

FERMANAGH AND OMAGH

Position Paper Three

Employment and Economic Development

January 2015

Accommodating Economic Development across Fermanagh and Omagh

Purpose: To provide the Shadow Council with an overview of the employment and economic development base in the Fermanagh and Omagh District Area and to consider the land requirements for economic development uses up to 2030. A brief examination of renewable energy, telecommunications and shale gas extraction is also provided.

Content: 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;**
- (iv) an examination of renewable energy (wind energy), shale gas extraction and telecommunications infrastructure; and**
- (v) an assessment of the number of new jobs required and how this can be translated into future economic land requirements.**

Recommendation: That the Shadow Council consider the findings and considers how future economic growth should be accommodated across the district.

1.0 Introduction

1.1 This is the third of four papers aimed at:

- building the capacity of members to make informed planning decisions, particularly within the plan making context;
- providing baseline information which will inform planning policy making at local level; and

- linking with important ongoing work in relation to the development of a Community Plan and other strategic work undertaken by the Council.

1.2 The purpose of this paper is to inform the newly formed Shadow Council for Fermanagh and Omagh on how the provision of employment/economic development land will be addressed in the future. It sets out the regional context for economic development, the supply of industrial zoned land and extent of past take up and an examination of the employment and economic base of the new Council area. It provides an indication of how many jobs are required to both cater for a growing population and to address issues such as unemployment and deprivation. How these jobs can be accommodated across employment sectors and translated into a need for additional employment land up to 2030 is also considered. The paper allows members to commence consideration of how economic policy may be formulated within the context of the RDS and the Strategic Planning Policy Statement.

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 (see 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) Regional Planning Policy Statements

- 2.5** The RDS is complemented by the DOE's Planning Policy Statements, the most relevant of which is PPS 4 Planning and Economic Development which sets out the Department's planning policies for economic development uses and indicates how growth associated with such uses can be accommodated and promoted in development plans. Economic development uses comprise industrial, business and storage and distribution uses, as currently defined in Part B 'Industrial and Business Uses' of the Planning (Use Classes) Order (Northern Ireland) 2004.

- 2.6** This document is to be replaced by the Strategic Planning Policy Statement (SPSS), a Draft of which was issued for consultation in February 2014. The draft SPSS does not introduce any significant changes to economic development policy but helps to shorten and simplify the guidance for Councils. Both PPS 4 and Draft 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.

- 2.7** The draft 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.

- 2.8** The Draft 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.
- 2.9** The Draft 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.
- 2.10** 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 draft 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 draft SPPS. The role of town centres will be explored in the next paper.

(c) European Legislation

- 2.11** 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.

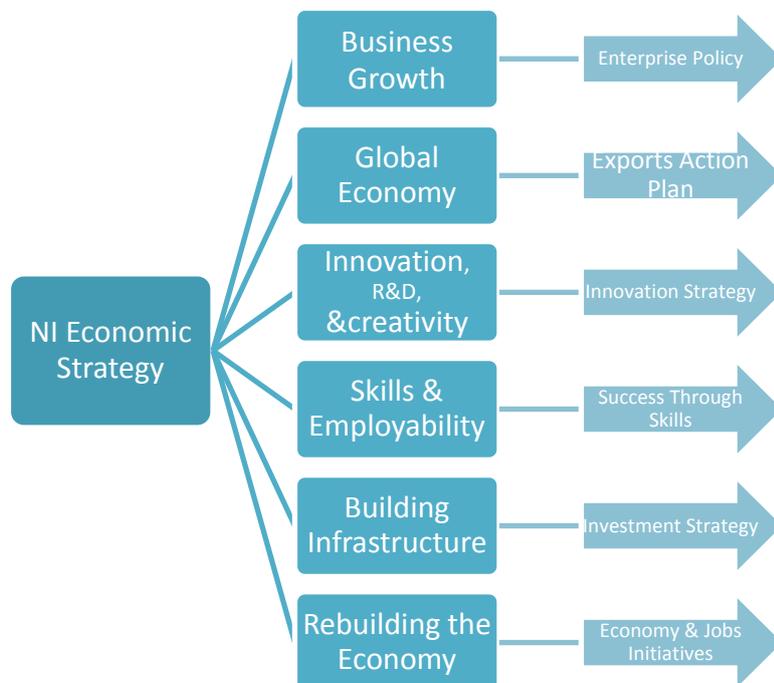
- 2.12** The determination of planning permission for such proposals is subject to the current regional policies, planning policy statements and in particular Development Control Advice Note 12 (DCAN 12) – Planning Controls for Hazardous Substances.

(d) Other Relevant Government Strategies

- 2.13** (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.

Figure 1: Key areas for action within NI Economic Strategy



- 2.14** 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.
- 2.15** 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.

2.16 *(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.

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-Omagh 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,

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

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 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.

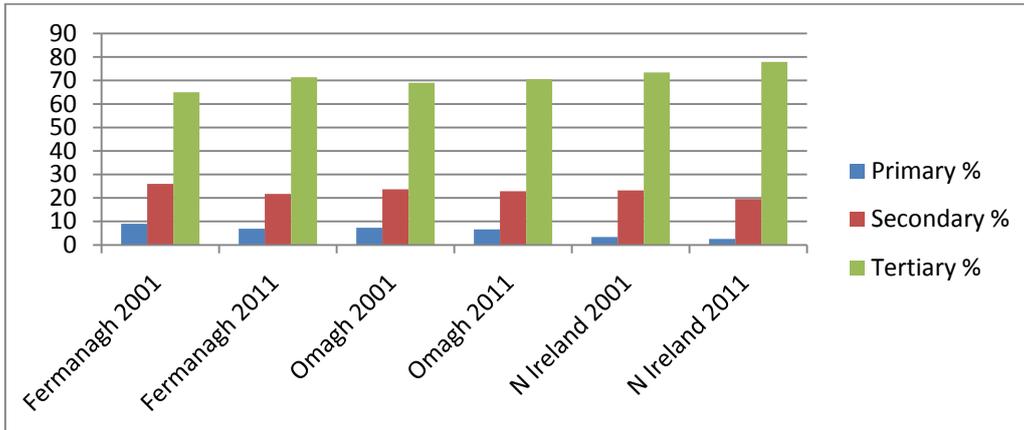
The Existing Employment Base in Fermanagh-Omagh

- 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

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

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

Figure 2: Illustration of Employment Sectors in NI, Fermanagh and Omagh in 2001 and 2011.



Source: Census 2001 and 2011

and an increase in the tertiary sector (Figure 2 and Table 1). Both Fermanagh and Omagh have a higher percentage of employment in the primary sector compared to the regional average reflecting their stronger reliance on agriculture. DARD statistics for 2013 indicate that Fermanagh has the largest agricultural labour force in Northern Ireland, representing 11% of the total NI agricultural labour force, whilst Omagh accounts for 7.65% of the Northern Ireland 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 in Fermanagh and Omagh.

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

3.6 The manufacturing sector in Fermanagh has changed. A number of textile and garment manufacturing firms such as Arkwrights in Lisnaskea and Desmond and Sons in Enniskillen and Irvinestown, have closed due to competition from overseas and cheaper labour markets particularly in Asia. Key industries in the District include the manufacture of cement and concrete products, container glass manufacturing (Derrylin), constructional steel fabrication (Ballinamallard), fine parian China (Belleek), call centre and electronics (Lackaghboy). The cement industry in Derrylin is recognised as an important source of employment for south west Fermanagh and a contributor

to the regional economy. The Tourism Sector also contributes to the local economy in Fermanagh, attracting 365,000 overnight visitors in 2013 with an estimated spend of £58.86 million.⁴

- 3.7** In contrast, Omagh's traditional industrial base has been in the agri-food sector such as the dairy processing industry and agricultural-related activities such as animal feed production. Engineering firms providing plant and machinery primarily for the quarry industry are also important employment providers. However, the main employment sector for Omagh District is within the tertiary sector, primarily the wholesale and retail trade, public administration, education and health and social work. This reflects Omagh town's importance as a major administrative and service centre and provider of educational and health services and a range of government departments.
- 3.8** Overall, Fermanagh-Omagh 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

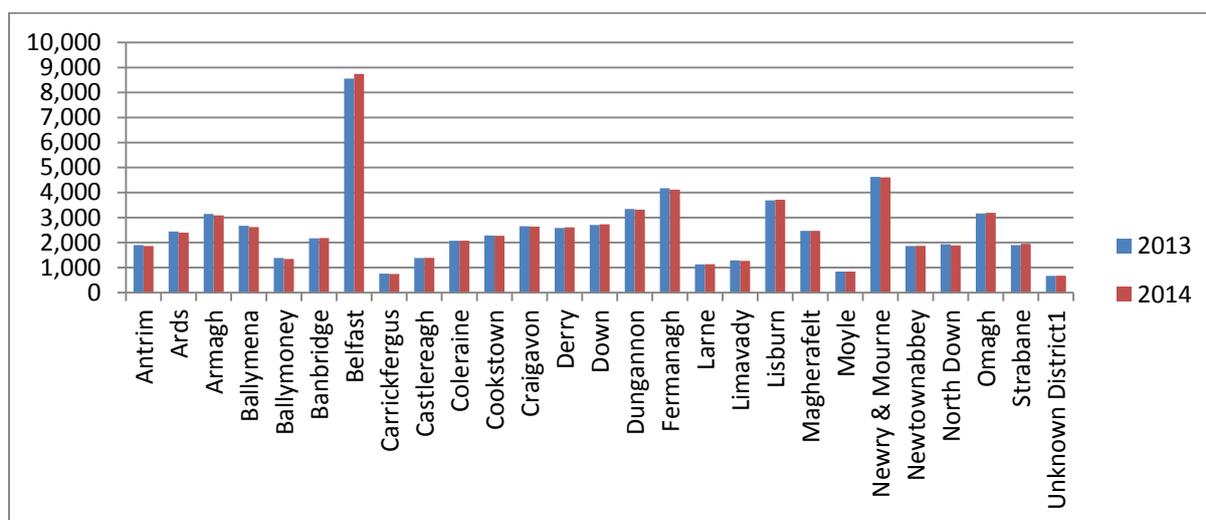
- 3.9** In terms of business stock, as of 2014 there were 7,175 active VAT/PAYE registered businesses in the Fermanagh-Omagh council area (10.6% of the Northern Ireland total). Of this number, 46.2% are in the agricultural, forestry and fishing sectors, the highest proportion of the 11 new council areas and almost twice the regional average of 25% (DETI). This is reflective of the rural nature of much of the new council area. When the production, construction and wholesale & retail sectors are included, the percentage proportion is 74%. The majority of businesses are classified as being micro, employing less than 5 people (85.1%) compared to the regional average 75.6%. 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. The number of VAT and/or PAYE registered businesses in Fermanagh has fluctuated from a peak of 4285 in 2008 to 4115 in 2014. The figures for Omagh follow a similar pattern with a high of 3395 in 2008 to 3190 in 2014.⁵ It is also noted that there has been a higher rate of business deaths in both districts compared to business births post-2008.⁶

⁴ NISRA

⁵ *ibid*

⁶ DETI, Business Demography

Figure 3: No. of VAT and or PAYE registered Businesses Operating in Northern Ireland by LGD 2014⁷



Note: 'Unknown District' – A small number of companies could not be traced to an LGD and these figures have been included in the NI figure.

Economic Activity

3.10 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 DETI (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

⁷ DETI Business Activity Statistics Bulletin VAT and PAYE Businesses Registered in Northern Ireland: facts and figures from the Inter Departmental Business Register Edition 17 25 July 2014

3.11 In Northern Ireland, a total of 402,000 women were economically active in April - June 2014 – an increase of 12,000 during the last year. 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.⁸ In terms of male and female employment over 50% of females in Fermanagh & Omagh 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.⁹ The predominance of females in part-time work is reflected in the 2013 gross average weekly wage for both Fermanagh and Omagh with payment of an overall amount of £334 and £344.30 respectively, woman were paid an average gross weekly wage of £269.90(Fermanagh) and £312.40 (Omagh) whilst men received £402.80 and £407.90.¹⁰

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

| | 1991 | | 2001 | | 2011 | |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 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

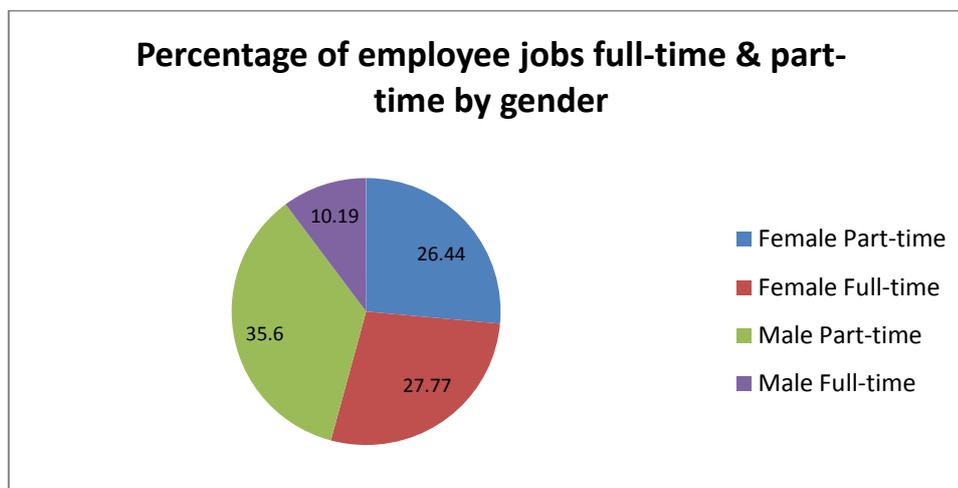
3.12 A significant risk to employment levels in Fermanagh-Omagh is the predominance of the public sector as a source of employment. Both the main towns of Enniskillen and Omagh function as regional service centres with a concentration of public sector jobs within Health, Education, the Police Service 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 Fermanagh-Omagh 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 Fermanagh-Omagh area.

⁸ http://www.detini.gov.uk/women_in_northern_ireland_2014.pdf?rev=0

⁹ DETI Census of Employment 2013

¹⁰ <http://www.ninis2.nisra.gov.uk/public/Theme.aspx?themeNumber=18&themeName=Labour%20Market>

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



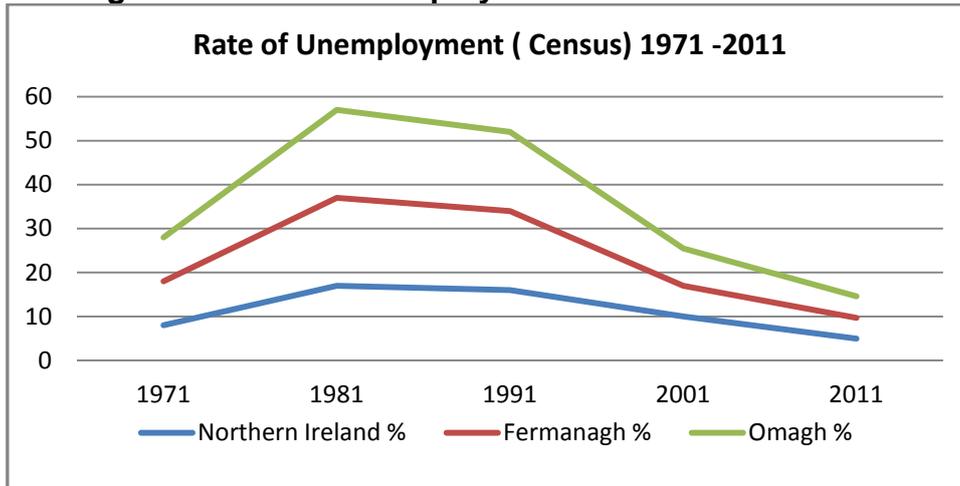
Source: DETI Census of Employment 2013

Unemployment

- 3.13** Fermanagh and Omagh 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.
- 3.14** Figures for unemployment rates are not available at district level and therefore the number of persons claiming benefit may be used as a guide. Claimant count rates suggest that unemployment further declined after 2001 with the lowest rates recorded in the two districts in 2007 being just under the Northern Ireland average (2.1%). Since then, unemployment rose steadily as a result of the economic recession (Figure 6). Monthly claimant figures for 2014 are showing slight reduction in claimant counts with numbers for Fermanagh and Omagh coming in just below the Northern Ireland (monthly) figure. The seasonally adjusted number of people claiming unemployment related benefits in Northern Ireland stood at 52,200 in August 2014¹¹. This translates to claimant counts of 1,773(4.5%) and 1,380 (4.2%) for Fermanagh and Omagh.

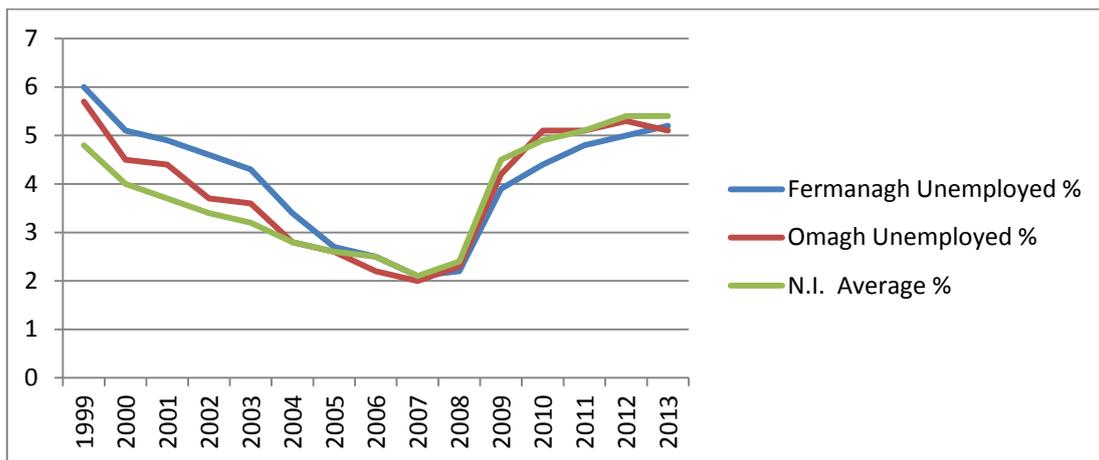
¹¹ http://www.detini.gov.uk/labour_market_report_-_august_2014__final_-2.pdf?rev=0

Figure 5: Rate of Unemployment 1971-2011



Census 1971, 1981, 1991, 2001 2011

Figure 6: Trends in Claimant Count Rates 1999 to 2014*



*Total unemployed by District Council Area for 1999-2013 based on annual averages for claimant counts. Annual average working age rates from 2008 onwards are calculated using the mid-2008 resident working age population. Source: DETI 2014

3.15 Whilst unemployment has fallen from 7.0% (Fermanagh) and 8.5% (Omagh) in 2001 to just below 5% (Fermanagh-Omagh) in 2011, there are localised areas of higher unemployment in the two main towns, for example, Lisanelly (8.5%) in Omagh and Devenish (8.51%) in Enniskillen. Coincidentally, Lisanelly_2 SOA and Devenish SOA rank within the top 10% most deprived areas in Northern Ireland in the 2010 NI Multiple Deprivation Measure.

Skills Profile

3.16 As mentioned in paragraph 3.2, it is anticipated that future economic growth will transition towards more exportable service sectors and if Fermanagh-Omagh 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.

3.17 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.¹² 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.

3.18 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.

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.

3.19 In summary, the main features of the employment situation in Fermanagh and Omagh can be summarised as follows:

- ❑ The level of economic activity in both districts has increased over the 30 year period between 1971 and 2011.
- ❑ Unemployment levels have started to rise again since 2008 following the current economic downturn.
- ❑ Primary sector employment – particularly in Fermanagh - 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.

¹² Oxford Economics: Northern Ireland Economy in Transition: Future Drivers, Challenges, Impacts and issues for Policy Consideration.

- 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 75.6%.
- A significant risk to employment levels in Fermanagh-Omagh is the predominance of the public sector as a source of employment.
- 43% of the population have no or low qualifications levels.

4.0 Renewable Wind Energy, Telecommunications and Shale Gas Extraction

4.1 Areas of work not traditionally associated with Fermanagh and Omagh but have the potential to bring additional economic development to the area, are Renewable Energy Development and Unconventional Shale Gas Extraction. The telecommunications sector is also viewed as having an impact on the potential for economic development and growth.

Renewable Wind Energy

4.2 Ambitious government targets, reflected in the Programme for Government 2011-2015, require Northern Ireland to seek to achieve 40% of its electricity consumption from renewable resources and a 10% renewable heat by 2020. Electricity generated from onshore wind farms has been identified as the most established, large-scale renewable source in Northern Ireland and the main source to achieving this target. Northern Ireland is considered as having one of the greatest wind energy resources in Europe, particularly in the West in Fermanagh and Omagh where the topography, wind speeds and proximity to the west coast line have attracted high numbers of applications for both single wind turbines and wind farms.

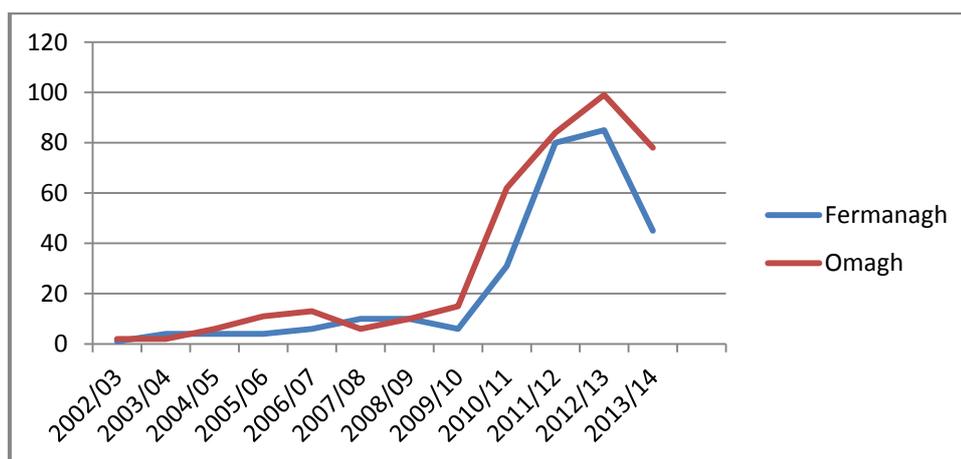
4.3 The economic benefits of wind energy are wide ranging from the potential to have a cheaper source of green energy to being able to sell surplus to the grid as well as opportunities within the industry, this includes, planning, project

development, engineering, construction and maintenance of the turbines. Turbines will also require input from financial and legal services in addition to marketing and administration posts¹³. Wind energy developments have also the potential to provide economic and social benefits for the surrounding communities which are often in areas that are traditionally economically disadvantaged. Community gain payments made by the developers to local communities as recommended by the Fermanagh Trust, can provide much-needed community benefit funds for local community projects.

4.4 The contribution made by Fermanagh-Omagh to renewable energy is illustrated by the number of applications received since 2002. Fermanagh-Omagh's share of the total of 4,415 applications received since 2002 has been 867 - almost 20%. This is the highest proportion of renewable applications received across all the council clusters. Of the 867, 624 (72%) have been decided and of these, 90% (561) have been approved.

4.5 Since 2002, Fermanagh and Omagh have received 20.7% (716) of all applications for single wind turbines. Of the total number decided (501), 88% have been approved. Significantly, this accounts for 15.58% of applications for all types of renewable energy approved in Northern Ireland - the highest of all 11 council areas. This is a result of particularly high numbers of planning applications for single wind turbines received in Fermanagh and Omagh in the period 2010/11 to 2013/14 (Figure 7). The year-to-date figures for 2014/15 suggest an overall decline in the number of applications being received for single wind turbines.

Figure 7: Number of planning applications for single wind turbines received in Fermanagh and Omagh in period 1st April 2002 to 31st August 2013.



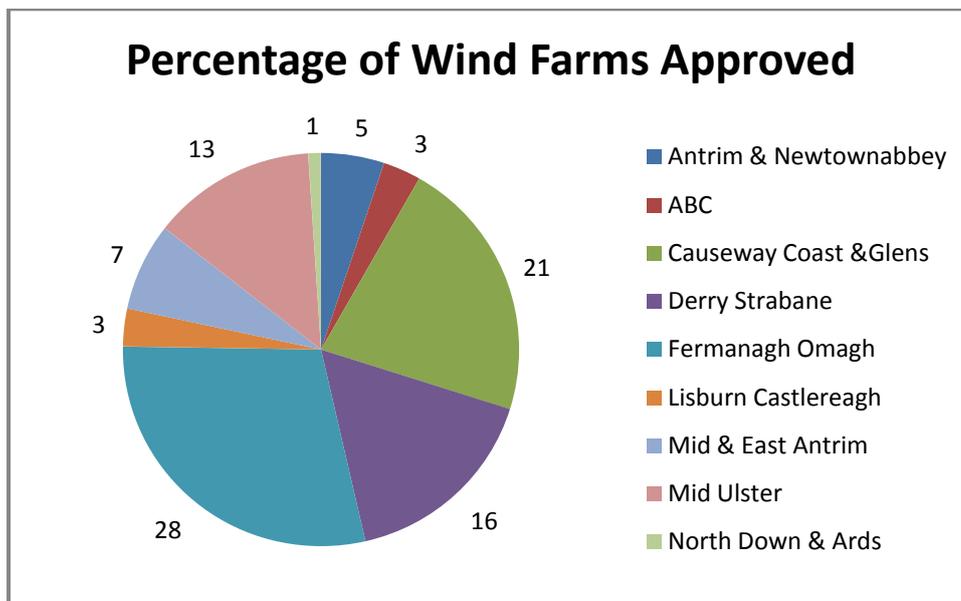
Source: DOE Renewable Statistics

4.6 In the period 1st April 2002 to 31st August 2014 a total of 175 applications for wind farms were received by the Department. Of these, 30 applications were

¹³ ICBAN Regional strategic framework for the Central Border Region 2013-2027, infrastructural supporting document'

in the Omagh District Area and 19 in Fermanagh District which accounts for 28% of all wind farm applications received. Of these, 28 have been approved representing 29.16% of all windfarm applications approved in Northern Ireland (Figure 8). The geographical distribution of these applications is shown in the wind energy maps in Appendix 2.

Figure 8: Proportion of wind farms approved in the period 1st April 2002 to 31st August 2014.



Source: DOE Renewable Statistics

4.7 The concentration of planning applications and subsequent approvals of planning permission for single wind turbines and wind farms in the Fermanagh and Omagh District Council area has provoked a number of outcomes. At present Tyrone has the fourth largest wind capacity in Ireland.¹⁴ One such outcome has been the growth of the renewable energy/wind energy construction and maintenance sector and the need to build the relevant skill sets. This is evidenced by the addition of related training and courses being made available at the South West College in Omagh. It has also been suggested that there has been an increase in Turbine Tourism, bringing interested visitors to the area. The level of local objection to applications for single wind turbines and wind farms has grown, with increasing concerns about the cumulative impact wind energy development in the area.

4.8 However, the much reported economic benefits of the wind energy industry are directly impacted upon by the ongoing issues with Grid Connection. Significant delays in the timescales for receipt of quotes for Grid connection from NIE, alongside the high cost of connecting to the grid has resulted in many projects becoming unfeasible.

¹⁴ Wind energy placing Tyrone back in centre stage, Paul Brogan Ulster Herald, November 20th 2014.

- 4.9** Given the increasing prevalence of wind energy development, in particular wind farms, and increasing concerns regarding impacts on more sensitive areas, consideration should be given as to whether or not the development plan needs to develop a policy on how proposals should be treated in those areas.

Unconventional Shale Gas Extraction

- 4.10** Shale Gas Extraction, also known as hydraulic fracturing and fracking, allows for the extraction of natural gas from hydrocarbon bearing rock. The natural gas is released by drilling a wellbore, and creating fissures in the rock – fracturing- through the high pressure pumping of fluid and a combination of sand, water and a cocktail of chemicals into the bore.
- 4.11** Minerals are an important natural resource and their exploitation / extraction makes an essential contribution to the economy and quality of life, providing materials for construction and other uses, fuels and employment. Planning policy for Minerals is one of the extant policies within A Planning Strategy for Rural Northern Ireland (PSRNI) that has been consolidated and transferred into the draft SPPS.
- 4.12** The key aim of the SPPS in regard to minerals extraction / development is to identify and safeguard workable resources for potential future development and to prevent over exploitation reflecting their importance to the economy and in the interests of environmental protection. It should be noted however that the SPPS indicates that there should be a presumption against the exploitation of unconventional hydrocarbon extraction until the Department, as Planning Authority, is satisfied that there is sufficient and robust evidence on all environmental impacts. Therefore, at this stage, it is not known if applications for this type of development will be deemed to be regionally significant and therefore handled by central government.

Telecommunications – Broadband and Mobile

- 4.13** The NI Executive and the RDS (RG3) recognise the need for modern, efficient telecommunications infrastructure to give Northern Ireland a competitive advantage. The draft SPPS aims to facilitate the growth of new and existing telecommunications in an efficient and effective manner whilst keeping the environmental impact to a minimum.
- 4.14** Northern Ireland's core communication network is of a high quality which is necessary for sustainable economic growth and investment. Access to high speed reliable digital infrastructure is seen to be one of the most important enabling infrastructures in terms of economic development and social uplift¹⁵. The economic and social benefits of advanced telecommunications to Northern Ireland can only be achieved if the necessary infrastructure is

¹⁵ digitalNI2020.com

developed, including the networks of base stations. However, rural deficiencies in both mobile infrastructure and broadband are a reality and a source of frustration to both domestic and business users in many rural parts of Fermanagh-Omagh.

(a) Mobile Infrastructure

- 4.15** Telecommunications has not been devolved to the Northern Ireland Executive but is controlled centrally by the Department of Culture, Media and Sport (DCMS) in London. In October 2011 DCMS announced up to £150m funding to improve mobile coverage and quality across the UK – known as the Mobile Infrastructure Project (MIP). This funding is intended to improve mobile phone coverage for the 5-10% of consumers in areas of the UK where existing mobile network coverage is poor or non-existent through the construction of additional mobile phone masts in uncovered areas, whilst ensuring solutions are compatible with future technological developments.
- 4.16** MIP is time-limited with delivery of sites needing to be completed before the end of the 2014-15 financial year. Of the 80,484 premises in the UK identified by Ofcom as having no coverage, around 15% of these are located in Northern Ireland. It is anticipated that 130 applications will be submitted across Northern Ireland, 16 of which (7 in Fermanagh and 9 in Omagh) will be in Phase 4. However, to date no planning applications associated with the MIP have been received by DOE Planning. The proposed phased roll-out of MIP listed Fermanagh & Omagh at stage 4. As such, at this time ‘Not-spots’ identified by Ofcom as lacking in mobile coverage and quality under MIP have not been addressed.

(b) Broadband Infrastructure

- 4.17** Now considered an important component of business infrastructure, broadband allows businesses to: have sufficient capacity to handle large amounts of business related data; allows for remote working; conference calls and other operations. These all factor into the success of the business in terms of the ability to respond to colleagues, suppliers and customers worldwide speedily, as well as impacting on the economic viability of the business by saving space and money on physical storage and saving on time and travel expenses.
- 4.18** Northern Ireland currently has the best fixed line broadband infrastructure in the UK, in terms of speed and access. However, there remain fixed broadband not-spots in rural areas that need to be addressed.¹⁶ This adversely impacts SMEs which dominate the rural economy, and residential users. The provision of broadband to rural areas through a rural exchange can result in higher costs to the customer and slower access speeds (bandwidth), impacting on business functionality.

¹⁶ ICBAN –Central Border Strategic framework – Infrastructural Supporting Document

- 4.19** The rollout of Project Kevlin, has improved the international telecommunication infrastructure between Northern Ireland and North America and Europe and there are a number of Project Kevlin Hubs such as at the Omagh Enterprise Centre which can access speeds from 10meg to 10gig. Businesses can now avail of low latency, reliable and competitively priced communications to North America and Europe. This international link increases the potential of financial institutions, Internet-enabled businesses, academia, media companies and any other high-bandwidth entity coming into NI and conducting business.
- 4.20** The Northern Ireland Broadband Improvement Project is aimed at providing basic broadband in areas that have no service and to improve broadband service in certain areas where the choice is poor or broadband speeds are low. Some of these are in rural and remote parts of Northern Ireland. The scheme will lay new fibre optic telephone lines from existing exchanges to new small broadband exchanges in remote areas. This will improve telecommunications infrastructure provided by telephone lines. Rolled out between February 2014 and continuing to December 2015, work is planned in different towns and counties at different times.
- 4.21** As set out in the draft SPPS, local development plans should bring forward policies which set out the detailed criteria for consideration of new telecommunications development in its area including siting, design and impact upon visual amenity. Policy may also set out additional requirements on operators, for example, to demonstrate the need for new development and existing network constraints.

5.0 Existing Area Plans in Fermanagh and Omagh

- 5.1** The Fermanagh Area Plan and Omagh Area Plan 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 subdivision of existing or underused industrial premises. Surveys carried out by DoE Planning have identified remaining capacity within the current industrial zonings (Table 5).
- 5.2** In Enniskillen, approximately 36 hectares of zoned industrial land remain undeveloped, on which there are a number of extant planning approvals. This includes 17 hectares at Lackaghboy, 17.6 hectares at Carran and 1.67 hectares at Killyhelvin (Appendix 3 and Appendix 4). 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.

- 5.3** Invest NI has land at both Carran and Lackaghboy Industrial Estates. Of the 23.35 hectares of their landholding at Lackaghboy, approximately 6 hectares remained to be sold or allocated to client companies in 2014. In Carran, around 3.5 hectares of their 26.51 hectare site are considered unusable due to topography/embankments, road, etc. Approximately 8.74 hectares remain to be sold or allocated. Although land may be sold or allocated, it is not necessarily developed. Invest NI have not identified any immediate need for additional land in Enniskillen.
- 5.4** 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 80% (8 hectares) remain undeveloped. In contrast, over 50% of the zonings in Lisnaskea have been developed with 3.92 hectares remaining. Overall in Fermanagh, there are 64 hectares of industrial and mixed business zonings undeveloped.
- 5.5** The Omagh Area Plan 2002 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 52 hectares remaining undeveloped. The majority of this land is located at Strathroy (16.38 hectares), Arvalee (11.18 hectares) and Gillygooley/Drumquin Road (15.93 hectares). In the latter case, further development could be constrained due to flood risk. Therefore, potentially only 36 hectares may remain to be developed in Omagh town.
- 5.6** The most significant sites have been the development of a livestock market at Drumquin Road and a retail park at Tamlaght Road. Delay in the provision of an A5 link road, as envisaged by the Omagh Area Plan, has likely reduced the attractiveness of the zoning at Strathroy. However, this deficiency will be addressed by a proposed highway scheme, including a new bridge, from Beltany Road to Killyclogher as identified in the Sub-Regional Transport Plan 2015. Likewise, the 11.28 hectares 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 address this issue. The 1.94 hectare site adjacent to Leckpatrick Dairies was primarily zoned to allow potential expansion of the dairy which to date has not occurred.

Table 5: Summary of land zoned for industry in Fermanagh and Omagh 2014

| Settlement | Total Area Zoned (Hectares) | Area Developed (Hectares) | Area Remaining (Hectares) |
|--|--|--------------------------------------|--------------------------------------|
| Enniskillen | 56.64 | 20.29 | 36.35 |
| Irvinestown | 10.22 | 1.82 | 8.40 |
| Lisnaskea | 8.51 | 4.59 | 3.92 |
| Enniskillen – Mixed Business Zoning | 18.51 | 3.19 | 15.32 |
| Fermanagh Total | 93.88 | 29.89 | 63.99 |
| Omagh | 83.31 | 30.82 | 52.49 |
| 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 | 34.66 | 59.13 |
| Grand Total | 187.67 | 64.55 | 123.12 |

DOE Planning Surveys 2014

- 5.7** Invest NI holds a total of 19 hectares of land at Doogary and all of this has been sold. Invest NI is aware of the lack of serviced industrial land within Omagh and are actively engaged in identifying suitable land (approximately 12 hectares). As part of this process Invest NI will continue to engage with stakeholders, including Omagh District Council and the Department of the Environment.
- 5.8** 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 PPS4, 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 District, Carrickmore has had the most success with over 60% of its zoning at Termon Business Park developed to date.
- 5.9** 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.

6.0 The Need for Future Employment Opportunities

6.1 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.

6.2 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

6.3 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.

6.4 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.

6.5 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

6.6 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 (2012-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.

6.7 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%**)

Table 6: Estimated number in employment in Fermanagh-Omagh 2015-2030

| | 2015 | 2020 | 2025 | 2030 |
|---|----------------|----------------|----------------|----------------|
| Population Estimate by Year* | 115,339 | 117,833 | 120,003 | 121,544 |
| Population Ages 16-74 (72%) | 83,044 | 84,839 | 86,402 | 87,512 |
| Economically Active Population (66%) | 54,809 | 55,993 | 57,025 | 57,758 |
| The number in employment (less 4% unemployment rate) | 52,617 | 53,753 | 54,744 | 55,448 |
| 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. *2012-based population projections, NISRA | | | | |

6.8 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 2015 and 2030 by applying the economic activity rate of 66% and an unemployment rate of 4% (Table 6).

6.9 By subtracting the number in employment in 2015 from the number in employment in 2030, the total number of additional jobs required between 2015 and 2030 is 2,831. This is much lower than the estimated figure of 4,100 jobs suggested in the Population and Growth paper as this used 2008-based population projections which were largely influenced by net migration. The 2012-based population projections suggest a slow rate of population increase over the decade 2012-2022, the result of a net loss of people due to migration and a subsequent decrease in the working age population.

(c) Model 3

6.10 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 is provided under Model 2.

6.11 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.

6.12 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, DETI

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 | 2,831 | 328 | 2,265 |
| Model 3 | 4,875 | 565 | 3,900 |

- 6.13** 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 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 50 sqm and 1 job per 80 sqm. This included Gortrush and Doogary Industrial Estates in Omagh and Killyhevin 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.
- 6.14** 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. 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 25 square metres floorspace 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.
- 6.15** 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, some **52** hectares of economic development land would be required under Model 2 and **90** hectares would be required using Model 3. In order to build in as much flexibility and choice as possible over the plan period whilst also keeping it anchored, it is recommended that the higher figure is chosen.
- 6.16** 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.

6.17 With approximately 126 hectares of zoned economic development land remaining across Fermanagh-Omagh, there would appear to be no need to identify additional land. However, 16 hectares in Omagh are undevelopable due to flooding (i.e. the Drumquin Road site) and Invest NI requires additional land for their clients. Other sites in Omagh are not yet available to develop due to accessibility issues (e.g. the Strathroy site). 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.

6.18 The final technical supplement which will incorporate updates of the housing, population and economic development papers, will show how this amount of economic development land can be allocated across the settlements. However, according to the RDS, the focus of any allocation of economic development land should be within the main hubs. This does not exclude land zonings in the local towns and villages although normally land is not zoned in villages as prevailing regional policy can facilitate development within and outside village settlement limits.

6.19 In zoning land, a simplistic approach would be to apportion it in accordance with the population size of the main hubs. This would suggest allocations between the two main towns as follows:-

Enniskillen = 41% (based on 2001 population of 13,560)

Omagh = 59% (based on 2001 population of 19,836)

However other options will present themselves once a settlement hierarchy has been agreed. A second option would be to take into account demand. But it is difficult to quantify demand on privately owned sites and the only real indicator of this is Invest NI. Invest NI have indicated that all their land in Omagh is exhausted and this would suggest that a higher proportion of land should be allocated to Omagh rather than to Enniskillen.

6.20 A third option is opportunity. Although it is recognised that the new A5 road will open up land for development to the west and south west of Omagh, it is not appropriate for the Plan to zone extensive tracts of land based on speculation. However, it may be feasible to zone 2 -10 hectares as an opportunity site at an appropriate junction point close to the town.

6.21 A combination of all three of the above approaches – a form of hybrid – would be the preferred option for zoning economic development land but at this stage the Council does not have to finalise anything as the Preferred Options Paper can be used to sound out public opinion and to seek interest from landowners who would be willing to propose that their land could be used for economic development purposes.

6.22 As well as identifying and protecting zoned land and previously developed land for economic development, the Plan may bring forward policies regarding the type or range of economic development uses that will be acceptable within zoned sites and identify opportunities for mixed uses development. It will also be expected to 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.

7.0 Conclusion and Key Findings

7.1 From the research it is clear that both Fermanagh and Omagh have 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 with the cuts in the public sector recently announced, 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.

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

- (i) Fermanagh-Omagh 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. Any plan should try to facilitate growth in this sector. 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 it is advised to opt for the higher figure. The focus of zoning for employment land should be in the hubs which will take the largest share.
- (iv) Land should also be allocated in the local towns having regard to their population and hinterland.
- (v) The Plan should also be innovative in its approach to zonings, recognising the opportunities which future road improvements to the A5 will present for Omagh.

- (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 must be recognised that a development plan's economic zonings will not cater for all future economic growth. Within Fermanagh and Omagh there is a vibrant rural entrepreneurial spirit within the villages and open countryside. It is important that the Plan provides policy 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. Where such a need is required, it should be identified through the Community Plan. If there are firm proposals, the Plan should provide a flexible policy to facilitate them by reserving land through zonings.
- (ix) Given the increasing prevalence of wind development, in particular wind farms, and increasing concerns regarding impacts on more sensitive landscape areas, consideration should be given to whether a policy on wind farm development should be provided in the development plan.

7.3 Finally, it is recommended that the views of members are sought in order to inform how officers should proceed on the following:

1. setting targets and outcomes for job creation;
2. the amount of economic development land which the Plan should facilitate;
and
3. how such land should be allocated across the settlements.

A later paper will follow to finalise the allocations and commence the review of planning policies for economic development.