

# **Implementing the National Spatial Strategy: 2010 Update and Outlook**

**Harnessing Potential,  
Delivering Competitiveness,  
Achieving Sustainability**

**4 October 2010**

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## Ministerial Foreword

Proper planning is vital to achieving a better quality of life for people, delivering sustainable economic progress, and maintaining an environment of the highest quality. The NSS was published in 2002 as a 20-year strategy to guide the country's future on a more sustainable path. Recognising the serious global economic and environmental challenges now facing Ireland and the significant necessary national economic budgetary constraints, a review of implementation of the NSS at this juncture is timely. We believe that better and more consistent implementation will help to enhance our competitiveness and stimulate economic recovery and promote development which is economically, socially and environmentally sustainable.

This NSS Update and Outlook Report is not a replacement for the original NSS policy document; rather, it is a re-affirmation of the Government's commitment to the NSS as the national spatial and forward planning framework to guide more balanced regional development and inform capital investment priorities. The adherence to a strong plan-led and long-term strategic national vision is now, more than ever, of fundamental importance. Enabling the NSS to deliver fully on its potential will require focused commitment and support across central, regional and local government, and other stakeholder input and support.

Under the Government's strategy for economic renewal as set out in *Building Ireland's Smart Economy*, we are committing billions in Exchequer funds to capital investment. There is a clear onus on Government to optimise the impact of and return on this investment - the NSS offers a clear vision, rationale and investment prioritisation to ensure that this happens.

Our major cities and urban areas have the capacity, potential and critical mass to be principal drivers of national economic development. Accordingly, investment must be coordinated to facilitate their development. At the same time, the sustainable exploitation of our stock of natural resources within the agriculture, forestry, fisheries, tourism and renewable energy sectors is vital in positioning rural regions as key contributors to long-term economic progress alongside further economic diversity in rural areas. The NSS promotes these objectives and advocates more sustainable settlement patterns in urban and rural areas to support their development.

The global economy is facing the inter-linked challenge of addressing climate change, meeting energy needs and tackling our dependence on imported fossil fuels. Effective implementation and acceleration of NSS policy will play a critical and central role in addressing these challenges by promoting more sustainable settlement patterns, reducing transport energy demand and promoting sustainable transport modes in accordance with Government's wider *Smarter Travel* transport policy objectives and targets.

While there have been significant progress in implementing NSS policy since 2002, considerable challenges nonetheless remain. Stimulated by this report, we must take stock of what has worked and how we can apply best practice across all sectors and levels to deliver the NSS vision. The new Planning & Development (Amendment) Act 2010 will further support NSS objectives by ensuring greater oversight, integration and consistency between spatial plans at national, regional and local levels, together with ensuring that environmental and social sustainability are fully integrated into planning policy.

We both believe that this NSS Review and Outlook Report and the implementation of its recommendations across the various layers of Government will play a strong role in ensuring a more consistent focus on plan-led development which is economically, socially and environmentally sustainable.



A handwritten signature in black ink that reads "John Gormley".

Mr. John Gormley, T.D.,  
Minister for the Environment,  
Heritage and Local Government.



A handwritten signature in black ink that reads "Ciarán Cuffe".

Mr. Ciarán Cuffe, T.D.,  
Minister of State with special responsibilities  
for Horticulture, Sustainable Travel and  
Planning and Heritage

# Executive Summary

## Purpose of the Report

This NSS Update and Outlook report represents both a re-affirmation of the Government's commitment to implementing long-term planning frameworks such as the NSS, and a statement of new priorities and objectives, taking account of experience since 2002 and the new environmental, budgetary and economic challenges.

## Why the NSS is relevant and important

The NSS is a critical instrument to inform and assist prioritisation and co-ordination of scarce resources. Spatial planning and investment policies play a key role in driving a sustained approach to Ireland's economic recovery because:

- planning is critical for building long-term resilience into the economy,
- heavy investment in physical infrastructure must be more closely aligned with settlement policies and further complemented by an enhanced focus on competitiveness-related issues such as education and innovation, and governance and co-ordination arrangements, and
- there is a close inter-relationship and inter-dependency between addressing Ireland's key environmental challenges and developing the full potential of the regions and the country as a whole.

## What has worked well so far

- **At national level:** implementation by Government has facilitated significant investment in public infrastructure, such as transport, better housing, improved water services and waste infrastructure that have helped to create the conditions for long-term economic progress;
- **At regional level:** Regional Planning Guidelines have enabled better co-ordination and integration of plans at local authority level as well as identification of regional investment priorities;
- **At local level,** many authorities and agencies at Gateway and Hub levels have worked to encourage a more strategic and co-ordinated approach to their development, aided by public and private investment, and successive Ministers have pursued appropriate alignment of plans at national, regional and local levels by commenting on and, on occasion, requiring such alignment.

## Implementation challenges remaining

- Delivering more sustainable development patterns, countering the previous trends towards rapid growth in suburban and extra-urban commuter areas around the principal cities and towns and more recently, the proportional shift in house-building towards urban-generated housing around many cities and towns, including in the rural hinterlands, rather than in the urban areas themselves;
- Making city and town centre areas a major focus for significant future housing and employment provision through targeting investments and regional planning policies to deliver the Government's Smarter Travel objectives, to maximise usage of existing infrastructure and to revitalise under-developed urban areas in need of regeneration;
- Developing rural areas with local employment opportunities, to thereby reduce commuting and support sustainable travel; and

- Addressing Ireland's high level of car dependence and recent trends of increases in greenhouse gas emissions from the transport sector through both investment in public transport and sustainable travel alternatives such as walking and cycling facilities and greater emphasis on the delivery of more sustainable settlement patterns through regional and local planning policies.

### **Some spatial trends since 2002**

- Significant employment growth has taken place in and around the Gateways, Hub towns and other strategic locations identified in the NSS.
- Population growth in some Gateways and Hub towns has underperformed, while smaller towns, villages and rural areas within a 50 - 80 km commuting range of major cities and towns have experienced significant population growth.
- Excessive and inappropriately located zonings and development have worked against consistent implementation of NSS principles and priorities and undermined efficient Exchequer investment in infrastructure and services.
- Development-driven planning and urban-generated commuter settlement patterns are creating demand for uneconomic and inefficient infrastructure and service provision in suburban and extra-urban green-field locations, while infrastructure and services in city and town centre locations become under-utilised.
- Development has become more dispersed and fragmented geographically, with greater distances between where people live and work. As a consequence, oil dependency has increased and greenhouse gas emissions from the transport sector are increasing more rapidly than in other sectors of the economy.
- Notwithstanding our demographic growth and settlement pattern trends in the recent past, the percentage of people travelling and choosing sustainable modes of transport continues to fall.
- Urban sprawl, with the resulting car dependency and longer commuting times, is reducing the quality of family life and broader community interaction and social integration. It also contributes to increasing obesity levels and other health issues.
- Dispersed land use trends are undermining the integrity of Ireland's key habitats and ecosystem networks and placing pressure on the quality of our water resources.

### **Pointers for future action**

- Significant capital investment in physical infrastructure should be much more closely aligned with settlement policy in order to better integrate strategic planning and investment prioritisation so that infrastructure provision is efficiently targeted and co-ordinated.
- Successful countries and regions need successful cities at their core. In order to support the Government's Smart Economy policy objectives for economic renewal, there must be clear and co-ordinated investment in key Gateways and Hubs, which have strong potential and critical mass of population to drive regional and national economic progress.
- There is scope to better harness the potential of rural areas and create new employment therein, particularly in the sustainable use of indigenous natural resources in agriculture and agri-business, forestry, fisheries, renewable energy and tourism sectors, but also in other areas such as knowledge-based or creative sectors, which are not location-critical. All such strategies and initiatives will require practical support at all levels of Government, State agencies and the private sector.

- There is potential for greater operational integration in the implementation of the two spatial strategies on the island of Ireland through better sharing of data and consultation and co-operation in developing both statutory and non-statutory plans.
- The introduction of “core strategies” in development plans offers considerable scope for increasing the strategic role and relevance of RPGs in guiding and co-ordinating local development, and for ensuring much greater coherence between national land use policy, capital investment programmes, development plans and local area plans.
- High quality, compact urban environments can improve quality of life, reduce travel demand, optimise the use of infrastructure and lessen negative social and environmental costs.
- In order to achieve a sustainable modal split in accordance with Government’s Smarter Travel policy objectives, future investment in transport infrastructure should be weighted heavily in favour of public transport and supported by more compact settlement patterns.
- We must reduce our dependence on fossil fuels, reduce greenhouse gas emissions, protect and improve water quality, conserve and improve natural ecosystems and biodiversity, while developing the full potential of the regions and the country as a whole.
- Significant Government investment in major social regeneration projects in Gateway cities must be supported by an integrated series of coherent policy initiatives which prioritise development and investment in those locations.
- Economic development strategies within the regions urgently need to address the requirement to provide new and diversified types of local employment in rural areas, especially in small towns and villages, and to recognise the increasingly important potential and unique opportunities within these areas to drive Ireland’s future economic progress.

### **Recommended Implementation Priorities Going Forward**

- Existing arrangements must be improved for investment co-ordination, sectoral alignment and planned prioritisation between the capital investment activities of Government Departments and agencies, and the planning and development activities of regional and local authorities.
- There is a pressing need to deliver more effective leadership and vision and better governance structures at regional and local levels to lead and drive development of the gateways and their wider regions
- Implementation of the new planning provisions and arrangements under the Planning and Development (Amendment) Act 2010 is crucial to bring about a tighter fit between where future development should happen and how the necessary public infrastructure can be provided.

### Planning and Investment Prioritisation

Influencing the allocation of capital investment is a successful and widely recognised strength of the NSS, especially in relation to transport, housing and water services. From a spatial planning and regional development perspective, the key areas for continued investment in the stock of Ireland’s physical and social infrastructure are:

1. *Supporting employment* and a return to an enterprise-led ‘Smart Economy’;
2. *Completing a sustainable transport network*, building on sustained investment in recent years;

3. *Promoting environmental sustainability* with sustained investment in water services and energy efficiency together with habitat protection as a particular focus;
4. *Delivering sustainable communities*: through sustained investment in regeneration of existing disadvantaged urban areas catching up on infrastructural deficits in areas that have developed rapidly in recent years; and
5. *Harnessing the potential of rural areas*, including a more diversified rural economy and the potential of such areas to develop productive local economies and to deliver sustainable energy alternatives towards a less carbon intensive economy.

There is increasing scope for Exchequer capital investment priorities for the period from 2010 to 2016 to reflect the priorities above and in turn to support further investment. Also, the Ministers for the Environment, Heritage and Local Government and Finance will consider the timing of a revised Gateway Innovation Fund to stimulate the recovery of Gateways and support employment creation, economic development, competitiveness and regeneration.

#### Co-ordination of Regional Investment

Current arrangements for co-ordination between Government Departments and Agencies, regional and local authorities in identifying the most practical and realistic future development priorities and investment opportunities should be strengthened in the context of the Minister for the Environment, Heritage and Local Government's wider proposals in relation to strengthened regional and local government in general.

New Regional Planning Guidelines for the period 2010-2022, aligned with the Government's capital investment priorities for 2010-2016, will be utilised as the framework for monitoring the integration of national, regional and local planning, identifying key ongoing development and investment requirements and reflecting the conclusions of such monitoring in NSS implementation in general.

#### Vision and Leadership

Strong and successful Gateways need to be able to transcend administrative boundaries and have a clear vision of their future development and a strong strategic leadership to deliver that vision aided by effective governance arrangements, embracing not only public sector agencies but the private sector and leaders in research and innovation.

The White Paper on Local Government is examining practical ways in which to deliver better vision, leadership, cohesion and co-ordination at regional and local authority levels and which will assist implementation of the NSS, including the commitments in the Programme for Government and to introduce a directly elected Mayor for Dublin. Also, the Planning and Development (Amendment) Act 2010 enhances the relevance of Regional Planning Guidelines to plan-making at local levels.

In a wider *island of Ireland* perspective, we should explore and exploit future opportunities to deepen and strengthen co-operation, especially as it relates to the Border Region and specific locations such as Letterkenny-Derry and Dundalk-Newry as drivers for development.

The NDP is substantially benefiting many of the Hub towns with new roads, better public transport, new water and wastewater schemes, broadband networks and investment in Institutes of

Technology, schools and cultural facilities. However, co-ordination of funding in areas such as townscape and environmental improvements, broadband provision and water services investment to incentivise the development of Hub towns is a priority to be addressed.

In respect of smaller towns and rural areas, there is a need for re-skilling and job creation strategies, as well as continued social and infrastructure development, aimed at harnessing the specific potential of rural areas alongside the complementary but differing needs of Gateways and Hubs. Specific “market town” policies can be developed to facilitate rural towns adapt to changes in their employment base and develop alternative and more resilient economic sectors. Also, rural areas can contribute towards the Government’s objective for a smart/green economy by harnessing renewable energy potential.

#### Encouraging More Sustainable Patterns of Urban and Rural Development

Development patterns in both urban and rural areas must be sustainable in environmental, economic and social terms and tailored towards the specific needs of urban and rural areas. For example, a significant proportion of undeveloped residentially zoned land is located in outlying locations, in many cases driven by solely urban-generated demand or developer-led, where Exchequer investment in infrastructure and services is likely to be uneconomic, where the creation of sustainable communities both in an urban and rural context will be challenging and where the achievement of a critical mass of population to support investment in infrastructure and services is unrealistic.

The Department of Transport’s Smarter Travel Policy document notes the critical importance of aligning spatial planning and transport through environmentally focused planning and design, if current travel patterns are to avoid becoming unsustainable in the longer term.

The reform of planning legislation and the introduction of a more specific targets and alignment between future population and housing land requirements, under Regional Planning Guidelines and core strategies in development plans, should help bring about a more orderly, balanced and focussed approach to future development, facilitating the development of strategic locations and those capable of being served through public transport and sustainable travel modes.

# Chapter 1: National Spatial Strategy – Context and Potential

## 1.1: Introduction and Purpose of this Document

In November 2002, the Government published the National Spatial Strategy (NSS) as a 20-year strategic planning framework for Ireland. Since 2002, the NSS has been a significant influence on both the planning system and public investment.

Policy on spatial planning must be responsive to and pro-active in changing circumstances. As part of the wider global and domestic economic downturn that became apparent from 2008, Ireland has experienced:

- a significant slowdown in construction activity;
- contraction of GDP by 7.5% in 2009;
- an increase in unemployment from a rate of 5% at the end of 2007 to over 12% by the end of 2009;
- large and structural deficits in the public finances, requiring unprecedented levels of borrowing and curtailing of both capital and current expenditure; and
- net immigration being replaced by net emigration and slower population growth.

Notwithstanding current challenges, a well-rounded strategy for economic recovery cannot ignore the spatial structure of the economy. The experience from developed economies around the world is that planning is vital because it sets priorities and a framework for co-ordinating policy and investment that is essential for long term progress. This NSS Update and Outlook report therefore represents both a re-affirmation of the Government's commitment to implementing long term planning frameworks included in the NSS and a statement of new priorities and objectives, taking account of experience since 2002 and the new environmental, budgetary and economic challenges.

The purpose of this document is to assess:

- what has worked well in terms of policy and practice;
- what hasn't worked well and why;
- the key implementation challenges remaining;
- how the NSS can contribute to national competitiveness and economic renewal; and
- new policy priorities for actions at national, regional and local levels.

## 1.2 Origin and Objectives of the National Spatial Strategy

By the mid to late 1990's, Ireland was well on its way through a major economic transformation with rapidly increasing employment, economic output and living standards. Numbers at work had doubled from a base of 1 million in 1990 and unemployment fell from 14% in 1994 to less than 4% in 2000. The population grew markedly by up to 80,000 persons per annum, driven by strong inward migration and natural increase, and increased from 3.6 million people in 1996 to 4.4 million in 2008. By 2002, Ireland had the fourth highest level of Gross Domestic Product (GDP) per capita in Europe.

Ireland's development over the past 10 to 15 years was also marked by the emergence of a new socio-economic geography and spatial imbalances with problems of congestion in Dublin and under-utilisation of potential and resources in some other regions.

Recognising the need for a long-term vision and a strategic planning framework together with the need to maximise capital investment in infrastructure and services to secure continued development and economic competitiveness along with improvements in living standards, quality of life and environmental performance, the Government published the National Spatial Strategy (NSS) in November 2002 as a 20-year strategic planning and development framework designed to provide for balanced regional development on the basis of each region's innate strengths comparative advantages, specific resource endowments, geographic characteristics and potential for development in social, economic and environmental terms. In summary, the National Spatial Strategy was designed to support:

- a better quality of life for people
- a strong, competitive economic position and
- an environment of the highest quality.

In the early years of implementing the NSS, Ireland saw rapid growth in GDP, in population and in physical development. Publication of the NSS helped to set Ireland on a new development path that was more strategically focused, sustainable and plan-led than in the past. For example, since 2002, implementation of the NSS has helped to deliver:

- **Significant investment and employment growth**, both grown indigenously and attracted internationally by the various activities of the enterprise agencies in and around the Gateways, Hub towns and other strategic locations identified in the NSS<sup>1</sup>;
- **More focused and efficient investment**, under the National Development Plan, transforming Ireland's transport systems, water services infrastructure (building in appropriate headroom capacity in urban waste water treatment plants at locations where significant future development activity was anticipated), regional waste management systems, ICT including broadband infrastructure and improvements to research and innovation;
- **Emphasis on the value of more sustainable and integrated settlement patterns** which consolidate and develop existing cities, towns and villages – i.e. keeping them as physically compact and public transport friendly as possible and minimising urban sprawl, while also achieving a high quality of design in new development and refurbishment.
- **New direction for forward planning** functions of regional and local authorities and action to ensure that key national policies are followed at local level and capital investment in infrastructure is more closely aligned with settlement patterns; and
- **The development of monitoring and tracking systems** to measure progress, ensuring that strategic planning and infrastructure delivery was properly integrated, especially in fast developing and strategic parts of the main cities and towns.

However, despite significant achievements, there remains considerable scope for greater implementation of the NSS, particularly in the context of the wider global economic downturn and the new economic, social and environmental challenges which Ireland faces.

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<sup>1</sup> E.g. through IDA Strategic Sites Initiatives and other targeted programmes.

### **1.3: National Spatial Strategy: Contribution to Economic Recovery**

Against the backdrop of a world recession, the Irish economy is now operating within tough budgetary conditions and fiscal constraints, and has witnessed a decline in economic activity and increase in unemployment, particularly marked in both the construction and manufacturing sectors.

The Government's strategy for economic recovery outlined in *Building Ireland's Smart Economy* identifies the fundamental importance of returning to an export-led economy and the transition to a low-carbon 'Green Economy', recognising the opportunities for investment in clean industry, driving up productivity and competitiveness in a way that will last, even through any future downturns in the global economy.

To achieve this, addressing Ireland's overall cost competitiveness and infrastructure deficit relative to competitor countries is of critical importance. As part of its Smart Economy strategy, the Government is promoting the green enterprise sector through various fiscal and policy supports and is investing billions of euro into the productive capacity and long-term competitiveness of the economy through the largest proportionate capital investment infrastructure programme in Europe.

The optimal performance of the country as a whole will be secured when the differing roles of every place in Ireland, regardless of size or location, are organised and co-ordinated in a manner that enables them to maximise their potential. All regions of the country have a role to play in our national economic recovery. Accordingly, prioritised and strategic investments to realise the potential of the regions, which contribute to the core strengths of Ireland's economy in service and knowledge-based industries, information technology and manufacturing together with the sustainable use of natural resources in the agriculture, fisheries, tourism and energy sectors, are vital in positioning the regions as key contributors to Ireland's national recovery.

To maximise the impact of investment, planned prioritisation, careful co-ordination and prudent use of resources is vital, ensuring that the environment will be conducive to attracting foreign investment, stimulating entrepreneurship and enabling companies to develop and serve indigenous and global markets from an Irish base.

Notwithstanding the current economic difficulties, the drivers behind national and international competitiveness remain constant in relation to:

- Quality of physical infrastructure, transport, ICT, energy, water services;
- Knowledge and innovation infrastructure, as well as investment in human capital; and
- Quality in the natural and built environment leading to high quality of life.

Creating these conditions in the regions is critical in achieving a 'good place to live and to do business' and spatial planning plays a key role in setting the framework for delivery.

### **1.4: Promoting Balanced Regional Development through Rural and Urban Partnership**

A central tenet of the NSS is that opportunities for development exist in all regions, including lagging rural regions, and that greater development occurs when regions are able to

mobilise their own local assets and resources to capitalise on their specific competitive and comparative advantages.

Internationally many peripheral regions contribute significantly to national economic output. Regional dynamism depends on the presence of human capital, innovation, infrastructure and economies of agglomeration. This requires an integrated policy response with investment in both 'hard' (transport, water, broadband etc) and 'soft' (enterprise, employment, education etc) infrastructure to develop human capital and support innovation.

Spatial development policies, such as the NSS and Regional Planning Guidelines, provide a practical way of accelerating and maximising the impact of investments and spreading the benefits of such investment by implementing agreed policy priorities.

The NSS recognises that the benefits associated with concentration are not unlimited. In order to counteract the dominance of Dublin and the other major gateway cities, to promote balanced regional development and harness the potential of rural regions, a key element of the Strategy is the promotion of a scaled multi-centred settlement strategy comprising a national network of gateways, hubs, county towns, smaller towns and villages with an appropriate critical mass and agglomerations of scale to drive regional and local development. The settlement hierarchy is the backbone of the NSS and a major element in efforts to foster the development of rural and peripheral regions areas, to energise rural hinterlands through new urban – rural partnerships, and to links these regions, in terms of infrastructure development, to gateway cities at the national level.

### **1.5: Role of Cities in Delivering Balanced Regional Development**

As people become more mobile and firms more selective about where they locate, competitive cities have emerged as magnets for innovation, entrepreneurship and investment. At an EU level, the Territorial Agenda and the 2007 Leipzig Charter on Sustainable European Cities highlight the pivotal role that strong cities must play in a territorial and regional development context. International evidence from many sources including the OECD confirms the important role played by cities and larger urban areas and their wider regions in driving economic activity, quality of life and living standards with significant benefits for national living standards; successful countries and regions must have successful cities at their core. Given the relative smallness in size of Irish cities and the Irish economy as a whole, it is essential that we implement policies that promote national competitiveness by enhancing the competitiveness of our cities.

Key characteristics of competitive cities include:

- **Enterprise:** a mix of firms weighted towards high-value industries, the availability of a skilled workforce, and competitive costs of doing business;
- **Connectivity:** physical and electronic infrastructure to facilitate trade and business and to move goods, services and people quickly, efficiently and in environmentally sustainable ways;
- **Sustainability:** urban environments that are of high quality in terms of the cultural vitality, urban design and the public realm, and sustainable transport systems;

- **Attractiveness and inclusiveness:** A cohesive city enables its inhabitants and visitors to be active participants and contributors. Vibrant recreational, entertainment, cultural and sporting facilities are also key to enhancing city attractiveness.

Ireland's primary economic structure is shifting toward a higher proportion of services exports, balanced with a core of high-value added manufacturing activities which tend to be attracted primarily to urban areas. Therefore, in order to support Ireland's return to an export-led Smart Economy, clear and co-ordinated prioritisation of investment in those locations with strong potential, critical mass and agglomerations of scale to drive regional and national competitiveness, creating the conditions above, is essential.

### **1.6: Role of Towns, Villages and Rural Areas in Achieving Balanced Regional Development**

The NSS states that balanced regional development will be achieved by enabling every part of the country to fully realise its unique potential. Towns, both large and small, villages and the wider rural areas have a key role to play in securing balanced regional development between and within regions.

Rural areas are a dynamic setting for indigenous resource-based industries, for enterprises connected to wider international, national and regional supply chains, for new green technologies in the renewable energy area and tourism that is highly complementary to the role of cities and larger urban areas<sup>2</sup>. The NSS, together with wider Government policy on rural development, remains a strong policy framework to secure the future of rural communities and enable rural areas to play their part with urban areas in securing balanced regional development. This will require a renewed focus on the revitalisation of the underlying economic structure and the intrinsic assets of rural areas. The development of conditions to grow locally-based enterprise opportunities will help curtail the drift towards unsustainable urban-generated development.

### **1.7: Planning for the Long-Term**

To set the spatial development of Ireland on a more sustainable path in economic, social and environmental terms, the core objectives identified in the NSS are to:

- (1) Support the **overall national and international economic role played Dublin** through more strategic and plan-led development aimed at consolidating the physical form of Dublin;
- (2) Achieve **increased levels of development in the regions** outside the Greater Dublin Area;
- (3) **Accelerate the development and strengthening of a network of 9 Gateway cities and towns – as well as 9 Hub towns** - as key motors of economic activity to energise the development of their wider regions ;

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<sup>2</sup> Article 174 (ex. Art.158) of the Lisbon Treaty highlights that “particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions.”

- (4) Support the **emergence of key networks of cities and urban areas** such as the Dublin – Belfast corridor and the Atlantic Gateways<sup>3</sup>;
- (5) Encourage more **strategically focused and plan-led development of Ireland's small town and village structure** and avoid a drift towards unsustainable commuter driven and car-based development;
- (6) Accelerate the **development potential of rural areas** by facilitating the diversification of the rural economy and playing to the competitive and comparative advantages of the rural economy in economic, social and environmental terms;
- (7) Promote the emergence over time of **more sustainable travel choices** on the back of more compact and sustainable development patterns;
- (8) Protect the **integrity and quality of key environmental assets** in relation to Ireland's natural and built heritage and the quality of our water, air, marine environment and landscape; and
- (9) **Co-ordinate more effectively with parallel spatial planning exercises in Northern Ireland** and the implementation of its own spatial strategy, "Shaping Our Future".

Recognising the 20-year outlook of the NSS and the scale of the challenges in addressing the objectives above, progress has been good on some fronts and needs more time, enhanced implementation and further effort in others. Implementation highlights since 2002 have included the following:

- **At national level:** implementation by Government has facilitated significant investment in physical infrastructure to deliver better rail, bus and road links, better housing, improved environmental infrastructure including water services and waste infrastructure that have created the conditions for long-term development;
- **At regional level:** preparation of new Regional Planning Guidelines in 2004 and 2010 by the Regional Authorities has enabled better co-ordination and integration of plans at local authority level as well as identification of regional investment priorities;
- **At local level,** many of the authorities and agencies at Gateway and Hub levels have worked to encourage a more strategic and co-ordinated approach to their development, aided by public and private investment, and successive Ministers have pursued appropriate alignment of plans at national, regional and local levels by commenting on and on occasion requiring such alignment.

Implementation challenges include:

- Delivering more sustainable development patterns, by countering the previous tendency towards rapid growth in suburban and extra-urban commuter areas around

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<sup>3</sup> The Atlantic Gateways of Cork, Limerick-Shannon, Galway and Waterford have been implementing a framework for co-operation published by Government in 2006 that envisages the long-term extension to include the Gateways of Sligo and Letterkenny-Derry.

the principal cities and towns and, more recently, a shift in the proportion of the current levels of house building towards urban generated housing and development around many cities and towns and in the wider rural hinterlands;

- Ensuring urban-generated development is accommodated within urban areas by making city and town centre areas a major focus for significant future housing and employment provision through targeting investments and regional planning policies to achieve the Government's Smarter Travel objectives, to maximise usage of existing infrastructure and to revitalise underdeveloped urban areas in need of regeneration; and
- Addressing Ireland's high level of car and oil dependence and recent trends of increases in greenhouse gas emissions from the transport sector through both investment in public transport and sustainable travel alternatives such as walking and cycling facilities and greater emphasis on the delivery of more sustainable and compact settlement patterns through regional and local planning policies.
- Developing rural areas with local employment opportunities to reduce commuting and support sustainable travel.

Building on the achievements and addressing the challenges, implementation of the NSS requires a fresh start.

### **1.8: NSS Implementation – A Fresh Start**

As detailed earlier in this report, there have been considerable and quite unprecedented changes in Ireland in the 8 years since the NSS was published. However, spatial planning and investment policies play a key role in driving a sustained approach to Ireland's economic recovery:

- Whether in times of economic success or challenge, the experience from developed economies around the world is that **planning** is critical for building long-term resilience into the economy reducing our dependence on and consumption of imported fossil fuels, particularly for transport energy, and mitigating the risks of potential global economic volatility associated with long-term trends in oil price inflation;
- Heavy investment in physical infrastructure such as transport, communications, renewable energy and energy networks, housing and water services has created a core but effective platform for national and regional economic recovery that must be continued, more closely aligned with settlement policy and further complemented by an **enhanced focus on competitiveness-related issues such as education and innovation, and governance and co-ordination arrangements**;
- There is a close interrelationship and **interdependency between addressing Ireland's key environmental challenges** – reducing our over-dependence on fossil fuels and greenhouse gas emissions while adapting to the effects of climate change, protecting and improving water quality, conserving and improving the qualities of habitats, sustainable land use management **and developing the full potential of the regions and the country** as a whole.

### **1.9: Structure of NSS Update/Outlook**

Chapter 2 provides an overview of development trends at all levels from national and regional trends down to smaller towns and rural areas since 2002, while Chapter 3 focuses on the main policy achievements of the NSS since it was published. Chapter 4 outlines the key challenges NSS implementation has faced since 2002 and the final chapter sets out how NSS will be geared and re-focused towards meeting current and future challenges.

A summary of the key recommended actions is presented in tabular form in Appendix 1, with further background and supporting analysis included in the other appendices.

## Chapter 2: Ireland – Trends since 2002 and Future Outlook

### 2.1: Introduction

Ireland has developed rapidly over the past 20 years in terms of economic development, employment growth, population increase, housing construction, and the provision of physical and social infrastructure. The primary objective of the NSS has been to influence the spatial distribution of such developments to ensure that all regions can achieve their full potential and to maximise Exchequer investment in infrastructure and services. This objective remains as valid today as it was in 2002. However, the severity of the current international and national economic downturn together with the new environmental and social challenges which Ireland faces has radically altered the circumstances in which the NSS will be required to be implemented over the short to medium term.

The purpose of this chapter, therefore, is to identify the implications of those changed circumstances for the implementation of the NSS in the years ahead. The analysis will combine thematic elements – the economy, population growth and settlement patterns – and spatial levels ranging from national down to local. Population distribution and settlement patterns impact on national, regional and local economic performance, on the movement of people and goods; the cost efficiency of Exchequer capital expenditure; public health; quality of life; sense of community; greenhouse emissions; resource use and, in particular, oil dependency, biodiversity, and water quality.

### 2.2 Economic trends since 2002

#### (a) National level:

Ireland experienced very significant economic growth from the early 1990s to 2007. Total employment grew by almost 20% between 2002 and 2008, from 1.775 million to 2.126 million. Conversely, unemployment rates fell to around 4% which is generally considered to close to full employment, when allowance is made for mobility in the jobs market. Over the same period, GNP exhibited year-on-year growth of between 3% and 6%.

The construction sector created a substantial number of new jobs, and housing output rose from 57,700 in 2002 to a peak of 93,400 in 2006. Perhaps the most significant sign of economic progress for Ireland was the inclusion of Dublin in an OECD 2006 study of the world's metropolitan regions. The dynamism of Dublin emerges as impressive in a global context, despite the challenges faced by Dublin in the early part of this decade in relation to congestion and housing affordability.

However, partly triggered by record high world energy prices, the collapse of the market for US sub-prime mortgage debt in mid-2007 which led to a global credit market shock, bursting housing bubbles in many economies including Ireland's and which intensified dramatically after the collapse of Lehman Brothers in September 2008. There has been a sharp decline in output in the world's advanced economies, which has impacted on Irish exports. In Ireland, GDP fell by 7.5% in 2009. The resultant sharp contraction in the labour-intensive construction sector, coupled with job losses in the manufacturing and services sectors, have resulted in a steep rise in unemployment, which is anticipated to rise to 13.5% in 2010.

The domestic banking crisis, the property market crash, ongoing high oil prices, the need for a structural readjustment in the public finances and the severe slowdown in global trade together with the pressing need to quickly move away from fossil-fuel based energy and to a reduce greenhouse gas emissions presents the Irish economy with unprecedented challenges.

(b) Regional / Gateway level:

There is little evidence of a dramatic divergence, either in growth rates or in living standards, between the GDA and other regions between 1997 and 2006. In fact, the extent to which growth and economic activity and population growth has taken place in every region is noteworthy. However, in absolute terms and given the scale of Dublin in comparison with the other gateways and regions, the additional jobs created in the GDA between 1997 and 2006 were greater than the stock of existing employment in any other region, with the exception of the South West.

Employment growth had been strong across all regions between 2002 and 2007, with levels of growth ranging from just over 13% in the Dublin and Mid-East, to almost 19% in the Border region. In absolute terms, the largest increases took place in the Dublin and Mid-East (over one-third of the increase overall), while the smallest absolute increases took place in the Midlands, Mid-West and West. Ireland's regions differ most in their employment structures. 20% of employment in the GDA in 2006 was in financial and other business services; the South West had the next highest share but at 11%. All other regions, by contrast, had significantly higher employment shares in construction, manufacturing and agriculture than the GDA.

Towards the end of 2007, all regions began to see a contraction in overall employment numbers. Over the past twelve months, unemployment rates have risen in all regions with varying levels of severity. Tracking more recent employment trends, numbers claiming unemployment benefit increased by 97% in the year to May 2009; the Mid-East region had the highest rate of increase at 118%, and the South-East the lowest at 83%.

Just over 48% of the national Gross Value Added (or GVA, which is a measure of the goods and services produced in an area) is produced in the Greater Dublin Area, i.e. the Dublin and Mid-East regions, and this share has increased in recent years. The next strongest contributor to GVA is the South-West (17%), but its share has declined. The other regions contribute only modest shares, ranging from 4% to 8% of national GVA. While Dublin thus plays a dominant and vital role in driving the national economy, the overall physical development pattern within the Greater Dublin Area has been unbalanced with increased sprawl of development in the surrounding counties.

(c) Smaller towns and rural Ireland:

Traditionally, the economic structure of smaller towns and villages and rural areas in Ireland was dependent on employment in the agricultural and natural resource sectors as well as manufacturing and services related economic activity in any nearby larger cities and towns. During the 1990's and in the last decade, contraction of agricultural and natural resource related employment was countered by increases in construction related employment as well as employment in local and public services and the tourism sector, which in turn drove wider

population and economic activity in many smaller towns. Rising car ownership, affordable fuel prices, improvements in roads and other transport infrastructure and a strong supply of development land in rural areas also drove strong population growth in the rural and commuting catchments of the main cities and towns<sup>4</sup>.

However, as economic conditions have worsened driven by a substantial contraction in construction activity, recent employment data shows that many rural areas have unemployment rates above the national average, particularly resulting from the impact of the decline in construction activity on off-farm employment. Western counties such as Roscommon and Leitrim have been hardest hit in this regard.<sup>5</sup>

### **2.3: Economic Outlook**

The economic outlook for Ireland is stabilising. There are ongoing challenges in putting the public finances and the banking system on a secure footing.

In the construction area, activity remains low with new housing completions for 2009 of just over 26,000 units. Notwithstanding the challenges facing the Irish economy, it is government policy that capital investment in infrastructure will be maintained at a relatively high level, equivalent to around 4% of GNP over the period to 2016 with the benefit of reductions in tender prices compensating to a degree for any reductions in investment that are necessary.

As set out in the Smart Economy Framework, economic renewal will depend on re-orientating the economy towards exporting goods and services and on delivery of the Government's strategies for:

- stimulating the development of enterprise, taking advantage of the significant potential from the development of the green economy;
- reducing the relative cost of doing business;
- continuing to invest in both labour and productive infrastructure;
- increasing competition across the economy;
- attracting high value-added employment;
- guiding the construction sector to a more sustainable path; and
- addressing the cost and security of energy supply.

### **2.4: Population Trends since 2002**

(a) National level:

The population of the State increased from 3.9 million in 2002 to an estimated 4.4 million in 2008 (+ 13%). According to the 2006 Census, Ireland had the highest population growth in the EU, and the national population reached its highest level since 1861, with every county sharing in population growth since 2002. Net immigration increased from 41,000 in 2002 to 67,000 in 2007, before falling back to 38,500 in 2008. Natural increase (the excess of births over deaths) outstripped immigration as a contributory factor in 2008 for the first time since 2004.

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<sup>4</sup> A broader analysis of rural housing trends and issues is contained in the 2010 EPA Report, *Managing Housing in the Countryside*.

<sup>5</sup> The increase in the live register in the year to Feb. 2009 was 95% in Roscommon and 91% in Leitrim, compared with the national average of 87%.

(b) Regional, Gateway and Hub levels:

The annual population increase in the Mid-East region averaged 3.6% between 2002 and 2006, compared with a State average of 2%. The Dublin (1.4%) and Mid-West (1.5%) regions had the lowest average annual growth rates. Population growth in the Dublin, Cork, Limerick / Shannon and Waterford Gateways was below the national average, whereas Galway, the other 4 Gateways (Sligo, Dundalk, Letterkenny and Athlone / Tullamore / Mullingar) and the Hub towns as a whole grew at rates only marginally above the national average.

(c) Smaller towns and rural areas:

Major changes have occurred in the structure of smaller towns and rural areas. Almost half (48%) of total urban population growth between 2002 and 2006 took place in urban areas with a population of less than 10,000 in 2006, although these towns accounted for only 28% of the national total. Essentially, despite the main cities and towns being the key centres for national employment growth, smaller towns and villages within a 50 to 80 km commuting range of major cities and towns have often been the destination of choice for many new home owners over more centrally located areas and for a variety of reasons including cheaper land and house prices, driven in turn by a very flexible local zoning process, improvements to roads and other transport infrastructure and difficulties in bringing a major boost in housing supply on stream, especially in Dublin but in other regional cities as well.

In relation to wider rural areas, in 2006, one-third of the national population lived in open countryside areas as defined by the CSO<sup>6</sup>; while population growth in such areas averaged only 1.3% annually since 2002, compared with the State average of 2%. Much of the population growth that occurred in more rural areas within the commuting catchments of the Gateways and Hubs appears to have been urban generated and due to higher than average inward migration, with a lot of the associated employment focussed on the construction, manufacturing and services sectors.

## **2.5: Population Trends - Outlook**

Population increase is made up of two components – natural increase and net immigration (i.e. the excess of in-migration over emigration). The latter is very much influenced by the rate of economic development and, while it is difficult to predict future trends, the most plausible scenario is for inflows and outflows to balance meaning that natural increase will become the main element of population change.

## **2.6: Settlement Patterns since 2002**

### Gateways and Hub towns:

As shown above, many of the larger Gateway cities experienced lower than average population growth between 2002 and 2006, while growth in the remaining Gateways and Hub towns was only marginally above the State average of 2% per annum. However, strong growth, averaging 3.8% per annum, took place in the towns, villages and rural areas within commuting distance of the Gateways. This resulted in a more dispersed and less

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<sup>6</sup> Areas with less than 1,500 persons

sustainable settlement pattern, involving both longer journeys to work<sup>7</sup> or school / college and greater use of the car as opposed to more sustainable modes of transport. Such a settlement pattern also runs counter to the NSS objective of building up critical mass within the Gateways and Hubs.

The strongest growth between 2002 and 2006 took place within the commuter catchment areas<sup>8</sup> of Dublin (5.2% per annum), Galway (3.6% per annum), and Cork (3.5% per annum). The map below illustrates the commuter catchment areas for the Gateways and Hubs, calculated from 2006 census data, with the coloured areas signifying the catchments where 20% or more of the employed population work in the adjacent Gateway/Hub. This pattern is highlighted by the fact that 46% of total population growth during that period was located within those three commuter catchment areas, whereas the three Gateway cities themselves only accounted for 4% of total growth. In fact, the central areas of Cork and Sligo lost population during those years. On the other hand, the population growth which occurred in the commuter catchments of Limerick / Shannon, Athlone / Tullamore / Mullingar and Dundalk was below the 2% national average.

These trends indicate that excessive and inappropriately located zonings, many due to planning policies and decisions that do not adequately reflect national and regional priorities, have worked against implementation of NSS principles and priorities and undermined efficient Exchequer capital investment in infrastructure and services.

While the Department of Environment, Heritage and Local Government, as statutory consultee, provides advice on all development and local plans, it has only been since the countrywide adoption of Regional Planning Guidelines in 2004 and strengthened monitoring, including Ministerial interventions at development plan level, that national policy considerations are being more fully addressed.

The NSS stated that the need for legislative reform<sup>9</sup> in relation to delivering greater consistency between plans at national, regional and local levels would be kept under review. Taking account of the experience since 2002, the Planning and Development (Amendment) Act 2010 will further strengthen the requirement for such consistency between plans at local, regional and national levels.

In terms of future settlement patterns, the objective is for better adherence to national and regional policies aimed at delivering better consolidation of urban areas, more focus on developing around public transport corridors, more integrated social and physical infrastructure provision in future developing areas creating more sustainable communities and further diversification and renewal of the rural economy harnessing local assets and natural resources.

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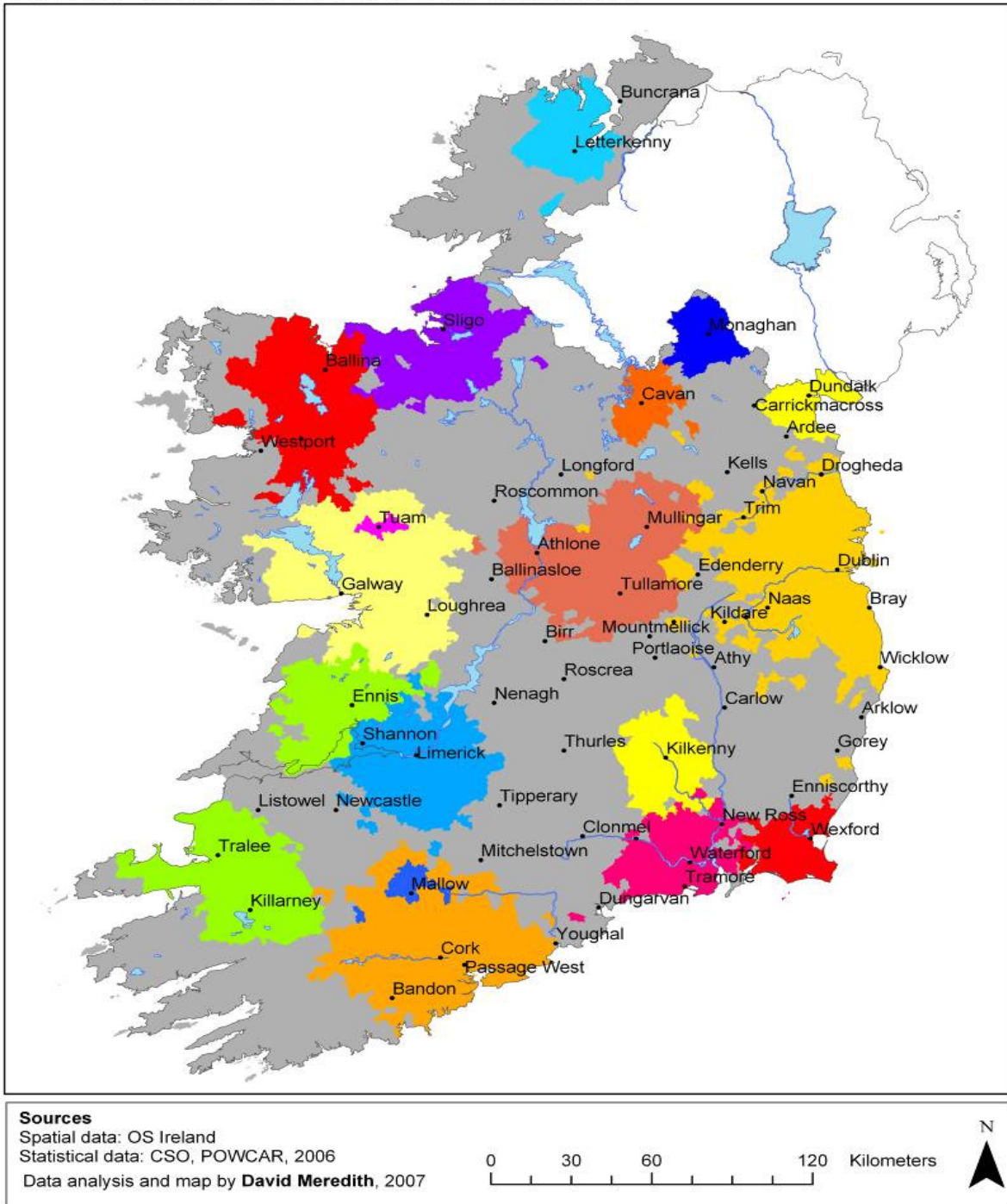
<sup>7</sup> Between 2002 and 2006 there was a significant increase in the proportion of commuters who travelled 10 – 25 km to work (from 26% to 31%).

<sup>8</sup> Gateway catchment area refers to those electoral districts (EDs) which had 20% or more of the employed persons in that ED who worked in the adjacent Gateway, based on 2006 census data.

<sup>9</sup> NSS (2002), Page 119.

**Map 1: The shaded areas indicate the journey to work catchments of each of the NSS Gateways and Hub towns, e.g. those electoral districts where 20% or more of employed persons residing in those districts work in the adjacent Gateway or Hub Town.**

**Gateway and Hub Hinterlands  
Greater than 20% interaction threshold**



## 2.7: Pointers for Future Action

The analysis of economic, population and settlement trends since the adoption of the NSS in 2002, and the outlook over the short to medium term would indicate that implementation of the NSS needs to address the following key issues:

- Significant reductions in public capital programmes from historical highs over the next few years will require much greater prioritisation in the selection and phasing of major infrastructural projects. The 2010 review of the Regional Planning Guidelines throughout the State has established a framework to assist such targeting.
- The role of the Greater Dublin Area in driving the national economy must be supported by continuing to implement established spatial policies under the Regional Planning Guidelines for the Greater Dublin Area, which is delivering better co-ordination and integration of land use and transport planning and prioritised infrastructure investment to consolidate the physical reach of the capital's development, guided by best practice urban design principles. Failure to tackle the challenges of urban sprawl in the GDA would store up significant social, environmental, budgetary and economic problems in the years to come and, in all likelihood, would not see economic activity displaced to other regions within Ireland but to metropolitan regions elsewhere in Europe, to which the businesses, young professionals and migrant workers currently attracted to Dublin are more likely to move.
- For many of the other main cities and towns, implementation of existing good strategies for strategic development is the key to sustainable urban and regional development. In Cork, implementation of the Cork Area Strategic Plan (CASP) is laying the foundation for more sustainable urban development but implementation of similar strategies in Waterford, Limerick-Shannon and Galway must be re-invigorated through stronger local administrative, co-ordination and review arrangements (see Section 3.5).
- Economic development strategies within regions need to address the requirement to provide new and diversified types of local employment in rural areas, which include small towns and villages and recognise their increasingly important potential including in the use of local assets, natural resources, agriculture and agri-business, forestry, fisheries, renewable energy and tourism sectors, as well as other sectors (e.g. knowledge-based enterprise) that is not location-dependant.
- Population growth is likely to be much slower over the next 5 - 10 years than in the period since 2002, with natural increase alone being the main factor. A major aim of the legislative framework established in the Planning and Development (Amendment) Act 2010 is to ensure a strong evidence base for the approach to land use zoning and settlement planning by local authorities, in order to avoid the tendency towards excessive zonings, urban sprawl and commuter driven urban generated housing development of villages and wider rural hinterlands around our main cities and larger towns.
- The targets included in Government's transport policy, *Smarter Travel: A Sustainable Transport Future – A New Transport Policy for Ireland 2009 – 2020* requires a renewed

focus on the achievement of more compact settlement patterns within urban and rural areas, focusing especially on the development of locations within and around the key cities and towns that are served by the rail network coupled with a significant modal shift towards more sustainable forms of transport such as public transport, walking and cycling which in turn will complement and optimise the use of servicing infrastructure investment.

- Settlement strategies in more rural areas need to focus on the balanced role of towns and villages, and the development of more pro-active policies to manage urban-generated housing in areas under development pressure, while ensuring that weaker rural areas retain sustainable and viable communities. Introduction of evidence based 'Core Strategies' in local authority development plans under the Planning and Development (Amendment) Act 2010 is an opportunity to identify particular rural villages whose development is important for revitalising rural areas and where targeted investment can be provided for under future Water Services Investment Programmes, as highlighted in the EPA report Sustainable Rural Development: *Managing Housing in the Countryside*.
- The Government's national housing policy, *Delivering Homes Sustaining Communities*, with its objectives for the creation of compact, walkable neighbourhoods complete with a wide range of facilities and amenities through both green-field and especially brown-field urban development, requires broader acceptance and implementation at local authority level, particularly the efficient use of well serviced and strategic lands to appropriate densities.
- Addressing Ireland's overriding environmental challenges and legal obligations, reducing greenhouse gas emissions and fossil fuel energy dependence, protecting important habitats in accordance with EU Directives; and implementing a river basin management approach to improving water quality, will increasingly require vertical and horizontal integration and alignment of environmental policies and objectives within the land-use planning system.

## Chapter 3: Implementing the NSS since 2002 – Achievements and Lessons Learned

### 3.1: Introduction – Overview of how the NSS has been implemented

Three main approaches have been adopted in implementing the NSS since its launch in November 2002:

- 1) Aligning major capital infrastructural investment with NSS objectives;
- 2) Providing strategic guidance through statutory regional planning guidelines for city and county development plans; and
- 3) Combining land use and transport planning within the NSS Gateways to ensure that compact urban development with dwellings within walking distance of facilities such as schools, employment and new public transport facilities (such as light rail and quality bus services) sustains public investment in those facilities.

This chapter analyses how these approaches have been implemented at various geographic scales – national, regional, and Gateways / Hub towns - and identifies pointers for future action.

### 3.2: National Level

The National Development Plan (NDP) 2007 – 2013 was the first NDP prepared since the launch of the NSS, and the Plan aimed to promote the achievement of balanced regional development throughout the country through:

- A major capital investment programme in infrastructure with a particular focus on addressing deficits within the core areas of the NSS Gateways nationwide<sup>10</sup>;
- Implementation of integrated spatial planning frameworks at Gateway / Regional Authority level to address appropriate land use at regional and Gateway levels, and facilitate and complement NDP investment in infrastructure; and
- Investment in enterprise and human capital development of the regions, including rural areas.

Balanced regional development is a major “horizontal” objective of the NDP, and chapter 3 of the Plan sets out clear policy priorities for national investment in the Gateways and Hub towns, including key Gateway corridors.

The NDP was preceded by *Transport 21*, published in November 2005, which set out a 10-year transport investment framework costing just over €34 billion from 2006 to 2015, covering Exchequer and PPP capital investment in national roads, public transport and regional airports. *Transport 21* was framed to support NSS objectives, particularly by enhancing connectivity between and within the regions. Considerable progress has been made in delivering *Transport 21* projects since 2006, including completion of several inter-regional motorway and rail projects, ongoing extension of LUAS and DART upgrades in Dublin, and completion of Phase 1 of the Western Rail Corridor.

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<sup>10</sup> The NDP proposed the establishment of a €300 million Gateway Innovation Fund, initially for the period 2008 – 2010, on a competitive basis to support distinctive and innovative projects in Gateway areas. Allocations were deferred in the light of the deteriorating economic circumstances, but the recent 2010 Capital Review makes provisions for a revised Fund of €200 million commencing 2012.

The delivery of similar major infrastructure projects is being facilitated and fast-tracked as a result of implementation of the Strategic Infrastructure Act 2006 by An Bord Pleanála, including extensions to the LUAS network, the Clonsilla-Pace suburban rail line project, major electricity generation and transmission projects.

There has also been major investment in water services infrastructure under the Water Services Investment Programme that has provided many of the major cities, towns and rural areas<sup>11</sup> across the country with essential water supply and wastewater treatment and disposal facilities, in order to meet EU requirements as regards water quality and environmental standards and facilitating appropriate and sustainable development.

### **3.3 All-island Planning**

The NSS and its equivalent in Northern Ireland, the Regional Development Strategy, and (RDS) recognise the extent of the economic, developmental, infrastructural and environmental inter-relationships that exist on this island. Acknowledging this synergy, this section of the report has been prepared jointly with the NI Department of Regional Development in the context of their own ongoing statutory review of the RDS.

Ireland, North and South, shares infrastructure with electricity and gas inter-connectors north and south, east and west, and is working jointly on key roads across the border. Ports and airports serve cross-border markets. Such investment is costly but essential and depends on a co-ordinated approach as in the planning of future electricity grids, for example in Eirgrid's *Grid 25* strategy. Spatial planning is addressing the inter-relationships above because better co-ordination with neighbours in planning future development, in improving infrastructure and in conserving natural resources will deliver a stronger economy, a better quality of life and a greener environment.

All-island co-operation at a practical level on spatial planning and infrastructure investment has been considerable in recent years. The NDP broke new ground by promoting an all-island approach, including the first ever proposals for Irish Government investment in North / South projects which address the competitive challenges facing both parts of the island. Strategic investment is delivering improvements in infrastructure such as:

- The M1-A1 motorway/dual carriageway and proposed service frequency enhancements for the Enterprise rail links between Dublin and Belfast;
- The proposed upgrading of the N2 and A5 roads linking Dublin and Derry; and
- Enhanced port and airport facilities including land-side access and airport terminal facilities in various locations north and south.

Practical co-operation on matters such as river basin management planning and waste management are further examples of collaborative effort to conserve and enhance the quality of an environment that is shared.

The Department of the Environment, Heritage and Local Government has worked closely with the Northern Ireland Department of Regional Development in examining the scope for greater operational integration in implementing the spatial strategies on the island. Both the

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<sup>11</sup> Through, for example, additional targeted funding under the CLÁR Programme.

NSS and the NI Regional Development Strategy recognise the above potential. This report and the ongoing review of the NI Regional Development Strategy provides a further opportunity to enhance alignment and co-operation.

### 3.4: Regional Level

The Planning and Development Act 2000 created a new tiered planning system, in which each tier set out the strategic framework for the tier below. Prior to 2000, there were no statutory regional plans<sup>12</sup> or local area plans. However, following publication of the NSS in late 2002, the regional authorities were mandated to prepare regional planning guidelines (RPGs) under the Act; the adoption of the first ever RPGs by mid-2004 represented a significant achievement.

In turn, the majority of draft development plans prepared at local level since 2004 have cited RPG objectives, particularly in relation to:

- the urban settlement hierarchy, i.e. identifying the role of cities, towns, villages and the countryside in accordance with NSS and RPG policies;
- the likely scale and distribution of population growth and housing demand within the area of the planning authority over the 6-year life of the development plan and beyond; and
- identification of strategic infrastructural priorities, particularly transport and water infrastructure in relation to co-ordination within land use planning (see under *Gateways and Hubs* below).

The issues above demonstrate that, at one level, the importance of regional policies is recognised and incorporated into local plans although difficulties have arisen in translating these policies into tangible criteria to direct local land-use planning policies and development management decisions.

Significant effort has been directed towards assisting planning authorities in their preparation of new development plans which more closely align with national and regional policies, both prior to the commencement of the statutory review process and in commenting formally on draft plans submitted to the Minister. Overall, most planning authorities have engaged pro-actively in the process. However, necessary intervention at Ministerial level on a number of occasions to direct planning authorities to change or remove specific policies and zonings that conflicted with national and regional policies indicates, in some cases, a need for stronger adherence to national policies at local level.

The Planning and Development (Amendment) Act 2010 will strengthen the strategic guidance role of RPGs by requiring city and county development plans to incorporate a succinct statement of “core strategy” reflecting relevant RPG objectives for the particular planning authority area<sup>13</sup>. Such core strategies will also provide a more satisfactory policy framework for the preparation of urban design-guided local area plans within a city or county. Since the 2002 Act, local area plans can include zoning objectives, which need to be consistent with settlement and housing strategies included within the relevant development

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<sup>12</sup> The 1999 Strategic Planning Guidelines for the Greater Dublin Area were given statutory recognition in the 2000 Act.

<sup>13</sup> For example, by ensuring that planning authority settlement and housing strategies take due account of national and regional population targets.

plan. In accordance with the provisions of the Planning & Development Act 2010 local area plans must also be consistent with the Government's policy on housing, *Delivering Homes, Sustaining Communities* (2007) and other planning policy guidance issued by the Minister under section 28 of the Act.

### 3.5: Gateway Level

One of the major achievements at Gateway level has been the increased effectiveness of co-ordinated land use and transport plans. Examples include:

- **Greater Dublin Area:** The Strategic Development Zone Planning Scheme adopted by South Dublin Co. Council at Adamstown demonstrated the potential to link phased residential development, with its associated residential facilities, to the provision of improved public transport; such implementation tools also promote wider environmental objectives by encouraging a modal shift from use of private cars to more sustainable forms of transport, and thus reduce the level of car dependency and greenhouse gas emissions.
- **Cork:** Cork City and County Councils jointly adopted the Cork Area Strategic Plan (CASP) in 2001, which is a land use and transport strategy for the metropolitan sub-region to 2020. One of the key features of CASP was the designation of development corridors along the re-opened €100m suburban rail line to Mallow and Midleton supported by local area plans for development along the route and Section 49 development contribution schemes. An update of CASP in 2008 has led to a feasibility study into new rapid transit routes within the city, particularly with a view to serving up to 25,000 new residents in Cork Docklands.

Land use and transportation studies (LUTS) have been carried out in some of the other larger Gateways including Galway, Waterford and Limerick, but the integration of these strategies into statutory plans at city and county level has been less successful. These LUTS facilitate the strategic visioning of the gateway and its wider catchment and enable future developments to be planned in line with available and planned transport infrastructure to allow for sustainable city centre investment and consolidation.

However, within some of the gateways, individual planning authorities have tended to compete for commercial and especially retail investment that yields substantial revenues in the form of commercial rates. This practice generally runs contrary to sustainable land-use planning principles. Strong delivery/monitoring mechanisms are needed to follow through on LUTS and to reflect their shared objectives in statutory development and local plans. To provide better coordination in the delivery of strategic plans for gateways, some gateways have established well-resourced, high-level implementation teams to coordinate activities across the planning authorities and with inputs from key public and private stakeholders, as in Cork. However, other gateways do not have such formal co-ordination arrangements between the various administrative areas that make up individual Gateways.

Gateway branding has also served to raise the profile of some of the gateways, both in the perception of its own citizens (as indicated in the Regional Assemblies' Gateway

Development Index<sup>14</sup>) and in branding the area for business and tourism opportunities (e.g. the Midlands Gateway).

### **3.6: Hub Level**

The Hub towns are diverse in scale, context, function and trends. All Hub towns have endorsed their designation under the NSS in key policy documents such as statutory development plans. However, some of the faster growing hub towns such as Tuam and Mallow have also established implementation and co-ordination arrangements (e.g. Hub Town Development Committees and Hub Town Project Implementation Programmes), that are being encouraged and facilitated by the relevant local authorities and the Department. Such arrangements play a vital role in mapping out a path for current and future development by bringing the key local as well as regional and national stakeholders together and they should be put in place on a wider basis.

In consultation with the hub local authorities, the Department published an assessment of Hub town development issues in June 2007<sup>15</sup>, recommending key actions and initiatives at central and local government levels to support and advance hub town growth. However, notwithstanding the general high-level endorsement of Hub status, uncertainty in local authorities as to how Hub towns status directly influences the process of allocation of resources at central government level has tended to militate against the widespread establishment of effective local implementation and co-ordination arrangements.

### **3.7 Infrastructure Co-ordination in Gateways, Hubs and other strategic locations**

Effective co-ordination of essential physical and social infrastructure such as transport, water services, schools and amenities is, together with effective planning, central to the creation of sustainable communities.

Integrated co-ordination in the provision of such essential infrastructure is a positive mechanism to drive plan-led development of prime and strategic brown-field and green-field locations in many of the NSS Gateways, Hubs and other key towns.

As part of the process of overseeing implementation of the NSS, the Department has been monitoring progress in infrastructure co-ordination of developing areas. Taking account of experience since 2002, the Department intends to publish a further analysis of and guidance on the co-ordinated development of the areas described above.

### **3.8: Atlantic Gateways**

The NSS envisaged the Atlantic Gateways complementing the emerging metropolitan corridor on the eastern side of the island of Ireland. In all, the Atlantic Gateway cities and the intervening urban and rural areas present a combined potential future population catchment of around 1.2 million people by 2020.

The publication of the Atlantic Gateways Initiative Report in September 2006 set out in more detail the analysis and recommendations underpinning the proposals for the Atlantic Gateways focusing on the cities and their individual and complementary strengths. Since

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<sup>14</sup> Preparation of a Gateway Development Index – report on Stages 1,2, Fitzpatrick Associates (Feb 2009)

<sup>15</sup> NSS Hubs Study – Development Issues and Challenges, DEHLG, June 2007

then, a team comprised of representatives from the Department, the relevant Regional and Local Authorities, Shannon Development and private sector interests has been focused on implementation of the report, which is now moving towards a phase where the regional and local agencies will take greater responsibility in driving the initiative.

In addition to funding critical enabling infrastructure to advance the Atlantic Gateway linked city concept, such as Atlantic Road and Western Rail Corridors, the development of Atlantic Gateway Corridor Frameworks – in effect, non-statutory strategic development frameworks - for each of the four corridors linking the Atlantic Gateway cities represents a further important step towards the absorption of more strategic, long-term and supra-regional thinking into regional and local planning policies.

### **3.9: Smaller Towns and Rural Areas**

Section 4 of the NSS set out the various roles of different urban and rural areas in each region, including county towns and towns over 5,000 population, towns with a population of 1,500 – 5,000, villages and rural areas. These roles are expanded in more detail in each of the Regional Planning Guidelines; for example, the RPGs for the South-West region identified 9 “key local service towns” in Counties Cork and Kerry which play particularly important local roles in more remote parts of the region. *Building Sustainable Communities* highlights the role that can be played by the careful consolidation and development of their urban cores in supporting rural regeneration. Experience around Ireland in locations such as Clonakilty, County Cork or Kiltimagh, County Mayo has demonstrated that collaborative planning and investment activity by local communities and businesses, with the overall support and guidance of local authorities, can transform places into vibrant, sustainable locations.

More widely, rural areas have rich potential to contribute towards a greener, less carbon intensive economy by focusing on the potential of their key local assets and natural resources including agriculture, forestry, the marine environment, tourism, local enterprise, renewable energy and new business and research opportunities in the green technology areas. The availability of human capital in these areas also adds to this potential. Knowledge-based enterprise and the creative sector, supported by good energy and broadband services, can also enable the potential of such areas to be an important element of realising the aim of the NSS to deliver more balanced regional development between and within regions.

### **3.10: Pointers for Future Action**

The experience of implementing the NSS since 2002 indicates that certain NSS implementation mechanisms have worked well and achievements have been made since 2002. However, other policies which need to be strengthened or applied more widely in future include the following:

- There is potential for greater operational integration in the implementation of the two spatial strategies on the island of Ireland through better sharing of data and consultation and co-operation in developing both statutory and non-statutory plans.

- Implementation and review of sub-regional land use and transport strategies (LUTS) outside Dublin and Cork should be strengthened, including measures to address the tendency towards competition for revenue generating, commercial development between neighbouring local authorities within individual metropolitan areas to the detriment of sustainable land-use and development patterns.
- The proposed introduction of “core strategies” in development plans offers considerable scope for increasing the strategic role and relevance of RPGs in guiding and co-ordinating local development, and for ensuring much greater coherence between national land use policy, capital investment programmes, development plans and local area plans.
- Exemplars of best practice in terms of co-ordinated land use / transportation plans in Dublin and Cork have demonstrated how the return on State investment in public transport can be maximised. Examples include the preparation of special Local Area Plans and the adoption of supplementary development contribution schemes by Cork City and County Councils to promote development of the suburban rail corridors identified in the 2001 CASP plan and to complement the State’s investment in the re-opened rail line to Midleton. Another example includes the location of higher density mixed-use development in close proximity to the new rail station and Quality Bus Corridors in Adamstown, South Dublin County Council.
- The economic downturn has affected the prospects for many developing areas, but investment in essential supporting infrastructure should continue, prioritised especially at strategic locations, to address existing infrastructural deficits and to underpin economic recovery and achievement of sustainable communities. Other formerly developing areas will recover more slowly, and should focus on consolidating around existing partially completed development and ensuring the orderly completion and/or resolution of difficulties in other housing projects. Best practice manuals and guidance will be required.
- Implementation of targeted policies to grow the Hub towns has been mixed at local level. Some of the local authorities in Hub towns have effectively focused their existing arrangements for local planning and economic development towards growing their Hub towns. Their example deserves to be followed more widely.
- The Department, State agencies and the development agencies should support regional and local authorities in implementing the Atlantic Gateways Initiative, as a mechanism to provide a long-term platform for the development of a strong, internationally attractive economic corridor and for greater synergy and collaboration between the cities and along the linking corridors.
- The level of housing development will be low for the next few years. However, recent trends indicating a significant shift towards a higher proportion of urban generated house building around many cities and towns, including in the wider rural hinterland areas, as opposed to urban areas, where there are many uncompleted housing developments,

need careful monitoring. Targeted policy responses may be necessary to secure a more sustainable development pattern and a return on the State's investment under NAMA in taking over property portfolios, often in strategic locations in and around the main Gateways and Hub towns.

## Chapter 4: Implementation Challenges

### 4.1: Introduction

Implementation of a long-term strategy like the NSS is challenging. Significant implementation challenges remain but progress has been made, notwithstanding the economic downturn, and the infrastructural basis for more competitive regions is being established. Predicted global challenges regarding the security of energy supply and the need for a transition to a low-carbon economy, have considerably increased the challenge of ensuring a strong and resilient regional dimension to Government policy.

The International Energy Agency and a host of international commentators has warned that the 'era of cheap oil is over'. Ireland, which is over 90% reliant on imported fossil fuel energy, particularly for transport, must urgently address its high dependence on fossil fuels. Good spatial planning and development in Ireland can support the development of an efficient and effective public transport system and so reduce consumption. Also, the development of regional gateways and hubs, more compact settlement patterns, creating employment opportunities where people reside and more use of initiatives such as e-working, will play a key part in both urban and rural communities responding to the challenges of energy price inflation.

As outlined in Chapter 2, with prospects for economic recovery by the end of 2010, the intervening period presents an opportunity to prioritise the delivery of the infrastructure and structures required to maximise recovery opportunities and economic resilience in an increasingly competitive and volatile global market. As the National Competitiveness Council<sup>16</sup> stated:

*“the harsh new fiscal realities which Ireland faces necessitate a rigorous process of prioritisation and sequencing of public expenditure to position Ireland to take advantage of the global economic recovery when it occurs.”*

The NSS is a critical instrument for prioritisation and co-ordination of scarce resources, creating the type of competitive regions essential to recovery through:

- i) ***Integration between strategic planning and capital investment prioritisation;***
- ii) ***More strategic leadership and vision*** in driving the development of the gateways specifically and of the wider regions including hub towns and wider rural areas; and
- iii) ***Addressing unsustainable patterns of physical development*** through much enhanced integration of environmental considerations into the planning process and higher standards of urban design.

### 4.2: Planning and Investment Prioritisation

Influencing the allocation of capital investment under the NDP is a successful and widely recognised strength of the NSS, especially in relation to transport, housing and water services. Infrastructure projects driven by regional development and NSS objectives include:

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<sup>16</sup> Our Cities: Drivers of National Competitiveness, NCC April 2009

- The programme of developing major inter-regional motorways between Dublin and the gateways of Cork, Limerick-Shannon, Galway and Waterford and which is on time for delivery by 2010;
- The Atlantic Road Corridor and Phase 1 of the Western Rail Corridor, which are delivering better connectivity between cities such as Cork, Limerick-Shannon and Galway;
- The expansion of the suburban rail service in Cork under the Cork Area Strategic Plan (CASP) as well as investments in the capacity of public transport networks in Dublin to enable more compact and plan led development; and
- Prioritised investment in essential water services related infrastructure in each of the Gateways and Hubs strategic developing areas and rural areas.

Allied to the kind of investment described above, the Gateway Innovation Fund (GIF) was designed to stimulate the overall economic and physical development of the Gateways and their wider regions of influence identified under the NSS. The GIF concept retains strong merit as a mechanism to stimulate regional development when resources permit.

#### **4.2.1: Future Investment Priorities**

From a spatial planning and regional development perspective, the key areas for continued investment in the stock of Ireland's physical and social infrastructure are:

1. *Supporting employment* and a return to an enterprise-led 'Smart Economy' in the regions through science, technology and innovation (STI), re-skilling and development of the established enterprise base and rural enterprise which complements the core strength of our economy in green enterprise, the sustainable use of natural resources in the agricultural, fisheries, forestry, tourism and energy sectors;
2. *Completing a sustainable transport network*, building on sustained investment in recent years, progress in the key inter-regional transport corridors between the NSS Gateways and along the Atlantic Corridor linking the gateways along the west and south coasts and especially the Gateway cities of Cork, Limerick and Galway, and continued investment in key public transport projects in Dublin and the other cities to support the emergence of more sustainable development patterns;
3. *Promoting environmental sustainability* with sustained investment in water services and energy efficiency together with habitat protection as a particular focus;
4. *Delivering sustainable communities*: through sustained investment in regeneration of existing disadvantaged urban areas, including in Limerick and Dublin, and in catching up on infrastructural deficits in areas such as school provision in areas that have developed rapidly in recent years; and
5. *Harnessing the potential of rural areas* including their scope to deliver sustainable energy alternatives towards a less carbon intensive economy and a more diversified rural economy through investment in new electricity grids and rural broadband networks.

To maximise cost efficiency, there is increasing scope for Exchequer capital investment priorities for the period from 2010 to 2016 to reflect the priorities above and in turn to support further investment.

It is an objective of the Water Services Investment Programme, which is a 3-year rolling programme of investment in water services infrastructure managed by the Department, to support the development needs of gateways and hubs, including developing areas and rural areas identified for strategic investment or as requiring critical services.

The Ministers for the Environment, Heritage and Local Government and Finance will consider the timing of a revised Gateway Innovation Fund as a measure to stimulate the recovery of Gateways and support employment creation, economic development, competitiveness and regeneration.

#### **4.2.2: Co-ordination of Regional Investment**

Prudent Exchequer capital investment prioritisation and multi-annual capital envelopes enable good forward planning. To maximise the impact of public and private investment, co-ordination, both on a spatial and sectoral basis, is vital.

The NSS and the developing areas analysis provide a good framework within which to co-ordinate the investment activities of Departments, Agencies and the private sector at a practical level, not only in the provision of basic physical infrastructure but also in softer and increasingly important green infrastructure, community and social infrastructure and the strengthening of capacity for learning and innovation.

Current arrangements for co-ordination between Government Departments and Agencies, regional and local authorities in identifying the most practical and realistic future development priorities and investment opportunities should be strengthened in the context of the Minister for the Environment, Heritage and Local Government's wider proposals in relation to strengthened regional and local government in general.

New Regional Planning Guidelines for the period 2010-2022, aligned with the Government's capital investment priorities for 2010-2016, will be utilised as the framework for monitoring the integration of national, regional and local planning, identifying key ongoing development and investment requirements and reflecting the conclusions of such monitoring in NSS implementation in general.

Co-ordination of the type described above will enhance Ireland's future economic competitiveness and environmental and social sustainability because:

- **Urban and extra-urban sprawl is creating demand for uneconomic infrastructure and Exchequer investment** in green-field locations while infrastructure in city and town centre locations becomes under-utilised. Evidence shows, for example, that schools in city centre and inner city suburbs are struggling to stay open with falling enrolments, while demand for school places in new suburbs is rapidly increasing; and

- Experience in the past indicates that **development-driven planning** is wasteful of resources and makes it difficult to assemble the schools, community facilities, health care, parks and sporting facilities in strategic locations, undermining the “pull” factor of urban areas and adding costs in providing such infrastructure both initially and operational cost over time over a wide range of locations.

#### 4.3: Vision and Leadership

##### Gateways

A number of reports<sup>17</sup> as well as stakeholder consultation carried out for this report highlight the critical role that coherent and co-ordinated action at gateway level plays in supporting their vigorous, sustained and sustainable development. Achieving leadership, co-ordination and drive at gateway level can be especially challenging given that gateways typically straddle several local authority boundaries and require buy-in at political and Government Department/Agency level, as well as local level, for their development.

Strong and successful gateways need to be able to transcend administrative boundaries and have a clear vision of their future development and a strong strategic leadership to deliver that vision aided by effective governance arrangements, embracing not only public sector agencies but the private sector and leaders in research and innovation.

The Minister for the Environment, Heritage and Local Government is examining practical ways in which to deliver better cohesion and co-ordination at regional and local authority levels, including the commitment to introduce a directly elected Mayor for Dublin, taking account of the differing roles that different gateways play:

- **Dublin** competes with other European cities for investment, and the success of the metropolitan economy is a major driver of the national economy with over 50% of GDP in the Irish economy being generated by the approximate 40% of the country’s population;
- **Cork, Limerick, Galway and Waterford** as regional city gateways are the engines of economic development within their regions but they need to achieve greater critical mass including their development as a network of cities as envisaged in the 2006 Atlantic Gateways report. Strong governance structures will be needed if they are to operate at a higher level of performance; and
- **The Midlands Gateway, Dundalk, Letterkenny and Sligo** are smaller but developing Gateways which will require strategic planning and investment, and arrangements to enhance their leadership role within their regions.

##### Wider Regions

Strong and successful regions have a clear vision of their future development and strong leadership to deliver that vision, aided by effective governance arrangements embracing not only public sector agencies but the private sector and leaders in research and innovation.

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<sup>17</sup> The joint DEHLG/Forfás report by Fitzpatrick Associates on Gateway Investment Priorities, the Gateway Development Index prepared by the Regional Assemblies, Forfás Regional Competitiveness Agendas – Overview, Findings and Actions, as well as the National Competitiveness Council report on Cities and Competitiveness

The 2007 *Programme for Government* contains a number of commitments for better co-ordination at regional level, which are being considered in the context of the White Paper on Local Government and will assist implementation of the NSS.

In the meantime, Regional Planning Guidelines (RPG's) are a key implementation mechanism for the NSS at regional level with the current review to be completed during 2010. Clearer guidelines and strengthened implementation will ensure that the RPG's will support the regional authority areas in developing to their full potential. The Planning and Development (Amendment) Act 2010 enhances the relevance of Regional Planning Guidelines to plan making at local levels.

In a wider **island of Ireland** perspective, experience in implementing the complementary and collaborative aspects of the NSS and its equivalent in Northern Ireland, the Regional Development Strategy, points towards future opportunities to deepen and strengthen co-operation, especially as it relates to the Border Region and specific locations such as Letterkenny-Derry and Dundalk-Newry as drivers for development. These include joint investments in infrastructure (e.g. as with the enhancement of the N2/A5 route from Dublin to Derry) which will have economic impacts for the entire island, the potential for provision of shared hospital and other services for communities on both sides of the border, and business, environmental and tourism opportunities such as the Project Kelvin telecommunications initiative, the sharing of green technologies in Dundalk and Newry, and the cross-border Geo-park in the east border region.

Investment under the NDP is substantially benefiting many of the **Hub towns** with new roads, better public transport, new water and wastewater schemes, broadband networks and investment in Institutes of Technology, schools and cultural facilities. However, co-ordination of funding in areas such as townscape and environmental improvements, broadband provision and water services investment to incentivise the development of Hub towns is a priority to be addressed.

Nonetheless, having created a better infrastructural platform for development, Hub towns need to establish good arrangements for future planning, co-ordination and promotion bringing together the local authorities concerned, relevant Departments and Agencies, local business and local communities and as envisaged in the 2007 Department report on the development of the Hub Towns. The work of implementation and co-ordination groups underway in Mallow and Tuam provide a model for other towns to focus on practical initiatives that harness past investment and encourage future development.

In relation to **smaller towns and rural areas**, competitive regions require the development of the potential of rural as well as urban areas in a balanced and sustainable manner. However, recent economic and demographic trends (e.g. significant unemployment among construction workers and outward migration) in rural areas indicate that a new and clear strategy for these areas and provincial towns is urgently required.

The strengths of rural areas include environmental qualities, quality of life, stock of natural resources, a local enterprise base and in many cases, a growing population with an ever higher educational attainment. Holding on to revitalised rural populations in rural areas by

replacing employment lost in construction related sectors is critical to their continued economic sustainability.

To avoid either a drift of population from rural areas or unsustainable commuting patterns between rural and urban areas, there is a need for re-skilling and job creation strategies aimed at harnessing the specific potential of rural areas alongside the complementary but differing needs of Gateways and Hubs. Such strategies should be developed using pilot initiatives and collaboration between the various agencies.<sup>18</sup> Use of IT-based methods for delivery of training and information will be increasingly important and cost-effective in rural areas and underlines the need for quality broadband access for rural residents.

For those opting to live in rural areas but increasingly drawn to Gateways, Hubs and larger urban areas for work, implementation of the action points contained in the *Smarter Travel* policy will be critical to ensure sustainable transport and improved access for rural areas.

Smaller rural towns are seeing their local employment base contract through reductions in construction related and local services employment and a drift of larger employers to the larger cities and towns. Experience in Ireland and abroad has shown that specific “market town” policies can be developed to facilitate rural towns adapt to changes in their employment base and develop alternative and more resilient economic sectors.

Rural areas can contribute towards the Government’s objective for a smart/green economy by harnessing renewable energy potential,<sup>19</sup> developing knowledge transfer capacity within regions’ higher education institutions (HEIs) and strengthening networks between third-level institutions and businesses in creating long-term business opportunities.

#### **4.4: Encouraging More Sustainable Patterns of Development**

The boom in housing output since the 1990’s has doubled Ireland’s housing stock. However, the population of town and city centre areas has been declining as development of suburbs and outlying towns and villages has accelerated. Between 2002 and 2006, the City Council parts of Cork and Limerick declined by 3.2% and 2.7% respectively, due to an ageing population profile and market preferences for edge of urban or rural locations driven by the challenges inherent in redeveloping existing urban areas – so called “brown-field” development, as opposed to more straight-forward green-field development.

Sustainable urban development prioritises the re-use of existing developed areas, especially under-utilised and run-down areas within existing cities and towns. Achieving redevelopment of existing urban areas can be challenging in terms of site assembly, planning and urban design and infrastructural issues. By contrast, development in greenfield locations can be relatively more straightforward. If there is ample supply of greenfield development opportunities, re-using urban areas can be difficult to encourage. In this regard, the quantity and geographical distribution of development land across the State is an important issue in the context of supporting the implementation of the NSS.

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<sup>18</sup> Institutes of Technology, FÁS, VEC, Skillnets, LEADER groups, other development agencies and education providers.

<sup>19</sup> Report of the *High Level Action Group on Green Enterprise* (Dec 2009)

At the start of 2009, the total development potential of residentially zoned land in the State stood at over 900,000 dwellings<sup>20</sup> or 18 years' supply at a build rate of 50,000 dwellings *per annum*.

A significant proportion of undeveloped residentially zoned land is located in outlying locations, where Exchequer investment in infrastructure and services is likely to be uneconomic, the creation of sustainable communities will be challenging and the achievement of a critical mass of population and agglomerations of scale to support investment in infrastructure and services is unlikely.

In the current construction downturn, where housing output was some 26,000 in 2009 and the likely annual average output is estimated to be in the region of 10,000 – 15,000 per year in the short term, unless a more prioritised approach is adopted, focusing development into strategic areas where the necessary physical and social infrastructures can be provided in a co-ordinated and cost-effective manner, will be difficult.

Furthermore, as development has become more dispersed geographically, with greater distances between where people live and work, oil dependency has increased and greenhouse gas emissions from the transport sector have increased steeply<sup>21</sup> in contrast to other sectors of the economy. While the numbers of people using buses and trains has grown in absolute numbers, given our demographic growth trends in the recent past, the percentage of people travelling and choosing sustainable modes of transport continues to fall. Notwithstanding the above, more sustainable communities are emerging as a result of new urban design-led models for development such as at Adamstown in west Dublin, Dublin Docklands and in Cork. These more compact and higher density developments (which do not necessarily mean high-rise development) with access to public transport, employment, schools, community facilities and services, are much less car dependent. Wider roll-out and greater prioritisation of these planning and development models in selected key strategic locations is essential.

The Department of Transport policy document, *Smarter Travel: A Sustainable Transport Future: a new Transport Policy for Ireland 2009-2020*, notes the importance of aligning spatial planning and transport through environmentally focused planning and design if current travel patterns are to avoid becoming unsustainable in the longer term. Smarter Travel sets out ambitious targets to realise a significant realignment of travel patterns in Ireland including the reduction of work related commuting by car by 20%. The achievement of these policy targets will require careful and strict coordination between land-use planning and transport infrastructure investment.

The Institute of Public Health, in its report titled *Health Impacts of the Built Environment*, together with the National Obesity Taskforce<sup>22</sup> found that there is substantial evidence to suggest that urban sprawl can contribute to increasing obesity levels as increased car dependency, few opportunities for spontaneous involuntary exercise, longer commuting times and less time for physical exercise become a feature of life for many people and that

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<sup>20</sup> DEHLG Housing Land Availability Survey 2008

<sup>21</sup> 170% over 1990 levels

<sup>22</sup> Obesity: The Policy Challenges – The Report of the National Taskforce on Obesity 2005

communities that are planned and developed with regard to the health impact of the built environment could enjoy lower levels of obesity, cardiovascular disease, asthma and psychological stress. This in turn will result in lower spend by the State on health services.

In this regard, the reform of planning legislation and the introduction of a more specific targets and alignment between future population and housing land requirements under Regional Planning Guidelines and core strategies in development plans should help bring about a more orderly and focussed approach to future development, prioritising strategic locations and those capable of being served through public transport and sustainable travel modes.

In terms of water quality, Ireland benefits from abundant water resources but, despite many years of investment in water services infrastructure and environmental protection measures, the EPA in its 2008 State of the Environment Report highlighted the pressure Ireland's water resources are under in terms of quality. Complying with the EU Water Framework Directive (WFD) requirements in relation to achieving good status in water quality within a defined timescale will be a very significant challenge. In the future, there will need to be much tighter alignment between the River Basin Management Plans, which will determine the capabilities of local watercourses to receive treated wastewater, local planning, in terms of where development (requiring wastewater treatment) should take place, and the major Exchequer investment<sup>23</sup> the Water Services Investment Programme.

In relation to natural heritage and habitats, Ireland is to the forefront in Europe regarding the quality and range of habitats around the country that provide critical ecosystem services of substantial economic value to society and are invaluable to our international environmental image. Successful development into the future will be increasingly determined by how we conserve, connect and protect the range of habitats in Ireland and integrate such considerations into planning.

#### **4.5: Pointers for Future Action**

Experience to date in addressing the inherent challenges in implementing the NSS indicates that:

- At National level, stronger mechanisms are needed to prioritise and integrate investment within a tighter budgetary framework around the spatial policy framework of the NSS and recognising the differing investment requirements of Gateways, Hub towns, and rural areas. For economic competitiveness and environmental sustainability reasons, stronger legislative, monitoring and evidence-based measures are needed in the planning area to ensure that Ireland follows a more plan-led model of development that facilitates choice in the location of new development, peoples' affinity to reside in their place of origin and secures the regeneration and renewal of underutilised city and town core areas.
- At Gateway level, the distinct needs of the different types of Gateways needs to be taken into account in developing more prioritised investment strategies. Funding of transport, water, wastewater and urban regeneration initiatives will continue to play a key role in

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<sup>23</sup> Some €4.6 billion in Exchequer resources has been invested in the water services sector over the past decade.

enabling the regional Gateways to fulfil their potential. Furthermore, the Gateways need to have administrative and co-ordination arrangements that will deliver a strong and united vision for their development and the mechanisms to deliver that vision. The plethora of good plans for the Gateways need stronger implementation arrangements through stronger planning legislation, better administrative and co-ordination arrangements and better implementation structures. Stronger governance arrangements will be vital to underpin the required administrative and co-ordination mechanisms.

- At a wider regional level, existing mechanisms such as Regional Planning Guidelines need to be more effectively harnessed as a framework for co-ordination at city and county level with a stronger cross-border dimension in the case of the Border Region, coupled with a mechanism that will bring together all key stakeholders in the delivery of action- oriented strategies for the creation of more competitive regions.
  - For Hub towns in the regions, continued investment in areas such as transport, water services and broadband under the NDP will help to unlock their potential. Some funding inconsistencies need to be examined to ensure more coordinated delivery of enabling infrastructure. All the Hub towns, especially the linked Hubs, must put in place more effective, action-oriented local co-ordination teams networked into national NSS implementation arrangements.
  - In other towns and at village/rural level, the current economic downturn is having a profound effect. Maintaining employment opportunity in these areas is crucial as well as investment in re-skilling and job creation strategies that play to the key competitive strengths of the rural economy with respect to the availability of human capital and the opportunities for a wide range of enterprise development, including those associated with the sustainable use of natural resources in the agriculture, forestry, fisheries, tourism and energy sectors, as well as providing the necessary infrastructure to enable them to compete.

In addition, the relevant Government Departments, agencies and local authorities need to work together on implementing the Government's Smarter Travel strategy, Climate Change Strategy, national energy efficiency action plan, Water Services Investment Programme and the roll-out of quality broadband to rural areas under the National Broadband Scheme. County/City Development Boards (CDBs), particularly through the work of their Economic Sub-Committees, also have a role to play in supporting economic development locally, both urban and rural.

## Chapter 5: Implementing the NSS: Key Priorities

### 5.1: Better Implementation - Where we want to be in 5 years' Time.

The NSS is a 20 year strategy. In the first eight years a good deal has been achieved. Over the next five years, the overall aims for improved NSS implementation will be to:

- (1) **Strengthen the spatial policy dimension** to all public and private investment co-ordination to enhance Ireland's competitiveness and facilitate overall economic recovery, increasing economic resilience in an era of increased energy insecurity
- (2) **Create strong governance models** to drive the overall economic and physical development of the NSS gateways, especially, and their wider regions; and
- (3) **Support the emergence of much more economically, socially and environmentally sustainable patterns of development** by tackling the drivers for urban sprawl, maximising the opportunities to reduce CO<sub>2</sub> emissions and fossil fuel energy use while adapting to the emerging effects of climate change and protecting the qualities of our rivers, habitats and heritage.

### 5.2 Implementation Priorities

There are three priority areas of activity:

- (1) Improving existing arrangements for **investment co-ordination, alignment and prioritisation** between the capital investment programmes of Departments and agencies and the spatial planning and development policies of regional and local authorities;
- (2) Delivering **effective governance** under the White Paper on Local Government, focusing especially on the Gateways and regional authorities.
- (3) **Further reform of planning legislation and policy and implementation arrangements** to bring about a tighter match between where future development should happen and how the necessary public infrastructure can be provided

#### 5.2.1: Prioritising Investment

This report on NSS Implementation re-affirms the Government's commitment to delivering the aims and objectives of the Strategy and ensuring that the necessary legislative and policy structures and arrangements are in place.

The existing arrangements for Departmental and agency co-ordination will be reviewed and linked with the arrangements now in place to support economic renewal.

The Exchequer capital investment programme for the period 2010-2016 will support implementation of the NSS, and the NSS will support the optimisation of the capital investment programme, and key investment priorities from a regional development perspective including:

- Continued investment in the key inter-regional transport corridors between the NSS Gateways and along the Atlantic Corridor linking the gateways along the west and south coasts and especially the Gateway cities of *Waterford, Cork, Limerick and Galway, Sligo and Letterkenny*;
- Continued investment in key public transport projects in Dublin to support the emergence of more sustainable development patterns;
- Enhanced co-ordination of investment in strategic water services, non-national roads, energy infrastructure, broadband infrastructure and urban regeneration, aimed at positioning key developing areas within the Gateways (including employment-generating locations) to be primed for sustainable development pending an overall recovery in economic conditions;
- New co-ordinated delivery models for community infrastructure – schools, arts facilities, libraries etc – that can be accommodated in campus style development, reducing overall costs; and
- Examination of the potential for the Gateway Innovation Fund (GIF) concept to stimulate the development of key and underperforming locations in terms of employment, economic recovery and sustainable development and within a rigorous evaluation framework.
- Consideration of similar targeted investment in rural infrastructure to allow rural areas to be primed for development pending an overall recovery in economic conditions.

The Government will also continue to work with nearby administrations, in Northern Ireland, Scotland, Wales and England in adopting a more co-ordinated approach to investment in areas of mutual advantage such as in better transport, energy and communications linkages, and to develop shared policies to maximise our competitiveness as economically linked island nations.

### **5.2.2: Governance**

#### The Dublin Mayor and Regional Governance in Dublin

Vision, leadership and an impetus for strategic delivery will be provided by a directly elected Mayor of Dublin, who can act as a focal point and unifying force for regional stakeholders in bringing about a dynamic and enterprising city region. The integration of the activities of local government and the wider public service will be an important role for the Mayor.

In line with the commitments in the renewed Programme for Government, the Government has approved proposals for a directly elected Mayor for Dublin. A highly visible and accountable Mayor will have the authority and powers to deliver real leadership for the city and region. The Mayor will have responsibility for establishing strategic policy in relation to land-use planning, transport, waste management, water services and housing across the 4 major Dublin local authorities. Under the legislation, the Mayor for the Dublin Region will:

- Chair a Greater Dublin Area Transport Council to act as a strategic overseer of transport planning for the GDA and alignment of land use planning with transport planning;
- propose Regional Planning Guidelines for the Dublin Region as part of the preparation of collaborative Regional Planning Guidelines for the Greater Dublin Area in partnership with the Mid-East Regional Authority; and

- chair a new Regional Development Board, tasked with promoting public service integration and innovation in Dublin.

The Dublin Regional Authority will be expanded to support the Mayor's role. The White Paper on Local Government will detail the workings of the Dublin Mayor in tandem with a fuller suite of changes to local government.

#### Regional Governance beyond Dublin

The forthcoming Local Government White Paper and associated initiatives will provide direction on the appropriate arrangements necessary to drive strong regions. The Government's plans for leadership in Dublin offer a model to inform change in other regions, in line with the underlying rationale of the White Paper, and strengthen local democratic leadership, transparency and accountability. The White Paper on Local Government and NSS implementation will be mutually reinforcing through:

- (1) **Strengthened Gateway leadership**, to champion Gateways, to deliver vision and direction, and pursue strategically focused planning and economic development;
- (2) **Streamlined administrative arrangements** for the Gateways and surrounding areas; and
- (3) **Re-oriented regional authority structures** to implement economic development and spatial planning strategies for their wider regions that have a strong focus on the gateways and integrate the perspectives of local authorities, the enterprise development agencies, the business community and higher education institutes (HEI's) in each region.

The enterprise development agencies play an important role within the regions in identifying enterprise infrastructure needs based on their understanding of future trends and potential, and through their engagement with existing export-oriented companies in the regions. They have a role in facilitating and supporting innovation, collaboration and networking in a cohesive way, and influencing implementation through coordinated and consistent messaging.

#### ***5.2.3: Sustainable Urban and Rural Development***

Encouragement of development patterns in both urban and rural areas that are more sustainable in environmental, economic and social terms is a major challenge for Ireland and responses are needed in terms of the overall planning system, and also tailored towards the specific needs of urban and rural areas.

At an overall legislative and policy framework level, the Planning and Development (Amendment) Act 2010 will introduce a stronger requirement for a plan-led and strategically focused planning system, in which the pattern of significant over-zoning in some areas will be addressed by requirements for regional planning guidelines and local authority development plans to be consistent with the NSS. Essential to the new legislation will be requirements that:

- all local authority city and county development plans contain “Core Strategies” that would establish the level of future growth, consistent with national and regional targets, that a given development plan is aiming for;
- zoning requirements adopted by local authorities at local level to be evidence based, consistent with the above and integrated more closely with wider sustainability criteria<sup>24</sup>;
- Local Area Plans be consistent with higher level plans;
- planning guidelines issued by the Minister under planning legislation must be implemented ; and
- better integration be achieved between land use planning and transport investment with the establishment of the National Transport Authority.

More widely, there are opportunities to integrate the legislative framework for planning with the process of designating and protecting EU Natura 2000 sites (e.g. through the provisions in the Planning and Development (Amendment) Act 2010 and the development of best practice guidance on the implementation of Habitats Appropriate Assessment within the planning code) and to move towards an increasingly river basin management-based approach to water quality and water services investment planning and delivery.

At regional level, new updated Regional Planning Guidelines (RPG's) will be in place by mid 2010, offering improved co-ordination of local authority development plans and a mechanism for monitoring NDP implementation including a tighter set of investment priorities at the overall regional level.

New planning and investment co-ordination mechanisms will be put in place for the NSS Hub towns building on the successful arrangements for better local co-ordination underway in towns such as Tuam and Mallow and linking to the NSS implementation arrangements.

The major downturn in the national economy is having acute effects in rural areas, the potential regional and national contribution of which could be supported through:

- development of a pilot rural retraining/re-skilling initiative with the relevant state training and education providers in one rural area for wider application after an initial trial period;
- a pilot Market Towns Initiative in up to three local authority areas developed jointly between the relevant Departments / Agencies and local authorities and aimed at showing how concerted action in planning, investment, marketing and economic diversification can contribute to the diversification and renewal of small towns and villages;
- identification of ways to develop outreach research and commercialisation schemes aimed at maximising the development of a vibrant and creative rural micro-enterprise culture in conjunction with the relevant Departments and Agencies and regional authorities; and
- provision of necessary infrastructure in rural areas such as improved water supplies, broadband communications and local roads to address current and future needs.

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<sup>24</sup> See Chapter 5 of the NSS.

### **5.3: Conclusion**

Ireland has made considerable strides in creating the basis for more competitive regions. However, there is a sense that the unprecedented levels of demand placed on our planning and investment systems have not always resulted in decisions that have properly prioritised the long-term and sustainable spatial development of the regions. All the international evidence points clearly to the role that competitive and sustainable cities and their wider regions play in underpinning overall national competitiveness.

Through measures such as updated planning legislation, modernised local governance arrangements, better prioritisation of investment and a stronger focus on environmental issues in development decisions, Ireland and its regions will be positioned for economic recovery and support transformation towards a more sustainable and smarter economy.

The actions set out in the following table (Appendix 1) will act as the template for monitoring overall progress in maximising the role of NSS implementation in supporting overall economic recovery.

## Appendix 1: Summary Table of Actions

To support renewed implementation of the NSS, the following headline actions will be undertaken, with oversight at Ministerial level.

<b>Priority 1: Prioritising Investment</b>
<b>Actions</b>
<ul style="list-style-type: none"> <li>• Publish an analysis of critical infrastructural requirements in strategic and developing parts of the NSS Gateways, Hub towns and other locations.</li> <li>• Establish a new NSS Co-ordination Team with regional and local authority representation to monitor, report and co-ordinate progress in advancing strategic investment priorities in Gateways, Hub Towns and other areas.</li> <li>• Deliver enhanced water services infrastructure in key and strategic developing areas in the gateways and hubs under the Department's Water Services Investment Programme 2010-2012.</li> <li>• Infrastructure requirements for key villages, smaller towns and rural areas which are identified from the implementation of local authority Core Strategies (provided for under the Planning and Development (Amendment) Act 2010) will be progressed and targeted, as appropriate, within future investment priorities.</li> <li>• Prioritise housing regeneration projects in key gateway locations.</li> <li>• Finalise arrangements for the revised Gateway Innovation Fund as part of the Government's Capital Expenditure Review.</li> <li>• Work with Northern Ireland's Department of Regional Development in facilitating a more integrated approach to spatial planning on the island of Ireland and with other relevant Ministers in Scotland, England and Wales to explore the potential for closer links and terrestrial / maritime economic development opportunities between the two islands.</li> </ul>

<b>Priority 2: Governance</b>
<b>Actions</b>
<ul style="list-style-type: none"> <li>• Finalise White Paper on Local Government and the legislative proposals for a directly elected Mayor for Dublin.</li> <li>• Input to relevant Government Department initiatives such as the strategic review of the Higher Education Sector to enhance co-operation between relevant local authorities, enterprise agencies, business leaders and providers of third-level education and training in promoting better regional development.</li> <li>• Develop proposals for more effective co-ordination and implementation of regional plans and strategies in the context of the White Paper on Local Government and NSS implementation actions.</li> <li>• Guide the finalisation of Regional Planning Guidelines 2010-16 and introduce revised monitoring / implementation arrangements.</li> <li>• Progress implementation of the Atlantic Gateways Initiative report to facilitate greater collaboration between the Gateways of Cork, Limerick-Shannon, Galway and Waterford, and extension of collaboration to include the Gateways of Sligo and Letterkenny-Derry.</li> <li>• Establish effective co-ordination arrangements in Hub towns linked to NSS Co-ordination Team.</li> </ul>

### Priority 3: Sustainable Urban and Rural Development

#### Actions

- Implement key provisions of the new Planning and Development (Amendment) Act 2010 regarding development plan core strategies, consistency between plans at different levels and across local authority plans and greater adherence to planning guidelines.
- Assess and monitor local authority development plans for consistency with the NSS and the updated RPGs, liaising as appropriate with the National Transport Authority in relation to local authority implementation of Smarter Travel initiatives.
- Publish new planning guidelines on issues such as preparation of Local Area Plans, and prepare best practice manuals on planning issues such as addressing unfinished housing developments.
- Analyse and update regional population targets on an ongoing basis and in line with the latest CSO statistics and trends.
- Work with key Departments and agencies to analyse the impact of the current economic downturn on rural areas, and assist in the preparation of a coherent response:
  - to enhance skills training for the unemployed, and
  - to develop initiatives to adapt to the economic and demographic changes facing them and to build on their individual strengths and develop at a scale appropriate to their regional environment<sup>25</sup>.
- Develop, in partnership with the Regional Authorities and the relevant Departments and agencies, a Regional Innovation Programme to address the knowledge, innovation, and applied research needs of natural resource-based sectors in rural areas.

<sup>25</sup> The policy would be based on a process similar to the 'Healthcheck' used in England. Countryside Agency, 2001, Market Towns Healthcheck Handbook