

Supporting Economic Recovery and Jobs — *Locally*

Sectoral Strategy of the Local Government Sector to Promote Employment and Support Local Enterprise

Executive Summary

Local authorities have an important role in identifying infrastructural and other deficits and providing much of the physical infrastructure essential to support enterprise and promote employment. They deliver essential services to business and are geared to respond to the needs of local communities, employers and entrepreneurs speedily and efficiently.

The sector is acutely aware of the need to assist in the response to the jobs crisis at the local level, and assist and network with other agencies in the delivery of their responses to the crisis at the local level. Local authorities have been engaged in promoting local economic development for many years, and this Strategy sets out the measures being implemented and planned by the sector under Action 6.5 of the *Action Plan for Jobs*.

Local authorities engage with local enterprises based on local needs and opportunities. The sector has published a key report on business supports across all authorities. This includes a database of best practice for use by all local authorities in the development, in consultation with local business and other stakeholders, of their supports for enterprise and employment and complementary Strategies at local level in support of the *Action Plan for Jobs*. As Local Enterprise Offices (LEOs) are created in local authorities, the capacity of the sector to support local businesses and deliver national policy in support of micro-enterprises will be enhanced.

Costs are being contained in the sector, and the delivery of efficiencies is being intensified, which will contain and reduce the impact on the business sector through commercial rates. Giving advice on how other local charges (water, waste) can be minimised is seen as an important service to local business, as is providing advice and support to SMEs to engage with the changing procurement processes in the public sector, worth €14bn overall.

Improved alignment of the community and local government sector, along with the forthcoming reform of the local government sector, will provide additional opportunities to further develop and utilise untapped potential from within local communities and to refocus on community based economic development and business support, as well as broader social inclusion initiatives.

Economic development and economic promotion will continue to be central to the delivery of the other functions under the remit of local authorities, and the sector will sharpen its role as focal point for local development, in collaboration with all other relevant agencies.

Local authorities are very active in promoting the commercial and enterprise interests of their areas, working with other State agencies and local business in e.g. the tourism, arts, heritage and culture areas, and through the maintenance of a high quality of life and the attractiveness their areas to support investment decisions.

The importance of supporting and promoting innovation in business is recognised, including supporting research and strategic manufacturing clusters and the development of innovation hubs. This requires engagement with the other State actors, such as the third level sector, and business, and is further developed in the Strategy.

The sector has been active for many years in support of labour activation measures, and will be active in delivery of the targets in *Pathways to Work*.

Development of the Green Economy provides an opportunity for business to reduce costs, improve their environmental performance and engage in the shift to a new economic paradigm. Local government will be part of the network of assistance to business and industry in delivering this, including through action under the green public procurement action plan, *Green Tenders* and *Our Sustainable Future – A Framework for Sustainable Development for Ireland* which is underway and sets out the range of environmental, economic and social measures required to move these agendas forward from vision to reality. Enhanced environmental protection will continue to underpin the agri-food sector and secure down-stream employment.

Effective action under this Sectoral Strategy and in response to local needs will come more to the fore with forthcoming changes to the funding model for the sector, including the proposed Property Tax.

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Action Plan for Jobs – Action 6.5

Develop a new sectoral strategy to promote employment, and support local enterprise by Local Government, to include measures in the area of business charges, local enterprise and business support arrangements, procurement support, local development and community based initiatives, the Green Economy and local government participation in employment support schemes. These measures will complement, and assist in the delivery at a local level, of other actions set out in this Action Plan.

1. Draft Strategy

- 1.1. Government has committed to adopting annual *Action Plans for Jobs* with the stated aim to have 100,000 more people in work by 2016 and 2 million people in work by 2020. There are over 270 distinct actions identified to be delivered in 2012 across all Departments of Government and more than 36 agencies of the State. Each action has an identified lead Department or Agency that is responsible for its delivery.
- 1.2. As the second tier of democratic government, local authorities have a special role in the furtherance of national objectives at local level and in sponsoring, developing and implementing approaches based on local needs. As such, local authorities are multi-functional agencies that deliver services on behalf and in support of a number of Government Departments. Local government is the primary vehicle of governance and public service at local level, delivering efficient and good value services to people, performing a wide range of appropriate functions, and representing citizens and communities, as effectively and accountably as possible.
- 1.3. The Government's broad policy approach to local government is set out in the Programme for Government which provides a wide agenda for reform and development, including aligning community and enterprise functions with the local government system. The Local Government reform agenda will ensure that local authorities will be well placed across the breadth of Government to continue to effectively deliver services that assist and sustain local economic development and to intensify their developmental role to support economic recovery.
- 1.4. This agenda includes the major efficiency agenda which has seen local services to business being maintained alongside reductions in revenue expenditure between 2008-2012 by local authorities of €736m (14%) and staff reductions of 8,250 (22%). Implementation of the *Local Government Efficiency Review Report* has generated €195.5m in savings through efficiency measures in 2010-2012 to date, and further implementation of the Report is focused on identification of opportunities for shared services, including ICT services, implementation of a shared HR/Payroll system and integrated procurement. This development of shared services will contribute to a more efficient local government system and a better service to citizens.

- 1.5. The broader reform agenda is being developed also in the context of the changing face of funding of local authorities, including the introduction of the forthcoming Property Tax. These changes make it necessary for local authorities to be more responsive to local needs, including in relation to economic development and support for jobs in the community, and to demonstrate that they are delivering high-quality services in an efficient manner.
- 1.6. This strategy document offers an overview of local government's capacity and ability to stimulate enterprise and growth. The primary purpose of this Strategy is to activate the local authority sectoral elements of the *Action Plan for Jobs*, by identifying those actions where local authorities have direct responsibility alongside those actions which cannot be progressed without the strong sectoral involvement and collaboration, and to provide a framework for the local authorities to develop their own local strategies in support of the Strategy. It is clear that action by local authorities has the potential to make an important contribution to achieving the targets of the *Action Plan for Jobs*.
- 1.7. A secondary purpose of the document is to increase awareness among stakeholders of the existing and further potential role of local government in the economic areas. The document showcases the considerable experience and unique capability of local authorities in the area of economic development, jobs support and creation. Leading examples included here are used to highlight the range of activities undertaken in 2011, although many of these have continuing application. They are drawn from a cross-section of local authorities, both urban and rural, and are representative of more detailed analysis being prepared. All local authorities are devising innovative responses to the jobs challenge, with projects tailored to meet local needs. These are developed and progressed in consultation with business and other local interests.
- 1.8. The Strategy document is also intended for use by local authorities as a blueprint to assist them in drawing up their own local plans to realise sectoral objectives. These will be developed at the level appropriate to their local circumstances (across the authority, at a more local level, thematically etc.). It is important that outputs and outcomes can be measured on an annual basis to ensure that progress can be reported on in a meaningful way.
- 1.9. Implementation of the Strategy will include further work by the CCMA Enterprise Strategy Working Group (see paragraph 2.5 below) and through the development of local strategies reflecting the specific circumstances of each local authority (see paragraph 3.4 below). These will deliver national policy priorities in the enterprise field at the local level, with a focus on ensuring added value, while continuing to avoid overlap with enterprise support delivery by national agencies.
- 1.10. The development of the local plans to implement the *Action Plan for Jobs* will require consultation with local stakeholders and will need to be agreed by the elected members of the council.

2. Local Government and Economic Growth

- 2.1. Local authorities play a central role in supporting economic development and enterprise at local level. They do this in a number of ways, including through their capital and current budgets, infrastructure provision, undertaking socio-economic research and analysis, physical and economic planning and development and the provision of goods and services as well as community infrastructure. They are also a key agent for delivery locally of national policy objectives,
- 2.2. The role of local government is *fundamental* to enterprise support and economic development at a local level. Core functions include planning and development and the provision of local infrastructure, including transport and water infrastructure, which is vital for enterprises. Similarly, the protection of the landscape through planning services and environmental assets (through water, waste and litter services) of a destination are integral to the tourism offering, protection of the environment is crucial for Harvest 2020, and maintenance of a high quality of life and the attractiveness of cities, towns, villages and other locations is important for investment decisions by both foreign and domestic business investors. Furthermore, local authorities directly support employment and economic activity when they invest in infrastructure. The Development Plan is a pre-requisite which underpins economic growth and employment. Equally local government support on the ground is critical to the success of initiatives ranging from support for FDI and micro-enterprises, to rural broadband or major investment in wind farms and the green economy.
- 2.3. Uniquely, local government is part-funded by the local ratepayer. As a result, local authorities have a very considerable incentive to support and grow the local economy, in liaison with the local business community and using available local expertise from within this community. Local authorities are well placed to capitalise on local assets and capabilities to act as an engine for growth and to enhance the attractiveness of towns and counties to live and work. For example, in collaboration with national agencies, they set up business parks and incubation units, support pop-up shops and local markets, invest in tourism capital in tourism attraction projects, streetscapes and village renewal schemes.
- 2.4. Local authorities are best placed to promote their counties as places to work, and to offer direct support to labour activation schemes. They also leverage local expertise to tailor national initiatives to meet business needs. Such efforts include supporting business networking events, establishing sporting and tourist heritage facilities, developing and driving a host of local festivals and events that support employment.
- 2.5. The County and City Managers' Association (CCMA) Enterprise Strategy Working Group is leading the work on behalf of the sector in the development of the jobs strategy. Actions undertaken to date together with a framework for delivery are set out below. A timeframe for delivery is attached at **Appendix A**.
- 2.6. A further objective of the Sectoral Strategy is to maximise cohesion across local authorities and to ensure that local authorities are mutually supporting.

Such mutual support can be developed in a number of ways, including at a regional level. The focus should be on putting mutual supports in place to help maximise cohesion across local authorities, address common development issues and prioritise collaboration where this can lead to added value.

3. Supporting Local Enterprise

- 3.1. A wide range of measures and support/promotional structures are already in place across the local government system to engage with local business and to encourage enterprise. Practices can vary depending on local circumstances, needs and opportunities.

- 3.2. In this context, the CCMA Enterprise Strategy Working Group has sought to identify leading examples with the objective of drawing these together into an enhanced and coherent system of interactions with business. Issues considered in developing best practice models included –

- key deliverables for enterprise support,
- the means of engagement with businesses and key stakeholders at local / regional level,
- the structure and functions of Business Support Units,
- engagement with national and local State or State-supported entities (e.g. Enterprise Ireland, LEADER Companies),
- the structures for accessing the range of council services relevant to starting up, maintaining or growing a business,
- the proactive promotion of networking opportunities, and
- the promotion of local authority business support activities at local level.

Illustrative Example 1: In conjunction with South Tipperary CEB, **South Tipperary** County Council supported the establishment of a PLATO network in the 2010 – 2012 period. Established between two parent companies in South Tipperary – Coillte Panel Products and Johnson & Johnson and the local SME sector drawn largely from South Tipp CEB clients.

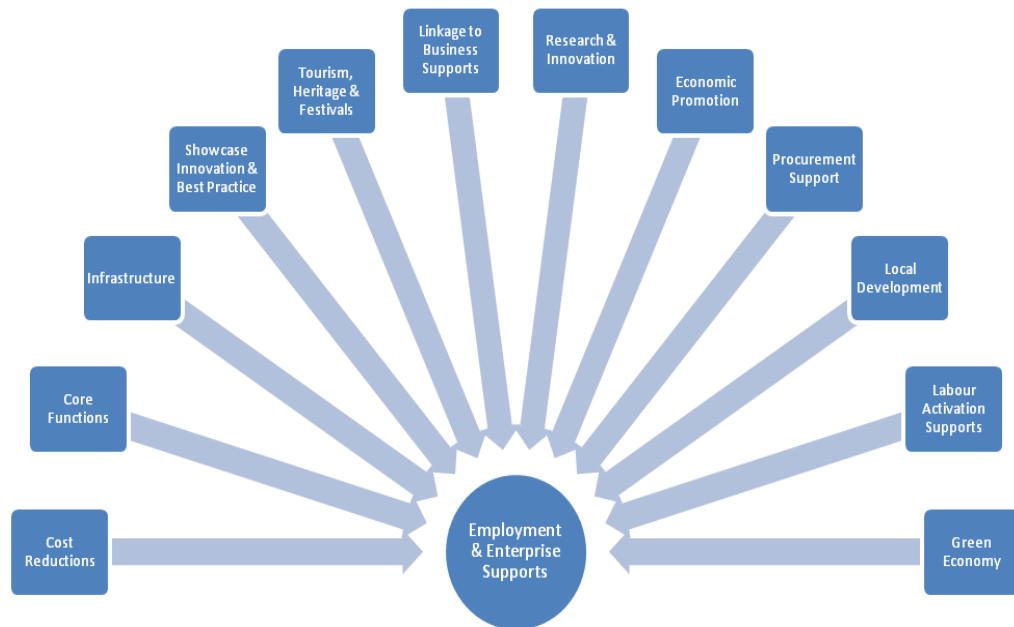
The Business Support Unit was instrumental in the establishment and funding of 3 significant feasibility grants from EI, one of which has led to the establishment of a company, Veridis Plastics, in Carrick-on-Suir (May 2012) with a job potential of 30.

The BSU has served as a primary point of contact for start up and existing businesses in South Tipperary looking for support from state agencies either in start up or growth phases.

It also works with FUSE and Connect Ireland initiatives to promote jobs agenda in South Tipperary, South East and Country as a whole.

- 3.3. *Connect Ireland* has been contracted to administer the Government initiative *Succeed in Ireland*, designed to allow people at home and abroad assist in the IDA targeting new inward investment opportunities and new job creation. Given the central role of local authorities in their communities, *Connect Ireland* recognises the powerful role the sector can play in distributing its message, and cooperation between the CCMA and *Connect Ireland* will be augmented.

- 3.4. A template document containing leading examples has been developed for use by all local authorities. The analysis identifies actions already undertaken by local authorities to support economic recovery and enterprises at local level, and implementation of the *Action Plan for Jobs* in the following areas –

Graph 1: Local Government Employment and Enterprise Supports

There is a focus on identifying linkages to the *Action Plan for Jobs*, quantification of supports provided, and cost of delivery. The analysis is accompanied by a high-level summary and analysis of current levels of activity to promote economic development locally and support enterprises, and which can be the benchmark for local authorities developing their activity in this area. Examples of leading practice across the country are available for use by all local authorities, and it supports the development or extension of plans that are supported at local level based on the leading examples in local authorities.

Local authorities are encouraged to use this database of practices and examples in their development of local strategies to support implementation of Action 6.5 of the *Action Plan for Jobs*. It is intended to maintain and update this database on an annual basis.

4. Employment & Enterprise Supports

4.1. Business Charges / Cost Reductions

- 4.1.1. **Commercial rates** is undoubtedly the area of funding that achieves greatest attention. Rates are not so much a charge as a source of local taxation to fund the provision of local services of benefit to the community as a whole. These services are the necessary underpinning to operating businesses and supporting commercial life. Commercial rates vary across local authorities, providing 8% to 49% of total current funding of local government services, averaging close to 30% nationally. Consistent with the need to maintain sufficient funding to support the services required by business, local authorities have responded positively in recent years to requests to exercise restraint in setting commercial rates and freezing or reducing rates on an annual basis has provided some degree of relief for the business community.

Illustrative Example 2: Galway City Council Debt Management Service:

Galway City Council restructured its finance section, with 8 staff working directly with businesses in difficulty, to develop payment plans. The Debt Management Section engages directly with businesses, to offer support to ensure they can meet their rate payments in a balanced way, and is focused on keeping lines of communication open with all ratepayers

This model allows for 1:1 meetings, discussion and advice. Currently 239 businesses with €9.27m worth of commercial rates have been placed on payment plans.

In 2012, 68 local authorities froze their Annual Rateable Valuations (ARVs) at 2011 levels, and 19 reduced theirs.¹ Overall, the average change of ARV from 2011 to 2012 shows a decrease of 0.31%, against a backdrop of a 2.6% increase in inflation for 2011.

Local authorities are acutely aware of the importance of the business community to local development and work actively with local businesses to assist them, with the objective of ensuring struggling businesses in particular can survive. Most local authorities promote the use of direct debit payment facilities and have put in place flexible payment options that reflect capacity to pay. These necessarily result in reduced income streams for Councils over the period involved but with the priority of retaining enterprise and employment.

Most businesses pay relatively small amounts in rates in comparison, for example, to utilities, broadband, cable television etc. By way of examples, in Longford, a third of businesses pay less than €1,000 pa (or c. €19 per week), with some 80% of businesses paying less than €5,000 pa. In Dublin city, 60% of ratepayers pay less than €5,000 pa. The converse of this is that a small number of businesses account for a significant proportion of the rates yield, so that general reductions in rates have only a minor effect on the finances of most businesses but disproportionately help larger companies that may be able to pay with a significant reduction in total rates yield (and therefore, local authorities' capacity to support services to local business).

¹ One local authority has increased its ARV and will continue to increase it until 2015, but this is a technical adjustment and legal requirement following the extension of a town boundary.

A December 2008 Forfás report *The Cost of Running Retail Operations in Ireland*, reviewing the cost profile of the retail sector, found that local authority rates accounted for between 1% and 4% of the operating costs of retailers (excluding the costs of goods). The report highlights that operating costs are dominated by labour, property, transport and distribution and utility costs – other services including cleaning, advertising and marketing and professional services can also be significant.

Table 2: Operating Cost Profiles by Retail Format (costs excluding the costs of goods)

	Convenience	Multiple	Department Store	Retail Park
Number of Stores	1	2	2	2
Labour Costs	54%	37%-60%	46%-49%	32%-35%
Property Costs (incl. Service Charges; Maintenance)	32%	16%-18%	25%-28%	26%-29%
Transport and Distribution	-	1%-18%	0%-2%	9%-24%
Utilities (incl. Electricity; Gas; Telecoms; Water; Waste)	11%	6%-9%	3%-5%	4%
Security and Cleaning	1%	3%	3%-5%	2%-3%
Advertising and Marketing	-	4%-8%	3%-4%	5%-10%
Local Authority Rates	-	1%-2%	3%-4%	3%-4%
Other Business Services (incl. Accountancy; Audit; Legal; Banking; Insurance, Post, ICT, etc)	2%	4%-10%	10%	3%-7%
Total Operating Costs	100%	100%	100%	100%

Source: *The Cost of Running Retail Operations in Ireland* – Forfás, December 2008.

While the overall rates burden is low for the business sector, there is acceptance that the current rates burden may be unfairly distributed in some cases. A re-valuation process currently underway by the Valuation Office is re-balancing rates liability while not increasing the overall amount due. In order to expedite this process, the Minister for Public Expenditure and Reform has brought forward a Valuation Bill which will enable the Commissioner of Valuation to out-source valuation assessment work to assist in expediting revaluations. It is important in the interests of equity, consistency and fairness that the re-valuation process continue and be completed as soon as possible as it will in itself go some way to ensuring a fairer and more modern distribution of the rates burden.

There will be a continued commitment to avoiding increases in commercial rates levied by local authorities, making further reductions and improving flexibility in the collection of rates, to the extent possible.

- 4.1.2. **Development contributions** have in the past been an important means of meeting the infrastructure cost associated with commercial and residential development. By enabling the funding of essential physical and social infrastructure to support implementation of development plans of local authorities, development contribution schemes are a vital instrument in improving the quality and, therefore, the competitiveness of the area of the relevant local authority thereby establishing an environment in which enterprise can thrive and communities progress. The emphasis now is on

balancing the need to provide funding for such infrastructure support but not putting a brake on vital local development. Revised *Development Contribution Guidelines* were published for public consultation on 27 June 2012. The guidelines seek to ensure that planning authorities include the following in their development contribution schemes –

- reduced rates of development contributions or waivers for development in town centres to support town centre development;
- waivers in the case of change-of-use permissions, where change-of use does not lead to the need for new or upgraded infrastructure / services;
- reduced rates of development contributions for businesses grant-aided or supported by IDA/Enterprise Ireland or other local authority or state supported local development agencies, as well as reduced rates for developments that would progress the Government's *Action Plan for Jobs*;
- provision to charge only net additional development in cases of redevelopment projects (e.g. a redevelopment totalling 200msq of which 150msq is replacing existing development, contribution should only be levied on the additional 50msq); and
- waivers for broadband provision and sustainable energy infrastructure.

Following consultation, it is planned to finalise the *Guidelines* by year end.

- 4.1.3. Other key charges are those relating to waste and recycling. The Government agreed in April 2011 to an increase in the **landfill levy** from €30 to €50 per tonne. It further agreed that the levy would increase in 2012 to €65 per tonne and to €75 per tonne in 2013. Such increases are necessary to drive improved waste prevention and recycling, and to divert material from landfill in order to assist Ireland's compliance with ceilings in the Landfill Directive for the volume of biodegradable municipal waste sent to landfill. Failure to comply with obligations under the directive has the potential to result in the application of fines to Ireland by the European Court of Justice of up to €41m per annum. They also act as an encouragement to those businesses developing alternative waste treatments. It should be noted that increases in the landfill levy need not automatically result in an increase in waste management costs incurred by business. The purpose of the levy is to incentivise alternative approaches to waste management, and businesses themselves can minimise costs by greater waste prevention measures and greater source segregation of

Illustrative Example 3: South Tipperary County Council and Cashel Chamber of Commerce: Cashel Waste Prevention

The project involved a waste prevention study with retailers. Nine businesses took part in the programme. In total 13 waste audits and 18 energy audits were performed, with each business visited c. 12 – 15 times.

Outcomes included:

- All participants reported reductions in energy use after implementing energy audit recommendations.
- A water conservation awareness campaign including a water awareness website by South Tipperary Council.
- A quick Environmental Audit sheet to assist similar SMEs to tread lighter on the environment and make financial savings.

The 9 businesses have changed their waste and energy management practices. Significantly, many will think about energy performance and waste issues when procuring new products and services.

the waste generated. Guidance and assistance in this regard is freely available via the National Waste Prevention Programme (NWPP) and particularly through the www.greenbusiness.ie website.

- 4.1.4. The Local Authority Prevention Network (LAPN), which was developed under the NWPP, is a key component in continuing to build capacity in local authorities for the promotion of **resource efficiency and waste prevention** at a local and grassroots level for the benefit of their localities. The programme has demonstrated that implementing waste prevention and resource efficiencies in an organisation can lead to significant savings, in addition to the obvious environmental benefits. In many instances, local authority staff have been seconded to work specifically on prevention projects. This has developed capacity in local authorities so that their staff can in turn enable local organisations (including their own) to prevent waste. Projects have included prevention in a wide range of sectors including community, commercial and business organisations such as shopping centres, a regional airport, hospitals, construction, farms, university, public organisations, pubs and schools.
- 4.1.5. A **review of Producer Responsibility Initiatives** (PRIs) e.g. waste electrical and electronic equipment (WEEE), batteries, End-of- Life Vehicles (ELVs), packaging, tyres, and farm plastics has commenced. The CCMA Enterprise Strategy Working Group and other stakeholders will be consulted as necessary during this review. It is envisaged it will be completed by December 2012.
- Illustrative Example 4: Offaly County Council's*** partnership with businesses helped them reduce water consumption in hotels that significantly reduced water charges. Substantial savings are being obtained by carrying out a full audit of a premises and implementing recommended water conservation devices and practices to reduce consumption through the water meter. Savings achieved have been in the range of 41% to 83% of annual consumption, and a minimum of €1,500 per annum in water charges, depending on the business.
- 4.1.6. Helping businesses identify ways to **reduce direct business costs** through reduced waste, reduced water consumption and other behavioural changes that can reduce their outgoings to local authorities is an important service of the sector. This is an important service that CEBs and Business Support Units of local authorities, and the future LEOs, can provide through a proactive outreach process to SMEs.
- 4.1.7. The **local government efficiency** agenda is being driven forward through the active implementation of the *Local Government Efficiency Review Group* Report (LGER). Total savings of €830m from the start of the economic crisis in 2008 to the end of 2012 have been identified by the CCMA, of which €195.5m (2010 and 2011 only) are related directly to the implementation of efficiency savings recommended in the LGER Report. The independently chaired Implementation Group overseeing the delivery of the LGER Report has reported to the Minister, and is expected to report further on implementation progress and savings made. Continued effective implementation of the LGER will reduce the cost base of local government, and accordingly will help facilitate reducing to the lowest feasible level the imposition of charges on the business sector (e.g. commercial rates, charges) and the wider community.

4.2. Core Functions

4.2.1. In addition to ‘newer’ initiatives, local authorities play a key role as enablers of economic development in delivering on two basic functions under constitutional and statute law:

- (1) to take action to promote the interests of local communities including promoting enterprise, employment and economic activity;
- (2) to carry out powers & functions at local level conferred by law in areas such as planning, transportation, water services, and environmental protection.

Both of these spheres include use of ‘general competence’ powers.

4.2.2. **Infrastructure:** Traditionally, local authorities have a strong history of identifying infrastructural needs and developing local infrastructure to attract inward investment and new industries. This is a core

function of the local government system and there will be continued focus on identification of infrastructural deficits and the means to meet new infrastructural needs, identification and implementation of innovative funding mechanisms, opportunities for maximising the gains from the investment made, and leveraging economic development and jobs locally and regionally. Typical examples of different types of such assistance are in the Illustrative Examples shown.

Illustrative Example 6: Offaly County Council is using planning laws to promote new economic development of local and national significance. Building on legacy assets from the era of peat-fired electricity generation, the Council has included proactive policies in its County Development Plan (CDP) to facilitate and promote investment in new forms of energy production including renewable (wind, biomass) and ‘clean’ non-renewables (natural gas). This initiative has received a very positive response from the energy and investment sectors. Since the adoption of the current CDP in 2009, 6 significant planning applications have been approved, of which 4 have been through the standard planning process.

Illustrative Example 9: Many local authorities have worked to install the MAN broadband system. The availability of the MANS system in Carrick-on-Shannon and Manorhamilton assists in attracting inward investment in **Leitrim** and supports existing businesses. Similarly, in **Kilkenny** investment of approximately €850,000 (30% by the Council) will support the roll-out of broadband to Thomastown. In terms of jobs and foreign investment, MANs have had a significant impact; from 2004 through to 2007 the first 27 MAN towns had increased their share of new IDA jobs from 24% to 89%.

Illustrative Example 5: Fingal County Council has utilised its staff expertise to facilitate a €600m development of the Eirgrid Interconnector project through the county area. The scale of this project is considerable and will yield considerable medium and long-term benefits to the businesses both in Fingal and Ireland as a whole.

Illustrative Example 7: The IDA, DECLG and **Kilkenny County Council** have invested over €13m in water infrastructure in the Belview strategic development zone. This is a fully serviced site and surrounding area primed for strategic development and FDI with additional capacity.

Illustrative Example 8: Longford County Council has invested €500,000 in the development of a business park in Granard, which is facilitating the establishment of 12 micro enterprises including approx. 50 jobs, with significant growth potential.

Illustrative Example 10: Drogheda Enterprise Centre: Drogheda Enterprise Centre Company has drawn together funding of around €1 million including €200,000 from Drogheda Borough Council and up to €500,000 from Enterprise Ireland on a greenfield site provided by Drogheda Borough Council. The new centre is intended to work closely with Millmount Incubation Centre which is part of the DKIT Regional Development Centre.

4.3. Showcase Innovation and Best Practice

There are very many examples of innovative approaches to business support by the local government sector. Local authorities are working with third level colleges, private enterprises, local media outlets and business groupings to develop local enterprise campaigns.

Illustrative Example 11: Kilkenny Local Authorities: Working to strengthen the Agri-Food brand in Kilkenny.

Kilkenny County Council was involved in the establishment of a high level AgriFood Group to progress the county under Harvest 2020 - sales and marketing initiative and environmental agenda.

This initiative represents an important development of Kilkenny as a site for artisan food production and for 'ahead of the curve' environmental infrastructure under the Harvest 2020 brand.

Agri-Food "Meet the Buyer" event at Lyrath – organised event where multiples meet producers in order to promote new business linkages.

Illustrative Example 12: MeetWest is a collaborative initiative involving **Roscommon, Galway and Mayo County and City Councils**, Roscommon, Galway and Mayo County and City Enterprise Boards, Galway Chamber of Commerce, Enterprise Ireland, IDA, Údarás na Gaeltachta and the Western Development Commission.

This group is organising Business Networking and the first of three events took place in Galway in 2011 and the second takes place in Roscommon in 2012. MeetWest is a unique two-day business networking forum where businesses have an opportunity to meet other successful businesses with whom they have been specifically matched in advance. At MeetWest in 2011, 300 delegates participated in over 2,500 meetings. The 2012 event will include one-to-one business networking meetings and a range of workshops, and will introduce an international dimension with members of the RE:CONNECT Network (business people originally from the Western Region who operate businesses abroad, see *Illustrative Example 20*) being invited to attend.

4.4. Tourism, Heritage & Culture

4.4.1. Local authorities have a significant commitment to the tourism industry, and are key players in marketing their areas as tourist destinations, with large investment in tourist attractions and ongoing annual underwriting as required, plus an annual commitment towards festivals and events, activities, sights and cultural and sporting events.

Illustrative Example 13: Dublin City Council through its Events Office supported outdoor events in the city for over 1.7 million audience/spectators. Events include St Patrick's festival, Dublin Fringe festival, the Street Performance World Championships and the Pride Festival. Other festivals promoting integration & diversity in the city include the Chinese New Year and the Russian Festival. It is estimated that the €2.2m annual spend on events each year translates into an economic dividend of approximately €18m for the city. In addition, the Council makes substantial contributions to business representative bodies, including e.g. the former Regional Tourism body to the tune of €240,000 per annum.

4.4.2. Local authorities are responsible for managing many heritage and cultural assets. They seek to maximise the tourism potential of protected areas and buildings and cultural facilities within the resources available. Most local authorities are involved in the pursuit of Tourism Strategies based on co-ordination and collaboration with the industry. A number of local authorities have entered into agreements with Fáilte Ireland for the running of local Tourist Information Offices.

Illustrative Example 14: Donegal County Council is developing Sliabh Liag as an iconic tourism project to attract 180,000 visitors per annum. The capital investment is €4.5m, funded by Donegal County Council, Fáilte Ireland and the EU Interreg IVA Programme. Due for completion in 2014.

4.4.3. Fáilte Ireland has secured the full assistance of the local government sector in supporting the roll-out of The Gathering Ireland 2013, which sees close cooperation locally in the establishment and implementation of local steering committees with local liaison staff being provided by the local government sector. This partnership will be maintained and intensified during the year of The Gatherings

4.4.4. Local authorities' role in supporting the development of local transport infrastructure and signage is critical to facilitating tourists to access and move around their area, including in relation to local and regional roads, cycle paths, way marked ways, marinas, access to airports etc.

4.4.5. Local authorities not only provide cash and capital resources towards tourism related investment but also provide substantial human resource support on an ongoing basis to other agencies in the sector such as LEADER companies, County & City Enterprise Boards, County Sports Partnerships, Arts Council and Community Fora. There are further opportunities to support the tourism product to bring further tourism providers into the range of tourism initiatives and networks at local level.

4.4.6. Local authorities support the arts through direct funding locally and drawing on support from the Arts Council and other avenues which they source themselves. The contribution of local authorities to the arts takes many forms – from the provision of public sculpture, employment of arts officers, working with and supporting the creative sector, and provision of and support for arts centres, municipal galleries and collections to support of local arts festivals,

providing funding to local art groups and to organisations utilising the arts to combat disadvantage in local communities. These activities contribute to sustaining and generating employment locally in the sector itself, and a vibrant arts sector is important to maintaining and improving the quality of life in the area, a key element of helping to sustain high quality employment. Local authorities liaise closely with the Arts Council and are key to the Council's delivery of its remit at local level.

Illustrative Example 15: Cavan County Council has worked with cross-border partners to develop the world's first UNESCO Geopark covering the Marble Arch caves in Fermanagh, the Cuilcagh Mountains, the Shannon Pot, and the Burren in Cavan. Total visitors in 2011 were 250,000, including 13,000 school children, and the number of visitors will continue to grow with investment. A €3.2m Interreg funded Border Uplands project in partnership between Fermanagh, Cavan, Sligo and Leitrim will include a €900,000 interpretative centre in Cavan to further develop the tourism product.

Illustrative Example 16: Roscommon County Council has developed a number of flagship tourism projects over the past six years. In partnership with Fáilte Ireland and Coillte, Lough Key Activity Centre was developed at a cost of €7.9m, €2m of which from the Council. In 2012 a further €700,000 has been invested by the council, Fáilte Ireland and Waterways Ireland on developing a forty berth marina.

The Hodson Bay Boat Training Centre was developed at a cost of €1.5m and further enhanced amenities in the local area. With assistance from Fáilte Ireland smaller complementary projects were developed including the Suck Valley Way Walk, the Donamon Angling Stands, Errit Lough, Lake O'Flynn and Boyle Historic Town Trails.

The Council manages and maintains King House, a restored Georgian Mansion in Boyle, at a cost of €1.4m over the last six years.

€4.4m has been invested by the Council over the last 6 years in tourism attractions.

4.5. Local Enterprise and Business Support Arrangements

- 4.5.1. Business support units in each county and city council are providing a focal point for businesses to engage appropriately with the local government system on relevant matters in setting up and managing their businesses.
- 4.5.2. The recent Government decision to integrate the local micro-enterprise support services currently undertaken by CEBs with local authorities and the establishment of Local Enterprise Offices (LEOs) will provide a strong platform for the local authority economic role and will significantly boost the ability of local government to play a lead role in business support locally.
- 4.5.3. **Development of Clusters:** Clusters are emerging in different parts of Ireland around medical devices, ICT, biomedicine, and digital media. Fostering regional clusters is a complex undertaking where the forces of competition and collaboration have to be balanced. Given their impartiality and local presence, local authorities can play a strong role in fostering the development of regional clusters, and also in building linkages between larger businesses and local micro enterprises, as a further aspect of developing clusters, with support from the national enterprise agencies such as IDA and Enterprise Ireland.

4.6. Research & Innovation

Local Government continues to support research and innovation at a local level.

- 4.6.1. There is further potential role for local authorities to use research and innovation as a means to support employment creation and to promote a greater integration of local institutions in the delivery of supports for the local enterprise sector. Local authorities can develop a more proactive approach to embrace and integrate aspects of the work undertaken by universities, institutes of technology and research institutions in its provision of its business supports and develop a stronger working relationship with local institutions. There are also opportunities to provide space for innovation activities, the procurement of highly innovative products, organising events/festivals to promote innovation, etc.

Illustrative Example 17: Louth County Council is currently involved in redeveloping the Dundalk Market Square. This project is jointly funded by the local authority €1.1m and ERDF (€1.9m) and will now provide a new venue for major events including concerts. This will greatly enhance the town centre to attract tourism and industry.

Illustrative Example 18: South Dublin County Council: *Link 2B Active Programme* helps local sports providers to market their reduced price offers to the unemployed. This programme has been taken up and rolled out nationally by the Irish Sports Council – investment of €5,000. Current project supports 30 sports facilities (Council ratepayers) and over 1,000 people have joined the programme since its launch.

- 4.6.2. Local authorities will also contribute to and support innovation hubs developed by national agencies building on sectors where Ireland has leadership internationally, or the prospect for this leadership, to help firms maximise their potential in the domestic market and in internationalising their products and services.

Illustrative Example 19: Dublin City Council has established itself as a leading promoter of innovation under the ‘smart city’ banner. This involves what are seen as a number of exciting collaborative projects with the other Dublin local authorities, the private sector and universities to promote the city as a testbed to piloting new products and services.

This is best illustrated by the “*Smart Cities*” partnership with IBM which recently established their global ‘smart city’ solutions centre in Dublin, with 200 high-skilled researchers employed. The main cost for the City Council is in staff resources, the sharing of expertise and the willingness to innovate and to make public data accessible. This project highlights the potential use of open data sources to develop high tech applications, to promote new opportunities for entrepreneurship, new start-ups and connections with third level institutions.

Together the four Dublin local authorities have also invested in the Fingal data hubs, Fingal apps, and the *Dublinked* project. *Dublinked* involves the city and region opening up their data sets for commercial use via apps. A major annual festival www.innovationdublin.ie brings together the public, private, academic and not for profit sectors to exhibit innovative projects and solutions that are being developed in Dublin; in 2011 there were over 200 events with over 122 partner organisations involved and 20,000 visitors to the website.

4.7. Economic Promotion

4.7.1. Local government continues to engage in economic development and the promotion of enterprise and employment in their areas. Local authorities have a strong focus in:

- ensuring co-operation/co-ordination regarding economic developments, including information sharing between stakeholders in their functional areas;
- using the forward planning process and the hierarchy of plans at national, regional and local level to support economic development and promote sustainable development;
- monitoring implementation of the economic components of development plans as revised;
- supporting locally based inter-agency Task Forces constituted in response to significant issues (e.g. closure of major businesses or development of specific economic initiatives) in line with any advice/guidelines from the Department of Jobs, Enterprise and Innovation (DJEI);
- providing a focal point for economic promotion of the county/city;
- undertaking socio-economic analysis e.g. census, live register, business demography data, to provide a baseline for other activities and to maximise the effectiveness of other economic support activities;
- providing a consultative mechanism to facilitate economic input to the drafting of the county/city council development plan;
- facilitating Business Users Forums which enable local business interests the opportunity to discuss issues with the range of relevant bodies in the functional area;
- promoting economic development in their areas with the assistance of local, regional and national planning and development policies.

Illustrative Example 20: Emerging from the WDC's LookWest.ie programme RE:CONNECT Western Regional Business Network is an initiative of six Local Authorities of Ireland's Western Region - **Donegal, Sligo, Leitrim, Roscommon, Mayo and Galway**, managed by the WDC.

The network promotes and develops reciprocal commercial links between businesses in the Western Region of Ireland and businesses abroad owned and/or managed by people from the Region. Launched by Taoiseach Enda Kenny, T.D., in London in 2011, CONNECT provides the opportunity, fostered by local authorities to open doors to new customers and markets; through active participation from the wider business community. RE:CONNECT promotes the huge potential for investment in the Western Region and highlights the role network members play in unlocking this potential. The second RE:CONNECT event took place in London in June 2012 where members were addressed by Pat Rabbitte TD, Minister for Communications, Energy and Natural Resources

Illustrative Example 21: Leitrim County Council's "Carrick on Shannon 2020" is developing an economic vision for the county town by involving all existing business and groups to develop the vision and identify priorities.

4.7.2. Actions undertaken at local authority level to promote employment include –

- high-profile launch of initiatives from various enterprise sectors to highlight the inter-agency supports being availed of by industry;
- collaboration between organised business groups, public service providers and the community and voluntary sector facilitated to promote

retail/commercial destinations in their areas across a wide range of initiatives such as innovative use of vacant premises, new markets;

- implementation of new Retail Planning Guidelines designed to ensure that the planning system plays a key role in ensuring competitiveness in the retail sector advancing choice for the consumer while promoting and supporting the vitality and viability of city and town centres and contributing to a high standard of urban design and encouraging a greater use of sustainable transport.
- marketing and promotion of area as location for enterprise, building on local strengths through staging sports events or exhibitions, holding showcases, developing marketing plans and marketing campaigns, publishing booklets or DVDs, websites;
- holding workshops for local and regional agencies to promote area as economic and tourism destination.

Illustrative Example 22: Limerick City Council facilitated an initiative which brings together participating city centre retailers and car park operators aimed at bringing more shoppers into the city centre whereby participating car park operators offer reduced rates of car parking for purchase by retailers in order that retailers can offer free parking to shoppers based on customer spend. The scheme increases the attractiveness of city centre as a destination for shoppers thereby increasing footfall and counteracts possible perception of parking being a main factor in preference for out of town shopping. 49 retailers signed up for the scheme, with a positive reaction from retailers and shoppers.

- 4.7.3. Local authorities are aware of the potential for displacement of existing employment and business and will continue to collaborate closely with relevant stakeholders as necessary as new initiatives are developed. The aim will be to maximise synergies between existing and prospective businesses and employers.
- 4.7.4. Local authorities have been active in supporting inward investment opportunities into their areas and there is potential to work more closely with national agencies and economic actors at all levels to add further to inward investment opportunities and in particular in relation to location-specific initiatives. Competition for international FDI has become extremely intense, and the development of Gateway locations is essential in order to optimise their role as key economic drivers within their regions, as part of IDA's *Team Ireland* collaborative approach. Local authorities recognise the need, especially in Gateway and Hub locations, to provide the greatest level of efficiency in the delivery of services, and are conscious that they help create and sustain a competitive business environment.
- 4.7.5. It is envisaged that local authorities will continue to fulfil these roles following the alignment of local government and local development functions and implementation of the local government reform programme. Relevant Strategic Policy Committees will be expected to prepare multi-annual strategic plans to include the promotion of enterprise and employment.
- 4.7.6. Furthermore, the recent Government decision to integrate the local micro-enterprise support services currently undertaken by County / City Enterprise Boards (CEBs) with local authorities and the establishment of Local Enterprise Offices (LEOs) will provide a strong platform for the local authority economic role and will significantly boost the ability of local

government to play a lead role locally. The LEOs will act as a “one-stop-shop” for the Micro-Enterprise and Small Business Sector, delivering direct enterprise support and coordinating access to other services for business. The alignment of all local enterprise related functions into the LEOs is envisaged, with local authority Business Support Units being integrated into the LEOs, allowing a multi-disciplinary approach to be taken as needed in responding to business support needs. The LEOs will also be able to facilitate referral onwards of businesses or start-ups as appropriate to the relevant development agency. The intention is that access to all available enterprise support is made as straightforward as possible.

The Minister for Jobs, Enterprise and Innovation will retain overall responsibility for national enterprise policy and budgets.

The new LEOs will offer:

- local business advisory services (licensing, regulation, planning, etc);
- information and support for accessing public procurement processes;
- close coupling to NEES/SOLAS services (referrals, access to training/development/ recruitment);
- access to micro-business supports/ incentives (finance, innovation, marketing, mentoring, management development); and
- progression for high-growth companies to appropriate EI supports.

92% of the 200,000 businesses in Ireland are SMEs employing less than 10 people, and this will be the core client base of the LEOs. These businesses are located in every town and village in the country and are a valuable source of employment for local communities. The establishment of the LEOs will ensure that local authorities will have enhanced capacity to discharge their role in enterprise and economic development, and that EI will have a resource to deliver national enterprise policy at the local level.

Many of the 436,000 people on the live register, given the right support and encouragement, may be well placed to use the skills and experience they have acquired to develop business ideas and create a job for themselves. The LEOs will be well placed to support this cohort through e.g. activation measures such as the Discovery Zone Programme piloted in Dundalk by Louth County Council.

The relevant supports to be provided by the LEOs will extend across the full spectrum of small businesses within the framework of national micro-enterprise policy and will help to create and sustain jobs in this vital sector of the economy. The primary budget for the operation of the LEOs will be provided by the Department of Jobs, Enterprise and Innovation, through EI, and the “grants to industry” element of this funding will contain competitive elements where some part of the allocation will be subject to a competitive bid from LEOs, encouraging quality initiatives with clear targets and innovative shared-funding initiatives. Local authorities will have the opportunity to allocate additional funding to local enterprises and job creation through the LEOs, where this would be a cost-effective enhancement for enterprise support in their area, and the LEOs will have the capacity to leverage other funding opportunities as they arise.

The LEOs will be well-placed to network and cooperate with private sector representative groups to add value to, and not duplicate, their supports for local enterprise. They can also encourage and facilitate business-to-business networks for micro-enterprises and SMEs.

An Implementation Working Group (IWG) is giving effect to the Government decision. The IWG, chaired by DJEI, is comprised of all key stakeholders including the CCMA, the CEBs, Enterprise Ireland (EI), the Department of Public Expenditure and Reform (DPER), DECLG and DJEI. The CCMA is committed to working with DEJI and DECLG to establish and operate LEOs as a matter of priority.

The IWG will develop a framework Service Level Agreement (SLA) for use by EI and individual local authorities as the LEOs are established. Provision is expected to be made for performance and quality of service benchmarks to be included in the SLAs, which would include targets for

- the amounts of financial assistance to be provided to micro-enterprises;
- the numbers of jobs created, supported or maintained, and a target for the cost per job; these targets, which will be set following comprehensive analysis of the full potential of the new micro-enterprise support model, will be ambitious and will stretch LEOs to make a significantly improved contribution to economic recovery at local level;
- the levels of mentoring, training, management development and other supports to be provided.

These will be publicly known, and the performance of local authorities and the LEOs, and the supports provided via them by EI, will be audited and reported on regularly.

4.8. Procurement Support

- 4.8.1. The local government sector avails of a number of shared procurement mechanisms already in place (nationally – National Procurement Service (NPS) frameworks, LA Quotes/Bitumen, and regionally – library service procurement, public lighting maintenance, debt collection, paid parking, etc), and local authorities will support and operate under Mandatory Frameworks for procurement as they are developed

It is estimated that procurement efficiency savings arising during 2010 and 2011 amounted to €79m in the local government sector, mainly in the areas of minor contracts, material and plant and equipment hire.

A new governance structure is currently being put in place, comprising of a lead procurement local authority, specialist procurement support units and three regional procurement co-ordinators. Each County and City Council has a designated Procurement Officer in place.

Illustrative Example 23: The National Procurement Service, together with InterTrade Ireland is organising three “meet the buyer” regional events planned for 2012. These events bring together businesses to create awareness of the business opportunities available throughout the Island of Ireland and regionally via public procurement, and allow public sector procurement managers understand and respond to the needs of potential suppliers.

DECLG has requested that all local authorities participate in the events.

It is recognised that Government initiatives in relation to procurement is reshaping the way the State and business engages in relation to acquisition of goods and services. Sensitivity regarding SMEs is needed to maximise local buy-in particularly with regard to pre-qualification criteria required in order to meet eligibility thresholds when tendering for public contracts. In this regard, while local authorities provide a measure of support for SMEs in engaging with procurement processes (e.g. the LA Quotes website) they will work with the NPS as they further develop and disseminate guidance in order to assist SMEs in tendering for public contracts, and assist local authorities doing a similar job locally.

Local authorities will also work as necessary with the responsible State agencies in the development of the Procuring Innovation initiative (Action 3.53 of the *Action Plan for Jobs*) to increase the purchasing of innovative solutions from SMEs by encouraging a more flexible approach to tendering that focuses on procuring solutions to specific needs, rather than specific products or services.

In view of the importance of improving the capacity of SMEs to compete under the framework agreement approach, local authorities will work with Enterprise Ireland to ensure that pre-qualifying criteria for the award of public contracts that are subject to frameworks will be proportionate to the relative value of the contract, so that pre-qualification is not unnecessarily weighted against SMEs.

- 4.8.2. **Local Procurement** - Emphasis has been placed on the creation and support of local jobs through greater access by SMEs to procurement opportunities, including improving the opportunities for local suppliers to supply services to larger purchasers in a local authority area. A second and growing area of

activity is the support by local citizens of the “shop and buy local concept”, such as buy local / discount schemes, local trading markets for fresh produce, craft markets and fairs and “pop up shops”. In many instances these initiatives are initiated or supported by local authorities and there is considerable scope for the LEO to continue and coordinate these activities.

4.9. Local Development and Community Based Initiatives

- 4.9.1. The *Action Plan for Jobs* acknowledges the opportunity to build on successful models around the country which have been driven by local communities and leaders and have generated jobs through the local development model implementing the Community Led Local Development (CLLD) approach. This recognises the importance of local authorities' willingness to work together with individuals and communities on enterprise and employment issues as well as on broader social inclusion initiatives.

In general, there is a need for local authorities to contribute their leadership, facilitative and cooperative skills to build community capacity and stimulate innovation (including social innovation), entrepreneurship and capacity for change. The development and discovery of untapped potential from within communities needs to be encouraged. Community ownership via increased community participation and a sense of involvement and ownership can increase the effectiveness of policies.

- 4.9.2. A high level Steering Group was established in September 2011 to deliver on the Programme for Government commitment to review local governance structures with a view to improving the delivery of services to the citizen. The Group was tasked with examining the scope for enhancing the alignment of local government and local development functions and programmes and setting out options for a more integrated delivery of local and community development services. It is anticipated that improved alignment will bring greater coherence to the efforts of local government and local development in relation to supports for job and enterprise creation.

The Group recently presented its final report with recommendations to the Minister. The Minister is currently considering the Group's key findings and recommendations with a view to determining the arrangements that will deliver the maximum benefit for communities and citizens. It is expected that proposals for greater local government/local development alignment will now be brought to Government in July 2012 together with the broader policy proposals for the reform and development of local government, as soon as possible. Work has commenced on preparing an implementation plan for the recommendations contained in the report. It is envisaged that the implementation plan will be completed by end-September 2012.

Illustrative Example 24: Dún Laoghaire-Rathdown

County Council: The Pop-Up Shop initiative involved the refurbishment of vacant retail space and development of a programme for emerging retailers to lease space on ultra-short term leases. The first shop was launched in March 2011, with the second shop launched in October 2011.

The Pop-up Shop Initiative achieved its objectives of converting vacant retail space into an attraction; getting positive publicity for the town; and providing space and opportunity for craft businesses and nascent retailers to "step-up" to a full retail experience. A total of 45 small businesses and/or co-ops/community organisations had tenancy in the pop-up shops in 2011.

Fingal County Council has replicated this model with a Swords Pop-Up Shop, a pilot project to ascertain the success of the project by making vacant premises available for use by start-up retail companies with the aim of enhancing the vibrancy of the area.

- 4.9.3. Local authorities can access a number of funding streams to support local development, including the INTERREG and PEACE Programmes (depending

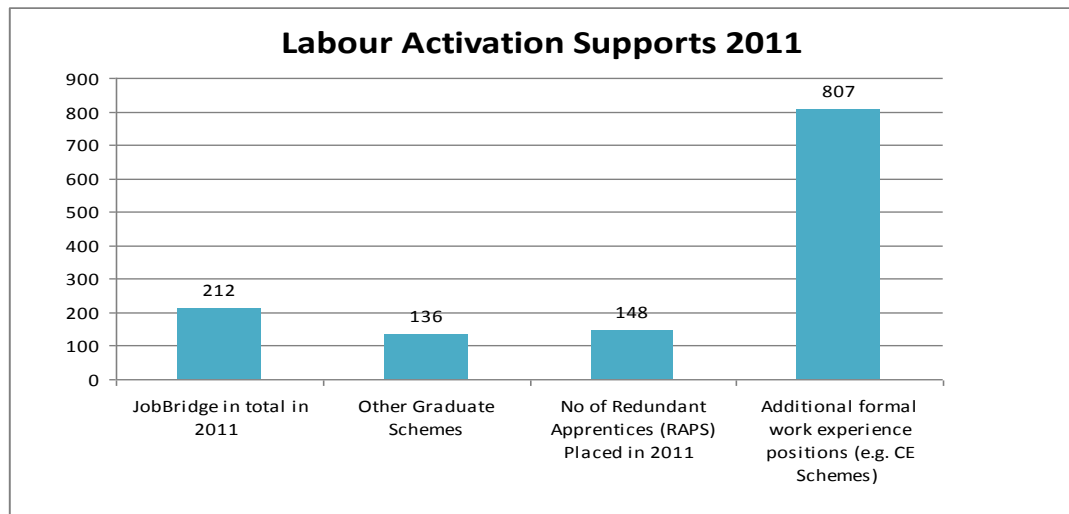
on location), and these provide a basis for a more pro-active approach to stimulating activity across a range of sectors and activities.

4.10. Labour Activation Supports

4.10.1. From the outset local government has been strongly involved in direct support for labour activation models including JobBridge, the RAP scheme, and the Graduate Placement scheme.

Graph 3 below highlights the 1,303 placements directly supported by the sector in 2011.

Graph 3: Participation in Local Authority Labour Activation Measures



Source: OLAM

In addition, several local authorities have developed innovative schemes to tap into labour activation schemes to implement local community projects.

There has been some progression to full employment from each scheme.

4.10.2. Local authorities are committed, under *Pathways to Work*, to achieving 2,000 placements by mid-2013, within the constraints on the number of places on schemes and funding availability. In order facilitate to the achievement of this target, the CCMA is providing clarification on –

- local authority structures/processes to identify suitable projects, placements, blocks of work suitable

Illustrative Example 25: “...I did a B.Comm with Economics and an MSc in Economic and Environmental Modelling. I am currently completing a 9 month Job Bridge Internship as an Economic Development Researcher, with the Community Enterprise and Economic Development unit of the Galway County Council. The role is an excellent bridge back into the working world since graduating in November. The experience I am gaining is varied from marketing and brand development for the indigenous food and craft sectors; supplier liaison for brand and web development; data compilation and report writing; database creation; research into the renewable energy sector; event planning for craft showcase; client liaison for database compilation; office administration and other essential employment skills such as team work and working on own initiative. I am also allowed the opportunity to gain experience with other tasks specific to the public sector such as the grants application process and community voluntary forum. I will also be working on the logistics of a medium size seminar to the food sector and a large seminar on outdoor activity and sport.....”

Economic Development Research Intern,
Community Enterprise and Economic
Development Unit – **Galway County Council**.

for job support/ labour market activation initiatives of relevance to local authorities;

- mechanisms to assist delivery of key priorities of each scheme; and
- ways to facilitate and maximise the engagement of local authorities and State Agencies with each other.

An active approach will be taken by the sector, in conjunction with the Departments of Social Protection and the Environment, Community and Local Government, to enhance the effectiveness of participation by local authorities, having regard to achieving maximum uptake.

Illustrative Example 26: Waterford City Council has undertaken an innovative project that encompasses the complete regeneration of a large block of derelict commercial property in the heart of Waterford City. Primarily, this regeneration project is delivered by a combination of the Redundant Apprenticeship Scheme and a Community Employment Scheme.

The scheme has up to 30 participants, the apprentices complete the various stages of their on the job training, in a real and meaningful work environment, not otherwise available to them. The participants and their work are supervised by an Executive Engineer from the Council. The Community Employment Scheme engages trades and general operatives that would otherwise be unemployed. As a result, Waterford City Council are able to restore, as new, commercial property that was approaching dereliction, in a very cost effective manner, that for financial reasons, could not have been undertaken without this approach. These commercial properties when complete will be utilised for a combination of arts and crafts type activities that will complement the tourism offering in Waterford City. Finally, as a consequence of this project, the people of Waterford are getting an outcome of real public value.

4.11. Green Economy

4.11.1. *Our Sustainable Future – A Framework for Sustainable Development for Ireland* which was launched by the Taoiseach, the Tánaiste and the Minister for the Environment, Community and Local Government on 6 June 2012 identifies and prioritises policy areas and mechanisms where a sustainable development approach will add value and enable continuous improvement of quality of life for current and future generations and set out clear measures, responsibilities and timelines in an implementation plan. The green economy and sustainable development agendas are a key element of Ireland's economic recovery strategy and the Framework sets out the range of environmental, economic and social measures required to move these agendas forward from vision to reality.

Our Sustainable Future is a joined-up approach to policy making on sustainable development, it sets out 70 measures to improve quality of life for current and future generations and sets out clear measures, responsibilities and timelines in an implementation plan. These include areas such as the sustainability of public finances and economic resilience, natural resources, agriculture, climate change, transport, public health, education, innovation and research, education, skills and training, and global poverty.

The delivery of the measures outlined in *Our Sustainable Future* will require a collective approach, involving the active participation of all key sectors and civil society generally. It will be the responsibility for each sector led by the relevant Government Department to implement the elements of the Framework in their respective areas.

4.11.2. The environmental protection and, in particular, the planning role of local authorities significantly contribute to the Green Economy e.g. environmental and landscape protection are vital resources for tourism and the maintenance of the high environmental quality that underpins our agriculture and marine sectors, and international recognition of this quality, is crucial to Harvest 2020.

4.11.3. The integration of the enterprise development and regulatory roles of local authorities, providing a more closely aligned and integrated approach, creates further opportunities to identify and implement green business opportunities

4.11.4. While overall responsibility for public procurement policy lies with the National Public Procurement Policy Unit (based in DPER), and the National Procurement Service (based in the Office of Public Works) is tasked with centralising procurement arrangements for goods and services common to most public bodies, DECLG has the lead role in developing Ireland's *National Action Plan on Green Public Procurement* (GPP), thereby stimulating the "greening" of procurement across the Irish public sector.

The annual procurement budget of the Irish public sector is of the order of €14bn, of which €1.2bn is spent by local authorities. If buyers in the public sector consistently took environmental factors into account in their procurement decisions, it would provide huge leverage to “*move the market*” towards providing environmentally superior goods, services and works in a cost-effective way. This would enable Government and the wider public sector to continuously improve the environmental performance of their procurement activities, leading over time to significant benefits to the environment and to public health. It would also boost Ireland’s competitiveness and job-creation by fostering eco-innovation among SMEs and the wider business community. In line with the Government’s ‘Green Economy’ objectives, Ireland is therefore committed to policies that promote Green Public Procurement (GPP). GPP can also be a major driver for innovation, providing industry with real incentives for developing green products and services – particularly in sectors where public purchasers represent a large share of the market such as construction, health services or public transport.

The EU’s Renewed Sustainable Development Strategy commits to “*aiming to achieve by 2010 and EU average level of Green Public Procurement equal to that currently [i.e. in 2006] achieved by the best performing Member States*”. On this basis, in 2008 the EU Commission’s Communication on Public Procurement for a Better Environment proposed a target of 50% of all the EU’s public procurement tendering procedures to be “*green*” by 2010 – “*where green means compliant with endorsed common GPP criteria*”.

The European Commission asked all EU Member States to publish National Action Plans for green public procurement. Ireland’s first such plan, *Green Tenders – An Action Plan on Green Public Procurement* was launched by the Minister for the Environment, Community and Local Government and the Minister for Public Expenditure and Reform in January 2012. *Green Tenders* was developed following an extensive public consultation process. Some 57 written submissions were received from major stakeholders in the public

Illustrative Example 27: Louth Energy Saving Pilot

An existing collaboration between local and national stakeholders (Louth local authorities, SEAI, FÁS, EI, Chambers of Commerce and local businesses) under Dundalk 2020 and Louth Economic Forum prompted the development of a new energy service to business, supplying a dedicated onsite resource to SMEs, using the FÁS Work Placement Programme.

SEAI and the Louth local authorities, with the co-operation of other stakeholders, is managing the delivery of onsite energy management support to businesses throughout Co. Louth, starting in September 2010. The target is a combined annual energy cost saving of €500k for 60 businesses, or an estimated 10% of annual energy costs of each business. This project model can be replicated nationally, which could contribute significantly to national targets while also benefiting businesses.

Results so far:

- 45 businesses supported, at no cost to themselves.
- Average 12% savings.
- Of a total annual energy spend of €9m, projected savings of €1.1m within 1 year of service delivery.
- At the end of phase 1 (5 months) direct savings of €250,000 were actually achieved across the organisations.
- 12 unemployed graduates were recruited as Interns and received training and mentoring. 3 are now in fulltime employment.

sector, from supplier and wider private sector representatives, from academic specialists, and from environmental and social NGOs.

Within the need to ensure that 'green' measures in the Plan must be no less economic than alternative traditional procurement methods when assessed over the service and/or product's economically useful life, the overall objective of *Green Tenders* is to assist public authorities to successfully plan and implement green public procurement (GPP). This initial action plan has focused on eight priority areas: Construction, Energy, Transport, Food and Catering Services, Cleaning Products and Services, Paper, Uniforms and Textiles, and ICT.

An Implementation Group, co-chaired by the Departments of the Environment, Community and Local Government and Public Expenditure and Reform, and representative of public authorities and relevant stakeholders, has been established to oversee and monitor implementation of the Action Plan across the eight areas chosen and to report on progress annually.

5. Review

The CCMA Enterprise Strategy Working Group, working with the Departments of the Environment, Community and Local Government and Jobs, Enterprise and Innovation will oversee the implementation of this Strategy at local level by local authorities, and will prepare a statement of the actions planned in local implementation strategies by Q4 2012.

The first review of the implementation of the Strategy will take place in Q3 2013, and will include quantification, to the extent possible, of the impacts on businesses and enterprise in terms of jobs supported, retained and created, as appropriate, and cost savings.

6. List of abbreviations and acronyms

ARV	Annual Rateable Valuation	IDA	Industrial Development Agency
BSU	Business Support Unit	IWG	Implementation Working Group
CC	County Council County and City Managers' Association	LA	Local Authority
CCMA		LAPN	Local Authority Prevention Network
CDP	County Development Plan	LEO	Local Enterprise Office
CEB	County Enterprise Board	MAN	Metropolitan Area Network (rural broadband system)
DECLG	Department of Environment, Community & Local Government	NEES	National Employment and Entitlements Service
DJEI	Department of Jobs, Enterprise and Innovation	NGO	Non-Governmental Organisation
DkIT	Dundalk Institute of Technology	NPS	National Procurement Service
DPER	Department of Public Expenditure and Reform	NWPP	National Waste Prevention Programme
EI	Enterprise Ireland	OLAM	Office of Local Authority Management
ELV	End-of-Life Vehicles	PRI	Producer Responsibility Initiatives
ERDF	European Regional Development Fund	RAP	Redundant Apprentices
EU	European Union	SEAI	Sustainable Energy Authority of Ireland
FDI	Foreign Direct Investment	SME	Small/Medium Enterprise
GPP	Green Public Procurement	SOLAS	Seirbhísí Oideachais Leanúnaigh agus Scileanna
HR	Human Resources	SYOB	Start Your Own Business
ICT	Information Communications Technology	WEEE	Waste Electrical and Electronic Equipment

Appendix A

Timeframe for Delivery

Category	Date	Action	Responsible Body
Promoting Employment and Supporting Local Enterprise	October to end-year 2012	Local authority strategies to implement this Strategy	Each local authority
Business Charges	September 2012	End of public consultation on draft Development Contribution Guidelines	DECLG
	December 2012	Publication of Development Contribution Guidelines	DECLG
	March 2013	Completion of PRI Review	DECLG
Local Enterprise and Business Support Arrangements	December 2012	Develop Service Level Agreements between Enterprise Ireland and local authorities to transfer functions from CEBs to LEOs	DJEI
Procurement Support	2012	Participation in “meet the buyer” regional events planned for 2012	NPS, Local Authorities
	2012/2013	Training Events for SMEs on procurement	Local authorities and NPS
Local Development and Community Based Initiatives	September 2012	Implementation of plan to align Local Government & Local / Community Development Companies	DECLG
Green Economy	2012 and ongoing	Implementation of the <i>Green Tenders – An Action Plan on Green Public Procurement</i>	DECLG
Local Government Participation in Employment Support Schemes	Mid 2013	2,000 employment support placements to be in place	CCMA Enterprise Strategy Working Group