

**EXTERNAL WORKING GROUP  
MAJOR REVIEW OF THE REGIONAL DEVELOPMENT STRATEGY  
TUESDAY 21 OCTOBER 2008 AT 9.30 AM**

**Present:**

- Paul Priestly - Permanent Secretary, DRD
- Aidan Gough - Intertrade Ireland
- Colm Bradley - Community Places
- Danny McSorley - Representing the Rural West Group of Councils
  
- David Worthington - Royal Town Planning Institute
- Diane Ruddock - National Trust
- Eamon Molloy - North West Regional Cross Border Group
- Frankie Donnelly - ICBAN
- Jim Kitchen - Head of Sustainable Development Commission NI
  
- John Dempsey - Representing the North West Group of Councils
  
- John McGrillen - Representing the South East Group of Councils
  
- John Meehan - Derry City Council
- Keith Sutherland - Representing BMAP Group of Councils
- Michael McCullough - Ulster Scots Agency
- Nigel Smyth - CBI
- Pamela Arthurs - East Border Region
- Patricia McKeown - UNISON
- Peter Bunting - ICTU
- Prof Alastair Adair - Ulster University
- Seamus McAleavey - NICVA
- Stephen Huggett - Rural Community Network
- Sue Christie - NI Environment Link
- Tim Cunningham - CAJ
- Nigel Lucas - CEF

**Apologies:**

- Jake MacSaicais - Forbairt Feirste
- Caitriona Mullan - ICBAN
- John Armstrong - CEF
- Marie-Theresa McGivern - Representing BMAP
  
- Frank Gaffikin - QUB
- Reg McCabe - IBEC
- Teresa Canavan - Rural Development Council
- Mick McGuckin - Representing the North West Group of Councils
  
- John Driscoll - International Centre for Local and Regional Development
  
- Valerie Watts - Derry City Council
- William Poole - IBEC-CBI Joint Business Council

## **1. Introduction and Apologies**

Mike Thompson welcomed everyone to the meeting and apologies were recorded as detailed above.

## **2. Minutes of previous meeting**

The minutes of the previous meeting were agreed.

## **3. Draft Terms of Reference**

The draft Terms of Reference which were circulated prior to the meeting, were agreed.

## **4. Update on Progress to Date**

Mike Thompson explained that reports by the consultants undertaking the Business Land Needs study and the Settlement Study had now been received by the Department. The outcome of these is covered under Agenda Item 5, 6 and 7.

## **5. Presentation by Graham Harrison, Oxford Economics – Business Land Need Study**

A presentation was given which covered -

- The objectives of the study
- What has been learnt
- Forecast land requirement and market balance
- Gaps in information
- What next

## **6. Presentation by Colin Brodie, Experian – Key Settlement Study**

The presentation was given which covered –

- The objectives of the study
- A hub approach – pros and cons
- Functional Economic Geographies
- Assessing Strengths and Weaknesses – drivers of competitiveness
- Future Strategic Direction and Implications

## **7. Presentation by Johann Gallagher, SIB - The 5Cs**

A presentation was given highlighting the work on data collection and analysis being undertaken by SIB –

- The research approach
- The 5Cs framework
  - Human capital
  - Societal capital
  - Natural capital
  - Human capital
  - Physical and financial capital
- Concepts underpinning spatial strategy
- Spatial planning issues emerging
- Citizen-focused approach to spatial planning

Mike Thompson opened the floor for discussion.

All speakers agreed there were gaps in the information available to them therefore there was a health warning attached to the datasets.

Danny McSorley said there was a huge supply side constraint around planning as office development is not allowed unless it is inside the town centre.

Mike Thompson responded that he was aware of the difficulties, as are Planning Service, and his understanding is that this is being looked at as part of PPS4.

Eamon Molloy was of the opinion that hubs needed to be redesigned or redefined. He identified the North West and its connection with the rest of the region. Every area within a region needed to have an identified role and an identified structure. He cautioned that the roles needed to be carefully defined.

Pamela Arthurs highlighted the importance of the border areas being considered in the review. For example, the ordinary retailers are not performing well and part of the problem is caused by 12½ % corporation tax in the south as opposed to 35% in the north.

Sue Christie expressed the view that there needed to be a step back and the document should be used to set policy that can be implemented. There was nothing wrong with the old RDS the problem was that it was never implemented.

Patricia McKeown said there was also a need to look at whether sectarianism is as bad as it had been in the past. She was also interested to know what extent the global economic change has impacted in the work to date. The Bain report has also been published which impacts on the review. She queried whether Departmental officials and Ministers are talking to each other about these big issues.

All agreed the overview was interesting but were keen to see the full reports.

8. **Breakout Sessions on presentations**
9. **Group discussion on issues following breakout sessions**

The Group split into 3 sub-groups to address 2 questions –

1. Do you agree with the findings of the publications?
2. What should be the response to those findings?

The views expressed are set out below under a number of headings.

- **Governance**

It would appear that the current strategy has not focused government thinking and that Departments are acting independently. It was agreed that decisions are often driven by political thinking without reference to evidence or coherent strategy. Decisions made in some political areas have the potential to restrict future options in others. For example, Workplace 2010 will compel civil service jobs to be retained in the same locations for 25 years – the length of the PFI contract.

- **Assessments**

Statutory Assessments have become much more important but it is obvious that there is a lack of agreement on how factors are assessed, for example in the EQIA, the weight to be attached to each criteria and the way in which the assessment is used to inform the policy development process.

- **Cross Border Context**

The existence of an all-island economy has implications for almost every development decision. It will shape decisions on the kind of infrastructure needed, where and when it is needed in place. The thinking about Belfast challenges the spatial model. Transport connections need to be made North and South and East and West, and linking all routes through Belfast may not be the best solution. Variations in fiscal policy have benefitted border towns but this might change quickly.

- **Hubs**

The definition of a Hub is a real problem. There will be difficulties in persuading politicians that the status of a settlement should be less than it is at present. But the reality is that calling a town a hub does not at present give it any status or rights. Twenty one hubs are far too many - 5 or 6 would be nearer the mark.

There should be a way to focus investment in the interests of the whole regional community. It was unanimously agreed that Belfast should be the regional driver as it currently has the market advantage. This was with the proviso that the subsequent benefits would impact positively on citizens and hubs beyond the Belfast Metropolitan Area.

The question was raised as to whether all office based jobs needed to be in Belfast or only those with value added. The implementation of RPA and the Bain Report could help redress the balance of office jobs based in Belfast and hubs. This would reduce the need for commuting and ease traffic congestion.

The advantages of connectivity and hubs complimenting each other were agreed in principle. However, the key asset of each hub needs to be defined. This should also include Belfast. Concern was expressed that adopting a complimentary approach would encourage the “lead partner” scenario and the perception that what benefits one hub disadvantages another. Consequently, a role and function should be agreed for each “hub”. As Belfast is the main gateway for tourism other hubs across the region need to draw in visitor numbers from it.

Belfast is going to be the driver with a small number of regional hubs – this is a fact of life. The issue is how to support the 3<sup>rd</sup> tier to exist and service the rural areas.

- **Industrial Land**

A clear definition of “Industrial Land” and how it was measured was requested. Some felt that “B space” was too narrow a definition and it should be widened to cover other areas of commerce and mixed use development. Surprise was expressed that the total requirement for industrial land fell below current availability, particularly in light of the predicted increase in the knowledge based sector. The group wanted more information on how small enterprises could maximise the potential of additional land availability. There was lengthy debate on the subject of PPS 4 given the potential growth of office sector jobs. Clearly there are no land supply problems so it is difficult to say that the market has failed. More important is the supply of skilled workers or the means to train in new skills, and where workers live. There were concerns about land supply (particularly office land) in town centres and this should be investigated in more detail.

- **Transportation**

Comparative data on commuting patterns from hubs to key cities in GB was requested. Surprise was expressed that a Regional Transport Strategy was being conducted separately and in perceived isolation from the RDS when both should impinge on and compliment each other. It was agreed that improved infrastructure should improve connectivity. The impact of the creation of another economic corridor following completion of the A5 road dualling needs to be considered.

- **Policy Considerations**

The Review must be considered within the context of the island of Ireland. Consideration must be given to the East -West and North-South axis. RDS should look at the economy as a whole and concentrate on economic sub

regions and competitiveness on a regional level rather than along the administrative boundaries imposed by RPA. There is a danger of focusing too much on current trends. The RDS should make strategic decisions to change trends to the Region's advantage.

- **Review of Public Administration**

There should be more discussion between stakeholders to reach agreement on the challenges which are strategic and need central action as opposed to those which can be settled locally. The timing of RPA will be a factor. New Councils will have to accept more responsibility for shaping the own future of the region. The danger is that RPA will not solve but add to existing problems. A bottom up approach is likely to attract a local wish list and competition for resources. LGD boundaries do not coincide with travel to work areas, labour markets and housing markets and if these are to be taken into consideration we will need to look further than the new councils. The scale of the new Councils will still not be sufficient to solve problems by independent action. Many of the problems facing the region must be dealt with by central action. Partnership will be needed and therefore a Framework must be in place to inform deal making.

- **Energy**

Energy sources must be considered in the Review including "off-shore" sourcing of turbine energy and the location of an inter-connector. The majority of wind turbines are currently located in the west of the Region to service the east. There may be increasing tensions in the rural west as they become more prolific to respond to demand.

### **Headline Conclusions**

- Politicians will make the decisions therefore ideas and the evidence that underpins them needs to be clearly set out. Community planning has the potential to link local needs and aspirations with growing a more externally competitive region
- Decisions need to be made without waffle and against clear objectives. Too much effort to arrive at a common denominator will not be in the interest of the region and its economic success.
- Securing benefits for one key settlement does not automatically mean none for a neighbour. The argument is not about dividing a small cake equitably but about making bigger cakes. More effort should be made to explain how partnership, or complementary arrangements, will work best in the long run.
- The RDS will need to be more influential and connected with other strategies. For example the Bain Review of Public Sector Jobs has already started a discussion on more efficient use of the public sector resource. These arguments must be connected to a common goal.

## **10. Next Steps**

Mike Thompson informed the Group that the 2 Consultancy Reports would be issued to members once they had been cleared by the Steering Group.

A Conference was being run by bmf Conferences on the Review of the RDS. This will be held on 5 November in the Stormont Hotel with a Ministerial Address being given by Conor Murphy and Keynote Address by Charles Landry.

As part of the review process the Department is holding 11 ½day sub-regional workshops. The purpose of these is to share the work that has been done so far but more importantly to listen to views and ideas about particular areas.

A suggestion that the External Working Group should engage with Ministers was made. It was pointed out that Minister Murphy had attended the first meeting of the group and it was the intention of officials to organise further direct engagement.

## **11. Any other business**

There was no further business to discuss.

## **12. Date of Next Meeting**

It was agreed the next meeting would be held early in the New Year, after the sub-regional workshops had been held. The outcome of these events would then be discussed. It was suggested the next meeting should be held in Derry, with the following one in Newry. A date to be set and members informed.