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15 March 2017

NPF Submissions,
Forward Planning Section,
Department of Housing, Planning, Community and Local Government,
Custom House,
Dublin D01 W6X0

RE: National Planning Framework (NPF) Submission

Dear Sir/Madam

Thank for the opportunity to lodge a submission on this important planning document. This framework comes at a pivotal time in Ireland's history when the country moves out of short term and reactive planning due to the recession and into longer term, more considered thinking. Due to the wide ranging scope of the framework, I will confine my submission to specific topics on which I have knowledge. These are:

- Past planning issues in Ireland;
- Recognition of the role cities play in the international economy in general and Dublin's role in particular; and
- Accounting and planning for infrastructure costs.

By way of background, I am a currently employed as Principal Transport Planner at Auckland Transport in New Zealand and have been working in land use and transport planning in New Zealand and the UK for the past 12 years, but this submission is made in my personal capacity. Due to the nature of my work experience, much of the evidence I cite will be New Zealand based but still relevant to Ireland, particularly given the similarities between the two countries in terms of population size and distribution.

The format of my submission will follow the above topics by way of a discussion followed by a request for a topic to be addressed in the NPF or for further research to be carried out.

1. Past planning issues in Ireland – the need for implementation

Although the 'Issues and Choices' paper references the past failures of the National Spatial Strategy, it is worth highlighting this failure once again and placing it in an Irish planning context as if the NPF is not required to be implemented then it is of no value and a waste of taxpayers' money. I will not provide an exhaustive list of such situations but some pertinent examples are:

- The very limited uptake of the original 1934 Planning Act¹ which led to very few District Plans being adopted;
- A more recent example is the 'Greater Dublin Area Strategic Planning Guidelines' from 1999. These had similar aims to the NSS and the NPF in terms of linking transport and land use planning and to consolidate the growth of Dublin. These were widely ignored as councils were only required to have 'regard to them' as confirmed in a legal case in 2002²; and
- The slow adoption of European Union (EU) law into domestic law and its lack of implementation and enforcement when it is implemented, for example waste and habitat directives which have led to repeated warnings and eventually fines from the European commission³.

An overseas example may also highlight this issue from a different perspective. In 2010 the six local councils and one regional council in the Auckland region were amalgamated into a single unitary authority. This was achieved by the Local Government Act (Auckland Council) 2009. This act required the new council to prepare a 'spatial plan' (since named the Auckland Plan) which covers many of the same topics as the NPF and is a good example of a similar document at a regional scale. The only reference to implementing the act was to require that "*Auckland Council must endeavour to secure and maintain the support and co-operation of central government... [a list of other parties]....in the implementation of the spatial plan*". Not even the subsequent Unitary Plan⁴ was required to even to take the Auckland Plan into account, let alone give effect to it.

Actions requested:

- The NPF in its text and publicity to highlight past planning failures such as the NSS and how this plan will avoid them. This should include its own monitoring and implementation chapter with specific binding targets;
- The plan to be legally binding on public agencies, including government. If this cannot be achieved the plan be scaled back to a research document only. This to be made explicit in the text.

2. Recognition of the role cities play in the international economy in general and Dublin's role in particular

It has become something of a cliché to talk about the age of cities, particularly as over half the world's population now live in an urban area. However, despite this fact, the importance of cities and their benefits can easily be overlooked in countries such as Ireland which have a strong cultural association with rural living. A summary of the advantages of cities is provided by the United Nations⁵ as:

¹ For a full history, see O'Leary S, (2014), Sense of Place, A History of Irish Planning. Dublin: The History Press.

² See McDonald F & Nix J, (2005), Chaos at the Crossroads. Cork: Gandon, pages 36-37.

³ For example, see McDonald & Nix 2005, page 12-13 or www.rte.ie/news/2012/1219/359719-environment-court-fines/

⁴ This is a combined district and regional plan which was adapted under special legislation. See www.mfe.govt.nz/sites/default/files/media/RMA/factsheet-4.pdf for details.

⁵ http://urban-intergroup.eu/wp-content/files_mf/economicroleofcities_unhabitat11.pdf

Cities provide large efficiency benefits, which result in unprecedented gains in productivity and competitiveness. Cities are the centres of knowledge, innovation and specialization of production and services. Cities facilitate creative thinking and innovation. High concentration of people in cities generates more opportunities for interaction and communication, promotes creative thinking, creates knowledge spillovers and develops new ideas and technologies. Cities provide more opportunities for learning and sharing. Cities facilitate trade and commerce by providing super market places...” Others such as Edward Glaeser describe the city as ‘humanity’s greatest invention’ in the excellent ‘Triumph of the City’⁶ where along with the benefits of cities, he explains how in the era of cheap travel and ubiquitous electronic communications more people are choosing to live and work in close proximity in ever greater numbers.

Moving onto the specific role of Dublin which the Issues paper addresses in some detail. While some of the figures quoted such as those in table 4.1.1 are useful, they only paint a partial picture of the role of primate cities in other countries. While it is most useful to compare Dublin with other OECD cities, a wider survey would show Dublin is not unique, particularly when federal countries are included in their constituent parts. For example, Auckland is often cast in a similar light as Dublin and sometimes perceived to be an oddity due to its size particularly when compared to Australia which has a number of large cities. However, if the Australian states were assessed as individual countries (which in many respects they are), they would appear as small countries with one large city in each, similar to New Zealand. To illustrate this, the most recent economic figures⁷ from Australia show that Melbourne has become so important it now accounts for all of Victoria's economic growth, with the rest of the state contributing nothing in net terms. This is not surprising when 70% of the state’s population reside there and higher value jobs have become concentrated in the centre of the city. When viewed from this basis, the role of Dublin as a primate city in a small country does not appear unusual. Other cities which the NPF could reference to highlight the commonality of primate cities include: Paris, Vienna, Athens, Cairo, Jakarta, Prague, Tallinn, Kuala Lumpur, Lima, Budapest, Seoul, Bangkok, Buenos Aires, Montevideo and the Australian states.

Another aspect which could be misleading is the use of percentage of GDP generated in a country. I am not an expert on this topic but am aware of criticisms of the use of GDP as a measure in an Irish context due to the influence of multinational firms. This issue should be noted if relevant in the table. A more useful comparison is the amount of tax paid and/or spent in each region. This would show that the majority of most forms of tax collected in the country is generated in Dublin⁸.

While I cannot find the research at the moment, I have previously read a study which looked at primate cities in small countries and the international role which they have to play in contrast to a large city in a country with numerous urban centres. This should also be noted in the NPF and I will be able to provide a reference to the study if required. As such benefits of primate cities in small countries are frequently overlooked, some possible advantages of Dublin to the rest of the country are suggested below. A research exercise on this basis should be carried out and included in the NPF:

- A large enough labour force to attract high tech and other specialist companies;
- Critical mass to support a large scale airport and seaport to provide international connections for the country;

⁶ Glaeser E, (2011), Triumph of the City. Pan Books: London.

⁷ www.theage.com.au/victoria/melbourne-booms-while-the-rest-of-victoria-wilts-and-itll-only-get-worse-20170307-guslsg.html

⁸ Figures in the following link were gathered in 2010 but are interesting, the NPF staff should be able to access more up to date figures: https://www.ucd.ie/t4cms/Williams_Dublins_Role.pdf

- Provision of professional and specialist services to individuals and firms in the rest of the country for example engineering, legal and insurance services; and
- A potential reduction in emigration – this would be the lesser of two evils as those in rural Ireland who choose to live in a large city will simply move to another (i.e. London) if none is available in the country. This effect is particularly evident in Auckland where emigrants from the rest of New Zealand often choose to settle in Auckland when they return to the country.

As noted above, Auckland plays a similarly dominant role in NZ as Dublin plays in Ireland. It also suffers from 'growing pains' due its rapid growth, particularly in terms of high house prices relative to income (The Economist⁹ has recently judged New Zealand to have the most unaffordable housing in the world, largely due to Auckland's prices) . This has led to some to call for greater investment in the 'regions' through some form of incentives to encourage people and business (particularly immigrants) to settle outside of Auckland. Some see the solution to be decentralisation of government jobs¹⁰ while the government itself has established a little used fund¹¹ to pay people on social housing waiting lists to leave Auckland. It is possible that there will be submissions to the NPF advocating similar policies to support rural Ireland. I have not read extensively on this topic but it would appear that such regional development policies have little chance of success:

- Recent research¹² in the USA based on an extensive study of industries across the country found that subsidies for businesses have little positive economic effect on the states or cities in which they are invested; and
- A recent book published in New Zealand¹³ argues that declining regions should stop trying to emulate the success of large cities and instead focus on their strengths and/or planning for their declining size.

Given the vast differences between house prices, congestion and other quality of life measures between dominant cities and their small city and town competitors, it seems implausible to think that people are merely waiting for an incentive or government policy to convince them to move. The exception would appear to be in a highly centralised autocratic country such as the former Soviet Union. In either case, as this is likely to be a topical issue, the NPF should carry out a literature review of similar policies in other countries and assess whether any have been successful, if so why and how could they be applied in an Irish context. If not, the spatial portion NPF will not be evidence based and much resources will be wasted debating 'Dublin versus the rest of the country' (section 4.2.10 of the Issues Paper).

⁹ www.newshub.co.nz/home/money/2017/03/new-zealand-housing-most-unaffordable-in-the-world-the-economist.html

¹⁰ http://m.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11727669

¹¹ www.stuff.co.nz/national/politics/82578811/twentytwo-people-take-up-governments-5000-relocation-offer

¹² www.citylab.com/work/2017/03/business-tax-incentives-waste/518754/?utm_source=nl_link3_030717

¹³ Spoonley P, (2016). Rebooting the Regions. Massey University Press. I have not read the book but a good summary from respected New Zealand economist Shamubeel Eaqub is at www.stuff.co.nz/business/opinion-analysis/87406844/shamubeel-eaqub-plight-of-regions-hope-v-futility

Actions requested:

- The NPF to state and quantify the benefits of cities in general and Dublin in particular;
- The NPF to provide greater discussion of the role of Dublin in Ireland's economy in comparison to other countries and states. This should include an assessment of GDP or tax collected and spent as measures;
- The NPF to carry out a study of regional development incentives around the world to determine if any are successful and if they are useful in an Irish context.

3. Accounting and planning for infrastructure costs

Assuming that this plan is to be legally binding, it must be backed up by a comprehensive and rigorous evidence base. While this applies to all chapters of the plan, one in which it will be most relevant is the direction for future development patterns and associated infrastructure costs.

I and many other professionals and members of the public have recently been through a contentious debate in Auckland through the Unitary Plan process regarding the relative merits and costs of 'going up or out' (i.e. developing the urban area with greater height/density or expanding it). Unfortunately this debate was largely conducted in the absence of published evidence regarding the relative costs of different forms of development. From my reading of overseas research¹⁴, particularly from Australia and personal experience in large scale residential developments, as a *general rule* it is more efficient to service new development in existing urban areas than to expand into greenfield locations. This is particularly true for transport costs, when viewed over the longer term, i.e. not just the costs of extending road or rail to a development but the ongoing costs that future residents will incur travelling to and from it. For example a recent study¹⁵ (June 2016) in Western Australia found that the cost to government to provide infrastructure including roads, water, communications, power, health, education and emergency services in greenfield sites was AUD\$150,390 compared to AUD\$55,830 in infill sites. While research¹⁶ from North America indicates that streets and pipes can account for over 20% of the purchase cost of a home, for this reason the form of development can significantly affect the cost of infrastructure (i.e. the same length of street/pipe can serve varying numbers of homes for essentially the same cost). I am unaware of similar studies in Ireland but such data is essential to inform future planning and the NPF must be informed by it.

The hidden but increased cost of low density urban expansion has been well publicised in the USA by the Strong Towns group who have characterised it as a 'Ponzi' (or pyramid) scheme¹⁷. This means that local governments accept short term revenue by promoting growth (or accepting infrastructure investment from central government for growth) in exchange for long term maintenance liabilities. When these liabilities grow, further new growth is encouraged to pay for them, this starts a new cycle of growth to pay for the previous rounds of growth which will ultimately overwhelm the local government. Another influential researcher in

¹⁴ As there is a lack of comprehensive New Zealand research, I recommend this recent research from Victoria which provides an up to date literature review. [http://yoursay.infrastructurevictoria.com.au/30-year-strategy/application/files/1714/7546/2887/SGS Economics and Planning - Comparative costs of infrastructure across different development settings.PDF](http://yoursay.infrastructurevictoria.com.au/30-year-strategy/application/files/1714/7546/2887/SGS_Economics_and_Planning_-_Comparative_costs_of_infrastructure_across_different_development_settings.PDF) another frequently

quoted study is: www.crcsi.com.au/assets/Resources/b6e1625f-d90b-433d-945a-6afeff2e42f6.pdf

¹⁵ www.urbanaffairs.com.au/downloads/2016-6-3-2.pdf

¹⁶ Condon M, (2010). Seven Rules for Sustainable Communities. Island Press: Washington.

¹⁷ For an explanation, see www.strongtowns.org/the-growth-ponzi-scheme/

this field is Joe Minicozzi of Urban3¹⁸ whom I have met in Auckland. His firm provides a service which quantifies the costs and revenue within a city of different land uses. It consistently shows that dense walkable neighbourhoods provide higher net returns to local governments when measured on a per acre basis. Ireland is somewhat unusual in that local government is heavily dependent on central government funding and as such has been largely insulated from needing to consider such issues. Any built up liability as a result of past development patterns therefore largely lies with the state. In order to understand the concepts I have briefly outlined, I recommend that the Department engage Urban3 to undertake a study of a representative town or county in Ireland. Understanding the cost of growth from this perspective means that simply investing more in infrastructure is not the solution as the underlying development methodology is short term in nature and ultimately cannot be afforded. Indeed, research¹⁹ would indicate that previous large scale investments such as the USA's investment in an interstate highway system offered a one-time increase in the level of productivity, rather than a continuing path to prosperity.

Related to the issue of planning for future development and associated infrastructure costs, is the issue of previous investments. While some infrastructure is durable and continues to provide benefits for generations, others for varying reasons become a liability. This issue is well documented in the USA where according to the US Department of Transport, the country needs to spend between US\$124bn and US\$150bn a year simply to maintain its existing, crumbling infrastructure network²⁰. The scale of the issue has even made a seemingly dull topic into mainstream news²¹. Recent research²² in New Zealand has analysed local government capital spending and revenue generation over the past century, it finds that *“Long term trends show that there have been two big waves of investment, in 1910-1930 and in 1950-1986. These waves were synchronised across different types of assets. Such investments will ‘echo’ in the future as they come to the end of their useful lives. Understanding these historical echoes will be vital when preparing and planning for significant and costly capital projects. Whether because of these echoes or not, capital investment has been historically low relative to population and income in recent decades. This suggests looming bulge of capital renewals and replacements in coming decades”*. A survey of historical investment in Ireland, particularly during the ‘Celtic Tiger’ years may highlight the existence of similar ‘echoes’ which will be felt in the future.

¹⁸ www.urban-three.com/

¹⁹

www.researchgate.net/publication/4901467_Roads_to_Prosperty_Assessing_the_Link_between_Public_Capital_and_Productivity

²⁰ www.financierworldwide.com/infrastructure-investment-in-the-us/#.WL9dd2-GPIU

²¹ For a humorous take on the topic, see Edward Norton and John Oliver:

www.youtube.com/watch?v=Wpzvaqypav8

²² www.oag.govt.nz/2014/assets/part3.htm

Actions requested:

- Evidence outlining the 'whole of life' costs of infrastructure as a result of different forms of development in Ireland to be published and used to inform the NPF;
- Highlight the importance of infrastructure costs and include them in the monitoring and implementation chapter;
- Engage a consultancy such as Urban3 to demonstrate the economics of development on public revenue; and
- An audit of existing infrastructure to be undertaken and costs projected over the long term to identify potential 'echoes' and to inform the NPF.

I am happy to provide further information on any of the points raised in my submission or otherwise lend my support to this process.

I can be contacted by post at the above address or by email at [REDACTED]

Yours sincerely

Evan Keating