



Western Development Commission

Submission on

Ireland 2040 – Our Plan: National Planning Framework

March 2017

WDC Submission: Key Issues for the National Planning Framework

What should the NPF achieve?

- The National Planning Framework (NPF) provides Ireland with an opportunity to more fully realise the potential of all of its regions to contribute to national growth and productivity. **All areas of Ireland, the Capital and second tier cities, large, medium and small-sized towns, villages and open countryside, have roles to play both in the national economy and, most importantly, as locations for people to live.**
- While spatial planning strives for ideal settlement or employment patterns and transport infrastructure, in many aspects of life change is relatively slow; demographics may alter gradually over decades and generations and, given the housing boom in the early part of this century, many of our existing housing units will be in use in the very long term. If the NPF is to be effective it must focus on **what is needed, given current and historical patterns and the necessity for a more balanced pattern of development.**
- **To effectively support national growth it is important that there is not excessive urban concentration** “Either over or under [urban] concentration ... is very costly in terms of economic efficiency and national growth rates” (Vernon Henderson, 2000¹). Thus it is essential that, through the NPF, other cities and other regions become the focus of investment and development.

Developing Cities

- As the NPF is to be a high level Framework, in this submission the WDC does not go into detail by naming places or commenting on specific development projects, as these will be covered by the forthcoming Regional Spatial and Economic Strategies (RSES). **The exception to this, however, is in relation to the need for cities to counterbalance Dublin. In this case we emphasise the role of Galway and the potential for Sligo to be developed as the key growth centre for the North West.**
- The North West is a large rural region and Sligo is the best located large urban centre to support development throughout much of the North West region. With effective linkages to other urban centres throughout the region and improved connectivity, along with support from regional and national stakeholders, **Sligo can become a more effective regional driver, supporting a greater share of population, economic and employment growth in Sligo itself and the wider North West region.**

Developing Towns

- While the NPF is to be a high level document and the focus is largely on cities **it is important not to assume that development of key cities will constitute regional development. All areas need to be the focus of definite policy**, and the NPF should make this clear.
- While cities may drive regional development, other towns, at a smaller scale, can be equally important to their region. **Recognising this is not the same as accepting that all towns need the same level of connection and services.** It is more important to understand that the context of each town differs, in terms of distance and connectivity to other towns and to the cities, the size of the hinterland it serves and its physical area as well as population. Therefore their infrastructure and service needs differ.

¹ <http://www.nber.org/papers/w7503>

- Towns play a central role in Ireland's settlement hierarchy. While much of the emphasis in the NPF *Issues and Choices* paper is on cities and their role, **for a large proportion of Ireland's population small and medium-sized towns act as their key service centre for education, retail, recreation, primary health and social activities.** Even within the hinterlands of the large cities, people access many of their daily services in smaller centres. The NPF needs to be clear on the role it sees for towns in effective regional development.

Rural Areas

- **Rural areas provide key resources essential to our economy and society.** They are the location of our natural resources and also most of our environmental, biodiversity and landscape assets. They are places of residence and employment, as well as places of amenity, recreation and refuge.
- They are already supporting national economic growth, climate action objectives and local communities, albeit at a smaller scale than towns and cities. But **a greater focus on developing rural regions would increase the contribution to our economy and society made by rural areas.**
- **The key solution to maintaining rural populations is the availability of employment.** It is important that the NPF is truly focused on creating opportunities for the people who live in the regions, whether in cities, towns or rural areas.

Employment and Enterprise

- In the *Issues and Choices* paper a **narrow definition of 'job', 'work' and 'employer' as a full-time permanent employee travelling every day to a specific work location seems to be assumed. This does not recognise either the current reality of 'work' or the likely changes to 2040.** Self-employment, the 'gig' or 'sharing' economy, contract work, freelancing, e-Working, multiple income streams, online business are all trends that are redefining the conceptions of work, enterprise and their physical location.
- If the NPF mainly equates 'employer' with a large IT services or high-tech manufacturing company, many of which (though by no means all) are attracted to larger cities, **then it will only address the needs of a small proportion of the State's population and labour force.**
- Similarly the NPF must recognise the need to enable and support the diversification of the Irish economy and enterprise base. It must provide a support framework for indigenous business growth across all regions and particularly in sectors where regions have comparative advantage.

Location Decisions

- While job opportunities are a critical factor in people's decision of where to live, they are by no means the only factor. Many other personal and social factors influence this decision such as closeness to family (including for childcare and elder care reasons), affordability, social and lifestyle preferences, connection to place and community.
- Many people have selected to live in one location but commute to work elsewhere or, in some cases, e-Work for a number of days a week. **The NPF needs to recognise the complexity of reasons for people's location decisions in planning for the development of settlements.**

Infrastructure

- New infrastructure can be transformative (the increase in motorway infrastructure in recent decades shows how some change happens relatively quickly). Therefore it is essential that we carefully consider where we place new investments. **To do so, capital appraisal and evaluation**

methods determining the costs and benefits of different investment projects need to be re-examined if we are to move from a 'business as usual' approach.

- **Investment in infrastructure can strongly influence the location of other infrastructure with a detrimental impact on unserved locations.** The North West of the country is at a disadvantage compared to other regions with regard to motorway access. This situation will be compounded if investment in rail is focused on those routes with better road access (motorways) in order for rail to stay competitive, or if communications or electricity networks are developed along existing motorway or rail corridors.
- The WDC believes that the **regional cities can be developed more and have untapped potential, however better intra-regional linkages are needed.** The weaker links between the regional centres – notably Cork to Limerick and **north of Galway through to Sligo and on to Letterkenny, are likely to be a factor in the relatively slower growth of regional centres in contrast to the motorway network, most of which serves Dublin from the regions.**

Climate Change

- For the future, the need to move to a low carbon, fossil fuel free economy is essential and needs to be an integral and much more explicit part of the NPF. The National Mitigation Plan for Climate Change is currently being developed, **and it is essential that actions under the NPF will be in line with, and support, the actions in the Mitigation Plan.**

How should the NPF be implemented?

- While much of the role of the NPF is strategic vision and coordination of decision-making, **in order for the Framework to be effective it is essential that the achievement of the vision and the actions essential to it are appropriately resourced.** The *Issues and Choices* paper does not give a detailed outline of how the NPF implementation will be resourced, except through the anticipated alignment with the Capital Investment Programme.
- It should be remembered that **policy on services and regional development is not just implemented through capital spending but also through current spending and through policy decisions with spatial implications (such as those relating to the location of services).** Therefore it is essential that other spending, investment and policy decisions are in line with the NPF rather than operating counter to it.
- While the NPF is to provide a high level Framework for development in Ireland to 2040, it seems this Framework is to be implemented at a regional level through the RSES. The Framework and the Strategies are therefore interlinked yet **the respective roles of the NPF and the RSES are not explicit and so it is not evident which areas of development will be influenced by the NPF and which by the RSES.**
- In order **to ensure that the NPF is implemented effectively it is important that there is a single body with responsibility for its delivery and that there is a designated budget to help achieve its implementation.**

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Western Development Commission

The Western Development Commission (WDC) welcomes the publication of *Ireland 2040 Our Plan: Issues and Choices* for the National Planning Framework (NPF).

The preparation of the NPF is a landmark in Irish public policy and it is hoped that it will provide a realistic basis for effective regional development and balancing of development throughout Ireland. The case for the Framework is overwhelming and has been succinctly made in the *Issues and Choices* paper.

As Dublin's over-development calls for "effective planning and infrastructural response" so clearly does the under-development of the Western Region,² the original rationale for the establishment of the WDC.

In this submission, the WDC addresses many of the specific questions posed in the *Issues and Choices* paper, in the order they appear, and highlights the particular issues for the Western Region, a rural region with one major city and a weak urban structure in large parts. Our submission is structured as follows:

1. Key issues for the NPF (see above)
2. Summary of the key points from the WDC's answers to the consultation questions
3. Detailed answers to the questions

About the Western Development Commission

The WDC is a statutory body established by government to promote, foster and encourage economic and social development in the Western Region. It operates under the aegis of the Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs (DAHRRGA). The WDC works in co-operation with national, regional and local bodies involved in western development to ensure that the Western Region maximises its full development potential. It does this by:

- analysing economic and social trends and making policy recommendations;
- promoting the Western Region through the LookWest.ie campaign;
- supporting the rural economy through facilitating strategic initiatives (e.g. renewable energy, creative economy, rural tourism); and
- providing risk capital to businesses through the WDC Investment Fund.

One of the functions of the WDC is regional policy analysis. The WDC seeks to ensure that government policy reflects the needs and maximises the potential of the Western Region in such areas as infrastructure, natural resources, enterprise and rural development. It also tracks the implementation of policies and recommends adjustments as appropriate. This means that the organisation has a well thought out approach to regional development and issues for rural regions which has informed the preparation of our submission.

The Western Region is a predominantly rural region; almost two thirds of the population live outside settlements of 1,500 people (Census of Population, 2011). Because of this, the WDC is particularly cognisant of the impact of any changes in government policy on rural areas. The region has four National Spatial Strategy (NSS) gateways (Letterkenny, Sligo, Galway and Shannon (part of the

² Counties Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare.

Limerick/Shannon gateway)) and three hubs (Ballina/Castlebar, Tuam, and Ennis). There are also other towns which are involved in driving local development, and which are important local economic centres in areas distant from larger centres.

Contact Details

We are pleased to have the opportunity to make this submission and would be happy to expand on any points made if the Minister or the NPF team requires more information, supporting data or clarification. For queries please contact:

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Summary of Answers

A summary of the key points made in response to the consultation questions is provided here.

People's Health and Well-Being

It is important that, when investments are made in our living environments, the impacts on health and lifestyle are considered. **The place we live should help us to develop and sustain healthy active lifestyles and improve our quality of life rather than promoting stressful or sedentary patterns.**

This consideration of health and well-being should occur in all settings, urban and rural, and should take account of the needs of the ageing population. There should also be a focus on reducing stress that can be brought about by poorly planned built environments.

A Place-Making Strategy

Our Capital, Cities and Towns

The WDC believes that to promote more effective regional development, **the role of second tier cities is critical** and we agree with the need for a 'significantly strengthened role for a next tier of cities and their broader regions' (section 4.1.8). Galway is central to the success of the West region.

The WDC strongly believes that there is a **very strong case to also support Sligo as a key urban centre to support development in the North West**. In an all-island context, the continued growth of **Letterkenny, and strengthening its linkages with the City of Derry**, is important for mitigating the negative impact of Brexit on border areas and communities.

Improved connectivity between the four regional cities and from Galway to Sligo and Letterkenny is critical to ensuring that these centres can develop as strong regional complements to Dublin. Linking these centres more effectively is also a key part of the **Atlantic Economic Corridor (AEC)** proposal.

While the four regional cities are important, **some towns away from larger centres, despite smaller populations, effectively play the role of regional cities**. These towns need to be considered as such and the appropriate investments should be made to allow them to continue to do this effectively. In the North West, Sligo is a clear example of a town with the potential to play the role of the regional city. In the Western Region there are five towns with a population of more than 10,000, which in the context of the region, are significant centres. These towns are important as drivers of their local economies and in servicing their rural and remoter hinterlands. Their function (and that of similar towns in other regions), needs to be clearly addressed by the NPF.

Achieving effective regional development, not only to build up cities, but for all areas of Ireland, requires substantial changes to administrative and governance structures. Internationally, cities, towns and regions that have made significant progress have been **characterised by a strong local coalition of the public, private and community sector and considerable autonomy in decision-making and, crucially, in raising local finance**. The resource capacity, human, financial and physical of Local Authorities varies substantially across Ireland. Effective regional development will require strengthening Local Authority structures and the capacity to raise local finance.

The three Regional Assemblies, through the Regional Economic and Spatial Strategies (RSES), have a key role in providing a structure to facilitate alliances and collaboration at a regional level and to

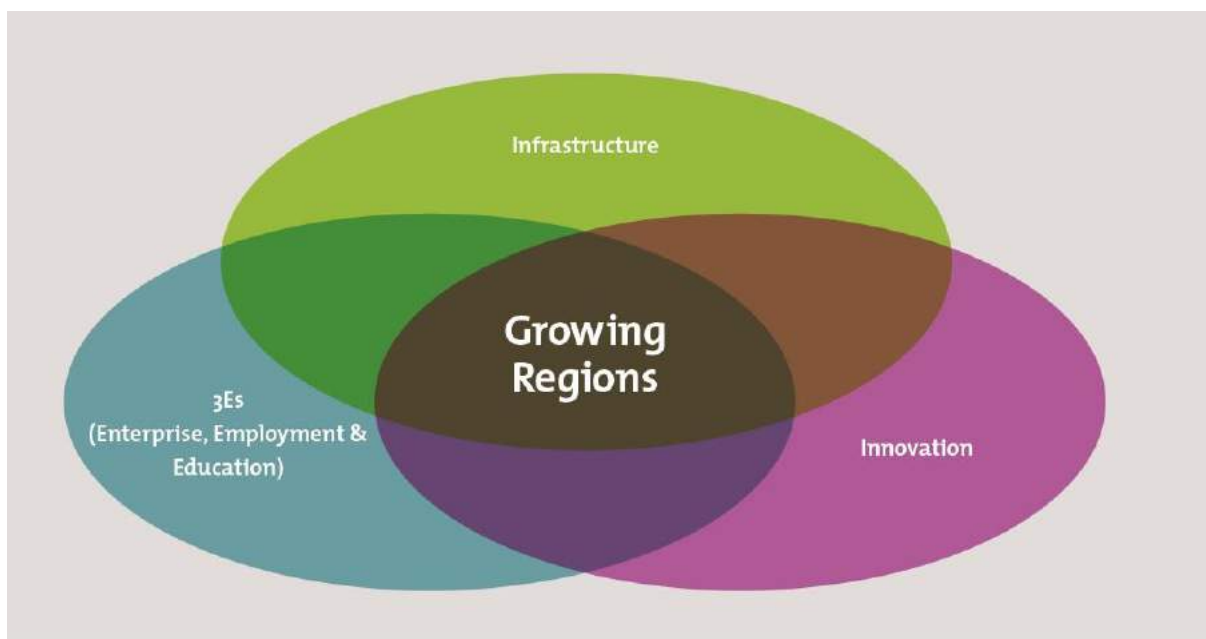
address strategic issues which cross Local Authority and regional boundaries. The development and implementation of the three RSEs should form a central focus for collaboration to deliver effective regional development.

Opportunities for our Regions

The Western Region has a number of key regional assets which form part of its ‘value proposition’ as a location to live, work, do business and visit. Other regions have their own unique package of assets. **Effective regional development requires harnessing these regional assets.** For the Western Region they include:

- Quality of life
- Attractive natural environment
- Strength in manufacturing
- Strength and vibrancy of Galway city
- Abundant renewable energy potential
- World-leading medical technology cluster
- A number of internationally significant tourism locations
- Two international airports
- Extensive and ‘green’ food production system and marine resource
- High level of self-employment and self-motivation
- Strong creative sector including links with arts, culture and heritage

The central aim of regional policy and the NPF should be to provide the conditions for regions to grow and realise their full potential, based on their regional assets. **Infrastructure, the ‘3Es’ (Enterprise, Employment and Education) and Innovation are the key levers for effective regional development. When they work together they drive regional growth.** Each has a distinctive role, and needs its own policy focus, but they are most effective when addressed through an integrated policy approach.³



³ WDC (2010), Why care about regions? A new approach to regional policy <http://www.wdc.ie/wp-content/uploads/reports-WDC-Policy-Briefing-Why-care-about-regions-July-2010.pdf>

One important element in realising regional opportunities is strengthening human capital. Increasing human capital at a regional level has three key purposes: to provide a skilled labour force; to improve employability and life skills for individuals; and to stimulate entrepreneurship. All three must be seen as priorities when developing regions' human capital.

Greater collaboration among education and training institutions at all levels and alignment of education and training provision with areas of regional strength and future employment growth, as well as provision of transferable and entrepreneurial skills, will be most effective in enhancing regions' human capital.

The primary source of funding for achieving regional development will be the National Exchequer. **The only way that the NPF can be successfully implemented is for Departmental and State and Semi-State Agency expenditure decisions and allocations, including the Capital Plan, to be aligned with the spatial priorities outlined in the NPF and the three RSES.** In the absence of alignment of Exchequer funding with the NPF and RSES, they cannot succeed. Other sources of funding for regional investment should be seen as supplementing, rather than replacing, National Exchequer allocations.

Public investments of a 'national' nature which are mainly located in the Capital contribute strongly to its economic growth and primacy. The relocation of some of these 'national' investments outside of Dublin and/or decisions to locate new 'national' investments outside the Capital, would help ease congestion, bottlenecks and contribute to the counterbalance to Dublin's growth sought by the NPF. **Public investment can either reinforce the 'business as usual' scenario or be used as a tool to achieve the priorities of the NPF for more effective regional development.**

The Potential of Rural Ireland

Rural areas provide key resources essential to our economy and society. They are the location of our natural resources and also most of our environmental, biodiversity and landscape assets. They are also places of residence, employment, places of amenity, recreation and refuge.

Rural areas are already supporting national economic growth, climate action objectives and the development of local communities but a greater focus on developing rural regions would increase the contribution to our economy and society made by rural areas.

Rural communities can face particular challenges due to their age profile, the structure of their economies and a lack of access to quality infrastructure and new technologies. It is important to recognise that **all rural areas and rural communities are not the same**. There are differences in remoteness and accessibility, the influence of neighbouring urban centres and their natural resource assets and access to infrastructures.

The solution to maintaining rural populations is common to all areas however; the availability of employment. As migration is the key cause of rural population decline, the focus should be on enterprise and employment opportunities in rural areas. Investing in upskilling lower skilled workers in rural regions can have an important impact on regional economic development. It is important that the **NPF is truly focused on creating real opportunities for the people who live in the regions, whether in cities, towns or rural areas**, and that the NPF should achieve improvements in people's quality of life as well as their economic and social opportunities.

Alongside issues of outmigration and dependency, some rural areas also face infrastructure and service deficits. Many of our towns and villages have suffered from a lack of investment in the infrastructure which connects them locally, and which could improve their capacity to provide services and maintain and attract enterprise. **Where services are not provided locally, there should be a clear means of access to services in other centres.**

Towns and villages are already providing employment and services for people in their area and are active centres of local economic activity. Indeed while some are facing difficulties, others are thriving and providing many opportunities for people to live, work and do business. **Towns have a key role in maintaining the social fabric of rural areas in Ireland while also making important contributions to the local economy** even if this is on a small scale, dwarfed by that produced in a city. It is important to remember that scale of activity varies between more densely populated and less densely populated areas, but that even at a small scale towns and villages contribute to the resilience of our rural areas.

Ireland in an All-Island Context

The all-island context is important for effective regional development in the Western Region. Donegal in particular is closely integrated with Northern Ireland, spatially and economically and **the North West Gateway initiative of Letterkenny and the City of Derry should be a key strategic priority under the NPF.**

The all-island structures which were established as a result of the Good Friday Agreement have made considerable progress in developing a joined-up approach to many all-island issues, however more needs to be done to effectively harness the economic and other opportunities that exist on a cross-border basis. **Mitigating the impact of Brexit on access to services, cross-border commuting, trade, transport access from Donegal to Dublin and joint infrastructure planning must be a core objective of the NPF.**

Integrated Land and Marine Development

Development of our marine territory is a key example of how the potential of an existing resource can be used to drive a region's development. The development of our coastline and marine resource are key areas of opportunity to 2040 and must take place in tandem with a strong emphasis on the protection and preservation of our coastline, and maritime communities.

Our extensive ocean resource and the existence of research infrastructure and a research-orientated FDI and SME base can be used to make the blue economy integral to the whole economy while preserving the ecological stability of our marine environment. Its development requires an integrated approach which can be, in part, provided through the NPF.

Ireland's Unique Environment – Sustainability

The natural environment is a key asset of the Western Region and therefore it needs to be protected, and enhanced, both for its existence value to the economy and society and also for the potential it brings to local economic development.

There is significant potential to make the most of the **opportunities provided by trends in technology development, the growth of services employment, a move to more varied working**

hours, and greater remote and home working opportunities as well as incentives for enterprises to offer different work arrangements, to contribute to reducing carbon emissions.

It could be argued that better spatial planning, with more concentration in population centres will provide more concentrated transport demand which can be better served by public transport with lower per capita emissions. However, should there be a significant switch to electric vehicles, and if electricity generation is mainly renewable by 2040, then rural emissions will fall considerably.

Equipping Ireland for Future Development – Infrastructure

Historically, **investment in infrastructure networks in particular have had the effect of promoting the development of the Capital, rather than the other centres**, with the road and rail networks developed in a radial fashion connecting all to Dublin, with little connectivity between the other centres. This has supported the growth of Dublin and constrained economic activity between the other centres.

The nationally important infrastructure projects under the NPF will be those projects that will help support the objectives of the NPF and associated RSEs. If it is accepted that the spatial pattern of development which is described as ‘business as usual’, is not desirable, then an alternative approach is required. **If the second tier cities, other larger urban centres and rural areas are to play a greater role in the economic and social development of the country, these centres will need to be supported through investment in infrastructure.**

This will require a change to the conventional appraisal and evaluation methodologies used (business as usual), which are typically used to determine what projects are given the go-ahead. **The traditional cost benefit approach will naturally favour the larger and often largest population centres as the impacts are likely to be felt by a greater number**, wherever the project is being delivered. The impact on the wider spatial balance of the country and the extent to which the investment is supporting the NPF goals, will need to be factored in. There is a need for a CBA methodology which accords the NPF/regional development goals and objectives a higher value.

National roads

The priority national primary road projects that need to be delivered include:

- N4 (Collooney–Castlebaldwin; Carrick-on-Shannon–Dromod; Mullingar–Longford)
- N5 (Westport–Turlough; Ballaghaderreen Bypass–Scramogue)
- N6 (Galway City Transport incl bypass)
- N17 (Tubbercurry Bypass; Collooney–Tubbercurry)
- N13/N14/N15 (Stranorlar–Derry), N15 (Lifford–Stranorlar)
- N16 (Sligo–Glencar; Glencar–Glenfarne)

National secondary routes are critical for inter-regional linkages and ensuring access from rural areas to services and employment in larger urban centres.

Regional and local roads

It is essential to ensure that **communities isolated by distance or weak national roads have improved quality of road access to local towns, their key regional city and to ports and airports. Key routes from the existing motorway and national road network need to be prioritised in the future in line with the NPF and the RSEs.**

It is important that these local and regional roads are maintained to a reasonable standard according to their traffic load for local importance. It is essential that there is a planned cycle of maintenance implemented by the Local Authorities who manage these roads.

Rail

The focus of rail transport policy should be on providing for a rail network and services that can support a greater modal share of travel journeys, due to its better record environmentally. The WDC believes that **proposals for investment in the electrification of some lines should include the lines serving Galway and Sligo** as regional centres with a need to improve accessibility.

The WDC believes that generally across lines serving the Western Region, **service levels, the fare structure and supports to improve the attractiveness of rail (such as better car parking facilities) are needed to increase patronage levels.**

The Government committed to a feasibility study in the Capital Plan 2015 designed to identify what supports are required/possible to **increase the share of rail freight**. This scoping study and recommendations need to be actioned as soon as possible.

Bus

As the most important mode of public transport, and in the context of an ageing population and the need to reduce carbon emissions, modal shift from car to bus transport must be central to the NPF and RSEs long term planning perspective. Increased frequency of services, improved integration and quality bus corridors will all be needed to increase modal shift to bus.

The WDC believes that the **NPF should fully support continued public subvention of bus services in less populated, rural areas through PSO services and the Rural Transport Programme** as a key public service for rural residents, including allowing them to access services in urban areas.

Air

There is an increasing focus on all airports to be commercially independent. The regional Local Authorities have taken an equity shareholding in Ireland West Airport Knock, illustrating the benefit of the airport to the regional economy.

EU Guidelines recognise that airports with fewer than 1 million passengers per annum may face difficulty and, subject to a case-by-case assessment, an aid rate in excess of 75% (up to 90%) may be justified in exceptional circumstances, subject to EU approval. **Government needs to support Ireland West Airport Knock in seeking approval for a higher aid rate.** Investment is needed to support greater surface connectivity to Shannon and Ireland West Airport Knock with improvements to the road network a priority.

Electricity

It is important that investments in electricity network reinforcement are made, which will both allow for the transmission of significant amounts of renewable energy from the region, as well as providing high quality electricity infrastructure for enterprise in the region (both existing and potential).

The WDC regards the **provision of quality electricity transmission and distribution networks as important elements of the infrastructure required to underpin the economic development of the**

region. A commitment to investment in energy infrastructure is important to achieving regional development goals through the NPF.

Gas

The focus of natural gas infrastructure investment in the NPF should be the North West and in particular the need for natural gas infrastructure in towns in counties Donegal, Sligo, Leitrim and Roscommon. The WDC believes it is important that there is a commitment to improve regional energy infrastructure, to examine the benefits of natural gas infrastructure and to invest in this infrastructure.

Lack of gas infrastructure may become a disincentive to investment, reducing a region's competitiveness and increasing existing disparities. The NPF needs to be clear about the requirement for natural gas infrastructure in the North West, in particular in the larger towns of Sligo and Letterkenny.

Broadband

To ensure the National Broadband Plan can deliver on planned future EU target speeds as well as the current commitments, it is imperative that **future proofed infrastructure** is used in the deployment.

The Implementation Group of the mobile phone and broadband taskforce needs to ensure that actions to provide immediate solutions to the broadband/phone coverage deficit in rural Ireland are implemented.

Use of existing infrastructure

To make the best use of existing infrastructure it would be important to **join existing networks together and complete 'unfinished sections'**. For example complete the improvements to the road network north of Tuam to ensure a high quality network to Sligo and Letterkenny.

When considering infrastructure needs, an efficient starting point is to identify and use existing available capacity. For example **there is capacity available for international air access at Cork, Shannon and Ireland West Airport Knock all of which have received significant state investment over many decades.** Improved services at these airports will reduce the need for local populations to avail of services at Dublin Airport which in turn will reduce journey numbers through an already congested Greater Dublin Area.

Enabling the Vision – Implementing the National Planning Framework

In order to ensure that the NPF is implemented effectively it is important that there is a **single body with responsibility for the delivery of the NPF** and that there is a designated budget to help achieve the implementation of the Framework.

Alongside this it is essential that **other spending, investment and policy decisions are taken in line with the NPF** rather than operating counter to it. Finally there needs to be a **clear relationship between delivery of the NPF and of the RSES in each of the three regions.** This relationship needs to be made more explicit in the draft NPF.

Section 3: People's Health and Well-Being

Are we prepared to make changes now so that a 'healthier places' legacy can be handed over to the next generation of Ireland's citizens?

What policies can the NPF include to effect improvements to our general health, including physical and mental wellbeing, in Ireland over the next twenty years?

Are there key priorities the NPF can identify to ensure better or improved health and wellbeing of people and places in Ireland?

Are there facilities that the NPF needs to highlight for places in Ireland in order to enable greater participation in a healthy lifestyle?

All of the questions in this section are answered together.

Key Points:

It is important that, when investments are made in our living environments, the impacts on health and lifestyle are considered. **The place we live should help us to develop and sustain healthy active lifestyles and improve our quality of life rather than promoting stressful or sedentary patterns.**

This consideration of health and well-being should occur in all settings, urban and rural, and should take account of the needs of the ageing population.

There should also be a focus on reducing stress that can be brought about by poorly planned built environments.

While the emphasis of this section is on health and healthier places for people to live, it is important to recognise that there are many different health issues and many different lifestyle concerns, and that both physical and mental health are important. **We must consider the needs of an ageing population and ways that the built environment can help to promote healthier living at all ages and in all types of places, from city centre to remote rural.** There is no one solution and the needs of older people differ from those of the working age population. Clearly, therefore, **there is no single planning or investment solution that will address all health issues but it is important that the concept of promoting healthier options is integral to all planning and investment decisions.**

Healthy environments

To ensure that we develop environments associated with healthier lifestyles, criteria for granting planning permissions and project developments should always include consideration of the implications for health and well-being. Design solutions making healthy choices more attractive are important (e.g. walking access should be quicker and easier than that for vehicles) and safe places to walk should be provided.

Appraisal methods used for public projects need to include consideration of health and well-being benefits, either through qualitative or quantitative measures, which encourage designs which inspire more healthy choices and which will build healthier lifestyles.

Developing liveable neighbourhoods is also important. In urban and town areas this involves good walking, running and cycling access and well-designed green spaces. **In more rural areas it can**

include footpaths and safer walking areas either off road or on a safer road margin than is often the case at present.

It is essential that in all designs for the built environment that the needs of walkers and cyclists are considered foremost to ensure that these are attractive options for users. These options need to be easy and safe so that people are happy to make these choices.

Ireland needs to invest in attractive leisure facilities which encourage participation by all age groups and all activity levels. These include **swimming, indoor sports facilities and gyms which provide both physical and social benefits to the local population and these should be widely available not just in larger urban centres.** While many of these facilities are provided by private businesses, their provision should not be left to the private sector alone, as there are significant health benefits associated with access to good community facilities. However there are many models of effective public and private service provision. Such **facilities need to be accessible to all, rather than just to those who can afford them.**

Health services

Good access to primary, secondary and tertiary health services is very important. Local GP services need to be a focus of health planning, and **access to secondary and tertiary health services needs to be well designed and take full account of the needs of those who are distant from the service.** This means there should be good, extensive car parking available at a reasonable price, and for those who cannot drive or be driven, that a co-ordinated travel service for hospital appointments is available.

An increase in the number of tertiary clinics held away from the main centres should also be considered, so the **services travel to the people rather than the other way around.**

Older people

Where possible, nursing home and residential care for older people should be provided as close as possible to the neighbourhood where they live so they can remain a part of their community and maintain their social life.

There are also **opportunities for towns and rural areas to become more attractive to older people, either by having a mixture of housing options** (a town should ideally have people at all stages of the life cycle living there) and also **through small clusters of retirement homes or assisted living facilities** for people who are still active but need some support services. The needs of older people and the ageing population must be central to Ireland's housing strategy and the NPF.

The working population

Long distance commuting in heavy traffic is known to be a source of stress and can affect people's mental well-being. In **combination with better design and the development of other employment hubs it is important that opportunities for e-Working are promoted.**

Working from home on a regular or occasional basis can help to reduce stress and can provide significant quality of life benefits as well as helping to reduce carbon emissions. Greater possibilities for working from home will emerge with the rollout of the National Broadband Plan (NBP).⁴

Rural towns and villages

Footpaths and pavements need to be provided in the vicinity of towns and rural villages so that residents can walk safely in a good environment.

In all situations where towns are bypassed or new stretches of road are built, investment in ensuring the older, now lesser used routes are transformed into safe and pleasant walking, running and cycling routes, is essential. This will allow bypassed towns to gain additional benefit from the initial investment.

Local walking and running routes are important to local users as well as attractions for visitors. Not all areas will have enough tourism to justify such investment but **development of such routes, by the local community, brings local health and well-being benefits as well as improving tourist potential.**

⁴ WDC (2017), e-Working in the Western Region: A Review of the Evidence

Section 4: A Place-Making Strategy

Section 4.1 Our Capital, Cities and Towns

Taking on board all of the relevant environmental and physical capacity issues, what role should our cities have as part of the NPF?

Key Points:

The WDC believes that to promote more effective regional development, **the role of second tier cities is critical** and we agree with the need for a 'significantly strengthened role for a next tier of cities and their broader regions' (section 4.1.8). Galway is central to the success of the West region.

The WDC strongly believes that there is a **very strong case to also support Sligo as a key urban centre to support development in the North West**.

In an all-island context, the continued growth of Letterkenny and strengthening its linkages with the City of Derry is important for mitigating the negative impact of Brexit on border areas and communities.

The location of the Capital and the four other cities mean that the East (Dublin), South (Waterford, Cork), Mid-West (Limerick) and West (Galway) regions are all largely well served by a strong urban centre driving development in their regions. **The North West, however, extending from north of Galway up to Donegal, urgently needs an urban centre that can more effectively drive development than heretofore. This is even more important given the difficulties and challenges now being faced by Border counties arising from Brexit.**

Sligo is the best located large urban centre to support development throughout much of the North West region. With effective linkages to other urban centres throughout the region and improved connectivity, along with support from regional and national stakeholders, **Sligo can become a more effective regional driver, supporting a greater share of population, economic and employment growth within Sligo itself and the wider North West region.**

Letterkenny is a very important urban centre in the North West, with strong links across the Border and to Derry city in particular. **In an all-island context the continued growth of these two centres and their linkages are important for both regions and the cross border community in the North West in particular.** Letterkenny will need to be supported given the challenges of Brexit.

Letterkenny is somewhat distant however to effectively drive development in the wider North West region covering counties Mayo, Leitrim, Sligo and Roscommon.

As the *Issues and Choices* paper notes, in the 10 years to 2016, Galway is the only city where the built-up area had consistent population growth greater than the national average, showing that **Galway, compared to other cities, has been performing as an effective regional driver.** The city can continue to perform this role, supporting the development of the West region but further growth is somewhat constrained by key infrastructure deficits, in particular traffic congestion and access from the East to the West of the city and the Galway City transport project.

Cities are key employment and residential centres. The five principal cities, including the capital, along with other large towns are important regional drivers. Given the recent development patterns and likely projections under a 'business as usual' scenario, **the four cities outside of Dublin and**

some other large towns need to be facilitated to drive and support a greater share of population, economic and employment growth. The WDC agrees that Dublin as the capital must continue to play its international role but it is becoming constrained due to various pressures, notably housing and transport.

Vernon Henderson, the regional development researcher has noted that “Either over or under [urban] concentration ... is very costly in terms of economic efficiency and national growth rates” (Henderson, 2000).⁵ Therefore **to effectively support national growth it is important that there is not excessive urban concentration, or urban primacy** – the share of the largest metro area in national urban population.

As pointed out in the *Issues and Choices* paper (para 4.1.2 and Tables 4.1.1, 4.1.2), the **primacy of Ireland’s capital is unusual compared to other advanced small countries.** Elsewhere it has been noted that Ireland has excessive urban concentration – the share of the largest city in urban population – along with other countries such as Argentina, Panama, Costa Rica, Chile, Korea, Thailand, the Congo, Greece and Portugal.

Therefore **a key goal of the NPF should be to effectively promote the growth of second tier cities. There is a very strong case to also support Sligo as a key urban centre to support development in the North West.**

⁵ <http://www.nber.org/papers/w7503>

How might we develop one or more strong regional complements to Dublin that can address their whole city-region, including interactions between settlements?

Key Points:

Intra-regional linkages: Improved connectivity between the four regional cities and from Galway to Sligo and Letterkenny is critical to ensuring that these centres can develop as strong regional complements to Dublin. Linking these cities more effectively and on to Sligo is also a key part of the Atlantic Economic Corridor (AEC) proposal.

Urban Growth in the North West: Support Sligo to more effectively drive development in the North West.

Intra-regional linkages

The WDC believes that the **regional cities can be developed more and have untapped potential, however better intra-regional linkages are needed**. While the cities are all accessible to the motorway network (though lack of motorway access to the North West has hindered development, see Section 6), that motorway network is focused on linkages to Dublin rather than to each other. Part of the reason for Dublin's success has been the effective linkages from all regions to it – radiating from all parts of the country to the Capital (discussed in Section 6) which has helped support the efficient movement of goods and people to the Capital.

The weaker links between the regional centres – notably Cork to Limerick and **north of Galway through to Sligo and on to Letterkenny** – **are likely to be a factor in the relatively slower growth of regional centres in contrast to the motorway network most of which serves Dublin from the regions**. Improved connectivity between the four regional cities and from Galway to Sligo and Letterkenny is critical to ensuring that these centres can develop as strong regional complements to Dublin. This is consistent with the AEC proposal.

Intra-regional commuting and labour catchments

More effective intra-regional linkages, supporting transport between these centres will improve employment opportunities for those living in regional centres as well as extending the labour catchments for employers in these centres. There is already *strong anecdotal evidence indicating the increased commuting flows between Limerick and Galway, arising from the employment opportunities in both centres, as well as opportunities in the Shannon enterprise zone*, and the soon to be completed motorway between these two centres improving travel times. The Census 2016 POWSCAR data (to be released in July 2017) is likely to confirm this trend. It will be important to ensure that there are improved linkages from Galway north to Sligo to support this region and inter-regional commuting.

This is not to suggest that intra-regional commuting will become the main feature of labour flows but **it can improve the appeal of these regions in attracting and retaining quality labour supply which is an important factor in supporting larger enterprise investments (foreign or indigenous)**. It should also be noted that these distances (e.g. between Galway and Shannon) are relatively short in comparison to the extensive labour catchment of the GDA and its commuter belt.

By improving these links between centres an alternative large labour catchment is available in Ireland. The international evidence suggests that policy can effectively influence the location of FDI. Research in the UK has found that regional policy can and did effectively alter the location of FDI in

favour of the north. However when the policy weakened, investment reverted to an earlier location pattern. This shows that **regional policy can alter the location decisions of mobile investment but to maintain effectiveness policy needs to continue to be regionally focused**⁶.

Urban growth in the North West

It has been noted in Section 4.1.9 that Galway is the only built-up area which has experienced consistent population growth in excess of the national average (31%) from 1996-2016, with population growth of 41%. Galway has appeal as a significant attractive alternative urban centre to Dublin, albeit on a smaller scale. One of the **often cited positives of Galway is its quality of life appeal and this along with good employment opportunities and strong educational and health facilities has helped Galway enjoy strong population growth.**

A contributory factor explaining Galway's strong growth has been the absence of a larger growth centre to the North, so that economic and employment growth was focused on Galway as the key urban centre serving the entire region. Galway is also the only urban centre in the West/Northwest with a university and has a centre for excellence in healthcare. **Galway therefore had key infrastructural capacities which enable it to become an effective regional driver.** This has further supported the capacity of the city to attract mobile investment and employment opportunities which has attracted labour supply from across the Northwest.

The WDC considers that Sligo could be a more effective regional driver. Sligo

- (1) is the best located urban centre to serve that purpose.
- (2) Sligo (despite deficiencies) already has significant infrastructure endowment⁷ and with some further investment (see Infrastructure section) will have significant additional capacity to serve greater population and economic growth in the Region.
- (3) The promotion of Sligo as a key driver in the North West will, along with continuing support of Letterkenny, help mitigate the negative consequence of Brexit along the Border.

The regional cities do have capacity to 'take the strain' given the resources and more effective linkages between them. Collaboration should be promoted but resources and investment should not be contingent on a prescribed form of collaboration.

Labour supply and labour catchments

With the success of Dublin in particular in attracting FDI or employment, and with consequent concerns now being expressed regarding capacity constraints such as commercial property availability, increasing rents and housing shortages in certain areas⁸; other centres without these constraints but with the same regulatory and tax regime should now be in a position to benefit more from mobile investment.

One of the often expressed arguments about the incapacity of smaller centres to compete effectively for mobile investment is the size of their labour catchments. This argument often does not appreciate that:

⁶ Wren, C. and Jones, J. 2012, *FDI Location across British Regions and Agglomerative Forces: A Markov Analysis*, Spatial Economic Analysis, June 2012. http://www.wdc.ie/wp-content/uploads/WDC_Policy-Briefing-no-6-Commuting-Final.pdf

⁷ such as third level education facilities, mainline rail services, a hospital, and proximity to international airport at Knock.

⁸ Minister for Finance reported in The Irish Independent 30 January 2014

- (1) Dublin competed successfully on an international scale, when it was much smaller in size.
- (2) Galway, Cork and Limerick have also demonstrated that smaller centres can and do successfully compete.
- (3) The significant linkages between rural areas and their urban centres.
- (4) The importance of intra-regional commuting which could be more significant with some improvements in key parts of the road network.

Scale

Of course the size of investment is relevant. Not all centres can or should compete for very large scale investments. While the larger city regions outside of Dublin are now the focal points for internationally mobile investment, **it should be noted that it is not only the larger city regions that successfully attract FDI.** There have been significant recent investments in smaller centres too, some examples from 2016 include; Fort Wayne in Castlebar 26th Sept 2016⁹; Coca Cola in Ballina, 1st Sept 2016¹⁰; and Jazz Pharmaceuticals, Co. Roscommon, 2nd August 2016.¹¹

Rural-urban linkages

The WDC undertook an analysis of Census data examining rural dwellers commuting into towns and some cities and the IDA business parks located there. The data highlights the importance of the **labour supply living in rural towns and villages as a key component of the labour supply of large multinational employers** for example over a quarter of rural dwellers commuting to work in Galway (25.6%) work in the IDA business parks on the East of the city.¹²

⁹ <http://www.idaireland.com/newsroom/fort-wayne-metals-ireland/>

¹⁰ <http://www.idaireland.com/newsroom/coca-cola-company/>

¹¹ <http://www.idaireland.com/newsroom/jazz/>

¹² http://www.wdc.ie/wp-content/uploads/WDC_Policy-Briefing-no-6-Commuting-Final.pdf

Do we need to reform and strengthen administrative and governance structures so that they are capable of delivering the necessary alliances, collaboration and actions to build up our cities and their regions?

Key Points:

Effective regional development, not only to build up cities, but for all areas of Ireland, requires substantial changes to administrative and governance structures. Internationally, cities, towns and regions that have made significant progress have been **characterised by a strong local coalition of the public, private and community sector and considerable autonomy in decision-making and, crucially, in raising local finance**. The resource capacity, human, financial and physical of local authorities varies substantially across Ireland. Effective regional development will require strengthening local authority structures and the capacity to raise local finance.

The three Regional Assemblies, through the Regional Economic and Spatial Strategies, have a key role in providing a structure to facilitate alliances and collaboration at a regional level. The development and implementation of the three RSEs should form a central focus for collaboration to deliver effective regional development.

Local finance for regional development

The availability of local government finance is an important prerequisite for bottom-up regional development initiatives.¹³ The OECD has examined the type of spending and investment, revenues and responsibilities at regional and local (or subnational) levels.¹⁴ Subnational government expenditure in the OECD as a whole in 2014 accounted for 17% of GDP and 40% of total public expenditure. Figures for Ireland differ significantly, with only 9.4% of total public expenditure undertaken by subnational government, in Ireland's case local government.

In other OECD countries over the last twenty years (1995-2014) there has been a trend towards a transfer of responsibility for sectors such as education, health, social protection and economic development to a Subnational level. In contrast, the average annual change in subnational government investment in Ireland between 2007 and 2014 was -16.7%. This is a very dramatic illustration of the impact of the economic crisis on local government investment in Ireland and also a trend to **recentralisation** of expenditure. This has greatly reduced the financial resources available for effective regional development. Such investment in the OECD as a whole remained relatively stable over the same period.

In most OECD countries subnational government plays a key role in public investment, but while it accounted for 59% of all public investment in OECD34, in Ireland it only accounted for 37% of public investment.

The two main sources of subnational government revenue are taxes and grants and subsidies. In Ireland taxes accounted for 20% of local and regional government revenue (44% in OECD33) while grants and subsidies accounted for 50% in Ireland (only 37% OECD). Other revenue sources include local public service charges and property taxes. **The Irish local government system is substantially more reliant on grants and subsidies from central government than the OECD average. This**

¹³ WDC Insights blog post, 8 July 2016 <https://wdcinsights.wordpress.com/2016/07/08/local-finance-for-regional-development/>

¹⁴ OECD (2016), OECD Regions at a Glance 2016 <http://www.oecd.org/regional/oecd-regions-at-a-glance-19990057.htm>

reliance greatly reduces their autonomy to take local investment decisions and increases their vulnerability to cuts in income over which they have no control.

While the NPF posits the idea of regions making the most of their assets and opportunities and ‘bottom-up’ development, **the very low levels of funding available at local and regional government level in Ireland to invest and drive regional development goals, which have been locally developed, is a substantial barrier to achieving this.** Reforming administration and governance structures to provide more autonomy at local government level and support to enhance governance and leadership is required to effectively implement the NPF.

RSEs and decision-making at regional level

The development of the Regional Spatial and Economic Strategies (RSES) by the three Regional Assemblies provides a key opportunity to build regional alliances and collaboration. However for these to be effectively implemented, greater autonomy for local and regional actors is needed.

More decision-making **autonomy for the regional and local offices of national agencies and institutions e.g. Enterprise Ireland, HSE, to allow them to fully engage in local and regional alliances and collaborations, tailored to the specific circumstances of the regions, is required.** As noted in the NPF *Issues and Choices* paper, a ‘one size fits all’ approach is not going to be effective and the only way to avoid this is to provide increased autonomy at local and regional level to state agencies and government Departments.

How might we distinguish between the role of towns within the wider hinterland of the cities and those located outside the influence of the cities?

Key Points:

Cities are important but some towns away from larger centres, despite smaller populations effectively play the role of regional cities. These towns need to be considered as such and the appropriate investments should be made to allow them to continue to do this effectively.

In the North West, Sligo is a clear example of a town with the potential to play the role of the regional city for the North West. In the Western Region there are five towns with a population of more than 10,000, which in the context of the Region, are significant centres.

These towns are important as drivers of their local economies and in servicing their rural and remoter hinterlands. Their function (and that of similar towns in other regions), needs to be clearly addressed by the NPF.

Urban structure of the Western Region

The Western Region is a very rural region. In 2011 *two thirds* of the population lived in rural areas outside of towns of 1,500 people (compared to one third in the state). *Three quarters* lived outside of towns of 5,000 people (44% of the state population lived in such areas).

The region has a weak urban structure with only 12 towns with a population of larger than 5,000. The largest, Galway City, has a population of more than 75,000, while the next, Ennis has just over 25,000 people (Table 4.1.1).

Table 4.1.1: Population of cities and towns in the Western Region with over 10,000 population, 2011

City/Town	Population (census 2011)
Galway city	76,778
Ennis	25,360
Letterkenny	19,588
Sligo	19,452
Castlebar	12,318
Ballina	11,086

Source: CSO Census of Population 2011

Clearly it is a very rural region and so the WDC is concerned with issues of development of rural and remoter areas and how these will be considered in new spatial strategies.

The function of towns

Towns at a distance from cities provide a wide range of services and will continue to do so in the future. **They are Infrastructure hubs, with road and rail links, bus services and terminus and they are key centres of local economic activity often being homes of larger employers located in them for historical reasons or because it is easy to attract employees.**

From a labour supply perspective, towns draw on a large supply of well qualified rural dwellers. Towns should be recognised as a resource with access to a well-educated labour supply drawn from a 45 minute catchment, largely engaged in non-manual and lower professional occupations, often within the public sector. Policy needs to support towns' existing employment base as well as

supporting diversification where possible, for example into small scale manufacturing and international services.

Some of the larger regional towns are quite close to cities (Ennis for example) and can benefit from good connectivity and economic spillovers. Other towns are more distant. For example Ballina and Castlebar, as well as being important employment and economic centres, also provide services for large remote hinterlands which are very distant from cities.

Towns close to the border face a more complex situation particularly with Brexit. Letterkenny is a key example of this. It is an important local service centre for remote parts of Donegal and at the same time it is close to the City of Derry. The two have worked well together to develop a thriving hinterland. Both of these functions are important to the role of Letterkenny as a regional driver. The question of cross-border interactions and the influence of Brexit also applies to other towns, Sligo has the potential for better connection to Enniskillen (this is not as well developed as the Letterkenny/Derry network) while Manorhamilton is also part of this cross-border axis.

While there might be clear differences in relation to the provision of specialist healthcare or universities in cities rather than towns, **given distance, the large towns discussed above have very important roles in terms of service provision, for example in health and education, leisure and entertainment, personal and financial services and, of course, retail facilities.**

Role of smaller towns

Some of these services are also provided in smaller towns, especially those at a distance from cities and larger towns. The nature and role of smaller towns, including county towns, must be considered in more detail in the RSES and in County Development Plans, but it is important to be aware, in the context of the NPF, that **these towns, as well as being important drivers of their local economy, are also essential to those living in other even smaller, or less serviced, towns in villages or in the wider countryside.** The connection of these towns into local infrastructure is very important, with good road access, bus services and leisure facilities all essential to the local population.

Thus while cities may drive regional development, other towns, at a smaller scale can be equally important to their region. Recognising this is not the same as accepting that all towns need the same level of connection and services. It is more important to understand that the context of each town differs, in terms of distance and connectivity to other towns and to the cities, and also in terms of the size of the hinterland it serves in terms of physical area as well as population. **The NPF, while focusing on key cities, should not ignore the role of other towns, especially those functioning as regional cities,** and it should also ensure that each RSES will be able to create conditions for appropriate development of each town according to its needs and to the needs of the people living in its vicinity.

Urban-Rural relationships

The relationship between urban areas and their hinterlands is very important but it is often seen as a relationship of dependence. It should be regarded as one of interdependence. **It is too simplistic a model to suggest that rural areas are passive beneficiaries of a trickle out effect. They are essential contributors to regional development as sites of both consumption and production.** Thus towns have both economic and social functions, creating and contributing to the local economy but

also providing social connection and services. The hinterland population affects what services are provided.

At its most basic, in this discussion, it is useful to consider how a rural town, like Ballaghaderreen, Co Roscommon, is affected by the larger urban centres to which it might be considered to be linked. Does the development of the Galway urban centre have any impact of Ballaghaderreen? Or Sligo, which is closer? The town does not have direct public transport links to either of these urban centres. There could be greater impact from developments in Castlebar and Ballina, with which it does have better road links, although their bus link is only to Ballina.

Ballaghaderreen is an example, but these questions, and other more detailed questions on planning, economic policy, equity and quality of life should be considered, not only for large towns but for smaller towns, villages and remoter areas.

The National Planning Framework and the Regional Spatial and Economic Strategies

The NPF, is to be the high level national document, and therefore should be important to all people living in Ireland. **People are entitled to know how their place of residence, or place of work, fits into the city led hierarchy, or how it is seen in the context of a mix of settlement patterns and hierarchy.** Providing a clear indication of the role of smaller settlements, and an indication that this role is recognised should make people more accepting of the development model the NPF proposes.

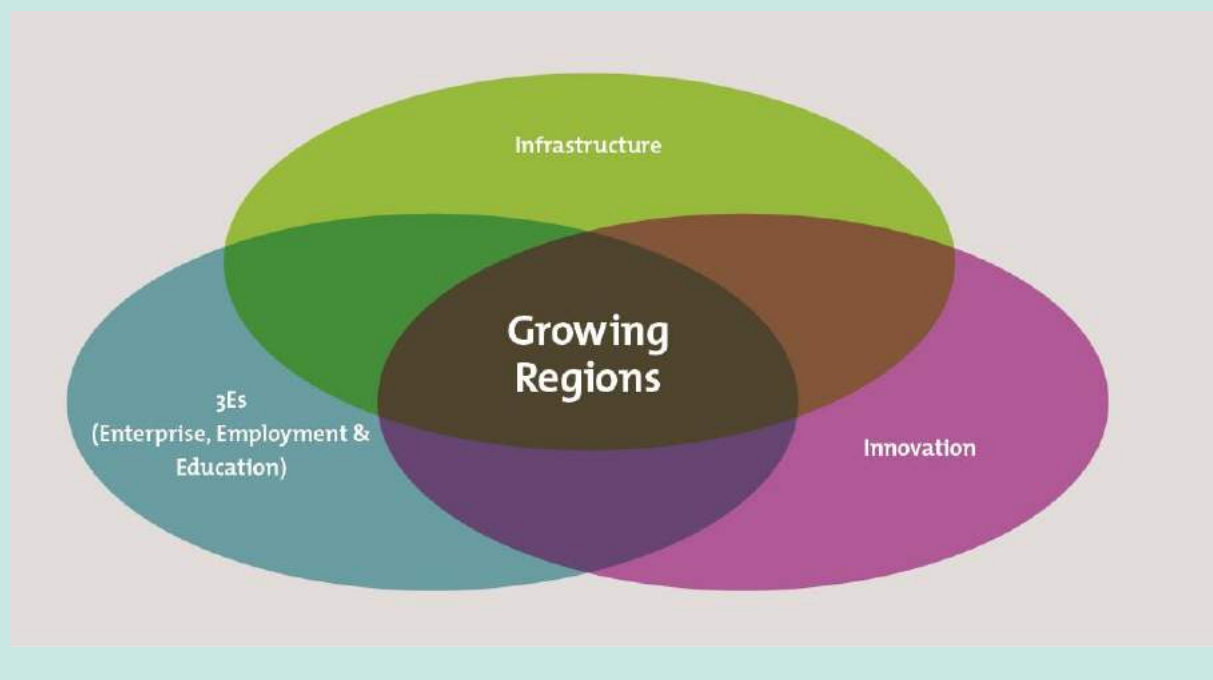
Yet although the NPF is a high level framework for development in Ireland to 2040 it appears that it is to be implemented at a regional level through the RSEs. At this stage the roles of the NPF and the RSEs are not clearly explicated and so it is not always evident which areas of development will be influence by the NPF and which by the RSEs. However in terms of the consideration of smaller towns and the relationships between cities, towns and rural areas, the RSEs should have a significant role to play as these relationships vary among regions as well as among individual cities and towns.

Section 4.2 Opportunities for our Regions

What are the levers for effective regional development?

Key Points:

The central aim of regional policy and the NPF should be to provide the conditions for regions to grow and realise their full potential. **Infrastructure, the '3Es' (Enterprise, Employment and Education) and Innovation are the key levers for effective regional development. When they work together they drive regional growth.** Each has a distinctive role, and needs its own policy focus, but they are most effective when addressed through an integrated policy approach.¹⁵



Infrastructure

Investment in infrastructure has always played a prominent role in regional policy. The expectation that improvements in physical infrastructure will generate productivity gains for local businesses and increase the attractiveness of an area for investment and for tourism has been a recurring theme.

Less developed regions need to have a similar quality of infrastructures for their residents and businesses as is available in more successful regions. Infrastructural connectivity has a critical influence on choice of location for both indigenous and foreign investors. See Section 6 for the WDC's specific recommendations in relation to infrastructural investments.

But OECD¹⁶ work emphasises that **transport and other infrastructure developments are not enough by themselves**; to have an impact on regional development they need to be associated with, and complemented by, human capital and innovation developments.

The '3Es': Enterprise, Employment and Education

Regions are successful because enterprises in these regions are successful. When enterprises grow, employment grows and this depends on skilled and educated people. Policy to support the '3Es' of

¹⁵ WDC (2010), Why care about regions? A new approach to regional policy <http://www.wdc.ie/wp-content/uploads/reports-WDC-Policy-Briefing-Why-care-about-regions-July-2010.pdf>

¹⁶ OECD, 2009, How Regions Grow: Trends and Analysis; OECD, 2009, Regions Matter: Economic Recovery, Innovation and Sustainable Growth

enterprise, employment and education must work together at both national and regional level to create dynamic regions.¹⁷

One of the most important issues that needs to be recognised and addressed by the NPF is that **narrow definitions of ‘job’, ‘work’ and ‘employer’ as a full-time permanent employee travelling every day to a specific work location is extremely limited and does not recognise either the current reality of ‘work’ or the dramatically changing patterns likely to emerge up to 2040.** Self-employment, the ‘gig’ or ‘sharing’ economy, contract work, freelancing, e-Working, multiple income streams, online business are all trends that are dramatically redefining the conception of work, enterprise, and their physical location.¹⁸

A study conducted for Vodafone in 2016 found that nearly one in four broadband users in rural Ireland use the internet at home in relation to their work and one third have remote access to their company network. An estimated 150,000 rural workers avoid commuting some or all of the time because they can connect to work remotely.¹⁹ This trend is likely to continue.

If the NPF mainly equates the term ‘employer’ with a large IT services or high-tech manufacturing company, many of which (though by no means all) are attracted to larger cities, then it will only address a small proportion of the State’s population and labour force, and will not help to achieve effective regional development. The NPF must recognise and support existing and new sole traders, micro-businesses and freelancers working in sectors where lagging regions have comparative advantage or which are not location dependent.

Quality of life is a key determinant in the location decision of many people and current trends in the world of work and technology will increasingly help people to work from the same location where they want to live.

Enterprise

Enterprises create most jobs. The NPF must recognise the need to enable and support the diversification of the Irish economy. It must provide a support framework for indigenous business growth.

Many of the references to enterprises in the *Issues and Choices* paper focus on high value, high skill exporting enterprises, which are central to export-led growth and tend to cluster in cities and larger urban centres. However such enterprises cannot provide a full solution for regional development or jobs growth. Employment in such enterprises only accounts for a relatively small share of total jobs, both nationally and in the regions. In 2016 there were a total of 400,985 jobs in IDA and Enterprise Ireland supported companies nationally (DJEI) which was 19.5% of total national employment (QNHS, Q4 2016). The largest single employment sector in 2016 was Wholesale & Retail employing 283,000. There were 256,000 working in Health (which includes elder and child care) and 148,000 working in Accommodation & Food Service.

Enterprises in employment-intensive, lower-skill sectors are central to maintaining and growing employment both nationally and regionally. This is termed a ‘whole of enterprise’ approach

¹⁷ WDC (2011), Education, Enterprise & Employment: How can better integration of the 3Es drive growth in the Western Region? <http://www.wdc.ie/wp-content/uploads/WDCPolicyBriefing-Education-Enterprise-Employment-July2011.pdf>

¹⁸ WDC (2017), e-Working in the Western Region: A Review of the Evidence

¹⁹ WDC (2017), e-Working in the Western Region: A Review of the Evidence

acknowledging that **enterprises across all sectors have the potential to innovate and increase productivity but vary in how they contribute to growth and employment.** If the NPF focuses too narrowly on high skill, high growth enterprises and/or Foreign Direct Investment it will not lead to effective regional development. **Recognising the role and needs of entrepreneurs in local and personal services is important for sustaining as well as creating jobs, in particular in smaller centres and rural areas.** 93.1% of registered enterprises in the Western Region are micro-enterprises, employing fewer than 10 people, and in general the region is characterised by smaller enterprise size.²⁰

While Ireland has emerged from recession, enterprise numbers are not back to pre-recession levels and even more so in the Western Region. Between 2008 and 2014 (latest data available) the Western Region lost 8.6% of its enterprises, compared with a loss of 2.4% nationally. Construction, Wholesale & Retail, Professional Services and Accommodation & Food Service are the largest enterprise sectors. Indeed fewer than 5% of the Western Region's enterprises are in the Financial & Insurance and Information & Communications sectors combined. The region's enterprise base is currently quite concentrated and diversification of the enterprise base is a key objective.

Employment

As stated in the NPF, a **skilled workforce will attract high value enterprises to a region, but a skilled workforce are less likely to locate in a region unless the job opportunities already exist.** In reality this relationship is not so straightforward. **Job opportunities are a critical, but not the only factor in people's decisions on where to live, many other personal and social factors influence this decision.** In Ireland many people have selected to live in one location but commute to work elsewhere in some cases e-Working for a number of days a week. Equally, areas with large pools of skilled labour e.g. counties in the wider Dublin commuter belt, have not necessarily been able to attract employers to locate there instead. 40% of workers living in the Mid-East region work in a different region.²¹

In general, **lagging regions have substantial reserves of unmobilised labour, indicated by higher unemployment rates and lower participation rates.** During the Celtic Tiger this pattern was largely reversed in the Western Region with rising participation rates, falling unemployment and high levels of inward migration as many people returned to the region on response to economic growth opportunities. The WDC's LookWest.ie campaign effectively illustrated many case studies of individuals and enterprises who (re)located to the region at that time. **Labour markets in lagging regions have the potential to respond very positively to improved economic circumstances and stimulus.**

The recession however led to high out-migration, which is particularly detrimental to lagging regions, as the propensity to migrate is higher among the more skilled, depriving the region of their skills and leaving the less skilled more dependent on local employment opportunities. **The creation of job or entrepreneurial opportunities for graduates in lagging regions will help retain and attract a highly skilled labour force and, in turn, stimulate further growth and employment.**

²⁰ CSO, Business Demography 2014

²¹ Solas and Expert Group on Future Skills Needs (2016), Regional Labour Markets Bulletin 2016

A key characteristic of the Western Region is that 1 in 5 people who are at work in the Western Region is self-employed (75,000 people were self-employed in the Western Region, Q1 2016).²² While farming influences this to some extent, self-employment is higher in the region across most sectors and is particularly important in the most rural counties.²³

Between 2012 and 2016 the number of self-employed in the Western Region grew by 31.3% but the number of employees only increased 0.6%. Practically all recent jobs growth in the region has been driven by self-employment. **In more rural areas and smaller towns, people who wish to continue to live in these areas have created their own job.** The NPF must both recognise and support this trend. The Local Enterprise Offices, local development companies and local authorities are most active in supporting this type of business. It would be important to continue and expand initiatives to support them such as:

- Roll-out of fibre broadband.
- Provision of serviced, shared workspace including through Community Enterprise Centres, at a reasonable cost.
- Mentoring and provision of grants for start-up and established businesses.
- Network facilitation to allow self-employed, particularly in more rural areas who may be quite isolated, to connect with others in other own or other sectors.
- Training and upskilling for owner/managers and self-employed across all sectors including personal services (hairstyling, childminding), building trades, retail and hospitality.

What is most interesting in recent trends is that **since 2012 there has been quite strong growth in the numbers self-employed who are employing other people** (from 14,200 up to 19,000) showing the potential for the self-employed to be job creators.

Education

Further and higher education has an important role to play in regional development. Educational institutions build a region's human capital assets, attract and retain talent. **Further education and training have a particular role in up-skilling those with lower education levels, who face higher unemployment rates and are at greater risk of long term unemployment.** Lagging regions generally have a greater share of their labour force with lower levels of education. In 2011 54.7% of adults in the Western Region had only secondary level education or lower, compared with 51.9% nationally.

Higher education brings knowledge creation, knowledge transfer, cultural and community development and innovation to regions. It can also stimulate entrepreneurship. Within the Western Region, NUI Galway is a key regional asset and economic driver. It greatly contributes to the attractiveness and economic development of Galway city and its wider hinterland. To the North West the three Institutes of Technology of Letterkenny, Sligo and Galway-Mayo, are collaborating on the Connacht/Ulster Alliance, an initiative that has the potential to expand the contribution of higher education to regional development in this area.

²² CSO, Quarterly National Household Survey, Q1 2016, special run

²³ Employees only account for 83.6% of all persons engaged (employees + owners + relatives) in enterprises (which excludes farming) in the Western Region, compared with 89.3% nationally. Only 78% of those working in enterprises registered in county Roscommon are employees, compared with 85% in Galway. CSO, Business Demography 2014

The broader role of further and higher education, touching on innovation, enterprise and employment, needs to be a key focus of regional policy. Where this works effectively it becomes part of a virtuous cycle producing graduates and skilled workers, and enabling them to find employment in developing enterprises.

Innovation

To remain competitive, manufacturing and service firms must continually upgrade skills and capabilities, access new ideas and technologies through industry networks, tap the knowledge of their workers, suppliers and customers and search for new market opportunities. This is all innovation.

Innovation policy is often focused on scientific and technological research, but while leading OECD regions produce several hundred patents per year per million inhabitants, more than one third of OECD regions generate fewer than ten patents per year. **Lagging regions need a different kind of innovation policy, one that emphasises absorption capacity and innovation by adoption.**

Policy needs to address the issues of regions that are not innovation leaders. **A substantial element of innovation policy should be focused on adoption of innovations developed elsewhere and on initiatives in areas such as human resource management or implementation of new processes.** It should stimulate innovation activity in areas where rural regions have particular strengths such as renewable energy and agri-food.

What is needed to be done to increase human capital at a regional level?

Key Points:

Increasing human capital at a regional level has three key purposes: to provide a skilled labour force; to improve employability and life skills for individuals; and to stimulate entrepreneurship. All three must be seen as priorities when developing regions' human capital.

Greater collaboration among education and training institutions at all levels and alignment of education and training provision with areas of regional strength and future employment growth, as well as provision of transferable and entrepreneurial skills, will be most effective in enhancing regions' human capital.

Providing a skilled labour force

Improving the skills and competencies of the labour force at a regional level will help increase productivity and attract investment. **It is critical for regions to have the right mix of skills, across all education levels, to meet enterprise demand especially in future growth sectors.**

Regional enterprises need to be closely involved in identifying skill shortages and future needs, inputting to course design, facilitating lifelong learning and upskilling among their employees and providing feedback to the further and higher education institutions on the employability / work skills of recent graduates.

The Regional Skills Fora are an important step in increasing coordination and long term planning among education and training providers in response to regional enterprise needs. From the long term perspective of the NPF, **the focus needs to be as much on future growth sectors and trends as on current demand for skills** e.g. the over-focus of the apprenticeship system on construction trades and its subsequent near collapse clearly illustrates the importance of ensuring that education and training provision targets a broad range of sectors and transferable skills. The recent overhaul and broadening of the apprenticeship system is a useful example and it is important that, overtime, the system allows new apprenticeships to come on-stream as quickly as possible in response to specific sectoral skills gaps/needs in regions.

Providing a skilled labour force requires increasing the number with third level qualifications. A pool of graduates attracts high value-added indigenous and foreign investment, but graduates only remain or return if job opportunities exist. Therefore **increasing the number with higher qualifications in a region involves not just growing the supply of new graduates but also stimulating demand from enterprises and facilitating self-employment.**

Within the Western Region, NUI Galway is a key regional asset and its continued growth and development as an internationally recognised centre of research and teaching excellence is central to enhancing the region's human capital. In addition the region is home to three Institutes of Technology (Sligo, Letterkenny and Galway-Mayo) that are currently co-operating under the Connacht/Ulster Alliance. Enhanced co-ordination of courses and collaboration across the three IoTs is required to increase the human capital of the North West and the NPF should support efforts to strengthen links between IT Sligo, Letterkenny IT and Galway-Mayo IT.

Increasing regional human capital also requires in-employment training and management skills development. This benefits individuals and firms, particularly SMEs attempting to move up the value

chain or in vulnerable sectors. The Skillnets programme is an example of an initiative that supports such in-employment upskilling and its network approach can be particularly useful for rural enterprises.

Improving employability

For individuals, education level and employability are strongly related. Basic, vocational, further and higher education, as well as training, for those with lower skills will improve their employment chances. However those with low qualifications are less likely to undertake further study.

Ensuring people are job-ready requires upskilling and re-skilling to be based on an assessment of learner's abilities and needs and provide them with the 'right skills' for the types of jobs likely to emerge in their region, across the full spectrum of skill levels. It also requires that those needing upskilling, unemployed and those at work, receive career/education advice and information that is closely linked to actual regional skills demand and areas of future growth potential.

In more rural areas, while courses on general subjects e.g. computer skills, may be provided locally, if participants want to progress or specialise they often need to travel. In 2015 while lifelong learning was undertaken by 10% of adults (25-64 yrs) in Dublin it was only 4.6% in the Border region and 6.5% in the West, partly influenced by lower access to lifelong learning opportunities.²⁴

Access constraints can be addressed through flexible learning options e.g. part-time, online/distance education, outreach centres. This can be particularly important for women who may have greater caring responsibilities. The widespread availability of high speed broadband is required to facilitate distance education and upskilling. As well as the roll-out of the National Broadband Plan, it is necessary to invest in centres for public access e.g. libraries, for those without high speed home access. **In addition, improved funding, more flexible routes of progression, recognition of prior and work-based learning and return to study assistance would help increase participation.**

A particular focus is needed on young people (15-24) who are 'Not in Employment, Education or Training' NEET. In 2015 15% of young people in the West region were NEET compared with 9% in Dublin. There are substantial regional variations in the issues of NEETs and how they can be addressed. Access is a key issue as young NEETs in smaller towns or rural areas may be unable to access many education, training or employment opportunities unless they own a car. **Limited public transport options may constrain many young people in regional locations from access to education, training or employment.**

One example is that a person undertaking a Further Education course cannot access school transport services, even if the course is being provided in a secondary school which is serviced by the school transport system. Access to the school transport system should be extended to those undertaking further or higher education courses. As well as increasing access for young people in rural areas, this could also help improve the financial viability and sustainability of school transport.

Stimulating entrepreneurship

One in five of those working in the Western Region is self-employed, higher than the share in the rest of the state. Entrepreneurship and business skills are a key component of human capital

²⁴ Solas and Expert Group on Future Skills Needs (2016), Regional Labour Markets Bulletin 2016

development and critical for regional development and job creation. Entrepreneurs, new and experienced, regardless of scale or sector face a very challenging business environment. Supports for entrepreneurs, including recent graduates, such as soft supports (mentoring, advice), incubation space, marketing, online trading, entrepreneurship and website development need to be continued and expanded and access to them made as easy as possible.

Entrepreneurship education is critical. **Developing business skills across all education levels and disciplines opens up the possibility of self-employment from a young age and widens the options for new graduates and jobseekers to become 'job shapers'.**

What regional 'value proposition' i.e. an innovation, service, or combination of measures and approaches can make the regions more successful and what are the means by which this can be achieved?

Key Points:

The Western Region has a number of **key regional assets** which form part of its 'value proposition' as a location to live, work, do business and visit. Other regions have their own unique package of assets. **Effective regional development requires harnessing these regional assets.** For the Western Region they include:

- Quality of life
- Attractive natural environment
- Strength in manufacturing
- Strength and vibrancy of Galway city
- Abundant renewable energy potential
- World-leading medical technology cluster
- A number of internationally significant tourism locations
- Two international airports
- Extensive and 'green' food production system and marine resource
- High level of self-employment and self-motivation
- Strong creative sector including links with arts, culture and heritage

Regional value proposition

The region's high quality of life and attractive natural environment make it an attractive location for people to live. The WDC's LookWest.ie campaign has, over the past 13 years, highlighted many case studies of people and businesses who have located in, or returned to, the Western Region due to its quality of life. People have chosen to live in the Western Region for a range of personal and social reasons.

For people (re)locating in the region, a primary, but not the only, determinant is employment. As noted above the nature of employment has been, and continues, to change. With one in five people in the region self-employed, entrepreneurship has been a key route for many people to locate in the Western Region, and particularly in areas outside of Galway city.

The region's strong manufacturing base is another critical regional asset. The region is home to an internationally renowned medical technology cluster which, while focused in Galway city, extends across all Western Region counties. This cluster should be highlighted and facilitated to evolve through the NPF. In the Western Region 14.2% of employment (Q1 2016) is in Industry compared with 12.3% in the rest of the state. Industry has consistently played a larger role in the region's economy. **The existing skills base and research and innovation capacity of the region's manufacturing sector, in collaboration with HEIs, is a key asset in the region's value proposition.**

An analysis of manufacturing employment by technological intensity²⁵ found that Medium-High tech was the most important element of manufacturing jobs in the West region (45% of total manufacturing jobs) whereas, in the Border, Low-tech was the main area of manufacturing employment (52% of total). While the West region has a strong, and relatively high-tech, manufacturing base in the North West it is more in lower value, traditional sectors. This means

²⁵ Solas and Expert Group on Future Skills Needs (2016), Regional Labour Markets Bulletin 2016

upgrading the North West's industrial and skills base and progressing up the value chain is critical for its development.

Regional Growth Sectors

For the Western Region, developing enterprises in sectors built on its assets and characteristics will drive broad-based job creation across the region and contribute to it becoming more successful.

These include:

- **Renewable energy:** Renewable energy is an area where the Western Region holds substantial resources in wind, ocean and biomass, which can be developed for regional and national benefit. 28% of Ireland's installed Wind Energy capacity is currently based in the Western Region. The WDC is actively involved in a number of projects to develop the region's renewable energy capacity. Currently the WDC is a partner in three transnational projects in this area – Generating Renewable Energy Business Enterprises (<http://grebeproject.eu/>), Re-Direct and LeCO. These projects concern developing renewable energy businesses in the region, promoting the efficient use of natural resources / materials by converting residual biomass into carbon products, and community energy respectively.
- **Creative industries:** The creative industries of arts, crafts, design and media is another area of regional strength with **many creative entrepreneurs attracted to the Western Region by its high quality of life**. It has been estimated that close to 11,000 people in the region are engaged in this sector, characterised by sole traders, micro-enterprises and freelancers. The WDC is the lead partner of a transnational project called 'a creative momentum project' supporting the development of the sector, including expanding export markets.²⁶ Other initiatives by the WDC in this area have included the Yeats 2015 year-long celebration and engagement with the Design & Crafts Council of Ireland.
- **Tourism:** Cultural heritage, outdoor recreation, experiential tourism and the 'silver market' are some of the tourist areas of potential growth. **The Wild Atlantic Way initiative is an example of a regional approach driven by the public sector and strongly supported and developed by the private sector in these areas.** Developing the tourism assets that exist beyond the Wild Atlantic Way and in areas which are not traditional tourism 'honeypots' is an area of substantial growth potential. In 2016 25,400 in the region worked in the Accommodation & Food service sector which, while it does not fully cover 'tourism' is an indication of its key employment role. Between 2015 and 2016 employment in this sector in the region grew by 39.6%.
- **Agri-food:** Agri-food is one of the most regionally dispersed sectors nationally and plays a central role in the rural economy. **In 2014 there were almost 6,000 jobs in the agency assisted agri-food sector in the Western Region. Given the nature of agriculture in the region, opportunities in value-added meat processing, organic production, functional foods and artisan products are potential areas of growth**, in some cases linked to the tourism sector. In general however the region's agricultural and agri-food sector is of a smaller scale than that elsewhere such as the South West and also plays an important environmental stewardship role. It has been predicted that the agri-food sector will be one of the most severely impacted by Brexit and strategies to help the region's sector adapt and explore new export markets will be important for regional development.

²⁶ www.mycreativeedge.eu

- **Medical technology:** In 2014 there were 11,500 jobs in agency assisted medical technology businesses in the Western Region. This was 44% of all employment in that sector nationally, illustrating the strength of the region's cluster. The cluster consists of a number of large multinationals, many in Galway and Mayo but also in other western counties, and a considerable number of smaller IP-based indigenous companies. The WDC has invested in many through the WDC Investment Fund. The Western Region was home to 68% of all employment in agency assisted indigenous medical technology firms in 2014. **Strengthening this cluster: the region's research and development capacity; the ability of multinationals based in the region to compete internally for new products; and indigenous start-ups will be important to maintaining its prominent international role.**
- **Data Centres:** There are future opportunities to develop the region as a base for data centres following Apple's decision to locate a data centre at Athenry, Galway. As cooling is a large cost in running such centres, the Western Region's cooler, wetter climate is an important asset in attracting such investments.
- **Marine:** The Western Region's many valuable marine assets are relatively under-developed. **The region is in a position to take advantage, in a sustainable way, of potential in seafood products, tourism, amenity and ocean energy. Other innovations in the use of marine assets are also likely in lifesciences.** Our extensive ocean resource and the existence of research infrastructure and a research orientated FDI and SME base, offers potential for developing the blue economy while preserving the ecological stability of the marine environment,

A regional approach, bringing together the private and public sector is critical to developing the potential of these sectors. New and existing SMEs and micro-enterprises in these, and other sectors, need to be facilitated to enter international markets.

Are there strategic issues (i) across local authority boundaries or (ii) on an inter-regional basis, that the Regional Assemblies can co-ordinate to ensure more effective sub-regional and regional outcomes?

Key Points:

The Regional Spatial and Economic Strategies, to be developed and implemented by the Regional Assemblies, will be the key vehicles to address and co-ordinate issues which cross Local Authority and regional boundaries. Some of the most critical cross boundary issues to be addressed are:

- Atlantic Economic Corridor
- Cross-Border
- Environmental
- Labour market catchments
- Access to education and health services
- Cultural/Recreational facilities
- Air Access

Atlantic Economic Corridor

The current initiative to develop an **Atlantic Economic Corridor (AEC)** linking the **Mid-West, West and North West** is a **strategic priority for both cross-local authority and inter-regional co-ordination**. The initiative has the potential to provide a counterbalance to Dublin's growth. A key priority for realising the potential of the AEC is upgrading of the transport links across the area, namely the N17/N15 road, to motorway or dual-carriageway for its entire length and improving public transport linkages, thereby more effectively linking the urban centres of Limerick, Galway, Sligo and Letterkenny. Particular focus on the Galway-Sligo-Letterkenny section is required to facilitate Sligo's role as a regional growth centre for the North West and help mitigate some of the negative impacts of Brexit for Letterkenny.

Cross-Border

The all-island dimension is a key strategic issue, particularly for the Northern & Western Regional Assembly (NWRA). **Cross-border linkages such as cross-border commuting, access to services, retail and trade are key strategic issues which will undergo massive changes in the context of Brexit**. Planning for how to mitigate the impact of Brexit on border communities and the economy of the Border region in particular must be a core priority of the NPF and the RSES.

Environmental

Cross-boundary issues including river basin catchments, climate change mitigation and habitat protection.

Labour market catchments

The labour catchments of towns and cities cross local authority, regional and even cross-border boundaries e.g. in 2015 9.4% of working people living in the Border region and 9.2% in the West region worked in a different region and it was 40.1% for the Mid-East.²⁷ **Transport corridors, public transport services and cycle routes to facilitate commuting require a cross-boundary approach.**

²⁷ Solas and Expert Group on Future Skills Needs (2016), Regional Labour Markets Bulletin 2016

Access to education and health services

The catchments served by educational and health institutions cross boundaries. The catchments for some health centres of excellence are extremely large with patients in Donegal having to travel to Galway to access some critical and life-saving services. **The location of additional health services in Sligo to service the North West region would greatly improve the quality of life for patients in the North West and contribute to regional development.** This is made even more imperative as Brexit is likely to reduce opportunities to access health services in Northern Ireland.

A similar situation applies to university education as there is no university in the Republic of Ireland north of the Galway-Dublin line. Students in the North West wishing to attend university need to cross boundaries and again Brexit may impact on their options to access Universities in Northern Ireland. While consideration may be given to granting Technological University status to the Connacht/Ulster Alliance of Institutes of Technology, this is a long and uncertain process.

The NPF and RSES need to facilitate cross-boundary access to health and education services and specifically to prioritise the upgrading the N17/N15 linking Galway, Sligo and Letterkenny.

Cultural/Recreational facilities

The catchment area for cultural and recreational facilities can often cross boundaries. For example in county Roscommon there is only one indoor public swimming pool, located in Roscommon town. For those living in north county Roscommon the closest public pool is in Carrick-on-Shannon, Co Leitrim. For many people this requires a drive of 30-45 minutes and there is no public transport available from most areas. Access to cultural facilities such as cinemas and theatres often involves similar travel time and lack of public transport.

Residents of rural areas and small towns accept that they will need to travel to access many services, but it is important that the NPF and RSES facilitate them as much as possible. This could include prioritising the location of such facilities in central and accessible locations and by supporting public transport and rural transport provision to facilitate access to these facilities at appropriate times. For example many public and rural transport services do not operate in the evenings when people may wish to attend the cinema or theatre.

Air access

The importance of upgrading the road connections between Letterkenny, Sligo and Galway has already been mentioned. One of the elements of this is **improving access to the two international airports in the Western Region of Shannon and Ireland West Airport Knock.** Direct international air access to and from the region is a key asset for its development and attractiveness for investment. Both airports service catchment areas that cross county and regional boundaries. While Shannon is located in the Southern Regional Assembly area, it is a key transport hub for Galway. IWAK services a catchment including Donegal, Sligo, Leitrim, Roscommon, Galway and even across to Longford, as well as Mayo. Improving land access to the two international airports, and services from them, would help to alleviate pressure on Dublin Airport and its surrounding transport corridors as well as utilising more effectively existing available capacity at Shannon and Ireland West Airport Knock.

Are there funding opportunities that can support investment on a regional basis?

Key Points:

The primary source of funding for regional development will be the National Exchequer. **The only way that the NPF can be successfully implemented is for Departmental and State and Semi-State Agency expenditure decisions and allocations, including the Capital Plan, to be aligned with the spatial priorities outlined in the NPF and the three RSES.** In the absence of alignment of Exchequer funding with the NPF and RSES, they cannot succeed. Other sources of funding for regional investment should be seen as supplementing, rather than replacing, National Exchequer allocations.

Public investments of a 'national' nature which are mainly located in the Capital contribute strongly to its economic growth and primacy. The relocation of some of these 'national' investments outside of Dublin and/or decisions to locate new 'national' investments outside the Capital, would help ease congestion, bottlenecks and contribute to the counterbalance to Dublin's growth sought by the NPF. **Public investment can either reinforce the 'business as usual' scenario or be used as a tool to achieve the priorities of the NPF for more effective regional development.**

Public sector's role in regional development

The public sector is a hugely important driver of growth and development at national, regional and local level. **The location decisions for public sector investment, or divestment, have a significant impact on regional development. This includes infrastructural investments in transport, broadband and energy (through semi-state agencies) as well as investment in economic and social capital** such as hospitals, primary care centres, industrial development sites, schools, enterprise centres, recreational and cultural facilities. But it is not only about capital investment, employment in the public sector is a key source of regional growth.

Public sector employment

In 2016, 26% of employment, 1 in 4 jobs, in the Western Region was in the predominantly public sector areas of Health, Education and Public Administration & Defence. However public sector employment has been in decline in the region; between 2007 and 2016 the number of people working in these sectors declined by -0.5% compared with a 12.2% growth in the rest of the state.²⁸ This pattern of shrinking public sector employment in the region in contrast to growth in the rest of the state has been consistent since 2007 and is a key reason for the region's weaker jobs recovery.

Relocation of public sector employment

A study commissioned by the WDC²⁹ estimated the economic impact of the relocation of two Government offices to Carrick-on-Shannon, Co Leitrim and Tubbercurry, Co Sligo as a total of 153.7 jobs and associated annual GVA of €6.6m. For every four jobs relocated to Carrick-on-Shannon one additional job was created in the local economy and for Tubbercurry, every six jobs relocated added one additional local job. Equally the loss of public sector employment in a town, such as the closure of the Tubbercurry office or the closure of a library or courthouse, will have a negative impact. The smaller the location, the greater the negative impact is likely to be.

²⁸ CSO, Quarterly National Household Survey, Q1 2016, special run

²⁹ WDC (2009), Moving West: An Exploratory Study of the Social and Economic Effects of the Relocation of Public Sector Offices to Towns in the Western Region

Public investment

The public sector has a very clear and direct role in stimulating regional development both through capital investment and location decisions for public sector jobs. This investment is in the direct control of Government and therefore far easier to align with NPF spatial priorities than private sector investment or other forms of funding. **Government needs to lead by example in facilitating effective regional development through its expenditure decisions across all capital and current expenditure.**

Public investments of a 'national' nature which are mainly located in Dublin contribute strongly to its economic growth and primacy. The relocation of some of these 'national' investments outside of Dublin and/or decisions to locate new 'national' investments outside the capital, would help ease congestion, bottlenecks and contribute to the counterbalance to Dublin's growth sought by the NPF. **Public investment can either reinforce the 'business as usual' scenario or be used as a tool to achieve the priorities of the NPF for more effective regional development.**

Other sources of funding for regional development

Other sources of funding for regional investment that could supplement the Exchequer include the following.

WDC Investment Fund

One of the WDC's functions is to manage the Western Investment Fund (WIF) which provides risk capital (seed and venture capital and loan finance) to micro, small and medium-sized (SMEs) and social enterprises based in, or relocating to, the Western Region. It is a vital source of risk capital. The WIF operates an Evergreen financial model. Of the €32million originally provided to the WIF from Exchequer resources, 75% has already been revolved and reinvested or is available for reinvestment.

The WDC has, through the WIF, **invested a total of €48 million in 135 SMEs, micro and social enterprises in the Western Region.** There are 2,200 people employed in WIF portfolio companies/projects. There are at least as many again downstream jobs based on a multiplier effect of one. Research³⁰ shows that for an annual average exchequer allocation of €3 million over a 10 year period, that WIF portfolio companies support the employment of over 5,000 people.

The annual spend on salaries and wages by WIF portfolio companies was €60 million, a very significant stimulus for the local economy and €17 million of this was paid back to the Exchequer in payroll taxes. 65% of the portfolio companies' turnover is exported. Another very significant indicator of economic impact and innovation is the €16 million spent by WIF portfolio companies on Research & Development.

The WIF has played a key role in leveraging additional investment into the region. Over €208 million has been leveraged for enterprises in the region, for every €1 invested by the WIF another €4.30 has been leveraged for enterprises in the region. In addition many of the projects supported generate a social dividend by way of much needed facilities and services for local communities' e.g. childcare, social housing, enterprise space, sport and recreational facilities.

³⁰ Survey of WIF portfolio companies carried out in 2014

Through its WIF portfolio, the WDC has demonstrated its effectiveness in delivering significant socio-economic benefits for the Government by supporting enterprise and jobs in a sustainable manner on a regional basis.

Connecting Europe Facility

The Connecting Europe Facility provides for additional sources of funding for various networks. Within this the TEN-T transport networks provide for funding for various transport improvements. EU Designation on the TEN-T network can be as part of the core or comprehensive network. The importance of designation on the core network is that it allows access to significant funding while those routes on the TEN-T comprehensive network cannot attract the same degree of funding.

The EU Designation on the core TEN-T network, as currently defined in Ireland, extends from Dublin to Belfast and Dublin to Cork with a connection from Portlaoise to Limerick and Shannon Foynes. Other parts of the primary national road and rail network (such as the linkages from Cork to Galway and on to Sligo and Letterkenny) are designated as part of the comprehensive network. **In the absence of investment, the relative standard of a transport network vis a vis another transport network which does attract funding is a relative dis-improvement.** By 'standing still' in the context of improvements elsewhere, there is in fact a perception of dis-improvement.

There has been a proposal in the current Programme for Government to revisit the designation of core and comprehensive network in Ireland so as to ensure that linkages between the second tier cities and urban centres can attract a greater degree of funding. It is important that this designation is changed if we are to move away from the 'business as usual' type of development.

Interreg

Regions in Ireland have access to a number EU co-funded transnational inter-regional co-operation programmes. Applications for this funding can be highly competitive. Among the programmes are Interreg Europe; North West Europe; Northern Periphery & Arctic Programme; Atlantic Area; and Cross-Border (Ireland-Wales, Ireland-Northern Ireland-Scotland).

European Regional Development Fund

At present Ireland has two Regional Operational Programmes 2014-2020 to implement ERDF funding in Ireland (BMW and S&E). It would be important that these be aligned with the priorities of the NPF and RSES as much as possible, helped by the fact they are managed by the Regional Assemblies. The next round of Regional Operational Programmes from 2021 should be closely aligned with the NPF and RSES and also the revised three Regional Assembly structure in Ireland.

European Investment Bank

The EIB is a key source for infrastructural and other investments.

Section 4.3 The Potential of Rural Ireland

How can the NPF capture (in a national, strategic policy context) the range and quality of resources that exist in rural areas that could be leveraged to support national economic growth, climate action objectives and the development of local communities?

Key Points:

Rural areas provide key resources essential to our economy and society. They are the location of our natural resources and also most of our environmental, biodiversity and landscape assets. They are also places of residence, employment, places of amenity, recreation and refuge.

Rural areas are already supporting national economic growth, climate action objectives and the development of local communities but a greater focus on developing rural regions would increase the contribution to our economy and society made by rural areas.

Rural communities can face particular challenges due to their age profile, the structure of their economies and a lack of access to quality infrastructure and new technologies. It is important to recognise that all rural areas and rural communities are not the same. There are differences in remoteness and accessibility, the influence of neighbouring urban centres and their natural resource assets and access to infrastructures.

Rural resources

Rural areas are already supporting national economic growth, climate action objectives and the development of local communities but a greater focus on rural development and in developing rural regions would increase the contributions made by rural areas. As well as being an important focus of the NPF this will be addressed by implementation of the *Action Plan for Rural Development- Realising our Rural Potential*.

Rural areas provide key resources essential to our economy and society. They are the location of our natural resources and also most of our environmental and biodiversity assets. They are also places of residence, employment, places of amenity, recreation and refuge. All of these are important functions and are integral to supporting national growth and developing communities, while the resources of rural areas are essential to any climate change mitigation actions.

Rural communities can face particular challenges due to the demographic composition of their communities, the structure of their economies and their access to and ability to adopt new technologies. However, it is important to recognise that all rural areas and rural communities are not the same. **There are differences in remoteness and accessibility, in the influence of large urban centres and their connections to it and in their natural resource assets and in their access to infrastructures.**

The *Issues and Choices* paper makes some assumptions regarding the way development spreads from cities to neighbouring towns and to surrounding rural areas. While this is a high level document and the focus is largely on cities **it is important not to assume that development of key cities will constitute regional development. All areas need to be the focus of clear policy**, and the NPF should make this clear, even if the implementation of policy for areas other than cities is to be covered in the RSES. If that is the case, it should be explicit in the draft NPF as currently the relationship between the NPF and the RSES and the responsibilities of each are not clear.

Characteristics of rural areas

It is useful to highlight some other characteristics of rural regions. They have higher dependence on natural resource based employment, on food production and processing, and on public and local services employment. More people are self-employed, both when farmers are included in this category and when they are not, and they have a higher proportion in the younger and older age categories, with the corollary that there are fewer in the working age categories. They have, of course, **very significant natural assets in terms of their biodiversity, landscape and natural environment and maintaining this high quality asset into the future is essential for the development of rural areas to 2040.**

But there can also be too much focus on the distinctive characteristics of rural areas. There are, perhaps, more similarities to urban areas than differences. There are similar types of businesses (for the most part) and similar types of employment, and similar people employed. There may be differences in the proportion of people involved in different sectors and differences in education and qualifications, and enterprises are usually smaller, but the rural areas are smaller and therefore it takes fewer jobs to make an impact. So it should be remembered that **rural areas are very like their urban counterparts, but they do things at a different scale and they face some different challenges.**

Infrastructure can be weaker (transport links, communications) and costs can be higher for some things such as transport, services etc. and lower for others like staff costs and office or business space. It can be difficult to attract specialised staff but employees tend to stay longer with the same employer. There can be a lack of networks with similar kinds of businesses but there are also well developed networks among businesses in the immediate locale and wider rural area which are crucial for the transmission of local and other information. These have often helped rural businesses to survive and flourish independent of local rural-urban relations.

Employment in rural areas

Rural areas have a mixture of employment types. Most counties have some Foreign Direct Investment, albeit on varying scales, and some have strong indigenous industries which may be exporting. There are other enterprises and employers too, and strong local services sectors and small scale manufacturing serving a local market which are a very significant part of the local economy and important local employers. **They have significant levels of self-employment and entrepreneurship and have previously proven quick to respond to available opportunities.** This is evidenced by the rapid population growth in most rural areas during the 'celtic tiger' and while that growth proved unsustainable, it provides clear evidence that people were ready to respond when opportunities were available which allowed them to live or work in rural areas.

All of these can be leveraged to support national economic growth, climate action objectives and the development of local communities. It is important that this is envisaged in the NPF and in turn put into practice under the Action Plan for Rural Development.

What are the solutions to maintaining population in those rural areas where decline has been experienced?

Key Points:

The solution to maintaining rural populations is the availability of employment. It is important that the NPF is truly focused on creating real opportunities for the people who live in the regions, whether in cities, towns or rural areas, and that the NPF should achieve improvements in people's quality of life as well as their economic and social opportunities.

As migration is the key cause of rural population decline, the focus should be on enterprise and employment opportunities in rural areas. Investing in upskilling lower skilled workers in rural regions can have an important impact on regional economic development.

Alongside issues of outmigration and dependency, rural areas also face infrastructure and service deficits. **Where services are not provided locally, there should be a clear means of access to services in other centres.**

The high quality environment of the Western Region of Ireland is its key asset, providing opportunities in the area of high value food production, foraging opportunities, and enjoyment of the landscape and nature.

Migration

Population migration is usually of people of working age, depriving the rural area of potential and available workers and in turn depriving it of their earning and spending contribution to the local economy. At the same time the dependency ratio of the area is increased, with more older and younger people dependant on fewer people of working age which has significant impacts on both the economy and on the service needs of the area. Finally, though in a more long term process, the outmigration of people of working age is associated with a declining birth-rate and ultimately with the reduced viability of the rural area. In Ireland this has been most evident in the remotest rural areas.

In order to maintain population, which is itself an indication of the resilience and prosperity of a region, it is important to maintain the working age population (15-65). There is a long term trend where young people who leave school and go to third level education do not return to the region, largely because of the lack of availability of suitable employment when they have qualified, though for many there is also a desire to gain experience elsewhere. Many of this group may be inclined to return to the area where they grew up when they have a family and the barrier again is the availability of suitable employment. **One of the key solutions therefore is the development of the enterprise and local economy to allow for the creation of a wider variety of employment opportunities.**

Census 2016

The preliminary results of Census 2016 highlighted a variety of patterns of rural population change. In general many of the EDs with the strongest population growth on the edges or within easy commuting distance to the larger urban centres in the region while the places with the largest actual population decreases are among the most rural in the Western Region.

A key trend in this intercensal period is the migration of those who were previously in employment and who lost jobs during this recession. In the Western Region there has been significant male migration, probably as a result of the contraction of the labour market.

Yet, in all counties, including those where population decline occurred (Donegal, Mayo, Sligo), there was a natural population increase – that is the number of births was greater than the number of deaths and **at county level, population decline was the result of migration, particularly of those of working age.**

There were significant differences in the patterns of change in male and female populations, again reflective of the economic difficulties faced by rural areas and the sectors affected, which we discuss below, but also a pattern which will influence the development and sustainability of viable rural communities.

Ensuring opportunity in rural areas

As migration is the key cause of rural population decline, the focus should be on enterprise and employment opportunities in rural areas. Investing in upskilling lower skilled workers in rural regions has a greater impact on regional economic development than investing in increasing the number of highly skilled workers in the region.

There is often a mismatch between supply of education and demand for people with that education. There is a tendency for those who have higher educational qualification to migrate or remain away from the rural area after attending higher education. Rural areas do not have the job opportunities to attract many highly skilled people, but without these people in rural areas it is harder to develop these opportunities. For this reason, and for others, public sector employment can be particularly important to rural areas.

It should be remembered, however, that during the early part of this century (2000-2007) when there was rapid growth throughout Ireland rural areas responded rapidly with significant increases in the numbers employed and in workforce participation and, in turn, in local populations. **Clearly rural areas are ready to respond and targeted policies to stimulate employment and entrepreneurship in rural areas where population decline has occurred will help to maintain viable rural communities.**

Infrastructure

Alongside issues of outmigration and dependency, **rural areas also face infrastructure and service deficits such as poor public transport and often a low quality road network and difficulties in accessing healthcare and education services beyond the primary and secondary levels.**

Transport

Infrastructure assets of rural communities can both reflect and influence the viability of a rural area. At the most basic level a good road network, commensurate with the population and demand level, is essential to allow rural dwellers to travel to work, access services and to make the area accessible to other. **Regional and local roads are the backbone of travel in Ireland and allow for travel within a rural region but also link to the larger scale national road and rail infrastructure network.**

Similarly, public transport is also key. **Access to the rail and intercity bus network is essential and further development of rural bus services would be welcome, providing links between communities and allowing people access to their local towns** but it is important that transport services are integrated with each other.

Communications

Modern ICT infrastructure is a prerequisite for economic and social development in rural areas. It can improve accessibility and link rural areas with each other and with urban markets, provide educational, healthcare and business opportunities as well as making rural areas more attractive as places to live, work and visit.

The rollout of the National Broadband Plan (NBP) is also essential to providing access to high speed broadband in all areas of the country. While currently lagging in terms of communications provision, **the implementation of the NBP will allow innovative ICT solutions for rural areas in all sectors, benefiting existing communities and enterprises and creating opportunities for new enterprises, adaptation and innovation.** Alongside that, it is important that mobile phone coverage continues to be improved, as this is a key enabler of business transactions and social networks and many rural areas are at a disadvantage because of patchy or non-existent coverage.

Technology provides us with opportunities to work in a variety of locations and to market and sell our work and place. While this has not yet had the significant effect on rural regions and rural employment opportunities that had initially been envisaged, with improved ICT alongside a concerted effort to develop and promote alternative forms of work and remote working, the potential for the development of employment, economy and society in rural areas is significant.

Health

A strong local economy is essential to sustain viable rural communities, but the provision of good quality, accessible services tailored to the needs of the local population is also necessary. Health services are particularly important, reflecting the demographic of rural areas, but the provision of these services is strongly influenced by the rural aspect of an area. In recent years provision of primary health care has been limited by the difficulty of attracting GPs to provide the services, while the provision of many healthcare services in larger centres has highlighted travel and transport deficits. As rural areas have higher proportions of older people and children they can have greater needs for public services.

Self-Employment

Self-employment has been a more important driver of recent jobs growth in the region than anywhere else and the Western Region's recent jobs growth seems to have relied heavily on rising self-employment (numbers of self-employed grew more strongly in the Western Region (31.3%) than in the rest of the state (7.2%) between 2012 and 2016).³¹

Self-employment continues to be far more common in the Western Region, with 22.9% of all working people in the region self-employed compared with just 15.2% in the rest of the state. This is partly explained by the fact that it is very common in skilled trades occupations (e.g. construction, farming) and such occupations are more important in the Western Region's labour market (22% of all jobs v 15%). This is not the only explanation however, as the region also has higher female self-employment. Relatively limited job options, especially in rural areas, means that more people have to create their own job. **The development of entrepreneurship and support for self-employment and other forms of employment in rural areas will help maintain rural populations.**

³¹ CSO, Quarterly National Household Survey, Q1 2016, special run

Natural resources

Rural areas depend on their natural resources for many of their economic activities, indeed this is one of the key differentiating characteristics of a rural economy. **There are significant opportunities in the development of the green economy and bio economy, in areas such as renewable energy, new forms of food production and agricultural output, all of which can take advantage of more concentrated urban markets**, particularly when the ‘story’ of local sustainable production is integral to their sale and value.

The high quality environment of the Western Region of Ireland is its key asset, providing opportunities in the area of high value food production, foraging opportunities, and enjoyment of the landscape and nature. Indeed in the future, recreation, amenity and outdoor activities will centre more around key experiences and the development and sale of such experiences can provide quality employment in rural areas. **As the quality of the environment and low population density are key to these opportunities, it is important that there is management and regulation of these assets to ensure they can continue to contribute to rural economies** but also to ensure that these fabulous assets are available to future generations and users.

This high quality environment and good quality of life are also attractions and assets of our rural areas. Clearly there is an important niche for rural areas here, and it is important that they are in a position to attract people of working age. This is in part **by being appealing places to live with attractive small towns and also through good connectivity allowing multiple forms of working.**

Innovation

Given the lower productivity levels in rural areas (largely due to the nature of the sectors that predominate in rural economies), **there is greater potential for rural areas to move into higher value added products and services and to adapt and innovate and achieve better economic growth.**

Innovation of all kinds is important. There is a tendency to focus on technological innovation, and indeed that can bring significant benefits, but there are opportunities for rural businesses to innovate in other ways, through adopting processes developed elsewhere, or innovative marketing processes as well as using their social capital, the development of cooperative social innovations, and the development of practical and effective solutions to social and indeed economic issues in rural areas.

A problem for rural areas is often the lack of a local market because the population is smaller and often less well off. However, there is significant potential in the global market, in particular for services and ‘experiences’ or quality products with strong local connections and ‘stories’. **Such products, with a focus on their local qualities can, with innovative development and marketing, disrupt the traditional hierarchical view of urban-rural relations and instead ‘jump scale’ to take advantage of global opportunities and allow more growth in rural regions.**

Assets and opportunities

Although rural communities face significant challenges they also have key assets such as a rich and beautiful natural environment, cultural heritage, peaceful surroundings and high levels of social capital. These all provide opportunities for diversification and adaptation of the rural economy and its social network to adapt and embrace future opportunities, whether it is an improved tourism

product, attracting people to live there or developing knowledge and sectoral clusters such as creative industries. **Exploiting the strengths of rural areas, while addressing their deficits, is the way to sustain viable rural communities.**

Areas which are often highlighted as drivers of the rural economy such as tourism, green products and services and the creative industries need jobs and innovation policies which are cognisant of the particular characteristics of these sectors in rural areas and address the barriers to their growth, rather than assuming a national policy for these sectors will effect rural development. At the same time however, **it is important that rural issues are the focus of a rural policy which provides vision and a strategy and a context within which we can envisage and development rural areas as places of economic and social dynamism into the future.**

Conclusion

The solution to maintaining rural populations is the availability of employment. It is important that the NPF is truly focused on creating real opportunities for the people who live in the regions, whether in cities, towns or rural areas, and that the NPF should achieve improvements in people's quality of life as well as their economic and social opportunities. The NPF should be appropriately resourced (with money, expertise and time, as well as involvement of key stakeholders). It is better to have a more focused, limited strategy that can be implemented than a vision which is beyond the possibility of effective implementation.

What role should towns and villages in rural areas play in catering for Ireland's future growth?

Key Points:

Towns and villages are already providing employment and services for people in their area and they are active centres of local economic activity. Indeed while some are facing difficulties, others are thriving and providing many opportunities for people to live, work and do business.

Towns are sites of employment, residence and service provision. While it is important that these are further developed, it must be remembered that towns and villages do have a clear role and function, and contribute to growth.

Many of our towns and villages have suffered from lack of investment in the infrastructure which connects them locally, and which could improve their capacity to provide services and maintain and attract enterprise.

Towns have a key role in maintaining the social fabric of rural areas in Ireland while also making important contributions to the local economy even if this is on a small scale, dwarfed by that produced in a city. It is important to remember that scale of activity varies between more densely populated and less densely populated areas, but that even at a small scale towns and villages contribute to the resilience of our rural areas.

Contributing to the economy

As discussed elsewhere, all areas make a contribution to Ireland's economy and to our society. Because of smaller population size, and their tendency to often be engaged in lower value added economic activities, the contribution from towns and villages in rural areas may be thought to be small. However, while productivity and output levels might be lower than in urban areas (in part because of lower capital investment and the predominance of the natural resource sectors) these areas can and do contribute to Ireland's growth.

It should be remembered that **many towns and villages are already providing employment and services for people in their area and that they are active centres of local economic activity.** Indeed while some are facing difficulties, others are thriving and providing many opportunities for people to live, work and do business. **Many of our towns and villages have suffered from lack of investment in infrastructure which would help connect them locally, or which could meet basic business and living needs (fast broadband, water and waste water treatment, regular public transport connections etc.).** Investment in these areas, and in making the towns more attractive, would allow these towns and villages to make a greater contribution locally, regionally and nationally.

Places to live

One of the most important ways they can do this is by being attractive places where people want to live. Many rural towns, especially those experiencing decline, do not have a good social mix living in the town and there can be a tendency for those who can afford to do so, to choose to live outside the town, often in the open countryside. **By becoming places where people want to live, the population of the town area can be increased and the town itself can become more vibrant and can support more retail options or local services.** The Town and Village Renewal Scheme which is part of the *Realising our Rural Potential: Action Plan for Rural Development* is a first step in achieving this, but it is important that in terms of housing development, good quality attractive housing which works in a rural town environment (where there is less requirement for high density) is enabled.

There are also **opportunities for towns and rural areas to become more attractive to older people, either by having a mixture of housing options (a town should ideally have people at all stages of the life cycle living there) and also through small clusters of retirement homes** or assisted living units for people who are still active but need some support services.

Rural services and activities

It should also be remembered that **small towns and villages in rural areas are already key service centres, with crèches, schools, health centres and primary care centres as well as nursing homes and other types of accommodation.** These services in their turn make these towns centres for employment. Similarly towns are important local retail centres and while they may not have the same variety of shops as they would have had previously, they do meet important local demand.

The retail situation can vary in villages, depending on their size and proximity to towns. Often the local shop has closed, and there may not be a post office. Villages may have a pub and are also likely to have a primary school in or nearby. Many villages have been able to develop community centres which provide places to meet, hold exercise classes or run toddler and baby groups. In these small ways the **villages are a focus of activity even if many of the people living there work elsewhere and are away for much of the day.**

Contributions at scale

All of these activities make an important contribution to maintaining the social fabric of rural areas in Ireland as well as contributing to the local economy, although on a small scale, dwarfed by that produced in a city. It is important to remember that **scale of activity varies between more densely populated and less densely populated areas, but these small scale, varied activities contribute to the resilience of our rural areas.**

How can the rural parts of Ireland close to urban areas be protected from development pressures that are likely to arise to accommodate further population growth?

Much of the focus of the NPF is about city-regions, with cities driving development in their hinterland and in rural areas. It is not clear whether there is concern that there will be 'suburbanisation' of the rural area close to the city or whether there is concern about local green space.

It would seem that this issue would be best covered at a strategic level in the forthcoming RSES and in practice in the relevant County Development Plan where the Local Authority planners and councillors would have knowledge about the particular pressures associated with the urban centre, the development needs of the rural area and the areas which might need protection.

Each urban and rural area will face different issues and there is not likely to be one solution that should be applied in all cases.

What measures need to be in place to allow those who have a genuine need to live in the countryside to be accommodated?

The issue of 'genuine need' is difficult to define. It may mean those involved in farming, but could also refer to people who are caring for elderly or sick relatives. Other forms of rural employment may mean that people feel the need to live in the countryside and at the same time those not tied to a specific workplace may choose to use this freedom to live in the countryside. Dual income households, where one partner is working in the countryside may need to live there, in particular if there is involvement in farm work, even where this is not an important income source. Additionally there may be certain rural areas which will benefit from additional population and where a wider section of the population could be accommodated.

The reasons why people live where they do can be complex, they may always have done so, or it may be for employment purposes or because the housing is regarded as good value or for perceived better quality of life. But there are other factors that influence the decision and it is important not to make assumptions about what needs are most important or 'genuine'.

It could be useful, however, if the NPF could give more general principles on housing in the countryside, and how it should be planned (perhaps with clusters or small groups or in certain types of locations) but it should not engage in defining genuine or other needs and should not presume that all rural areas should be treated in the same way.

It might be appropriate to consider this issue in the RSES, as the three Assembly areas will have different concerns in relation to the development of the countryside and how it should be managed. Each RSES could set overarching policy which would provide the context for local decisions.

It would seem that **this issue should be decided at local level rather than in a national framework, as the needs and situation of rural areas can differ widely.** The Local Authority is in the best position to understand the local situation and therefore should make the policy.

Section 4.4 Ireland in an All-Island Context

How can the NPF facilitate co-ordination between settlements that share connections across the border between Northern Ireland and Ireland and how should this be reflected in the document?

What economic opportunities and sectoral clusters exist that can benefit economies within both jurisdictions and how can this be best captured and supported in the NPF?

What mechanisms are needed to ensure a joined-up approach to strategic infrastructure and investment decisions that have a cross-border dimension and are there examples of best practice?

In terms of delivering cross-border infrastructure as detailed for example in the IBEC-CBI NI All Island Investment Project, what structures need to be developed to leverage joint financing, including through the private sector?

How do we co-ordinate mutually beneficial ways to address common environmental challenges across shared catchments?

All of the questions in this section are answered together.

Key points:

The all-island context is important for effective regional development in the Western Region. Donegal in particular is closely integrated with Northern Ireland, spatially and economically and **the North West Gateway initiative of Letterkenny and the city of Derry should be a key strategic priority under the NPF.**

The all-island structures which were established as a result of the Good Friday Agreement have made considerable progress in developing a joined-up approach to many all-island issues, however more needs to be done to effectively harness the economic and other opportunities that exist on a cross-border basis.

Mitigating the impact of Brexit on access to services, cross-border commuting, trade, transport access from Donegal to Dublin and joint infrastructure planning must be a core objective of the NPF.

As a region which includes two counties that share a border with Northern Ireland, the all-island context is important for effective regional development in the Western Region. Donegal in particular is closely integrated with Northern Ireland, spatially and economically, across a wide range of areas including labour catchments, access to education and health, transport and infrastructure. **The North West Gateway initiative of Letterkenny and the City of Derry is a key strategic priority for the Western Region and should be a priority under the NPF.** The structures that have been put in place at a cross-border Local Authority level to progress the North West Gateway initiatives can be seen as best practice examples of how spatial planning can occur on a cross-border basis.

In addition, links also exist between Sligo and Enniskillen and the upgrading of road and public transport connections between them will support development of their wider hinterlands.

The all-island structures which were established as a result of the Good Friday Agreement, including the North South Ministerial Council, have made considerable progress in developing a joined-up

approach to many all-island issues including shared catchments and infrastructure development; however more needs to be done to effectively harness the economic and other opportunities that exist on a cross-border basis. **The potential to strengthen these structures and enhance collaboration is uncertain at the moment in the context of Brexit and the likely reintroduction of border controls between the Republic and Northern Ireland.** Minimising the impact of this change on access to services, cross-border commuting, transport access from Donegal to Dublin and joint infrastructure planning must be a core objective of the NPF.

While the NPF needs to recognise the potential of a coordinated approach to planning and aim to minimise the negative impacts of Brexit, it is critical that it also recognise the need to plan and adapt for a 'worst case scenario' of a return to a hard border and restrictions to the movement of goods and people. The implications of such an outcome, and how these can be mitigated, must be recognised. For Donegal in particular such a scenario would severely impact on access, enterprises, employment and services. For the south of the county, access to/from Dublin may increasingly shift to the N15 to Sligo and on to the N4 to Dublin, increasing traffic demand and the urgency to upgrade those routes.

Some of the cross-border infrastructural investments that need to be prioritised include:

Transport

- **A5** – Donegal and Letterkenny's connection to Dublin relies on access through Northern Ireland. The upgrading of the A5 should be identified as an infrastructure priority for realising the economic opportunities of the North West Gateway.
- **N16/A4** – the road connection between Sligo and Enniskillen is currently extremely poor and requires substantial upgrading.
- **N15/N4** – in the case of a return to a hard border, south Donegal will increasingly rely on this road connection.
- **Cross-border bus services** must be maintained and if possible services increased to encourage modal shift from car to bus. Any impact from Brexit on the provision of cross-border bus services should be minimised.

Energy

- **Electricity:** There are currently three cross-border electricity interconnectors, two of which are in or very close to the Western Region. While these are smaller capacity than the main interconnector and the planned second North-South Interconnector, they are important for the technical support of the network in both jurisdictions and could potentially be used in the management of renewable electricity generation in the region. With the all-island electricity system in place it is important that these interconnectors are viewed as important regional assets and developed as appropriate to allow for increased renewable generation on both sides of the border.
- **Gas:** As will be discussed in Section 6 there is no natural gas transmission infrastructure in the North West (specifically it is not available in the counties of Donegal, Sligo, Leitrim and Roscommon). In Northern Ireland however, there is significant investment in progress to bring natural gas to the west of NI. Consideration should be given to linking this NI infrastructure to key towns in the Western Region and so to enable development of the gas network. This can be used for both natural gas and also biogas and so can contribute to the

development of a lower carbon emission economy (with natural gas use) and help us move towards a fossil free future.

Section 4.5 Integrated Land and Marine Development

Key Points:

Development of our marine territory is a key example of how the potential of an existing resource can be used to drive a region's development. The development of our coastline and marine resource are key areas of opportunity to 2040 and must take place in tandem with a strong emphasis on the protection and preservation of our coastline, and maritime communities.

Our extensive ocean resource and the existence of research infrastructure and a research-orientated FDI and SME base can be used to make the blue economy integral to the whole economy while preserving the ecological stability of our marine environment. Its development requires an integrated approach which can be, in part, provided through the NPF.

In thinking about what Ireland might look like in twenty years' time, what is the future for Ireland's coastline, islands and offshore?

Ireland's coastline, islands and offshore have a vibrant future based on the development of their opportunities in the decades ahead. We have many valuable marine assets and the relative under development of this resource provides us with the opportunities for sensitive development in the future. We are in a position to take advantage of our potential in relation to seafood products, tourism, amenity and ocean energy. Other innovations in the use of our marine assets are also likely in the life sciences. It is therefore important that the NPF provides a suitable framework in which we can realise this marine potential.

Ireland's marine territory extends 200 nautical miles west into the Atlantic, covering seas 10 times the area of our land mass. Facing this geography, Ireland's Atlantic coast enjoys great access to an abundance of natural marine resources. By 2040 the Atlantic could be recognised for its thriving marine economy serving global markets for seafood, tourism, oil and gas, renewable ocean energy and convergent industries in health, medicine and technology. This would enable Ireland to capitalise on a globally competitive locational advantage, and develop a reputation as an economy of ocean innovation.

Our extensive ocean resource and the existence of research infrastructure and a research orientated FDI and SME base can be used to position ourselves at the heart of the blue economy while preserving the ecological stability of our marine environment, but its development requires an integrated approach which can be, in part, provided through the NPF.

There needs to be a collective approach to providing the infrastructure build out Investment Programme, to developing Marine Tourism; near shore farming; our deep water ports; and our existing coastal populations.

How can coastal and island communities contribute to a national vision for Ireland, as part of the NPF?

Many coastal and island communities have gained their wealth from their marine assets but it is likely in the future that these can be further developed so that their unique environment is at the forefront of their development. The approach to development in coastal and island communities needs to be 360 and fully incorporate their marine assets. They require a different approach to that of inland communities.

Tourism, recreation and amenity are all likely to increase in island and coastal communities in the period to 2040. These provide opportunities for improved quality of life for those living locally, or with access, and they also provide important enterprise opportunities for our marine areas.

Marine heritage and the distinctive built heritage and culture of our coastal and island communities also provide opportunities for these communities to contribute to our vibrant Irish culture and society as well as to the national economy. Our coastal towns and villages provide important opportunities for the location of marine business enterprises and for the development of tourism products, as well as sustaining the distinct endowments of these communities.

Opportunities identified for coastal towns include a growing events and leisure tourism market (e.g. golf), an increased appreciation of coastal heritage and increased diversification into alternative sectors (e.g. marine renewables, marine functional foods). Some of the possible challenges include reluctance to diversify from the deep cultural attachment to the fishing industry in some communities, need to fully take into account the full extent of the marine resources available and environmental challenges including coastal erosion, pollution and habitat loss.³²

How can the goals of the integrated Marine Plan be spatially represented in a National Planning Framework?

There are a number of areas where Marine Spatial Planning will overlap with, and can work with the NPF. These include providing conditions and infrastructure for the development of coastal and marine enterprises and for innovations in the marine area.

The marine and land based plans will also overlap in relation to flood risk management and coastal protection and the provision of infrastructure which will provide greater connectivity to island and coastal communities. **The sensitive development of our biodiversity, cultural heritage and landscape assets is important both for our society and for the planning of tourism developments.**

Therefore the NPF needs to look outward to the opportunities of our marine resources and the assets of our island and coastal communities and ensure that these are an integrated part of our national economy and are helped to realise their significant potential in the future.

What, policies, measures or actions need to be advanced to enable Ireland's marine resource to adapt to the effects of climate change (e.g. coastal erosion, flooding, sea level rise etc.)?

Coastal and island communities should be able to apply for funding and expert advice so as to be able to carry out quality assessments of their future needs for adaptation to climate change. Required investment should be listed and prioritised and collated at a county level. Funding should then be allocated to the most urgent or most effective adaptations. The priorities should be worked through over the next decades to ensure that we have a well-planned, timely response to the effects of climate change.

What infrastructure investments need to be made in order to maximise the sustainable potential of our ocean resource?

Investment in dedicated marine infrastructure, coastal economies, off shore platforms, incubation and enterprise support centres is required to integrate innovators, policy makers, investors from

³² <http://iclr.org/wp-content/uploads/2017/03/5-Resilient-coastal-communities-LindaMcElduff-Sligo9Feb17.pdf>

the important marine, maritime and energy sectors with those from other marine industries and with a broader community of entrepreneurs and with our coastal and inland populations. This marine focus will drive accelerated marine economic, societal, innovation and infrastructural growth.

Onshore the key focus should be on improving connectivity of coastal communities and islands with regional and national centres so that the assets of these communities and our marine can be developed appropriately and can benefit our local and national economy and our marine heritage.

Improvement in broadband and mobile connections will be essential to the development of our offshore economy and coastal communities, as they are for other rural and less developed areas, supporting the development of local enterprises and community connectivity in the high tech, high value added opportunities in the marine sector as well as in the tourism, amenity and recreation areas and the more traditional fishing, marine farming and foraging enterprises.

In relation to these, another priority in most instances is improved road connection as our coasts are not well served by a quality road network, in some areas, as ocean energy opportunities are developed, transmission and distribution infrastructure will also be required. These areas should be designated in the NPF or subsequent RSES.

Located on the extensive western coast, both Galway and Killybegs ports play an important role in supporting the marine sector as well as providing key transport access points and being an important element of the tourism offering. Both have further potential to grow and develop.

Section 5: Ireland's Unique Environment – Sustainability

How can the NPF help to ensure we get a sustainable balance between catering for a growing population and avoiding or addressing environmental pressures?

How do we plan for growth in such a way that supports a transition to a low carbon and climate resilient economy and what planning policy measures are needed to achieve this?

These 2 questions are answered together.

Key Points:

The natural environment is a key asset of the Western Region and therefore it needs to be protected, and enhanced, both for its existence value to the economy and society and also for the potential it brings to local economic development.

There is significant potential to make the most of the opportunities provided by trends in technology development, the growth of services employment, a move to more varied working hours, and greater remote and home working opportunities, as well as incentives for enterprises to offer different work arrangements, to contribute to reducing carbon emissions.

It could be argued that better spatial planning, with more concentration in population centres will provide more concentrated transport demand which can be better served by public transport with lower per capita emissions. However, should there be a significant switch to electric vehicles, and if electricity generation is mainly renewable by 2040, then rural emissions will fall considerably.

The natural environment is a key asset of the Western Region and therefore it needs to be protected, and enhanced, both for its existence value to the economy and society and also for the potential it brings to local economic development. It is therefore important that the environment is protected and managed appropriately in a sustainable manner.

Flooding has been an important issue for many parts of the Western Region so it is important that this is considered in planning policy and that limitations are placed on development of areas known to flood, as well as adaptation and protection of those parts which are already developed.

A low carbon, climate resilient rural economy

With the preparation of the National Mitigation Plan (NMP), which is currently at the consultation stage, and with the recognition that it is essential for Ireland to move towards a low carbon or fossil fuel free economy, it is essential that the NPF supports and enables this switch. While we must reduce emissions nationally, and the NPF must consider the needs of Ireland as a whole, in this section we focus on the issues from a rural perspective, and the need for a change in thinking about rural areas. The focus of much WDC work is on the needs of rural areas, in particular when these may not have been considered in detail in policy making.

Rural emissions

There is no significant body of work (internationally as well as nationally) on climate change and emissions issues for rural areas in developed countries, and yet there are important differences in energy use patterns and emissions. **While it is often acknowledged that rural dwellers have higher individual emissions, the ways of addressing these are not usually explored, partly because emissions reductions may be more difficult to achieve in rural areas and partly because the focus**

is usually on larger populations and ways to reduce the emissions of individuals living in more densely populated areas.

It should be remembered that, as in other policy areas, urban/rural is a rather simplistic division, which ignores the 'suburban' and the differences between rural towns and the open countryside which all have distinctive emission patterns.

It is also important to be aware that people's carbon footprints are closely linked to their incomes and consumption patterns and so do not necessarily relate directly to their location (urban or rural). In fact recent research in Finland³³ has highlighted higher emissions from urban dwellers based on their higher consumption patterns.

Nonetheless, despite the difficulties with a simple urban/rural dichotomy, there are of course concerns specific to rural dwellers emissions that deserve consideration.

Rural energy use

Electricity, heat and transport are the three forms of energy use and therefore the source of emissions, for residential and commercial users. Before discussing these individually, it should be remembered that the first step in tackling climate change should be to increase energy efficiency and so reduce the amount of energy being used (in both transport and heating), bearing in mind that improved energy efficiency will contribute to improved comfort and health outcomes in many situations, as well as reducing energy use, and that the energy savings from improved efficiency measures may not be as large as expected.

There are not likely to be any significant differences among urban and rural dwellers in the type and way they use their electricity and in the associated emissions, but there are significant differences in heating and transport patterns. However, while patterns of electricity use may not differ significantly, developments in electricity generation and storage which reduce or eliminate carbon emissions from generation should, by 2050, have significant benefits for the heating sector and also, significantly, in personal transport with increased use of electric vehicles.

Heating

The differences in rural emissions from heating relate to type of housing, the age of housing and fuels used for heating. Rural areas have a higher proportion of single dwellings rather than apartments, terraces or semi-detached housing and the lack of shared walls will tend to give rise to higher heating needs.

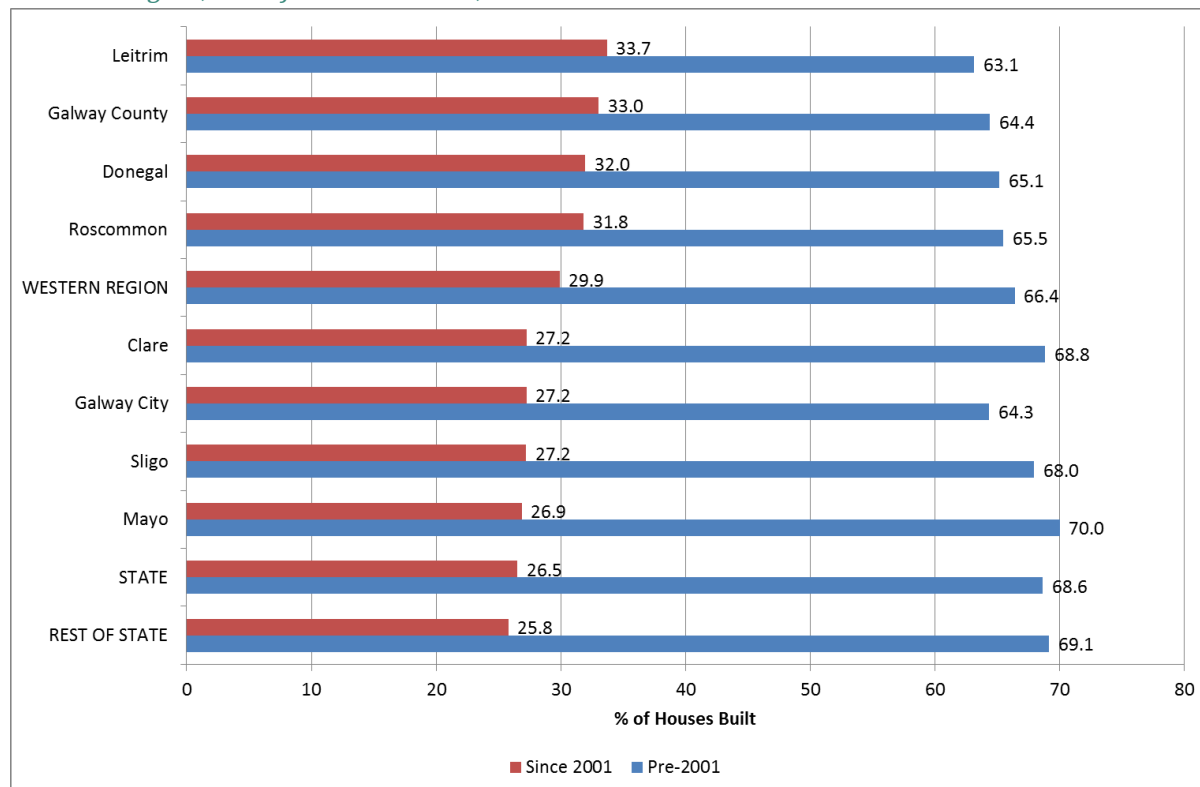
It is often assumed that the housing stock in rural areas is older (and therefore less efficient and built to lower insulation standards), and indeed this was the pattern in the past, and is the case in many other countries. However, the building boom that occurred after the turn of the century has changed this. In the Western Region, 29.9%³⁴ of all occupied homes have been built since 2001. This is greater than the proportion in the rest of the state and the share of newer homes in all western counties was higher than average. The total stock of housing in the Western Region increased by 14.9% since 2006, greater than the increase in the rest of the state (12.2%). The CSO has noted in

³³ Heinonen J and S Junnila, 2011 A Carbon Consumption Comparison of Rural and Urban Lifestyles *Sustainability* 2011, 3, 1234-1249

³⁴ Source: CSO, This is Ireland: Highlights from Census 2011, Part 1, Table 39. Data available at <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=CDD39&PLanguage=0>

relation to the Buildings Energy Rating³⁵ data (BER) that areas with higher proportions of new dwellings and of apartments tend to have higher ratings. For example, 40% of all dwellings built during 2010-2015 with a BER rating were awarded an A.

Figure 5.1: Share of occupied homes constructed before and since 2001 in western counties, Western Region, rest of state and state, 2011



Source: CSO, *This is Ireland: Highlights from Census 2011, Part 1, Table 39*. Data available at <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=CDD39&PLanguage=0>

Fuel Type

The pattern of fuel usage in central heating is very different in the Western Region and the rest of the state. This is primarily due to the lack of access to natural gas across most of the region. Less than 5% of households in the Western Region use natural gas to heat their home compared with 40% in the rest of the state. Lack of access to natural gas makes the Western Region far more reliant on other fuels, many of which have higher carbon emissions. The need for expansion of the natural gas grid is discussed in Section 6.

Alternatives to higher carbon emitting fuels like oil, coal and peat are readily available to rural consumers. These include solid biomass (wood chips, pellets and logs). In many rural situations, as users have more space and fuel can be sourced locally with less transport required, so these options may be more suitable than for urban dwellers.

Additionally, as electricity generation decarbonises, then electricity for heat will be another important option. At the same time, as electricity storage methods (like batteries) develop further the options for storing energy from variable sources like wind, both at micro and network level, improve possibilities for carbon free heating. There is significant future potential for low carbon and

³⁵ <http://www.cso.ie/en/releasesandpublications/er/dber/domesticbuildingenergyratingsquarter22015/>

renewable heat in rural areas, and so for reducing emissions, but it should be remembered that rural dwellers tend to have lower incomes than urban dwellers and already have higher levels of fuel poverty, so that despite the potential for change, many lack the financial resources to switch to low carbon or carbon free alternatives. This needs to be considered in formulation of policies addressing the issue.

Transport

Rural people are more reliant on car based transport, they have less available public transport and tend to travel greater distances. Clearly rural dwellers' transport demand patterns need to be central to planning for climate change mitigation.

There should be detailed consideration of transport issues for smaller settlements and rural areas which currently account for 48% of all trips (compared with 32% for the four main cities).³⁶ The majority of the population will continue to live in the historical settlement pattern and the NPF will not change that pattern significantly even in the long term (to 2040).

In Ireland, a very high proportion of transport emissions are associated with rural and long-distance commuting. Analysis of travel and car ownership data conducted by NESC for "Towards a New National Climate Policy"³⁷ highlights that Dublin accounts for approximately 28% of the population (in 2006) and 26% of cars (2010). It notes that Dublin drivers make shorter journeys, on average just under 13,000km per year, while in other parts of the country drivers travel on average 18,000km per year and NESC calculated that emissions from Dublin drivers are 948,153 Mt CO₂ eq and from drivers elsewhere are 3,719,868 Mt CO₂ eq. These estimates are based on kilometres driven and so do not take account of fuel use per kilometre travelled. NESC suggested that it in order to address the challenge of reducing emissions in Ireland there should be a focus on solutions that can address the needs of rural drivers and those making longer commutes to urban areas.

In addressing this issue it is important to consider the underlying presumption that employment will be concentrated in cities. There are opportunities for employment to be more dispersed, in line with current population patterns. Towns, smaller centres and rural areas provide a variety of opportunities as locations for employment across many sectors (not just agri-food and tourism). Commuting travel demand, fuel use and time spent can also be reduced if employment is more dispersed, in line with current population patterns. In 2011 61% of rural dwellers (excluding farmers) worked in towns or rural areas rather than cities, illustrating the potential to stimulate employment closer to where people live.

Alongside these more dispersed employment opportunities **there is significant potential to make the most of the opportunities provided by trends in technology development, the growth of services employment, a move to more varied working hours, and greater remote and home working opportunities as well as incentives for enterprises to offer different work arrangements** (timing of day, tele-working) to reduce emissions. These trends will change the way people work and how often they actually travel for work. The NPF should recognise that active policies to encourage

³⁶ For more information on rural travel patterns see <http://www.wdc.ie/wp-content/uploads/WDC-Submission-to-DTTAS-on-SFILT-Consultation-October-2014.pdf> and also http://www.wdc.ie/wp-content/uploads/WDC_Policy-Briefing-no-6-Commuting-Final.pdf and <http://www.wdc.ie/wp-content/uploads/Supplementary-Note-WDC-Policy-briefing-No6.pdf>

³⁷ Towards a New National Climate Policy: Interim Report of the NESC Secretariat Report to the Department of Environment, Community and Local Government. June 2012

and facilitate new work practices can help manage and reduce future travel demand in a sustainable and cost effective way that also has quality of life benefits.

But employment is only one factor generating trips. The 2016 National Travel Survey showed that the purpose of only 29.3% of all journeys was work, with 70% of all trips *not* related to employment.³⁸ **The importance of these non-work trips and the potential for change in this demand needs to be more central to climate change mitigation planning.** The potential for rail freight and its important role in reducing national emissions is also significant. This is discussed in more detail in Section 6.

It can be argued that better spatial planning, with more concentration in population centres, will provide more concentrated transport demand which can be better served by public transport with lower per capita emissions. However, in addition to planning for future development, there is a need to manage current and historic settlement patterns. People will continue to follow historic patterns and it should not be assumed that land use planning can radically alter Ireland's historically dispersed settlement pattern, especially in the Western Region and other rural regions. Finally, **should there be a significant switch to electric vehicles, and if electricity generation is mainly renewable by 2040, then rural emissions will fall considerably.**

³⁸ <http://www.cso.ie/en/releasesandpublications/ep/p-nts/nts2016/whwt/>

What strategic energy infrastructure is needed to support the economy and society and realise the transformation of Ireland's energy system to meet climate change and energy obligations and in what areas should it be located?

Electricity transmission and distribution networks are likely to be needed to support the increase in renewable electricity to be used in transport and heat. The west of the country has some of the best conditions for wind energy in Europe and it has very significant potential for ocean energy (both off shore wind and wave), and so it is likely that the **transmission infrastructure will be needed at key points along the West and North West coasts.**

Distribution infrastructure may also be needed to connect wind farms to the transmission network and to increase connections of cities and towns to support more electric vehicles. However EirGrid and ESB plan the network and estimate demand and so they are in the best place to assess infrastructure need.

EirGrid has been conducting a detailed scenario based assessment of future electricity needs in their “Tomorrow’s Energy Scenarios – Planning Ireland’s Energy Future” study. This is currently out for consultation (see here: <http://www.eirgridgroup.com/customer-and-industry/energy-future/>). When complete it should provide much of the information required to answer the above question.

Clearly there is a tension between the need for more electricity infrastructure and the scenic value of the landscape. It would therefore be most **appropriate to consider having such infrastructure along road and rail corridors to minimise negative landscape effects.**

It is likely that further development of the natural gas grid into the North West could be important for the transmission of biogas which will be used to fuel freight vehicles, into or out of that region. However, as the natural gas network is underground there are not usually difficulties associated with its location. However, it is important that it is planned so as to connect as many towns and users as possible.

Section 6: Equipping Ireland for Future Development – Infrastructure

There are a couple of important observations that should help frame consideration of investment in infrastructure to support Ireland's effective regional development.

- **Ireland, compared to many of our competitors is geographically small and relatively compact (unlike for example the Nordic countries) and does not have particularly challenging terrain, all of which is an advantage when deploying infrastructure.** Also, while our population density is low, it is relatively broadly dispersed, which means that investment in infrastructure can be deployed from coast to coast and serve the entire country in between. This is unlike for example Scandinavian countries or Canada or Australia, where extensive parts of the country are uninhabited, but the infrastructure needs to pass through these areas, with no benefit to users.
- **The cost of investment in infrastructure in congested and brownfield sites can be multiples of that in less congested centres.**
- **The majority of the population will continue to live in the historical settlement pattern and spatial planning will not change that pattern significantly, even in the long term.** Over 40%³⁹ of the population (68% in the Western Region) live in rural areas and smaller settlements. While policy may wish to influence a different settlement pattern, the infrastructure needs of the current settlements pattern will need to be catered for. As noted in Section 5, in the Western Region, 29.9%⁴⁰ of all occupied homes have been built since 2001 and the total stock of housing in the Western Region increased by 14.9% since 2006, greater than the increase in the rest of the state (12.2%). These houses will be lived in well beyond the 2040 time horizon of the NPF.
- **Investment in infrastructure can strongly influence the location of other infrastructure with a detrimental impact on unserved locations.** Investment in infrastructure is usually decided on the merits of the individual sector-specific need. However in some cases the location of networks strongly influences the location of others. For example the location of the motorway network has influenced the location of telecommunications networks through the laying of high speed telecoms ducts along the motorways.
- **More specifically, investment in transport is often considered on a mode specific basis and while there may be reference to other modes on specific routes the cumulative effect on specific geographic routes and regions is often not considered.** The North West of the country is at a disadvantage compared to other regions with regard to motorway access. This situation will be compounded if, as is planned, the proposed investment in rail is now focused on those routes with better road access (motorways), for rail to stay competitive. The cumulative effect of little funding for both road and rail on some routes (to the North West) is rarely evident from a broader, transport accessibility point of view.
- **Short term needs, long-term impacts.** Decisions made on infrastructure now have very long term impacts. All investments will impact and influence our infrastructure networks for decades and therefore should take into account, as far as possible, likely future conditions and strategies reflecting them (e.g. population growth, spatial strategies (NPF), energy efficiency in transport and climate change objectives, regional balance, changing work practices). It will be harder to meet long term goals and the full range of policy objectives, if the wrong decisions are made

³⁹ Total population living outside centres of 1,500 in the State 1,858,327 (40.5% of national population). Total population living outside centres of 1,500 in Western Region 558,093 (68% of population). CSO Census of Population, 2011

⁴⁰ Source: CSO, This is Ireland: Highlights from Census 2011, Part 1, Table 39. Data available at <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=CDD39&PLanguage=0>

now. Whatever the urgent short term considerations, the long term implications of all investments must be considered carefully.

- **Appropriate Appraisal and Evaluation Methods.** The capital appraisal and evaluation methods determining the costs and benefits of different investment projects need to be re-examined. For example the planned significant state investment in broadband (the National Broadband Plan) underwent a CBA process and has been approved. As part of the CBA, analysis was done on the health benefits arising from the investment, which illustrate additional significant benefits to be realised (equivalent to a reduction in national health expenditure of 2% per annum (or €261.5 million pa)). These cost efficiency gains were not included in the final CBA but illustrate the value of a wider, more comprehensive assessment of costs and benefits.

Consider the concept of Social Return on Investment⁴¹ (SROI) which is a principles-based method for measuring [extra-financial value](#) (i.e., environmental and social value not currently reflected in conventional financial accounts) relative to resources invested. Bringing the SROI into consideration in spatial planning, regional, rural and urban development will help investment decisions to support planned development.

Measuring the social return on investment might lead to different outcomes when considering cuts to, or additional investment in, various services in regional and rural locations. For example, **decisions on the closure of public services offices, such as post offices, government outreach offices, garda stations etc are usually based on cutting operational expenditure including staff costs. These cuts can deliver immediate financial savings for the organisation but this narrow view does not take account of the accumulated long term impact on the local economy, the disabling impact on local communities and the overall needs of society.** Taking into account the wider effects and impacts of increased migration from rural towns to larger urban centres (often the Capital), invariably adds to the need for additional investment in infrastructure and services, which is often more expensive to deliver in congested urban areas.

- **The NPF needs to be cognisant of the impacts of investments by the ‘wider state sector’.** For example the NPF needs to be clear about the need for improvement in energy infrastructure in the North West. Although provided by the ‘wider state sector’ (e.g. EirGrid) energy investment needs to be a more integral part of the Capital Investment Plan “Building on Recovery”.

⁴¹ https://www.bond.org.uk/data/files/Cabinet_office_A_guide_to_Social_Return_on_Investment.pdf
<http://www.socialvalueuk.org/resources/sroi-guide/>

What are the nationally important infrastructure projects for Ireland that require delivery over the next twenty years?

Key Points:

The nationally important infrastructure projects will be those projects that will help support the objectives of the NPF and associated RSEs. If it is accepted that the spatial pattern of development which is described as 'business as usual', is not desirable, then an alternative approach is required. **If the second tier cities, other larger urban centres and rural areas are to play a greater role in the economic and social development of the country, these centres will need to be supported through investment in infrastructure.**

This will require a change to the conventional appraisal and evaluation methodologies used (business as usual), which are typically used to determine what projects are given the go-ahead. **The traditional cost benefit approach will naturally favour the larger and often largest population centres as the impacts are likely to be felt by a greater number**, wherever the project is being delivered. The impact on the wider spatial balance of the country and the extent to which the investment is supporting the NPF goals, will need to be factored in. There is a need for a CBA methodology which accords the NPF/regional development goals and objectives a higher value.

Transport

Historically, the investment in transport networks in particular have had the effect of promoting the development of the capital, rather than the other centres, with the road and rail networks developed in a radial fashion connecting all to Dublin, with little connectivity between the other centres. This has supported the growth of Dublin and constrained economic activity between the other centres.

Investment in national transportation infrastructure creates beneficial effects in spreading economic benefits throughout the regions, but a transportation system that centres on a single city will ultimately reinforce its dominance (Krugman, 1996). The entire transportation system in Ireland is a radial one consisting of road, rail and airports links each with Dublin as the hub. (p163-167)⁴²

The significant population growth projected for the Greater Dublin Area and the consequent requirement for investment to support this growth, will require additional resources. Achieving the goal of the NPF to counterbalance Dublin's growth would help reduce the resource needs of the Capital.

It is also important to consider the cumulative impacts of mode specific transport investments. Transport investment in Ireland has often been considered on a mode specific basis (motorways independent of rail investment), without much consideration of investment in other transport modes or integration between modes. **This has had the effect of ensuring that some regions are well served by various modes of transport, while others are poorly served and considered relatively 'inaccessible'.**

National roads

Key points:

The priority national primary road projects that need to be delivered include:

- N4 (Collooney–Castleblawin; Carrick-on-Shannon–Dromod; Mullingar–Longford)
- N5 (Westport–Turlough; Ballaghaderreen Bypass–Scramogue)
- N6 (Galway City Transport incl bypass)

⁴² Journal of Regional Studies, Peter Clinch and Eoin O' Neill (2009).

- N17 (Tubbercurry Bypass; Collooney–Tubbercurry)
- N13/N14/N15 (Stranorlar–Derry), N15 (Lifford–Stranorlar)
- N16 (Sligo–Glencar; Glencar–Glenfarne)

National secondary routes are critical for inter-regional linkages and ensuring access from rural areas to services and employment in larger urban centres. Priorities include:

- N59 (Ballina Relief Road; Crossmolina–Ballina)
- N60 (Castlebar–Claremorris)
- N61 (Athlone–Boyle; Boyle Bypass; Roscommon Bypass)
- N83 (Ballyhaunis Outer)
- N84 (Ballinrobe Bypass)
- N56 (Dungloe–Glenties)
- N56 (Mountcharles–Inver)
- N59 (Moycullen Bypass)

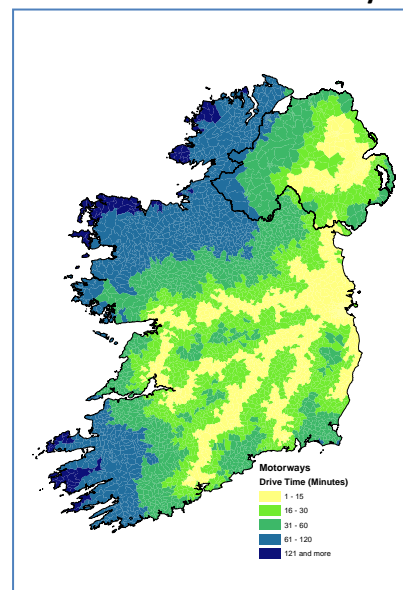
In the last decade there has been very significant investment in the motorway network, however there are no motorways serving the West and North West, north of the M6 from Dublin to Galway (see Figure 6.1 below).

Figure 6.1: Two maps illustrating the motorway network

Transport Infrastructure Ireland Motorway network



Drivetime to the Nearest Motorway Junction



Source: E. Morgenorth, ESRI, 2016

Therefore these regions have become relatively less accessible compared to other regions with greater improvements in the road network. It should also be noted that air accessibility between Dublin and regional airports has also declined over this period, arising from the withdrawal of PSO supports on the Sligo and Galway services (with the resultant closure of Galway and Sligo airports to commercial services).

Research by the National Roads Authority (NRA), now Transport Infrastructure Ireland (TII) found that **Sligo was the only NSS Gateway with no improvement in its 'accessibility to employment' indicator as a result of the substantial investments made in national road infrastructure between**

2006 and 2010.⁴³ Letterkenny, Ballina/Castlebar, Wexford and Monaghan had no or very small improvement. In contrast, Ennis, Kilkenny, Limerick, Galway and Mallow showed very significant improvement. Therefore to achieve effective regional development there now needs to be a focus on improving the national road infrastructure in the West and North West (The Galway city bypass, from Galway to Sligo, Letterkenny, Ballina and Castlebar and between these centres).

Regional and local roads

Key points:

It is essential to ensure that **communities isolated by distance or weak national roads have improved quality of road access to local towns, their key regional city and to ports and airports. Key routes from the existing motorway and national road network need to be prioritised in the future in line with the NPF and the RSES.**

It is important that these local and regional roads are maintained to a reasonable standard according to their traffic load for local importance. It is essential that there is a planned cycle of maintenance implemented by the Local Authorities who manage these roads.

Regional and local roads are often the sole means of access for local economic activity. These roads play a very important role in the Western Region because of the dispersed nature of the population, enterprises and industrial development and the importance of tourism and agriculture as generators of wealth and employment. The network of regional and local roads provides mobility within and between local areas and provides vital links to the strategic national road network and the ports and airports which are our links with the wider European and global economy.

In order to effectively implement the NPF, and to ensure that the links and synergies among regional towns can be developed effectively, **it is important that regional and local roads are developed and improved in line with the Framework.** While motorways and national primary routes have received considerable investment, and are very important for regional transport, **good quality regional and local roads are essential for regional development and for social inclusion, providing vital linkages among communities, and between communities, their towns and larger urban centres.** There are almost 91,000 km of regional and local roads in Ireland (30,878 km in the Western Region), which accounts for 94% of the country's roads network and they carry around 54% of all road traffic. These are therefore very important to the Irish economy and society as a whole. Given the length and variety of regional and local roads in the Western Region the details of investment in individual road projects is not considered.

Rail

Key Points:

The focus of rail transport policy should be on providing for a rail network and services that can support a greater modal share of travel journeys, due to its better record environmentally.

⁴³ Table 5, NRA 'Impact of improvements in the road network on the accessibility and economic potential of counties, urban areas, gateways and hubs' 2012. This study is being updated by TII with Census of Population data 2011. (originally based on 2006 data).

The WDC believes that proposals for investment in the electrification of some lines should include the lines serving Galway and Sligo as regional centres with a need to improve accessibility.

The WDC believes that generally across lines serving the Western Region, service levels, the fare structure and supports to improve the attractiveness of rail (such as better car parking facilities) are needed to increase patronage levels.

The Government committed to a feasibility study in the Capital Plan 2015 designed to identify what supports are required/possible to increase the share of rail freight. This scoping study and recommendations need to be actioned as soon as possible.

Level of rail investment in context

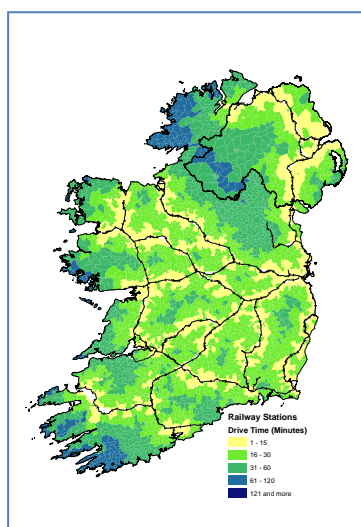
The research undertaken as part of the SFILT⁴⁴ process noted that rates of investment in land transport are lower in Ireland than elsewhere. This is a key observation which should inform transport policy generally and rail policy in particular. **The comparison with other EU countries on relative rail and road investment illustrates the relatively low funding of rail in Ireland** (approximately 18% in Ireland), compared to most West European countries, where rail's share of land transport investment has been increasing in line with EU policy (currently 40%).

Rail services to the Western Region

The importance of the railway network in serving most regions of Ireland, except the Border, is illustrated in the map on drive time to the nearest railway station, (see below). Though not as widespread as before, **the railway is still fairly extensive and this is an advantage which can be capitalised upon in terms of the delivery of transport services nationally and over the long term.**

Of course **accessibility to railway stations is one element, factors such as service levels and stations served are also important considerations.** The focus of rail transport policy should be on providing for a rail network and services that can support a greater modal share of travel journeys, due to its better record environmentally.

Figure 6.2: Drivetime to the Nearest Railway Stations



Source: E. Morgenorth, ESRI, 2016

⁴⁴ A Strategic Framework for the Investment in Land Transport p19-21

The relatively high patronage levels on the Dublin-Sligo line (the third highest passenger numbers after Dublin-Cork and Dublin-Galway lines), illustrate the importance of the line as a transport mode serving the route to/from Dublin and the North West region.

The proposal to reduce rail journey times on some inter-city routes and not others is in direct response to the improvements in the road network on those same routes and the relative competitiveness of rail versus road. For example proposed investment in rail is now focused on those routes with better road access (motorways), to stay competitive. The cumulative effect of little funding for both road and rail on some routes (to the North West) is rarely evident from a broader, transport accessibility point of view. This thinking is also evident when considering proposed electrification of some lines. Proposals for investment in shorter journey times and electrification should include the lines serving Galway and Sligo as regional centres with a need to improve accessibility.

Service levels, the fare structure and supports to improve the attractiveness of rail (such as better car parking facilities) are needed to increase patronage levels across lines serving the Western Region.

While commuting by rail is 'relatively' negligible outside of the Dublin area, this in part reflects the services available to commuters, which are relatively limited. In the Western Region the only notable commuting services are Ennis to Limerick and Athenry to Galway. Commuting by rail to many urban centres is likely to increase following further population and economic growth and where the road network becomes congested and there is an attractive rail offering.

Rail as a more sustainable freight option

The WDC considers the environmental contribution of rail relative to other transport modes to be very important and growing. The WDC noted in its WDC Insights (February 2016), *Rail Freight: A More Sustainable Transport Option* that reducing our carbon emissions must become an increasing focus of our transport policy.

A report published in 2015 by the WDC, *Rail Freight and the Western Region*⁴⁵ notes that rail currently moves less than 1% of surface freight across Ireland. Most of this rail freight originates in the Western Region with three of the four rail freight routes originating there. Rail freight, where available, offers several advantages over road transport, for example it generates less than a quarter of the emissions of road haulage, removes heavy goods traffic from the roads and it can provide an alternative efficient route to market for business in the West, avoiding congested routes.

Irish Rail plans to quadruple national rail freight traffic within four years and much of this traffic could be from the Western Region. Rail is particularly suited to high volume freight, carried over relatively long distances and for import/export via the ports. A projected 4% modal share by 2020 would reduce combined emissions from road and rail freight in Ireland by 3% or a reduction of nearly 35,000 tonnes CO₂e₄.

The commitment contained in *Building on Recovery: Infrastructure and Capital Investment 2016-2021* that, *In advance of the Mid Term Review, the Government will commission a feasibility study to*

⁴⁵ <http://www.wdc.ie/wp-content/uploads/WDC-Rail-Freight-Study-Final-Report-18-12-15.pdf>

examine options for expanding freight transport on the railways, is welcome and needed to support more rail freight and in turn further emissions savings.

Bus

Key Points:

As the most important mode of public transport, and in the context of an ageing population and the need to reduce carbon emissions, modal shift from car to bus transport must be central to the NPF and RSES's long term planning perspective.

The WDC believes that the NPF should fully support continued public subvention of bus services in less populated, rural areas through PSO services and the Rural Transport Programme as a key public service for rural residents, including allowing them to access services in urban areas.

Increased frequency of services, improved integration and quality bus corridors will all be needed to increase modal shift to bus.

Bus is the most important public transport mode. Bus transport services are provided by Dublin Bus, Bus Éireann, commercial operators and the Rural Transport Programme. In 2015 there were 174.53 million passenger journeys by bus nationally (all services) which was 70% of all public transport journeys that year. All types of bus services saw an increase in journeys in 2015 compared to a year previously (National Transport Authority).

In relation to the NPF some of the key priorities are:

- **PSO services:** PSO services are socially necessary but financially unviable routes. In 2014 BÉ was awarded a new contract for the provision of such services (outside the Dublin Area) for a period of five years. There is considerable debate about moves toward public tendering of some of the PSO routes in more populated areas (e.g. Dublin commuter, Waterford) while more rural PSO routes would be unlikely to be attractive to private operators. The very substantial reduction in the PSO subvention to Bus Éireann from €49.37m in 2009 to €33.71 in 2015 is a serious concern in relation to the continued provision of PSO services in less populated areas. The current financial difficulties at the company will place increased pressure on the provision of services on PSO routes. **As these services have a public service element, and are an important connection for rural residents often to access services in urban centres or connect with inter-city public transport, the NPF should clearly support continued public subvention of rural PSO routes.**

Options such as licensing 'bundles' of routes, where, in order for a commercial operator to receive a license for a profitable inter-city or urban route it would also be required to provide services on a number of rural PSO routes (and receive the PSO subvention) should be explored.

- **Rural transport services:** In 2016 the Rural Transport Programme was consolidated into seventeen Transport Co-ordination Units (branded as Local Link) nationally. An estimated 1.765 million passengers accessed rural transport services in 2016 and the seventeen Local Link offices manage approximately 1,000 public bus services in local and rural areas which are a combination of scheduled services and door-to-door services. **The Rural Transport Programme is particularly important to older, younger and socially disadvantaged groups living in rural areas providing access to services in their local town or larger centre.** With an ageing population, the demand

for such services is likely to continue to grow. They can also contribute to increased sustainability by reducing car dependence in rural areas. Continued support for the RTP should be emphasised in the NPF and RSES.

- **Integration:** A key challenge in expanding bus transport is improved timetabling to increase the integration of services and the creation of transport hubs where passengers can easily switch between services. **Current timetabling often does not facilitate passengers to transfer between services and reduces the attractiveness of bus as a mode of transport.** As well as facilitating residents to access health, education, recreation and other transport services in urban areas, integration and timetabling are important for increased bus usage by tourists visiting regional and more rural locations.
- **Sustainability:** Increased use of bus services will reduce car dependency. Any strategy to reduce carbon emissions must include initiatives to increase bus usage. Increased frequency of services, integration of services and quality bus corridors will all be needed to increase modal shift to bus. Opportunities for the use of biogas in bus services is another route to improved sustainability.

Air

Key Points:

There is an increasing focus on all airports to be commercially independent. The regional Local Authorities have taken an equity shareholding in Ireland West Airport Knock, illustrating the benefit of the airport to the regional economy.

EU Guidelines recognise that airports with fewer than 1 million passengers per annum may face difficulty and, subject to a case-by-case assessment, an aid rate in excess of 75% (up to 90%) may be justified in exceptional circumstances, subject to EU approval. Government needs to support Ireland West Airport Knock in seeking approval for a higher aid rate.

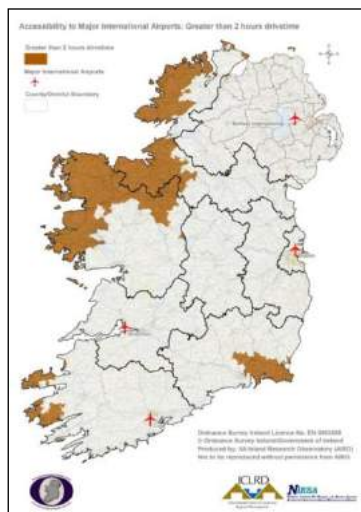
Investment is needed to support greater connectivity to Ireland West Airport Knock with improvements to the road network a priority.

International air access via Shannon and Ireland West Airport Knock is very important to ensure good international connectivity for the Western Region. These airports provide efficient access both to and from the region to destinations in the UK, Europe and the US in particular, vital to supporting the various businesses across the region as well as tourism access.

Shannon Airport is particularly important to the Limerick, Shannon and Galway regions and is the only airport on the Western seaboard with hub connectivity via London Heathrow, although Ireland West Airport Knock has connections to other London airports. Shannon airport also offers pre-clearance facilities to the US.

Ireland West Airport Knock serves the West and North West with over 20 international connections and has grown to serve those areas of Ireland beyond the catchments of the State airports (displayed in Figure 6.3). The map demonstrates that parts of the West and North West are very poorly served, with most of counties Mayo, Sligo, Leitrim, Donegal and part of Roscommon inaccessible; with a greater than two hours drivetime to any of the State airports.

Figure 6.3: Accessibility to State Airports and Belfast International



Source: All Island Research Observatory, 2010

Ireland West Airport Knock, which is by far the largest of the regional airports (passenger numbers), needs to be supported in a similar fashion to the State airports, recognising the important international role it plays serving the region and the very important driver it can be for the future economic development of the North West as well as supporting Sligo as a regional driver.

Ireland West Airport Knock has benefited from state investment in recognition of its important role in connecting more peripheral regions beyond the catchment of the State airports. In planning future transport investment it would be important to fully capitalise on state infrastructural investments already undertaken.⁴⁶

Recently, following a revision of EU State aid rules, there is an increasing focus on all airports to be commercially independent. Since then the regional Local Authorities have taken an equity shareholding in Ireland West Airport Knock, illustrating their recognition of the benefit of the airport to the regional economy.

These EU Guidelines recognise that airports with fewer than 1 million passengers per annum may face difficulty and, subject to a case-by-case assessment, an aid rate in excess of 75% (up to 90%) may be justified in exceptional circumstances, subject to EU approval. The Government needs to support Ireland West Airport Knock in seeking approval for a higher aid rate.

Investment is needed to support greater connectivity to Ireland West Airport Knock with improvements to the road network a priority.

Ports

Located on the extensive western coast, both Galway and Killybegs ports play an important role in supporting the marine and fishing sectors as well as providing key transport access points and contributing to the tourism offering, with further potential to grow.

Sea transport is considered one of the most environmentally sustainable transport modes. Meanwhile tourism generally, and marine based tourism in particular (including cruise ships), is a

⁴⁶ <http://www.wdc.ie/wp-content/uploads/WDC-PolicyBrief-no.3-Final.pdf>

significant growth industry. These ports are also important service centres for naval facilities as well as Search and Rescue services.

Galway Port is planning a major expansion which will include a new deep water port which will support tourism through new berthing facilities for cruise ships as well as a marina.⁴⁷ Better freight facilities are also planned. The NPF should be cognisant of the long term value of ports facilities and ports access and should support developments at these ports.

Energy

Electricity

Key Points:

It is important that investments in electricity network reinforcement are made, which will both allow for the transmission of significant amounts of renewable energy from the region, as well as providing high quality electricity infrastructure for enterprise in the region (both existing and potential).

The WDC regards the **provision of quality electricity transmission and distribution networks as important elements of the infrastructure required to underpin the economic development of the region**. A commitment to investment in energy infrastructure is important to achieving regional development goals through the NPF.

Transmission and distribution infrastructure planning

Electricity transmission and distribution networks are likely to be needed to support the increase in renewable electricity to be used in transport and heat. The west of the country has some of the best conditions for wind energy in Europe and it has very significant potential for ocean energy (both off shore wind and wave), and so it is likely that the transmission infrastructure will be needed at key points along the West and North West coasts.

Distribution infrastructure may also be needed to connect wind farms to the transmission network and to increase connections of cities and towns to support more electric vehicles. However EirGrid and ESB plan the network and estimate demand and so they are in the best place to assess infrastructure need.

EirGrid has been conducting a detailed scenario based assessment of future electricity needs in their “Tomorrow’s Energy Scenarios – Planning Ireland’s Energy Future” study. This is currently out for consultation (see here: <http://www.eirgridgroup.com/customer-and-industry/energy-future/>). When complete it should provide much of the information required to plan for future electricity infrastructure investment.

Clearly there is a tension between the need for more electricity infrastructure and the scenic value of the landscape. It would therefore be most appropriate to consider having such infrastructure along road and rail corridors to minimise negative landscape effects.

⁴⁷ <http://www.galwayharbourextension.com/>

The WDC regards the **provision of quality electricity transmission and distribution networks as important elements of the infrastructure required to underpin the economic development of the region**. A commitment to investment in energy infrastructure is important to achieving regional development goals through the NPF.

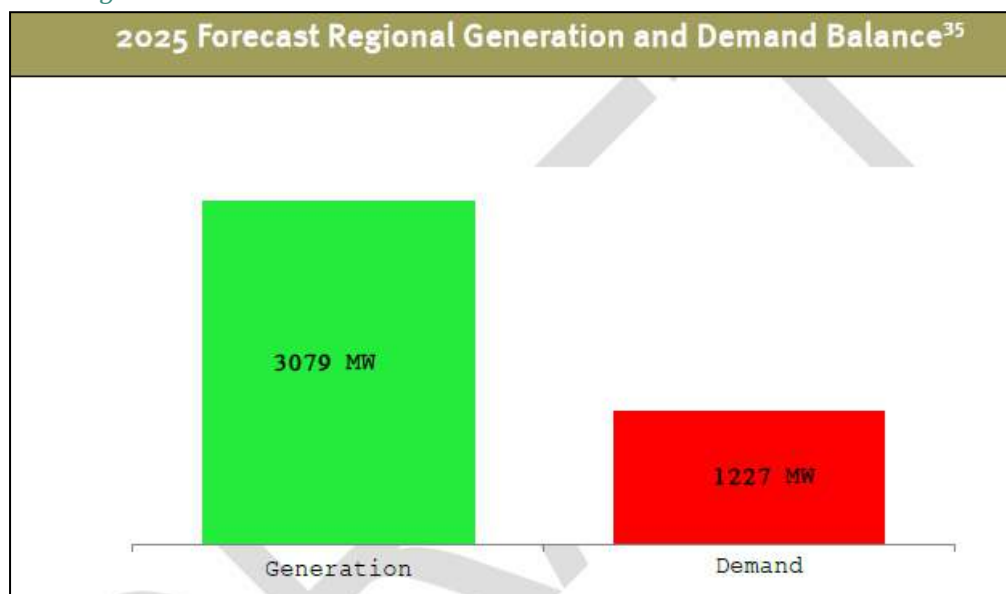
Electricity generation in the Western Region

EirGrid's Grid25 strategy provides a strategic overview for the development of the electricity transmission system to 2025 and beyond. It is based on a vision of delivering a strong, cost efficient transmission system, which will be essential for facilitating regional economic growth. The element of Grid25 most relevant to the Western Region is Grid West. The Grid West project plans a significant addition to the electricity grid. It was developed in response to the large number of proposals in the North West for renewable energy generation. **This project could also provide an opportunity to attract industries with a high-demand for electricity to this region**. The North West region is particularly well suited to renewable electricity generation. There could be up to 650 MW of renewable power generated in this region which is well above the 200 MW that the existing electricity transmission infrastructure can carry. This infrastructure will also enable the region to attract industry that needs secure, high-voltage power.

The Western Region has a wide variety of generation sources including wind, hydro, gas, and coal. These are dispersed around the region which has considerably more generation than demand. The existing transmission network is predominantly 110 kV and 220 kV. Planned development of the network in the region is mainly to connect a high level of wind generation. This surplus of generation in the area is set to increase significantly in the coming years as generators that currently have connection agreements and live connection offers connect to the transmission and distribution networks. To cater for the high levels of generation, network reinforcement is necessary. This will enable the efficient export of generation from this area to areas with high load, such as the eastern seaboard. There are also reinforcement needs due to local constraints related to a shortage of transmission capacity and voltage support; asset condition; and to accommodate further market integration with Northern Ireland.

In the Western Region it is predicted that by 2025 there will be significantly more electricity generation than demand so electricity produced here is used elsewhere. Figure 6.4 below shows this. **It is important that this key investment is made in regional infrastructure, which will both allow for the transmission of significant amounts of renewable energy from the region, as well as providing high quality electricity infrastructure for enterprise in the region (both existing and potential).**

Figure 6.4: Forecast regional generation and demand balance for the Border, Midlands & West Planning Area



Source: Draft Transmission Development Plan for Public consultation, CER, 2015

Gas

Key Points:

The focus of natural gas infrastructure investment in the NPF should be the North West and in particular the need for natural gas infrastructure in towns in counties Donegal, Sligo, Leitrim and Roscommon. The WDC believes it is important that there is a commitment to improve regional energy infrastructure, to examine the benefits of natural gas infrastructure and to invest in this infrastructure.

Lack of gas infrastructure may become a disincentive to investment, reducing a region's competitiveness and increasing existing disparities.

The NPF needs to be clear about the requirement for natural gas infrastructure in the North West, in particular in the larger towns of Sligo and Letterkenny.

Lack of natural gas infrastructure in the North West

The WDC believes it is important that there is a commitment to improve regional energy infrastructure, to examine the benefits of natural gas infrastructure and to invest in this infrastructure. **Natural gas is widely available throughout Ireland and most of the larger towns and cities are connected to the natural gas grid. There are, however, significant parts of the North West which have no natural gas supply.** The map of natural gas infrastructure below shows the deficit of infrastructure in the North West.

Figure 6.5: Natural gas infrastructure



Source: Gas Networks Ireland

The NPF needs to be clear about the requirement for natural gas infrastructure in the North West, in particular in the larger towns of Sligo and Letterkenny, and it needs to be a part of the Capital Investment Plan “Building on Recovery”, (even though the investment is made by the ‘wider state sector’).

In general to qualify for a connection the towns need to have a large commercial load. The ease with which a town can qualify also depends on the distance from the existing transmission line. Yet initial infrastructure was built without this requirement, so towns at a distance from earlier investments in natural gas transmission infrastructure are disadvantaged. There needs to be a clear focus on the development of this infrastructure in the North West. Towns in south Donegal, Sligo, Roscommon and Leitrim are all distant from the gas transmission line. Letterkenny is relatively close to the transmission line at Coolkeeragh in Derry.

Natural gas increases regional competitiveness

Natural gas availability improves competitiveness in a wide range of industrial applications, including food processing and pharmaceuticals, both of which are key sectors in the Western Region. It provides greater choice for consumers, which leads to greater competition and potentially lower energy prices. Natural gas produces fewer greenhouse gas emissions than other fossil fuels and less solid waste and particulate emissions than other fuels for Combined Heat and Power (CHP).

Industries and businesses in areas without natural gas face higher energy costs, lack of choice in energy supply and face higher carbon charges. Homeowners in such areas likewise face higher costs and use less energy efficient systems. Where natural gas has recently become available, large

users (e.g. Allergan in Westport, Baxter Healthcare in Castlebar) quickly switched to natural gas. As the gas grid expands nationally and more consumers (both industrial and domestic) gain access, the availability of natural gas will be taken for granted. **Lack of gas infrastructure may become a disincentive to investment, reducing a region's competitiveness and increasing existing disparities.**

In order for regions to develop and contribute more to the national economy they must have access to quality services and infrastructure, such as those for energy. Investment in natural gas infrastructure will bring benefits to the North West and to the wider economy.

Options for the future

While the focus here is on natural gas transmission infrastructure there are a number of different options for the future. For example, it is possible to transport Compressed Natural Gas (CNG) which can be brought in bulk by road or rail to the site of demand and can be used directly there or can then be fed into a local network. This possibility is being explored by commercial users in Sligo.

Additionally it is important to remember that energy policy developments in the future are likely to be dictated by climate change targets and the need to reduce greenhouse gas (GHG) emissions. Although natural gas has fewer GHG emissions than other fossil fuels, it is likely that renewable energy will be the choice in the future so it is likely that **further development of the natural gas grid into the North West could be important for the transmission of biogas** which will be used to fuel freight vehicles, into or out of the region. However it is important that it is planned so as to connect as many towns and users as possible. For more discussion on energy infrastructure to meet climate change obligations see Section 5.

Telecommunications

Broadband

Key Points:

To ensure the NBP can deliver on planned future EU target speeds as well as the current commitments, it is imperative that future proofed infrastructure is used in the deployment.

The Implementation Group of the mobile phone and broadband taskforce needs to ensure that actions to provide immediate solutions to the broadband/phone coverage deficit in rural Ireland are implemented.

Broadband is central to 21st century communications and its deployment has the power to transform a country's economic and social growth. Evidence suggests that a 10% increase in broadband penetration can raise per capita GDP growth by 0.9-1.5%. Ireland positions itself as the home of some of the world's leading technology companies **but there is a significant imbalance in the equity of digital services; urban centres are generally well served but rural areas have poorer service levels and limited competition and investment.**

2017 is the year when there will be significant developments in next generation broadband rollout with further investments to occur in 2018. Contracts are to be awarded to telecommunications providers to rollout a high speed broadband network as part of the much awaited National

Broadband Plan (NBP). These decisions will influence the nature of telecommunications infrastructure investment in Ireland for the next 25 years.

For those companies and citizens across regional and rural Ireland trying to operate with very basic broadband services, this is a really important milestone. Not only will it signal the start of an actual physical build out of the network, it will also provide some reassurance that Government policy is starting to deliver.

The updated NBP reflects the Digital Agenda for Europe (DAE) and states that:

- 100% coverage of download speeds of 30Mb will be available to all citizens by 2020; and
- 50% of Irish households will take up a minimum of 100Mb by 2020.

Current Government figures show that approximately 65% of the population is adequately served by the current broadband network with some 35% requiring State intervention to achieve the EU goals.

While the NBP targets include universal access to 30 Mbps download and 6 Mbps upload, there are indications from the EC that new EU targets are being planned.⁴⁸ For example there is a draft proposal that all European households will have access to connectivity offering at least a download speed of 100 Mbps by 2025. To ensure we can deliver such speeds, **the use of future proofed infrastructure delivering very high speeds has to be deployed in the planned investment to start next year.**

Recognising that there is some poor 4G coverage and ‘blackspots’ for mobile voice calls, the Government established a Mobile Phone and Broadband Taskforce to identify immediate solutions to broadband/mobile phone coverage. The work of the taskforce is being monitored by an implementation group which needs to ensure solutions are implemented in a speedy manner.

⁴⁸ In the US, the Federal Communications Commission has decreed that [anything less than 25Mb can no longer be called broadband](#).

What do we need to do to make best use of existing infrastructure?

To make the best use of existing infrastructure it would be important to **join existing networks together and complete ‘unfinished sections’**. For example once the Gort-Tuam motorway is complete, there will be just a few outstanding sections on the N17 needing improvements (see detail in previous answer), which when complete will ensure a high quality road network to Sligo, connecting Limerick, Galway and Sligo.

It is also important to fully capitalise on state infrastructural investments already undertaken for example:

- Investment in regional airports such as Ireland West Airport Knock, which unlike other regional airports, carries a very large volume of international passengers and ‘fills’ the gap in international accessibility not serviced by the three State airports.
- Investment in the rail network. There was significant investment in the rail network, lines and rolling stock under Transport 21. While passenger numbers declined during the recession they have been increasing over the last few years. It would be important to sweat the rail asset, especially in the context of providing modal choice and its superior environmental record compared to the car. **There should be greater consideration of the long term benefits of rail (both passenger and freight) in the context of a growing population, climate change and low carbon objectives.**

How can we ensure that the provision of infrastructure can be planned to match future demand and how can the NPF reflect this?

As noted in the WDC Policy Briefing, *Why care about regions? A new approach to regional policy*⁴⁹ quality infrastructure is one of the necessary conditions for regional development. **Lagging regions need to have a similar quality of infrastructure as is available in more successful regions, both to attract new industries and to allow those already established to be competitive both nationally and globally.**

Planning of regional infrastructure needs to take the following into account:

1. There are infrastructure requirements needed to satisfy **current as well as future demand**, e.g. broadband, bottlenecks in road infrastructure in West/North West.
2. The NPF will plan for an alternative scenario, in contrast to 'business as usual'. In doing so it will need to provide infrastructure to support the NPF vision for example, improved connectivity between second tier cities and connections from Galway to Sligo and Letterkenny.
3. **To realise an alternative scenario, there will need to be a change to the conventional appraisal and evaluation methodologies (business as usual), which are typically used to determine what projects are given the go-ahead.** The traditional cost benefit approach will naturally favour the larger and often largest population centres as the impacts are likely to be felt by a greater number, wherever the project is being delivered.⁵⁰ The impact on the wider spatial balance of the country and the extent to which the investment is supporting the NPF goals will need to be factored in.
4. While it is difficult to know for certain the infrastructure needs in 20 years hence, demographic trends will help inform what will be required. Robust data collection and analysis will be key to informing future demands. Demographic trends such as ageing and smaller households will help identify the levels of infrastructure investments needed, such as level of school and health investment. The NPF should then heavily influence the location of these investments.
5. Policy will also influence the infrastructure investments needed. **The need to lower carbon impacts will help influence infrastructural investments (for example supporting cleaner transport modes).**
6. Technological trends will also influence planning of the investments needed. Technological change suggests that the ever increasing need for greater broadband speeds is not abating and the EU may be revising upwards their minimum standards. There is a draft proposal that all European households will have access to connectivity offering at least a download speed of 100 Mbps by 2025. To ensure Ireland makes the best use of the planned NBP investment, **the use of future proofed infrastructure delivering very high speeds should be deployed in the planned investment when contracts are signed later this year.**

⁴⁹ WDC, 2010, *Why care about regions? A new approach to regional policy*

⁵⁰ http://www.dttas.ie/sites/default/files/publications/corporate/english/common-appraisal-framework-2016/common-appraisal-framework2016_1.pdf

How can capital spending on new infrastructure be sequenced in a way that is affordable and equitable, while taking account of Ireland's Climate Change obligations?

The evidence shows that many parts of Ireland and especially the West and North West have not benefited as much as other parts in the capital spending that has taken place over the last 20 years.

This has led to a country with unequal access to infrastructure and services (the road network and broadband infrastructure) which is inequitable and also an impediment to attracting further investment – enterprise and jobs – to second tier cities and urban centres in the North West.

Capital spending on new infrastructure should focus on supporting the objectives of the NPF as well as supporting those citizens and that part of the country which is relatively poorly served.

Energy

Electricity transmission and distribution networks are likely to be needed to support the increase in renewable electricity to be used in transport and heat. The west of the country has some of the best conditions for wind energy in Europe and it has very significant potential for ocean energy (both off shore wind and wave), and so it is likely that the transmission infrastructure will be needed at key points along the West and North West coasts.

Distribution infrastructure may also be needed to connect wind farms to the transmission network and to increase connections of cities and towns to support more electric vehicles. However EirGrid and ESB plan the network and estimate demand and so they are in the best place to assess infrastructure need.

EirGrid has been conducting a detailed scenario based assessment of future electricity needs in their “Tomorrow’s Energy Scenarios – Planning Ireland’s Energy Future” study. This is currently out for consultation (see here: <http://www.eirgridgroup.com/customer-and-industry/energy-future/>). When complete it should provide much of the information required to answer the above question in relation to energy infrastructure.

It is likely that further development of the natural gas grid into the North West could be important for the transmission of biogas which will be used to fuel freight vehicles, into or out of that region. However, as the natural gas network is underground there are not usually difficulties associated with its location. However it is important that it is planned so as to connect as many towns and users as possible.

Electricity Infrastructure

The WDC regards the provision of a quality electricity transmission and distribution network as an important element of the infrastructure required to underpin the economic development of the region. A commitment to investment in energy infrastructure is important to achieving regional development goals through the NPF.

How do we ensure that existing and new development can be supported by the timely provision of social infrastructure?

It is not entirely clear what is meant by the term ‘social infrastructure’. Many of the various infrastructural investments are both economic and social in impacts. For example transport investments provide for social interaction as well as improved economic activity. Likewise broadband infrastructure and its take up have strongly been driven by entertainment applications, which have both social and economic dimensions.

It could also be argued that a narrow focus on economic impacts, without wider consideration of the social impacts of all infrastructure investments, only identifies part of the value or benefit. See discussion of the Social Return on Investment⁵¹ at the start of Section 6.

‘Social’ infrastructures such as education or health facilities also have considerable economic impacts. The ‘creative economy’ and cultural facilities is another example generating social as well as economic benefits. Apart from a strong planning framework with effective implementation, planning for these investments requires a strong evidence base, informed by effective monitoring of demographics and population settlement data. Robust and relevant data such as regular Censuses is important in informing detailed spatial planning.

⁵¹ https://www.bond.org.uk/data/files/Cabinet_office_A_guide_to_Social_Return_on_Investment.pdf
<http://www.socialvalueuk.org/resources/sroi-guide/>

Section 7: Enabling the Vision – Implementing the National Planning Framework

Key Points:

In order to ensure that the NPF is implemented effectively it is important that there is a single body with responsibility for the delivery of the NPF and that there is a designated budget to help achieve the implementation of the framework.

Alongside this it is essential that other spending, investment and policy decisions are taken in line with the NPF rather than operating counter to it.

Finally there needs to be a clear relationship between delivery of the NPF and of the RSES in each of the three regions. This relationship needs to be made more explicit in the draft NPF.

When it comes to implementation and monitoring of the NPF, are there common goals that can be identified and apply to every place?

The NPF is a national document and will be expected to have a national remit for implementation. The implementation of the NPF will thus be through decisions made at central Government level, national sectoral policy and the decisions of state agencies and bodies, as well as those of private sector investors. Clearly much of the control over its implementation (and any developments of the Framework) will be at a national level in its parent department (DHPCLG, or Department of An Taoiseach) and through NPF links with the Regional Assemblies.

However, there is very little information about the role of the RSES, how they will fit into the Framework and whether they can be regarded as separate or not. The relationship between the RSES and the NPF will have implications for the implementation of the NPF. **The NPF may be a framework for the development and implementation of the RSES which in turn will be implemented largely through County Development Plans and sectoral policy and agency decisions.** Its relationship with all these elements needs to be made clear.

Implementation will be spread from national, to regional to local level (at Local Authority, but also at local community level). The NPF should also align the goals and priorities of sectoral agencies (and government Departments) or implementation will be difficult, but achieving this alignment, and at the same time achieving strategic spatial goals, will be complex.

It is likely that no matter what the NPF says there will be contestation, resistance, competition and reaction from those who feel excluded, who feel a loss of control or who disagree with the priorities as set out or with the initial actions or the overall strategy. A part of the development of an implementation process should be to deal with these issues.

Finally as mentioned above, while it is important to consider how implementation will work it is also important to recognise that **while NPF strategic spatial planning may be considered an ideal, it is sectoral planning and policy is, for the moment and for the foreseeable future, the real driver of regional development.**

What barriers exist to implementation?

There are a range of barriers to implementation and in order to overcome these **it is important that there is a single body with responsibility for the delivery of the NPF and also that there is a designated budget to help achieve implementation of the Framework.** Alongside this it is essential that at other spending, investment and policy decisions are in line with the NPF rather than operating in opposition to it.

Some of the barriers to implementation include:

- An important barrier could be a lack of funding for the investments required to ensure that the areas designated by the NPF to grow have appropriate infrastructure and facilities. **Investments need to be planned over the long term and there has to be certainty that in the medium and longer term the required investments will be made.** There will be concerns about both the short and long term availability of funding to ensure implementation and this uncertainty could also affect implementation. The cancellation of the planned Gateway Innovation Fund contained in the NDP 2007-2013 is a case in point.
- The funding of investment or growth and development as outlined in the NPF should not only be focused on the cities. In order to ensure that cities, towns, villages and open countryside play the roles envisaged in the NPF, with appropriate service and infrastructure levels in each type of area, investment needs to happen in these places. **Too often a plan is made which is supposed to be for all people and all regions, but the focus becomes that of cities and the rest of the areas are left without appropriate investment.** It is therefore little wonder that a plan or framework may be resisted, ignored or misunderstood.
- As the NPF is a broad framework, with long term goals and practical implications for regional development, a wide range of organisations must be involved in its implementation. These include:
 - National government – political level
 - NPF lead Department (D. Taoiseach/ DHPCLG)
 - Other Government Departments
 - Regional Assemblies
 - Local Authorities
 - IDA, Enterprise Ireland, LEOs, Udarás na Gaeltachta
 - Fáilte Ireland
 - HSE (Tertiary and Community Care decision making)
 - Education – 2nd level, higher (IoTs and Universities), further education and training (ETBs)
 - Transport providers – national and regional, public and private
 - Private sector decision-makers

Such organisations have also got other responsibilities and are dealing with other issues in terms of their service and investment plans. They may find that what is appropriate for their function is not in line with the NPF. If the NPF is to succeed there needs to be a mechanism for resolving or considering such conflicts to ensure that they are not ignored, but so that appropriate decisions are made by the responsible organisations.

- **The achievement of successful implementation is dependent on a clear strategy with clear goals, and objectives, appropriate resources and a well-developed implementation process** with an implementation body (in whatever form) with the capacity and resources, and the powers to achieved co-ordinated action on implementation.
- If people (and organisations) do not feel that the NPF addresses their development needs and/or that it does not give them a clear place in the settlement hierarchy, or that the vision provided for their area is at odds with their understanding of its development needs, then it is possible that the NPF could be resisted or ignored. **It is important that, in addition to providing a ‘vision’ for the types of development in regions, clear practical information is given on the types of development that can be expected and the way they will benefit each region.** In other strategies **there is often too much discussion of the vision and not enough clarity on how the vision can be realised.** It is important to be clear about the steps which must be taken to make implementation happen, and the way in which implementation will be staged and then monitored, to ensure that each place has the opportunity to achieve its potential. Without such clarity the Framework will not be implemented fairly and evenly.
- In order for the implementation of the NPF to continue into the future there needs to be a planned cycle for refreshing the NPF so that it can respond to the changing world to 2040 and can remain relevant throughout its lifetime.

How best can sustainable planning outcomes be recognised and rewarded?

It is important that the NPF is seen as a guiding framework for the development of Ireland to 2040. Within this, the process of implementation needs to be such that planning and development outcomes are in line with the NPF and with the RSES.

However, **it is important that the NPF is not just a means of centralising decision-making and control in relation to development.** If it becomes so, this undermines the notion that regions should be driving their own development and making the most of the assets they have available, to the overall benefit of the country. Therefore it would be more effective to create the conditions within which sustainable, responsive development can take place, rather than have a system of reward for those areas that perform most in line with a subjective view of ‘success’.

What levers are needed to deliver greater efficiencies in administration and governance, when it comes to implementing and monitoring the NPF?

The structure and way in which NPF funding is allocated and drawn down can provide a very significant lever to ensure that organisations will work together to implement the NPF.

However, it can also be argued that the lack of local finance (see Section 4.2 for further discussion) inhibits opportunities for efficiencies in administration and governance as decisions are slower, subject to more layers of scrutiny and involve more stages. Hence at the local and regional level it is important that there are opportunities to implement a programme for development that is in line with the NPF.

Implementation and monitoring should be done in tandem, or in close proximity to each other, to ensure that there is a swift feedback mechanism which highlights implementation difficulties as they arise. However, it is also important to have a separate higher level monitoring body which will be in a position to spotlight difficulties in implementation. Alternatively, as proposed, annual reporting to Government and Oireachtas could serve this function.

In terms of monitoring it is important that, although regular data returns and updates are needed by the monitoring body, excessive detail is not requested. At the same time, it is essential that the implementing and monitoring body has sufficient resources to ensure that data and indicators of implementation are analysed in full and any issues are examined and understood so that appropriate actions can be taken.

What are the key indicators for measuring the successful implementation of the NPF?

Measuring the successful implementation of the NPF will need focus on measuring outcomes at a regional and sub-regional level and indicators need to be devised and used to benchmark and monitor progress. The case for monitoring and measuring outcomes at regional and sub-regional levels is even more important where investment has been spatially targeted.

The WDC believes that progress toward effective regional development, recognising its multi-dimensional nature, should be monitored by assessing trends across a range of themes, using a range of social and economic indicators. These include demographics (population share and growth), labour market (employment share and growth), economic structure (the sectoral composition of employment), and output and its regional dispersal.

Improved spatial distribution of economic activity is a part of effective regional development but not the only part. Other indicators that are important include income per capita, poverty, unemployment, social inclusion and inequality, educational participation and attainment as well as levels of innovation. Indicators such as access to health services, a quality environment and improved quality of life are also important facets of effective regional development.⁵²

The indicator series used in measuring the NPF should cover the key areas that are addressed in the NPF. Some objectives are outside the scope of the NPF, for example a well-integrated, multi-cultural society.

We will not propose a specific list of indicators to be used, but the indicator series selection should be based on the following criteria.

- **Relevance:** The indicators selected should be chosen because they reflect and measure the ultimate policy objectives of the NPF. They should also command as near to universal acceptance as possible to ensure agreement.
- **Spatial scale:** The spatial unit should be as small as possible, without compromising data quality or accuracy. Data should be available at NUTS3 and NUTS4 (county level) where possible. Of course county data also has its deficiencies, particularly in obscuring urban/rural differences and in this regard Census data is particularly valuable, capturing ED and Small Area level data.
- **Data timeliness:** It is important that the data sources chosen are available at regular intervals and are as up-to-date as possible, so as to provide a current picture. Time series data is also important. The indicators chosen should measure progress over time and between regions.
- **Manageability:** Monitoring and measuring outcomes is an important tool but it should not become prohibitive by being too unwieldy. The aim is to provide a snapshot of a particular situation and, with time series data, provide an overview of trends. A limited number of indicators allows for a regular (annual) update, thereby providing a regular assessment of

⁵² Some, such as quality of life indicators are as of yet poorly developed while others such as environmental emissions or noise quality are less relevant in the context of balanced regional development and may be more appropriately analysed in a rural/urban context. Others are omitted because of limited data at a regional level. For example the EU publishes *Regions: Statistical Yearbook* annually, which includes a wide range of regional statistics from demographic data to statistics on health and transport access however these are only at NUTS2 level.

progress. Accordingly, the number of indicators should be limited so the exercise is not unwieldy.

The resulting selection should provide an indicator series which most accurately reflects an assessment of the relative performance of regions over time and in relation to each other. The WDC believes that regular monitoring using this set of indicators will allow for a better understanding of progress towards achieving effective regional development. This improved understanding is necessary if we are to achieve more regional balance.