

Midlands Gateway Implementation Forum Annual Report 2009

Introduction

This is the second Annual Report of the Gateway Implementation Forum established as a collaborative network of the Westmeath and Offaly Local Authorities, together with the public agencies working in the Midlands to assist in the progression and development of the Midlands Gateway Initiative, as set out in the National Spatial Strategy. The Forum was joined in 2009 by Mr. Niall Cussen, Senior Planning Advisor with the Department of the Environment Heritage and Local Government, who provides a valuable vertical link to Central Government, via the parent department of the local government sector. The Forum met on six occasions during 2009, and continue to focus on the broad agenda set out in the strategic development framework for the Midlands Gateway, prepared by Indecon Consultants in 2007. The Forum, in a review of its Work Programme during 2009, remains of the view that the Indecon recommendations continue to be of relevance in setting the agenda for an interagency focus on the progression of the strategic development of the Midlands Gateway.

Population Growth and Critical Mass

The adverse economic conditions over the past two years has brought into sharp focus the optimistic socio-economic projections of the recent past contained in Forward Planning and Economic Review documentation.

The review of the Regional Planning Guidelines during the course of 2009 provided an opportunity for reflection on this issue, and in particular on the issue of demographic projections. In concluding the review, and bearing in mind scenarios developed by the Department of the Environment Heritage and Local Government, using CSO data, the 2022 demographic projection for the linked gateway has been reduced from 100,000 to 83,500. While this is undoubtedly more realistic at this time, it also clearly establishes that the hitherto perceived critical mass of 100,000 will now take longer to achieve. Notwithstanding the slowdown in population growth, the revised Regional Planning Guidelines continue to focus on the objectives necessary to develop the Midlands Linked Gateway within the central development area. At local level, the publication of the Offaly County Development Plan, the draft Tullamore Town Plan, and Local Area Plans, such as the Ardmore Marlinstown Plan in Mullingar, and the Lissywollen South and Cornamagh Plans for Athlone add to the planning framework necessary to achieve the demographic growth required in a sustainable manner.

Infrastructure and Connectivity

Further progress was made during 2009 on the delivery of key infrastructural projects, which are fundamental to the growth of the Gateway. The opening of the Tullamore Bypass, the completion of the M6 to Ballinasloe, and further improvements to the N52 north of Mullingar are the projects of note on the national primary network during this reporting period. The continuation of funding for the planning and detailed design of the N52 Tullamore Kilbeggan (M6) link is also very

welcome. In the context of strategic non-national routes, an €11m contract was signed for the completion of the final leg of the Mullingar West Inner Relief Road, while a further €1.5m was invested in the gradual progression of the Robinstown Development Area spine road. Regrettably, funding for the planning of the Tullamore Western Relief Road under this heading was withdrawn in 2009. In terms of water services infrastructural capacity the Tullamore and Mullingar Main Drainage/Waste Water Treatment Plant contracts continued during 2009 which will address capacity issues for the foreseeable future. Likewise in Athlone, approval was given to proceed to the design of a major Waste Water Augmentation Scheme, and Consultants have been appointed in this regard. The harsh winter of 2009/2010 has highlighted water capacity issues in Mullingar which require an interim solution currently under discussion in advance of the progression of the South Westmeath Regional Water Supply Scheme. This would appear to be the only short-term issue with regard to water services capacity in the linked gateway.

Productivity and Growth

Indecon identified IDA and Enterprise Ireland as those agencies best positioned to take a leadership role in the narrowing of the productivity gap within the midland region. Both agencies are actively involved and continue to provide critical supports in the context of indigenous enterprise and direct foreign investment. During the course of the year, IDA Irelands new strategy Horizon 2020 was published, which commits to the creation of 105,000 new jobs in the period 2010-2014, and critically, that 50% of these jobs will be based in locations outside of Dublin and Cork, which can only stand to benefit the Midland Gateway. In terms of more recent FDI investments, the pharmaceutical company PPD announced its intention to establish a contract research facility in Athlone, creating 250 jobs during the course of last year, while in June 2009, medical technology company, Isotron in Tullamore, opened its new electron beam sterilisation facility on foot of an investment of €8.5m. More recently, in January 2010, Freund Corporation announced it will establish its European hub in Tullamore creating 25 high value jobs. A replacement for the 200 jobs lost resulting from the closure of Boston Scientific in Tullamore during 2009 must be a priority for I.D.A. Ireland in the short term.

A high concentration of medical device industries underpins promotion of the Midlands as a winning location for a vibrant and sustainable life science environment. IDA's own medical technologies department based in the midlands is well positioned to facilitate collaboration between existing client companies, and local indigenous companies to enhance the growing cluster while embracing new technologies and processes which hopefully will continue to favour the midlands as a location of choice for this sector.

Enterprise Ireland and Athlone I.T. continue to collaborate in the area of research innovation. I.D.A. Ireland is working closely in collaboration with A.I.T. on the continual development of joint regional research, development and innovation infrastructure, and capabilities. Discussions are ongoing in this regard. This project which is supported by local authorities, regional stakeholders and national agencies will have an overriding mission to scale up regional research capability and innovation capacity. Also in this vein, AIT continues to work with Georgia Tech in the area of research collaboration and in January 2009, signed a memorandum of understanding in this regard.

In the context of local and micro enterprise activity, it is clear that the efforts of FÁS, Enterprise Ireland, the County Enterprise Boards and the Local Authority sector, while proactive, are not yielding the growth required to counteract declines in employment. The situation is further exacerbated by negative sentiments towards the economy and the clear contraction in the availability of credit. There is more than sufficient enterprise space available in terms of incubator units etc. throughout the midlands to facilitate growth of the micro-enterprise sector.

During 2009, Enterprise Ireland pursued a sustaining enterprise agenda focusing its efforts on sustaining and strengthening companies of strategic importance. The aim was to ensure that client companies were supported through the economic crisis and that viable but vulnerable enterprises would be sustained and positioned to be ready for the global economic upturn. Increased support in this area was augmented by additional support from the €100m enterprise stabilisation fund and the €250m temporary employment scheme. Local success during the year included the creation of 20 jobs by the Flat Bread Company, the doubling in size of ATSR in Tullamore, which now employs 50 people and the signing of a €2.25m contract between Mullingar based Skypag and Finnair.

Educational Attainment and Skills

The Indecon Report placed particular emphasis on the relative levels of progression to third level education within the midlands which are below the state average. During 2009, the Midlands Gateway Implementation Forum commissioned two separate pieces of work in this regard. In the first instance, it commissioned and published a Skills Audit of existing enterprises, which concluded that the region will need to provide employees of existing companies with the technical skills to increase the level of activity in areas such as process development, innovation and research and development. In relation to internationally created services, and the attraction of further companies, the region will need to meet employers skills needs in information technology, European languages and financial skills.

In a separate but related study, a report is nearing completion on the level of education attainment, its relationship to employment and the skills gap in the population of Westmeath and Offaly. The Gateway Implementation Forum hope to publish this report in early summer of 2010.

In the context of the continuing deterioration of economic conditions, further considerable challenges must be addressed by all sectors in terms of dealing with the growing number of people losing their jobs. In the Spring of this year, the Government launched the first of three phases of a labour market activation programme which was directed towards providing education training opportunities for those who had been disadvantaged by the recession. Athlone IT developed two bespoke programmes under the initial iteration of the labour market activation programme, i.e. New Directions; certificate for higher studies, and a certificate in engineering. The rationale for both offerings was to improve participants skills in readiness for the workforce, and particularly to enable progression to full-time study at the Institute. Both programmes received a very favourable response.

FÁS continues to play an important role in addressing the skills deficit, and in this regard, FÁS Midlands provided 14,000 training opportunities during 2009, together with new innovative programmes, such as e-learning, renewable energy, executive marketing and networking programme for professionals. Also in 2009, FÁS launched a work placement programme which enables all employed graduates/non-graduates an opportunity to work in organisations in the midlands and gain experience. It also enables companies who have a skill deficit in particular, to develop a project utilising the skills set of unemployed graduates.

Business and Retail

The Forum, and in particular the Midland Gateway Chamber of Commerce which is an active member of the Forum, is understandably concerned with the downturn in business and retail activity associated with our new economic environment. The local authority sector continues to work with the Chambers of Commerce in developing retail opportunities, collaborating and marketing programmes etc., the Forum is conscious that the Midlands, like all other areas, must place its immediate focus on consolidating existing retail activity. In relation to opportunities for expansion, the Forum is satisfied that there are sufficient planning permissions ready to be operationalised once an upturn in economic fortunes is experienced. As highlighted in the 2008 Annual Report, it is likely that, in the short term, a more liberal approach to the extension of planning permissions for commercial reasons will be required. It is understood that this matter will be dealt with in the planning legislation currently under consideration.

Implementation Forum Initiatives.

As outlined at the outset, the Implementation Forum met on six occasions during the year, and continues to focus its activities through sub-groups. In this context the work of the sub-groups during 2009 focused on :

- The development of the Midland Gateway Brand and an associated website by the Branding Sub-Group. This website will be launched in the second quarter of 2010.
- The Competitiveness Sub-Group met on a couple of occasions during the year to review the competitiveness reports available nationally, and will now focus on the outcome of the Forfas Report on regional competitiveness.
- The Skills Sub-Group has published an initial report on the skills requirements of the Midlands Gateway for existing enterprises, and will focus on the soon to be completed study on education attainment in the short term.
- The Ambassadors Sub-Group continues to look to networking opportunities with overseas companies, and in promoting the Midlands Gateway concept through its annual Midland Gateway Ball which takes place each year.

Conclusion

In summary, while the Midlands Gateway objective remains a critical component of the national planning framework, recent economic conditions will do little to hasten its achievement. The stakeholders including the Gateway Implementation Forum will continue to formulate its proposals and programmes in the best interests of the overall gateway initiative, but will critically need the continued support of national government. In particular, the clear identification and prioritisation of projects and programmes with a Midland Gateway bias must be prioritised within the public capital programme.

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Chairman,
Midland Gateway Implementation Forum
And Westmeath County Manager**