



## Cork Chamber submission to National Recovery and Resilience Plan

February 22, 2021

## Introduction

Cork Chamber is the leading business representative organisation in Cork, proactively working to identify and progress developments that are facilitative of sustainable economic development. Representing an employer base of close to 1,200 businesses and over 100,000 employees across the region, Cork Chamber is the largest business representation organisation in the south of Ireland. At the outset we take this opportunity to commend Government for the development of a National Economic Plan to enable the economy to find greater resilience as we move through and beyond this pandemic. These include the carbon transition, digitalisation, productivity gaps, de-globalisation, labour market composition, and regional imbalances.

We emphasise the need for deeper capital investment, oriented to sustainability, and aligned to the growth regions set out in Ireland 2040. There is need now for the continued delivery of enabling economic and social infrastructure, that addresses national imbalances and years of underinvestment, which supports a shift in our national carbon profile to dramatically reducing greenhouse gas emissions, will define our collective futures and those of future generations. The National Economic Plan in close alignment to the National Development Plan and the National Planning Framework, has the potential to be transformational, and we must take this opportunity to embed the strong foundations for a future that aligns seamlessly with the sustainable development goals.

## United Nations Sustainable Development Goals

This submission has been guided by our commitment to the UN Sustainable Development Goals. Five specific goals have been identified which we actively advocate for throughout our work;



This commitment is supplemented and further developed through our Sustainable Cork Programme (SCP) which focusses on the sustainable and resilient recovery of the Irish economy and society of the short to medium term, but also the longer term as we transition to a low to zero carbon society. Developed in considerable detail through significant member and community engagement, the Building Economic Resilience report<sup>1</sup> sets forth a strong and sustainable vision for the future of Cork

<sup>1</sup> <https://www.corkchamber.ie/wp-content/uploads/2020/07/Sustainable-Cork-Programme-Building-Economic-Resilience.pdf>

and clearly indicates the appetite of the business community to engage and be progressive in addressing social and environmental concerns and identifying the pivotal infrastructure needed to enable and advance the sustainable development of the region. It is the role of Government to enable this ambition.

The following graphic illustrates the clarity of vision displayed in the findings of the SCP Building Economic Resilience Report.

### Your Top 3 asks for what you want to see more of in the next 5 years:



- 1.** Connected public transport networks (bus, light rail, and suburban rail)



- 2.** Cycleways, greenways & enhanced walking environment



- 3.** Green spaces, trees, wildflower planting & green infrastructure such as living walls

This is followed by more outdoor dining, amenity access to the river and coastline from Cork City, enhanced resourcing for An Garda Síochána for urban centres.

### The differentiators for living and working in Cork



**57%**  
Quality of life



**42%**  
The tourism, cultural & hospitality scene (café, theatre, gallery, restaurants, heritage)



**34%**  
Diverse business types & activities (from indigenous home grown to large multinational)

### Six Pillars

We commend the six pillars set out, and the focus on sustainability. We recommend that capital investment ambition be raised to ensure that robust progress is made across each pillar.

1) *Green transition;*

2) *Digital transformation;*

3) *Smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, and a well functioning single market with strong SMEs;*

4) *Social and territorial cohesion;*

*5) Health, and economic, social and institutional resilience, including with a view of increasing crisis reaction and crisis preparedness; and*

*6) Policies for the next generation, children and youth, including education and skills.*

In the wake of the current pandemic, and the infrastructural deficit created by the severe austerity measures triggered by the 2008 economic crash, it is essential that investment in capital projects continues to be increased to meet capacity constraints and to realise the full potential of Cork, as set out in the National Planning Framework<sup>2</sup>, RSES<sup>3</sup> and Cork 2050, the complementary vision set by Cork stakeholders.<sup>4</sup> Capital investment must be directed to regional growth centres, and be reflective in level of investment to the current scale and future growth projections set out in national policy.

It is the role of Government to gauge the level of national spend that is appropriate relevant to barometers such as sovereign credit ratings. However, the Chamber recommends that the most ambitious approach is taken to capital investment spending.

Failure to invest appropriately, will lead to serious capacity constraints that will damage economic resilience and recovery. There are significant infrastructural deficits resulting from the previous approach to austerity. There is also significant economic stimulus associated with capital expenditure, providing the most proactive and legacy inducing form of government support available.

If Cork is to remain globally competitive and fulfil it's role nationally, significant Government investment in areas from the Cork Metropolitan Area Transport Strategy, to regional & international connectivity, housing, health, culture, education, energy, water, climate mitigation, URDF & RDF, and the appropriate continuation of pandemic related business supports will be required.

Priority given to capital expenditure would also support the NPF objective of delivering infrastructure led development. This approach would provide Ireland with an opportunity to apply international best practice to the development of our cities and towns as attractive places to live. In 2018 Ireland had one of the lowest public spending to GDP ratios in the OECD spend per capita was behind the average for the EU we must move apace not only to correct for previous austerity, but to keep pace with ongoing international capital spend profiles.

Where should recovery and resilience investment be directed?

- The Cork Metropolitan Area Transport Strategy<sup>5</sup> will deliver multi modal connectivity that is fit for purpose for a contemporary metropolitan area. It is essential that all streams are progressed with urgency through design and planning, enabling timely final investment decisions as each project progresses successfully. Intensity of approach across all streams of CMATS is required to ensure adequate levels of delivery.

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<sup>2</sup> <https://npf.ie/>

<sup>3</sup> <https://www.southernassembly.ie/regional-planning/regional-spatial-and-economic-strategy>

<sup>4</sup> <https://www.corkcoco.ie/sites/default/files/2017-08/Cork%202050%20Main%20Report.pdf>

<sup>5</sup> <https://www.nationaltransport.ie/planning-and-investment/strategic-planning/regional-transport-strategies/cork-metropolitan-area-transport-strategy/>

- Regional connectivity still bears the scars of austerity. The M28, N22, Dunkettle Interchange, N25 and M20 route corridors must all be significantly improved in capacity, not only for private vehicles but in terms of multimodal connectivity also.
- International connectivity from Cork Airport has been severely curtailed by the pandemic. Significant capital investment is required to ensure that the infrastructure, including the runway is poised for the return of significant volume. Research tells us that full recovery will take up to five years in the sector and Cork Airport must be supported by multi-year operational and capitals supports under the Regional Airports Capex Programme.
- International connectivity from the Port of Cork continues to grow with new routes to the US, Belgium and France proving market demand. Investment in Customs and Border infrastructure at the Port would deliver a major boost in operational potential as new patterns continue to be established post EU-UK TCA.
- The viability of apartments continues to be a major challenge for the delivery of density targets set out in Ireland 2040. The lack of viability of apartments continues to be a major challenge for the delivery of density targets set out in Ireland 2040, consigning the region exclusively to reliance on lower density models of development. It is also a significant economic inhibitor, damaging talent attraction, regeneration and the quality of life appeal of the region. A Cork Chamber report, from July 2020 centring on economic recovery, presents quality of life as the characteristic that will define the future of Cork.<sup>6</sup> The lack of Apartment viability is documented alongside a range of solutions in an EY-DKM report commissioned by CIF Southern Region and Cork Chamber.<sup>7</sup> Integrating the concept of compact growth into all investment decisions will improve quality of life and help to address climate action.

Housing commitments such as Help to Buy and Shared Ownership must continue to be pursued. LIHAF has delivered for Cork and equivalent models should be retained and enhanced.

- The Urban Regeneration and Development Fund and the Rural Regeneration and Development Fund must be strengthened further and align to the National Planning Framework, delivering proportionately for the vision set for Cork. The mechanism for funding must provide stronger multiannual commitment and certainty.
- The provision of water infrastructure, both in terms of supply, and wastewater management, is a significant inhibiting factor in the rollout of multiple infrastructural ventures from housing to industry in Cork. Investment must be targeted in growth areas with clear plans and timelines set out. It is essential not only for development, but for the environmental and amenity assets of our rivers, lakes and unrivalled harbour.

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<sup>6</sup> [https://www.corkchamber.ie/wp-content/uploads/2020/12/10793-Anaerobic-Digestion-report\\_final.pdf](https://www.corkchamber.ie/wp-content/uploads/2020/12/10793-Anaerobic-Digestion-report_final.pdf)

<sup>7</sup> <https://www.corkchamber.ie/wp-content/uploads/2019/09/Viability-and-Affordability-of-Apartment-Building-in-Cork-City.pdf>

- With population growth and population aging, the necessity for significant health infrastructure is certain. Commitment to a new elective hospital and acute hospital in Cork must be strengthened and progressed with urgency.
- Culture and creativity remain deeply intertwined with innovation, quality of life, mental health and civic pride. The commitments to the Cork Event Centre, Crawford Art Gallery, and to creative funds and supports must be strengthened as the sector will play a significant role not only economically, but psychologically as we seek positivity and inspiration on the road to recovery.
- There should be discretion for adding creative and innovative new projects to the scope of the NDP. Outdoor, quality of life-oriented infrastructure is increasingly important. For example, in Cork, there is a growing body of support for a lido or outdoor swimming baths. Public outdoor baths were once a focal point of culture and community in the city, and now that demand has returned. Feasibility and conceptual support should be on offer for this or other initiatives and the multiple benefits they would bring to amenity, civic pride and quality of life.
- Business must continue to be strongly supported by the various pandemic related support instruments from now, until the close of the pandemic, and reduced on a phased basis from that point to avoid any unnecessary further shocks. Where required, improvements and enhancements to the eligibility and duration of schemes should continue to be forthcoming.

For example, The qualifying criteria for the Covid Restrictions Support Scheme (CRSS) have been identified as being too restrictive. Entire supply chains have essentially ceased operating, but many players have been left ineligible for the CRSS. We welcome Government's response with the introduction of a new €60m Scheme, **COVID-19 Business Aid Scheme**. The effectiveness of this scheme is yet to be determined, however, and it's effectiveness will depend on application process, distribution of the scheme, the rates of payment etc. Such measures are essential for many businesses.

- Further Education and Training requires significant capital investment in the infrastructure for apprenticeships, which is currently at capacity, and expects a significant increase. Capital investment for online delivery, to support individuals and communities where access (physical) to Further and Higher Education should be improved.
- Capital funding to support the development of the FET College model as set out in the National Further Education and Training Strategy<sup>8</sup>, through investment in existing and new FET facilities is required.
- The current level of funding is not sufficient for additional accommodation at both primary and secondary level. The overall demographic peak is currently passing through the post

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<sup>8</sup> [https://www.solas.ie/f/70398/x/64d0718c9e/solas\\_fet\\_strategy\\_web.pdf](https://www.solas.ie/f/70398/x/64d0718c9e/solas_fet_strategy_web.pdf)

primary system and will reach a peak in 2025<sup>9</sup>. This combines with a major shift in the location of the population towards larger urban areas leading to acute demand.

- At primary and second level the funding currently provided to meet additional school accommodation is insufficient. As result, it is the norm that new schools are opened in temporary accommodation. The NDP should commit additional funds to the building of schools. For example, Cork ETB is dealing with areas where the level of accommodation is significantly insufficient in East Cork, Ballincollig, Bandon and Buttevant.
- Research and Development funding must be increased to 2.5% of GNP as set out in Innovation 2020, and the prioritisation of a replacement strategy, and implementation programme as this expires.<sup>10</sup>
- Support for capital projects critical to the long-term competitiveness of the MTU and UCC, including the UCC Business School, Tyndall, the sports facilities at the MTU Bishopstown Campus must be strengthened in line with the planned growth and ambition of each institution.
- Cork is home to Ireland's Energy cluster, Energy Cork<sup>11</sup> and has significant potential to develop further. National policy should support the deepening of ambition for this energy cluster and support the significant growth potential of renewables such as floating offshore wind anaerobic digestion<sup>12</sup>, green hydrogen, solar PV and wind which have potential to generate significant economic value and employment, and contribute immeasurably to the sustainable credentials of the region and nationally. The recent public consultation on a Microgeneration Subsidy Scheme for Ireland has the potential to be a crucial step in achieving the target of 70% renewable electricity by 2030 set out in the 2019 Climate Action Plan.
- The recommendations of the Cork Harbour 2025 Ready to Float Offshore Wind should be implemented by supporting Cork as a strategic hub for floating offshore wind and accelerating development of floating offshore wind farms.<sup>13</sup>
- National, and international energy transmission infrastructure investment such as the Celtic Interconnector will continue to be essential.
- The rollout of the National Broadband Plan is welcome and essential in the context of the pandemic and shift in working preferences that will ensue. The delivery speed of the NBP in Cork should be increased to meet this demand. Certain sections of the central business district of Cork are not covered by high quality fibre connectivity and this must be addressed. Fine grain appraisal of this urban connectivity must be undertaken and addressed in the context of overall national broadband provision.

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<sup>9</sup> <https://assets.gov.ie/36601/25e3ce496dd64dfaa986d7105f2a5cb1.pdf>

<sup>10</sup> <https://www.gov.ie/en/publication/7287b-innovation-2020/>

<sup>11</sup> <http://www.energycork.ie/>

<sup>12</sup> [https://www.corkchamber.ie/wp-content/uploads/2020/12/10793-Anaerobic-Digestion-report\\_final.pdf](https://www.corkchamber.ie/wp-content/uploads/2020/12/10793-Anaerobic-Digestion-report_final.pdf)

<sup>13</sup> <https://www.corkchamber.ie/wp-content/uploads/2021/02/Cork-Harbour-2025-Ready-to-Float-Offshore-Wind.pdf>



- Support the implementation of the IDA Ireland Strategic Plan alignment to Ireland 2040 by providing further strategic employment sites in Cork.
- Continue to support and strengthen the Regional Enterprise Fund, and Enterprise Ireland led programmes and initiatives.

## Conclusion

In parallel with a strong and aligned approach to Ireland 2040, and the National Development Plan, there is every opportunity for Ireland to build a more resilient economy with the National Recovery and Resilience Plan. We urge that Government take a progressive stance on sustainability, and seize every opportunity for Ireland to best distinguish its approach.