

Shaping  
OUR **FUTURE**  
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## Annual Report

Implementation and Monitoring of the  
Regional Development Strategy for  
Northern Ireland 2025



Department for  
**Regional  
Development**  
[www.drdni.gov.uk](http://www.drdni.gov.uk)

June 2004

This document and the technical supplement Monitoring Report is available on the Regional Planning and Transportation Division website at [www.drdni.gov.uk/shapingourfuture/](http://www.drdni.gov.uk/shapingourfuture/)

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## Introduction

The first Annual Report on the implementation of the Regional Development Strategy was published in June 2003. In summary it:

- Reported on the achievements since the RDS was formulated in September 2001;
- Established a baseline against which future performance could be assessed; and
- Set out areas for action over the year to March 2004.

The purpose of this report is to provide information for the 2002/03 year which was not available at the time the June 2003 report was being prepared. The reasons for this are set out in more detail below. In addition this report sets out progress on Critical Threshold Indicators which are used to measure progress in achieving key objectives of the RDS.

## Annual Reporting Cycle

Annual reporting on the implementation of the RDS involves assessment of progress being made against each of the Strategy objectives (referred to in the RDS as Strategic Planning Guidelines (SPGs)) and also against a set of indicators which are considered to be sensitive enough to signal potential difficulties in achieving long-term objectives. These are called Critical Threshold Indicators (see section below). The information used to measure progress is collected from Northern Ireland Government Departments.

The first Annual Report was published in June 2003. It contained data on the Critical Threshold Indicators for the year 2001/02 and also set out progress made by Departments on the SPGs for the period 2002/03. However, at the time the June 2003 report was being prepared, data was not available to measure the progress on the SPGs for the 2002/03 period. This information in the form of a Monitoring Report is now available as a supplement to this second report on request and is also on the Shaping Our Future web-site <http://www.drdni.gov.uk/shapingourfuture/> .

A further report will be published in November 2004. This will be more substantial as it will provide up-to-date information on both the Critical Threshold Indicators and the SPGs to March 2004. It will deal in more detail with any key trends that may have emerged over the three-year period

since September 2001. This information will feed into preparation for the 2005/06 Focussed Assessment of the RDS.

The November report will also cover the sub-regional seminars, which the Department facilitated and set out, inter alia, progress on the review of the regional housing figures, which commenced this year.

The publication of both these Annual Reports this year will bring the reporting since September 2001 up-to-date.

The RDS is a twenty-five year document and, given this timeframe, it is important that any adjustment that may have to be made to strategic guidance is based on evidence of sustained and verifiable trends. In this context, it is therefore considered that a published report should, in future, be prepared biennially. Such a report will deal in detail with emergent trends and draw conclusions, which are of relevance to the implementation of the Strategy.

### **Critical Threshold Indicators**

The Panel<sup>1</sup> that reported on the Examination in Public into the draft Regional Development Strategy recommended a small number of key indicators that would be central and sensitive enough to give early warning of difficulties in achieving the long-term objectives of the RDS. These critical threshold indicators, which are additional to the SPG indicators recorded in the monitoring report, provide a snapshot of relevant trends. The information set against each is a baseline that will allow judgements to be made, over time, on the necessary adjustments to plans, policies and programmes.

Because the Critical Threshold Indicators are high level, they are particularly useful in the assessment of progress against the six key themes in the RDS. This is important in the context of the Spatial Development Strategy which is a framework for balanced growth throughout Northern Ireland.

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<sup>1</sup> An independent Panel was appointed to hold an Examination in Public into the draft RDS. The Panel reported to the Department in February 2000.

The six key themes in the RDS are:

- Promoting balanced and sustainable regional development (Meeting Housing Needs);
- Promoting balanced and sustainable regional development (other than housing);
- Reflecting regional distinctiveness;
- Strengthening economic opportunities and regional competitiveness;
- Enhancing accessibility – developing the regional strategic transport network;
- Making best use of the regional assets in the hubs, corridors and gateways

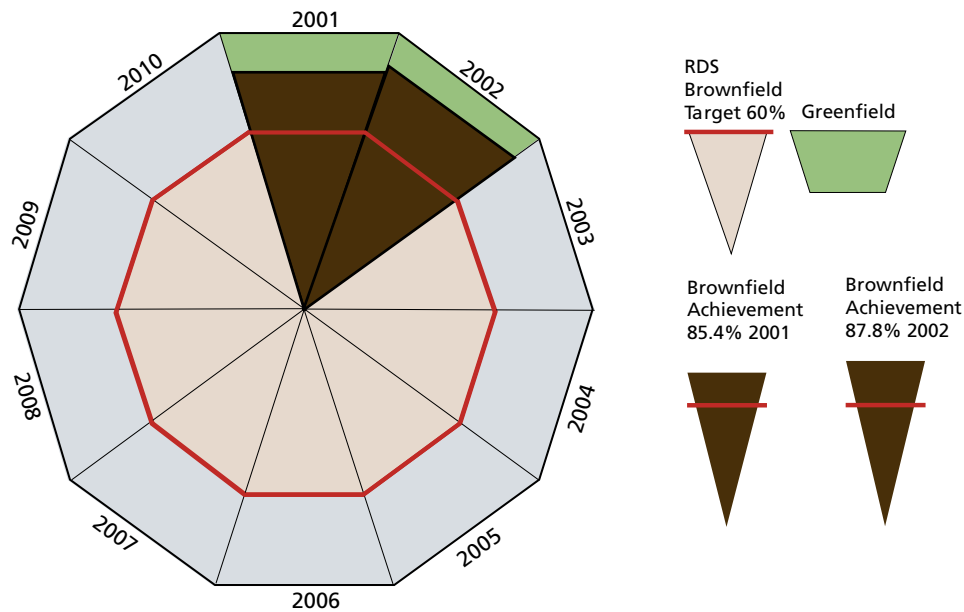
It is not possible at this early stage in the monitoring process to draw significant conclusions on the Critical Threshold Indicators. However, the figures on brownfield development within settlements of >5,000 population continue to be encouraging (85.4% in 2001 and 87.8% in 2002) against the regional target of 60% by 2010. The Report to be published in November will contain information to March 2004 and may allow some conclusions to be drawn on other Critical Threshold Indicators.

The indicators that have been agreed with government departments are:

- Rate of brownfield development
- Levels of housing stress
- Average earnings (% with GB/ROI/ Europe)
- Levels of basic skills (cf with GB/ROI/ Europe)
- Expenditure on infrastructure as % GDP
- Air quality
- Birth/failure/survival rate of companies
- % labour force with NVQ 3 or above (cf with GB/ROI/ Europe)
- % landfill sites and the proportion of waste going to landfill
- Health indicators (cancer/coronary heart disease/mortality)
- Journey times on the Key Transport Corridor highway routes
- Average % of trips by mode per person

## 1. Rate of Brownfield development

The rate of brownfield<sup>2</sup> development within town/cities of >5,000 population rose from 85.4% in the previous reporting cycle to 87.8% in 2002.



Source: Northern Ireland Housing Land Availability Summary Report 2002, Planning Service

The RDS sets the target of attaining housing growth of 60% within the Urban Fabric<sup>3</sup> of settlements of >5000 population. Dwellings built within cities and towns of more than 5,000 in population during the year 1 August 2001 – 31 July 2002 totalled 8,016. Of that figure 7,043 were built within the identified Urban Fabric, constituting 87.8% of the total.

### Comment

The aim of promoting brownfield development is to encourage a concerted housing drive within urban areas over the next 10 years, without town cramming, by making appropriate use of previously developed land, or other suitable sites and buildings. The setting of this target for the region signals a clear change of direction towards achieving more sustainable forms of housing development. It also represents a drive to make urban living more vital and attractive.

<sup>2</sup> Brownfield is classified in the RDS as "urban housing growth within the existing urban areas of cities and towns of over 5,000 population".

<sup>3</sup> Urban Fabric is the term used until present by DOE Planning Service. It is considered to equate to the term Urban Footprint as defined in Appendix 8 of the RDS.

The demand for new housing units is more heavily influenced by policy factors than demographic factors. This places a much greater emphasis on tracking change and its causes. Factors that are likely to influence this in the future are the continued availability of land within the 'urban footprint', the density of housing achieved, and obstacles to bringing forward land that is not readily available.

To promote a drive for new urban housing, the RDS sets a regional target, that by 2010, 60% of urban housing growth will be within the cities and towns of over 5,000 population (SPG HOU 4.1).

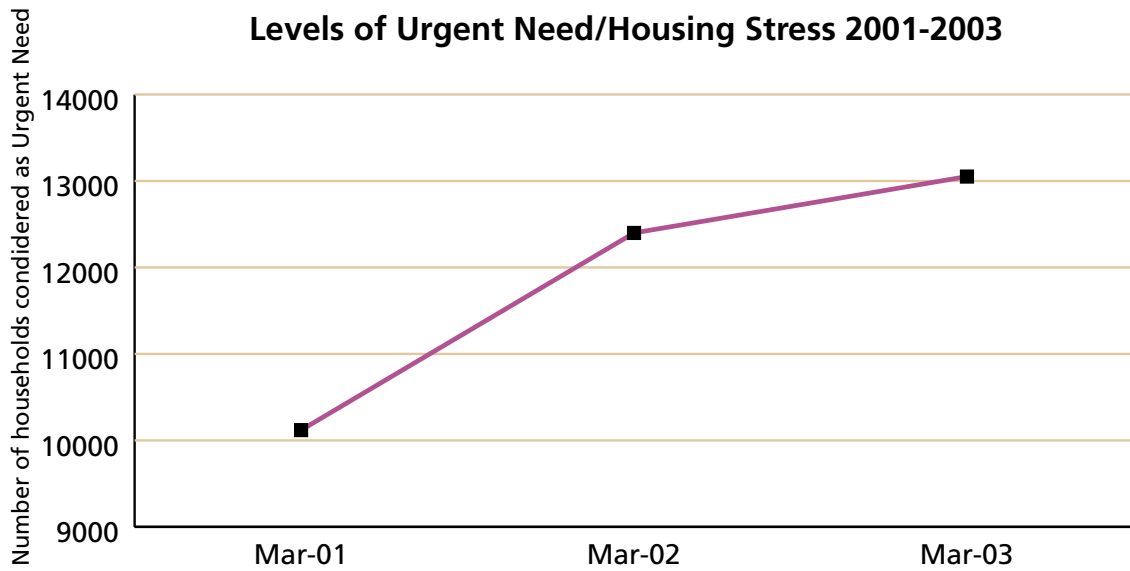
The RDS indicates that the existence of a substantial reserve of greenfield housing land does not rule out the progress being made toward the 60% brownfield target. The figures achieved since 2001 support this statement. Continued progress will depend on a number of factors including the housing density which is achieved and the availability of land within existing urban areas.

The 2001/02 Report recorded a figure of 62.2% for 2001. This figure was calculated by taking brownfield development and comparing it against housing development within all designated settlements. The comparable figure for 2002 is 62.8%.

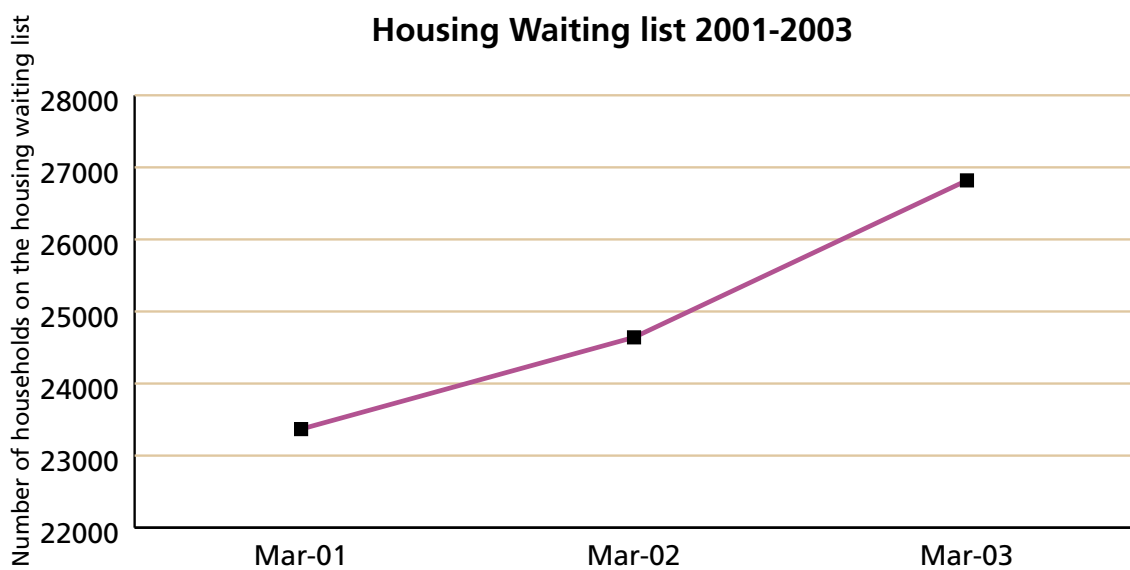
The publication of Planning Policy Statement 12 Housing in Settlements later in 2004 will help reinforce the drive to achieve the regional target of 60% by 2010.

## 2. Level of housing stress

For the year ending March 2003, there was a rise of 652 instances of Housing Stress<sup>4</sup>, constituting an increase of 5% over the 2002 figure.



Source: Northern Ireland housing Executive



Source: Northern Ireland housing Executive

<sup>4</sup> Housing stress is defined by the Northern Ireland Housing Executive's (NIHE) 'Housing Selection Scheme Impact Evaluation' Report published 2 January 2003 as 'any applicant who has been awarded 30 or more housing need points under the New Scheme is deemed to be in housing stress for planning purposes'

## Comment

The RDS seeks to improve the quality of life for all citizens in Northern Ireland and this indicator provides insight into the housing needs of the most disadvantaged within the community.

The Government is committed to ensuring that everyone has a decent home. The RDS sets figures for housing need and also emphasised the importance of a balanced supply of housing land throughout the region (SPG HOU 1.1). In terms of housing land supply, it is important that there is an adequate provision to meet all housing need, including social and affordable housing. In this context, the review of housing figures which is underway will meet the commitment in the RDS to update the housing figures.

The table above indicates a moderate rise in Housing Stress from 12,399 in March 2002, to 13,051 in March 2003.

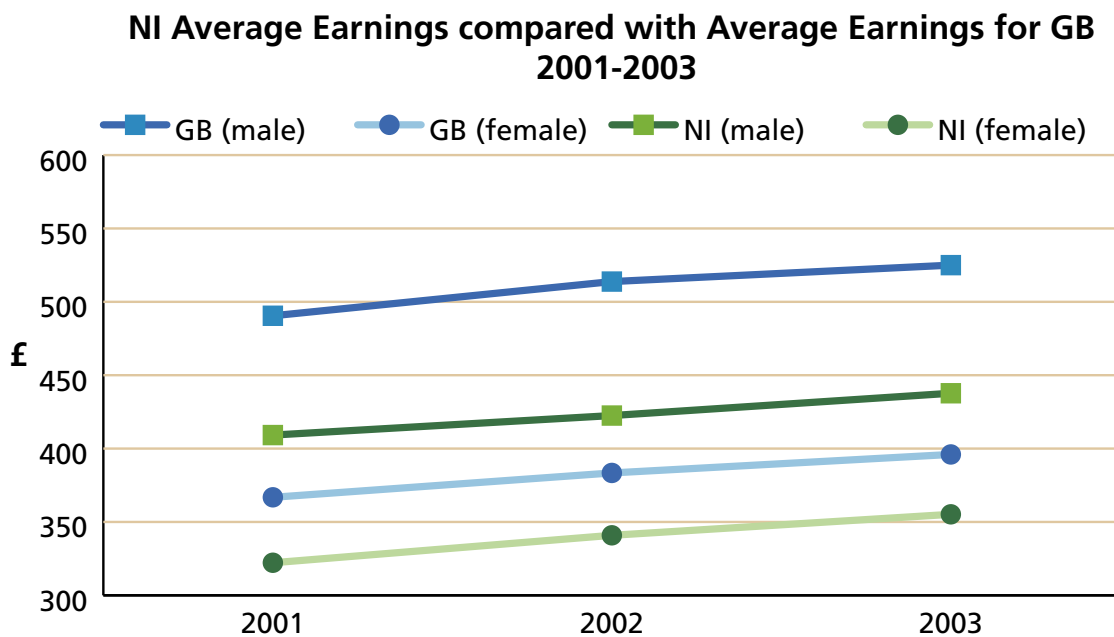
The number of applicants on the housing waiting list rose from 24,641 to 26,819 over the same period, representing an increase of almost 9%.

Results from the Northern Ireland House Condition Survey released in April 2003, demonstrate that the number of homes deemed unfit for habitation fell from 44,000 (7.3%) in 1996 to 31,600 (4.9%) in 2001.

### 3. Average earnings (% with GB/ROI/Europe)

Figures for 2003 show the average Northern Ireland weekly adult earnings standing at £396.45 compared with £460.50 for GB.

Male earnings stood at £437.70 compared to £525.00 in GB, with female average earnings at £355.20 compared with £396.00 for the rest of GB.



Source: *The New Earnings Survey, DETI*

#### Comment

A strategic objective is to support a sustainable economic drive which will provide jobs and wealth across the region and help reduce socio-economic differentials within Northern Ireland and between Northern Ireland and Great Britain. This is a major challenge in an economy where business face intense competition and a fast growing workforce. The RDS recognises that the prosperity of the region has a marked effect on the quality of life that citizens can enjoy and the resource base from which it can draw for continued growth.

The New Earnings Survey covers those employees who are incorporated in pay-as-you-earn (PAYE) schemes and for whom the Inland Revenue tax offices holds deduction cards in March of the reference year. The survey sample covers approximately 1% of all employees in Northern Ireland and the figures given relate to gross pay (including basic pay, overtime pay,

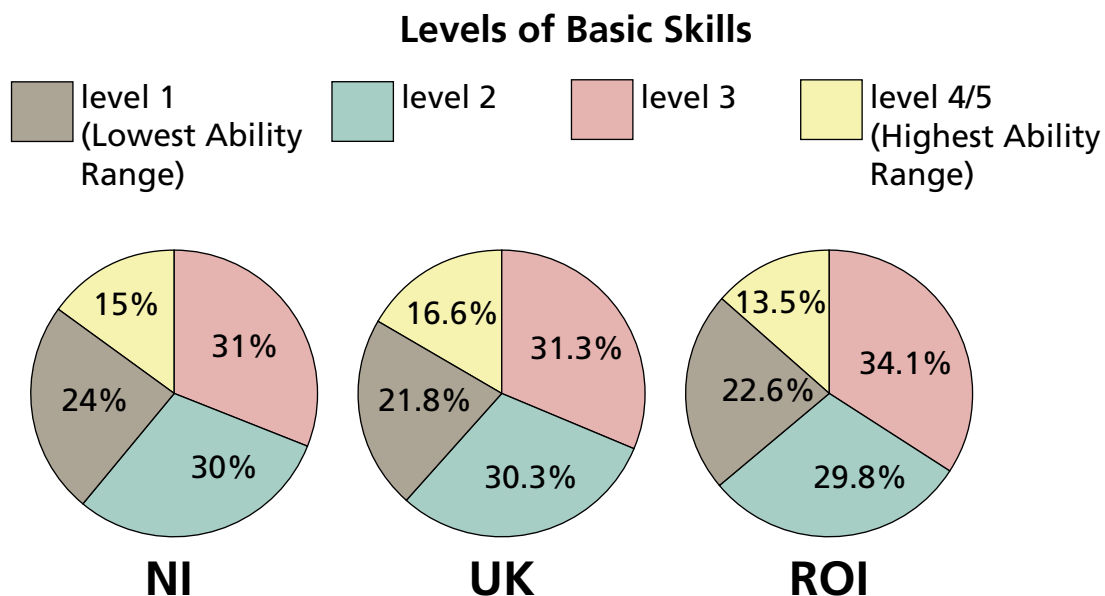
commissions, shift pay and bonuses) before deductions, PAYE, National Insurance etc).

The figures show that while there is a steady annual rise in average earnings, there still exists an average gap of £82.50 between males and females in the Region.

## 4. Levels of basic skills (cf with GB/ROI/Europe)

The International Adult Literacy Survey 1996 (IALS) estimated that over 20% of adults in Northern Ireland perform at the lowest levels of literacy competence.

The first Annual Report set the Northern Ireland context with regard to the levels of basic skills within the Region through reporting on the previously published International Adult Literacy Survey, 1998. The results which were included in the June 2003 Annual Report are set out below.



The RDS recognises that our ability to respond to globalisation, and the Information Age, will be constrained by the skills which citizens can bring to new forms of employment. Increasingly this employment will be based on providing services rather than manufacturing. While the region has a reputation for producing high quality graduates and adapting to the demands of the IT industry, there is a need to improve the general level of literacy and numeracy within the population. This is being achieved, through initiatives such as Life Long Learning, where all sections of society can benefit equally from positive change.

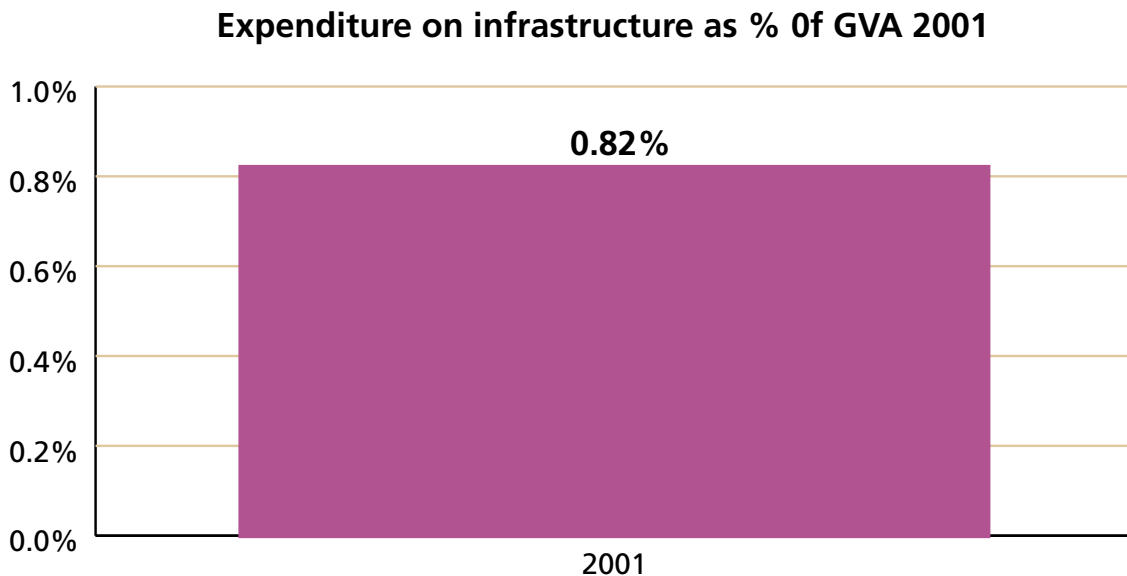
The Northern Ireland Priorities and Budget 2004-2007 recognises the serious consequences for the individual, the family, society and the economy of the high rate of performance at the lowest level of literacy and numeracy

as demonstrated in the IALS survey. The Department for Employment and Learning's "Essential Skills for Living" strategy, which was launched in October 2002, is aimed at improving the essential skills of literacy and numeracy amongst the adult population of Northern Ireland. The strategy aims to support 46,000 adults to improve their literacy and numeracy skills by 2007, thereby enabling them to improve their overall quality of life, their personal development and their employment opportunities.

The Essential Skills Branch of the Department for Employment and Learning (NI) is liaising with the National Research Development Centre (NRDC) London, who have recently conducted an Essential Skills Study for England to establish if a similar survey should be conducted for Northern Ireland.

## 5. Expenditure on infrastructure as % GDP

Expenditure on infrastructure stood at £156.8m in 2001, representing 0.82% of Gross Value Added estimates for 2001.



Source: Northern Ireland Construction Bulletin, 1 April to 30 June 2003, NISRA. Regional Gross Value Added, 20 August 2003, National Statistics

### Comment

The RDS provides strategic guidance for departments to aid key investment decisions. The historic lack of funding in essential infrastructure is widely accepted and, while there has been a welcome improvement in the level of funding, this momentum needs to be maintained at an appropriate level. In time this indicator will provide a comparator against investment in other regions.

In the first annual report, for the purpose of populating this indicator, Economic Infrastructure was taken to refer to transport, water, sewerage, power, communications, etc. Due to the lack of readily available information, statistical information on Roads expenditure only was published.

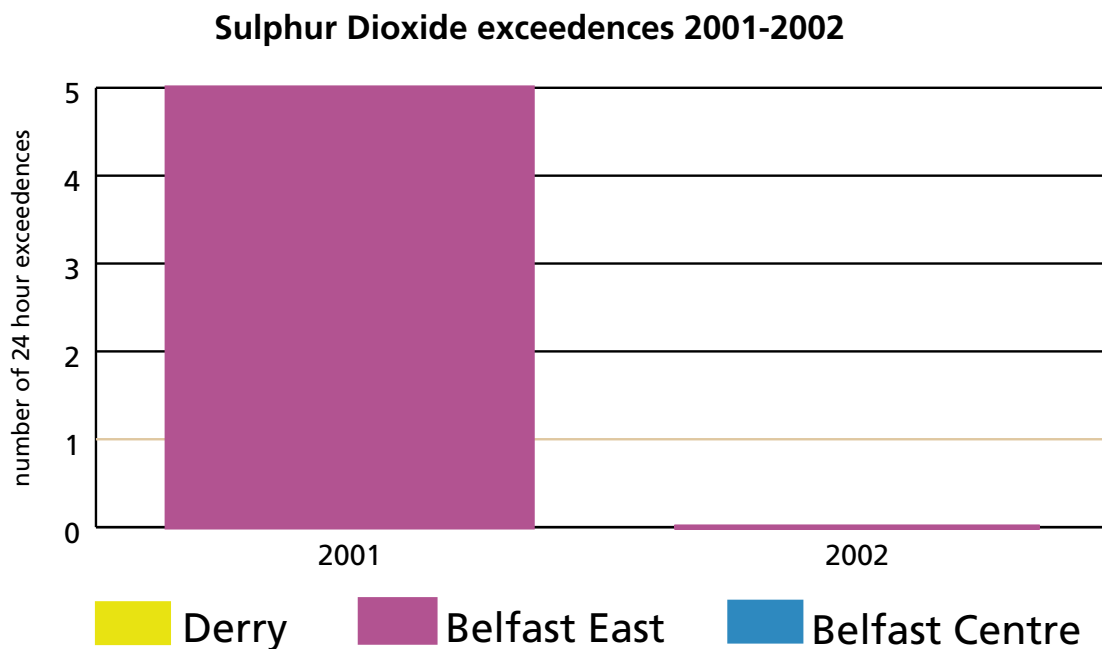
In regard to the wording of the indicator, only Gross Value Added (GVA) estimates are now produced for Northern Ireland. GVA is an aggregation of Compensation of Employees (wages and salaries plus employers' social contributions) and Gross Operating Surplus plus Mixed Income (trading

profits and rents, and income of unincorporated enterprises). Under European System of Accounts 1995, the term GVA is used to denote estimates that were previously known as GDP at basic prices. The term GDP now denotes GVA plus taxes (less subsidies) on products.

The indicator "Expenditure on Infrastructure as % GDP" is considered not entirely robust when used to measure development trends over time. As the indicator stands, any increase/decrease in expenditure will not necessarily be identified. While expenditure on infrastructure may increase, so too will GVA. Only if GVA was to remain relatively constant over time would we expect to see a noticeable change in the level of expenditure on infrastructure as a proportion of GVA. If GVA increases at a faster rate than expenditure then, as a percentage of GVA, expenditure on infrastructure will appear to fall. Due to the potential for GVA growth to hide expenditure growth, it is possible that a large rise/drop in expenditure will not be picked up by this indicator. Expenditure on infrastructure is subject to variation in the size of project planned. This may lead to high fluctuation in the measurement given by this indicator.

## 6. Air Quality

There were no recorded instances where air quality objectives and EU limit values for sulphur dioxide emissions were exceeded in 2002.



Source: Environment and Heritage Service, DOE

### Comment

The RDS draws connections between the quality of the environment, including air quality, and the general health and well being of the population. Overall, a better environment has a beneficial impact on the quality of life. The adoption of new air quality legislation for Northern Ireland will make a very significant contribution to the ability to control unwanted impacts and to manage air quality generally.

Trends up to 2001 baseline show significant reductions in the number of exceedences recorded in monitored sites. The nil instances of Sulphur Dioxide exceedences in 2002 is mirrored by a nil result in carbon monoxide emissions and an improvement in reducing nitrogen dioxide in Belfast Centre from 3 recorded exceedences in 2001 to 2 in 2002. Belfast and Lough Navar recorded improvements in levels of exceedences in ozone emissions from 9 to 0 and from 53 to 3 respectively. However emissions recorded in Derry rose significantly from 8 to 100 exceedences for the same period over 19 days.

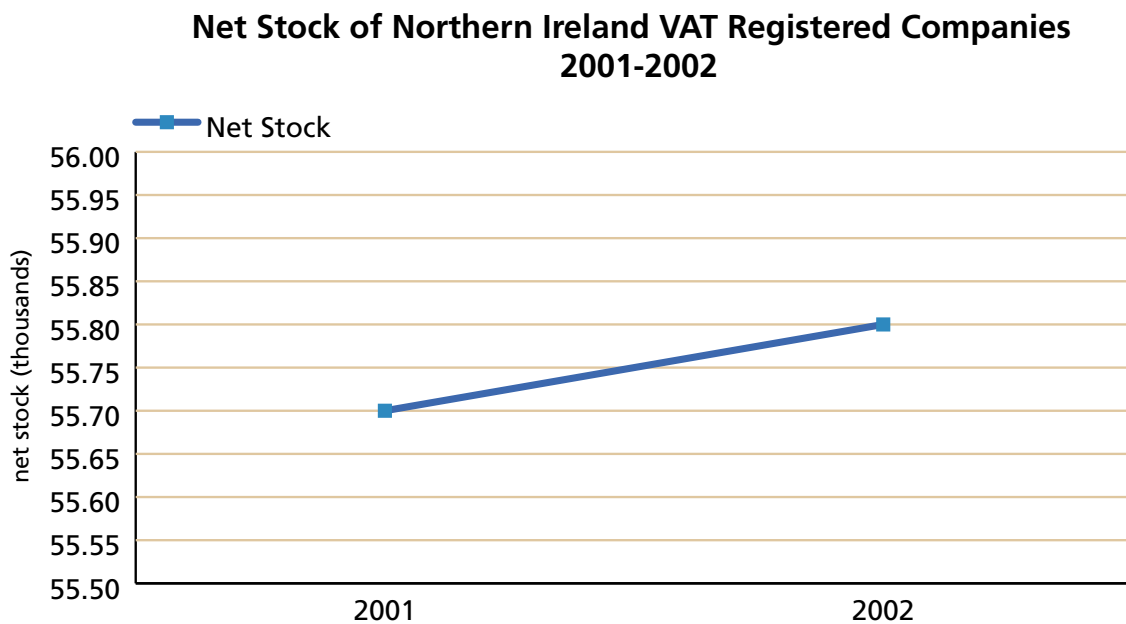
The introduction of the Environment (NI) Order 2002, provides powers to District Councils to regularly assess local air quality against the Air Quality Strategy (AQS) objectives and, where these are unlikely to be met, to draw up action plans with the relevant stakeholders and Government Departments.

The Department of the Environment in its commitment to improving overall air quality has published revised statutory technical guidance which councils must have regard to when carrying out their review and assessments, and draft policy guidance on local air quality management.

The Department of the Environment is currently financing District Councils under the local air quality grant scheme to support the review and assessment of local air quality.

## 7. Birth/failure/survival rate of companies 2002

The net stock of companies registered for VAT rose by 100 between 2001 and 2002.



Source: National Statistics, DTI, 2003

### Comment

The Strategy has a strong commitment to reinvigorating town centres, to 'brownfield' initiatives and to the principle of mixed-use development. These fit well with the expectation of further service sector growth and the importance to the economy of small and medium sized business enterprises, community enterprises and the creative industries of the arts. It will be important to have the ability to track changes in small business trends.

VAT registrations and de-registrations are the best official guide to the pattern of business start-ups and closures. They are used as indicators of entrepreneurship and of the health of the business population and as such are widely used in regional and local economic planning. In 2001 the balance of registration and deregistration shows an overall increase of 200 companies.

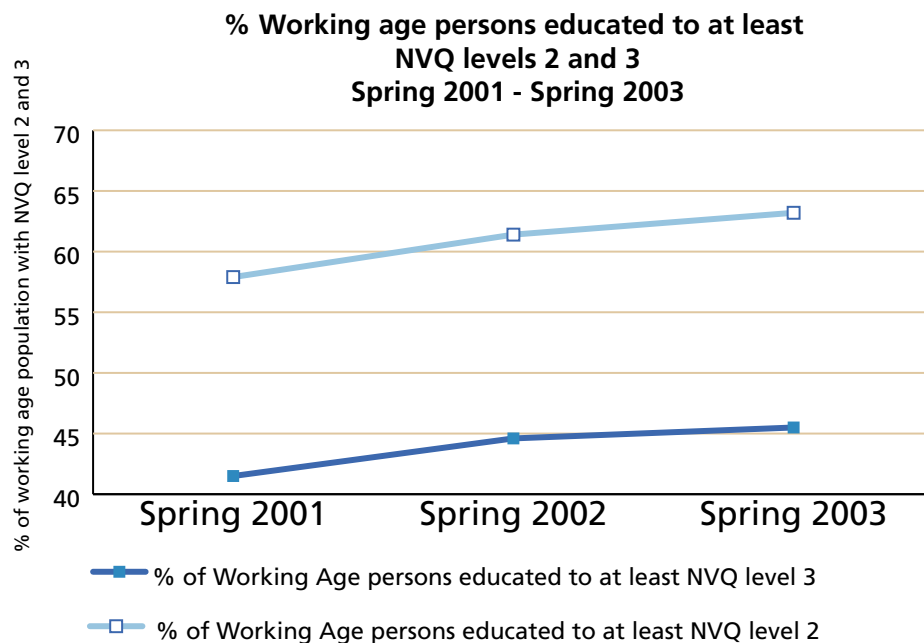
There were an estimated 175,800 registrations and 176,000 de-registrations in the UK in 2002. In 2002 there were 37 registrations or de-registrations for every 10,000 people aged 16 or over in the UK. In Northern Ireland

there were 3,500 companies registered for VAT compared with 3,200 deregistrations.

Compared with 2001 the number of de-registrations increased in every country and region of the UK except the North East, Scotland and Northern Ireland.

## 8. % Labour force with NVQ 3 equivalent or above

The Labour Force Survey<sup>5</sup> shows an increase in the percentage of the labour force with Level 2 qualifications from 61.4% in 2002 to 63.2% in 2003; and with Level 3 qualifications from 44.6% in 2002 to 45.5% in 2003.



Source: DEL

### Comment

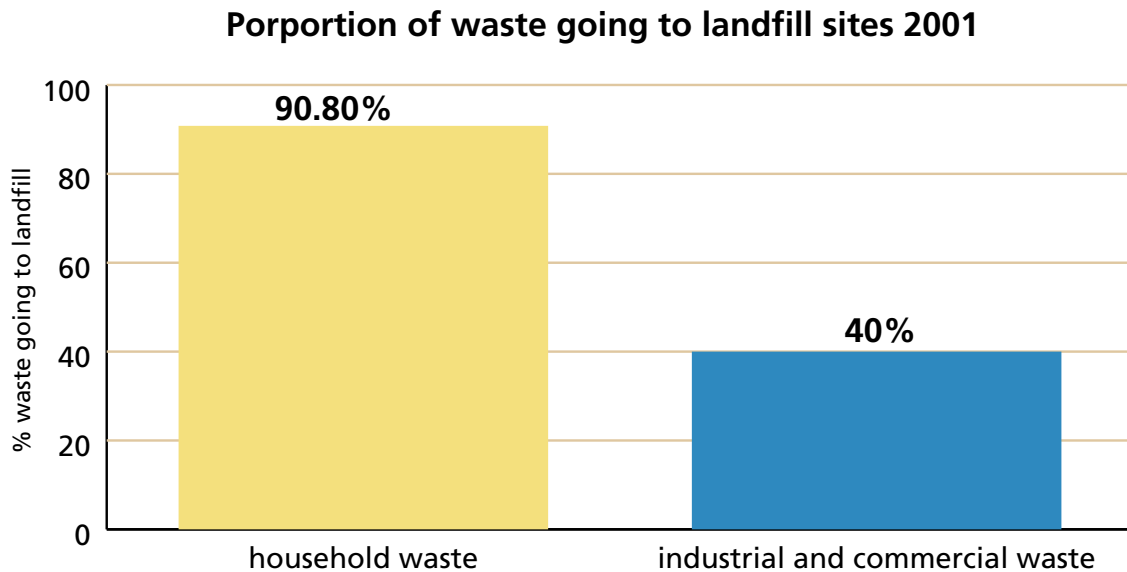
In addition to monitoring Level 3, it is appropriate to monitor Level 2 as research indicates that those who achieve at this level are more likely to progress to other learning or training opportunities throughout their lives.

Providing individuals with the skills and qualifications required by employers is a key issue to be addressed and is central to regional development. Within the labour force, there exists a proportion of the population unqualified or are not yet qualified to Level 2. Additionally, the 2002 Skills Monitoring Survey, and skills forecasts for a number of sectors, illustrate specific skills shortages at Levels 3 and 4. The Department for Employment and Learning in its Public Service Agreement has set targets to increase the percentage of working-age people qualified to Levels 2 and 3 over the next three years – to 68% and 48% respectively.

<sup>5</sup> The Labour Force Survey figures represent those individuals of working age males aged 16-64 and females aged 16-59.

## 9. % Landfill sites and the proportion of waste going to landfill

The baseline figure for the proportion of household waste going to landfill sites is 90.8%; with industrial and commercial waste standing at 40%.



Source: Waste Management Strategy for Northern Ireland, EHS, March 2000

### Comment

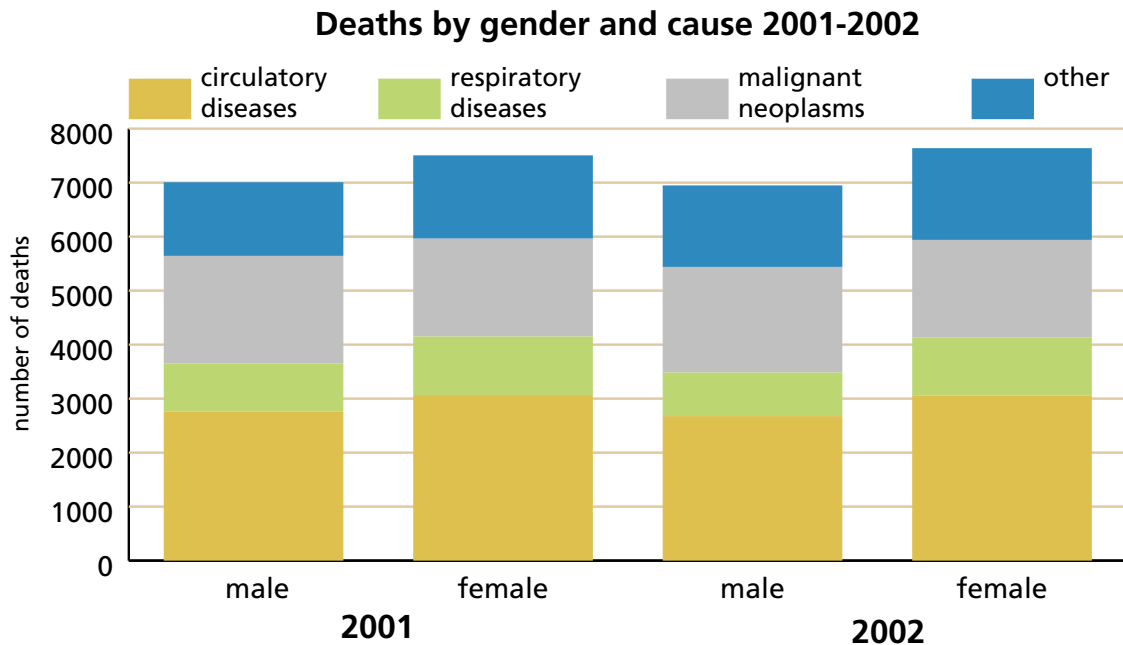
Improving the quality of the environment can make an important contribution toward achieving a better quality of life. Significant progress towards more sustainable forms of human settlement cannot be achieved without a continuing contribution from a change in the attitudes and lifestyles of individuals. Public attitude to the challenge of change is very clearly revealed by the way consumable resources and disposal of resultant waste are managed.

The obligation to meet with the EU Landfill Directive (99/31/EC) has been reflected in the Northern Ireland targets, that include reducing the levels of biodegradable municipal waste (BMW) going to landfill by 25% by 2010; by 50% by 2013 and by 75% by 2020.

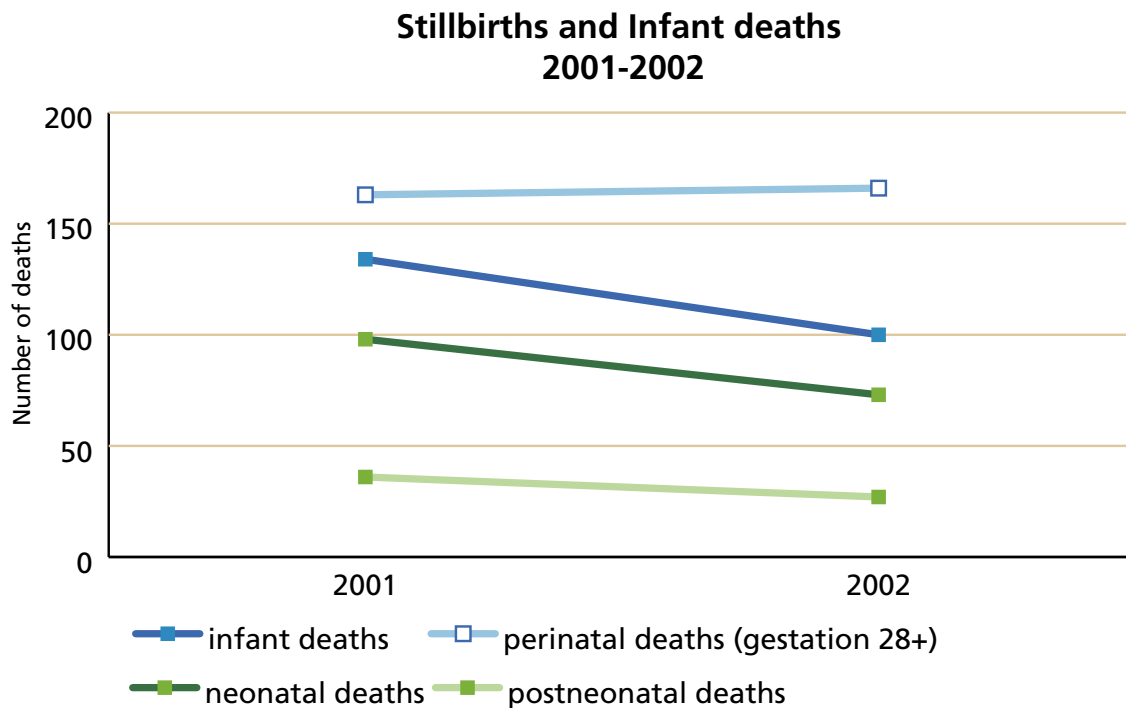
The NI Waste Management Strategy Primary Targets aim to recover 25% of household waste by 2005; 40% (of which 25% shall be by recycling or composting) by 2010; and by 2005 reduce landfilling of industrial and commercial wastes to 85% of 1988 levels.

## 10. Health Indicators (cancer/coronary heart disease/mortality)

The number of deaths registered in NI in 2002 was 14,586 compared with 14,513 in 2001.



Source: Eighty-First Annual Report of the Registrar General 2002, NISRA, 2003



Source: Eighty-First Annual Report of the Registrar General 2002, NISRA, 2003

## Comment

The focus on supporting healthy life-styles and providing a cleaner and safer environment are widely acknowledged as critical to the promotion of health in the community. A preventative approach towards disease offers many benefits for people, for the economy and for health services generally.

Death rates per 1,000 population in 2002 stood at 8.6 the same rate as 2001. The number of live births in NI in 2001 was 21,962, and there was a decrease of 2.6% in 2002 to 21,385 births. The numbers of stillbirths and perinatal deaths have increased in the last year while neonatal deaths; postneonatal deaths and infant deaths have decreased over the same time period. The number of stillbirths rose by 9 per cent, from 112 (2001) to 122 (2002), while the number of infant deaths fell by just over 25 per cent from 134 (2001) to 100 (2002).

Deaths by Suicide and Self Inflicted Injury rose over the period 2001-2002. Although the actual figures are small, the percentage rise for males was almost 11% while the female figure rose by 36%.

## 11. Journey times on the Key Transport Corridor highway routes

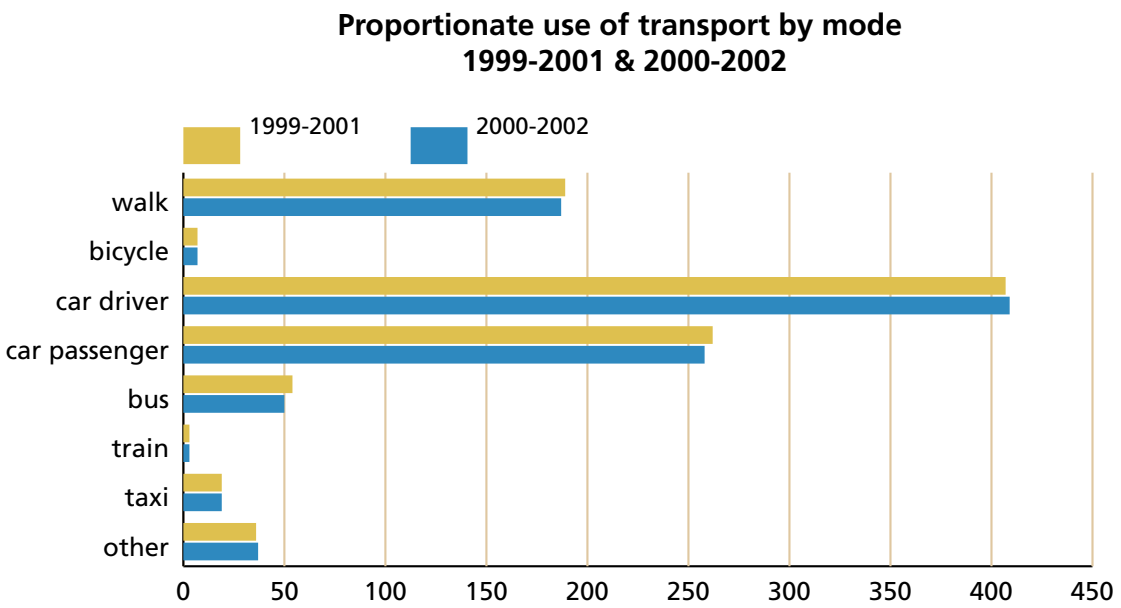
A baseline survey was completed in 2003/04 in order to establish journey times and speeds on the Key Transport Corridors (KTCs). An appropriate indicator will be included in the RSTN Transport Plan which is to be published in the Autumn.

The expenditure in 2002/03 on KTCs was:

	<b>£million</b>
M1/Westlink	0.4
A8	1.9
A1 Loughbrickland	0.2
A1 Rathfriland	0.4
A1 Beechill/Cloghogue	0.2
M1 Kingsway Bridge	3.1
M1 Bann River Bridge	0.3
Motorway Comms	0.6
A6 Toome	9.0
A2 Limavady	7.0
A5 N'stewart	4.3
A5 Strabane	3.0
<b>Total</b>	<b>30.4</b>

## 12. Average % of trips by mode per person 2000-2002

For the period 2000-2002 the figures for average percentage of trips by mode per person show that trips taken by private car remain at 69% of all trips made, compared with 1999-2001.



Source: Travel Survey for Northern Ireland 2000-2002, Roads Service, November 2003

### Comment

The pattern of future growth will, to a significant extent, be moulded by the shape of the strategic transport network and particularly by the potential for achieving greater public transport usage, both by road and rail. Integration of new land use development with the strategic transport network is particularly vital in the travel to work area focused on Belfast, where commuting pressures continue to grow.

The figures above represent the average percentage of trips by person per mode comparing the periods 1999-2001 and 2000-2002. Figures for individual years are not considered robust - the next accounting period will appear as 2001-2003.



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