



Fermanagh & Omagh
District Council
Comhairle Ceantair
Fhear Manach agus na hÓmaí

Local Development Plan Employment, Industry and Business October 2018

1.0 Introduction

- 1.1 This background paper has been prepared to draw together the evidence base that has been used to inform the preparation of the Fermanagh and Omagh Local Development Plan (LDP) 2030. It is one of a suite of topic-based background papers that should be read alongside the LDP to understand the rationale and justification for the policies proposed within the draft Plan Strategy.
- 1.2 It updates the Position Paper prepared and published as the baseline evidence for the Preferred Options Paper (POP) in October 2016 and which identified the key issues that need to be addressed by the LDP.

The paper provides:-

- (i) the regional policy context for formulating Local Development Plan policies for economic development;
- (ii) an overview of existing provision and take up of zoned economic development land in the Fermanagh and Omagh Area Plans;
- (iii) a socio-economic profile of the Fermanagh and Omagh District; and
- (iv) an assessment of the number of new jobs required and how this can be translated into future economic land requirements.

2.0 Regional Policy Context

- 2.1 The Regional Policy Context is provided by the Regional Development Strategy (RDS) 2035 and regional planning policy statements. A summary of these documents as they pertain to plan making and economic development policy is provided in the following sections.

(a) Regional Development Strategy

- 2.2. The RDS 2035 provides a framework for strong sustainable economic growth across the region and recognises that a growing regional economy needs a co-ordinated approach to the provision of services, jobs and infrastructure. It provides Regional Guidance to ensure an adequate supply of land to facilitate sustainable economic growth (RG 1). Land should be accessible and located to make the best use of available services, for example water and sewerage infrastructure, whilst avoiding, where possible, areas at risk of flooding from rivers, the sea or surface water run-off.
- 2.3 The quality and viability of sites zoned for economic development uses in Area Plans should be assessed against an Employment Land Evaluation Framework (Appendix 1) which will enable planning authorities to identify robust and defensible portfolios of both strategic and locally important

employment sites in their development plans. This means protecting zoned land in development plans and, in order to capitalise on the development opportunity provided by a concentration of people, goods, available infrastructure and business, promoting economic development opportunities in the Hubs (SFG11). It also recognises the importance of sustaining rural communities by facilitating rural industries, business and enterprises in appropriate locations. This means not only businesses connected to farming, forestry and fishing but other industries such as tourism and renewable energy which can provide further jobs and opportunities in rural areas as long as they are integrated appropriately within a settlement or rural landscape.

- 2.4 Omagh and Enniskillen towns also have an important role in relation to training and employability with main Further Education Campuses located in both towns and an agricultural college located at Enniskillen.

(b) The Strategic Planning Policy Statement for Northern Ireland

- 2.5 The SPSS provides the policy basis, alongside PPS 4 Planning and Economic Development, for considering planning proposals until such times that the Fermanagh and Omagh District Council has an adopted its own Plan Strategy. The SPSS does not introduce any significant changes to economic development policy, providing condensed, simplified guidance. Both PPS 4 and the SPSS set regional policy objectives for economic development which are to:-

- promote sustainable economic development in an environmentally sensitive manner;
- tackle disadvantage and facilitate job creation by ensuring the provision of a generous supply of land suitable for economic development and a choice and range in terms of quality, size and location;
- sustain a vibrant rural community by supporting rural economic development of an appropriate nature and scale;
- support the re-use of previously developed economic development sites and buildings where they meet the needs of particular economic sectors;
- promote mixed-use development and improve integration between transport, economic development and other land uses, including housing; and
- ensure a high standard of quality and design for new economic development.

- 2.6 The SPSS reiterates the role for LDPs to ensure that there is an ample supply of suitable land available to meet economic development needs on a range and choice of sites in terms of size and location to promote flexibility. Account should also be taken of factors such as availability by all members of the community, availability of adequate infrastructure, specialised needs of

specific economic activities, potential environmental impacts and compatibility with nearby uses. LDPs should also where possible seek to identify previously developed land for economic development, to assist in reducing the need for green field development. A system to monitor the take up and loss of land allocated for economic development purposes should also be put in place so that any shortfalls can be identified.

- 2.7 The SPPS also expresses the need, in the interests of rural amenity and wider sustainability objectives, to restrict the level of new building for economic development purposes outside settlements. Exceptions may include where a suitable site cannot be found within a settlement, or where the proposal is for a major industrial development and a countryside location is necessary due to its size or site requirements.
- 2.8 The SPPS also recognises the need to support and sustain vibrant rural communities consistent with the RDS and to strike a balance between facilitating new development and protecting the environment from inappropriate development. The policy approach is to cluster, consolidate, and group new development with existing established buildings and the re-use of previously used land and buildings. Local policies and proposals may be brought forward in the LDP which address development such as farm diversification, agriculture and forestry development, tourism/holiday accommodation; re-use/conversion of existing buildings.
- 2.9 Tourism also makes an important contribution to the Northern Ireland economy in terms of the revenues it generates and the employment opportunities it provides. The aim of the SPPS in relation to tourism development is to manage the provision of sustainable and high quality tourism developments in appropriate locations within the built and natural environments. Tourism will be examined at a later date. Town centres also provide employment and a new strategic policy for town centres and retailing is contained in the SPPS. The role of town centres will be explored in the next paper.

(c) European Legislation

- 2.10 Directive 96/82/EC, known as the Seveso II Directive, was implemented in Northern Ireland by the Control of Major Accident Hazards (COMAH) Regulations (NI) 2000 and the Planning (Control of Major-Accident Hazards) Regulations (NI) 2000. Article 12 of the Directive refers specifically to land-use planning. The aim of this Article is to prevent major accidents at sites where processes that involve hazardous materials are used. Limiting the consequences of such accidents is taken into account in preparing land-use planning policies and under Article 12 the Department is obliged to set up appropriate consultation procedures to facilitate implementation of the above Regulations.

- 2.11 The determination of planning permission for such proposals is subject to the current regional policies, planning policy statements and in particular Development Control Advice Note 12 (DCAN 12) – Planning Controls for Hazardous Substances.

(d) Other Relevant Government Strategies

- 2.12 *(i) Northern Ireland Executive – Economic Strategy for Sustainable Growth and Prosperity (March 2012)*

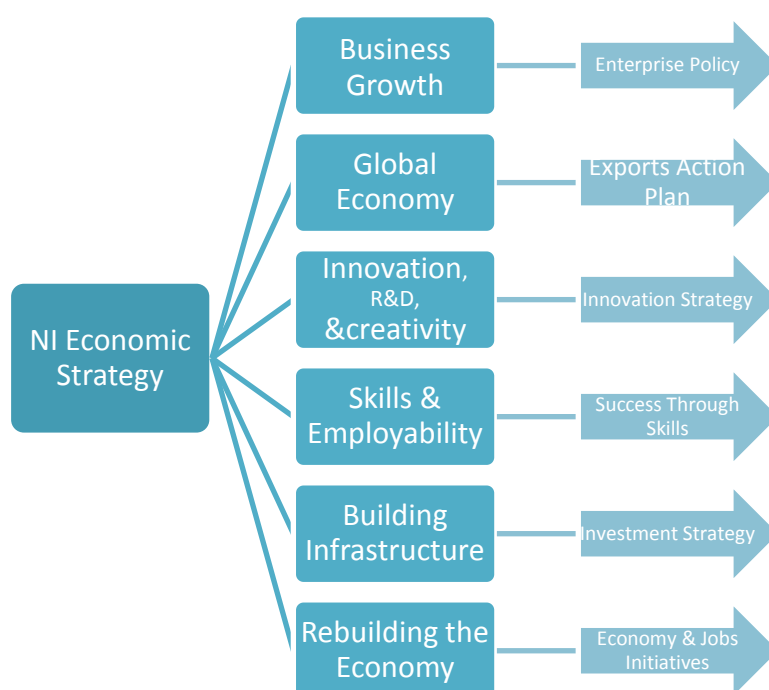
Based on the Executive's vision and priorities for sustainable economic growth and prosperity, the overarching goal of the Strategy is to improve the economic competitiveness of the Northern Ireland economy, with particular focus given to export led economic growth and a shift away from the traditional dependence on the public sector. The Economic Strategy also promotes innovation, research and development and workforce skills as key drivers. Within the Economic Strategy emphasis is also placed on the need to rebalance the economy towards a higher value added private sector activity, as well as outlining actions and investments to aid the rebuilding of the local economy. The Economic Strategy is currently being refreshed and refocused.

- 2.13 In terms of developing economic infrastructure the long terms goals for the region are developing an efficient transportation system, investing in telecommunications to improve capacity as digital and knowledge based economies and the improvement of public infrastructure such as social, health and educational facilities. While it is the responsibility of many Departments to implement the Economic Strategy, these particular goals are areas in which land use planning can have an active part in ensuring the delivery thereof.

- 2.14 However, a key challenge to the Northern Ireland economy relates to the public sector dominance of it; public spending underpins the bulk of the economy and almost one third of workforce jobs are in the public sector. The domination of the service sector combined with high unemployment and economic inactivity is a further challenge.

- 2.15 A refreshed and refocused Economy 2030 – Industrial Strategy for Northern Ireland was launched for consultation in January 2017 but no final version has yet been published.

Figure 1: Key areas for action within NI Economic Strategy



2.16 (ii) *Anti-Poverty and Social Inclusion Strategy*

The Government's "Anti-Poverty Strategy" (Lifetime Opportunities) was published by the OFMDFM in 2006. It outlines a set of ambitious and challenging long-term goals and targets to work towards eliminating poverty and social exclusion in Northern Ireland by 2020. Public policy in general is expected to take account of anti-poverty/social inclusion considerations, for example through enabling disadvantaged groups and communities to benefit from better access to employment opportunities. One of the main functions of a development plan is to facilitate development and create a land use framework that will allow investment to take place. For instance, the re-use of previously developed land has an important role to play not only in the supply of sites for economic development, but it can also help to support the Anti-Poverty and Social Inclusion Strategy, and assist with economic regeneration and physical renewal, helping to stimulate enterprise in the most disadvantaged areas in order to tackle long-term unemployment and issues of employability.

Fermanagh and Omagh District Council Economic Development Plan (EDP) (2016-2019)

2.17 The Council's Economic Development Plan's ambition is:

"Creating a step change in the economic fortunes of the Council area by: promoting a culture of innovation within the local economy; further development and retention of a skilled workforce; and development of a

vibrant urban and rural environment that will encourage people to live, work, visit and invest in.”

The EDP is a high-level, overarching strategy document, which complements the new Community Plan and in particular the Plan’s Economic, Skills and Infrastructural priorities.

3.0 A Socio-Economic Profile of Fermanagh-Omagh

- 3.1 This section provides an overview of the employment and economic base of the Fermanagh and Omagh District Council area within the context of the Northern Ireland economy, and examines employment sectors, unemployment and economic activity rates.

Overview of Northern Ireland Economy

- 3.2 It is a widespread view that Northern Ireland has suffered from the recession to a greater extent than any other UK region. Recovery in the labour market has been slow and employment is not expected to recover to its pre-recession peak until well beyond 2023¹. Similar to trends in the UK overall, manufacturing employment is expected to continue declining with a shift towards more exportable service sectors such as administrative and professional services, software and ICT, scientific/technical and retail to drive job creation. The Knowledge Economy is an important and growing component of the local economy and increased output with less employment reflects the changing role of manufacturing. The Knowledge Economy includes a broad range of sectors including:

- IT services and telecommunications;
- Creative content and digital media;
- Computing and advanced electronics;
- Software and digital content;
- Pharmaceuticals, biotechnology and medical services; and
- Aerospace and other transport equipment.²

Other growth areas include environmentally sustainable products including recycling activities and those linked to renewable energy; and the agri-food sector.

- 3.3 A feature of Northern Ireland is its consistently high rate of economic inactivity in comparison with other regions of the UK. Economic inactivity rates have remained within a stable range of 26% and 32% of the working adult population in Northern Ireland since the mid-1980s. The NI Executive intends to address the issue through a range of new measures designed to help individuals in targeted inactive groups make the transition into work. The

¹ Oxford Economics. Northern Ireland Economy in Transition: Future Drivers, Challenges, Impacts and issues for Policy Consideration.

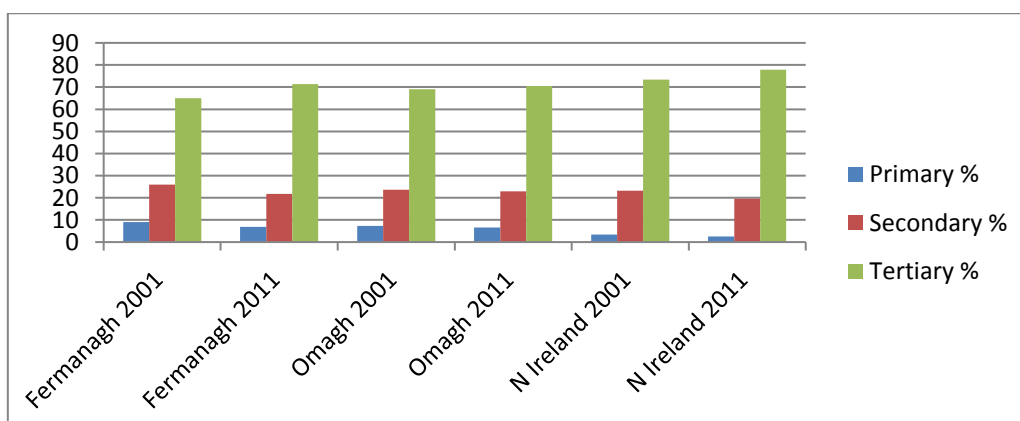
² Northern Ireland Centre for Economic Policy (NICEP), Outlook:Spring 2014

strategic goal is to contribute towards a stable and competitive employment rate of 70% by 2023. Factors identified within Enabling Success - A Strategic Framework for reducing economic inactivity in Northern Ireland (2014) - as affecting employability at local level are local labour market demand, quality of jobs available (pay and flexibility), access barriers, transport isolation (rural), transport deprivation(urban) and childcare/social care provision³.

The Existing Employment Base in Fermanagh-Omagh

- 3.4 Employment may be classified into three sectors: primary, secondary and tertiary. The primary sector includes agriculture, forestry and the extraction of natural resources whereas the secondary sector is concerned with manufacturing and processing of natural resources. The tertiary sector is primarily concerned with service provision such as public administration, education, health, retailing, banking, catering, transportation and communications.
- 3.5 In the period 2001 to 2011, the employment sector pattern of the two districts generally reflected the Northern Ireland trend of a fall in the primary sector and an increase in the tertiary sector (Figure 2 and Table 1). The Council area has a higher percentage of employment in the primary sector compared to the regional average reflecting the stronger reliance on agriculture. DAERA statistics for 2017 indicate that the Council area has the largest agricultural labour force in Northern Ireland, representing 18.6% of the total NI agricultural labour force. However, changes in farming suggest that employment in the primary sector could continue to decline, resulting in a greater number of people looking for employment in the secondary and tertiary sectors. The quarrying industry, producing raw materials for the construction industry and for agriculture, is also important (see Paper 9 Minerals).

Figure 2: Employment Sectors in NI, Fermanagh and Omagh in 2001 and 2011 (Census)



- 3.6 The manufacturing sector in the Council area has changed. A number of textile and garment manufacturing firms have closed due to competition from overseas and cheaper labour markets particularly in Asia. Key industries

³ Enabling Success – A Strategic Framework for reducing economic inactivity in Northern Ireland. DELNI and DETI

include the manufacture of cement and concrete products, container glass manufacturing, constructional steel fabrication, engineering firms providing plant and machinery to the quarry industry, the manufacture of fine parian China and electronics. The agri-food sector including the dairy processing industry and agricultural-related activities such as animal feed production is also important. The tertiary sector, primarily the wholesale and retail trade, public administration, education and health and social work is the largest employment sector. The Tourism Sector also contributes to the local economy in the Fermanagh and Omagh District Council area, attracting 343,000 overnight visitors in 2017 with an estimated spend of £57 million.⁴

Table 1: Employment by Sector in 2011

Sector	Fermanagh	Omagh	NI
Primary	1,670 (6.88%)	1,304 (6.6%)	18,520 (2.55%)
Secondary	5,270 (21.72%)	4,519 (22.88%)	141,740 (19.55%)
Tertiary	17,318 (71.39%)	13,920 (70.50%)	564,613 (77.9%)

Source: NI Census 2011

- 3.7 Overall, the Council area shows a spread of jobs across the three sectors which are reflective of the whole region albeit with a higher proportion of jobs within the primary sector. Recent growth in Northern Ireland in office type industries, such as information technology and financial services, points to a need for a more flexible approach when determining the types of economic development that are acceptable in particular locations and that land zoned for economic development should be seen as supporting a whole range of uses - apart from retailing – and not just the traditional manufacturing sector.

Business Stock

- 3.8 In terms of business stock, in March 2017 there were 7,780 active VAT/PAYE registered businesses in the Council area (10.86% of the Northern Ireland total). Of this number, 46.7% are in the agricultural, forestry and fishing sectors, the highest proportion of the 11 new council areas and almost twice the regional average of 24.9% (DfE). This is reflective of the rural nature of much of the Council area. When the production, construction and wholesale & retail sectors are included, the percentage proportion is 74.2%. The majority of businesses are classified as being micro, employing less than 5 people (85.1%) compared to the regional average 75.1%. This illustrates the importance of small businesses and the self-employed in the local economy. However, there is a low incidence of registrations in the tertiary, service sectors such as finance and insurance and ICT.

⁴ NISRA

Economic Activity

- 3.9 The number and percentage of economically active persons in Fermanagh and Omagh has steadily increased between 1971 and 2011. There is little difference between the two districts and the Northern Ireland average (Table 2) in 2001 however the figures for 2011 indicate that the percentage of economically active persons in Omagh remained the same at 61% whilst Fermanagh continued to grow in line with the Northern Ireland figures. Much of this growth is as a result of increasing numbers of women entering the job market (Table 3). Research by DfE (2014) confirms that 47% of those aged 16-64 currently in employment in Northern Ireland are women and female employment has continued to rise over the last 20 years compared with a fall for males. If these trends continue, more women are likely to enter the employment market over the plan period.

Table 2: Economic Activity

	1971		2001		2011	
	Number	%	Number	%	Number	%
Fermanagh	18,612	52	24,916	62	29,853	67
Omagh	14,340	51	20,225	61	23,690	61
Northern Ireland	612,241	57	739,134	62	869,752	66

Source: 1971, 2001 and 2011 Census Reports

- 3.10 In Northern Ireland, a total of 403,000 women were economically active in April 2016 – an increase of 2000 since April 2015. The female working age economic activity rate here of 66.8% was 5.6 percentage points lower than that in GB (72.4%). At 66.8% the working age economic activity rate for females was 12.9 percentage points lower than that for NI males (79.8%). The difference in economic activity rate between males and females is less than that of five years ago when the difference was 13.5 percentage points.⁵ In terms of male and female employment over 50% of females in the Council area work in education, health and social work and the wholesale and retail trade. In contrast, approximately 50% of males are employed in manufacturing and construction and wholesale and retail trade. About 48.77% (10,164) of women in Fermanagh and Omagh are in part-time jobs compared 22.26% (3,918) of men.⁶ The gross average weekly wage was £365.3 in 2017 (NI average £409.5), the third lowest of the 11 Council areas.⁷

Table 3: Proportion of Economically Active Males and Females 1991, 2001 and 2011

	1991	2001	2011
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⁵ Women_in_northern_ireland_2014 (DfE)

⁶ DfE Census of Employment 2013

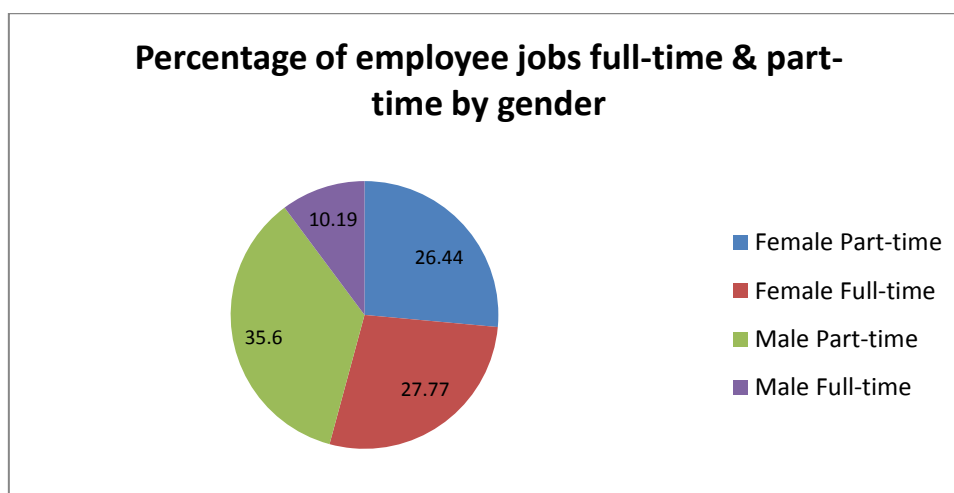
⁷ NISRA

	Male	Female	Male	Female	Male	Female
Fermanagh	13,637 (64%)	7,748 (36%)	13,619 (69%)	5,956 (31%)	16321 (55%)	13,532 (45%)
Omagh	11,467 (63%)	6,727 (37%)	10,634 (68%)	4,990 (32%)	12,926 (55%)	10,764 (45%)
Northern Ireland	406,726 (60%)	275,294 (40%)	398,384 (64%)	231,375 (36%)	460,797 (53%)	408,955 (47%)

Source: 1991, 2001 and 2011 Census Reports

- 3.12 A significant risk to employment levels in the Council area is the predominance of the public sector as a source of employment. Both of the main towns, Enniskillen and Omagh, function as regional service centres with a concentration of public sector jobs within Health, Education, the Police Service for Northern Ireland and various other government Departments. The NI Executive has made it clear that the significant cuts to Departmental budgets will result in significant job losses. Given the predominance of women within public sector in areas such as health in the Council area and the high rate of part-time work amongst women it is likely that many of these are in receipt of state benefits to supplement their income. This, combined with public sector cuts along with Welfare Reform and the rise in pension ages, is likely to significantly impact upon the area.

Figure 4: Percentage of part-time and full-time jobs in Fermanagh and Omagh by gender



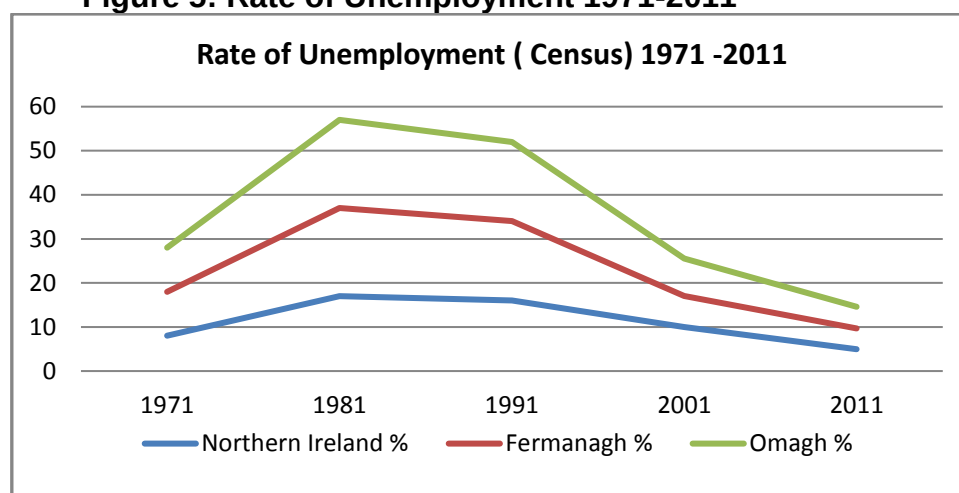
Source: DfE Census of Employment 2013

Unemployment

- 3.13 The Council area experienced a significant increase in unemployment between 1971 and 1981, mirroring the Northern Ireland trend but at a higher level (Figure 5). However, there has been a reverse in this trend since 1981 with the Census in 2001 indicating an 11% and 10% unemployment rate for the respective districts. Figures show that unemployment has continued to fall from 7.0% (Fermanagh) and 8.5% (Omagh) in 2001 to just below 5% in 2011.

The latest claimant count figures available as at August 2018 put unemployment rates in the Council area at 2.2%, just below the NI average of 2.5%.

Figure 5: Rate of Unemployment 1971-2011



Census 1971, 1981, 1991, 2001 2011

Skills Profile

- 3.14 As mentioned in paragraph 3.2, it is anticipated that future economic growth will transition towards more exportable service sectors and if the Council area is to participate in this direction it will have to supply a suitably skilled and qualified workforce. Education has an important role to play in promoting economic well-being. Better education improves access to employment opportunities, raises productivity and innovation. In addition it plays a very crucial role in securing economic and social progress and improving income distribution.
- 3.15 Oxford Economics have forecast that the stock of jobs requiring low or no qualifications is to fall by 60,000 by 2020, leading to a large skills mismatch.⁸ In this context of continuing change in demand from factory to office based service sector there will be a need for large numbers of individuals to change careers. As their existing skill sets, competencies and experience will fall short of the demand for a skilled workforce, significant up-skilling and re-skilling will be required.
- 3.16 Since 2001, the proportion of people aged 16 years old and over who had a degree or higher qualification has significantly increased. The proportion of those aged 16 and over who have no or low qualifications (1-4 O Levels/CSE/GCSE or equivalent) has reduced since 2001 but it is still higher than the regional average (Table 4). A more highly educated workforce with skills to match those emerging employment sectors with export potential is needed.

⁸ Oxford Economics: Northern Ireland Economy in Transition: Future Drivers, Challenges, Impacts and issues for Policy Consideration.

Table 4: Education Qualifications

Aged 16 & Over	Degree or higher qualification %	No or low qualifications %
NI	27.9 (15.80)	40.63 (58.87)
Fermanagh-Omagh	27.31	43.23
Fermanagh	26.89 (13.52)	44.09 (62.63))
Omagh	28.16 (14.43)	42.18 (61.27)

Source: Census 2011, NISRA. Figures in () are for 2001.

3.17 In summary, the main features of the employment situation in the Council area can be summarised as follows:

- ❑ The level of economic activity in both districts has increased over the 30 year period between 1971 and 2011.
- ❑ Primary sector employment remains higher than the Northern Ireland average, an indication of the importance of agriculture and quarrying in both districts. However, the trend in the agricultural sector is towards a decline and this will require the provision of new job opportunities.
- ❑ The proportion of jobs in the secondary sector is marginally higher than the regional average and the proportion in the tertiary or services sector is slightly lower than the regional average.
- ❑ The proportion of economically active females has increased and the majority of female employees work in the service sector, which is an expanding employment sector.
- ❑ The majority of males work in agriculture, construction, manufacturing and wholesale retail trade.
- ❑ The majority of businesses are classified as being micro, employing less than 5 people (85.1%) compared to the regional average 75.1%.
- ❑ A significant risk to employment levels in the Council area is the predominance of the public sector as a source of employment.
- ❑ 43% of the population have no or low qualifications levels.

4.0 Existing Area Plans in Fermanagh and Omagh

- 4.1 The Fermanagh Area Plan 2007 and Omagh Area Plan 2002 zoned land for industrial purposes in the main towns of Enniskillen and Omagh and the local towns of Irvinestown, Lisnaskea, Fintona, Carrickmore and Dromore. The amounts zoned were considered sufficient to meet overall industrial needs to the end of the respective plan periods. Some scope for industrial development on white land was also anticipated with further opportunities for employment provided by mixed business zonings in Enniskillen and the restructuring and sub-division of existing or underused industrial premises. Surveys carried out by the Council in 2017 identified remaining capacity within the current industrial zonings (Table 5).
- 4.2 In Enniskillen, approximately 22 hectares of zoned industrial land remain undeveloped, on which there are a number of extant planning approvals. This includes 12.73 hectares at Lackaghboy, 8.28 hectares at Carran and 0.71 hectares at Killyhelvin (Appendix 2). Although Lackaghboy can achieve good road links to Tempo Road and is reasonably linked to Belfast Road, the attractiveness of this estate is reduced due to road and traffic problems within Enniskillen and the segregated location of the estate to other parts of the town and to the south. Invest NI have landholdings at both Carran and Lackaboy Industrial Estates.
- 4.3 In addition to industrial zoned land in Enniskillen, the Fermanagh Area Plan zoned 18.51 hectares for mixed business use distributed across 6 different sites. With the exception of the Car Sales development at Drumclay and Tracey Concrete at Carrigan, the majority of these have seen little or no development with over 80% (15.32 hectares) remaining. There has been slow take up of the zonings in Irvinestown where around 7.34 hectares remain undeveloped. In contrast, over 50% of the zonings in Lisnaskea have been developed with 4.20 hectares remaining. Overall, there are 64 hectares of industrial and mixed business zonings in the Fermanagh Area Plan which are undeveloped.
- 4.4 The Omagh Area Plan zoned over 83 hectares of land for industrial development in Omagh town distributed across 8 sites (Appendix 2). Several of these sites have experienced little or no development with some 47 hectares remaining undeveloped. The majority of this land is located at Strathroy (14.85 hectares), Arvalee (11.18 hectares) and Gillygooley/Drumquin Road (12.83 hectares). Some of this land is undevelopable due to flood risk and the development of the Strathroy Link Road and a housing permission on part, reduces the available extent of land at Strathroy. Therefore, potentially only 34 hectares remains to be developed in Omagh town.

- 4.5 The zoning at Arvalee has historically proven unattractive to business which may have been a consequence of its peripheral location removed from the main A5 transport corridor. However, the new link road onto Bankmore Road to the Donaghane Road may help to address this issue. The zoning at Doogary is largely developed and this is where Invest NI also has landholdings.

Table 5: Summary of land zoned for industry in Fermanagh and Omagh Area Plans September 2017

Settlement	Total Area Zoned (Hectares)	Area Developed (Hectares)	Area Remaining (Hectares)
Enniskillen	56.64	34.92	21.72
Irvinestown	10.22	2.88	7.34
Lisnaskea	8.51	4.31	4.20
Enniskillen – Mixed Business Zoning	18.51	3.19	15.32
Sub Total	93.88	45.30	48.58
Omagh	83.31	35.45	47.86
Fintona	2.73	0.27	2.46
Dromore	2.15	0.19	1.96
Carrickmore	5.60	3.38	2.22
Omagh Total	93.79	39.29	54.50
Grand Total	187.67	84.59	103.08

FODC Planning Surveys 2017

- 4.6 The majority of development on zoned industrial land in Omagh has been for light and general industrial uses, storage and distribution. Purpose-built office and business accommodation has also been developed at Gortrush Industrial Estate and Doogary. This is in keeping with the Strategic Planning Policy Statement for Northern Ireland, which in the main promotes zonings for industry and mixed business uses. However, some non-conforming uses have occurred such as the retail park at Tamlaght Road. Non-industrial uses have also occurred in Dromore and Fintona on those zonings where there has been development to date. The remaining 2.5 hectares in Fintona along Tattyreagh Road has planning permission for industrial/business development. Of the three local towns in Omagh area, Carrickmore has had the most success with 60% of its zoning at Termon Business Park developed to date.
- 4.7 Existing industrial land such as Gortrush Industrial Estate, Omagh and Killyhevlin Industrial Estate, Enniskillen and other individual industrial sites are not currently safeguarded as part of the land supply for economic

development needs. The Plan can protect existing economic development land where it remains suitable for continuation or expansion of this use.

5.0 The Need for Future Employment Opportunities

5.1 As part of the preparation of the local development plan, an estimate of the amount and the location of land are required to ensure an ample supply of suitable land is available to meet economic development needs. This should take into account various factors including past trends in take-up of land for economic development purpose.

5.2 In order to estimate the amount of land required, three methodologies are used as follows:-

Model 1 - based on the amount of land developed to date;

Model 2 - based on population growth and unemployment; and

Model 3 - based on applying the average number of jobs created between 2001 and 2013.

(a) Model 1

5.3 The average take up of land zoned in the Omagh Area Plan since adoption in 1992 is 1.6 hectares per annum, suggesting that 24 hectares will be needed up to 2030. Theoretically there is sufficient land zoned in Omagh Area Plan to meet demand past 2030 based on past rates of uptake. In the Fermanagh Area Plan, the average take up of land zoned for industry (excluding mixed business zonings) has been similar to Omagh with 1.6 hectare per annum from 1997 to 2014, suggesting some 24 hectares will be needed up to 2030. When the mixed business zonings are included, the figure is 26. Therefore, overall, there may be a need for 50 hectares of zoned land based on past take up rates.

5.4 However, in applying such a broad-brush approach, recognition is not given to the disparities between take up on different land zonings. Our land use zonings comprise of land brought forward by Invest NI and land brought forward by the private sector. Take up has tended to be greater on zonings where Invest NI has intervened to provide serviced sites which tend to be more attractive to investors because they are closest to the main transport corridors. The delivery of sites on privately owned land is dependent upon the landowner's willingness to sell at a reasonable price.

5.5 Furthermore, with this method of assessment, take up rates can also be skewed by the development of one single site. It also does not take account of land developed for employment/industry on unzoned land and does not allow for changes in take up rates as a result of changing economic conditions, technology and communication, for example the loss of jobs within any of the established businesses would impact on figures.

(b) Model 2

- 5.6 To estimate the number of jobs required (which can later be translated into land requirements), a methodology has been used based on economic activity, unemployment rates and the latest (2016-based) population projections from NISRA. By applying NISRA population projections, it is possible to estimate the number of people who will be economically active in 2030. The economic activity rates etc. for each existing district in 2011 have been added together and averaged to give a figure for the new Council area. An unemployment rate of 4% has also been assumed.
- 5.7 Thus the following economic activity rates from the Census 2011 have been used:
- Fermanagh = 67.14%
- Omagh = 64.52%
- Fermanagh-Omagh = 65.83 % (rounded to **66%**)
- 5.8 A figure for the working age population has been estimated using the proportion of the Fermanagh-Omagh population aged 16-74 in 2011 i.e. 71.73% (rounded to 72%). This is then applied to the population estimates derived from NISRA. A number in employment can therefore be estimated for 2016 and 2030 by applying the economic activity rate of 66% and an unemployment rate of 4% (Table 6).

Table 6: Estimated number in employment in Fermanagh-Omagh 2016-2030

	2016	2020	2025	2030
Population Estimate by Year*	115,799	117,547	119,014	119,862
Population Ages 16-74 (72%)	83,375	84,633	85,690	86,300
Economically Active Population (66%)	55,027	55,857	56,555	56,958
The number in employment (less 4% unemployment rate)	52,826	53,623	54,293	54,680
Notes: Figure for population aged 16+ for each year is derived as 72% of the population of that year, equivalent to the 16+ proportion in 2011. Figure for economically active assumes a continuation of the level for economically active in 2011, i.e. 66% Economically Active includes those persons who are unemployed. *2016-based population projections, NISRA				

- 5.9 By subtracting the number in employment in 2016 from the number in employment in 2030, the total number of additional jobs required between 2016 and 2030 would be 1,854. This low number is largely a reflection of the slow rate of growth predicted over the period as suggested by the 2016-based population projections.

(c) Model 3

- 5.10 An estimated 4,231 additional jobs were created during the period 2001 and 2013 (Census of Employment, DETI) which included years when jobs were lost due to the recession. This equates to an average of 325 jobs per annum over the period. If this average figure is applied to plan period 2015-2030, potentially 4,875 jobs might be created which is much greater than the estimate provided under Model 2.
- 5.11 A criticism of Models 2 and 3 is that we have not differentiated between full-time and part-time jobs but for planning purposes, the aim is to provide a generous choice of land for economic development.
- 5.12 Having estimated the number of jobs required, a further estimate can be made on the number of new jobs needed in each main sector (manufacturing and services) and how this can be translated into land requirements. The Census of Employment (DETI) indicates that the proportion of jobs in manufacturing in Fermanagh-Omagh in 2013 was 11.6% and jobs in services accounted for 80% (Table 7). How these proportions translate to the figures provided under Models 2 and 3 is set out in Table 8. The remaining jobs will be in areas such as construction, forestry, fishing, mining, quarrying, electricity, gas and water supply.

Table 7 Jobs by Industry 2013

	Total No of Jobs	% Jobs in Manufacturing	% Jobs in Construction	% Jobs in Services
Fermanagh-Omagh	38,444	11.6	6.19	80
NI	691,501	10.85	4.25	83.5

Source: Census of Employment 2013, DfE

Table 8: New jobs and land requirements in Fermanagh-Omagh to 2030

	Total No of Jobs	Total No of Jobs in Manufacturing	Total Number of Jobs in Services
Model 2	1,854	215	1,483
Model 3	4,875	565	3,900

- 5.13 Translating industrial and business employment levels to a land requirement is problematic given the variance of employment densities between uses. Research by Colliers CRE showed density ranged from 1 job per 16sqm at Doxford Park, Sunderland to 1 job per 99sqm at Sherwood Business Park, Annersley, Nottinghamshire. Similar disparities have been shown up by surveys of industrial estates carried out by the former DOE Planning in 2005 and 2010. These established that average employment densities at older industrial estates where there was still a significant element of general industrial/engineering and storage/distribution uses fell within a range of between 1 job per 50sqm and 1 job per 80sqm. This included Gortrush and Doogary Industrial Estates in Omagh and Killyhevlin Industrial estate in Enniskillen. By contrast, Carran Industrial Estate (Enniskillen) had an average density of 1 job per 23sqm due to the presence of a call centre. This is broadly similar to research by Colliers CRE which suggested an average between industrial estates of 1 job per 25 - 30sqm.
- 5.14 Establishing employment levels per hectare is equally problematic. Research by Colliers CRE suggests that this could vary from 85 jobs per hectare on a modern industrial estate and up to 600 employees per hectare on an estate with a predominance of call centres. Research by Touche Ross for the Craigavon Economic Revitalisation Strategy 1994–2000 suggested a ratio of 50 employees per hectare. Former DOE Planning's studies of four industrial estates found that employee densities averaged 42 jobs per hectare and ranged from 17 to 97 jobs per hectare. These reflect a broad range of age and type of industry with a mix of industrial and business uses. It is therefore not unreasonable to assume that an employment ratio of one job per 25sqm floor space and 50 jobs per hectare can be achieved on new industrial and business land. This is also in keeping with Invest NI's view that there are opportunities for new hi-tech and business uses but that more traditional indigenous industries will continue to play an important role.
- 5.15 Thus, by applying a density of 50 jobs per hectare to our new jobs in manufacturing and services as estimated under Model 2 and Model 3, only **34** hectares of industry and business land would be required under Model 2 compared to **90** hectares required using Model 3. In order to build in as much flexibility and choice as possible over the plan period and to be able to adjust to changing economic circumstances, it is recommended that the higher figure is chosen.
- 5.16 Compared to the quantum of land zoned in the existing Area Plans, the figure of 90 hectares appears conservative but it is recognised that most jobs will be in the service sector rather than on industrial-type estates. More importantly, employment densities are greater in the service sector and most service jobs are found in the town centre and other locations better suited for shops, restaurants, offices, and public and community services. Employment will also occur in some industrial activities associated with villages and as part of farm diversification in the countryside.

- 5.17 With approximately 103 hectares of zoned industrial and business land remaining across the Council area, there would appear to be no need to identify additional land. However, some 14 hectares in Omagh town are undevelopable due to flooding (i.e. the Drumquin Road site) and the construction of the Strathroy Road Link. One of the zonings in Lisnaskea is also affected by flood risk. Therefore, in keeping with the RDS, there is a need to assess the 'fitness for purpose' including environmental implications of existing employment land provision. This will principally help to identify the 'best' employment sites to be retained and protected, replaced or released for other uses. This will be undertaken at the Local Policies Plan stage.
- 5.18 According to the RDS, the focus of any allocation of economic development (industry and business) land should be within the main hubs. However, this does not exclude land zonings in the local towns. Normally land is not zoned in villages as prevailing regional policy can facilitate development within and outside village settlement limits. The proposed allocation of the 90 hectares across the main and local towns is shown in Table 8.

Table 8: Strategic Allocation of Land for Industry and Business	
Settlement	Area (hectares)
Omagh	42.00
Enniskillen	30.00
Lisnaskea	6.30
Irvinestown	4.88
Fintona	2.46
Dromore	1.96
Carrickmore	2.22

- 5.19 The Plan Strategy will bring forward policies to protect zoned land and previously developed land for industry and business use. At the Local Policies Plan stage, additional policies will be brought forward regarding the type or range of industry and business uses that will be acceptable within zoned sites and identify opportunities for mixed uses development. The Plan Strategy will also introduce policies aimed at benefiting the rural economy, such as farm diversification, the re-use of rural buildings and appropriate redevelopment and expansion proposals for industrial and business purposes, while at the same time ensuring there is protection and enhancement of the environment.

6.0 Conclusion and Key Findings

6.1 From the research it is clear that both the Fermanagh and Omagh District has experienced a slow take-up rate of employment/industrial lands. This paper has provided an indication of the ability of the existing Area Plans to deliver the anticipated number of jobs required to 2030. Given that job market recovery has been slow in Northern Ireland, job creation for the new Plan will be challenging and therefore local economies may need to focus on growth sectors such as professional services, information and communications. This will also require people who are highly skilled.

6.2 A summary of the key findings are as follows:-

- (i) The Council area has a strong service base and future jobs growth is expected to be in sectors such as information and communication and the professional and technical services. In selecting land for development, it is important to provide sites with quality environments to attract businesses.
- (ii) The number of new jobs required for the period 2015-2030 is estimated to be up to 4,875. The majority (80%) of these are expected to be provided within the service sector.
- (iii) Based on the estimated number of jobs required in manufacturing and services, between 52 and 90 hectares of zoned land are required. In order to provide the maximum amount of flexibility, the LDP will seek to accommodate the higher figure of 90 hectares. The focus of zoning for industry and business land will be in the two main towns.
- (iv) Land will also be allocated in the local towns having regard to their population and hinterland.
- (v) Given the constraints affecting some of the existing zoned land, additional land will be required in both Omagh and Lisnaskea.
- (vi) The Plan can help tackle disadvantage and facilitate job creation by providing a range of suitable sites for economic development including opportunities for regeneration and mixed use developments.
- (vii) It is recognised that the LDP's industry and business zonings will not cater for all future economic growth. Within the Council area, there is a vibrant rural entrepreneurial spirit within the villages and open countryside. Therefore the LDP's Plan Strategy provides policies which can facilitate sustainable rural businesses.
- (viii) Where there is a skills gap, there may be a need to provide additional training as well as the provision of community and other public facilities. The Plan Strategy will facilitate this through policy and where

there are firm proposals, these will be identified in the Local Policies Plan.

Appendices

Appendix 1

The Employment Land Evaluation Framework (RDS 2035)

Stage 1 Taking stock of the existing situation	An initial assessment of the 'fitness for purpose' including the environmental implications of the existing employment land portfolio. This is principally in order to identify the 'best' employment sites to be retained and protected and identifying sites that should clearly be released for other uses.
Stage 2 Understanding Future Requirements	Quantify the amount of employment land required across the main business sectors during the development plan period. This is achieved by assessing both demand and supply elements and assessing how they can be met in aggregate by the existing stock of business premises and by allocated sites. Account should also be taken of turnover of existing sites due to relocation or closures. Both short/ medium term and strategic provision need to be considered in this process.
Stage 3 Identifying a 'New' portfolio of sites	Devise qualitative site appraisal criteria to determine which sites meet the occupier or developer needs. Confirm the existing sites to be retained, replaced or released, and any gaps in the portfolio. In this allocation, consideration should be given to previously used sites, and in the reallocation, the environmental impact of one site relative to others should be included. The results of Stage 2, together with this site appraisal should provide a robust justification for altering allocations for employment land.

Appendix 2

Land zoned for Industry and Business in Fermanagh and Omagh District Council Area 2017

Fermanagh Area Plan – Industry Zonings				
Settlement	Location	Area Zoned (hectares)	Area Undeveloped (hectares)	Remaining
Enniskillen	Lackaghboy Industrial Estate	26.24	12.73	
	Carran Industrial Estate	27.40	8.28	
	Killyhevlin Industrial Estate	3.0	0.71	
Enniskillen Total		56.64	21.72	
Lisnaskea	Maguiresbridge Road	6.31	2.0	
Irvinestown	Gola Road	2.20	2.20	
	Dromore Road1	2.90	2.38	
	Dromore Road2	5.2	2.84	
	Kesh Road	2.12	2.12	
Local Towns Total		18.73	11.54	
Fermanagh Area Plan Total		75.37	33.26	
Fermanagh Area Plan – Mixed Business Zonings				
Settlement	Area Plan Reference and Location	Area Zoned (hectares)	Area Undeveloped (hectares)	Remaining
Enniskillen	B1 Lackaghboy	9.44	8.90	
	B2 Lower Chanterhill Road	2.28	1.29	
	B3 Drumclay	0.85	0.0	
	B4 Drumcoo	5.03	3.58	
	B5 Cornagrade Road	0.53	0.53	
	B6 Carrigan	0.38	0.0	
Mixed Business Zoning Total		18.51	14.30	
Omagh Area Plan – Industry Zonings				
Settlement	Location	Area Zoned (hectares)	Area Undeveloped (hectares)	Remaining

Omagh	Strathroy West	12.61	12.61
	Strathroy East	6.20	2.24
	Arvalee	11.28	11.18
	Doogary	19.52	6.95
	Tamlaght Road	3.20	0.17
	Leckpatrick	1.94	1.04
	Gortrush	4.03	0.84
	Drumquin/Derry Road	24.53	12.83
Omagh Total		83.31	47.86
Fintona	Tattyreagh Road	2.46	2.46
	Dromore Road	0.27	0
Dromore	Fintona Road	2.15	1.96
Carrickmore	Quarry Road	5.60	2.22
Local Towns Total		10.48	6.64
Omagh Area Plan Total		93.79	54.50
District Council Total		169.16	87.61

Source: FODC Planning Survey 2017.