

## 5. SPECIFIC ACTIONS

THE STANDARD APPROACH IN DRAWING UP DEVELOPMENT STRATEGIES IS TO RECOMMEND A RANGE OF ACTIONS TO BE TAKEN. WHILE THIS IS USEFUL IN A SHORT-TERM CONTEXT, GIVEN THE DYNAMIC NATURE OF THE DEVELOPMENT PROCESS THIS APPROACH IS ONLY VALID FOR THE PERIOD OVER WHICH THE ECONOMIC AND SOCIAL ENVIRONMENT REMAINS UNCHANGED. IN THE MEDIUM TERM MANY OF THE RECOMMENDED ACTIONS WILL NO LONGER BE APPROPRIATE

This would then create a need for a new development strategy to be drawn up. In order to overcome this problem this report takes an innovative approach, which allows the County Council to react to changes in the economic and social environment. While the innovative dynamic approach will help prioritise actions taken by the County Council it is nevertheless worthwhile to consider some specific actions that emerge from our analysis.

These are highlighted briefly in this chapter. Firstly the various economic sectors are considered, followed by an outline of action needed in Land Use and Planning, the Development of a Skilled Labour Force and R&D and Infrastructure. Finally the social and recreational capital and branding and promotion of the county are considered.



## 5.1 ECONOMIC SECTORS

### 5.1.1 AGRICULTURE, FORESTRY AND FISHING

Forestry and Fishing are relatively small sectors in the county, but agriculture is particularly important. However, it is too simplistic to consider agriculture as one homogenous sector, since quite different types of enterprises exist under the heading agriculture. The premier sub-sector in Kildare is the racehorse industry, which apart from being directly part of the agricultural industry in the breeding of horses, has important related activities in the services sector. However, the industry has earned its reputation from the breeding and training of horses.

Overall this industry is clearly world class and must be supported as such. Already, efforts are underway to integrate the industry through the provision of various training facilities and schemes, which will not only ensure the professional running of the industry within Ireland, but will also allow the industry to expand internationally. This is an important niche where the local industry has a significant advantage not only nationally but also internationally, and as such these developments should be supported strongly. While the race horse industry is a significant industry in the county, there is scope to diversify into the related sports horse industry which, given the proximity to Dublin, could be integrated with show jumping, eventing and general equine leisure activities.

Another area for development is in the horticultural area where value added is higher than in many traditional agricultural enterprises. Here the proximity to Dublin, the key market is particularly opportune. Especially, there is significant scope in horticulture in the metropolitan area where it is becoming more difficult to run traditional enterprises.

In contrast traditional agricultural enterprises such as sheep breeding and tillage are still very important in the rural areas especially those further away from Dublin. The trend for these enterprises is a decline in full time employment, which of course has important implications since in the absence of alternative employment developments in rural areas means that either unemployment will rise, the level of commuting will rise or individuals will migrate away from these areas. Neither trend will help rural areas in the long run.

In general the agricultural industry has an important role in preserving and improving the natural environment, and as the focus of agricultural policies shifts away from promoting production, there will be a greater focus on environmental issues, which of course can help in stimulating other enterprises such as tourism and nature based recreation activities.

#### SPECIFIC ACTIONS:

**Facilitate the efforts of the race horse industry to generate training facilities,**

**Assist in the diversification into sports horse production and related leisure activities,**

**Facilitate horticultural developments**

**Facilitate the racehorse industry to spread to the southern parts of the county**

**Protect the natural environment.**





### 5.1.2 MANUFACTURING

As with the agricultural sector, manufacturing is a very heterogeneous sector, which must be reflected in the strategy. On the one hand there are high-tech businesses including a number of bigger multinationals, while on the other hand there are many firms in the more traditional sectors. In general, the more high-tech sectors are likely to have the brightest future and so it is important to facilitate these firms. In general Irish industrial policy has been particularly targeted at these firms, but an alternative industrial strategy focusing on developing high-tech businesses out of traditional sectors has been successful in countries such as Denmark. As competition for FDI is increasing internationally, it is possible that Ireland will attract a smaller share of that investment which suggests that there should also be a focus on the indigenous firms and more traditional sectors.

For the established FDI high-tech firms a new approach is necessary. These firms expanded rapidly in the 1990's, which at the time meant that facilitating the expansion was important for these firms. As these firms are now consolidating their focus has shifted from expanding production to making their production more cost effective and developing new products so that they can maintain and expand their market share in markets that are not expanding fast. A range of costs is important to these firms, and while wage costs are beyond the scope of this strategy, a number of costs that arise locally are important, and these will be dealt with below.

It is important to embed the existing high-tech businesses so that they do not become 'footloose'. This can be achieved on the one hand through keeping costs competitive. On the other hand firms can be embedded through the creation of a network of firms where these interact in product development. Furthermore, businesses can be embedded through the staff that work there. In general the attraction and retention of skills within firms is perhaps the most important consideration for high-tech business and any policies that can support this will help embed the firms. Again this is dealt with below.

Cost issues are also key criteria for firms in the traditional sectors. Those that are particularly labour intensive, especially if this labour is of a relatively low skilled type, will become less competitive as Ireland has become a high wage economy.

In contrast capital intensive industries certainly have little disadvantage relative to many competing countries.

One cost that is entirely locally determined is the level of commercial rates. These have risen over recent years even though they are a small proportion of the firms' costs.

An issue that is often ignored in the analysis of manufacturing is that regardless of whether firms are in the high-tech sector or the traditional sector, different functions are carried out within the firm. Thus, one can identify the strategic management functions, basic administrative and accounting functions, marketing, logistics, production and research and development. While the overall operation of a firm might not have great prospects in Ireland, perhaps because it is a labour intensive enterprise, the other functions might still be highly profitable in Ireland. Ireland is competitive for the service functions that take place in manufacturing businesses and indeed this should be the target for industrial policy. Particularly the headquarter activities and other related strategic functions like Research and Development (R&D) are much sought after. Kildare has a number of advantages in this respect, being close to Dublin, well connected with transport links and already possesses some of the facilities that should appeal those involved in headquarter and R&D activities.

#### SPECIFIC ACTIONS:

Facilitate networking between firms

React quickly and effectively to expansion plans  
(be prepared)

Make sure rates are value for money

A simple  
prescriptive approach will  
outdate quickly.

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### 5.1.3 MARKETED SERVICES

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Service activities that take place within manufacturing businesses have already been dealt with above so we concentrate here on those businesses that are engaged solely in services activities. Within the services sector we can distinguish producer services (basic and advanced), consumer services (retail and personal services), tourism, and public services. The latter is not considered here.

Advanced producer services such as legal, accounting and marketing generate high value added and consequently high wages. Their activities rely heavily on the skills of staff which of course is strongly related to the effectiveness of the education sector which is discussed below, and the general suitability of Kildare to attract and retain skilled workers. While advanced services are the most desirable sub-sector the locational requirements of this sector are quite high. As few locations possess the necessary factors firms of this sector tend to cluster in a few locations and particularly in city centre location from where they can serve a wide market, which is often national or even international. The reason for this is that they rely on personal contacts and social interaction for their innovative solutions. Recent research has shown that established firms are unlikely to move out of city centre Dublin, but new firms, particularly those coming from abroad might be willing to consider Kildare as a potential location since they can cluster in close proximity to some of the world's major multinational enterprises.

Retail and personal services are important in any economy, since with rising incomes individuals desire a higher quality retail environment. In most developed countries shopping is becoming an important pastime and clearly for Kildare to be attractive to high skill individuals this aspect of the county needs to be right. Currently, a substantial proportion of the day to day shopping by Kildare residents is carried out within the county. However, a significant proportion of shopping for more irregular purchases is done outside the county, primarily in Dublin city centre and the large shopping centres such as Liffey Valley, Blanchardstown, Tallaght and Dundrum.

Clearly it is necessary to develop a quality shopping environment in Kildare. In doing so the distribution of the population must be an important consideration as must be the proximity of competing shopping developments such as the Liffey Valley centre. In this respect Maynooth, Naas, Newbridge and Athy appear particularly suitable locations for retail developments.



Tourism is an important industry in Ireland. However, this sector appears to be underperforming in Kildare with just 2% of the national hotel beds being located in Kildare. Nevertheless some of Ireland's premier hotels are located in Kildare. At the moment the most recognisable product in this sector is the Golf Breaks product, centred around a number of world class golf courses. Overall this industry could be better integrated with the other attractions of the county such that a more recognisable product is available.

#### SPECIFIC ACTIONS:

Help in attracting advanced producer services

Create a quality shopping environment

Integrate the tourism industry with other activities such as equine industry

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### 5.1.4 BUILDING & CONSTRUCTION

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This sector, while being one of the key drivers of growth over recent years, is likely to suffer a decline in demand in the medium-term. This raises the question as to how this decline can be managed. Many of the workers in the sector have limited alternative skills so that they cannot easily be absorbed by other sectors.

## 5.2 LAND USE

Land use planning is one of the key functions of the County Council, and this function is of vital importance to the economic future of the county, since it determines the location and quality of new development. From a strategic perspective it is important that locations that have the highest potential for the attraction of high-tech, high-value added and research intensive activities be identified and ring fenced for just those developments. Of course, the County Council has to cater not just for these high-tech sectors but for the wide range of business, residential, and infrastructure developments.

### 5.2.1 RESIDENTIAL DEVELOPMENT

Residential development should as far as possible locate in the urban centres in order to strengthen the critical mass and thus the agglomeration economies of the urban centres in Kildare. This will also be more sustainable in terms of transport developments.

One of the biggest issues among Kildare residents is the availability of facilities. Here a wide range of facilities can be identified. These include recreational facilities, schools and childcare. The latter is particularly important since female labour force participation is increasing.

#### SPECIFIC ACTIONS:

**Channel residential housing developments to the urban centres**

**Develop facilities in advance of housing development**

### 5.2.2 HIGH-TECH, HIGH-VALUE ADDED SECTORS

There are only a few sectors such as advanced producer services, and high end activities associated with high tech manufacturing (e.g. research and development or headquarters) that will further add to the economic power of the county. However, these types of sectors have very high locational demands, such that even in a county like Kildare, very few sites exist that would be suitable for the development of these most productive sectors, since these tend to prefer City Centre locations (i.e. Dublin city centre) and tend to cluster with other businesses that are equally advanced. The few sites that are suitable for the development of clusters of these sectors should be identified and should be preserved for these activities.

#### SPECIFIC ACTIONS:

**Identify and protect the few suitable sites for high-tech development**

### 5.2.3 OTHER SERVICES AND RETAIL

A high quality environment is required to make Kildare attractive to the higher skilled worker. In general a wide range of services underpins a modern economy. With an increasing population and production activity a wider range of services can be sustained in county, which will automatically add value to the county. However, it is important to consider the geographic distribution (local competition) for these enterprises since if they are located too close to competition they will not be profitable as would be the case if they are located too far away from their customers. There is scope for retail developments in the North, Centre and South of the county corresponding with the larger urban centres.

#### SPECIFIC ACTIONS:

**Concentrate new retail developments into selected sites**

#### 5.2.4 BUILT ENVIRONMENT

Apart from determining the location of development the other important function of the County Council is to control the nature of what is being developed. Increasing awareness of our built environment among the general public but particularly among the highly skilled means that the quality in terms of appearance and fit with the existing environment needs to be considered. Over the recent past much of the development appears to have been driven by the need to satisfy the demand for housing. This has resulted in many impersonal developments of a large number of identical houses, which are often out of context with the area in which this development has taken place. The County Council can control the appearance of developments and it should exercise this function strongly, and if required support it through local by-laws

##### SPECIFIC ACTIONS:

Ensure that the appearance of developments fits with the existing environment and is of the highest quality

Discourage impersonal monocultures

#### 5.3 EDUCATION, HUMAN CAPITAL AND R & D

As was mentioned above, the attraction and retention of skilled workers is a key consideration for firms. An important aspect of this is the level of human capital, which is acquired through experience and importantly through education. While the County Council is only connected to the education sector through the Vocational Education Committees (VECs) and its planning function it can nevertheless use its influence to facilitate some simple but effective initiatives.

Overall, the aim must be to raise the average level educational qualifications of the population since this is the key to moving up the value chain of industrial development as well as being the key to secure and well paid employment of the population.

As the deficit of key skills in the labour force grows it is not sufficient to raise the average level but one must also improve the composition of qualifications. Specifically, there are shortages of people with natural sciences, engineering and information technology qualifications. These shortages are related to the poor take up of science subjects at Second Level and thus, it is generally accepted that interventions must occur at an early age. One way in which the County can facilitate this is by organising a jobs and education day, once a year (perhaps late autumn) where employers can showcase their organisations and show pupils of the secondary schools what qualifications are in demand, what types of jobs will be available and what remuneration can be expected. Furthermore, education institutes (particularly NUIM) can give information to pupils at this event. The County Council should be in a position to facilitate networking between schools and firms directly, since some firms possess facilities that might be of use for educational purposes but are not available in schools (e.g. high tech labs).

Similarly, the County Council should encourage links between schools and the National University of Ireland at Maynooth. Here again, the university can facilitate schools through access to facilities and the university can showcase its expertise to pupils who might be interested in studying at NUIM. Finally the County Council should facilitate networking between NUIM and firms, which should be beneficial to both as the university has a high capacity for research and development. Overall the County Council should partner with national, regional and local agencies in order to stimulate interest among the young population towards sciences and to foster innovation.

##### SPECIFIC ACTIONS:

Take a central co-ordination role

Organise a jobs and education day

Facilitate links between firms and schools

Facilitate links between schools and NUIM



## 5.4 KEY INFRASTRUCTURAL INVESTMENT

### 5.4.1 TRANSPORT

Transport is a key consideration for many firms and given the high level of commuting from Kildare to Dublin is also of utmost importance for the labour force in Kildare. In general, Kildare is well served by transport links but with growth in economic activity and the population these links are now subject to significant congestion. Obviously the capacity of the existing network of transport links must be upgraded. Some of this work is already underway but in the absence of changed behaviour the extra capacity will soon be used up again. Furthermore, the interurban links apart from those that are part of the national road system or the rail system are inadequate.

Overall, the aim must be to reduce the overall level of commuting, through the growth of local employment. However, since this will take time, the first priority is to reduce unsustainable transport patterns, increase public transport usage and thus relieve congestion. In this respect it is important that convenient and acceptable alternative modes of transport are made more attractive. For example the rail connections can be made more attractive through the provision of Park and ride facilities.

As was mentioned above, headquarter and other strategic activities of firms can support the goal of moving up the value chain. However, these have a high locational requirement especially with respect to access to international connections in particular the airport. While congestion means that Dublin airport is now no longer within easy reach of Kildare, the Westen facility does provide an opportunity to land small business aircraft and helicopters, which might facilitate direct access to Kildare and add considerable value to economic attractiveness.

#### SPECIFIC ACTIONS:

- Continue the upgrade of the main road arteries
- Improve the inter-urban non national roads
- Urgently facilitate park and ride facilities

### 5.4.2 WASTE

Waste disposal is becoming an increasing problem for firms as well as individuals. As government policy has changed towards cost recovery and more stringent regulations have come into force waste disposal costs to individuals and firms have increased. Thus, the costs to both firms and individuals has increased, and indeed the increases have been in excess of those experienced in other countries where cost recovery and higher standards in the facilities have been practiced for some time. Apart from the cost issues, actual disposal is becoming a problem particularly for hazardous waste. This is important for many sectors but particularly for the pharmaceutical industry. This requires urgent attention since the existence or absence of facilities to dispose of this waste is an important consideration in the location of firms.

#### SPECIFIC ACTIONS:

- Expand waste capacity especially in terms of hazardous waste facilities
- In as far as possible keep waste disposal fee increases in line with inflation



### 5.4.3 WATER & WASTE WATER

The recent growth in terms of economic activity and population has increased the demand for water. Increasing per capita demand for water has exacerbated this trend. Consequently, the amount of wastewater that is produced and needs to be treated has increased also. This has meant that there is little spare capacity to deal with additional development. Clearly, this needs to be addressed to create strategic capacity for both industrial development and residential development. Where this capacity is created is also important. For example one could consider creating it in areas, which have not benefited as much from the recent growth. This would channel any new investment that is heavily dependent on this infrastructure into these areas, of course at the risk of this capacity not being used for some time. Apart from being able to meet the demand for water it is also important to ensure security of supply since broken water mains could result in the shut down of individual firms until the fault has been repaired.

#### SPECIFIC ACTIONS:

**Expand the capacity of the water supply system**

**Expand capacity of the waste water treatment system so that some strategic capacity is available to meet the demand from potential new investment**



### 5.4.4 ELECTRICITY

Some firms are heavily dependent on the supply and price of electricity. While there may appear be no specific problems in relation to electricity other than the high price, which is out of the control of Kildare County Council, the capacity of the electricity supply system may impinge on possible future developments. As such the County Council will need to identify the likely future demand for electricity given the development plans and given the impact any constraints in the electricity supply system may pose to future developments, it is important to monitor the capacity of the system and plan well ahead to remove any potential constraints.

#### SPECIFIC ACTIONS:

**Identify potential capacity constraints**

### 5.5 SOCIAL & CULTURAL CAPITAL

A modern county that seeks to attract and maintain a highly skilled population needs to ensure that a diverse range of activities is available since the type of workers that work in the high-tech sectors are often very active and will expect to find such facilities locally. Otherwise, they may not reside in the county even though they might work there, which has implications for the demand for transport but may also lead to these workers seeking employment elsewhere. While many facilities are available throughout the county other facilities are perhaps not as well developed or only available in a few areas.

#### SPECIFIC ACTIONS

**Increase and improve the range and quality of social and cultural facilities**

**Ensure that there is a balance and range of facilities sought by skilled workers and their families.**





## 5.6 BRANDING & PROMOTION

The promotion and branding of the county is also an important consideration. Currently, the county is best known for the racehorse industry and particularly its race courses and more recently for hosting the Ryder Cup. Kildare is also in the news from time to time in relation to commuting problems and traffic congestion. Most people who travel through the county are not even aware that they are in Kildare, since unlike for other counties, road signs that indicate to the traveller that they are entering Kildare are absent. Furthermore the quality and consistency of signage throughout the county is poor or even misleading. This might damage the image of the County in the long-run, which clearly needs to be counteracted. Important opportunities to promote the county are actually quite varied. For example a number of major sporting events take place in the county. Furthermore, major exhibitions and cultural events take place in the county. All these events are a perfect platform to promote the county to a national and international audience.



### SPECIFIC ACTIONS:

Promote the County at the major events taking place in the County

Consider ways to broaden the branding of the County

Promote the county at selected international events, particularly those relevant to attracting skilled labour and investment. .





Globalisation is reducing national differences, thus increasing the role of local factors

