



CIF SUBMISSION TO 'IRELAND 2040 – OUR PLAN' – THE DRAFT NATIONAL PLANNING FRAMEWORK

10 NOVEMBER 2017

INTRODUCTION

The Construction Industry Federation (CIF) welcomes publication by the Department of Housing, Planning, Community and Local Government of *Ireland 2040 – Our Plan* and this opportunity to comment on the draft National Planning Framework (NPF). CIF recognises that the draft NPF has taken account of the extensive research and analysis undertaken during its preparation. In March 2017, CIF submitted a response to the pre-draft national consultation on the *Issues and Choices Paper* and is pleased to note that many of the recommendations contained in that response have been incorporated into the draft NPF.

Set out below are some key reflections together with twenty eight industry recommendations under major thematic headings.

KEY REFLECTIONS

The NPF must be nationally and strategically significant and carry sufficient weight to ensure its successful implementation. To this end the NPF must ensure that there is sufficient guidance, especially at local level, matched by measurable investment to enable practical implementation. The industry notes that the NPF will have legislative backing and be placed on a statutory footing with implementation to be overseen by the *Office of the Planning Regulator*. It is also noted that the NPF will be applied on a regional basis through statutory Regional Spatial and Economic Strategies (RSEs), the drafting of which will commence in 2018.

Perhaps most crucially the NPF will set the context for a new ten-year *National Investment Plan* (NIP) 2018-2027. The NPF contains some indicative national strategic outcomes for consideration

in developing the NIP by end 2017, and the industry looks forward to further engagement in the related consultation process on the NIP in the coming weeks.

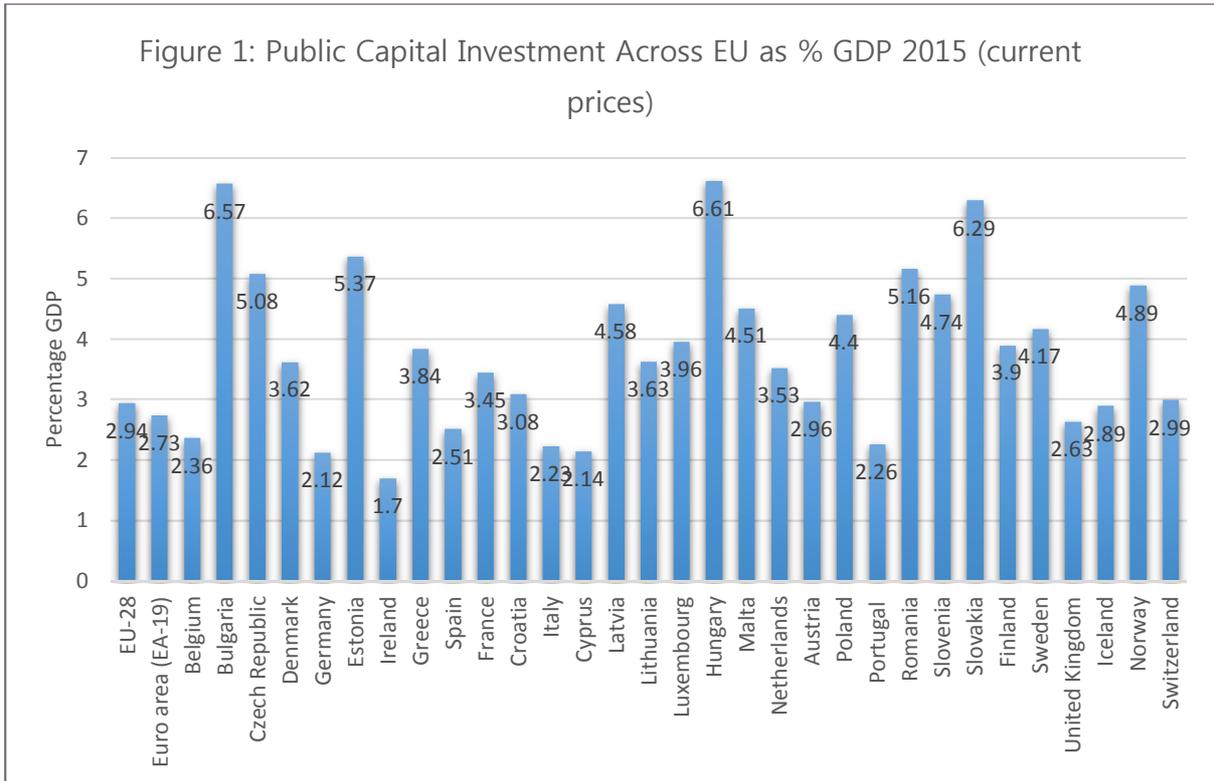
Distribution of population and jobs between the three regions (i.e. re-distribution away from the Eastern & Midlands Region), together with active land management, emerge as significant themes in the NPF. Population growth occurring predominantly in the Eastern area, and concentrated in the GDA, is a long-standing feature of settlement and investment patterns in Ireland and many will say that it is no longer sustainable. The NPF's active land management theme is developed through the proposed compact distribution of population, jobs and new housing development across identified settlements within all the regions and the identification of enabling infrastructure. The focus on the timely servicing of land is welcomed, however the industry recommends equal weight be placed on 'connectivity'.

The Department of Public Expenditure and Reform recently published a capacity and demand analysis of existing infrastructure across key areas of economic infrastructure. What becomes clear is that there is a need to better integrate and coordinate national plans into a clear evidence-based framework so that there is a unified approach to the delivery of housing, jobs, water, waste water, energy, transport, education, digital connectivity and health services, to name just a few key areas. This is even more critical at the beginning of a new 10 year NIP.

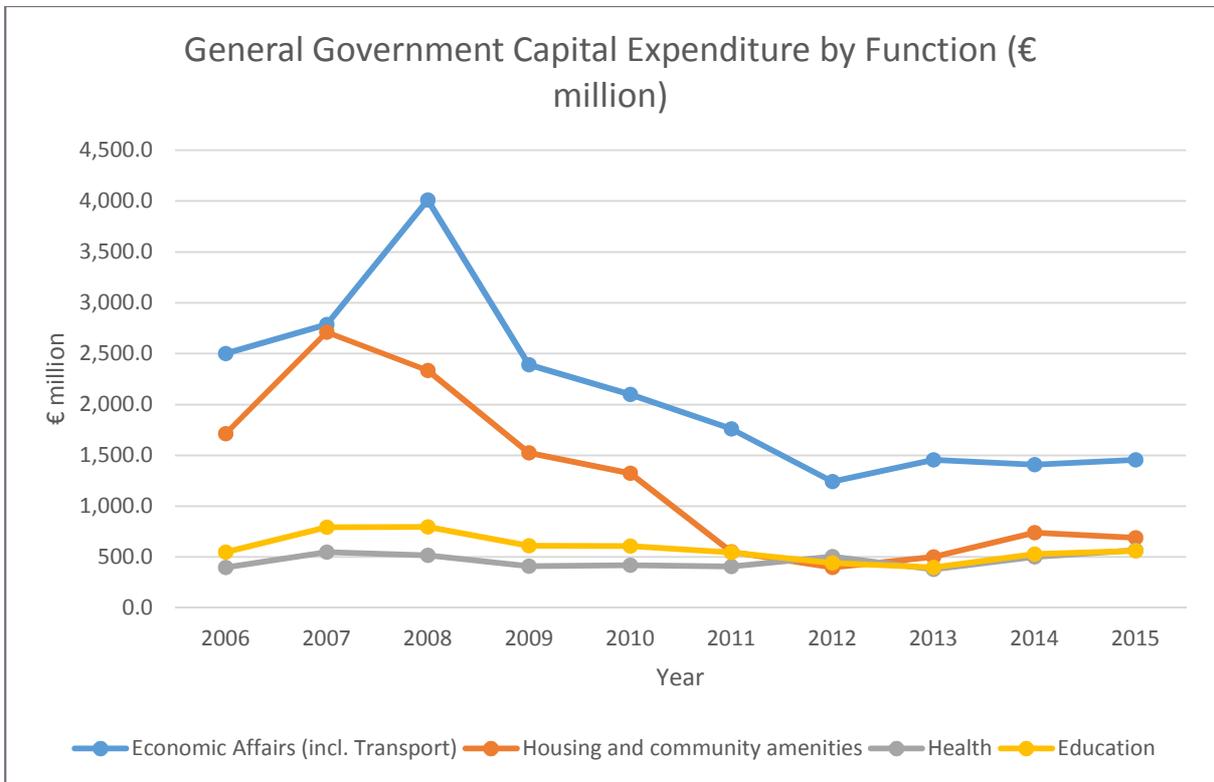
Investors need certainty and a strong planning system is essential to achieving long-term growth. While the CIF is confident that the NPF will have the statutory powers to coordinate spatial planning vertically down through the planning system, it is more concerned about the horizontal integration of the NPF across the numerous departments, agencies and bodies with direct oversight and budgetary controls over distinct infrastructural areas.

Capital investment has reached a long-term average low of around 2 per cent GDP since 2008; down from 5 per cent throughout the early 2000s. Ireland is now the bottom-ranking EU country in terms of capital investment and successive EU Commission reports have highlighted infrastructural deficiencies as a threat to Ireland's long-term growth. See Figures 1 and 2.

After nearly a decade of underinvestment, Ireland's infrastructure is increasingly inadequate for its economy and society. A higher proportion of the reduced investment parcel is spent in repairing and renovating Ireland's existing infrastructure, rather than on the transformative investment that would underpin Irish economic growth and global competitiveness for the next 20 years.



Source: Eurostat



Source: Eurostat

The industry hopes that the new ten-year *National Investment Plan* (NIP) will be robust enough to support implementation of the NPF, so that it can be an effective framework to leverage economic growth and sustainable development for all people, across all regions, to 2040.

INDUSTRY RECOMMENDATIONS UNDER KEY THEMATIC HEADINGS

LAND MANAGEMENT, DEMOGRAPHIC TRENDS AND SETTLEMENT PATTERNS

1. While there are no maps contained within the draft NPF, and it is intended that the RSEs/MASPs/Development Plan Core Strategies will focus on such detail, it would be helpful to identify the urban structures envisaged in terms of the desired compact growth and land management policies. The NPF identifies a 'Metropolitan Area/Region' as a city region with a commuter catchment from which at least 15% of the relevant city workforce is drawn. This will vary from Census to Census, but has generally been expanding in recent years. The CIF notes the significance of the metropolitan area in Cork and Dublin in particular. By comparison, the targeted pattern of city population growth as set out in Table 3.1 refers to the five cities and their suburbs with the addition that this includes contiguous adjoining zoned lands only. Note 12, Appendix 3 states that the five cities and their suburbs corresponds with the 'existing built-up envelope of all sizes of urban settlement as defined by the CSO in line with UN criteria i.e. having a minimum of 50 occupied dwellings, with a maximum distance between any dwelling and the building closest to it of 100 metres, and where there is evidence of an urban centre (shop, school, etc.)'. Mapping policies and sustainable growth strategies would better help industry to identify the spatial implications of the NPF and minimise conflicts for those in the development sector in particular.

CIF members have questioned the definition used within the draft NPF for the city and contiguous urban areas only, which excludes the wider urban area surrounding the cities. It is CIF's position that examining the population and population projections in the context of a city's metropolitan region is a far better method of examining the current urban population of the city and its capacity to expand, rather than the narrow definition of city and suburbs used in the Draft NPF. This would also ensure that should there be blockages to developments taking place within the city and suburbs that the wider metropolitan region

would not be inhibited from further growth. The population projections in certain instances are lower than those envisaged by the Local Authorities themselves and in some instances only provide for very modest population growth projections. This is particularly the case in certain city metropolitan regions where there has been significant population growth over the last 20 years, much higher than that forecasted for the next 20 years within the NPF.

The CIF would therefore request that the final NPF use the metropolitan populations and population projections rather than the narrower city and suburb definitions for the principle urban areas of Ireland; that is Dublin, Cork, Limerick, Galway and Waterford.

2. The new methodology for the introduction of a tiered approach to land zoning and the prioritisation of development lands is duly noted by the CIF. The addition of a new requirement for local authorities to identify at the time of publication of the draft and final development or area plan of Tier 2 zoned land with an estimate of the full cost of delivery of basic development services is helpful. However, the CIF is very concerned where it is proposed that the status of Tier 3 zoned land be reconsidered by the local planning authority, especially where there is adequate provision of Tier 1 and Tier 2 zoned land. The CIF recommends that there be early and swift engagement between the local planning authority and the industry where this methodology is due to be applied.
3. The demographic impact on regions / cities will be strong should growth targets be achieved. The NPF aims to identify the future pattern of development rather than precise numbers and this allows ambition and competition for growth to emerge at regional / local level. The CIF would welcome further details on Policy Objective 7a which states that a *National Smart Growth Initiative* will be put in place to support development and to leverage both public and private investment, as part of the 10 year NIP.
4. The planned growth prescribed for towns with populations more than 10,000 in the Midlands/Eastern Region under the draft NPF is in the order of 20-25% over the next 20-year cycle. Without specific intervention, population growth will occur most naturally in towns which are closest to the centre of economic action in the region (Dublin). Many of the towns in Dublin's catchment which currently have populations >10,000 have underdeveloped town cores, serve as dormitory towns for Dublin and contribute

significantly to the tidal pressure on Dublin's road infrastructure. CIF members believe that there is a strong case to be made for the sustainability paradigm already provided by the provincial county town. To keep people living close to employment and services is efficient, improves employee productivity, promotes the health benefits associated with good work-life balance and facilitates community development. The sustainability of the provincial town should be recognised and nurtured. The current draft of the NPF effectively prescribes stagnation for the principal towns in the Midland Regional Assembly when compared against the national and historical context.

The CIF seeks an amendment to the draft NPF which would treat the Midland Regional Assembly as a 'Region within a Region' and place it in the same category as the North-West where urban growth of 40% is targeted. This is in line with principal Midland towns which have established urban cores and can sustainably accommodate further population growth. The responsibility and challenges placed on communities to demonstrate innovation, shared direction and effort will be harnessed through the new initiatives such as 'Smart Growth'. However, the build-up of the urban cores of these towns is contingent on investment. Without specific designation of the Midlands as a Region in need of special attention and nurturing through investment, there is a risk that regional growth could stagnate or recede.

5. Development of the five cities will have a multiplier effect. However, should there be a coordinated city approach? As such the CIF has examined international models for spatial planning where for example in the Nordic countries there is significant coordination at city level which leads to better sharing and exchanging of experiences with regard to spatial planning. This coordination is aimed at: (1) finding a means to serve the business community best, (2) functional cooperation on common urban challenges and (3) collaboration at a city-to-city level which reaches beyond borders.
6. Household settlement patterns in Ireland are slow to change. There are more dual income households and often families have to find locations to live where multiple members of the same family can access employment. The industry proposes that location decisions are not just economic but social, familial and personal. Enhanced connectivity between settlement locations is key and renewed investment in both transport and digital connectivity will improve quality of life and accessibility for all citizens across each county and region.

7. Investment decisions have been made on the basis of official core strategies across all counties and cities. The industry recommends that where investment decisions have been made on the basis of official core strategies that these decisions be respected and carried forward, otherwise the NPF risks introducing untoward risk and uncertainty into the planning process at local level.
8. While the NPF does recognise the role that large towns (>10,000 population) will play in terms of achieving integrated compact growth there are issues to be considered such as: distance from other towns, competition for services, the strength of regional and local governance, the level of existing infrastructure and differing service needs. The CIF recommends that formal guidance is issued to regional assemblies and local authorities on how best to deal with such competing issues so that investment in one town balances that which takes place in another.

The CIF is concerned that the completion of the RSEs by the Regional Assemblies will be a very onerous task. All three Regional Assemblies represent large and diverse geographic areas with myriad competing demands and resource challenges. The NPF should aim to provide as much clarity as possible to the regional level to ensure the fair application of proposed population targets across each region (outside of the five main metropolitan city areas).

9. It is probable that some areas which are strategically identified as significant growth centres will be subject to some opposition, while those excluded from being a growth centre might be subject to an alternative form of dissatisfaction. It is suggested that legislative amendment be undertaken so that objectors to critical development decisions, in taking their cases to the Planning Appeals Board An Bord Pleanála, and delaying critical projects which are supported by the Ireland 2040 Plan should have a 'locus standi'. In addition, they should fulfil the same criteria as if they were objecting to the Courts, i.e. have the capacity to fund costs if they don't succeed in any actions undertaken to prevent development.

10. Investment in infrastructure can have a transformative effect by better connecting and regenerating cities, towns and villages. Increased expenditure increases inward investment and growth and reduces unsustainable living and commuting patterns. An emphasis on better connectivity (with a greater focus on rail) cannot be overstated in the NPF.

Rail services must be upgraded (for example: a high speed rail service between Cork and Dublin), since they are at least as important as motorway connections between cities, urban towns of >10,000 population and their hinterland and international access points such as ports and airports. A case in point is Galway port which is currently going through the planning process to significantly extend the port to secure its long-term future as a commercial and tourist port on the western seaboard. Currently, Galway port is seeking to be classified as a port of national significance (Tier 1 & 2 Ports). However, the NPF under Section 6.3 Ports/Policy Objective 42 makes no reference to Galway port.

Planned investment in road and rail connectivity is essential in efficiently facilitating the demands of a growing economy, whilst ensuring that communities are able to go about their business unimpeded. Improving access to and from the key five cities and towns across Ireland is critical. This is needed in order to ensure adequate capacity, resilience and fluidity in the whole transport chain to deliver national economic success. Coordination of investment across such areas must be reviewed on an ongoing basis.

11. Improved connectivity between cities and within city regions is essential to support existing settlements and promote future national prosperity, and CIF welcomes the stated ambition to better connect cities to each other and to their regions. The CIF wishes to highlight that transport infrastructure improvements in the north-west and south-west of Ireland have lagged behind other areas and this must be redressed given the importance of and opportunities for industries in these regions, and the potential constraints on future growth due to infrastructure deficits and Brexit on the north-west in particular. The north-west region is particularly vulnerable to population decline if not actively supported by the NPF. Overall, the CIF believes that improved connectivity between metropolitan city regions and towns is essential to support existing settlements and promote future national prosperity,

and welcomes the stated ambition in the NPF to better connect cities to each other and to their regions.

12. With regard to transport, the CIF believes it is essential that Ireland's transport networks become fully integrated. City and town centres have important roles as integrated transport centres. The transition between different modes of transport should be made as simple as possible for users of the transport network. In response to the NPF, the CIF suggests that the NPF through Transport Infrastructure Ireland (TII) and the National Transport Authority (NTA) better outlines planned areas for coordinated action by identifying key interchanges where a joined-up approach to transport infrastructure would help to improve sustainability and better guide future capital investment plans.

13. It is widely acknowledged that the best use of existing infrastructure is achieved by securing economies of scale in terms of development patterns. An area's competitive advantage can be enhanced through the principle of agglomeration whereby businesses set up in relation to existing resources, supply chains, availability of skilled labour and even their competitors. An important function of the local planning system is to recognise and understand current economic factors and growth trends so that strategic decisions surrounding new development are facilitated with the ultimate intention of adding value to a local area. This will require enhanced coordination from state agencies who interact directly with local planning authorities in the identification and facilitation of future investment across Ireland. The CIF recommends that the NPF enable clearer joined-up reporting in this regard.

SUSTAINABLE ECONOMIC DEVELOPMENT

14. Local authorities should be encouraged to identify 'local growth champions' to ensure sustainable growth policies are implemented in practice. The CIF refers to current industrial policy in the UK which is focused on working with local authorities and businesses to champion local firms and promote inward investment. There are many organisations and actors involved in this process from public to private to community levels and coordination is needed. In that vein the industry would like to see the NPF playing a role in promoting better cooperation between public and private sectors. More should be done to encourage a sense of duty for public and private sectors to cooperate more closely, where the local

authority would be asked to demonstrate how they actively work with private entities to realise approved local plans.

15. Despite the planned statutory underpinning and oversight by the Office of the Planning Regulator of the NPF the CIF remains concerned that there are structural weaknesses inherent in the planning system which could hinder successful implementation of the NPF across the regional and local level without changes taking place. Achieving compact growth of population, jobs, housing, together with the associated infrastructure, will be dependent on a range of actors and agencies formally aligning with NPF and buying in to the national spatial planning process.
16. Tools for enhancing economic literacy amongst professionals engaged across planning, investment and development should be introduced. There must be a better way to build understanding of the interrelationship between planning and the economy going beyond an understanding of viability amongst all those responsible for creating successful places, including planning professionals and locally elected members.
17. With regard to rural development, the CIF believes there may be an over reliance on the *'Action Plan for Rural Development'*, which assumes that communities themselves are equipped to undertake decisions to ensure development transpires. There needs to be a system of local government that engages in, as well as facilitates, new development for rural Ireland. The NPF should facilitate the development of the cores of provincial towns and villages thereby preserving the integrity of the rural countryside.
18. Areas without major urban drivers are overly exposed to Brexit. There will be a disproportionate effect on the counties along the border and in the north-west, where there is also a concentration of labour market integration with tens of thousands of people commuting daily across the border for employment purposes. See Table 1 for the most recent breakdown of employment by region and by Nace code. The CIF recommends that the NPF makes a reference to the ex-ante planned mitigation policies to be introduced by Government and state bodies in due course. This is particularly important at such a critical time for the country as we look to continue our effective trading relationships with both the UK and the rest of the EU, and to stimulate further economic growth.

Table 1: Persons aged 15 years and over in Employment (Thousand) by Region, NACE in Q2 2017

<i>Persons aged 15 years and over in Employment (Thousand) by Region, NACE</i>	Border	Midland	West	Dublin	Mid East	Mid West	South East	South West
<i>Agriculture, forestry and fishing (A)</i>	22.6	11.1	14.2	..	8.3	11.2	20.5	19.4
<i>Industry and Construction (B to F)</i>	41.5	26.7	43.9	85.1	52.4	34.7	51.4	71.8
<i>Industry (B to E)</i>	25.4	15.8	31	48.9	33.9	24.6	33.4	47.2
<i>Construction (F)</i>	16.1	10.9	12.9	36.2	18.5	10.1	18	24.7
<i>Services (G to U)</i>	132.4	84.6	129.6	534.8	186	115.4	142.8	213.4
<i>Wholesale and retail trade, repair of motor vehicles and motorcycles (G)</i>	23.7	17.4	25.9	78.3	38.9	21.5	29.3	43.4
<i>Transportation and storage (H)</i>	7.5	6.3	6.8	37	13.6	8.3	7.4	9
<i>Accommodation and food service activities (I)</i>	17.5	8.5	13.2	45.9	12.9	12.7	17.2	24.1
<i>Information and communication (J)</i>	3.5	..	7.7	47.9	10.5	4.3	4.9	10.7
<i>Financial, insurance and real estate activities (K,L)</i>	6.1	3.5	4.5	54	13.4	3.5	6.5	8.8
<i>Professional, scientific and technical activities (M)</i>	7.6	4.1	7.8	50.4	15	8.3	9	17.3
<i>Administrative and support service activities (N)</i>	5.8	..	4.3	28.1	9	5.3	6.4	12.2
<i>Public administration and defence, compulsory social security (O)</i>	10.3	7.7	8.7	33.2	13	8.7	10.6	13
<i>Education (P)</i>	14.7	8.6	15.6	44.5	16.2	13.4	16.4	27.3
<i>Human health and social work activities (Q)</i>	26.6	16.2	25.1	81.4	31.2	19.2	25.6	34.7
<i>Other NACE activities (R to U)</i>	9.1	6.4	10.1	34.1	12.3	10.2	9.6	12.9
<i>Not stated</i>	4.4
All Economic Sectors	196.7	122.4	187.9	627	247.4	161.9	214.9	304.7

Source: CSO

19. The NIP will present an opportunity for investment to increase and strengthen diversification across regions e.g. through policies that capture emerging labour markets – e.g. self-employed entrepreneurs and supports for rural businesses to diversify and take advantage of supply chains. The NIP can support the NPF by ‘bending’ the economy through targeted investment to reverse the peripheralization of the regions and ensure smart growth of the

four cities outside of Dublin. A concentration of new infrastructural and support services will be required across the key urban centres.

20. A series of supply side policies will assist more and better job creation and can build closer public and private sector employer engagement and partnership focused on priority areas, for example by increasing investment in better education and training. With so many stakeholder actors involved the CIF recommends that the NPF identifies a long-term roadmap or toolkit to coordinate the various actors involved, such as Government departments and agencies, which situates future investment and job creation within spatial parameters.

IMPLEMENTATION CONSTRAINTS

21. Common goals applying to implementation and monitoring of the NPF include realistic viability testing for identified key growth centres in terms of infrastructure and service provision. Identification of key centres will have to consider any significant planning constraints in terms of particular EU Directives or other associated strategic environmental issues. Targets will only be achieved if the required servicing of development lands for services such as water and transport services are addressed within the lifetime of local development plans. Objectives for preparation of Local Area Plans should also be met within a reasonable period of adoption of the relevant Development Plan. The CIF acknowledges the role that the Office of the Planning Regulator can play in this regard.
22. Sustainable planning outcomes should be recognised and rewarded by an appropriate branding of the development and possible support for the project promoter in formulating and developing a subsequent sustainable project in accordance with the strategic long term plan. This could take the format of relief or partial relief for an element of development contributions payable.
23. The industry supports the Department in wishing to strengthen data analysis, collection, monitoring and evaluation to enhance spatial investment and decision-making. The industry will work to actively facilitate the Department in this regard.

24. For the NPF to be successful, planned implementation should be incremental so that the new framework for the spatial planning of Ireland respects previous and current planning policies that pertained and zoning decisions made under core strategies. The NPF should ensure it does not inadvertently destabilise current investment decisions.
25. The CIF recommends that the NPF be reviewed and adjusted at 7 year intervals to determine where good spatial development patterns are emerging. This will ensure that major investment decisions remain resilient and valid.
26. The industry recommends timely forward-looking assessment (i.e. a published pipeline) of planned investment in infrastructure and the introduction of active annualised programme management of projects which will help to provide certainty for investors and the supply chain, as well as helping forecast future skills needs required to deliver on planned infrastructure. The NPF is the blueprint for realising future investment in Ireland.
27. Infrastructure will underpin the spatial development of Ireland, therefore the CIF recommends that the proposed '*Construction Sector Group*' aims to facilitate the successful implementation of projects and lead a review to identify ways that the government, working with stakeholders across industry, can improve the quality, cost and performance of Ireland's infrastructure to 2040.
28. In addition to the Office of the Planning Regulator it is recommended that an interdepartmental group preferably chaired by the Department of An Taoiseach would be an appropriate steering group to monitor implementation of the NPF and to highlight any inconsistencies that may emerge at central, regional or local levels.