Preparing for Economic Recovery: Planning Ireland, North and South, out of Recession Report of Fifth Annual Conference





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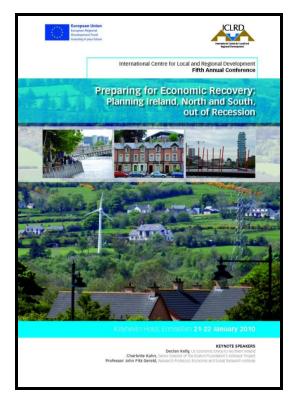
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INTRODUCTION

The fifth annual International Centre for Local Regional Development conference took place in the Killyhevlin Hotel, Enniskillen, County Fermanagh. Our annual ICLRD gathering plays an important role in shaping collaboration on the island of Ireland in the areas of spatial planning and local and regional development. Our conferences which bring together decision and policy makers, practitioners and academics - have become a leading forum for debate, networking and mutual-learning for those mutual-border and interested in jurisdictional cooperation.



The theme of this year's conference was the role of planning in economic recovery and was attended by over 130 people representing central, regional and local government, elected representatives, policy-makers, cross-border networks, community activists, academics and representatives of the business community. The conference was organised around four sessions. The first session provided an opportunity for a 'health-check' on the current state of the island of Ireland in a number of areas – economy, property, environment and planning. The second session explored the social and community dimension of an economic recovery and examined how

governments can work in partnership with communities and look to shared services as central and local government sources of revenue come under increasing pressure.

Day 2 offered an opportunity to explore synergies for building a platform for economic recovery, with the third session looking into the linkages between spatial policy and enterprise strategies, the role of infrastructure in economic recovery and best practices in stimulating social and economic regeneration at the local level. The fourth session then explored priority areas for cooperation in spatial planning, energy and the environment, and how business opportunities can provide an engine for sustainable development on the island of Ireland.

This year's conference was sponsored by the Special EU Programmes Body under ICLRD's new Cross-Border Spatial Planning and Training Network (CroSPlaN), an INTERREG IVA funded programme. Inter Tradelreland, as in previous years, also provided support. For the first time, both the Royal Town Planning Institute (RTPI) and the Irish Planning Institute (IPI) agreed to count attendance at the event as Continuing Professional Development for their respective members; an emerging relationship we hope to maintain.

ICLRD - Who are we?

The International Centre for Local and Regional Development (ICLRD) is a North-South-U.S. partnership to explore and expand the contribution that spatial planning and development of the physical, social and economic infrastructure can make to peace and reconciliation on the island of Ireland and elsewhere. The ICLRD has developed out of a



unique collaboration between academics and spatial planning specialists from the National Institute for Regional and Spatial Analysis (NIRSA) at the National University of Ireland Maynooth, the School of the Built Environment at University of Ulster, Athlone Institute of Technology, the Centre for Cross Border Studies in Armagh, and the Institute for Urban Development International Cambridge, Massachusetts. The ICLRD is pleased to be working with faculty and researchers from: the Joint Center for Housing at Harvard University: Immaculate College, University of Limerick: and Queens University Belfast, Further information is available at www.iclrd.org.

The Cross-Border Spatial Planning and Training Network (CroSPlaN) is an EU **INTERREG** IVA funded programme administered by the Special EU Programmes Body. The objective of this programme is to strengthen the policy and operational linkages between central and local policy makers and among officials and practitioners involved in spatial planning in the Irish border region. In 2010 addition to the annual **ICLRD** conference, CroSPlaN is undertaking two action research studies, an executive training programme and a technical workshop as part of the 2009 / 2010 activities. CroSPlaN is one of a series of initiatives within the Ireland / Northern Ireland Cross-Border Cooperation Observatory (INICCO) managed by the Centre for Cross Border Studies. Further information can be found at www.crossborder.ie.

Inter Tradelreland - Who are we?

Inter Trade lreland, the Trade and Business Development Body, promotes North-South trade by building business capability and competitiveness. Inter Trade lreland has been working in partnership with ICLRD since 2005 by providing development funding, funding the 2006 ICLRD study on the Development of a Framework for Collaborative Action and supporting the annual ICLRD conferences. Further information can be found on their website at www.intertradeireland.com.



OPENING ADDRESS

Pat Colgan, Chief Executive, Special EU Programmes Body

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Mr. Colgan's opening address to the conference covered a wide range of EU related matters but particularly focused on the concept of territorial cohesion and the future emphasis of EU policies and funding measures. He noted how reports such as the *Regions 2020* and the *Barca Report*, as well as the impending EU Budget review for the period 2014-2021, will shape future trajectories in Europe.

The Regions 2020 report emphasises some of the key challenges facing European regions, including globalisation, demographic change, climate change and energy supply; the latter a particular cause of concern for the island of Ireland. The Barca Report set out proposals for reform of EU Cohesion Policy post-2013, including a place-based development strategy focusing on economic and social goals with the objective of reducing inefficiencies and persistent social exclusion.

Conclusions emerging from high level discussions on the future of cohesion policy have placed it firmly within the context of the economic crisis and the likelihood of a smaller overall budget. In terms of named priorities, the environment and climate change, and globalisation and competitiveness are common themes; as is the added value of cross border cooperation. Key decisions will emerge over the next 12-15 months.

Shifting in scale, achievements under the €256 million cross-border INTERREG IVA programme in the eligible area of Northern Ireland, the Border Region of Ireland and

Western Scotland were highlighted. Specifically, reference was made to a number of successful projects such as Knowledge and Innovation Transfer in Engineering (KITE), Kelvin, BioMara, and the Small Ferries. From 23 approved transnational and interregional projects across the range of INTERREG IVB and IVC, 9 have partners from Northern Ireland, the Border Region of Ireland and Scotland.



(Source: From Mr. Colgan's opening address)

A number of challenges and opportunities for the future were posed in Mr. Colgan's conclusion. These included enhancing cooperation within the region, moving from territorial cooperation to territorial cohesion, exploring emerging concepts such as the 'macro region', and addressing the major themes of competitiveness, energy, climate and demographic change.

SESSION I: HEALTH CHECK ON ECONOMIC DEVELOPMENT, PLANNING AND INFRASTRUCTURE

Welcome by Chair: Aidan Gough, Strategy and Policy Director, InterTradelreland

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Mr. Gough began his introduction to the first conference session by briefly recapping on the tumultuous 12 months that had elapsed since the last ICLRD conference. During this time the economy has taken a battering and the short-term focus of businesses and public servants has been on fire-fighting to mitigate disaster. Decisive actions in the public sector have included prioritising capital spending; preventing complete market failure by directing

resources towards the banking sector; and focusing on industrial development assistance. In the private sector, companies across the island have also acted to cut costs and prices in order to stimulate demand.

Whilst these actions have prevented the economy from sliding into the abyss and squandering the progress that had been made over the last 10-15 years, Mr. Gough stressed that now is an opportune time to think strategically about the future.

PRESENTATION

Strategies to Create the Right Jobs in the Right Places: *Professor John FitzGerald*, Research Professor, Economic and Social Research Institute (ESRI)

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Seeking to explain how the current economic crisis was brought about and how it might be gotten out of, Professor FitzGerald considered the public finances, the challenge of competitiveness, as well as regional implications for future growth, in his presentation.

Using 'Icarus' as a metaphor for the Irish economy, Prof. FitzGerald set out a number of past policy failures, including what he described as the distraction of the Stability and Growth Pact; a building boom which had squeezed the tradable sector and export firms; and the failure of banking regulation.



(Source: From Professor FitzGerald's "Strategies to Create the Right Jobs in the Right Places")

Once the bubble had burst a fiscal crisis ensued, leaving a budget deficit of circa 6 per cent of Gross Domestic Product (GDP). In the U.K., by contrast, the financial collapse was precipitated largely by regulatory failures in banking which has, in turn, precipitated a crisis in the public finances.

Professor FitzGerald shared his belief that the vulnerabilities of the Northern Ireland economy going forward are its dependence on the public sector, particularly should cuts be implemented. The banking and credit crisis will also present significant challenges, the latter particularly due to uncertainty over recapitalisation of the Northern Ireland based banks. Weak sterling, however, is thought to present a major opportunity for Northern Ireland and is a major competitive advantage which could be exploited to expand exports.

In the Republic of Ireland the banking crisis may prevent a wider recovery if not resolved, while the public finances will continue to present difficulties. However, the major issue for the Irish economy is competitiveness as the country needs to price itself back into world markets so as to recover export potential. This would most likely be achieved through cuts in nominal pay.

Future growth in exports should be in high productivity goods, made using skilled labour. To achieve this, however, requires a consistent focus on improving human capital. particularly through education. unfortunately, is an area where Northern Ireland has displayed worrying trends as many children leave school too early and there is also an attrition of skilled labour through emigration. The importance of attracting back emigrants is also important, with evidence cited from the Republic of Ireland highlighting the fresh outlook and management expertise that they bring as well as a level of productivity which is 10 per cent higher.

Looking again to the future, Prof FitzGerald considers that new skilled jobs are likely to be located in major urban areas as these tend to be where many people want to live and where they can achieve their expectations due to the diversity of firms and services. This will have implications for spatial patterns and strategies, the environment and infrastructure provision, including how to design sustainable living for the new world.

Professor FitzGerald concluded by stressing his belief that the crisis in public finances had been partly dealt with in the Republic of Ireland but had still not been tackled in the U.K. Improving competitiveness is crucial to enabling an expansion of the tradable sector, while it is also important to invest long-term in human capital, research and development, and in getting people back into work.

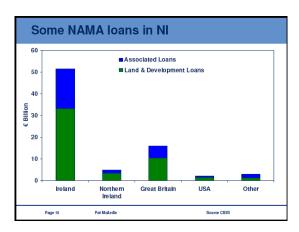
PRESENTATION

Property Supply and Demand in Balance: Challenges for Local Government, the Development Sector and NAMA: *Pat McArdle*, Economist

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Mr. McArdle touched on some of the issues leading up to the crisis in the Irish economy; the impact of which he considered was of a lesser order in Northern Ireland.

He alluded to the scale of the construction industry and the contribution it once made to Gross National Product (GNP), as well as the unsustainable number of new completions at peak. The boom in house prices ended once buyers were priced out by rising European Central Bank (ECB) interest rates and are now down by some 32 per cent; although this is thought to be underestimation due to the major indices lagging real life and also because of low transaction levels.



(Source: From Mr. McArdle's "Property Supply and Demand in Balance: Challenges for Local Government, the Development Sector and NAMA) Construction employment has consequently fallen (in some areas by 42%) and continues to under-perform in comparison to manufacturing and services. The supply of available housing also remains large; although with various measures being used, it is difficult to quantify this exactly. Reconciling the various figures being banded about, it is estimated that there is an overhang of 4 years, with the ESRI estimates of underlying demand in the range of 30,000-40,000 houses.

In considering where these houses are, Mr. McArdle cited evidence that the excess supply is both unevenly spread and located in areas where it should not be given demand factors. These include such areas as the Border counties, the Midlands and on the southern peripheries. He stated that some of these houses will never be lived in and may, inevitably, be demolished.

The spread of assets and loans that are due to be taken over by the National Asset Management Agency (NAMA) was briefly touched on by Mr. McArdle; some of which are in Northern Ireland, the U.S. and other countries, but the majority in the Republic of Ireland. As construction was less of a 'growth driver' in the Northern Ireland economy (although house prices have followed a similarly precipitous path), the ensuing job losses were comparatively less severe, as is the housing supply overhang. He felt that much of this overhang could ultimately be absorbed by the social housing need although there is a sense that this approach would be more effective in Northern Ireland than in the Republic.

What is clear, however, is that this oversupply of housing, together with the collapse of the property market and a growing recognition of the failings of the system, this downturn provides opportunities for 'proper planning'; with an emphasis on changing the 'where' and the 'how' of development.

PRESENTATION

Green Infrastructure: Myth and Reality - Demand, Delivery and Delay: Conor Skehan, Head of the Environment and Planning Department, School of Spatial Planning, Dublin Institute of Technology

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When talking of planning for the future, it is not ours but that of the children of today for whom we are planning. In recognising that values move over time, Mr. Skehan initially reflected upon how the future is made by what people want, what they think is important, the things they choose to buy and a whole host of other 'sloppy' factors. The future is, therefore, highly uncertain.

As the demographics of Ireland change, he stated that this will inevitably lead to confrontation with some challenging and uncomfortable realities. Two very different Irelands will emerge with asymmetric attributes between a densely populated, deeply serviced, environmentally robust east coast, and lightly populated, highly serviced, environmentally sensitive west. The future will likely, therefore, be an urban one, and this will have implications for the way in which jobs are planned for.

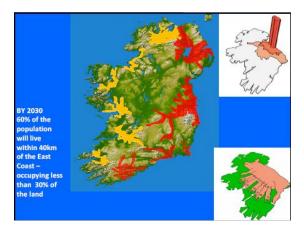


(Source: From Mr. Skehan's "Green Infrastructure: Myth and Reality – Demand, Delivery and Delay)

Planning for jobs in this new future will require a paradigm shift from the planning of old, with its overemphasis on designations and a 'predict and provide' approach, to the idea of preparing the right places for the right jobs. This will require strategies predicated on the need for a continuous sense of preparedness; an 'Acknowledge, Accept and Anticipate' approach.

Indigenous economic activity will also be of greater importance and competing to keep local entrepreneurs in the country will be as critical an activity as trying to attract new inward investment. Attracting and making

people stay in Ireland will likewise pose challenges for systems of planning and governance. Investors may come due to the availability of skills and infrastructure but they will stay for very different reasons. There will, therefore, be a need to service people with much higher levels of expectation, while giving more recognition to the value of things such as culture.



(Source: From Mr. Skehan's "Green Infrastructure: Myth and Reality – Demand, Delivery and Delay)

Mr. Skehan believes that a new openness to demographic, environmental and cultural realities, with some parts of Ireland more suited to some types of economic activities, will also be required. Green infrastructure can play a part in contributing to this future economic activity by sustaining and improving quality of life factors. It can also help to address water quality issues as well as the need to take an integrated approach to dealing with environmental sensitivities.

In summing up, Mr. Skehan emphasised the importance of saying the unsayable; that there are certain things that governments don't do well, such as long-term planning. He stressed that we should plan for places first, jobs second, people third, and housing last of all. We should plan for, accept and prepare for different futures for different places. Finally, planning should be seen as something that helps make things happen rather than as a hindrance. In such planning, there is a critical role for agencies and authorities — but presently, they are reluctant to change.

ROUND-TABLE DISCUSSIONS / Q&A

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Dr. John Bradley, noted economist, queried whether the two future development paradigms envisaged by the speakers between the west and east coasts of Ireland could coexist. He also asked whether the need to invest in infrastructure in large urban conglomerations would, in effect, suck vitality from the west.

Mr. Skehan replied by stating that you can't share what you don't have, and that Ireland will have no future without a thriving east coast able to compete on a global scale. He again emphasised the new era of scarce public finances and recognised the likely polarisation of politics in Ireland between the east and west.

Professor FitzGerald added that the rural model hinted at by Dr. Bradley was a largely minority choice that could not be scaled up to become competitive. He believes that urban areas such as Cork, Belfast and Galway had sufficient scale, as did somewhere like Derry but so far with little impact.

Mr. Ciarán Tracey, Leitrim County Council, focused on the supply of surplus housing in counties such as Leitrim which it has been suggested could be purchased by local authorities. He noted a mismatch between the sizes of houses built by speculators and those by the local authorities and wondered whether anyone had looked at such qualitative issues.

In reply, *Mr. McArdle* indicated that he was not aware of anyone having looked at this issue and recognised that the construction industry had been working for a long time on auto-pilot and without much thought for the long-term consequences. NAMA would, however, provide an appropriate vehicle for looking at the various issues that have arisen and help in the provision of a plan.

Cllr. Stephen Huggett, Fermanagh District Council, wondered about competitiveness in the Republic of Ireland and relayed the example of Republic of Ireland firms tendering for construction projects in Northern Ireland which were often considered too high and possibly still informed by boom-time growth patterns.

Professor FitzGerald recognised the current problems of social mobility, particularly amongst rural former construction workers. Those still in employment were benefiting from much lower mortgage and interest payments and might, therefore, not be incentivised to lower tender prices. However, those without a job and possibly also now in negative equity would face serious social and mobility problems.

Mr. Brian Rowntree, Chairman of the Northern Ireland Housing Executive, commented that Northern Ireland will see its highest roll-out of new-build social housing in 15 years which was a response through the Programme for Government. For him, the key issue is affordability and he noted that rent levels in the private sector are reducing and society is moving more towards the European models. He stated that we need to reprogramme our thinking towards buildings homes rather than housing.

Clir. John Hanna, Banbridge District Council, asked whether nuclear power plants might be an answer to Irish energy concerns in the medium term. He also saw the opportunity for lifestyle change in Ireland.

Mr. Skehan noted the fine line to tread between the pursuit of people's values and their expectations of material culture and wellbeing. Hard choices would have to be made to achieve sustainability.

Professor FitzGerald felt that there is insufficient space in Ireland for nuclear power due to the reserve requirements. Wind energy was a good source when it blows but the future was most likely an interconnection with Great Britain. He also stated that Irish culture was a major factor in the Irish success story.

Clir. Declan O'Loan, Ballymena Borough Council, asked the panel to say a little more about how to enhance the tradable sector and, more specifically, about what interventions could usefully be made by government.

Professor FitzGerald felt that it is important to create as attractive an environment as possible as government subsidies were unlikely to be available in the current climate. Price was also an important consideration and he believed that they are right in Northern Ireland but not in the Republic of Ireland.

Mr. McArdle added that wages were falling in the Republic of Ireland but that labour market activation strategies were still required. He also posed the rhetorical question of whether social welfare was proving too comfortable for some.

Ms. Caitríona Mullan, Irish Central Border Area Network (ICBAN), asked whether there is currently a crisis of leadership. She wondered how we might develop a shared comprehension of the future and also a capacity in the public, private and third sectors to respond to the crisis.

Mr. McArdle replied that government leadership was vital but had been in relatively short supply, although he did underline Brian Lenihan's contribution in difficult circumstances.

Mr. Skehan stressed that politics should be about the art of the possible but that politicians were terrified of their ideas not being accepted. They do, however, seem to be more willing to take on new thinking at this time and act more decisively.

Clir. Gerry Mullan, Limavady Borough Council, queried the value of tourism as an investment and asked whether his council might be wasting money on tourism advertising.

Mr. Skehan acknowledged that the tourism industry in Ireland was now in a state of flux. The older models of tourism are no longer valid and there has been an increase in urban visitors. He felt that money would be better spent on research to explore how other countries such as New Zealand have provided for the new opportunities in tourism.

Mr. Gough brought the session to a close by highlighting some of the challenges considered by the speakers, including stabilising the property market, banking system and public finances. as well as addressing competitiveness issues throughout the island. He also noted a common new theme that has emerged, namely the need to take a more place-based approach economic to development strategies. However. stressed that in order for this to happen, government and policy makers would have to take a much more multi-disciplinary approach to the development of policy.

SESSION II: PLANNING AND ECONOMIC RECOVERY – THE SOCIAL AND COMMUNITY DIMENSION

Welcome by Chair: Andy Pollak, Director, Centre for Cross Border Studies

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In commencing the final session of Day 1, Mr. Pollak noted that the preceding discussions on 'good planning' and 'proper planning' would only bring about real change if people and communities were at the heart of any and all changes.

PRESENTATION

Partnership with Local Communities: New Roles for the New Councils in Northern Ireland: Wesley Shannon, Director, Local Government Policy Division, Department of Environment Northern Ireland

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Mr. Shannon's presentation focused on the proposals emanating from the Review of Public Administration (RPA) in Northern Ireland which is still at an embryonic stage but was said to be progressing through legislation. He described some of the key aims of the Review which is designed to bring government closer to the community, provide for strategic local leadership and allow new local authorities to advocate for their local area; thus replacing the traditional model of government with that of governance. It is also intended to ensure that local councils work in partnership with statutory agencies and the community.

The Local Government (Reorganisation) Bill will provide for the establishment of eleven

new local councils (replacing the existing 26-council model), incorporating new governance arrangements and Codes of Conduct, whilst making provisions for central / local relations and introducing new concepts such as Community Planning and the Power of Well-Being.

Under the reform of local government, councils will also acquire a number of other functions that can contribute to 'Place-Shaping', including local development planning and enforcement, urban regeneration, tourism and local economic development.



Mr. Shannon explained how the proposed Community Planning process, to be led by the new 11 local councils, is critical to the whole reform. It is intended to help create partnerships in order to implement a 'shared vision' for an area; seek synergies between functions; and lead to better service delivery. A statutory duty will be placed on councils to make arrangements for and lead the process, with duties imposed on other government departments and public bodies to promote, participate in and support it.

Mr. Shannon recognised that it will be an evolving and long-term process and that attitudinal and behavioural (culture) change are crucially important. Success will ultimately be dependent on establishing effective relationships between key players and moving towards a synergy between plans and the Programme for Government.

In conclusion, the RPA and community planning as one aspect of the reform process will provide a framework for bringing service providers and the community in an area together. It will present many challenges and will require attitudinal change but will prioritise delivering improved outcomes for citizens.

PRESENTATION

Service Delivery for Citizens in Challenging Economic Circumstances: New Attitudes and Approaches in Provision of Shared Services: *Hubert Kearns*, County Manager, Sligo County Council

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Mr. Kearns's presentation was located within the confines of the Sligo Local Authorities but touched upon shared service delivery at the regional and national levels and concluded with a number of extremely useful observations.

He stressed how the historic context is a critical consideration when thinking about shared services between local authorities. For example, in Sligo, the town based Borough Council has a strong tradition of governance stretching back centuries and there had historically been little interaction between it and the County Council, a much younger organisation. Differences were noted in organisational cultures, issues of identity, priorities and perspectives, and an apparent divide in urban / rural approaches to issues.

However, a number of shared service initiatives have been successfully implemented in the county. This included the meraing of the Finance Departments of the County and Borough; the full sharing of information technology, human resources and the architects department; and the partial sharing of planning and land use, and corporate services. This was facilitated by the fact that there has been a single manager of both organisations since the 1940s, and he (Hubert) was able from this position to drive the process forward in recent times. In addition, the Local Government Act 2001 also placed a requirement on local councils to promote greater efficiencies. Across the 88 councils in the Republic of Ireland, a shared services agenda is promoted through agencies such as the Local Government Management Services Board, Office of Local Authority Management and the National Building Agency.

Other factors identified that can assist in achieving shared service delivery are having the necessary mandate and authority; general staff support; and, critically, political support.

Mr. Kearns also identified leadership by management, trust and the importance of good information systems to monitor progress. Benefits accrued include a better provision of specialist services; economies of scale; coordination of services to customers; efficiencies and avoiding duplication; and, ultimately, saving money.

Pressure on the public finances should ensure progress to implement greater sharing throughout the country with such proposals emanating from the likes of the McCarthy Report (recommending reducing 88 councils to 22) and the impending Local Government White Paper.

A shared services agenda offers considerable scope for efficiency gains; and the current pressures on the public finances should ensure progress in this area.

PRESENTATION

Efficiencies in Service Provision through Spatial Planning: The Role of Information in Building Inter-jurisdictional Cooperation: Charlotte Kahn, Senior Director of the Boston Foundation's Indicator Project & Holly St. Clair, Data Services Director, Metropolitan Area Planning Council (Boston)

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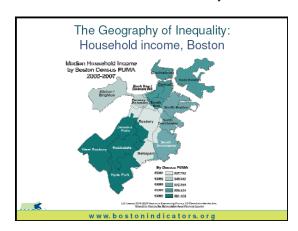
Ms. Kahn began by introducing the city of Boston to the conference, which although is one of the most successful cities in the U.S., it is nevertheless impacted upon by global forces and the effects of the sudden economic collapse. Such a crisis has underscored the need for an ongoing mechanism to measure change and has emphasised the importance of initiatives such as the Boston Indicators Project.

The Boston Indicators Project has three primary goals: to democratise access to data and information; to foster informed public discourse; and to track progress on shared civic goals. It is designed with a long timeframe in mind and follows a two track approach incorporating a Civic Agenda running parallel to Indicators Data and Reports.



In the former, people are convened across sectors to elicit trends; a provocative biennial report is published; and strategic briefings and civic forums are convened, all of which lead to better understandings, alignment of resources, and action on key challenges and opportunities.

With the latter, Ms. Kahn explained that the project seeks to measure change through a nested set of indicators in a regional context, mapped websites on two www.bostonindicators.org), and encompassing 10 primary sectors and 5 cross-cutting ones; 70 indicator goals; 150 indicators; and 300 measures to support frameworks. example of a nested indicator set concerns income inequality, and the project provides an map inequality at various geographical scales and to present information in an attractive and informative way.



(Source: From Ms. Kahn's and St Clair's "Efficiencies in Service Provision through Spatial Planning: The Role of Information in Building Interjurisdictional Cooperation")

Ms. St Clair introduced the Metropolitan Area Planning Council (MAPC), a Boston-based quasi-governmental organisation and regional planning agency for 101 local cities and towns.

Its aims are to provide planning assistance to towns and cities; coordinate collective purchasing and procurement; comment on development and regional impacts; and advocate for legislative change. The council sought to look at how cities and towns can collaborate to break down barriers; particularly in areas like Massachusetts with complex institutional arrangements (it is a 'home rule' state).

Examples of such working cited include the Metropolitan Mayors Coalition made up of 13 communities in the Greater Boston area; the Melrose-Wakefield Health Consolidation; and the Ashland and Hopkinton Fire Services Collaboration.

There is no 'one size fits all' model of regionalisation; rather the model adopted in each of the above examples reflects an identified local need.

Financial imperatives are driving municipal collaboration in the U.S. due to a decrease in local revenues following economic decline, a decrease in local aid to municipalities, increasing costs, and an increased reliance on local property taxes. In order to make such collaboration work, however, Ms. St Clair stressed the need for legislation to enable municipal agreements.

It was important to assess the prevailing situation before implementing change and to build on existing strengths, which does not necessarily have to lead to job losses (indeed, such processes can help to save jobs). It may be easier to implement changes to back office rather than front office functions but it is important that everything is done in an open process involving public discussion. Finally, there will always be tensions between local control and making efficiency improvements.

ROUND-TABLE DISCUSSIONS / Q&A

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Mr. David Walsh, Department of Environment, Heritage and Local Government, asked whether the current dire financial straits was the only reason for the sharing of services across counties and whether there is a recognition to move towards forward-planning or water services functions being delivered at the regional level?

Mr. Kearns replied that the main reason was financial but that this was probably not the right reason. He intimated the political difficulties that can be encountered when crossing county boundaries and cited previous attempts to establish a common approach to waste management amongst the counties in Connacht which had ultimately proven unsuccessful.



Professor Fitzgerald had a query on the sharing of services in County Sligo and in the Boston examples. Were they accounted for separately between the different organisations?

Mr. Kearns responded that they were, and *Ms. St Clair* concurred.

In light of a PricewaterhouseCoopers report, *ClIr. John Hanna* asked whether the RPA in Northern Ireland was actually going to happen. He was also concerned about who ultimately would pay for its implementation and whether any efficiency savings would be realised?

Mr. Shannon stated that Minister Poots was committed to seeing the RPA process through. There was, however, some uncertainty as to whether the local councils would be

responsible for payment of costs, as they will accrue the main benefits, or whether it would be through a cocktail of funding from the regional and local levels. In relation to efficiencies, he stated that it was ultimately up to local councils to devise the most appropriate model with which they could seek to achieve savings.

Mr. Kearns added that in relation to local authorities in the Republic of Ireland, users of services such as planning should be responsible for the cost of systems rather than tax payers. He felt that this may come about in the future given the current financial crisis.

Clir. Michael Sheahan, Limerick County Council, commented on the push for crosscounty working in the Republic of Ireland, queried the McCarthy proposals, and cautioned on the hasty implementation of shared service arrangements.

Mr. Gavin Rafferty, University of Ulster, asked Mr. Shannon whether there will be an interface between traditional land-use planning and community planning under future RPA arrangements.

Mr. Shannon suggested that there would be an opportunity for such an interface given that both local development planning and community planning will be the responsibility of local councils.

CONCLUDING OBSERVATIONS - DAY 1

Professor Rob Kitchin, Director, National Institute for Regional and Spatial Analysis, NUI Maynooth & Denis Rooney CBE, Chair, International Fund for Ireland

Professor Kitchin noted that both jurisdictions on the island of Ireland are struggling to cope with the economic crisis and that as we look for solutions, spatial planning has a key role to play. The main question is really whether it is up to the task? The future shape of this island – physically, socially and economically – must be centred on sustainable-driven development with strategic planning as its backbone.

Mr. Rooney stated that we cannot underestimate the EU influence on our actions; as in this context, the border should be viewed as an opportunity in economic terms. There is a role for evidence-informed planning in the

future development of this island – we are actually becoming very good at statistics. The questions must be asked though, why do we not use them to avoid situations?

Mr. Rooney voiced concerns on the impact of the economic recession on socially deprived neighbourhoods; and argued for more focus in this area.

He argued that neither the RPA nor the shared services agenda were going far enough, largely because they had become too weighted in politics.

SESSION III: BUILDING THE PLATFORM FOR ECONOMIC RECOVERY

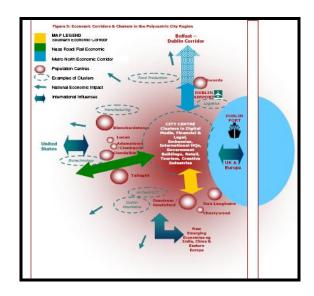
Welcome by Chair: *Patricia Potter*, Director, Dublin Regional Authority

Economic Development in the Dublin City Region

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As with other speakers, Ms. Potter firmly placed her presentation within the context of the global recession which, she argued, should provide an important backdrop to the development of new economic strategies. As a small open economy, the recession in Ireland was somewhat unique and hard-hitting. The Dublin economy has also been severely affected but its success is critical to Ireland's future economy, being the largest population centre, generator of half of Gross Value Added (GVA) and the only city on the island of international scale.

Two key economic strategies are, therefore, being pursued to ensure Dublin continues to compete on the global stage: an *Economic Development Action Plan for the Dublin Region*; and *Regional Planning Guidelines for the Greater Dublin Area 2010-2022.* Ms. Potter described the former, prepared by Dublin Local Authority Managers, as a working document that includes developing strong civic leadership through the establishment of a Creative Dublin Alliance Network. The plan also seeks to pursue strategies to create a vibrant place, through developing economic corridors and clusters; and to nurture, attract and retain creative people.



(Source: From Ms. Potter's "Economic Development in the Dublin City Region")

Ms. Potter then briefly touched upon the Regional Planning Guidelines of the Great Dublin Area which were currently on public display. These, she stated, will provide a strategic planning vehicle to enable the Economic Development Action Plan to be delivered and the economic competitiveness of the region enhanced.

PRESENTATION

Spatial and Enterprise Strategies: The Key Linkages: *Céline McHugh*, Senior Policy Advisor, Forfás

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Ms. McHugh viewed spatial strategies and regional development through an enterprise lens and sought to bring through her presentation a regional perspective to enterprise development. She alluded to the dramatic change in Ireland's economic circumstances, and in recognising the need to restore the public finances, stimulate the productive sector, and help resume export led growth, stressed that the regions would have a key role to play.

Echoing much of what was said throughout the conference, the strong interplay between enterprise developments and creating an attractive environment – whether relating to skills and education, economic infrastructure,

knowledge and innovation and quality of life issues – was noted. Competitiveness should be considered a relative concept which requires continuous change and evolution within the business environment.

As part of efforts to understand how regions might maximise their individual potential, Ms. explained how McHugh Regional Competitiveness Agendas have been undertaken by Forfás, incorporating baseline analyses, regional workshops and overview reports. These build on the key concepts of the National Spatial Strategy (NSS), namely critical mass, gateways and realising potential. Some key findings from these studies include the fact that the regions are different from each other in terms of their assets / potential, and strengths, attitudes mindsets governance; and there are variations in the development of their gateways, and generally in the challenges and opportunities that they face.



(Source: From Ms. McHugh's "Spatial and Enterprise Strategies: The Key Linkages")

She then relayed some of the findings from the Border and South West regional reports; with the former found to have problems with infrastructure, re-skilling and negative connotations associated with the regional name. However, it offers potential in areas such as services, food production, tourism, and is rich in resources for renewable energy.

Maximising impact and harnessing potential in the regions will require universal broadband provision as a critical enabler for enterprise development, particularly outside of the major cities; a focus on innovation balanced between the push and pull factors in attracting and supporting firms; and a strengthened regional focus on enterprise development. However, in the absence of the latter it is currently difficult for companies and entrepreneurs to know exactly who to approach.

According to Ms. McHugh, a more regional perspective should, therefore, be taken to enterprise development, with the realisation of their potential requiring each region to build on their individual sectoral strengths. Greater emphasis needs to be placed on the 'right jobs for the right places', and in this respect, the RPGs are important frameworks for future sustainable and balanced development

PRESENTATION

The Role of Infrastructure in Economic Recovery: *Martin Spollen*, Strategic Advisor, Strategic Investment Board (NI)

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Mr. Spollen spelt out the two key roles currently being played by the Strategic Investment Board in Northern Ireland, which are particularly pertinent given that the construction industry has borne the brunt of the current economic difficulties. They are: dealing with the immediate impact of the downturn so as to keep people in work; and investing in infrastructure to provide a platform for long-term prosperity and competitiveness, as supported by the Programme for Government.

He outlined some of the critical aspects of an ever changing world, which is being impacted by the forces of globalisation; is buffeted by concerns over energy security, climate change, and the challenges presented by an ageing population and a changing public expenditure environment; and all of which is occurring at a time when emerging economies are becoming increasingly competitive. Mr. Spollen, therefore, asked: how do we respond to these forces? How do we plan for a prosperous future? What are the factors that seem to define success? And how can we implement these in a regional and island-wide context?



(Source: From Mr. Spollen's "The Role of Infrastructure in Economic Recovery")

He then ran through some of the projects that have been implemented in Northern Ireland and talked about the 'attractiveness' of quality spaces; regeneration projects such as Titanic Quarter and Victoria Square in Belfast; public realm schemes in Omagh and Newcastle; improved connectivity due to projects such as the Westlink upgrade or Kelvin; as well as more affordable and efficient public services. Reference was made to the need for increased densities to facilitate infrastructure investments as rapid transit, and improved connectivity. The importance of energy supply and storage to attract industry and jobs was also noted, with green energy in particular representing a potentially major area for investment. How do we, for example, best exploit wind resources mainly located in the West and feed them back into the national grid which is based around fossil-fuels?

To meet the challenging times ahead, Mr. Spollen concluded by emphasising the need to pool public and private resources, and stressed the benefits of cooperation.

PRESENTATION

Stimulating Social and Economic Regeneration at the Local Level: The Necessary Ingredients: *Brian Murray*, Chief Executive, the Workspace Group

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The Workspace Group adopts a practical approach to stimulating social and economic regeneration at the local level. In stressing

their passion for business and also their drive to deliver to their community, Mr. Murray emphasised the balance that must be struck between profit and community purposes.



Established in 1985, the Workspace Group has expanded steadily over the years and now encompasses a diverse range of companies and activities, including workspace units, insulation products, training and employment programmes, a recreation centre, an afterschool club and commercial recruitment services. They were also involved in establishing the Rural College and Derrynoid Centre, country markets, a youth centre and the Drapers' Towns partnership with the neighbouring village of Moneymore.



(Source: From Mr. Murray's "Stimulating Social and Economic Regeneration at the Local Level: The Necessary Ingredients")

Other initiatives were not so successful: the community radio and the plantation museum

for example. Despite this, they were part of the learning curve that the community had to go through to determine the 'path' best suited to it.

Mr. Murray emphasised that the success of the Group is very much down to people, be they the board of directors, management team, staff members, the local community, and their customer base. They also seek to be profitable, with money ploughed back into supporting community enterprises such as the Workspace Community Fund.

He paid tribute to several other successful social enterprises which the Workspace Group continues to draw inspiration from, including the Bryson Charitable Group in Belfast; IRD Dunhallow in Cork / Kerry; and the Mondragon Corporation in the Basque Country.

In conclusion, Mr. Murray listed some of the necessary ingredients for success, such as remaining people focused; developing real partnerships between the community, private and public sectors; having a shared vision of what can be achieved and how it can be done; recognising that profit is not a dirty word; backing winners as success breeds success; and utilising existing resources, as exemplified by credit unions, the GAA, housing associations and local enterprise agencies. Taking risks and stimulating enterprise are also important.

ROUND-TABLE DISCUSSIONS / Q&A

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Clir. John Hanna queried whether strategic investment exists outside of Belfast and Derry, given what he felt was the emphasis of the presentations on the eastern seaboard? He also asked when transportation infrastructure will be properly sorted out.

Mr. Tarka King, President of the Ulster Waterways Group, asked whether project Kelvin will have an impact on County Monaghan.

Ms. Caitríona Mullan noted the importance of high speed broadband as an economic enabler and questioned when resources will be committed to accelerate its roll-out.

Mr. Spollen assured the audience that much activity and investment was occurring outside

of Belfast and Derry. He noted a website which contains information on 500 projects across the region and which sets out a much boarder canvas of investment activity (www.isni.gov.uk).

Ms. McHugh expressed her frustration that high speed broadband had not yet been rolled out throughout the country. She stressed that project Kelvin will open up opportunities for faster roll-out but that key decisions needed to be taken to accelerate action.

Cllr. Michael Begley, Clare County Council, commented that wind energy will be a huge resource over the next 5-10 years but noted that none of the speakers referred to energy storage. Additionally, he asked about energy motorways and compatibility issues that may exist between both jurisdictions on the island of Ireland.

Clir. Sean McDermott, Leitrim County Council, emphasised the importance to the border region of infrastructure development but feared that they would be left behind as he felt they do not have sufficient political clout. He also expressed the worry that funding opportunities were moving towards poorer countries within Europe.



Mr. Spollen stated that wind, particularly onshore, is a preferable source of energy from an economic perspective. He indicated that the cost of energy was a bigger issue that storage and cited the example of the Nordic countries where interconnection to other grids was preferred to energy storage solutions. In answering Cllr. Begley, he noted that a study

had been undertaken on issues surrounding North-South operability, whilst work on a total energy model was soon to be commissioned looking at energy efficiency and renewable energy, amongst other things.

Ms. McHugh concurred with Cllr. McDermott's point that an infrastructure deficit still existed in certain parts of the country but felt that dealing with this in uncertain economic times would require prioritisation. She stressed, however, that electronic and broadband connectivity is just as important for remote places as roads.

SESSION IV: RECOVERY THROUGH COLLABORATIVE SPATIAL PLANNING

Welcome by Chair: *Professor Francois Vigier*, President, Institute for International Urban Development, Cambridge, Massachusetts

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The final session was opened by Professor Vigier, who shared a number of observations on what he had heard throughout the course of the conference, on moving forward to recovery, and on avoiding a future economic

crisis. He began by posing several questions: Why did we not see where we were heading to? How did the crisis come about and surprise us?

A number of the identified causes of the economic crisis were rehearsed, particularly concerning the housing bubble, and he questioned the oversight role of local and central authorities.

In retrospect he believed the crisis was the consequence of a slow growing situation that gathered momentum and nobody saw the impending storm. One reason for this was a lack of good information and he cited the example of the Boston Indicators Project which provided an important tool through which to measure change, to determine where events are heading, to help define interventions, and to facilitate a watchdog and advocacy role.

Professor Vigier posited that such an initiative on an All-Ireland basis would be essential to monitor development and economic trends and identify future crises so that they can be 'nipped in the bud' before widespread damage is caused. Information gathered would have to be timely, accurate and impartial, and he concluded by asking what kind of impartial observatory could be put in place to watch on our behalf, and is independent of politics and the private sector? This would prepare us for future crises as they start to emerge — and they will due to periodic stresses.

PRESENTATION

Spatial Planning on the Island of Ireland: The Co-operation Priorities: *Professor Greg Lloyd*, Head, School of the Built Environment, University of Ulster

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Professor Lloyd scattered his informative and lively presentation with well-directed quotes and personal observations on the sobering times that we are now in, the meaning and role of spatial planning, and on the ongoing battle of ideas. He spoke of the evidence-base as the 'nuts and bolts' of good planning, and the need to 'punt' balls high and wide (the 'garryowen') to bring about change. He outlined some of the key differences between spatial planning and land-use planning and

noted how context is very important when talking about spatial planning, which has been interpreted differently across the U.K. and Ireland.



Some of the characteristics of spatial planning that he identified include the fact that it goes beyond traditional land-use planning; is proactive; and seeks to link up more with the community in addressing issues through regeneration and other strategies.

However, in questioning whether spatial planning is strategic enough, he gave voice to a number of other concerns that have been raised by commentators, such as the belief that it has led to an improvement in plans but possibly poorer delivery. Spatial planning is, nevertheless, beginning to throw-up good ideas, but, in a world of institutional fragmentation and congestion, and with an emphasis being placed politically on cost cutting rather than investment and long-term thinking, he stressed that a continuation of the concept was by no means a certainty.

On the island of Ireland he wondered whether a strategic spatial planning framework could allow for orderly development in the public interest, as well as provide for the best possible outcomes. The idea of 'contractualism' was also introduced, which concerns the design of planning institutions and instruments based around issues such as trust and understanding, loyalty, commitment and a collective sense of responsibility for outcomes between stakeholders in a particular area.

In considering spatial planning as a democratic exercise essentially about creating a more egalitarian society, he cited the example of Scotland where 10 years had been spent debating and popularising the concept, with the primary focus being on bringing about

culture change. Responsibility for planning was also moved by the Scottish Government to the Department of Finance and Sustainable Growth in recognition of the importance attached to it and the role that the government felt it could play in delivering enhanced well-being.

Professor Lloyd concluded by stating that further collaboration on spatial planning will come about but it needs to be viewed in a democratic rather than technocratic light. He also believes that there is a need to challenge the assumptions about the capability of communities to understand and deal with it.

PRESENTATION

Closing Address: Northern Ireland – Maximising Opportunities in the Transatlantic Corridor: *Declan Kelly*, U.S. Economic Envoy to Northern Ireland



In his closing comments to the fifth annual ICLRD conference, Mr. Kelly placed a strong emphasis on the importance of technology and the digital age to future economic growth across the world. He spoke of the 'digital emigrants' who are still trying to get to grips

with and catch-up on the latest technological developments and the 'digital natives' who appear to be born with a gadget in their hands. Twenty-five years ago, there was no worldwide web; yet today, there are over 2 billion searches made on a daily basis.

Economic recovery is undoubtably the biggest challenge the world has faced; with some countries more badly affected than others. But it is also the greatest opportunity that has been afforded us; it presents us with time to reflect so as to better understand what has taken place and, following this, engage in a process of self-renewal. For those who can change quickly and adapt to the new world order, they will not be left behind.

For Northern Ireland, its position on the transatlantic corridor provides it with a real opportunity to take stock, and play to its key strengths. As a small region, it is easier for it to collaborate in a focused, targeted manner. Three primary objectives have been set for growth in Northern Ireland, namely:

- Micro-clusters (such as Newry with a growing share of financial services and life sciences industries)
- Indigenous development
- Lasting links between the U.S. and Northern Ireland

Main sectors of potential growth have been identified as health, creative media and renewables. Developments in these areas include the establishment of a European Connected Heath campus in Belfast, the development of renewable incubator units in Limavady, and the Nerve Centre in (London)Derry. These are all examples of leadership in innovation. The next challenge is the creation of credit streams so that these companies — and others like them — can expand.

The island as a whole needs to find its place in this changing world – and this must happen now. A twin-track approach must be adopted; with one 'leg' focusing on building momentum, the short-term 'wins', and the second focusing on leadership and the pursuance of a longer-term strategy.

Mr. Kelly encouraged the establishment of virtual advisory boards and mentor programmes; a form of job-rotation model where expertise can be shared and

entrepreneurship harnessed. Collaboration across the island, as well as on a transatlantic basis, will ensure that opportunities are maximised.

We are in a period of rapid change; to succeed, we must narrow our focus, create a niche and become recognised internationally as 'good' as what we are good at doing.

CLOSE OF CONFERENCE

Our ICLRD annual gatherings are growing in reputation and are now considered as leading forums for debate, networking and cross-learning on the themes of interjurisdictional collaboration in spatial planning and local and regional development.

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Full presentations (power point and audio files) from this conference as well as previous conferences are available as embedded files within this report and on the ICLRD website.

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