessary resources to achieve a significant profile.

### Proposal

To adopt an effective strategy to identify co-ordinate and adapt local content and present in an innovative, consumer friendly channel.

### **Process**

QR codes were first introduced in 1992 for use in car assembly operations. Castle bar based, QRVO, has re-engineered Quick Response Voice Over, and introduces VIP, an effective, consumer-friendly information channel to present local tourism information. The QRVO code can include text, graphics voice, and video.

Smartphone users simply scan the code, no URL, no App, no password, no user detail, and await download. The information can be used immediately or emailed to others

The content is updatable. The number of scans can be monitored by Analytics.

### The Application

QRVO codes can be overprinted on existing maps providing visitors with a comprehensive and integrated information channel.

QRVO codes can be included in conventional publication and avoids costly reprints that introduces updates and changes.

QRVO codes can be included in signage, perhaps to enhance information at unmanned heritage and memorial sites.

QRVO codes can be included in outgoing emails, thus reducing the costs of postage

QRVO codes can be included in business cards, key rings or promotional material

### The Operation

Clients determine the digital content, text, graphic, and audio/video. Clients determine a short voice over or a longer narration. The finished product is processed and presented in an agreed print ready format. The client determined the most effective deployment. The QRVO can also be included in Social Media campaigns

For further information on VIP and the wider QRVO family of applications , please contact <a href="mailto:info@grvo.ie">info@grvo.ie</a>, www.qrvo.ie