

**Private & Confidential**

**Review of Economic Development Sites regarding the Proposed Variation No. 3  
(Phase 3b) for Meath County Council – Navan and Kells**

07 April 2017

**Section 1: Introduction**

This report is prepared by PMCA Economic Consulting for Meath County Council. It provides an independent review of economic development sites in respect of the proposed Variation 3 (Phase 3b) in Navan (the County Town) and Kells.

As instructed by Meath County Council, the scope of works for the economic review comprises the following requirements:

- An economic analysis of all existing employment land banks in the settlements in terms of their;
  - Suitability in terms of attracting end users
  - Sufficiency
  - Appropriateness in terms of providing choice of investment location
  - Constraints
  - Potential locations of any additional employment lands
- An analysis of the potential impact of Brexit on employment development in the towns;
- Identification of opportunities/challenges in terms of development of the areas as employment hubs;
- In respect of Navan, the County Town, the following should also be specifically addressed: hospital site and food hub.

In fulfilling the terms of reference, this report is mindful of the importance of incorporating the key tenets of the Economic Development Strategy for County Meath 2014-2022 as they relate to land use planning into the Navan and Kells Plans.

## Section 2: Review of Key Economic Facts

### Overview

Navan is the largest and most economically significant settlement area in County Meath: as shown below, the town's share of all employment in County Meath is larger than its share of Meath's population; and it will be important in the ongoing implementation of the Economic Development Strategy that the County Town's significance is maintained and developed regarding all employment opportunities, both indigenous and foreign-owned in all economic sectors. Kells is important as the main urban centre in the north of the County and significant also in respect of the opportunity presented by its inclusion in the EU Regional Aid Map 2014-2020.

As well as considering the composition of employment in the towns, and comparing the composition of employment with other parts of the country, account also needs to be taken of both location and existing/proposed employment sites within them, having regard to all employment creators (micro enterprises consisting of those outside and under the remit of Meath LEO), larger indigenous businesses (whether clients or not of Enterprise Ireland) and foreign direct investment (FDI) companies (under the remit of IDA Ireland and Enterprise Ireland, noting that EI also caters for FDI firms in the food and beverages and mining and natural resources sectors as well as larger/exporting Irish-owned firms).

In advance of fulfilling the terms of reference of the study, we commence the report by looking at the baseline situation, focusing on the key performance metric of employment. As outlined extensively in the Economic Development Strategy, the main challenge, or opportunity, for the County is to **retain more economic impact within Meath**, which means facilitating more jobs locally and addressing the comparably high outbound commuter rate, where it is now well known that more people living in the County and at work do so outside of Meath than inside the County (approximately 33,000 outbound commuters compared with about 28,500 people living and working within the County in 2011, the latest year for which the employment data within the County are available) *(note that the place of work and residency data associated with Census 2016 is expected to become available in the third quarter (Q3) of 2017 and analysis of that important information source will enable independent assessment of the change in the outbound commuting rate for Meath and settlements within the County, and other key aspects of employment in Meath, in the inter-census period 2011-2016).*

Another key economic fact highlighted in the Economic Development Strategy concerns the composition and structure of employment within the County – compared with the country as a whole, there is a greater concentration in Meath on primary agri-food and traditional manufacturing (which are, and will be, more exposed to the risks posed by Brexit and now trade uncertainty following the US Presidential Election outcome), and on public sector (non-market) jobs, and a lower penetration of knowledge-based employment (in IT and professional services, for example). A key challenge, therefore, is to address these labour market imbalances, which the Economic Development Strategy is confident can be tackled because of the various comparative advantages enjoyed by Meath, including its favourable location and transport infrastructure, and the access to skills within and in the neighbourhood of the County. It is important to note that it will be possible to grow employment in both the traditional and the knowledge-oriented economic activities in the coming years, with the proviso that jobs in the latter will have to grow more rapidly in proportionate terms owing to the fact that the percentage of high skilled, market/private sector employment in Meath is lower compared with the State, as shown in the Economic Development Strategy (see also below). The Government's overall economic policy will also be important, especially in regard to tackling the high cost of living in Ireland, which is now coming into sharp relief in the context of Brexit and the trade uncertainty following the Presidential Election outcome in the US.

## Employment, Population and the Jobs-to-Population Ratio

Examination of an area's employment-to-population ratio can give indication of the sustainability of economic performance locally, especially when set in comparative context. In what follows, employment refers to the number of persons employed in the area (e.g. Navan Urban Electoral Division) and the population refers to the total number of people living in the area (economically active and inactive, or people aged 16-64 years and outside of this bracket respectively). The data are from the last two Censuses of Population (2006 and 2011), with the employment data taken from the POWCAR (Place of Work Census of Anonymised Records) and POWSCAR (Place of Work, School or College Census of Anonymised Records) conducted in 2006 and 2011 respectively (the CSO POWCAR and POWSCAR data are not publicly available). Of particular interest is how the jobs/population ratio compares in the Navan, Kells, Trim and East Meath areas (at ED level) with County Meath as a whole and the State more generally.

The results of the analysis are shown in Table 1 and the commentary of the table is given overleaf (included for comparison along with Navan and Kells are Trim and East Meath, whose employment sites are being reviewed in a separate economic report by PMCA).

**Table 1: Employment, Population and the Jobs-to-Population Ratio in the Navan, Kells, Trim and East Electoral Divisions (EDs), County Meath and the State (2006 and 2011)**

Area	Persons Employed			Population			Emp/Pop Ratio		
	2006	2011	% Change	2006	2011	% Change	2006	2011	% Change
Navan									
Navan Urban ED	4,095	4,073	-0.5%	3,166	3,168	0.1%	1.29	1.29	-0.6%
Navan Rural ED	4,658	5,707	22.5%	23,683	26,657	12.6%	0.20	0.21	8.9%
<i>Weighted Average</i>							0.33	0.33	0.6%
Kells									
Kells Urban ED	1,097	913	-16.8%	2,046	2,003	-2.1%	0.54	0.46	-15.0%
Kells Rural ED	860	1,378	60.2%	3,876	4,468	15.3%	0.22	0.31	39.0%
<i>Weighted Average</i>							0.33	0.35	7.1%
Trim									
Trim Urban ED	1,377	1,052	-23.6%	1,170	1,269	8.5%	1.18	0.83	-29.6%
Trim Rural ED	831	1,356	63.2%	6,727	8,005	19.0%	0.12	0.17	37.1%
<i>Weighted Average</i>							0.28	0.26	-7.1%
East Meath									
St. Mary's ED	919	1,363	48.3%	9,044	10,769	19.1%	0.10	0.13	24.6%
Julianstown ED	785	1,100	40.1%	8,289	9,606	15.9%	0.09	0.11	20.9%
<i>Weighted Average</i>							0.10	0.12	23.0%
County Meath	33,176	38,822	17.0%	162,831	184,135	13.1%	0.20	0.21	3.5%
State	2,054,000	1,849,000	-10.0%	4,239,848	4,588,252	8.2%	0.48	0.40	-16.8%

*Source: Employment figures for and within County Meath from the POWCAR 2006 and POWSCAR 2011 (both CSO); employment figures for the State from the World Economic Outlook Database (International Monetary Fund, IMF); and population figures from the Censuses of Population 2006 and 2011; and PMCA Economic Consulting analysis.*

*Note: Apart from the CSO POWCAR and POWSCAR, the other data sources are publicly available.*

First, looking at County Meath and the country as a whole, in the last Census in 2011, the jobs-population ratio in Meath was about half that in the State (0.21 versus 0.40). However, County Meath experienced an increase (3.5%) in its ratio between 2006 and 2011, whereas the ratio fell by almost 17% countrywide during this time. The fall in the jobs-population ratio in the State was due to the significant drop in employment (10%) which in turn reflected the severity of the recession from 2008. On the other hand, employment within Meath grew quicker than population during the recessionary period of 2006-2011 (17% as opposed to 13%). **Nevertheless, the low employment-population ratio in Meath illustrates the reliance of the County on outside employment (predominately in Dublin) and reflects the high rate of outbound commuting from Meath and the loss of economic impact locally.**

**Addressing the economic leakage and facilitating more jobs within the County is one of the core objectives of the Economic Development Strategy 2014-2022.**

Turning to the urban centres and their hinterlands shown in the table above (and in particular the weighted average employment-population ratios, where the weights are given by the population levels in 2006 and 2011), it is seen that the ratios in Navan, Kells and Trim are higher than in County Meath as a whole but less than the State, whereas in the East Meath area the ratio was very low in 2006 and 2011. The latter area has seen especially rapid population growth in the past decade; and encouragingly jobs growth has even surpassed the population growth **but this trend will have to continue in the years ahead, to ensure more sustainable economic and community development locally in that part of the County.**

It might be said that the relevant labour market for the County is effectively the Greater Dublin Area (comprising Dublin, Meath, Kildare and Wicklow) and that the high rate of outbound commuting or relatively low jobs-to-population ratio in County Meath is an inevitable consequence of its proximity to the capital. This might be so in the short-term but in the long-term such reliance on one location is likely to be unsustainable because it puts pressure on economic opportunities in Dublin and risks the so-called “commuter counties” becoming overly reliant on residential development to support economic development in the capital. **A more sustainable situation in the longer-term is for all locations to become as competitive as they can, meaning competitive as business and investment locations with suitable serviced employment sites and competitive in respect of offering affordable but high quality residential opportunities for workers and their families. This sustainable approach to development is at the heart of the Economic Development Strategy and Variation No. 3 and its phases.**

### ***Employment Contribution***

The next table of analysis (Table 2 below) shows the number of people employed in the main towns in Meath, including the settlement areas of Navan, Kells and Trim. The data are from the Maynooth University Economic Baseline Study of County Meath (2013), which was used to inform the Economic Development Strategy 2014-2022 (the Maynooth University study does not include Bettystown-Laytown-Mornington but does include the Meath Environs of Drogheda as provided for in the Drogheda Southern Environs LAP 2009-2015 and Drogheda (South) is also shown in the table below).<sup>1</sup>

It is apparent from Table 2 that Navan is the principal employment centre of the County – the town accounted for 9,026 jobs or 23% of all employment in Meath in 2011 (by comparison, Navan and its environs had a population of 28,559 persons in that year or 16% of the County’s population in 2011). Of the 9,025 jobs in the town in 2011, 3,985 or 44% were held by people living in the town, 3,555 or 39% by people resident elsewhere in County Meath and 17% by people living outside of the County or inbound commuters into Meath.

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<sup>1</sup> It is fair to assume that the situation in East Meath is similar to that in Drogheda (South).

On the other hand, 3,402 people living in the Navan settlement area worked outside the County in 2011, implying an outbound commuter rate in respect of Meath for Navan of 31% in that year, which was appreciably lower compared with the overall outbound commuter rate for the County as a whole (54%).

**In other words, Navan was more ‘self-sufficient’ in employment terms compared with other urban centres in Meath in 2011** (the latest year to which the data pertain – the detailed results from Census 2016 are expected in 2017, as remarked above). This is what one would expect of the County Town. **However, the composition of employment by sector and the educational attainment of those at work in Navan and the other main settlement areas of Meath also need to be examined to probe the question of the skills of those at work locally** (see below).

Looking at the other settlement areas in Meath, the analysis in Table 2 also reveals that the outbound commuter rates for Kells and Trim are also lower than the County as a whole, whereas the other settlement areas (with the exception of Dunshaughlin) are characterised by comparably high rates of outbound commuting (the Meath Environs of Drogheda is estimated to have an outbound commuting rate of well over 80% and this figure would also be expected in the East Meath area too).<sup>2</sup>

**The settlement areas of Ashbourne, Ratoath, Drogheda (South) (and by assumption East Meath) and Dunboyne/Clonee have grown rapidly in population terms over the past decade but are also characterised by very high outbound commuting from the County (mostly to the capital).**

**Table 2: Employment in Meath Towns and County Meath in 2011**

Settlement Area	Persons Employed in Settlement Area by Place of Residence				Outbound Commuters	
	Settlement Area	Other County Meath	Outside County Meath (Inbound Commuters)	Total	Oubound Commuters	Outbound Commuter Rate from Meath
Navan	3,985	3,555	1,486	9,026	3,402	31%
Trim	870	977	291	2,138	1,091	37%
Kells	464	557	365	1,386	537	34%
Ashbourne	647	392	400	1,439	3,190	75%
Dunshaughlin	256	509	264	1,029	867	53%
Ratoath	371	312	181	864	2,561	79%
Drogheda (South)	177	141	527	845	2,020	86%
Dunboyne & Clonee	428	382	652	1,462	2,615	76%
<b>County Meath</b>	<b>28,449</b>		<b>10,373</b>	<b>38,822</b>	<b>32,942</b>	<b>54%</b>

*Source: POWSCAR 2011 (CSO); Maynooth University Economic Baseline Study of County Meath (2013); and PMCA Economic Consulting analysis.*

<sup>2</sup> While the outbound commuters from the Meath Environs of Drogheda and the East/Coastal Meath area include people working in Drogheda (Co. Louth), many commute to Dublin for work.

### ***Educational Attainment of those at Work***

The next table shows the highest level of educational attainment among those at work in Navan and the other main towns in County Meath in 2011. **Owing to the importance now placed on third-level educational attainment and knowledge-based employment, the reference values in the table are that 36% of all people at work in the State had third-level or higher educational attainment in that year and the corresponding figure for County Meath was lower at 28%.**

The low third-level educational attainment rate among those at work *within* the County as a whole reflects the largely traditional nature of employment in Meath and the relative shortage of high-skilled employment opportunities in the County; in contrast, third-level educational attainment is comparably high among the outbound commuters from Meath (41% in 2011, as shown in the Economic Development Strategy) and this reflects the generally higher skilled working environment outside of the County.

A principal challenge or rather opportunity for the County is to attract more high quality or knowledge-based employment opportunities within Meath, which would be attractive to the outbound commuters or the growth of people both living and working in the County in high skilled employment. Such employment is also less exposed to external challenges, like Brexit.

**Table 3: Educational Attainment among Persons in Employment in Meath Towns, County Meath and the State (2011)**

Highest Level of Educational Attainment	No. Persons Employed in County Meath Settlement Area								County Meath	State
	Navan	Trim	Kells	Ash.	Duns.	Ratoath	Drogheda (South)	Dunboyne & Clonee		
Not stated	175	40	28	33	27	17	16	24	835	74,797
Second-level or lower	5,899	1,446	911	945	625	499	529	717	27,031	1,249,111
Third-level or higher	2,952	652	447	461	377	348	300	422	10,956	745,202
<b>Total</b>	<b>9,026</b>	<b>2,138</b>	<b>1,386</b>	<b>1,439</b>	<b>1,029</b>	<b>864</b>	<b>845</b>	<b>1,163</b>	<b>38,822</b>	<b>2,069,110</b>
<b>% with third-Level or higher</b>	<b>32.7%</b>	<b>30.5%</b>	<b>32.3%</b>	<b>32.0%</b>	<b>36.6%</b>	<b>40.3%</b>	<b>35.5%</b>	<b>36.3%</b>	<b>28.2%</b>	<b>36.0%</b>

*Source: POWSCAR 2011 (CSO); Maynooth University Economic Baseline Study of County Meath (2013); CSO Census of Population (for the figures for the State); and PMCA Economic Consulting analysis.*

*Note: Third-level or higher includes the qualifications of higher certificate, ordinary bachelor degree/professional qualification or both, honours bachelor degree/professional qualification or both, postgraduate diploma or degree and doctorate (PhD).*

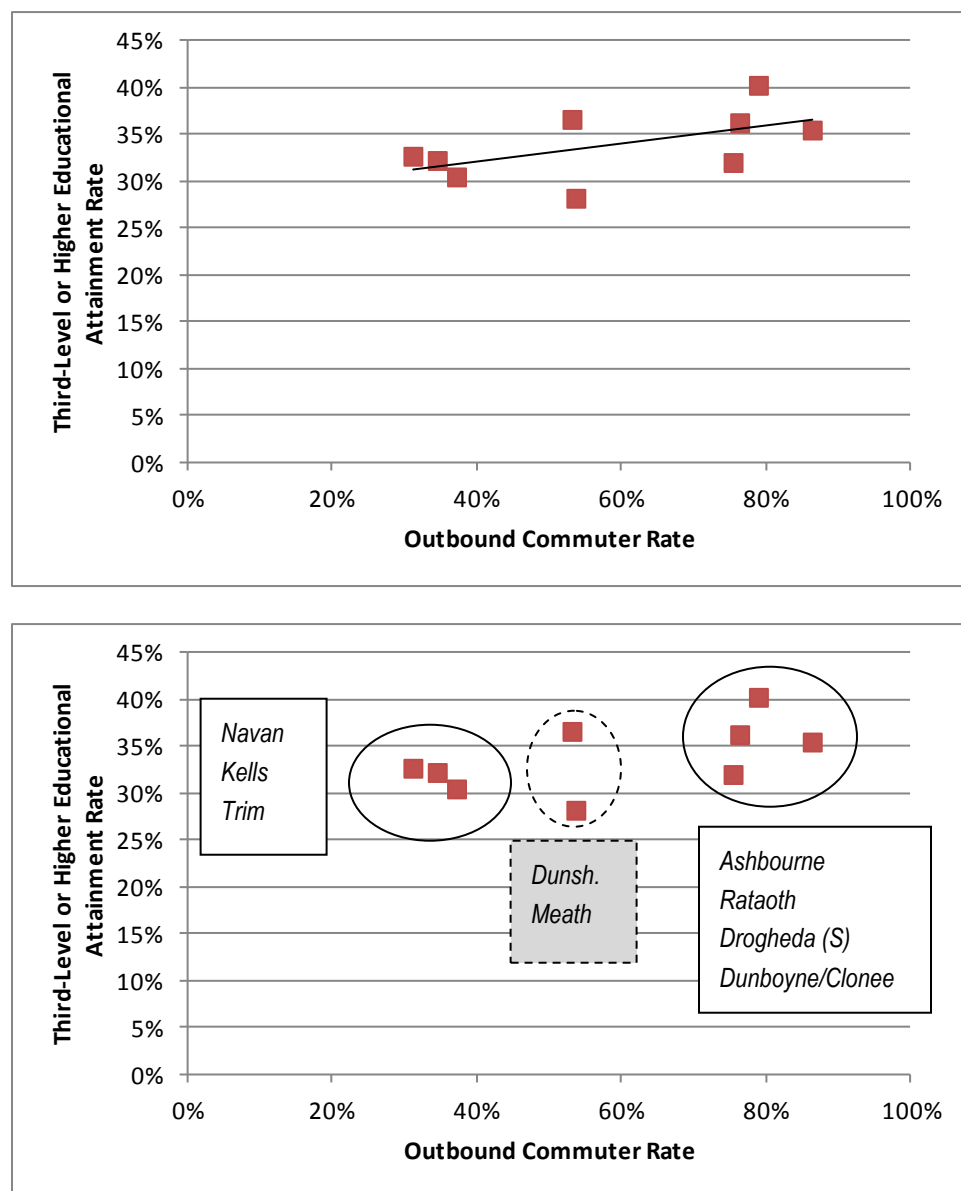
### ***Correlation between Outbound Commuting and Educational Attainment of those at Work***

Examination of the outbound commuter rates for Meath and its main towns (using the outbound commuter rates in Table 2) and the corresponding educational attainment rates among those at work (using the third-level or higher educational attainment rates in Table 3) reveals a clear enough positive correlation between educational attainment among those at work and the outbound commuting rate (first panel of Figure 1 overleaf) (albeit with a small number of towns/observations).

The bottom panel of Figure 1 suggests two groups of settlement areas: on the one hand, Navan, Kells and Trim, with relatively low outbound commuting rates but comparably low educational attainment rates among those at work; and on the other hand, Ashbourne, Ratoath, Drogheda (South) (and by assumption East Meath) and Dunboyne/Clonee, with both comparably high outbound commuting and relatively high educational attainment of workers.

The challenge or opportunity for Navan, and Kells and Trim, is to facilitate more high value added employment, through increased indigenous and FDI employment, which will in time help to enhance educational attainment in the towns; and the opportunity for East Meath and the other settlement areas of the County with comparably high outbound commuting is to facilitate more high quality employment opportunities locally and thus retain more economic impact locally. At the same time, the towns also need to ensure that they maintain and grow what they are already good at – in Navan’s case, for example, this all means broadening the employment base, to accommodate more knowledge-based jobs, whilst continuing to grow more traditional and public sector employment.

**Figure 1: Correlation between Outbound Commuter Rate and Educational Attainment among those at Work in the Main Settlement Areas in County Meath (2011)**



*Source and note: Outbound commuter rates (Table 2); Educational attainment rates (Table 3); and PMCA Economic Consulting analysis.*

## Composition of Employment

A particularly important consideration in regard to the structure and performance of the labour market is the composition of employment in a given area by economic sector. Table 4 below compares the composition of employment by sector in Navan and Meath with that in the Mid-East Region and the State as a whole.

Looking firstly at the comparison between Navan, on the one hand, and the Mid-East Region and the State, on the other hand, it is evident that Navan has a higher concentration in the sector 'wholesale, retail trade, transportation and storage, accommodation and food service activities' (sector 4) and in public services (sectors 6-7) but an appreciably lower concentration in sector 5 ('information and communication, financial, real estate, professional, administration and support service activities'), which is considered to be a key sector owing to the fact that it groups together market-based knowledge-oriented activities: the proportion of all employment in this sector in Navan was 13.8% versus 19.5% for the Mid-East and 18.6% for the State; in County Meath as a whole, the proportion was only 12.1%.

**Table 4: Composition of Employment by Economic Sector in Meath Towns, County Meath, the Mid-East Region and the State in 2011**

Economic Sector	No. Persons Employed							
	Navan		Meath		Mid-East		State	
	No.	%	No.	%	No.	%	No.	%
1. Agricultural, forestry & fishing	56	0.6%	2,862	7.4%	10,300	4.4%	109,850	5.6%
2. Manufacturing, mining and quarrying, electricity, gas, water supply and waste management	867	9.6%	5,514	14.2%	30,100	12.9%	248,200	12.6%
3. Construction	144	1.6%	1,719	4.4%	17,500	7.5%	125,425	6.4%
4. Wholesale, retail trade, transportation and storage, accommodation and food service activities	2,601	28.8%	11,180	28.8%	60,150	25.8%	503,675	25.6%
5. Information and communication, financial, real estate, professional, administration and support service activities	1,244	13.8%	4,683	12.1%	45,500	19.5%	365,950	18.6%
6. Public administration and defence; compulsory social security	1,017	11.3%	2,395	6.2%	12,100	5.2%	99,650	5.1%
7. Education, human Health and social work activities	2,562	28.4%	8,149	21.0%	45,175	19.4%	401,925	20.5%
8. Other service activities	459	5.1%	1,751	4.5%	12,125	5.2%	103,150	5.3%
9. Not stated	76	0.8%	569	1.5%	0	0.0%	6,567	0.3%
<b>Total</b>	<b>9,026</b>	<b>100.0%</b>	<b>38,822</b>	<b>100.0%</b>	<b>232,950</b>	<b>100.0%</b>	<b>1,964,392</b>	<b>100.0%</b>
<b>HHI (Concentration)</b>	<b>2,075</b>		<b>1,752</b>		<b>1,721</b>		<b>1,708</b>	

*Source: POWSCAR 2011 (CSO); Maynooth University Economic Baseline Study of County Meath (2013); CSO Quarterly National Household Survey (for the figures for the State and the Mid-East Region); and PMCA Economic Consulting analysis.*

*Note: The Mid-East Region comprises Counties Meath, Kildare and Wicklow. The HHI is a statistical measure of concentration and shows that the labour market is more concentrated in Navan.*

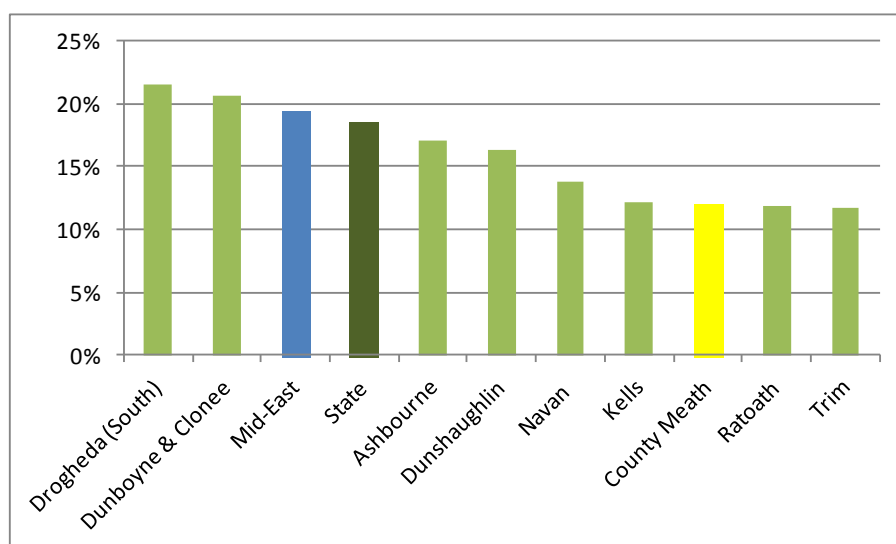


Figure 2 focuses on the key sector ‘information and communication, financial, real estate, professional, administration and support service activities’ in the different settlement areas – the light green bars illustrating the proportion of jobs respectively in the Meath towns, the yellow bar the situation in County Meath, the blue bar the Mid-East and the dark green bar the position in the State in 2011.

Only in two Meath settlement areas – Drogheda (South) and Dunboyne & Clonee (together) does the proportion of all local employment in this key sector exceed that for the Mid-East Region and the State (the relatively high proportion in Drogheda (South) reflects the presence of Coca Cola International Services in the Southgate Centre in that part of the town, in County Meath). Elsewhere in County Meath, including in the County Town of Navan, the proportion of jobs in the sector is lower compared with elsewhere in the country.

**The Economic Development Strategy for County Meath 2014-2022 has targeted the sector ‘information and communication, financial, real estate, professional, administration and support service activities’ for greater employment growth during the implementation period, through FDI and indigenous enterprise development. That plan needs to be implemented particularly in Navan and it is with this goal in mind that we appraise the economic development lands subsequently in this report.** This particular sector is especially important for Navan, and the County as a whole, because it comprises high value added and productive market activities based on skilled employment. While there is a relatively high concentration of employment in this sector in the Meath Environs of Drogheda and in Dunboyne and Clonee, which is a positive and encouraging feature (and which demonstrates the capacity of these towns to accommodate such employment), these urban areas and the other main urban centres of the County (particularly Navan) need to attract more employment in the sector in the coming years, so that the position of Meath compared with the State is enhanced (in 2011, the latest year for which the official data are available, Meath was substantially below the State in respect of the employment share of the sector – the gap between Navan and the State and between County Meath as a whole and the State needs to be narrowed between 2011 and 2022).

**Figure 2: Proportion of Employment in the Key Economic Sector ‘Information and Communication, Financial, Real Estate, Professional, Administration and Support Service Activities’ in Meath Towns, County Meath, the Mid East Region and the State (2011)**



*Source and note: See Table 4.*

### ***Summary of Key Economic Facts***

A clear picture of employment and economic performance arises from the foregoing analysis, which echoes the Economic Development Strategy, namely that outbound commuting is significant and the extent of employment opportunities in IT, finance and professional services is low in the County compared with elsewhere in the country.

While the extent of outbound commuting is lower in Navan and Kells compared with other settlement areas in Meath, it is however the case that local employment in the towns is relatively more reliant on wholesale and retail and on public sector employment and less reliant on knowledge-based market activities compared with the region in which Meath is located and the country as a whole.

**While growing employment will be the number one priority in the coming years, the roll out of the Economic Development Strategy via this phase of Variation No. 3 should be predicated on ensuring that more high value, market-based employment opportunities are supported in Navan and Kells to support the overall goal of the Meath CDP and the next County Development Plan. At the same time, the more traditional employment growth that has been a feature in Meath, not least in the County Town of Navan, also needs to be catered for.**

### ***Potential Impact of Brexit on Employment Development in the Towns***

One of the requirements of this assignment has been to consider the potential impact of the Brexit outcome on employment development in the towns. There are two broad likely impacts stemming from Brexit of relevance here.

Firstly is the impact of the depreciation of sterling against the euro, which means that Irish exports to the UK have become more expensive and the loss in competitiveness could damage employment and/or curtail the growth of local enterprises dependent on the UK market. This could affect towns like Navan and Kells, and Trim, and other settlements in the County reliant to a large extent on traditional manufacturing and the UK market and on tourism. While generally speaking, the employment impact of growth or shrinkage in exports is 'inelastic' (PMCA estimates based on econometric analysis suggest that 10% growth or shrinkage in exports is associated with up to 3% growth or shrinkage in employment),<sup>3</sup> the employment impact of exports *contraction* should not be underestimated or downplayed and it is sensible to plan on the basis that exporting firms reliant on the UK market will see less revenue growth compared with the situation in which the UK voted to remain in the UK. **In short, the most likely differential impact of the Brexit outcome is that growth and employment prospects in Meath will be lower compared with the outcome in which the UK would have been opted to remain in the UK. Other thing being equal, this will make the 7,500 jobs target specified in the Economic Development Strategy more difficult to meet.**

Another potential impact of Brexit concerns the UK becoming a more formidable competitor to Ireland in respect of inward investment or FDI from the US, Asia and elsewhere in Europe. While some commentators consider that the UK is set to become less competitive following the Brexit outcome, which might prove to be correct, **we believe that it is better to err on the side of caution and prepare for a situation in which the UK – including Northern Ireland and Scotland – will position themselves to become more aggressive in competing with Ireland for the types of FDI that Ireland has gained over the past number of years, including financial services, IT and high-tech manufacturing in pharma and bio-pharma.**

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<sup>3</sup> See, for example, the PMCA Economic Commentary (November 2010) accessible [here](#).

Yet another possible consequence of Brexit is that the UK will no longer be subject to EU State aid rules.<sup>4</sup> In principle, this could mean that the UK or any region within the UK, upon leaving the EU, would be free to provide public assistance to ensure inward investment to the UK, whereas Ireland and other members of the EU will continue to be bound by State aid rules. In addition, under this scenario, UK public authorities (whether local or central) would not be constrained from giving support to UK or foreign-owned enterprises, which might compete with enterprises based in Ireland. The effect might be particularly significant for Ireland compared with other EU Member States, given the country's geographical proximity to the UK and the economic ties between the two countries. In addition, depending on the Article 50 negotiation process, UK-based enterprises might be able to complain to the European Commission in respect of State aid given by Ireland (central government, local authority or any other public agency) to Irish-based enterprises. **Thus, the potential State aid effects of Brexit could be very significant for Ireland** (this additional concern coming amid the Apple ruling by the European Commission and the Irish Government's decision to appeal the ruling to the European Court of Justice, with Apple also appealing the ruling, separately from that of the State).

**Summing up on Brexit, while there is a potential downside risk to the UK from the Brexit outcome, we consider that it is sensible to take a cautious approach and plan on the basis that the UK will become a more formidable competitor economically to Ireland, which in turn means that Ireland will itself have to become a more competitive economy and become less reliant on its tax arrangements and particularly its relatively low corporation tax rate (which will remain under the auspices of the Irish Government) in the future. In view of the Article 50 exit process, and the Apple ruling/appeal, there is currently a 'window' of uncertainty, which might favour Ireland in regard to FDI (the IDA is working proactively to maximise the opportunities for Ireland presented by the current uncertainty regarding the UK's position *vis-à-vis* the EU and there might be significant new FDI into Ireland between now and the beginning of the Article 50 exit process and possibly during the negotiations between the UK and the EU – this could also be a time of significant opportunity for Meath and the implementation of the Economic Development Strategy needs to be mindful of this possibility).**

**The outcome of the US Presidential Election poses another source of uncertainty for economic prospects in Ireland, within which Meath, on top of Brexit. Initial reports suggest that the new President will review the corporation tax rate in the US, with the possibility of reducing the rate significantly to 15% and providing for an 'amnesty' in which there would be a once-off 10% rate on profits to be remitted home by existing US multinationals with operations abroad. The FDI environment internationally could be transformed, as could the international trade environment, given that the President Elect has voiced concerns over the planned US-EU trade pack (TTIP).**

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<sup>4</sup> See, for example, the LinkedIn post/article by Dr. Pat McCloughan on Brexit and State available [here](#).

## Section 3: Review of Employment Lands in the Settlement Areas

### *Navan*

#### The Potential of the Boyne Valley Food Hub (BVFH)

In addition to the above commentary on the economic significance of the County Town, which accounted for almost one-quarter of all jobs in Meath in the last Census (2011), the importance of Navan is also apparent in the Regional Action Plan for Jobs for the Mid-East Region, which was launched in January 2016 and provides a range of actions for employment development in Meath and the other counties of the Mid-East Region (Kildare and Wicklow).<sup>5</sup> Meath is the lead stakeholder in the implementation of the Action Plan, which commenced with the hosting of the Mid-East Regional Skills Forum in Navan in 2015 to help underpin the Action Plan.<sup>6</sup>

The Mid-East Action Plan mentions the Navan Business and Technology Park (IDA), comprising 37 hectares (91 acres) proximate to the M3 Motorway, where it is stated that the “park has been developed and maintained to a high standard, which includes existing designs for advanced offices and advanced technology buildings” (p. 26). The Plan also mentions the Navan Enterprise Centre, which is located along the R161 Navan-Trim road, and at 85,000 square foot of floor space is the largest community enterprise centre in the Mid-East Region, and an occupancy rate of 94% makes it the most active such enterprise centre in the region (Table 7, p. 32 of the Plan).

Also of particular significance for Navan is the Mid-East Action Plan’s vision of a ‘food hub’ – namely the Boyne Valley Food Hub – for Navan. The rationale for this initiative is outlined in the Action Plan (p. 91):

“To compete successfully in today’s global economy, innovation and research is vital. The long-term strategic investment in innovation and research centres can help generate sustainable and scalable economic growth. The Boyne Valley Food Hub will seek to accelerate business innovation and research in the region by fostering the establishment of collaborative partnerships between local and national government agencies, academic/research institutions and the companies, large and small, that have ambitions for growth in the ever expanding global food markets.”

As outlined in the Mid-East Action Plan for Jobs, the Boyne Valley Food Hub will be developed on a 20-acre site owned by Meath County Council and located on the outskirts of Navan, close to the M3 Motorway. The project will be co-ordinated and driven by Meath Enterprise in conjunction with Meath County Council and in partnership with several key stakeholders that will include the relevant State agencies, academic/research institutions and the private sector. The project is to be part of an overarching, long term comprehensive economic development strategy for the region that will help to achieve a rising standard of living by supporting existing industry clusters, developing emerging new clusters, and attracting new regional economic drivers.

The short-to-medium-term vision of the venture is to “establish the region as a major national and international ‘food start-up hub’ by 2025, and to become recognised as a global model for regional economic development” (p. 91). The long-term vision stated in the Plan is that “the ‘Boyne Valley will be to food what Silicon Valley is to technology’” (p. 91).

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<sup>5</sup> The Mid-East Action Plan is available [here](#).

<sup>6</sup> Dr. Pat McCloughan was in attendance at the session in Navan.

As outlined in the Action Plan, the initiative will include facilities and services aimed at start-ups, growing businesses and new product development (NPD)/R&DI covering the range of enterprises in agri-food. During 2016-2025 the Plan anticipates that the economic development impacts of the Boyne Valley Food Hub would include the following:

- “New scaleable and sustainable food related businesses created”
- “Businesses sustained in the region”
- “Direct and Indirect jobs created/retained”
- “Increased client revenue-profits”
- “State, Venture and Private Equity funding brought to clients”
- “Domestic and International companies moving to the region”
- “Increased community wealth, rural/urban revitalisation”
- “National and International collaborations with incubators and Universities resulting in knowledge transfer and regional economic development”
- “Commercial space taken at enterprise, innovation and incubation centres in the region by students, graduates, and entrepreneurs creating new start-up businesses”.

**Having considered the Regional Action Plan for Jobs for the Mid-East Region, the empirical evidence, and engaged with key stakeholders in Meath regarding the Boyne Valley Food Hub, PMCA considers that the BVFH initiative has the potential to become a significant economic asset for Navan, County Meath and the wider functional region over the next decade, catering for adding value to businesses in higher-order activities, including innovation and exporting.**

**Two sites in particular are relevant to supporting the BVFH, namely:**

- **Part of the Navan Business and Technology Park (greenfield site); and the**
- **Greenfield lands between the Boyne Road and R153 Navan-Kentstown Road (these including the Council-owned lands mentioned in the Regional Action Plan for Jobs).**

Already discussion and plans for the BVFH are underway, involving Meath Enterprise, State agencies and the private sector, to develop a food innovation centre on greenfield lands within the Navan Business and Technology Park, the aim of which would be to facilitate the scaling and growth of existing agri-food businesses locally, regionally and nationally, where it is understood that the centre would act as a conduit for bringing international customers into contact with Irish-based businesses.

The nearby lands on the second-mentioned site would be developed and linked with the IDA lands as part of the BVFH, following access to the lands – currently the lands in question have poor access and would require transport access in the form of the Phase 1 Road Objectives, as provided for in the Navan Development Plan 2009-2015 (Map No. 1) (zoned for E1/E2 employment). In view of the possibility of the BVFH proving successful, we believe that consideration should also be given to re-zoning the residential zoned lands (Phase II, post-2019) immediately adjacent to the E1/E2 zoned lands as E1/E2 (to the south-east), adding capacity and additional attractiveness to the vision. In addition, to cater for the long-term growth and development of the initiative, PMCA believes that any additional lands adjacent to the second bulleted site above should also be zoned E1/E2.

This means that, in addition to the IDA Park, the proposed zoned lands to the east of Navan for the BVFH would become one of the largest employment development sites in the town, and County.

**The BVFH is appropriately ambitious for Navan and the County, and the opportunity should be planned for in Variation Phase 3b. Hence the earmarking of additional lands in addition to the E1/E2 zoning indicated in the Navan Development Plan 2009-2015 (in addition, the E1/E2 zoning should occur to the east of the proposed access route in the plan, given the residential development to the west of the proposed route – Farganstown lands).**

#### The Possibility of a New Hospital/Medical Facility in Navan

The Economic Development Strategy considered the then possibilities in regard to a possible new regional hospital in Navan. The Economic Development Strategy report independently examined the 'needs study' of 2006, the 'selection of Navan study' of 2008 and the 'sites/planning study' of 2009, which was inconclusive and ambiguous (all undertaken independently by other consultants). The 2008 study made use of MCA (multi-criteria analysis) but this technique tends to lack rigour and is generally open to challenge on the basis of varying the parameters and sensitivity analysis. An added issue observed by the consultancy team who carried out the Economic Development Strategy for County Meath concerns the continued constraints on the public finances and the scope to assign spending towards such a possibility during the lifetime of the Strategy (EU fiscal constraints, including the so-called 'Fiscal Space', which will constrain budgetary policy for the forthcoming years, not to mention public pay escalation and the increasingly significant threat posed by Brexit and other international developments). The consultancy team behind the Economic Development Strategy found that it would be difficult to envisage a private or public-private development in this case (private involvement in hospital provision in Ireland has tended to be limited to tertiary services and confined largely to Dublin and the other cities) and came to the view that any new hospital would likely be developed under the auspices of the Health Service Executive (HSE) (assuming a suitable site could be identified that meets both planning and health services requirements).

Nevertheless, the possibility of a regional or other form of hospital at Navan was considered as part of the spatial assessment part of the Economic Development Strategy but at the time concluded that such a development may not have the same delivery potential as the other employment sites considered in the consultants' report.

Since the completion of the consultants' report in 2014, the possibility of a new hospital in Navan has moved on. During the current assignment, PMCA understands that there is interest from the private sector to develop a large scale facility in the town. Possible sites for such a new facility include the Nevinstown (FP1) lands in the Navan Development Plan 2009-2015. However, access to the site at Nevinstown is constrained and would be conditional on the Phase 1 Road Objectives as provided for in the Navan Development Plan 2009-2015. Another possible issue concerns regional hospital status and the possibility of the HSE providing for such a new facility at Navan and possible opposition from the existing regional hospital.

**Nevertheless, while it is unlikely that a new public hospital would be planned in the medium-term, given fiscal constraints etc., it is likely that a major new hospital for the region will be required in the next 10 years. The private sector interest in developing a major new facility in Navan should not be ignored and the possibility of such a new development for the town should be considered and planned for by Meath County Council. The jobs impact of such a development would be in keeping with the Economic Strategy and would be a significant boost for Navan and County Meath. The need to plan for such a possibility in Phase 3b arises from the likelihood that there would be competition from other locations for such a facility as well as the substantial economic dividend.**

**Accordingly, it is advised that the Framework Plan (FP1) in respect of the Nevinstown lands is completed/reflected in the next instalment of the Navan Development Plan – all with the purpose of ensuring that the town presents a competitive location for a likely major new hospital in the region in the next ten years.**

#### Other Potentially Important Employment Sites in Navan

A tabular summary of PMCA's consideration of the aforementioned lands, plus other employment sites in Navan, is provided in Table 5 overleaf. The summary provides for the possibility of the BVFH being accommodated at the IDA Park and on the Boyne Road lands (with the possibility of re-zoning the adjacent residential/phase II (post-2019) lands E1/E2 and unzoned lands to accommodate the growth of the initiative).

The IDA Park in Navan is an important asset for the town: it is attractively laid out, has a strong range of existing tenants and has ample spare capacity to bring significant new high quality employment to the area. The tenants include a fin-tech company, founded and owned by a Navan native, who predicts up to 200 high quality jobs will be created there in the coming years as the business plans to establish Navan as a hub for such economic activity. There is also the potential to develop the lands to support the BVFH, given plans for this venture and the fact that the Park contains another food manufacturer.

In addition to the employment lands tabulated in the table overleaf, PMCA is also mindful of the opportunities presented by Meath County Council re-locating its offices at County Hall to Buvinda House in Navan, where the latter facility would combine the central functions with planning, which has already re-located to Buvinda House. This move should benefit Meath County Council and the people and businesses in the County. The site and lands at County Hall, which are extensive, could open up new employment opportunities that would also benefit the town centre. **Consideration should therefore be given to planning and promoting the premises and lands at County Hall for the purposes of further economic development within the town centre.**

In addition, other developments in Navan town have the potential to boost economic activity too – including the proposed re-development of Páirc Táihteann (the County Grounds of Meath GAA). Such developments are consistent with the goal of ensuring more economic and employment impact locally in the County Town and the County more widely.

**To this end, the provision of competitive, serviced sites for economic development in and around Navan is critically important. This may require consideration of other (currently unzoned) lands that might the requirements of competitively priced, serviced and with access etc. to ensure that local entrepreneurs are catered for.**

**Table 5: Assessment of Employment Sites in Navan**

Site/Lands	Current Zoning Objectives	Existing Usage	Suitability for Attracting Employers	Sufficiency	Appropriateness for Giving Choice of Investment Location	Constraints	Potential Location on Additional Lands
IDA Park - Athlumney	E1	FDI, public sector	Strong. Attractive layout and well maintained lands suitable for IDA and/or EI-type clients.	Yes - sufficient vacant sites for meeting FDI E1 requirements for Navan and its hinterland.	Yes - range of greenfield sites/lands available in the IDA Park, close to existing tenants. Lands within the Park have also been identified for the Boyne Valley Food Hub (BVFH).	None apparent. Located on the Dublin road environs of Navan, proximate to the M3 with services etc.	The IDA park is considered sufficient to meeting the FDI needs of Navan and its hinterland over the next decade. Additional lands required in respect of further supporting the BVFH.
Boyne Rd Lands	E1/E2	None - greenfield	The site/lands have been identified for the planned BVFH (along with the IDA Park). Advantage of being MCC lands.	The site/lands would provide extra capacity for the BVFH (in addition to the IDA Park) over the next decade. In addition, consideration should be given to E1/E2 zoning of adjacent lands to the east of the proposed access route, making the site significantly larger for longer-term growth, with residential development on the other side of the access route.	Located close to the IDA Park, the lands have the potential to support a major food hub in Navan serving local, regional and national agri-food enterprises. Sufficient zoned lands (E1/E2) should therefore be available.	Access is currently poor. Access would be via the proposed local distributor road, the Boyne Road and the R153 Kentstown Road. Services and broadband also need to be ensured.	In view of the potential for the planned BVFH to grow, the lands adjacent to the E1/E2 (to the south-east) (residential post-2019 and unzoned lands) may also be zoned E1/E2 to give additional capacity and to ensure the growth and development of the BVFH at this part of the town (in addition to that at the IDA Park).
Nevinstown Lands	WL/G1	None - greenfield	These lands have been identified for a possible new regional hospital. It is understood there is private sector interest for a major new facility in the town.	The site would be large enough to accommodate a c. 800-bed hospital with parking etc. <u>in principle</u> (but more work regarding the suitability of the lands needs to be carried out from health and planning perspectives).	The lands are well-situated on the north-western environs of the town, proximate to the M3 and other current link roads in the town.	Access is poor currently and would require the proposed local distributor road in the vicinity of the site. It is important that any new hospital site meets both planning and health services requirements.	Given the issues associated with the Nevinstown lands (FP1), Meath County Council should be mindful of potential alternative sites for such a facility and the zoning on such lands.
North Navan Lands (R162, Proudstown Rd-Simonstown Lane)	E2	Some - indigenous, quarrying, tyres, car centre	May be attractive for same/similar types of user (traditional E2) but not for E1 activities.	The site would appear to lend itself best for additional traditional activities in this part of Navan.	The site/lands would give choice for similar E2 uses in the northern part of Navan.	Access to the site via Proudstown Road might be a constraint, possibly also existing community infrastructure adjacent to greenfield site.	Lands either side of Proudstown Road would appear sufficient for traditional E2 usage without the need for additional, adjacent lands to be rezoned E2.
Lands adjacent to Tara Mines	E2	Brownfield	Ideally non-retail employers - manufacturing or services.	General enterprise and employment activities, manufacturing and/or services.	The lands would give additional choice to potential investors (manufacturing and/or services).	Access - would be predicated on the proposed local distributor road.	No - see Mullaghboy below.
Mullaghboy Industrial Estate	E2	Significant - indigenous	Large, traditional business park with multiple tenants, conveniently located near M3.	Large greenfield/unused parts of the overall site mean potentially significant new tenants and employment opportunities.	Unused parts of the overall site give choice to potential investors.	Access to the western and northern parts of the park, which are unused, would be predicated on possible road objectives and masterplanning (MP7).	No - nearby Beechmont Park treated differently.
Liscarton Industrial Estate	E2	Some - indigenous	Traditional business/industrial usage, large existing tenant.	Large footprint, with specific objective for employment development. Further lands at Liscarton could be zoned E2.	Appropriate as giving choice for alternative investment in the northern environs of Navan.	Adjacent to the R147 Navan-Kells Road but distance from the M3 Motorway	Additional capacity for additional employment onsite.

*Source: Consultancy team analysis of publicly available information and stakeholder engagement.*

*Note: E1 denotes "Strategic Employment Zones (High Technology Uses)"; E2 "General Enterprise & Employment"; G1 "Community Infrastructure"; and WL "White Lands".*



## ***Kells***

### Regional Aid 2014-2020 and the Regional Action Plan for Jobs

As outlined in the Economic Development Strategy, one of the most significant new funding opportunities for Meath concerns the EU Regional Aid Map for Ireland 2014-2020, which includes Kells and other parts of north Meath in an area corresponding to the former Kells Electoral Area. This important development represents a unique opportunity to promote both indigenous and FDI employment in that part of the county.

The new map, which became effective from 1 July 2014, means that the Irish Government will be able to provide regional aid to the eligible areas identified in the map, without having to worry about whether the assistance constitutes State aid. The aid available includes EI and IDA Ireland grants – Irish and foreign firms. The aid will also include tourism grants, urban and rural renewal incentives. The new aid will be subject to limits and the aid intensity rates (capital and employment grants) are 30% for small firms, 20% medium firms and 10% large firms. While the design of the aid is directed towards micro, small and medium firms, larger firms are also eligible, where the rules specify that large-firm aid should be directed at new activities, diversification of existing firms into new products or process innovation.

**The significance of the new map for Kells and environs in the north of the County is that it will support the objective of broadening and diversifying the local economy as well as providing financial support to enterprises (indigenous and foreign-owned) in the area.**

The inclusion of Kells and its hinterland in the north of the County in the new regional aid map for Ireland is also observed in the Action Plan for Jobs for the Mid-East Region, which considers that (p. 29):

“This expansion of the Regional [A]id [M]ap presents a significant opportunity for developing businesses and growing the enterprise base in areas of the Mid East. Regional aid in Ireland is typically given in the form of capital grants for initial investment in fixed capital for new establishments or extensions and employment grants linked to initial investment. Regional aid is also provided under schemes for tourism grants, marine tourism, urban and rural renewal and other tax-based development schemes.”

The same Action Plan for Job also observes (in Table 7, p. 32) that the Kells Enterprise and Technology Centre provides almost 30,500 square foot of workspace for enterprises but has a comparatively low occupancy rate (25%), compared with the other community enterprise centres in the Mid-East Region, which include the aforementioned Navan Enterprise Centre, the largest in the region and also the one with the biggest occupancy rate (94%).

Among the Actions provided for in the Action Plan for Jobs for the Mid-East Region is that (Action No. 42, p. 59):

“EI will utilise the new Regional Aid designation of Athy, Arklow and Kells to assist enterprises in the Mid East to grow as appropriate”.

And in respect of FDI that (Action 71, p. 68):

“IDA to utilise the new additional Regional Aid designations of Athy, Kells and Arklow to target relevant investors”.

## Importance of Promoting the Regional Aid Available and Kells Enterprise

**In the course of preparing this report, we were informed from our engagements with stakeholders that the extent of take-up of the regional aid in Kells and its hinterland is low. This might be due to a lack of information on the new source of financial assistance and/or confusion about how to go about applying for it but it will be important that the new aid source is comprehensively marketed to potential applicants and information is provided about how to apply for it and the steps involved, given that we are now more than 2 years into the new arrangements and Kells' inclusion in the map represents a unique opportunity for the area.**

The main workspaces and opportunities for enterprises in Kells are provided by the Kells Business Park, located on a large site in the north-western environs of the town along the R147 Kells-Cavan road. A few kilometres (less than 10km) from the Kells Business Park the R147 connects with the main N3 Cavan-Kells-Navan route, so that the park is reasonably well connected from a transport perspective. The River Blackwater delineates the northern boundary of the park.

The Kells Business Park currently comprises a large and varied number of tenants, with new sites for development within the park. Adjacent to the park are additional lands (which may be considered part of the overall park) zoned in the Kells Development Plan 2013-2019 as Phase 2 E2 General Enterprise and Employment. **In view of the funding opportunities available and Kells' other attributes, including the fact that employment in the wider Kells area has grown since the recession, consideration should be given to designating these adjacent lands as the same as the Kells Business Park in the variation for the town. This would serve to enhance the sufficiency of the park and its overall appropriateness as an investment location in the coming years.**

Opposite the Kells Business Park is a large area of lands zoned as Open Space and Tourism (F1/D1) in the Kells Development Plan 2013-2019 (the lands are situated to the south-west of the Business Park between the R147 and the R163, which links with the N3, meaning that the lands are located less than 5km from the main N3 route). **Given the potential of the regional aid funding to include tourism, we consider that the F1/D1 lands in question may be attractive to potential investors, sufficient, appropriate for giving choice of investment location and might therefore be attractive in regard to accommodating tourism investment with the capability of enhancing the local economy and Kells and its hinterland.**

The current plan also provides for tourism development on the other side of the town, in lands zoned as D1 Tourism along the R147 on the Navan Road (the lands in question are part of large site zoned principally F1 Open Space). **The lands (both the D1/F1 lands and the GI Community Infrastructure lands within the site in the Kells Development Plan 2013-2019) are likely to have economic/employment potential (including from FDI firms), given the Regional Aid designation, the location of the lands on the Dublin site of the town and in regard to ensuring sufficiency of employment lands for this part of the County. Accordingly, PMCA considers that the site (D1/F1/G1) should be considered for re-zoning as E1/E2 employment lands (Kells and the north of the County should make provision for FDI given its EU Regional Aid status 2014-2020). A tabular summary of the Kells lands is given overleaf.**

**Table 6: Assessment of Employment Sites in Kells**

Site/Lands	Current Zoning Objectives	Existing Usage	Suitability for Attracting Employers	Sufficiency	Appropriateness for Giving Choice of Investment Location	Constraints	Potential Location on Additional Lands
Kells Business Park	E2	Indigenous manufacturing, services	Good, given the reputation of the park and existing tenants.	Yes - sufficient vacant sites for accommodating further E2 employment in the northern part of the town.	Yes - range of greenfield sites/lands available in the park. Adjacent Phase 2 lands in the park could/should also be available.	None apparent, apart from the possibility of distance from the N3.	Possibly in other lands or workspaces in the town, depending on economic activity.
Kells - Lands between the R147 and R163	F1/D1	None - greenfield	Greenfield lands that could be of interest to tourism activity with employment potential.	The lands might be sufficient for accommodating a large-scale tourism, cultural and/or entertainment facility on the western outskirts of the town.	The lands and their zoning may complement the E2 zoning of the nearby Kells Business Park.	Availability of energy and other essential services needs to be ascertained, as does broadband availability.	Lands/site extensive.
Kells - Tourism Lands along the R147 (on the Dublin side of the town)	D1/F1/G1	None - greenfield	Greenfield lands that could be of interest to E1 as well as E2 activity (given location and Kells' EU Regional Aid status 2014-2020).	The lands may be sufficient for accommodating E1/FDI activity as well as further E2 activity on the southern outskirts of the town.	The lands are situated along the R147 and may give additional choice to potential investors.	Availability of energy and other essential services needs to be ascertained, as does broadband availability.	Lands are large and considered sufficient to developing FDI in the town and for northern Meath.

*Source: Consultancy team analysis of publicly available information and stakeholder engagement.*

*Note: E2 denotes "General Enterprise & Employment"; D1 "Tourism"; F1 "Open Space"; F1/D1 "Open Space & Tourism"; and G1 "Community Infrastructure".*