



Economic Data Profiling Report for Limerick Final Report to Limerick City & County Council May 2018



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Executive Summary & Introduction

EXECUTIVE SUMMARY

Over the last two decades there has been an increasing understanding of the importance of cities and city regions as economic, social and cultural focuses, which can drive regional and national economies. In today's environment of mobile, financial and human capital, the focus of economic competition is increasingly on city regions. This trend is particularly significant for an open economy such as Ireland which is competing in a global market for investment and talent.

In 2014 Limerick City Council and Limerick County Council amalgamated into one body - Limerick City & County Council. As outlined in the *Limerick 2030 Vision: An Economic and Spatial Plan for Limerick* report, the objective of this merger was to extend the city boundary to include urbanised parts of the county and was seen as a 'once in a generation opportunity' to drive new levels of employment and economic growth.

In May 2017 Limerick City & County Council (LC&CC) appointed EY-DKM Economic Advisory Services (formerly DKM Economic Consultants) with MCJ Lemagnen Associates Ltd. (MCJ Lemagnen) to undertake an Economic Profile report of Limerick city (including suburbs as defined by the CSO) and county. The context for this study includes the delivery of the *Limerick 2030* vision, and of the new National Planning Framework *Ireland 2040 – Our Plan*, which foresees the population of Limerick growing by 50% between now and 2040.

The study addresses the following elements:

- A. A comprehensive **Economic Profiling of the city and county**, in terms of performance over the last number of years, and the current outlook.
- B. A forward-looking **Predictive Analysis** - this element of the study was addressed via a SWOT analysis, a review of international "megatrends", and a set of detailed international case studies.
- C. A detailed **Benchmarking Analysis** against comparable cities internationally.
- D. A detailed **Assessment of Investment** in Limerick in key sectors over the last number of years, and looking forward.

The outputs of the study are summarised in this Executive Summary.

A. Economic Profiling

The Economic Profiling element of the report undertook a comprehensive socio-economic statistical analysis of Limerick city and county, including comparison with the other four major cities in the State – Dublin, Cork, Galway and Waterford – and their counties.

Population

The total population of Limerick city and county in 2016 was 194,899, an increase of 1.6 per cent over the previous five years. Of this, some 97,000 were resident in Limerick city & suburbs (as defined by the CSO, including the settlements of

Annacotty and Mungret). Limerick is the third largest city in Ireland after Dublin (1.17 million) and Cork (209,000). The population of Limerick city & suburbs grew by 3 per cent in the five years since Census 2011, making it the slowest growing of the five major cities in the intercensal period.

Under the *National Planning Framework*, it is planned that half of the overall national growth in terms of population, employment and housing will be targeted at Ireland's five cities – Dublin, Cork, Limerick, Galway and Waterford. Currently, growth has been disproportionately focused on Dublin, and it is the objective of the Framework to redistribute growth in a more balanced manner, which would see each of the other cities grow by at least 50 per cent by 2040, 'to enhance their significant potential to become cities of scale'. The Framework foresees the population of Limerick city reaching approximately 150,000 by 2040.

Commerce

In 2015, there were approximately 12,000 active enterprises operating in Limerick city and county. This represented growth of 21 per cent in the year from 2014, and was in excess of the rate of growth observed in the State (18.8 per cent). In common with the rest of the country, Limerick had experienced reductions in the number of enterprises in the previous two years. In 2015, Limerick County ranked fourth out of the five counties, on a per capita basis, for the number of active enterprises.

The three largest economic sectors in Limerick are Wholesale & Retail Trade, Construction, and Professional, Scientific and Technical Activities, which between them represent close to 41 per cent of total active enterprises. This is broadly in line with what is observed in the four other counties.

In terms of employment, the key sectors are Human Health and Social Work, accounting for 23 per cent of the 64,140 employees employed in active enterprise in 2015 in Limerick County. This is significantly higher than the level of employment observed in the same sector in Dublin, Cork, Galway and Waterford, where it represents approximately 10 to 12 per cent. The Wholesale and Retail Trade sector represents approximately 13.8 per cent of total employment in enterprise, somewhat lower than the levels observed in Dublin, Galway and Cork.

Limerick County is home to 54 IDA-backed firms in total, placing it behind Dublin, Cork and Galway, but ahead of Waterford. The most important sector for FDI investment in Limerick is ICT/Hardware/Software, followed by Engineering and Medical Technology. Bio-pharmaceuticals, Business Services, Financial Services and Consumer Goods also feature. While Limerick does not enjoy the same degree of sectoral FDI clustering as can be seen in Cork and Galway, it does have the advantage of a wide range of sectors, which should be resilient to sectoral downturns.

In 2016, there were three start-ups for every 1,000 of the Limerick population. Similar levels are reported in Galway and Waterford, while in Dublin and Cork

there were seven and five start-ups per 1,000 population respectively. Of the firms that started in Limerick in 2016, the majority were involved in the Professional Services and Finance sectors. These two sectors also made up the majority of start-ups in Cork, Dublin and Galway.

The city centre spatial plan, as outlined in *Limerick 2030*, has the ambition to create ‘a city centre that can attract new inward business investment and encourage the formation of new local business by providing high quality, flexible space.’ Although the level of office stock in Limerick has been increasing over the past number of years, there remains a shortage of large, high quality office space in Limerick city centre (Central Business District and adjoining areas). This will be alleviated as high profile schemes such as Gardens International and Opera sites come on-stream. Notably, city centre office rents remain lower than the equivalent in Dublin, Cork and Galway.

Labour Market

A number of sources of data for job creation in Limerick over the past five years have been considered in this chapter. Data collected by LC&CC points to almost 12,000 new jobs announced in Limerick city and county over the study period. This number is incomplete however as it only includes publicly announced jobs and it can take approximately two years for job announcements to translate into actual jobs.

In terms of the increase in jobs net of job losses, the data indicates that a net 5,000 private sector jobs have been created in Limerick city & suburbs over the past five years. In the city and county combined, the figure is over 8,000 net private sector jobs. Some additional public sector jobs could also be expected. While these statistics relate to businesses based in Limerick and thus would include commuters into the city/county, census data for residents of the city and county indicate broadly similar growth.

Commuting data from the Census confirms that Limerick city is a major locus of employment, with over 22,700 workers commuting daily into the city – this represents slightly more than the number of city residents working in the city. While job creation has been broadly based, employment growth has been particularly strong in the following sectors: **BioPharma/Medical Devices; ICT, Construction, Retail, Fintech and the Creative sector.**

A significant reduction in unemployment was observed in Limerick city & suburbs between the 2011 and 2016 Censuses, with the rate falling from 23.3 per cent to 16.8 per cent. This represented the greatest improvement across the five main cities over the period.

There are considerable ongoing unemployment issues within Limerick city, however. Census 2016 identified 79 unemployment blackspots across the State, where unemployment is two to three times the national average. Of these, 17 are located in Limerick city and suburbs. By comparison, Waterford city contained 13

unemployment blackspots, Dublin city contained seven and Cork city had five. Across the five cities, Limerick has shown the slowest recovery in terms of the reduction in unemployment blackspots between the two censuses. However, as indicated already, the populations of the most deprived areas in Limerick have been falling over that period.

Education

Limerick's third level institutes is a key strength for the city and county. Given the level and sectoral spread of FDI in Limerick, it is paramount that the city is in a position to supply a highly qualified, highly skilled labour force to meet the requirements of the economy.

In the academic year 2015/2016, some 23,800 students were enrolled in third level institutions in Limerick, across University of Limerick (UL), Limerick IT (LIT) and Mary Immaculate College (MIC). Across both UL and LIT, the proportion graduating with degrees in Natural Sciences, Mathematics, ICT and Engineering and Manufacturing totalled 10 per cent, 8 per cent and 17 per cent respectively. This compares favourably to the equivalent for Dublin, Cork, Galway and Waterford.

The QS World University Rankings, which ranks over 950 universities from 84 countries, ranks UL between 501 and 550 in 2018. Only one Irish university (TCD) is included in the top 100 of this ranking. The SCImago Institutions Rankings 2017 ranks UL 502nd out of 5,250 institutions globally, and 8th in Ireland.

Incomes & Social Class

In 2014 Limerick city and county had the second highest level of total income per person in the State, after Dublin. That said, between 2011 and 2014, Limerick city and county was the only one of the five counties to experience a decline in disposable income per person, falling by 5.9 per cent compared to the State average increase of 2.2 per cent. However, Limerick did experience income growth in 2014, reflecting the start of the economic turn-around.

Limerick has more areas of deprivation than any of the other cities. The data indicates that these areas were particularly badly hit by the economic crisis, and have been slower to recover in the meantime. However, due largely to the activities of *Limerick Regeneration*, the proportion of the city's population living in these areas has fallen significantly over the last number of years.

In terms of labour force skillset, Limerick city has a lower profile than the other cities. The city's dependency ratio is likewise higher than the other cities, with the exception of Waterford, but is lower than the State average.

Housing

Limerick city has not escaped the fallout from the collapse in the housing market in the late 2000s, and the subsequent slow recovery in output. New housing completions remain low, as is the case in the other main cities.

That said, housing remains significantly more affordable in Limerick than in the larger Irish cities. As of 2016, average sales prices in Cork, Galway and Dublin cities were respectively 59 per cent, 66 per cent and 174 per cent higher than in Limerick city. Likewise, residential rents in Limerick city are significantly lower, and have been growing at a much lower pace, than in the larger Irish cities.

While representing a challenge for the commercial sustainability of new housing development in the city, housing affordability is a key competitive advantage for Limerick in attracting people and investment.

Tourism

A successful tourism industry is important not only for Limerick city and county but for the Mid-West region as a whole. Data from Fáilte Ireland indicates a positive trend in the numbers of visitors, both domestic and overseas, visiting the county in recent years. Growth has also been reflected in overseas tourism spend which reached approximately €210 million in 2016.

Infrastructure

Infrastructure will prove vital for LC&CC's plan to develop Limerick city and county into an attractive and competitive location for enterprise and inward investment. Road infrastructure is of particular importance in linking the county and region to the other major cities. Limerick is well served via the M7 link to Dublin and the M17 link to Galway, while the link to Cork will be addressed with the recent approval of the M20 motorway.

There appears to be scope for further investment in public transport links through the city and county, with very low percentages of commuters choosing public transport. That said, Bus Éireann reports that recent improvements in the bus network have resulted in significant increases in patronage, albeit from a low base.

Shannon Airport is a key connector for both inward investment and tourism. In 2016, 1.7 million passengers travelled through the airport. While this represents year-on-year growth, it accounts for only 5 per cent of the total 32.8 million air passengers in Ireland that year, with Cork Airport accounting for close to 7 per cent and Dublin 85 per cent. Shannon Foynes Port is likewise a significant resource for Limerick and the region, handling the second largest quantity of cargo in the country, after Dublin Port.

Finally, broadband is a key infrastructural issue. The level of broadband connectivity in Limerick city and suburbs has increased steadily since Census 2006, when 25 per cent of households had access to broadband. In Census 2011 this increased to 65 per cent, reaching 71 per cent in Census 2016. In rural Limerick it is planned that over 15,000 properties will be enabled with commercial high-speed broadband between 2017 and 2018.

B. Predictive Analysis

This section of the report undertakes a SWOT Analysis for Limerick, which highlights the **strengths, weaknesses, opportunities** and **threats** facing the city. This is drawn from consultations with a broad range of Limerick stakeholders, the economic profiling section, and the international benchmarking analysis. The conclusions of the case study analysis also provide context on Limerick’s development in relation to a selection of cities with similar characteristics, development paths and vision. Finally, an analysis of international “megatrends” is produced, and linked to the SWOT analysis.

SWOT Analysis

Strengths

The Limerick region has many strengths which make it a highly attractive location in which to live and work, for businesses to operate in, for students to study in and for tourists to visit. Our analysis highlighted the existing base of industries and businesses located in Limerick as a strength for the region. One key aspect is the **broad spectrum of industries located in the region**, meaning that Limerick has reduced dependency on any one individual sector. Many leading firms have either emerged from Limerick or have chosen Limerick as their base, including Johnson & Johnson, General Motors, Northern Trust, Uber and WP Engine. The Troy Studios Film Hub in Castletroy and the National Sports Business Cluster reflect new sectors that have emerged in recent years.

Relatively affordable housing, low congestion levels and relatively short commutes and a **compact city** were highlighted as significant strengths. The **cost of living** is a particular strong point, with Limerick identified as the **most affordable urban area in Ireland** in which to both rent and buy residential property. When coupled with the fact that **disposable incomes are higher than the national average**, this is a key advantage.

The **relative affordability of office space** in Limerick compared to other cities in Ireland is another strength, despite an apparent under-supply of high quality office space. However, the Gardens International development and the proposed Opera development will provide new supply to the market in the medium term.

The level of collaboration and joined up thinking in the city, driven by the Council’s own strategy and actions, and strong engagement with the wider community around redevelopment, is a key strength. LC&CC was for instance praised for its **supportive and flexible approach** to exploring office space solutions with businesses in the region, and particularly with FDI firms establishing in the county.

The **level and depth of engagement** between businesses, third level institutions, representative bodies and statutory bodies in Limerick is a unique and formidable strength. Industry collaborations such as ‘Limerick for IT’ and ‘Limerick for Engineering’ are examples of industry-led initiatives which are supported by

education and training providers, to address future skills needs and ensure an adequate pipeline of talent.

The **collaborative approach** to enterprise in Limerick has been further enhanced by the development of spaces such as ‘Engine’, Bank of Ireland’s Workbench facility, the Nexus Innovation Centre at UL and the Hartnett Enterprise Acceleration Centre at LIT. Collaboration in the wider region also extends to the county councils where it is recognised that economic progress in one county is advantageous for the others, and hence approaching development from a regional perspective is mutually beneficial.

In common with Ireland in general, Limerick has a **lower median age** than other western countries, and a **slower growth rate of the cohort aged above 65**. This represents a significant competitive advantage for the county in economic terms as greater labour force participation over a longer period could be expected.

Education is a key prerequisite for economic development and Limerick has substantial strengths in this regard. Limerick has an expanding network of secondary schools (including Laurel Hill, the best secondary school in the country). At third level, UL (including MIC) and LIT (including the highly rated Limerick School of Art & Design) have an aggregate student population of approximately 23,300, which provides a strong pipeline of talent to local businesses.

With an improving road network – notably the recently completed M17/M18 to Galway, the planned Northern Distributor Road and new M20 motorway to Cork – **Limerick’s road connectivity** is developing as a key strength.

Shannon Airport is a critical asset to the growth of the city and wider region. The airport provides vital international **connectivity** to commercial centres, which facilitates greater interaction of firms (particularly FDI firms) in Limerick with businesses internationally. **Marine connectivity** is similarly important with Limerick city served by both Limerick Docks and the Shannon-Foynes Port, the second largest port in the State by volumes handled.

Sport is a primary passion for Limerick people and the city’s **sporting heritage** provides significant physical and cultural assets. Thomond Park and the Gaelic Grounds both have the potential to be utilised for purposes other than sport, including as business and entertainment event venues.

Weaknesses

As with all cities and regions, Limerick has a number of areas of weakness. The key ones identified as part of this study are discussed here.

One of Limerick’s primary weaknesses has been the **‘hollowing out’ of the city’s core** residential, retail, education and commercial activities in recent decades, resulting in a lack of vibrancy and population in the city centre. The Georgian Quarter of the city was highlighted by multiple stakeholders, as was Nicholas

Street, albeit urban renewal investments are underway to tackle these. We note also that a number of new venues have opened in the city centre in recent months.

Housing and the retail & commercial sectors are also victims of this ‘**donut effect**’. The lack of availability of modern apartments was alluded to in stakeholder consultations. Similarly, suburban shopping centres have come to dominate, drawing people away from city centre retail. The lack of urban density is also reflected in a shortage of significant high quality office space in the city centre.

This may be a hindrance for future growth, since businesses and workers are increasingly attracted to urban areas of critical mass and density. Likewise, achieving the population growth targets set in the National Planning Framework will represent a challenge given the current urban configuration.

As indicated above, one notable issue for Limerick city is the number of areas of **social deprivation**, and unemployment blackspots, relative to the other main cities in Ireland. However, the proportion of the total population living in these areas is falling steadily, linked to steps taken by *Limerick Regeneration*.

Rural broadband infrastructure has also been identified as requiring attention, despite strong coverage levels in the city. Several stakeholders outlined how this should be a high priority for the future development of the county, as it is constraining business development outside urban areas.

Stakeholders also raised concerns over the capacity of schools in the region to absorb additional pupils if the population of Limerick is to reach the targets set by the National Planning Framework. In recent years the **number of schools in the city centre has reduced**, with school amalgamations driven by changing demographics and the movement of families into the suburbs.

Public transport in Limerick is a notable weakness. Despite recent improvements, the city’s bus service is used by a low proportion of the workforce, compared to the other main cities. Likewise, the lack of frequent direct train links with Dublin is a weakness. Regional rail links meanwhile are infrequent and poorly patronised.

Finally, Limerick is an underperformer in **tourism** terms, despite being bordered by counties which draw large volumes of tourists. One possible issue is the lack of a compelling tourist attraction in the city: in the Top 47 attractions in the country, as compiled by Fáilte Ireland, Limerick features only twice, with the Hunt Museum (42nd) and King John’s Castle (43rd).

Opportunities

Reflecting both the strengths and weaknesses of Limerick, opportunities exist for the overall improvement of the county as a place to live, work, do business in and visit.

There exists substantial scope for the **development of both greenfield and brownfield sites** in Limerick which could cater for residential, commercial, educational and recreational development. Under the *Limerick 2030* strategy, six key development sites have been identified, with the Cleeves Riverside Campus and the Opera site considered to have the most ‘transformational’ potential for the future development of the city. In combination with Gardens International, Troy Studios and the Mungret College site, the sites represent a significant opportunity for the regeneration and development of Limerick City and its environs.

Public investment will also need to be **supplemented with private development**. According to LC&CC there is currently 440ha of land zoned for residential development in the city and its environs, and a number of stakeholders raised the possibility that private developers could be engaged in order to speed up the development process and alleviate pressure on public funds.

While the ‘donut effect’ represents a weakness, it also presents considerable opportunities for the rejuvenation of the city centre. The Georgian Quarter, in particular, is seen as an area of opportunity while the major rejuvenation of **O’Connell Street**, involving an investment of €9 million by the Council, should see increased activity and footfall return to the city centre. The recently announced plans for redevelopment of the **Limerick Docklands** meanwhile represents a major opportunity for a new economic district in the city.

There is likewise considerable potential with regard to the development of Limerick as a **‘smart city’**, providing opportunities to install modern technology systems which could, for instance, improve transport or energy efficiency in the city.

With the **UK’s exit from the EU** there is scope for Limerick to build its economic base by capturing some of the businesses relocating from the UK. While Limerick is unlikely to be the first preference for relocating head offices, back-office and support functions for multi-national companies could be attracted to Limerick. Limerick’s relatively low costs of living and of doing business, along with the strong pipeline of new commercial space in the city, represent a strong opportunity not only to attract ‘Brexit business’, but also to attract businesses that are being **priced out of an increasingly expensive Dublin**. In this context it will be important to maintain strong communications with IDA Ireland and Enterprise Ireland to stay informed regarding what their client firms are looking for, and to keep them updated on what Limerick has to offer.

Clustering in the **cultural and sports sectors** is another important area of potential, and the recently established Troy Studios has the potential to emulate the likes of the National Sports Business Cluster in spurring clusters in the film/television and related sectors.

With regard to the opportunities in the **tourism sector**, Limerick boasts a broad spectrum of historic and tourist amenities which should form important components in the region's tourism strategies over the coming years. There is scope for Limerick to increase tourism spend through the targeting of overnight stays in the city and county, as both average occupancy and average room rates are considerably lower than in Dublin, Cork or Galway.

Delivery of the *Limerick Tourism Development and Marketing Strategy 2017-2023* (draft) should contribute to boosting the tourism sector in Limerick. Limerick would benefit from being more fully included in the *Wild Atlantic Way*, enabling the county to tap into a rich tourism market. The River Shannon was also identified as an important asset which could be harnessed for both tourist and leisure activities. Likewise, the hosting and promotion of more high profile events in the city has been highlighted as a way to improve the vibrancy of the city and attract more tourism.

Threats

A number of factors, mainly outside the control of local stakeholders, have been identified as threats to the future economic success of the city and county.

Shannon Airport is of vital importance to Limerick and the west of Ireland, and any uncertainty over the **continued operation of air routes** could have serious consequences. The closure of routes to either US or European destinations would be a significant threat to businesses in Limerick, and to the tourism market in the region.

While also representing an opportunity, **Brexit** could potentially have a damaging effect on Ireland and Limerick, in terms of both trade and tourism.

The viability and continued operation of **train routes** is also considered to be a threat. Irish rail identified that two of its four worst performing routes had a terminus in Limerick: the Limerick-Galway and Limerick-Ballybrophy routes. Concerns exist around the long-term viability of these lines, particularly as road connectivity continues to improve.

Case Studies

As part of the predictive analysis we also compiled case studies for three cities in order to place Limerick in an international context. Following consultations with LC&CC it was decided that Dundee (UK), Portland (Oregon, USA) and Tampere (Finland) were the most appropriate cities against which to compare Limerick's performance. These cities' recent experiences parallel Limerick's in many important aspects, and therefore how they have faced their various challenges were felt to hold important lessons for Limerick. Detailed analysis of socio-economic developments in the three cities was undertaken, and the following **key lessons** were identified from an analysis of their experience:

- 1. Sustained Investment:** Substantial investment and determination over decades is required to achieve change.

2. **Planning and Monitoring:** Time spent planning the city’s strategy, tactics and key performance indicators is time well spent.
3. **Communication:** Regularly keep residents up to date with progress on initiatives and plans through PR and social media.
4. **Entrepreneurialism and Innovation:** Set up incubators, accelerators and development programmes and create strong links between academia and the public/private sector.
5. **International Focus:** Be outward facing to the local community, to local and country markets and to international investors.
6. **Equal Opportunities:** Equality matters and being open to issues, such as pay, housing or skills, is important.
7. **Smart City and Sustainability:** Be bold in smart city strategies, sustainable policies and programmes to underpin urban renewal and future growth.
8. **City Personality:** Use the natural environment to the city’s advantage for both residents and incomers and allow the city’s personality to shine through and develop.

Megatrends

A number of international megatrends were identified as part of the predictive analysis. The following table summarises them along with their implications, and how they link with Limericks strengths, weaknesses, opportunities and threats, as identified in the SWOT analysis.

Megatrend	Implications	Linkage with Limerick’s Strengths, Weaknesses, Opportunities & Threats
BREXIT	Short-term uncertainty; potential trade barriers and increased trade costs (agrifoods and tourism particularly exposed). Ireland may become more attractive FDI location/target for UK relocations.	While Limerick will not be immune from the threats from BREXIT, the city’s competitive cost of living and doing business relative to other locations in Ireland leave it well-placed to capture certain types of “back-office” type activities, both from the UK and further afield, and relocating from Dublin. Potential activities could include accounting, business support services (e.g. payroll, HR) technical support desks, including IT technical support. Software development and other R&D/Innovation are also possibilities.
EU & US Tax Alignment Pressures	Reduce international attractiveness of Irish tax system for attracting investment.	Limerick’s relatively wide FDI sectoral spread should reduce the potential impact on the city.
Rise of Asian Economies	China and other Asian countries will become more important parts of the global economy, and will become increasingly active investors in the West.	Low costs relative to other Irish cities, strong air and sea connectivity and third-level education sector should leave Limerick well-placed to attract inward investment.
Automation, Robotisation, Artificial Intelligence (AI), Internet of Things (IoT)	Negative impact from jobs losses. Up-skilling, retraining and education will be critical challenges. Opportunities from disruptive technology given Ireland’s reputation as a location for tech companies and	May be a concern given Limerick’s relatively prominent manufacturing sector. Third-level education sector with strong focus on STEM subjects will be an asset in building and maintaining relevant skillsets. Promoting hi-tech sectors (particularly start-ups)

Megatrend	Implications	Linkage with Limerick’s Strengths, Weaknesses, Opportunities & Threats
	attracting FDI.	will be key.
Online Retailing	Online retailing an increasing challenge to “bricks and mortar” retail, particularly in city centres.	A challenge for Limerick, as it seeks to revitalise city centre retail. Also an opportunity for new e-commerce logistics units as Limerick has strong and improving road connectivity, and Shannon Airport is a strong logistics asset.
Megacities (> 10 million people)	Increasing proportion of global economy and population locating to megacities.	Ireland too small to support a megacity, risks of economic peripherality.
Smarter, Sustainable and Cleaner Cities, Energy & Climate Change	General trend towards urbanisation, with demographics, is source of challenges and opportunities regarding healthcare, mobility, waste, air quality and affordable housing. Push towards carbon neutrality will have implications for energy generation and usage, and transport.	City authorities can play a leading role in terms of policy and use of city assets and services for piloting and development of smart and clean innovation. Limerick needs to ensure that it is a frontrunner in smart cities in Ireland and Europe. Promote the city as a testbed for new technologies/infrastructure. City centre living and public transport are key challenges for Limerick in this regard.
Ageing Demography in Developed World	Economic participation rates will decline with ever-increasing percentages of retired persons and growing healthcare and tax challenges, notwithstanding that retirement ages will increase.	Ireland (and Limerick) has one of the youngest populations in Western Europe, which will give a strong advantage in terms of available labour force. Medical and healthcare product and service innovation, especially solutions for independent living represent a major global opportunity. Linkages with smart city initiatives. The centralised nature of Government and taxation in Ireland limits the degree to which Limerick can influence policy.
Technology Start-Ups Boom – “Rise of the Unicorns”	Emergence of next generation IT technologies, and 5G infrastructure that is the biggest driver of new generation of massively backed start-ups, which are dramatically changing all industries, from automotive to fintech to health to manufacturing and logistics.	Ireland is in a strong position to attract these companies and has also established its own significant start-up ecosystem. The challenge for Limerick is to ensure that it fully participates, in particular establishing its own sustainable, start-up ecosystem. Economic profiling analysis indicates Limerick somewhat behind in terms of start-up scene.

C. International Benchmarking Analysis

Section A of the report undertook a detailed statistical profile of Limerick, including benchmarking it against the other main cities in Ireland. The key objective of the international benchmarking section was to compare Limerick with a group of progressive and visionary cities with similar characteristics, to create a better understanding of their transformative journeys in more detail. Where relevant, country as opposed to city benchmarks are presented. The benchmark cities chosen were: Dundee, Tampere and Portland, whose more detailed case studies are contained in Section B, along with Norwich (UK), Aalborg (Denmark), Montpellier (France), Groningen (Netherlands) and Vancouver (Canada).

Population

Limerick is identified as having a younger population age profile than the international benchmarks, which is viewed as a positive in that the city can have greater economic participation for longer into the future. This competitive advantage can only be maintained however if Limerick is able to deliver employment opportunities into the future.

GDP and Tax

Ireland has the best corporation tax rate in Europe, which continues to be a compelling selling point for FDI attraction, expansion and retention. It is also a favourable rate for Irish SMEs.

Labour force: Unemployment

Limerick has a high unemployment rate compared to the benchmark locations. This clearly a challenge. Limerick will need to reinvest in upskilling and 'life-long learning' of the labour force as a whole as, for example, Tampere is doing.

Sectoral Employment

The relative diversity of its sector employment is a strength for Limerick, mitigating risks of over-dependence on a single sector/company. Both Limerick and Tampere were victims of major retrenchment by global ICT firms.

Utilities and Infrastructure

Digital infrastructure investment is imperative for deployment of smart city technologies and the Internet of Things (IoT). Relatively high electricity prices are a hindrance for business investors and also for development of electric and increasingly autonomous vehicles. On the other hand, industrial gas prices, air connections and air freight and road congestion compare favourably with benchmark cities. Limerick has the best air links of the benchmarked cities (albeit they could still be improved), a key asset for both FDI attraction and for exporting firms. Further European route expansion, embedding into export manufacturing supply chains for air freight and improved national road developments are both strengths and opportunities.

Property

Compared to the benchmarks, Limerick has high property taxes and charges. While its office rents are relatively expensive, retail and industrial rents are competitive. A key issue is a lack of affordable office space, which is a constraint for SMEs and start-ups. Limerick needs to address this issue, ensuring adequate supply catering for different phases of start-up growth, particularly in the city centre locations. Both Dundee and Tampere have invested in high quality but affordable and flexible start-up space.

Education

Limerick has a critical mass of Higher Education (HE) students, and is comparable to the benchmarks in this regard. The share of students in STEM-related subjects is high, although the numbers in health/welfare subjects is relatively low.

Increasing STEM and health graduate numbers would increase the city's attractiveness to international companies and also for R&D contract work.

One of the biggest issues for Limerick is its ability to retain graduate talent. Some 33% of the working age population has a tertiary education, the third lowest of the benchmarked cities, despite being a university city. This is evidence of 'brain-drain' and a potential risk for attracting higher skilled corporate investment projects

Of the cities under considerations, four have higher ranking universities than Limerick and two benchmark locations have two institutions in the QS top 1,000. Limerick universities are very good in a national context but more needs to be done to increase their international standing. Subject-specific rankings should be used to illustrate sector expertise.

Research and Development

Ireland has lower R&D spend than all other benchmark countries, and fewer researchers, and also ranks low for talent and innovation in global indices. Relatively speaking, Ireland does not have quite the international pure R&D intensiveness of the others, but IDA Ireland has been highly successful in attracting applied R&D and software innovation FDI projects.

International Competitiveness

Finally, Ireland has a mixed position on global competitiveness rankings – consistently high in the IMD World Competitiveness ranking but the lowest on the WEF Global Competitive Index. This all depends on one's definition of 'competitive'. Ireland is a global frontrunner in FDI attraction so is clearly competitive for business, but other indices indicate Ireland is less competitive for innovation/R&D. Ireland also has room for improvement on ease of doing business compared to the UK and Denmark.

D. Assessment of Investment

The quantity and quality of a region's infrastructure has an important role to play in sustaining competitiveness. Investment decisions, in particular FDI, are based *inter alia* on the quality and reliability of physical infrastructure. In this section of the report a detailed review of the public and private infrastructure put in place across Limerick in recent years is presented.

Over the period 2014 to 2017 a total of 1,324 planning applications (excluding one-off self-build applications) were identified, across a range of sectors including industrial, commercial, retail, residential and education, and were reviewed in detail.

Industrial Investment

Industrial investment, which includes factories, warehouses and heavy/light industry, totalled €30.4 million over the study period. Annual investment in industry has varied over the past four years. For example, only €220,000 was

invested in industrial projects in 2017 compared to €21.2 million in 2016 and €4.4 million in 2015.

One of the most notable industrial investments during the study period is Troy studios, which saw the redevelopment of the former Dell building in Castletroy and involved an investment of €1 million (shell and core).

There is also considerable potential industrial investment for Limerick, with €41.2 million worth of projects awarded planning permission during the study period but have yet to progress to on-site construction. If these investments were to come to fruition it would add an additional 33,000 sq. m. of industrial space to the county.

Commercial and Retail Investment

During the study period the greatest investment occurred in the commercial and retail sector, with just under €90 million invested in on-site construction. Commercial projects, i.e. office space, made up €65.5 million of this, while retail projects constituted €24.3 million.

The majority of this investment has been in the form of commercial projects in Limerick’s city and suburbs. Over the four year period some 48,000 sq. m. of commercial space was added, 43,000 of which was located in the city and suburbs. The largest commercial investment over the period has been the office space in the Gardens International site, which accounted for 65.7 per cent of the total investment made in commercial projects in 2017.

Residential Investment

Investment in the residential sector was particularly badly hit during the economic downturn, with a dramatic slow-down in home building resulting in the currently lack of housing supply across all regions. Similar is evident from the investment data for Limerick, which shows that in the period between 2014 and 2017 some 2,400 residential projects were granted planning permission across the county but only 960 projects actually began construction. Having said that, the value of residential projects on-site has recovered considerably since the crisis. In 2014 approximately €2 million worth of investment occurred in the sector, compared to €41 million in 2016. In the first three quarters of 2017 a total of €21 million has been invested.

In the past two years a number of significant housing developments have begun construction in Limerick. In 2017 construction on 53 housing units began in Castletroy, valued at €6.2 million. A further 170 units are being constructed in Annacotty, with an estimated value of €21 million.

The level of public investment in the residential sector has been exceptionally low in the past number of years and Limerick is no exception. According to the data, no publically funding housing developments were funded in the Limerick in either 2014 or 2015. There has been slightly more activity in the past two years,

however the level of investment is considerably subdued compared to that of the private sector.

Education Investment

There has been considerable investment in education in the past four years, with close to €50 million invested across crèche/nurseries, schools, colleges, universities and training centres. The vast majority of this investment has involved the extension or refurbishment of existing buildings.

In both 2014 and 2015 the city and suburbs received most of the investment in this sector, before switching in 2016 and 2017 to a focus on investment in the rest of the county. The largest investment (c. €12 million) was recorded in 2016, with the development of the Mungret Educate Together National School and Gaelscoil an Raithín. As might be expected, the vast majority of investment made in education is public sector, representing c. €46 million of the total €49 million of on-site investments.

Some 3.3 per cent of the overall national investment in education in 2017 occurred in Limerick compared to 4.5 per cent in 2016. This compares to less than 1 per cent of the on-site investment in education in Ireland in 2014.

Other Investments

Significant investment has also occurred over the past four years in sectors such as healthcare, transport, civil, utilities, hotel and catering and sports and leisure.

Healthcare investment, which includes dental surgeries, health centres, nursing homes and hospitals, has totalled €64 million over the past four years. Considerable investment has been made in University Hospital Limerick (€17 million) and a privately funded palliative care unit (€11 million) in the city and suburbs.

According to the data, few transport projects have been approved during the study period, with even fewer progressing to construction stage. The most notable transport investment is the redevelopment of Colbert Train Station, with an estimated construction value of close to €17 million.

Investments in road and maintenance has been relatively subdued with the data showing that approximately €1 million of civil engineering investment occurred in the past four years. Similarly, investment in utilities, such as wind/solar energy farms and water treatment facilities, totalled just under €6 million.

The redevelopment of Adare Manor hotel is the key component behind Limerick's investment in the hotel and catering sector. Between 2014 and 2017 a total of €58 million was invested in the sector, of which Adare Manor Hotel constituted €50 million. There is also considerable investment in the pipeline, with a further €15 million worth of projects granted planning permission during the period.

In the past four years some €43 million has been invested in the likes of sports facilities and community, religious and leisure centres. Close to €26 million of this is associated with the Glucksman Library at University of Limerick. A further project, awarded planning permission is set on the Mary Immaculate College campus, with an estimated investment value of €21 million.

Conclusion

While Limerick still faces many challenges, overall, the city has a very positive and exciting story to tell the world. From the amalgamation of the city and county councils, Limerick has grown through positive disruption, having taken some very bold decisions in response to the major loss of jobs during the economic crisis. The amalgamated Council has a well-articulated vision for the future, and a plan and commitment to make it happen. It has been notably pro-active in acting as developer when the private sector was unable to, and there is a remarkable degree of community and business ‘buy-in’ to the future vision for the city.

From an FDI perspective, Limerick is a good ‘all-rounder’ with a mix of traditional and modern industries, manufacturing, new technology firms, a strong third sector and good international connectivity, notably to the US.

Limerick’s infrastructure is strong and improving, with a range of important assets, proximity to major centres and good international connectivity. Costs of living and doing business are attractive compared to other major Irish centres, and there is considerable potential for ongoing strong growth into the future across a range of sectors.

While it was not part of this study to make recommendations on the way forward for Limerick, we would make the following observations arising from our analysis:

- Limerick is on largely the right path, and should ‘keep doing what it’s doing’. Notably, the policies adopted and put into practice by the Council, along with broad community and business ‘buy-in’, have been key in setting the groundwork for the city’s future growth. This should become easier going forward, as the private sector and wider business community steps in and becomes more active in investing in the city.
- The cost of living and doing business in Limerick is an important strength, and should make the city attractive for firms relocating from the UK on account of Brexit, as well as from an increasingly expensive Dublin. Close coordination with the State promotion agencies to keep them informed of developments in the city, and matching it to what their clients are seeking, is key.
- In terms of sectors to target, support services represent significant potential, including accounting, business support services (e.g. payroll, HR) and IT/technical support. Software development and other R&D/Innovation are also possibilities. E-Commerce logistics may represent another potential opportunity, given the ongoing evolution of the retail sector, and Limerick’s strong connectivity.

Executive Summary

- Reversing the hollowing out of the city core is a priority, as vibrant cities with critical mass are increasingly attractive to international business and workers. The Council is taking a number of steps that are contributing to this, and the wider business community is also becoming more active. The targeted population growth under the National Planning Framework represents both a challenge and an opportunity in this regard. Improved public transport will be a key step, as will the continued support and promotion of 'smart city' initiatives, and of the start-up scene.
- Limerick needs to develop its brand, or 'personality', to stand alongside Dublin, Cork and Galway as strong locations in which to live, work, study in and visit, from an Irish and international perspective. A residual image problem exists but it is fading, and is not an issue outside Ireland. The Council is being pro-active in progressing this.
- Limerick has significant underdeveloped potential in the tourism sector, notably as a city destination, which may be somewhat related to the previous point. The city is physically attractive, and hotel rates are competitive, but it appears to lack a compelling attraction, such as a high profile tourist amenity or event/festival. Gaining a higher profile as part of the Wild Atlantic Way would be helpful.

INTRODUCTION

BACKGROUND

In May 2017 Limerick City & County Council (LC&CC) appointed DKM Economic Consultants (DKM) and MCJ Lemagnen Associates Ltd. (MCJ Lemagnen) to undertake an Economic Profile report of Limerick. The context for this study includes the delivery of the Limerick 2030 vision, and development of the proposed new National Planning Framework *Ireland 2040 – Our Plan* (<http://npf.ie/>). The Project Brief requires the report to address the following:

Economic Profiling

- Measure Limerick's recent economic performance in terms of direct employment creation by sector and the subsequent indirect employment impact within the past five years.
- Create a suite of Economic Performance Data that can be used in the future marketing of the city as an economic destination.
- Devise a set of key City Economic Profile statistics that become the key performance indicators for the city and will be updated on an annual basis to include employment, educational attainment, graduate availability, socio economic data etc.
- Undertake a thorough economic sector destination profile that profiles the composition of the existing industry sectors in Limerick in terms of major employers, number of enterprises, numbers employed, growth, annual investment, etc.

Predictive Analysis

- Identify the key areas of economic competitiveness that Limerick possesses in comparison to competing economic destinations
- Assess the key areas of risk and potential gaps that Limerick must address in future economic strategies in marketing the city internationally as an economic destination.
- Examine emerging international economic development trends and sectoral trends that present Limerick with strategic economic opportunities based on opportunities the economic profiling data can realise i.e. positioning Limerick to target emerging sectors based on key economic, educational and demographics information.

International Benchmarking

- Undertake a comparative analysis of Limerick versus other international comparable destinations to identify areas of competitive advantage.
- Identify means in which comparable economic destinations market develop and maintain economic profiling systems with a view to creating unique data streams that leverage off Limerick's competitive advantage.
- Create a benchmarking framework for Limerick to measure annual performance versus comparable destinations. Provide data in terms of this framework for the last five years.

Assessment of Investment

Review capital investment into economic development projects within Limerick analysing recent, immediate and projected expenditure. This analysis should include major infrastructural and industry projects in addition to assessing projected investment by key partners to the Limerick Charter and associated projects that will contribute to the delivery of Limericks economic ambition across industry, education, transport and supporting economic infrastructure. The timeframe for the analysis of recent investment across these key areas should correspond with the period used to measure Limerick’s recent economic performance.

THIS REPORT

This report addresses the above brief. It is arranged in sections and chapters as follows:

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Section A: Economic Profiling	
	Limerick’s recent economic performance
	Economic Performance Data
	Key City Economic Profile statistics
	Economic Sector destination profile
Section B: Predictive Analysis	
	SWOT Analysis
	Case Studies: Lessons Learnt
	Analysis of Megatrends
Section C: International Benchmarking	
	Benchmarking Key Findings
Section D: Assessment of Investment	
	Review of Capital Investment



Section A: Limerick Economic Profiling

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SECTION A: ECONOMIC PROFILING

In May 2017 Limerick City & County Council (LC&CC) appointed EY-DKM Economic Advisory Services (EY-DKM) and MCJ Lemagnen Associates Ltd. (MCJ Lemagnen) to undertake an Economic Profile report of Limerick. The context for this study includes the delivery of the Limerick 2030 vision, and development of the proposed new National Planning Framework *Ireland 2040 – Our Plan*. This document represents Section A of our report, i.e. an Economic Profile of Limerick, and addresses the following elements of the Brief:

- Chapter 1 Measures Limerick’s recent economic performance in terms of direct employment creation by sector and the subsequent indirect employment impact within the past five years.
- Chapter 2 Delivers a suite of Economic Performance Data that can be used in the future marketing of the city as an economic destination.
- Chapter 3 Recommends a shorter set of key Economic Profile statistics, drawing from the larger suite of statistics presented in Chapter 3, which would be subject to annual updating.
- Chapter 4 Presents an economic sector destination profile that profiles the composition of the existing industry sectors in Limerick in terms of major employers, number of enterprises, numbers employed, growth, annual investment, etc.

The bulk of the data presented in this report relates to Limerick city & suburbs, as defined by the CSO.¹ Annacotty and Mungret have also been added to the CSO city & suburbs definition as these form part of the local area plans and LC&CC anticipates that future city and environs plans will extend to these areas. Therefore, any reference to Limerick city & suburbs in this report includes Annacotty and Mungret, unless otherwise stated.

¹ http://census.cso.ie/sapmap2016/Results.aspx?Geog_Type=ST2016&Geog_Code=EFED8136-729D-43F0-BF74-FEFE83B62328

1. LIMERICK'S RECENT ECONOMIC PERFORMANCE

The purpose of this chapter is to measure the net additional direct and indirect employment generated by sector in Limerick city & suburbs, in the last five years.² As will be presented in Chapter 3, there is a large range of statistics which point to Limerick's economic recovery in recent years, notwithstanding that significant unemployment blackspots persist. The most relevant are analysed here in more detail.

The most up-to-date statistics on the labour market is the CSO's Quarterly National Household Survey (QNHS), which at the time of writing is available up to Q1 2017, but only at a regional (Mid-West) level. In terms of data specifically for Limerick, we can draw on two CSO series:

1. Business demography data, based on Revenue Commissioners data, which covers mostly private sector enterprises and is available annually up to 2015, for Limerick city and county combined; and
2. The 2016 and 2011 Population Censuses, which enables us to focus on Limerick's city and suburbs.

It is worth bearing in mind that the QNHS and the Census are based on household data, i.e. on where workers live, whereas the business demography data is based on where businesses are located. The difference reflects commuting patterns. Commuting data from the Census does facilitate the reconciliation of the two.

As a starting point, we present the job announcement data collected by LC&CC's for recent years, as per the table overleaf. While this only covers those employment increases that are publicly announced, and excludes job losses, it gives a good indicator of sectoral job growth in the city in recent years. Job announcements have occurred across a broad range of sectors, with Construction being the largest single category, although by-and-large these would be project specific and not permanent jobs. Of the other sectors, ICT and BioPharma/Medical are the largest. In the four-and-a-half years covered, permanent job announcements have totalled just short of 8,000 jobs.

² In this context, it is worth defining what is meant by direct and indirect. Direct refers to the actual employment in firms based in Limerick, while indirect refers to employment generated in their Irish supply chain. A further category, induced, refers to employment generated in the wider economy as the direct and indirect wages are spent. It should be noted that:

- One can differentiate between where a worker lives and where she/he works, the difference being captured by commuting patterns.
- While the direct impact can be tied to business located in Limerick, the indirect and induced impacts will to some degree be reflected across the State.
- There is a degree of circularity in assessing direct, indirect and induced impacts, in that the direct impact of one sector can represent an indirect or induced impact of another. Therefore, when looking at an entire economy of a region (as opposed to an individual firm or sector), care is needed to avoid double-counting.

In view of the foregoing, our analysis here relates to total employment impacts by sector, without assessment of whether the impacts can be considered direct or indirect.

Table 1.1: JOB ANNOUNCEMENTS, LIMERICK CITY & COUNTY, 2013 TO 2017H1

Sector	2013	2014	2015	2016	2017 H1	Cumulative
BioPharma/Medical	400	305	300	250	15	1,270
Education	290	0	198	0	0	488
ICT	194	265	505	704	0	1,668
Energy/Transport	142	30	222	0	0	394
Hi-Tech Manu/Engineering	0	220	229	0	135	584
Consumer services	0	160	138	0	120	418
Business Services	0	0	32	70	7	109
Creative Sector	0	0	780	0	0	780
Fintech	0	0	300	68	400	768
Agrifoods	0	0	0	11	0	11
Health	0	0	0	130	0	130
Public Admin	0	0	0	90	0	90
Hospitality	0	0	0	0	440	440
Retail/Restaurants	10	170	87	506	35	808
Construction	1,660	150	674	128	1,030	3,642
Total	2,696	1,300	3,465	1,957	2,212	11,630

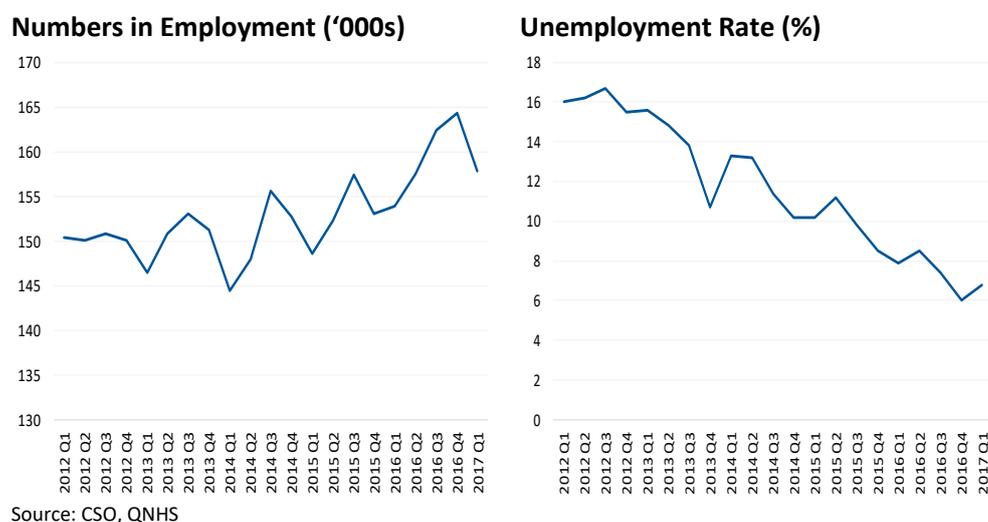
Source: LC&CC

A further 3,600 construction jobs have been announced. If these jobs last on average one year, then that would represent a further 800 “permanent jobs”, to give a total of almost 9,000 jobs. Grossing up from four-and-a-half to five years brings this up to approximately 9,800 jobs. It is worth noting that a review of 16 FDI-backed enterprise announcements made in the last 18 months suggests that the period between job announcements taking place and actual employment occurring is approximately two years.

1.2 QUARTERLY NATIONAL HOUSEHOLD SURVEY

As indicated, the QNHS provides the most up-to-date statistics on the labour market but is only available for the Mid-West region, incorporating Clare and North Tipperary as well as Limerick. That said, since Limerick county has the largest population element of the region (51 per cent of the total in 2016), the regional improvements in the QNHS data are reflective of developments in Limerick over the period. The region’s employment performance over the last five years is summarised in the charts overleaf.

The recovery captured in the below charts is remarkable – the unemployment rate in the Mid-West region has better than halved, from a peak of 16.7 per cent to a current level of less than 7 per cent. From being characterised by substantially worse unemployment than the State average during the economic crisis, the Mid-West region now matches the State average unemployment rate.

Figure 1.1: EMPLOYMENT, MID-WEST REGION, Q1 2012 TO Q1 2017

In terms of the sectoral spread of jobs over that period, the following table summarises:

Table 1.2: EMPLOYMENT BY SECTOR, MID-WEST REGION, QNHS Q1 2012 TO Q1 2017

	2012Q1 ('000's)	2017Q1 ('000's)	% Split 2017 Q1	Change 2012Q1 to 2017Q1 ('000's)
Agriculture, Forestry and Fishing (A)	8.7	9.8	6.2%	1.1
Industry (B to E)	23.9	26.2	16.6%	2.3
Construction (F)	10.2	9.0	5.7%	-1.2
Wholesale & Retail Trade, Motor Repair (G)	21.3	21.8	13.8%	0.5
Transportation and Storage (H)	9.0	8.6	5.4%	-0.4
Accommodation & Food service Activities (I)	10.0	12.1	7.7%	2.1
Information & Communications (J)	5.5	3.8	2.4%	-1.7
Financial, Insurance & Real Estate (K, L)	6.1	4.1	2.6%	-2.0
Professional, Scientific & Technical (M)	6.2	7.0	4.4%	0.8
Administrative & Support Service (N)	4.5	3.9	2.5%	-0.6
Public administration & Defence (O)	9.0	7.9	5.0%	-1.1
Education (P)	10.5	14.2	9.0%	3.7
Health & Social Work (Q)	16.7	19	12.0%	2.3
Other (R to U)	8.4	9.9	6.3%	1.5
Total	150.4	157.9	100.0%	7.5

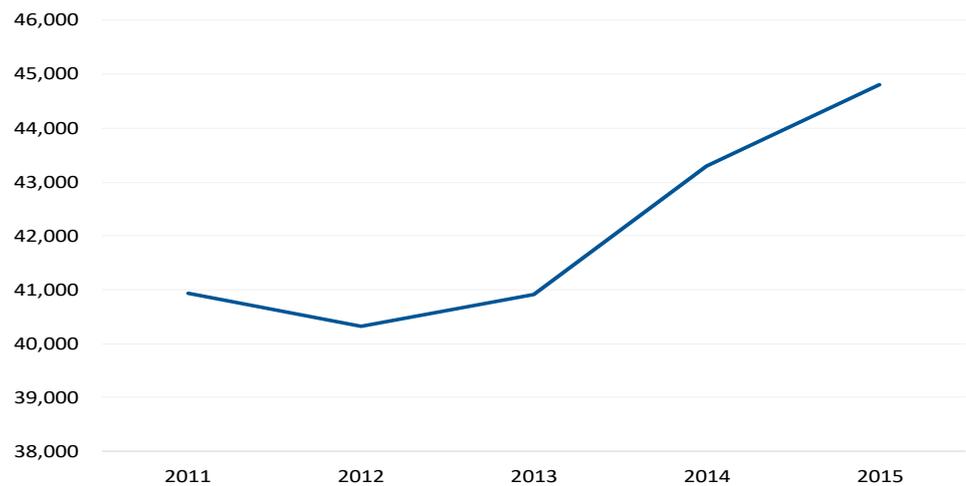
Source: CSO, QNHS

It is noteworthy that the largest sectoral increases in employment are in Education and Health. Industry is the next largest growth sector. Somewhat surprisingly, both Construction and Information & Communications record reductions in employment over the period, in the region as a whole.

1.3 BUSINESS DEMOGRAPHY

The CSO business demography data historically excludes the public sector and Agriculture, Forestry & Fisheries.³ We can present the results for Limerick city and county for 2011 to 2015, in the following chart and table. Note these present the data for businesses based in Limerick, as opposed to workers living in Limerick, so would capture the effect of commuting patterns.

FIGURE 1.2: PRIVATE SECTOR EMPLOYMENT, LIMERICK CITY & COUNTY, 2011-2015



Source: CSO Business Demography.

The turnaround in private sector employment over the period is clear from the chart - from a trough of just over 40,000 in 2012, employment reached almost 45,000 in 2015, an increase of approximately 4,500 or 11 per cent. Given that the QNHS indicates a further 6.3 per cent increase in employment in the Mid-West region between Q1 2015 and Q1 2017 this implies a further 2,800 in employment in the intervening years in Limerick.

Considering the sectoral breakdown in the table overleaf, it is interesting that it paints quite a different picture from the QNHS, notwithstanding the differences in the basis of the data. In particular, the data indicate that both Construction and the Information & Communications sector have experienced strong growth in employment.

The published business demography statistics also generate an estimate of total employment across the entire ICT sector, including the manufacturing elements (last line in Table 1.3). This indicates that total ICT employment grew by approximately 650 or 27 per cent between 2012 and 2015.

³ Up to 2014 the Business Demography data covered only NACE codes B to N, effectively the private sector excluding Agriculture, Fisheries & Forestry, along with Education and the Arts & Entertainment. Health and Other Services were included for the first time in 2015, leaving only Public Administration excluded, along with Agriculture, Fisheries & Forestry.

Table 1.3: EMPLOYMENT BY SECTOR, LIMERICK CITY & COUNTY, 2011-2015

NACE Code	2011	2012	2013	2014	2015	Growth 2012 - 2015	
						Number	%age
Mining and quarrying (B)	..	91	80	85	96	5	5.5%
Manufacturing (C)	8,387	8,502	8,693	9,057	9,139	637	7.5%
Energy (D)	..	11	12	14	16	5	45.5%
Water & Waste (E)	436	369	301	296	312	-57	-15.4%
Construction (F)	4,256	3,981	3,890	4,232	4,699	718	18.0%
Wholesale & Retail Trade, Motor Repair (G)	10,074	9,086	9,107	10,086	9,831	745	8.2%
Transportation and Storage (H)	2,212	2,319	2,346	2,393	2,462	143	6.2%
Accommodation & Food Service Activities (I)	5,516	5,712	5,850	6,233	6,443	731	12.8%
Information & Communication (J)	1,163	1,159	1,285	1,424	1,565	406	35.0%
Financial & Insurance (K)	621	648	693	710	712	64	9.9%
Real estate Activities (L)	538	563	565	614	891	328	58.3%
Professional, Scientific & Technical (M)	3,525	3,568	3,684	3,820	3,971	403	11.3%
Administrative & Support Service (N)	2,869	2,894	2,957	2,859	3,120	226	7.8%
Arts, Entertainment & Recreation (R)	1,343	1,421	1,459	1,470	1,552	131	9.2%
Total NACE Codes B to N + R	40,940	40,324	40,922	43,293	44,809	4,485	11.1%
Education (P)	5,781	5,842	5,860	5,923	6,087	245	4.2%
Health & Social Work (Q)	..	..	..	..	15,437		
Other Services (S)	..	..	..	..	2,174		
Total NACE Codes B to S (excl. O*)					68,507		
Total ICT**	3,283	2,383	2,499	3,446	3,031	648	27.2%

*NACE Code O denotes Public Administration. **NACE codes 261 to 264, 268, 465, 582, 61, 62, 631, 951, including manufacturing, wholesaling, service-hosting and repairs. Source: CSO Business Demography.

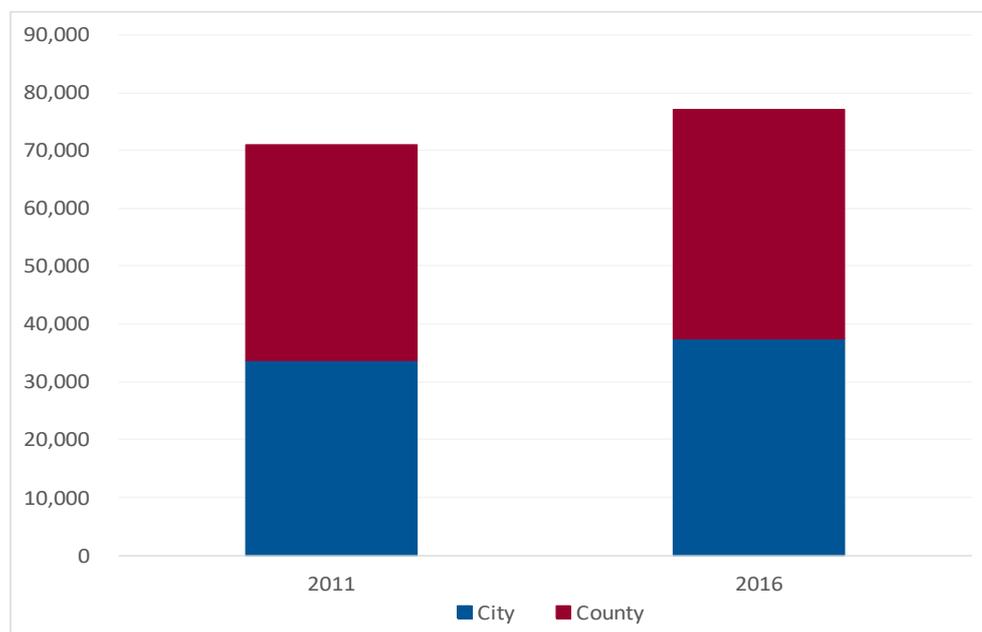
However, it must be noted that the sector experienced a significant drop in employment between 2011 and 2012, which the subsequent increase to 2015 had not made up for.⁴

1.4 CENSUS OF POPULATION

1.4.1 Residents of Limerick City & County

The Censuses of Population enable us to identify employment specifically for residents of Limerick city & suburbs as well as for the county as a whole, comparing 2016 with 2011. The results are summarised in the following chart and tables. While there is some sectoral analysis, it is at a higher level than is found in the business demography or QNHS data. Employment among Limerick city & suburbs residents grew significantly, by over 11.6 per cent, in the period 2011 to 2016. This represents an additional 4,000 jobs over the period. Likewise, employment among residents of the city and county combined grew by 8.6 per cent or 6,000 over the same period. It is clear that employment growth has been stronger for city residents than for residents of the county, in recent years.

⁴ This category suffered a more substantial drop between 2008 and 2009, from almost 6,800 to less than 2,200, coinciding with the closure of Dell Manufacturing.

FIGURE 1.3: EMPLOYMENT, RESIDENTS OF LIMERICK CITY & COUNTY, CENSUS 2011 & 2016

Source: CSO Censuses of Population

Table 1.4: EMPLOYMENT, RESIDENTS OF LIMERICK CITY & SUBURBS, 2011 TO 2016

Sector	2011	2016	%age Split 2016	%age Change
Agriculture, forestry & fishing	138	130	0.3%	-5.8%
Building and construction	1,135	1,209	3.2%	6.5%
Manufacturing industries	4,762	5,167	13.8%	8.5%
Commerce and trade	8,455	8,652	23.1%	2.3%
Transport & communications	2,778	3,274	8.7%	17.9%
Public administration	1,692	1,630	4.3%	-3.7%
Professional services	8,664	9,627	25.7%	11.1%
Other	5,966	7,786	20.8%	30.5%
Total	33,590	37,475	100.0%	11.6%

Source: CSO Censuses of Population

Table 1.5: EMPLOYMENT, RESIDENTS OF LIMERICK CITY & COUNTY, 2011 TO 2016

Sector	2011	2016	%age Split 2016	%age Change
Agriculture, forestry & fishing	4,331	4,263	5.5%	-1.6%
Building and construction	3,560	3,702	4.8%	4.0%
Manufacturing industries	10,757	11,506	14.9%	7.0%
Commerce and trade	15,982	16,529	21.4%	3.4%
Transport & communications	4,968	5,652	7.3%	13.8%
Public administration	3,473	3,376	4.4%	-2.8%
Professional services	17,537	19,278	25.0%	9.9%
Other	10,433	12,879	16.7%	23.4%
Total	71,041	77,185	100.0%	8.6%

Source: CSO Censuses of Population

By reference to the QNHS, employment grew by a further 2.6 per cent in the Mid-West region between Q1 2016 and Q1 2017. If this applied equally to Limerick, then that would imply an additional 1,000 jobs in the city & suburbs and a further additional 1,000 jobs in the county, for a total increase of 2,000 jobs, in the intervening year.

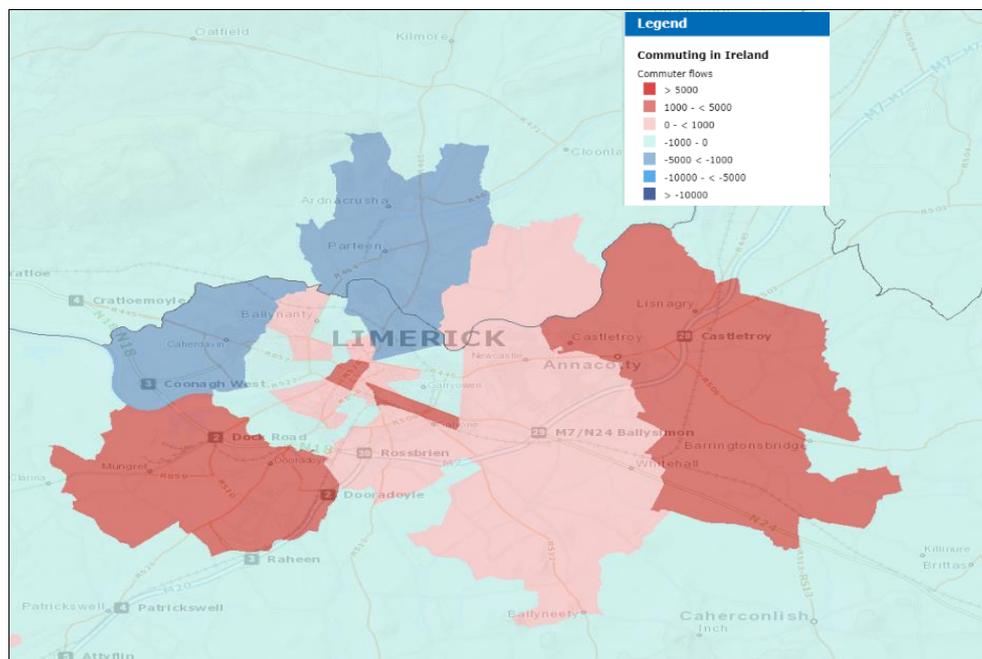
1.4.2 Commuting Patterns

The 2016 Census has recently published data on commuting patterns around Ireland's major cities. The data for Limerick city & suburbs (as defined by the CSO i.e. excluding the settlements of Mungret and Annacotty) is summarised in the following table.

Table 1.6: LIMERICK CITY & SUBURBS DAYTIME COMMUTING PATTERNS, CENSUS 2011 & 2016

	2011	2016	Change	
			Number	%
Total residents with a fixed place of work (A)	32,112	28,545	-3,567	-11.1%
Persons working in the town of usual residence (B)	25,707	21,908	-3,799	-14.8%
Persons working outside the town of usual residence (C)	6,405	6,637	232	3.6%
Persons commuting into the town to work (D)	14,757	22,716	7,959	53.9%
Daytime working population (E=B+D)	40,464	44,624	4,160	10.3%
Net Gain/Loss in working population via commuting (E-A)	8,352	16,079	7,727	92.5%

Source: CSO Censuses of Population

FIGURE 1.4: WORKER COMMUTING PATTERNS, LIMERICK CITY & SUBURBS, 2016

Source: CSO Census of Population 2016, Profile 6

The data indicates the Limerick city is a major locus of employment for the surrounding areas. The total number of jobs located in the city & suburbs is approximately 45,000, an increase of over 4,000 over the five years. In 2016, over half the people working in the city were from outside it – some 22,700 were commuting into the city each day for work, an increase of 8,000 since 2011.

The CSO further indicates that⁵:

- After Dublin and Cork, Limerick city & suburbs overtook Galway as the State's third largest daytime working population in 2016.
- Limerick County (11,378) was the main source of workers to Limerick city & suburbs, followed by Clare (5,553) and Tipperary North (2,542).
- Annacotty was the main feeder town for Limerick city & suburbs (743), followed by Castleconnell (400), Ballina (355), Newport (318) and Ardnacrusha (302).

1.5 SUMMARY

A number of sources of data for job creation in Limerick over the past five years have been considered in this chapter. Job announcements data collected by LC&CC, which would materialise over a period of time and would be gross of job losses, point to almost 12,000 new jobs created in Limerick city and county over the period. This number is incomplete however as it only includes publicly announced jobs and there is evidence, as referenced above, that it can take approximately two years for job announcements to translate into actual jobs.

⁵ <http://www.cso.ie/en/releasesandpublications/ep/p-cp6ci/p6cii/p6www/>

In terms of the net increase in jobs, the data indicate that a net 5,000 private sector jobs have been created in Limerick city & suburbs over the past five years. In the city and county combined, over 8,000 net private sector jobs have been created over the same period. Some additional public sector jobs could also be expected. While these statistics relate to businesses based in Limerick and thus would include commuters into the city/county, census data for residents of the city and county indicate broadly similar growth.

Commuting data from the Census confirms that Limerick city & suburbs (CSO definition, excluding Annacotty and Mungret) is a major locus of employment, with over 22,700 workers commuting daily into the city – this represents slightly more than the number of city residents working in the city.

In terms of the sectors where the greatest employment growth has occurred, the various sources confirm that job creation is broadly based, but the job announcements data indicate that growth has been particularly strong in:

- BioPharma/Medical Devices;
- ICT,
- Construction,
- Retail,
- Fintech, and
- The Creative sector.

2. ECONOMIC PERFORMANCE DATA

In the past five years Limerick city & suburbs has shown strong signs of recovery. In this chapter, the progress made by Limerick is presented through several broad indicators - Population; Commerce; Labour; Education; Housing; Tourism and; Infrastructure. These are key indicators in determining the strengths of and opportunities for Limerick city in developing further growth into the future. Where possible, data is presented for Limerick and for the other four cities in Ireland - Dublin, Cork, Galway and Waterford.

In 2014 Limerick City Council and Limerick County Council amalgamated into one Limerick City & County Council. As outlined in *Limerick 2030*⁶ the objective of this merger was to extend the city boundary to include urbanised parts of the county and was seen as a 'once in a generation opportunity' to drive new levels of employment and economic growth. Indeed, there is an understanding that city growth drives regional growth and so strong economic growth in Limerick city can only be observed as a benefit to the wider Mid-West region.

It is for this reason that in this section of the report we focus attention on the Limerick city & suburbs area rather than the Limerick County area. As noted above, the city & suburbs definition is amended to include Annacotty and Mungret. After careful consideration it was determined that use of the CSO's city & suburbs definition would allow for the most precise comparison across Ireland's five cities.

The Chapter is organised as follows:

Section 2.1 Population utilises data from the CSO Census 2011 and Census 2016 Small Area Population Statistics (SAPS). The city & suburbs population is analysed and compared to that of the other four cities in this comparative study – Dublin, Cork, Galway and Waterford. Living conditions, total and disposable income, deprivation and dependency as well as migration patterns are provided for each of the five cities.

Section 2.2 Commerce covers the level of economic activity in Limerick County with a view to providing context for further investment in the future. In this section, the number of active enterprises as well as employment in those enterprises is provided for the past five years. A sectoral breakdown is also provided to give further clarity of the strengths and opportunities for the area. An overview of FDI-backed enterprises is also provided, including where Limerick is placed when compared to Dublin, Cork, Galway and Waterford. The level of business start-ups/insolvencies and consequently the availability of office space is also included for the past number of years.

⁶ https://www.limerick.ie/sites/default/files/limerick_2030_report.pdf

Section 2.3 Labour Market gives an overview of the labour market within Limerick city & suburbs. It identifies the key sectors of employment and the current level of participation in the market compared to Census 2011 and the other four Irish cities. The level of unemployment is an important factor in Limerick city & suburbs and the issues regarding unemployment blackspots is reviewed in comparison to the State average and the other four cities.

Section 2.4 Education focuses on the role of Limerick's third level institutions in contributing to a highly skilled and highly educated workforce. University rankings are provided for each of the key third level institutions as well as details regarding the main field of study of the labour force in each of the five cities – with particular focus on STEM (Science, Technology, Engineering and Mathematics) related subjects.

Section 2.5 Housing deals with the continuing issues across the country in relation to the housing crisis. This section of the report focuses on trends in housing completions, planning permissions and vacancy rates in Limerick and how they compare with the rest of the State. Pressure is also being felt in the rental market as a consequence of the housing supply issue – the impact this is having on rental prices in the five cities is also reviewed.

Section 2.6 Tourism provides details regarding how Limerick is placed in terms of its tourism offering compared to the four other cities included in this study. Tourism numbers, both domestic and international are provided as well as the level of revenue generated on an annual basis from tourism which is reviewed over the past four years. An important factor in attracting tourists and generating revenue is the level of hotel accommodation available and room rates. A comparison between Limerick and a number of other cities is provided regarding occupancy and the revenue per available room.

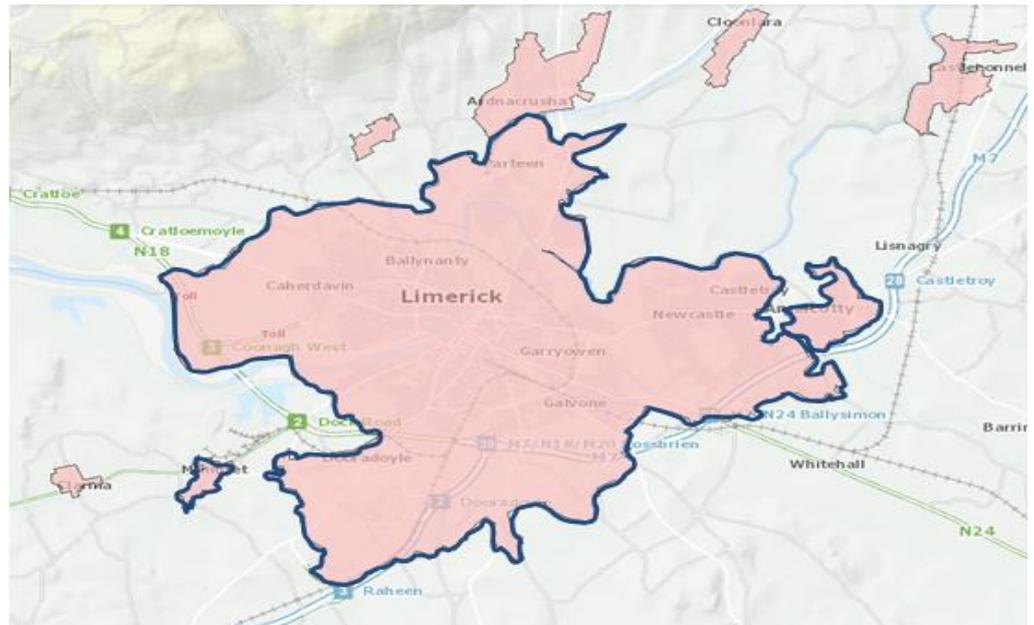
Section 2.7 Infrastructure focuses on the transport network serving Limerick, as well as broadband. International links to Limerick city and county are vitally important for inward investment and a review is provided of the level of connectivity provided between Shannon Airport and key international destinations. An equally important aspect of attracting inward investment to Limerick is the availability of high quality broadband. As such the progress of the National Broadband Plan and the level of broadband availability in Limerick and other cities are also detailed in this section.

Following each of the sections a selection of Indicators is provided with a view to being utilised in the future marketing of the city as an economic destination.

Where possible, and unless otherwise stated, all data referred to in these Indicators is provided at a city & suburbs level. This definition is provided by the CSO and is applied to Census 2011 and Census 2016.

The definitions for the cities of Dublin, Cork, Galway and Waterford are as per the CSO city & suburbs definitions. In the case of Limerick, Annacotty and Mungret have been added to the CSO city & suburb definition (see Figure 2.1 below) as these form part of the local area plans and LC&CC anticipate that future city and environs plans will extend to these areas.⁷

FIGURE 2.1: MAP OF LIMERICK CITY AND SUBURBS INCLUDING MUNGRETT AND ANNACOTTY



Source: CSO Census of Population 2016.

Unless otherwise stated, all data referred to in this Chapter from Census 2011 and Census 2016 is provided based on the CSO's city & suburbs definition. When data is unavailable at this level then reference is made to the source of the particular definition for the city. In many cases data is unavailable at a city level. When only county data is available it is referenced as such.

2.1 POPULATION

Under the National Planning Framework⁸ it is planned that half of the overall national growth in terms of population, employment and housing will be targeted in Ireland's five cities – Dublin, Cork, Limerick, Galway and Limerick. Currently, the level of growth in these three areas has been disproportionately focused in Dublin and so it is the objective of the framework to redistribute this growth in a more balanced manner. In order to achieve this, ambitious growth targets have been set which would see each of Cork, Limerick, Galway and Waterford grow by at

⁷ For further information see <https://www.limerick.ie/sites/default/files/media/documents/2017-06/Limerick%20City%20Development%20Plan%202010-2016%20%28Including%20Variations%20-6%29.pdf>,

https://www.limerick.ie/sites/default/files/final_southern_env_lap_with_amendments_and_alterations_2016.pdf and

https://www.limerick.ie/sites/default/files/adopted_castletroy_lap_july_2009.pdf

⁸ <http://npf.ie/wp-content/uploads/2017/10/Ireland-2040-Our-Plan-Draft-NPF.pdf>

least 50 per cent by 2040 and ‘to enhance their significant potential to become cities of scale’.

In order to secure delivery of this objective, the Rural and Urban Regeneration and Development Funds have been established under the National Planning Framework which is aimed at delivering sustainable population growth in the five cities. Cities and rural areas will be eligible to bid for funding under the €2 billion policy in order to improve, for example, liveability and quality of life; encourage economic development; improve accessibility between centres of mass; and to encourage greater city and town centre living.⁹

In the case of Limerick this would see the population of Limerick city & suburbs increase from just under 100,000 to close to 150,000 by 2040, a targeted increase of 50,000 people. Similarly, substantial growth is targeted for Dublin and Cork at 265,000 and 115,000 respectively while the populations of Galway and Waterford cities are set to increase by 45,000 and 30,000 persons each.

2.1.1 City & Suburbs Population

According to CSO Small Area Population Statistics (SAPS)¹⁰ the total population in the Limerick city & suburbs was 97,399 in April 2016 (Census 2016, see Table 2.1.1a). This represents a 3 per cent increase in the city & suburbs population in the five years since Census 2011 and as such Limerick city & suburbs was the slowest growing in the five year period between Census 2011 and Census 2016. Dublin city & suburbs grew the strongest in this period, by 5.6 per cent followed closely by Cork which increased its population by 5.1 per cent. Both Galway and Waterford’s city & suburbs grew by 4.1 per cent and 3.9 per cent respectively.

At a county level, the growth rates observed between Census 2011 and Census 2016 are broadly similar to those reported at a city & suburb level (Table 2.1.1b). Amongst the five counties which contain cities, Limerick represented the slowest growing county, increasing its population by 1.6 per cent. This compares to a growth rate in Dublin County of 5.8 per cent and in Cork County of 4.6 per cent. Counties Galway and Waterford grew by 3 per cent and 2.1 per cent respectively.

Within Limerick city & suburbs the greatest proportion of the population, 23.9 per cent, falls within the 30 – 44 year age bracket, as per Census 2016 (Table 2.1.2). Following this a further 22.8 per cent of the population are aged between 15 and 29 years of age.

In terms of comparisons with the other four Irish cities, Limerick is currently the third largest after Dublin which has a city & suburbs population of 1,173,179 in Census 2016 and Cork with a city & suburbs population of 208,669. Similar to Limerick, the greatest proportion of the Dublin city & suburbs population, 25.4 per cent, falls into the 30 – 44 year age bracket followed by the 15 – 29 year age

⁹ <http://npf.ie/wp-content/uploads/Project-Ireland-2040-NPF.pdf>

¹⁰ All data sourced from CSO

<http://www.cso.ie/en/csolatestnews/pressreleases/2017pressreleases/saps/>

bracket with 21.5 per cent of the population. The age profile is broadly similar in Cork city & suburbs however with 22.8 per cent aged between 15 and 29 years of age. In each of Limerick, Cork and Dublin city & suburbs the majority of the population is female and is broadly in line with the State average of 51 per cent female population.

Population density within Limerick city & suburbs has increased over the past five years with just over 1,600 persons per squared kilometre as of Census 2016. This equates to an increase of 2.9 per cent since Census 2011 (Figure 2.1.3). Dublin city & suburbs is the most densely populated city with 3,700 persons per square kilometre in Census 2016 (Table 2.1.3). The population density in Galway city & suburbs is close to 1,500 persons per square kilometre while Cork and Waterford have densities of 1,270 and 1,200 persons per square kilometre, respectively.

2.1.2 Living Conditions

CSO SAPS¹¹ data also allows us to identify family size and composition and in particular it allows us to calculate the average household size in each of the five Irish cities. According to Census 2016 a total of 95,190 persons (91.7 per cent of the city population) make up 36,313 households. This means that the average household size in Limerick city and suburbs is 2.6 persons is similar to the State average of 2.6 persons. Household size is unchanged from Census 2011 when 91,151 persons made up the 35,305 households in the city.

Dublin is the only city & suburbs area in which the average household size has shown any change in the five years increasing from 2.6 persons in Census 2011 to 2.7 persons in Census 2016 while average household size in all five cities was also lower than the State average in each of the census years.

It is interesting to note that the rate of growth in the number of households in Limerick city in the five year period is in line with the growth rate observed across the State at 2.9 per cent. However, the city & suburbs areas of Cork, Galway and Waterford all report an increase in the number of households of between 4.1 per cent and 4.5 per cent between 2011 and 2016. Meanwhile the rate of growth in household formation was marginally lower in Dublin city & suburbs compared to the State average even though the numbers of persons residing in households increased by 5.5 per cent (3.7 per cent State average).

In the five years between Census 2011 and Census 2016 there has been a notable shift in the proportion of households living in houses/bungalows and the proportion living in flats/apartments (Figure 2.1.5). In 2011, 80.8 per cent of households in Limerick city & suburbs resided in houses compared to 17.2 per cent in apartments. The level of apartment living in Limerick was relatively low compared to Galway city & suburbs (23.3 per cent) and Dublin city & suburbs (26.3 per cent) but was still approximately 3 percentage points higher than the State average.

¹¹ <http://www.cso.ie/en/csolatestnews/pressreleases/2017pressreleases/saps/>

According to Census 2016 there has been a shift by households, in all cities, towards apartment living. In Census 2016 17.3 per cent of households in Limerick city & suburbs resided in apartments. Between Census 2011 and Census 2016 there has been double digit growth, in all five cities, in the number of households living in apartments ranging from 12.4 per cent increase in Dublin city & suburb to 24.7 per cent increase in Waterford city & suburb. The rate of increase in apartment living is broadly similar in both Limerick city & suburbs (22.2 per cent increase) and Cork (22.4 per cent) while the rate of apartment living increased by 13.3 per cent in Galway city & suburbs. The rate of increase in those residing in houses was much more modest in all five cities with the highest growth observed in Waterford city & suburbs at 3.2 per cent and the lowest rate of increase observed in Limerick city & suburbs at 0.4 per cent. In each of Limerick, Dublin, Cork and Galway the proportion of persons living in apartments is greater than that observed in the State with only 7.8 per cent of Waterford's city & suburbs population residing in apartments (compared to 9 per cent State average).

While the level of apartment living in Limerick city & suburbs is currently 4.5 percentage points higher than the State's average, the level is still between 5 percentage points and 7.5 percentage points lower than in Galway and Dublin, respectively. Cork, on the other hand, has 11.3 per cent of its population residing in apartments as of Census 2016.

According to Census 2016, 57.2 per cent of Limerick's city & suburbs households were owner occupied with or without a mortgage. This compares to 59.4 per cent in Cork city & suburbs, 59.1 per cent in Dublin, 56.4 per cent in Waterford city & suburbs and 46.4 per cent in Galway city & suburbs. Following this a further 26 per cent of Limerick city & suburbs households are living in rented accommodation from private landlords and 11.7 per cent rent their accommodation from the local authority or voluntary body.

Compared to the other four city & suburb areas, Limerick is surpassed only by Galway (36.4 per cent) in terms of the proportion residing in private rented accommodation. These are followed by Dublin at 24.6 per cent and Cork and Waterford at 23 per cent and 20 per cent respectively. The proportion of households renting from a local authority or voluntary body is broadly similar in Limerick, Dublin and Galway at approximately 11.5 per cent. The proportion is much higher in Cork (13.6 per cent) and Waterford (19.2 per cent).

2.1.3 Total and Disposable Income

The CSO's County Incomes and Regional Accounts are available up to 2014 and provide some indication of the disposable income per person. The data is available only on a county basis.

Between 2011 and 2014 Limerick city and county is the only one of the five areas to experience a decline in disposable income per person. Compared to the State average increase in disposable income of 2.2 per cent, disposable income in Limerick fell by 5.9 per cent (Figure 2.1.7).

Across all five counties disposable income per person fell in 2013 before recovering again in 2014. As above, the largest decline occurred in Limerick city and county with an 8.1 per cent fall in disposable income. This is followed by Galway where disposable income per person fell by 5.8 per cent and compares to the State average decline of 3.4 per cent (Table 2.1.7). After Dublin, Limerick had the second highest rate of disposable income per person in 2014. Although a decline in disposable income was observed in the period 2011 to 2014 it is worth noting that Limerick city and county had the second highest level of total income per person in each of the three years, second only to Dublin.

2.1.4 Affluence, Deprivation and Dependency Ratios

Pobal's Haase & Pratschke (HP) Deprivation Index¹² is a method of measuring the relative affluence or disadvantage of a particular area using data from the previous three Censuses of Population. A score is given to the area based on a national average of zero and ranging from -40 (most disadvantaged) to +40 (most affluent). The Pobal HP Deprivation Index is based on Small Areas (SA). It is difficult to replicate the CSO definition of the cities & suburbs based on SAs and so we will also refer to the data to the NUTS 4 breakdown. The SA level of data is considered to be more homogeneous in its social composition with uniform population sizes (mean 100 households). The latest available data relates to the 2016 Census.

The absolute Pobal HP Deprivation Index for Limerick city (as defined by CSO NUTS 4) in 2016 was -10.8, indicating that the city, on average, is disadvantaged. The absolute index score allows us to track affluence/deprivation over time since the calculation is based on a single scale which is fixed across waves. In this instance a mean of zero and standard deviation of 10 is set in 2006 only. This means that we interpret the Deprivation index in Limerick city in 2016 as being 10.8 points lower than in 2006. Mirroring the recovery that has been taking hold across the State since the economic crisis, the level of absolute deprivation in all five Irish cities improved between Census 2011 and Census 2016. The absolute Deprivation Index in Limerick city, for example, has improved from -12.8 points in Census 2011 to -10.8 points in Census 2016. Similarly, the Index in Waterford city improved, by about 1.5 points, between the two Census periods from -10.7 to -9.2 index points. The greatest improvement was observed in Cork city with the Deprivation index improving from -8.5 to -5.1. Similar improvements also occurred in Dublin city and Galway city.

In spite of the improvements that have been recorded in the five cities between Census 2011 and Census 2016 it is worth noting that the absolute index score is still negative in Census 2016 in all cities except for Galway. By contrast however, all five cities experienced substantial deteriorations in the Index between Census 2006 and Census 2011. The decline over this period was greatest in Limerick city, experiencing decline from -7.4 in Census 2006 to -12.8 index points in Census 2011.

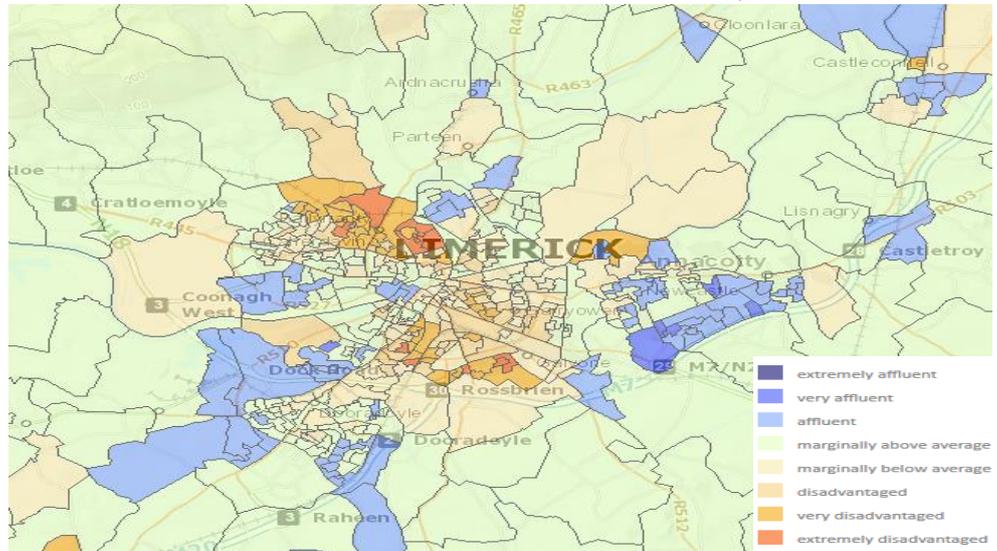
¹² <http://trutzhause.eu/deprivation-index/the-2016-pobal-hp-deprivation-index-for-small-areas/>

While the absolute index allows us to track the affluence/deprivation of an area over different periods the relative index score allows us to make comparisons between areas at one point in time. This measurement shows the position of any given SA relative to all other SAs. As such we will use this measurement when analysing the situation across cities (at an SA level) in 2016.

Within Limerick there are certain SAs which had been particularly badly hit by the economic crisis. Across the SAs that broadly make up the city & suburbs area there are 11 SAs which would be considered extremely disadvantaged (see Figure 3.1, below) which means they have a relative deprivation score worse than -30.0. Of these 11 SAs, four are located in John's A ED. This ED also contains the SA with the most negative relative index score of -35.8 points. Ballynanty and Galvone B EDs each contain two extremely disadvantaged SAs which Prospect B, Ballinacurra B and Rathbane each contain one.

The data indicates that Limerick's poorest areas were particularly badly hit by the economic crisis, and have been slower to recover. The situation recorded in John's A, which contains four extremely disadvantaged SAs, is largely attributable to socio-demographics. Firstly, the overall population of John's A has fallen considerably in the past ten years from 1,211 persons in Census 2006 to 759 persons in 2016 – a 37.3 per cent fall. In addition, the dependency ratio in the ED is considerably higher than that recorded for Limerick's city & suburbs. For example, a dependency ratio of 57.8 per cent in Johns A compares to an average of 46.3 per cent across the city. It is also worth noting that the vast majority of those aged 15 years or over living in the ED have an education up to Lower Secondary level and as such the proportion of the population employed in Professional or Managerial positions is relatively low. Similar trends emerge in the other EDs referenced above.

While it is difficult to draw comparisons between the five cities it is worth highlighting that in terms of the relative index score, there were four extremely disadvantaged SAs in Dublin city, one in Cork and zero in Galway and Waterford.

FIGURE 2.2: DEPRIVATION INDEX MAP CENSUS 2016 – LIMERICK CITY, BY SMALL AREA

Source: Pobal

CSO data from Census 2016¹³ allows us to identify what proportion of the population fall into certain social classes. In Limerick's city & suburbs 23.2 per cent are occupied in Managerial or Technical roles (Table 2.1.8). This compares to a State average of 28.1 per cent and falls behind Dublin, Cork and Galway each of which have 30.0 per cent, 25.9 per cent and 25.4 per cent of the city populations employed in Managerial and Technical roles. Waterford city & suburbs follow behind with 21.3 per cent employment in these roles. A further 16.9 per cent of the Limerick's city & suburbs population are occupied in Non-Manual roles which is broadly in line with that of Dublin and Cork – both on 17.1 per cent and 17.4 per cent respectively. Some 15 per cent of the Galway city population are employed in Non-Manual roles while 17.9 per cent are employed in similar roles in Waterford city & suburbs.

In terms of unskilled labour, only 3.8 per cent of the Limerick city & suburbs fall into this category slightly higher than the State average of 3.6 per cent and marginally higher than that of Dublin city & suburbs with 3.1 per cent, Cork with 3.6 per cent and Galway with 3.0 per cent. Waterford city & suburbs is the only other city where the proportion of the population classed as unskilled, 5.3 per cent, is higher than the State average

Finally, the Dependency Ratio, defined by the United Nations as the number of children (0-14 years old) and older persons (65 years and over) to working-age population (15-64 years old), provides an indication of the potential social support requirements resulting from changes in population age.¹⁴ The Dependency Ratio has increased in Limerick city & suburbs over the past five years (Figure 2.1.9). In

¹³ Data sourced from CSO SAPS

<http://www.cso.ie/en/csolatestnews/pressreleases/2017pressreleases/saps/>

¹⁴http://www.un.org/esa/sustdev/natlinfo/indicators/methodology_sheets/demographics/dependency_ratio.pdf

Census 2011 the Dependency Ratio was 42.5 per cent and increased to 46.3 per cent in Census 2016.

While the 2016 Dependency Ratio in Limerick city & suburbs is high compared to Dublin (45.2 per cent), Cork (45.2 per cent) and Galway (39.1 per cent), it is still lower than that observed at a State level (52.7 per cent) and indeed in Waterford city & suburbs where the ratio is currently 52.3 per cent (Table 2.1.9).

It is clear that there are severe issues in Limerick city regarding deprivation with the situation particularly bad when compared to the other four Irish cities. Much has been done in the past 10 years to address these issues, most notable being the inception of Limerick Regeneration in 2012 following the initial work done by Limerick's Regeneration Agencies. The objective of the Limerick Regeneration Framework Plan¹⁵ is twofold

- (i) *to improve the quality of life and wellbeing of the communities in the regeneration areas by responding comprehensively to the problems (physical, social, community safety and economic) that exist, addressing the identified needs of people and adopting a sustainable development approach.*
- (ii) *to promote greater social and economic inclusion in the regeneration areas so that they reach the averages for the wider city and see increased public and private sector investment.*

Focusing on the four most disadvantaged areas in Limerick city – Moyross, St Mary's Park, Ballinacurr and Southill – Limerick Regeneration's three pillars of economic, social and economic programmes have been developed in such a way as to create an effective, albeit slow, rejuvenation of those targeted areas of the city.

In the five years since the commencement of the regeneration plan there have been some notable improvements in the most deprived areas, although it is clear that the pace of recovery has been exceptionally slow, partly due to the economic crisis. In spite of the difficulties, one of the most notable improvements in the city has come via the physical pillar of the plan with a reduction in both the concentration and scale of deprivation in these small pockets of the city. Implementation of the physical plan has involved extensive demolition and relocation of residents from regeneration areas, and smaller new build housing schemes and renovation and upgrading of the existing housing stock in the regeneration areas. This process, and other factors (e.g. availability of private rental housing in other parts of the city and rent allowance to support private rental for those in housing need) has resulted in an almost halving of the population of the regeneration areas between 2006 and 2016. This, in turn, has reduced the spatial concentrations of deprivation.

¹⁵ https://www.limerick.ie/sites/default/files/media/documents/2017-05/limerick_regeneration_framework_implementation_plan_small_version.compressed.pdf

At the core of the Limerick Regeneration plan is an emphasis on *'ensuring that improvements deliver lasting benefits and are sustained over time with a measured approach being preferred over radical, higher risk, once-off interventions. The revitalisation of the regeneration areas so that they become more attractive neighbourhoods is vital to Limericks overall success.'* This means that not only is the physical side of regeneration important but also the social and economic aspects.

On the social and economic side of the plan a considerable amount has also been done. In the 2013 Limerick Regeneration plan €40 million was allocated to these two pillars and focused on early interventions and job creation. These aspects of the plan are touched on in greater detail in the Chapter 5 of the report and shows that between 2012 and 2014, some 48,000 participants had engaged with projects funded under Limerick regeneration with many people participating in multiple social and community initiatives. These include interventions delivered into schools serving disadvantaged populations across the city (e.g. after-schools / out-of-school programmes, literacy and numeracy initiatives, music education etc.), programmes to improve parenting, intensive family support, adult education and training and intervention to support youth who are offenders or at risk of offending). A large proportion of participants are children under the age of 12 years.

2.1.5 Emigration and Immigration

For those usually resident in Ireland, Census 2011 and Census 2016 allows us to identify both birthplace and nationality. In Census 2016, 81.6 per cent of the population of Limerick's city & suburbs were born in Ireland. This is very similar to the national average of 82.7 per cent. A further 4.1 per cent were born in Poland, 2.1 percentage points higher than the national average, and 3.1 per cent were born in the UK. This is 1.6 percentage points lower than the State average.

The proportion of the population born in Ireland is very similar to that in Waterford city & suburbs while the proportion in Cork city & suburbs is 81.3 per cent. The levels are slightly lower in Dublin city & suburbs, at 79 per cent, and in Galway, at 74.5 per cent. The proportional mix has changed only slightly since Census 2011 when 82.9 per cent of those living in Limerick's city & suburbs were born in Ireland. This compared to a State average of 83.1 per cent.

With regard to nationality, some 84.1 per cent of those usually resident in Limerick city & suburbs are of Irish nationality, compared to a national average of 87 per cent (Census 2016). Similar figures are also recorded in Waterford, 84.7 per cent.

Beyond Irish, the next largest nationality in Limerick city & suburbs is Polish at 4.4 per cent, some 1.8 percentage points higher than the national average. Across all five cities the proportion of Polish nationality recorded in Limerick city & suburbs is surpassed only in Galway, where 5.1 per cent of the city population is of Polish nationality. Limerick city & suburbs and Waterford city & suburbs have the lowest

proportion of population with EU27 nationality (excluding Ireland, UK, Poland and Lithuania) at 2.7 per cent and 3.4 per cent respectively. This compares to 5.2 per cent in Dublin, 5 per cent in Galway and 4.2 per cent in Cork.

At a County level, annual estimated net migration per 1,000 of the average population is provided in Census 2016. This allows us to identify the difference between the number of persons moving into and out of the county. The data show that in the intercensal period of 2011 to 2016 there was net outward migration in Limerick County of -4.1, i.e. 4,100 more people moved out of the county than moved into it (Figure 2.1.10). During the previous intercensal period 2006 to 2011 the level of net migration in Limerick County was -1.0, and Limerick was the only one of the five counties in the study area to record negative net migration in the period.

The rate observed in the 2011 to 2016 period is particularly high when compared to the other five counties which contain cities. In Waterford and Galway, for example, the level of net migration was -3.2 and -2.9 respectively. In both Dublin and Cork counties net migration was positive at 1.5 and 0.8 respectively, implying that more people migrated into these counties than migrated out.

Following on from migration trends, diversity proportions have also changed with time, which brings both opportunities and challenges to the city and county. With respect to Limerick, greater proportions of diversity i.e. residents born outside Ireland, is observed in the city centre compared with the city & suburbs area. Within Limerick's city & suburbs, 81.6 per cent of the population living within this boundary are born in Ireland, as per the 2016 Census. This compares with only 53.3 per cent in the City Centre proper.

The next largest cohort of residents born in a specific country, residing in the city & suburbs are those born in Poland at 4.1 per cent, which measures at 11.1 per cent in the City Centre. Figures for migrants from the UK are relatively close at 3.5 and 3.9 per cent in the City Centre and city & suburbs respectively. Conversely, the proportion of City Centre residents born outside of Europe is over four times that in the city & suburbs at 22.8 per cent versus 7.1 per cent respectively.

The data show that migrants are more likely to live in the city, rather than the suburb and county areas. At a county level, 85.9 per cent of residents are born in Ireland with 4.7 per cent born in the UK representing the highest proportion of residents after Irish.

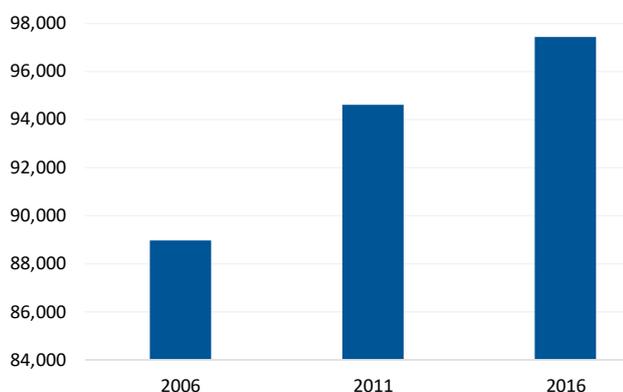
The Limerick Local Economic and Community Plan¹⁶ (2015) focuses on community development in both the city and county, with identified objectives and action areas to support migrant integration and new communities. The plan builds on

¹⁶ <https://www.hse.ie/eng/about/who/healthwellbeing/healthy-ireland/partnerships/limerick.pdf>

the Europe 2020¹⁷ strategic framework of ‘smart, sustainable and inclusive growth’ and recognises the challenge of full integration and employment equality, and the additional pressure on education and community infrastructure of such inward migration. School places in particular are an issue, in part owing to the concentration of some migrant populations and inadequate resources to respond to the needs of this population. On the positive side, diverse migration brings new skills, population growth and the data show a high-proportion in employment.

Statistics 2.1 POPULATION

FIGURE 2.1.1: LIMERICK CITY & SUBURBS POPULATION, CENSUS 2006 – CENSUS 2016



Source: CSO City & Suburbs Definition.
 Note: In Census 2006, Mungret was not classed as a settlement so is not included in the data.

TABLE 2.1.1A: REAL POPULATION GROWTH IN IRISH CITIES & SUBURBS, CENSUS 2006 – CENSUS 2016

City	2006	2011	2016
Dublin	1,024,636	1,110,627	1,173,179
Cork	185,059	198,582	208,669
Limerick	92,596	94,596	97,399
Galway	72,414	76,778	79,934
Waterford	48,674	51,519	53,504

Source: CSO City & Suburb Definition.

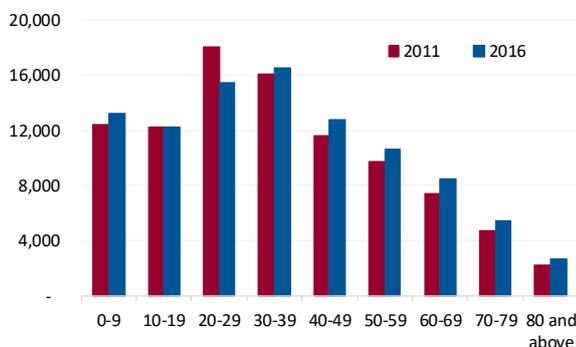
TABLE 2.1.1B: POPULATION FOR TOTAL COUNTY (CITY AND COUNTY COMBINED), CENSUS 2016

Dublin	Cork	Galway	Limerick	Waterford
1,347,359	542,868	258,058	194,899	116,176

Source: CSO

Figure 2.1.1 shows the real population growth trend in Limerick city & suburbs for the past three Censuses. The city population has grown by 8,449 from 92,596 persons in Census 2006 to 97,399 persons in Census 2016. As Table 2.1.1a indicates, Limerick city & suburbs is the third largest city & suburbs area in the State following Dublin and Cork in that order. At a County level Limerick ranks fourth after Dublin, Cork and Galway.

FIGURE 2.1.2: LIMERICK CITY & SUBURBS POPULATION, BY AGE, CENSUS 2011 – CENSUS 2016



Source: CSO City & Suburb Definition.

TABLE 2.1.2: IRISH CITIES & SUBURBS POPULATION, BY AGE, CENSUS 2016

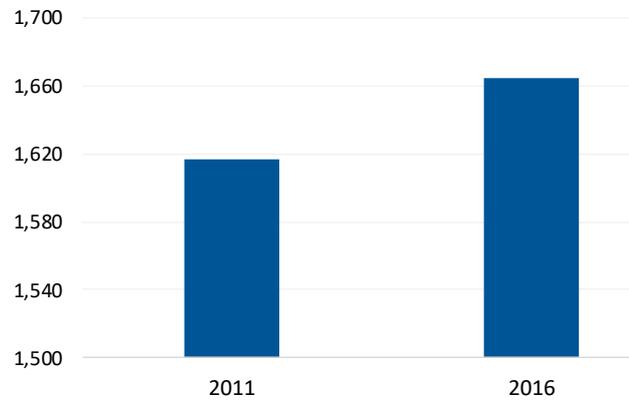
City	0-14	15-29	30-44	45-59	60-74	75+
Dublin	217,745	252,694	298,475	203,674	135,587	65,004
Cork	36,781	47,555	48,882	37,732	25,686	12,033
Limerick	18,765	22,221	23,332	16,540	11,548	4,993
Galway	13,473	21,814	20,516	12,399	8,850	3,674
Waterford	10,890	10,326	12,624	9,583	6,826	3,255

Source: CSO City & Suburb Definition.

Figure 2.1.2 shows the Limerick city & suburbs population by age cohort over the past two censuses. In all age brackets, with the exception of ‘10-29’ and ‘20-29’, population figures have increased since Census 2011. During this period decline is seen in the number of twenty-somethings living in the city & suburbs. Table 2.1.2 gives a similar breakdown for all city & suburb areas for the 2016 census.

¹⁷ <http://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf>

FIGURE 2.1.3: LIMERICK CITY & SUBURBS REAL POPULATION DENSITY GROWTH, CENSUS 2011 – CENSUS 2016



Source: CSO City & Suburb Definition.

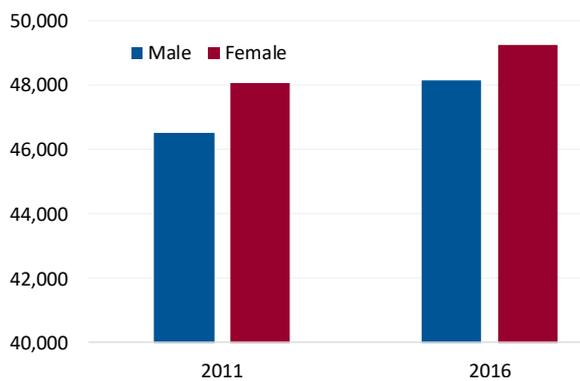
TABLE 2.1.3: POPULATION DENSITY GROWTH INDEX 5 CITY & SUBURBS AND STATE, CENSUS 2011 – CENSUS 2016

City	2011	2016
Dublin	100.0	105.6
Cork	100.0	105.1
Galway	100.0	104.1
Waterford	100.0	103.9
Limerick	100.0	103.0

Source: CSO City & Suburb Definition.

Population density is defined as the number of people living in a square kilometre area. Figure 2.1.3 plots Limerick city & suburbs density growth from Census 2011 to 2016. It shows density to be 3 per cent greater in Census 2016 increasing from 1,612 persons per square kilometre, to 1,665 in the most recent Census. Table 2.1.3 expands on this by comparing the growth index of Limerick city & suburbs with its counterparts, and shows Limerick to have lowest level of density growth over the given period.

FIGURE 2.1.4: LIMERICK CITY & SUBURBS POPULATION, BY SEX, CENSUS 2006– CENSUS 2016



Source: CSO City & Suburb Definition.

TABLE 2.1.4: IRISH CITIES & SUBURBS POPULATION, BY SEX, CENSUS 2016

City	Male	Female	M/F Ratio
Limerick	48,152	49,247	0.98
Waterford	26,310	27,194	0.97
Cork	102,233	106,436	0.96
Dublin	572,632	600,547	0.95
Galway	38,438	41,496	0.93
State	2,354,428	2,407,437	0.98

Source: CSO City & Suburb Definition.

A greater proportion of the Limerick city & suburbs population is female, illustrated in Figure 2.1.4 however the gap is narrower in 2016 than it is in 2011. Table 2.1.4 shows that this is in line with the State average with just over 53,000 more women than men in the total population. This is also observed in the three largest city & suburbs areas, but not in Waterford or Galway.

FIGURE 2.1.5 LIMERICK CITY & SUBURBS - NUMBER OF PRIVATE HOUSEHOLDS IN PERMANENT HOUSING, BY PROPERTY TYPE, CENSUS 2011 – CENSUS 2016

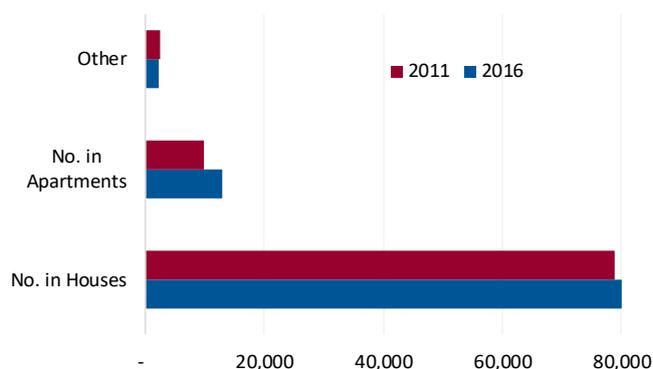


Figure 2.1.5 looks at the number of private households in permanent accommodation, by property type, in Limerick’s city & suburbs. Detached and semi-detached houses are the most popular choices for households, with terraced houses and apartments found much less prevalently. Table 2.1.5 looks at the same measure for the five major city & suburb areas. Detached houses are the most popular option for households in all cities & suburbs bar Dublin, where semi-detached are three times more popular than detached, and terraced houses and apartments are both over twice as prevalent as in the other cities & suburbs.

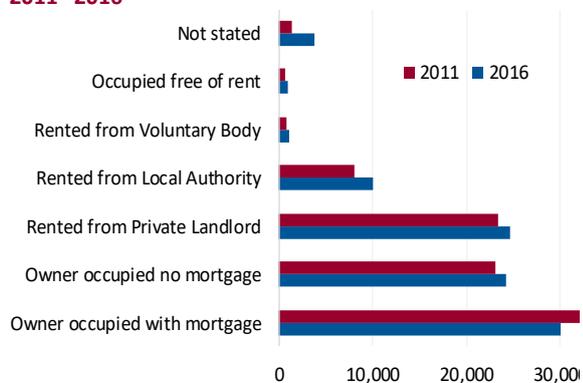
Source: CSO City & Suburbs Definition.

TABLE 2.1.5 NUMBER OF PRIVATE HOUSEHOLDS IN PERMANENT HOUSING BY PROPERTY TYPE, CITY AND COUNTY, CENSUS 2016

	Detached	Semi-detached	Terraced	Apartment	Not stated/other
Dublin	55,149	167,090	128,609	119,499	8,812
Cork	86,886	49,597	39,364	17,034	2,541
Limerick	32,180	19,735	11,039	7,068	1,000
Waterford	18,782	12,957	8,126	2,981	609
Galway	54,095	19,400	7,460	9,226	1,375

Source: CSO.

FIGURE 2.1.6 PERMANENT PRIVATE HOUSEHOLDS BY NUMBER OF PERSONS IN TYPE OF HOUSE – LIMERICK CITY & SUBURBS, CENSUS 2011 - 2016



Source: CSO City & Suburbs Definition

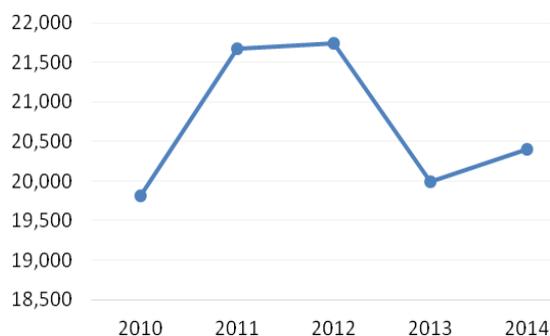
TABLE 2.1.6: PERMANENT PRIVATE HOUSEHOLDS BY NUMBER OF PERSONS IN TYPE OF HOUSE – IRISH CITIES & SUBURBS, CENSUS 2016

Type of occupancy	Dublin	Cork	Limerick	Galway	Waterford
Owner occupied w/mortgage	393,702	64,784	30,025	18,423	16,937
Owner occupied no mortgage	277,708	56,066	24,290	16,604	12,383
Rented from private landlord	279,280	46,883	24,678	27,506	10,424
Rented from local authority	116,669	25,857	10,041	7,835	8,836
Rented from voluntary body	13,635	1,797	1,044	1,117	1,145
Occupied free of rent	9,566	1,622	1,013	765	377
Not stated	46,111	6,431	3,804	3,309	1,909
Total	1,136,671	203,440	94,904	75,559	52,011

Source: CSO City & Suburbs Definition.

Figure 2.1.6 shows the mix of housing types in Limerick city & suburbs by number of persons in 2011 and 2016. The largest proportion of persons are living in an owner occupied household with a mortgage. A decrease in seen in this category from Census 2011 to Census 2016. Consequently, an increase in the level of persons dwelling in all other housing type in seen from 2011 to 2016, in particular a 24 per cent increase in the numbers renting from a voluntary body or Local Authority.

FIGURE 2.1.7 DISPOSABLE INCOME PER PERSON LIMERICK COUNTY (€)



Source: CSO.

TABLE 2.1.7: DISPOSABLE INCOME FOR COUNTIES AND STATE (€)

County	2010	2011	2012	2013	2014
Dublin	21,278	20,690	21,347	20,834	21,963
Limerick	19,807	21,677	21,743	19,990	20,395
Cork	19,661	19,057	19,441	18,993	19,234
Waterford	18,491	17,997	18,430	17,869	18,870
Galway	19,628	17,784	18,580	17,501	17,929
State	19,462	18,765	19,190	18,536	19,178

Source: CSO.

Figure 2.1.7 explores the trend in the average disposable income per person in Limerick County from 2010 to 2014. Between 2010 and 2011 there was an increase of €1,870 in disposable income per capita in Limerick County, before a decline occurred in 2013. Table 2.1.7 confirms that Limerick’s average disposal income level is above the State average in all years. The level of disposable income in Limerick was greater than all other cities in both 2011 and 2012 before being surpassed by Dublin County in 2013 and 2014.

FIGURE 2.1.8 LIMERICK CITY & SUBURBS SOCIO-ECONOMIC BREAKDOWN, CENSUS 2011 – CENSUS 2016



Source: CSO City & Suburb Definition.

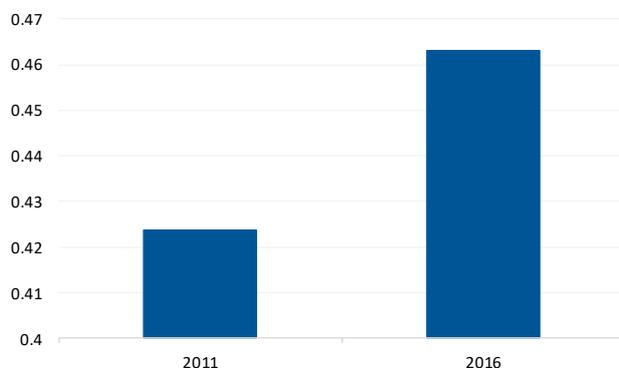
Figure 2.1.8 presents the socio-economic breakdown of the working age population of Limerick city & suburbs for the 2011 and 2016 Censuses. It indicates an increase in the number of Unskilled; Professional; Non-Manual and; Managerial and Technical workers in the most recent census. A decrease is seen in Skilled Manual, and Other workers. Table 2.1.8 places Limerick in the context of other Irish cities and the State average. From this it can be seen that Limerick lies above the State average in terms of the percentage of Professional, Unskilled and Other workers. All other proportions are below the State average.

TABLE 2.1.8: IRISH CITIES & SUBURBS SOCIO-ECONOMIC BREAKDOWN AS PERCENTAGE OF CITY & SUBURBS POPULATION, CENSUS 2016

City	Unskilled	Semi-Skilled	Skilled Manual	Non-Manual	Professional	Managerial & Technical	Other
Dublin	3.1%	8.3%	11.6%	17.1%	10.3%	30.0%	19.6%
Cork	3.6%	10.6%	12.4%	17.4%	9.9%	25.9%	20.3%
Limerick	3.8%	10.5%	11.9%	16.9%	8.3%	23.2%	25.4%
Galway	3.0%	11.1%	9.5%	15.0%	10.2%	25.4%	25.8%
Waterford	5.3%	12.7%	14.4%	17.9%	6.2%	21.3%	22.3%
State	3.6%	10.5%	14.1%	17.6%	8.1%	28.5%	18.0%

Source: CSO City & Suburb Definition.

FIGURE 2.1.9 DEPENDENCY RATIO LIMERICK CITY & SUBURBS, CENSUS 2011 – CENSUS 2016



Source: CSO City & Suburb Definition.

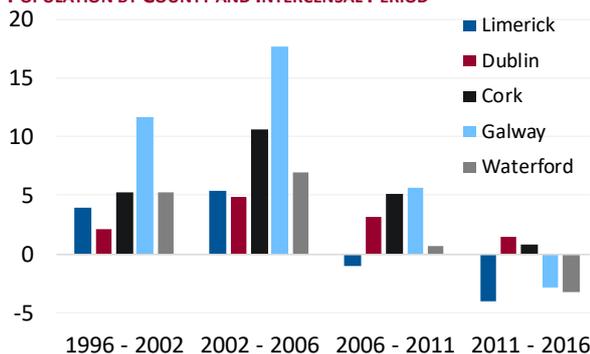
TABLE 2.1.9: DEPENDENCY RATIO 5 CITIES & SUBURBS AND STATE, CENSUS 2016

City	Population Under 15	Population Over 65	Population 15-64	Ratio
Waterford	10,890	7,481	35,133	0.523
Limerick	18,765	12,065	66,569	0.463
Dublin	217,745	147,386	808,048	0.452
Cork	36,781	27,875	144,013	0.449
Galway	13,473	8,992	57,469	0.391
State	1,006,552	637,567	3,117,746	0.527

Source: CSO City & Suburb Definition.

The dependency ratio measures the population that is under 15 years and over 65 as a proportion of those aged 15 to 65 years. Figure 2.1.9 illustrates the growing dependency ratio observed in Limerick city & suburbs over the past five years. This can be attributed to an aging population trend. Table 2.1.9 shows Limerick city & suburbs has the second highest ratio of its city counterparts with regard to the dependency ratio with only Waterford higher at 0.523.

FIGURE 2.1.10 ESTIMATED NET MIGRATION PER 1,000 OF POPULATION BY COUNTY AND INTERCENSAL PERIOD



Source: CSO.

TABLE 2.1.10: INTERCENSAL NET MIGRATION, CENSUS 1996 - CENSUS 2016

City	1996	2002	2006	2011	2016
Dublin	-4,504	2,305	613	4,044	8,646
Cork	-2,099	-6,849	-5,663	-2,886	4,415
Limerick	-1,124	27	-3,219	-4,706	n/a
Galway	4,121	5,607	3,665	-771	-873
Waterford	1,072	107	-615	-1,539	n/a

Source: CSO.

Note: CSO definition of city used.

Figure 2.1.10 indicates that Limerick was the first of the five counties to see negative net migration (2006 – 2011) during the observed 20-year period, and had the greatest negative migration in the most recent period, 2011 – 2016. Table 2.1.10 also shows total net migration for each of the five cities. In only one period (1996-2002) was there positive net migration in Limerick city, in which case the number was a mere 27 persons. The data available indicates an almost constant trend of outward migration from the city however, this is also seen in Cork city which suffered negative net migration in each Census until 2016. While Galway and Waterford had positive inward migration in earlier years, that trend has also become negative since 2011 and 2006, respectively.

2.2 COMMERCE

Over the last two decades there has been an increasing realisation and understanding of the importance of major cities and city regions as economic, social and cultural focuses, which can drive regional and indeed national economies. In today's environment of mobile financial and human capital, the focus of economic competition is increasingly on city regions. This trend, at a regional level, is particularly significant for an open economy such as Ireland which is competing in a global market for investment.

In this section an overview of active enterprises, both domestic and foreign in the county will be provided. As noted in *Limerick 2030* it is important for Limerick to capture the elements of economic sectors which are clustering elsewhere. In order to do this effectively it is important to understand where Limerick is currently placed in terms of active enterprises and investment. The level start-ups and insolvencies will also be reviewed as well as the availability of office space in the city and county.

2.2.1 Active Enterprises and Employment

The most recent data available from the CSO indicates that there were approximately 12,000 active enterprises operating within Limerick County in 2015 (Table 2.2.1). Based on the CSO's definition an enterprise is considered to be active in a certain period if it generates turnover, employs staff or makes investments in that period. This represents growth of 21 per cent in the year from 2014 and was in excess of the rate of growth observed in the State at 18.8 per cent. The growth observed in 2015 however came on the back of negative growth observed in the two previous years.

Along with both Cork and Galway the number of enterprises operating in Limerick declined in 2013, by -0.9 per cent and in 2014 by -2.6 per cent, a delayed consequence perhaps of the financial crisis. In spite of this, the number of active enterprises operating in Limerick County as of 2015 is some 19.5 per cent higher than the number operating in 2011. Of the five counties within this study, the number of enterprises in Dublin grew by 18 per cent in the year to 2015 while Waterford enjoyed the highest rate of annual growth at 21.8 per cent in 2015.

In 2015, Limerick County ranked fourth out of the five counties, on a per capita basis, for the number of active enterprises. There were 62 active enterprises per 1,000 population in 2015. This compares to 78 active enterprises per 1,000 of the Dublin population and 70 active enterprises per 1,000 population in Galway. Cork performs marginally better than Limerick with 65 active enterprises per 1,000 population while there were 59 active enterprises per 1,000 in Waterford.

The three main sectors operating in Limerick are Wholesale & Retail Trade, Construction, and Professional, Scientific and Technical Activities, which between them represent close to 41 per cent of total active enterprises (Figure 2.2.2). This is broadly in line with what is observed in the four other counties with these three sectors accounting for 45 per cent of active enterprises in Cork, 43 per cent in

Galway and 41 per cent in Waterford. The proportion is slightly lower in Dublin, at 38 per cent (Table 2.2.2).

In terms of employment, the key sectors in Limerick are Human Health and Social Work Activities, with 23 per cent of the 64,140 employees employed in active enterprise in 2015 in Limerick County. This far exceeds the level of employment observed in the same sector in Dublin, Cork, Galway and Waterford, where it represents approximately 10 to 12 per cent and indicates a dependence on public sector employment in Limerick. Wholesale and Retail Trade represents approximately 13.8 per cent of total employment in enterprise which lags behind the levels observed in Dublin (18.5 per cent), Galway (18.5 per cent) and Cork (17.4 per cent).

It is interesting to note that although both Construction, and Professional, Scientific and Technical Activities rank in the top three sectors for the number of enterprises operating in Limerick, only 5.4 per cent and 4.8 per cent of total employees work in these sectors, respectively. However, this is broadly in line with the employment in these sectors observed in the four other counties. In addition, the level of employment activity in sectors such as Financial and Information and Communication account for 3.2 per cent of employment in Limerick which, again, is below the levels observed in either Dublin (8.6 per cent) or Cork (4.2 per cent).

2.2.2 Foreign Direct Investment

In the context of FDI the role of LC&CC is seen as vital to the success of Limerick city in attracting inward investment and in driving an investment-focussed strategy under the Limerick 2030 Plan. As such, the environment in which firms operate within the city is very important, with the potential for current domestic and foreign investment to draw in additional inward investment and domestic growth.

IDA Ireland maintains a comprehensive up-to-date list of all of its companies operating within the State.¹⁸ While Limerick County does demonstrate a strong base in terms of the level of FDI, with 54 IDA-backed firms in total, it lags behind Dublin, Cork and Galway each with 679, 148 and 71 companies. In Waterford there are currently 35 IDA-backed companies in operation (Table 2.2.4).

Within Limerick the dominant sector of FDI investment is ICT/Hardware/Software, with approximately 12 companies operating within the County, the majority of which are located in Limerick's city & suburbs. Following this, there are seven firms in Engineering and a further six in Medical Technology. The remainder of the 28 IDA-backed companies are made up of Bio Pharmaceuticals, Business Services, Financial Services and Consumer Goods while 16 firms were not attributed to any one particular sector (Figure 2.2.4).

¹⁸ <http://www.idaireland.com/business-in-ireland/company-listing/>

Unsurprisingly, Dublin County has the most IDA-backed firms, with 679 currently operating in the county. Numerically the largest sector is the Financial Services sector with 181 firms, followed by ICT/Hardware/Software with 98 firms. In both Cork and Galway, the ICT/Hardware/Software sector features strongly, representing approximately 20 per cent of total FDI firms respectively.

It is worth noting that the Limerick 2030 plan argues that IDA Ireland's practice of clustering business has not been beneficial for Limerick. For example, it is observed that medical technologies and pharmaceuticals have clustered in Galway, pharma and drug manufacturing in Cork and global IT in Dublin, while IT manufacturing industries have been IDA Ireland's focus for Limerick. It can be argued that the clusters in Galway, Cork and Dublin are amongst industries generally considered resilient to economic cycles, while IT manufacturing tends to be more sensitive to competition from lower cost locations, thus making Limerick's industrial economy more vulnerable.

2.2.3 Start-Ups and Insolvencies

Across Ireland there has been a notable increase in the number of start-ups in recent years. In the last five years a total of 58,000 start-ups were created in the five Irish counties containing cities alone with the majority, or 70 per cent, being established in the capital city. While Vision-Net¹⁹ data is only available at a county level, it does provide some indication of the level of activity in the five key counties and to some extent, the level of activities in their cities.

On a per capita basis in 2016 there were three start-ups for every 1,000 of the Limerick population. The same level of start-ups per 1,000 population was also observed in Galway and Waterford in 2016. This compares to Dublin where there were seven start-ups per 1,000 population and Cork where there were five start-ups per 1,000 population.

The number of start-ups in the county has increased year-on-year since 2012. In each of Limerick, Dublin, Galway and Waterford there was substantial growth recorded in 2014 of between 17 per cent (Waterford) and 26 per cent (Limerick), before tapering off in the subsequent two years. The situation appears slightly different in Cork with a sustained increase in start-ups from a growth rate of 2 per cent in 2013 to 21 per cent in 2016 – substantially higher than that in Limerick (4 per cent) or even Dublin (5 per cent).

Of the total firms that started in Limerick in 2016, the majority were involved in the Professional Services and Finance sectors. These two sectors also made up the majority of start-ups in Cork, Dublin and Galway.

The data indicates no clear preference of any one sector among start-ups in Limerick. Across the majority of sectors, growth in start-ups has varied over the past five years. Only Construction, Hospitality and Utilities have recorded either zero or positive growth each year since 2012; other sectors, such as IT, have not

¹⁹ <http://www.vision-net.ie/>

shown similar upward trends with the numbers of start-ups varying greatly from year to year. There have been years of very strong growth, i.e. over 100 per cent, in Finance and Real Estate, however the actual numbers of start-ups in these sectors is still relatively low when compared to other counties. For example, between 2012 and 2016 a total of 170 firms started in the Finance sector in Limerick (87 firms per 100,000 of the county population) compared to 404 (74 firms per 100,000 of the county population) in Cork and 5,413 (402 firms per 100,000 of the county population) in Dublin.

Between 2013 and 2014 the total number of insolvencies recorded fell by 39 per cent with Manufacturing being the only sector to report an increase in the number of insolvencies in the year. Since 2014 an upward trend has emerged, with 5 per cent of companies in Limerick becoming insolvent in 2015 and a further 16 per cent in 2016.

In 2016, the largest number of insolvencies recorded in Limerick occurred in the Professional Services sector, representing 35 per cent of total and an increase of 50 per cent on the previous year. Difficulties were also observed in both Real Estate and Hospitality in 2016 with a 200 per cent increase in the level of insolvencies in both sectors.

When compared to the other four counties Limerick appears to be performing particularly badly. Each of Cork, Dublin and Galway has recorded a decline in the total number of insolvencies in 2015 and 2016. Cork and Galway in particular have seen a reduction in the number of insolvent firms in each of 2014, 2015 and 2016.

2.2.4 Office Space

Cushman and Wakefield²⁰ provide a detailed quarterly review of the regional office markets of Dublin, Cork, Limerick and Galway covering occupancy, vacancy rates and development activity (Table 2.2.6).

Although the level of office stock in Limerick has been increasing over the past number of years, the rate of growth observed has been steadily declining. In the year to Q4 2015 there was growth of 6.2 per cent in the level of available market stock while in Q4 2016 the level of growth in the year was 4 per cent. This represents the highest recorded growth amongst Dublin (0.9 per cent), Galway (0.7 per cent) and Cork (2.9 per cent).

In the first three months of 2017, Limerick outperformed Cork in terms of take-up activity with over 5,050 square meters transacted, compared to 1,100 square meters the previous quarter. The strong trend in demand for office space in the suburbs has continued into the first quarter of 2017 with only 20.0 per cent of take up in the quarter occurring in the city centre - largely due to the lack of appropriate space in the city.

²⁰ See Cushman & Wakefield, Irish Office Market, Q1 2017 for further details.

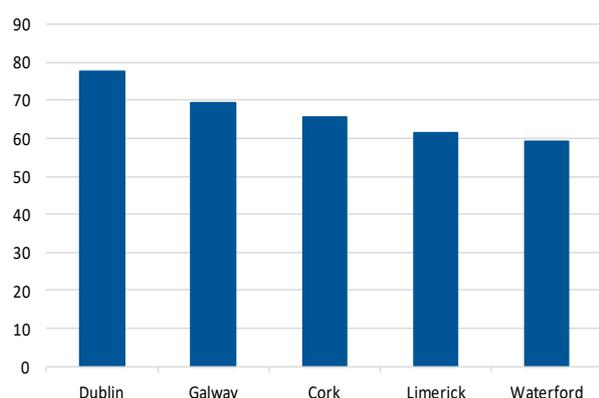
There remains a distinct shortage of large, high quality office space in Limerick city centre (Central Business District and adjoining areas) with an average size deal of 421 square meters in the city centre, compared to 1,340 square meters in the suburbs (locations outside city boundaries such as Raheen and the National Technology Park) (year to Q1 2017). Within the county, approximately 44 per cent of available space is within the city.

The city centre spatial plan, as outlined in limerick 2030, has been designed with the ambition to create ‘a city centre that can attract new inward business investment and encourage the formation of new local business by providing high quality, flexible space.’ Indeed, the plan identifies a number of strategic sites within the city, including the Opera Centre, The Gardens International Office and the Georgian Quarter, that will act as base upon which other developments can occur.

Rents in the city centre were approximately €215 per square meters in Q1 2017, an increase of 11.3 per cent in the quarter. Despite this increase, rents in Limerick city remain lower than those recorded in Galway, Cork and Dublin. Annual rent in Dublin’s Central Business District was €619 per square meter at the end of Q1 2017 – 188 per cent higher than in Limerick city. Likewise, rent in Galway and Cork cities at the end of Q1 2017 were respectively 16.1 per cent and 47.2 per cent higher than in Limerick city.

Statistics 2.2 COMMERCE

FIGURE 2.2.1: NUMBER OF ACTIVE ENTERPRISES PER 1,000 POPULATION, BY COUNTY, 2015



Source: CSO.

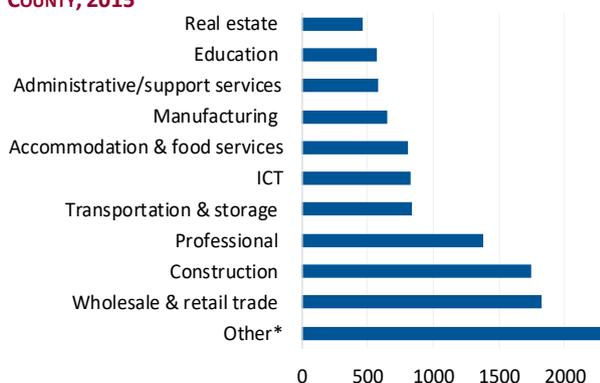
TABLE 2.2.1: NUMBER OF ACTIVE ENTERPRISES, 5 COUNTIES, 2011 - 2015

County	2011	2012	2013	2014	2015
Dublin	80,619	83,118	83,674	82,885	98,589
Cork	29,238	29,620	29,316	28,932	34,412
Galway	14,987	15,188	14,929	14,521	17,414
Limerick	9,673	9,890	9,784	9,526	11,586
Waterford	5,539	5,546	5,542	5,412	6,630
State	262,209	266,932	266,540	261,772	312,160

Source: CSO.

The number of active enterprises in Limerick County has varied over the period 2011 to 2015 with no particular trend observed, as shown in Table 2.2.1 although the overall number of enterprises active in the county has increased 19.5 per cent over 2011. Figure 2.2.1 breaks down the number of enterprises on as per 1,000 population basis and shows that Limerick ranks third in 2015 for the number of enterprises per 1,000 of the county’s population.

FIGURE 2.2.2: NUMBER OF ACTIVE ENTERPRISES BY SECTOR, LIMERICK COUNTY, 2015



Source: CSO Business Demography.

Note: In Table 2.2.2 'Other' refers to Human Health and Social Work, Other Service Activities, Arts, Entertainment and Recreation, Mining, Financial and Insurance Activities, Electricity, Gas, Steam and Air Conditioning, and Water Supply Services.

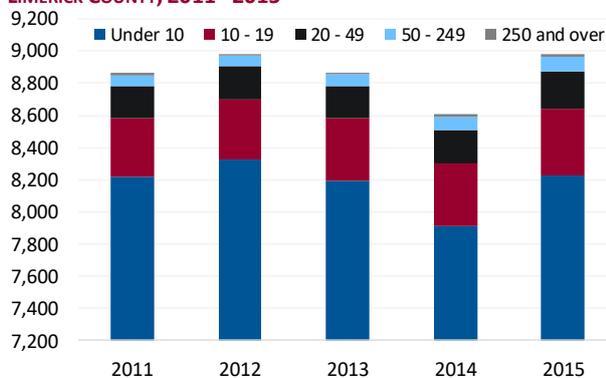
TABLE 2.2.2: NUMBER OF ACTIVE ENTERPRISES BY SECTOR, 5 COUNTIES, 2015

Sector	Dublin	Cork	Galway	Limerick	Waterford
Manufacturing	3,015	1,917	851	647	444
Construction	10,738	5,687	3,296	1,742	991
Wholesale/retail	12,095	5,369	2,515	1,823	1,085
Transportation	10,915	2,296	1,064	839	389
Accom & Food	3,830	2,114	1,270	812	481
Real estate	4,525	1,379	933	461	261
Professional	16,650	5,068	1,823	1,386	779
Administrative	5,699	1,637	756	578	294
Education	3,724	1,546	885	576	346
ICT	13,627	2,313	1,194	828	483
Other	19,864	6,214	3,349	2,304	1,328

Source: CSO Business Demography.

Figure 2.2.2 graphs the number of enterprises in Limerick city and county by sector. Wholesale Retail and Trade is the largest single sector in the city and county. This is also the largest sector, by this measure, in Waterford. Professional enterprises are most prevalent in Dublin, with construction leading in Galway and Cork.

FIGURE 2.2.3: NUMBER OF ACTIVE ENTERPRISES BY EMPLOYEE NUMBERS, LIMERICK COUNTY, 2011 - 2015



Source: CSO Business Demography.

Note: Data only available for the business economy excluding activities of holding companies (B to N, -642).

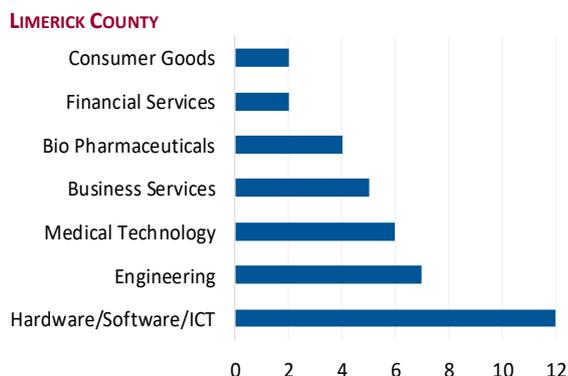
TABLE 2.2.3: NUMBER OF ACTIVE ENTERPRISES BY EMPLOYEE NUMBERS, 5 COUNTIES, 2015

Size	Dublin	Cork	Galway	Limerick	Waterford
Total	79,508	27,391	13,503	8,979	5,085
Under 10	72,437	25,238	12,526	8,227	4,626
10 - 19	3,353	1,200	510	413	269
20 - 49	2,133	606	290	233	126
50 - 249	1,585	347	177	106	64
250 +	323	43	17	12	16

Source: CSO Business Demography.

Figure 2.2.3 shows the breakdown of enterprises in Limerick city and county by number of employees. Over time, there is relatively little change in the number of firms with more than 10 employees. However, there is with a degree of volatility among those firms comprising fewer than 10 employees. These enterprises decreased in number from 2012 to 2014 before increasing again in 2015. Table 2.2.3 shows this breakdown across the five counties in 2015. Enterprises with under 10 employees represent the largest proportion of enterprises in each county.

FIGURE 2.2.4: IDA-SUPPORTED COMPANIES BY SECTOR 2017,



Source: IDA Ireland

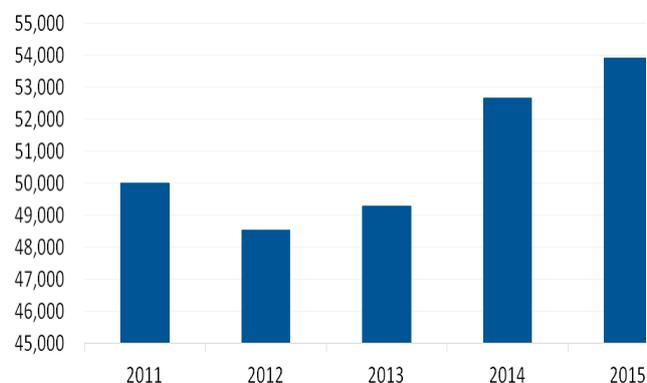
TABLE 2.2.4: IDA-SUPPORTED COMPANIES, BY SECTOR AND COUNTY, 2017

Sector	Dublin	Cork	Galway	Limerick	Waterford
Hardware/Software/ICT	100	33	14	12	2
Medical Technology	9	8	12	6	1
Bio Pharmaceuticals	37	30	1	4	5
Engineering	12	15	7	7	3
Business Services	19	7	2	5	1
Finance	181	4	3	2	1
Consumer Goods	14	5	0	2	6
Other	307	46	32	16	16
County Total	679	148	71	54	35
State Total	1,285				

Source: IDA Ireland.

With regard to FDI companies operating in Limerick city and county in 2017 Figure 2.2.4 indicates that of the 38 firms identified by sector, 12 are in the Hardware/ Software/ICT sector. The Engineering and Medical Technology sectors are also well represented with a combined 13 companies. Table 2.2.4 presents the sector breakdown for IDA-supported companies in the five counties and shows the dominance of Dublin in attracting foreign investment.

FIGURE 2.2.5: NUMBER OF EMPLOYEES IN ACTIVE ENTERPRISES, LIMERICK COUNTY, 2011 - 2015



Source: CSO Business Demography.

Note: Both Figure 2.2.5 and Table 2.2.5 exclude service sectors Q (Human Health and Social Work Activities and S (Other Service Activities) as employment in these sectors was not recorded until 2015.

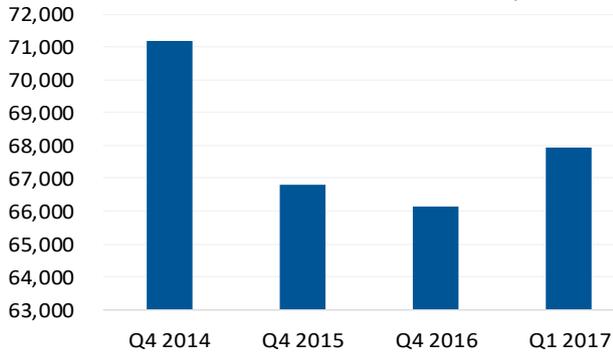
TABLE 2.2.5: GROWTH IN NUMBER OF EMPLOYEES IN ACTIVE ENTERPRISES, 5 COUNTIES AND STATE, 2012 - 2015 (%)

County	2012	2013	2014	2015
Dublin	1.3	2.9	4.2	5.2
Cork	1.4	3.3	6.1	3.4
Galway	1.6	0.9	2.5	3.2
Limerick	-2.9	1.5	6.9	2.4
Waterford	-3.1	1.5	1.2	7.6
State	0.6	2.1	3.5	5.0

Source: CSO.

The general trend in employment in enterprise as seen in Figure 2.2.5, is that the number of employees engaged in enterprise in Limerick County has been increasing since 2013. Table 2.2.5 shows that Limerick and Waterford experienced a decrease on 2011 figures, before increasing again from 2012 onwards. The level of annual growth in employment in enterprise in Limerick in 2015 was 2.4 per cent, approximately half of the national average.

FIGURE 2.2.6: OFFICE SPACE AVAILABLE IN LIMERICK COUNTY, SQ. METRES



Source: Cushman and Wakefield.

TABLE 2.2.6: OFFICE SPACE AVAILABLE IN 4 COUNTIES, SQ. METRES

Availability	Q4 2014	Q4 2015	Q4 2016	Q1 2017
Dublin	454,900	435,100	412,150	410,600
Limerick	71,200	66,800	66,150	67,950
Cork	103,750	85,550	65,000	65,550
Galway	19,800	13,600	24,400	25,400

Source: Cushman and Wakefield. Data for Waterford unavailable. Cushman and Wakefield measures office space available (i.e. vacant) each quarter. Limerick county figures (measured in square meters) have dropped from 71,200 in Q4 2014 to 67,950 in Q1 2017. Data for Waterford is not currently available. After Dublin, Limerick has the highest level of available office space in the country as is noted in Table 2.2.6. This places Limerick in a relatively good position to accommodate new business.

2.3 LABOUR MARKET

While the labour market in Limerick city and county is showing signs of recovery there appears to remain a substantial challenge in tackling issues surrounding unemployment in general and youth/long-term unemployment in particular.

2.3.1 Level of Unemployment

The labour market in Limerick city & suburbs has been showing tentative signs of improvement over the past five years. Signs of the economic recovery across the State are especially evident when looking at the improvements that have occurred in unemployment in recent years.

Per Census 2016, the level of unemployment across the State was 12.9 per cent²¹ – an improvement of some 6 percentage points on the previous census (Table 2.3.1). A similar improvement was observed in Limerick city & suburbs, with the unemployment rate falling from 23.3 per cent in Census 2011 to 16.8 per cent by Census 2016. It is worth noting that in 2011, the level of unemployment in Limerick city & suburbs was only surpassed by Waterford city & suburbs, where unemployment reached 24.6 per cent. Across the five cities the greatest improvement in the unemployment level was actually observed in Limerick with a 6.5 percentage point decline in the rate between Census 2011 and Census 2016.

There are considerable ongoing issues within Limerick city & suburbs, however. Census 2016 identified 79 unemployment blackspots²² (by Electoral Divisions, ED) across the State, with an average unemployment rate of 31.2 per cent compared to 12.9 per cent nationally.²³ While it is difficult to define Limerick's city & suburbs by exact ED boundaries there are 38 EDs within the core of the CSO defined Limerick city & suburbs (also referred to as the "old" city council). Of these 38 EDs, 17 have been classified as unemployment blackspots in Census 2016. Nine of these had an unemployment rate between 30 per cent and 40 per cent, a further three EDs - Glentworth C, Prospect B and Galvone B - had an unemployment rate of between 40 per cent and 50 per cent, while one ED, John's A, had an unemployment rate of 58.3 per cent – over four and a half times the State average.

John's A has also been recorded as having a substantial issue with regards to deprivation Census 2016. Clearly, the issues underlying this figure are linked back to the socio-demographic characteristics outlined earlier. In fact, 11 of the 17 unemployment blackspots are also identified as being very disadvantaged according to the Pobal HP Deprivation Index i.e. a Deprivation Index worse than -

²¹ Note that the CSO Census definition of unemployment differs from that of the CSO Quarterly National Household Survey (QNHS) resulting in the higher State unemployment rate reported in this report.

²² The CSO define an unemployment blackspot as an Electoral Division (ED) whose labour force exceeded 200 persons and where the unemployment rate (on a Principle Economic Status basis) exceeded 27 per cent.

²³

http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart2/Census_2016_Summary_Results_%E2%80%93_Part_2.pdf

20. This means that these particular city centre EDs are characterised, amongst other things, as having a relatively high age dependency ratio, a high level of primary level education only, a high unemployment rate and a relatively high proportion living in Local Authority housing.

By comparison, Waterford city contained 13 unemployment blackspots, Dublin city contained seven and Cork city five.²⁴ Galway is the only Irish city which contained no unemployment blackspots in Census 2016.

Across the five Irish cities it is clear that Limerick has shown the slowest recovery in terms of the reduction in unemployment blackspots when compared to the number that existed in each of the cities in Census 2011. Much of this is down to the economic recovery which has occurred at a national level but in the most deprived areas of the city policies implemented by Limerick Regeneration, as outlined in sub-section 3.2.4 above and Chapter 5, have also acted to alleviate the pressures associated with unemployment blackspots.

According to Census 2011, the strongest recovery has occurred in Dublin which went from 33 blackspots in Census 2011 to seven in Census 2016. This is followed by Cork with a reduction of 14 and Galway which had only one blackspot in Census 2011. In Waterford the number of unemployment blackspots has reduced by 7 EDs while the number of blackspots in Limerick city reduced by only six in Limerick's city centre.

2.3.2 Labour Force Participation Rate

In Census 2011 a total of 43,772 of Limerick's city & suburbs population were in the labour force. By Census 2016 this has increased to just over 45,031 persons, an increase of some 2.9 per cent. Between Census 2011 and Census 2016 the labour force participation rate in Limerick city increased by only 0.2 percentage points from 57.1 per cent to 57.3 per cent (Table 2.3.2).

The number of people involved in the labour force has also increased in each of Cork, Dublin, Waterford and Galway in the period between the last two censuses. In Dublin, the participation rate increased by 0.7 while in Cork, Galway and Waterford there was a notable decline in the participation rate, by 0.2, 0.2 and 1.1 percentage points respectively. A similar trend was recorded across the State with a drop in participation from 61.9 per cent in Census 2011 to 61.4 per cent in Census 2016.

In terms of gender split it would appear that the marginal increase in Limerick's labour force participation rate was driven by an increase in the female labour force participation rate. Between 2011 and 2016 female participation increased from 51.2 per cent to 51.5 per cent, while male participation effectively remained unchanged at 63.3 per cent. The 2016 level of labour force participation for both males and females in Limerick city lies behind that of the State average of 67.8 per

²⁴ For the purposes of identifying specific EDs the CSO definition of Dublin City, Cork City, Galway City and Waterford City is used here.

cent for males and 55.2 per cent for females. According to Census 2016, Dublin was the only city in which the male participation rate was greater than that of the State average at 69.6 per cent, while both Dublin and Galway reported female participation rates greater than the State average.

2.3.3 Employment by Sector

According to Census 2016, 37,475 persons were employed in Limerick city & suburbs, compared to 33,590 persons in Census 2011. In both censuses a similar proportion of the population were employed in the Professional Services Sector, the largest single employment sector in the city at approximately 26 per cent (Figure 2.3.4). This was closely followed by Commerce and Trade which account for 23.1 per cent of the working population in the city in 2016, a decline of 2 percentage points from Census 2011. Aside from Agriculture, Forestry and Fishing which accounted for less than 1 per cent of employment in the city, the fewest number of people were employed in Building and Construction – some 3.2 per cent of the total in 2016.

A similar breakdown is observed across the other cities with Professional Services and Commerce and Trade making up the largest employment sectors (Table 2.3.4). The Building and Construction sector also accounts for the lowest proportion of employees in each of the cities (after Agriculture). There is little evidence of any significant sectoral shift between Census 2011 and Census 2016 in any of the Irish cities with the proportional breakdown remaining broadly similar.

The manufacturing sector is particularly important in Ireland, contributing strongly to economic growth in recent years. At a State level, 11.4 per cent of the labour force was employed in Manufacturing Industries in 2016, making it the third largest employer in the country. This average is exceeded in all but one of the cities by between 2.4 (Limerick) and 6.1 percentage points (Waterford). In Limerick city & suburbs 13.8 per cent of the population are employed in Manufacturing, marginally lower than the 14.2 per cent employment in the sector in Census 2011. Dublin is the only city in which employment in Manufacturing is lower than the State average, by some 4.9 percentage points. Overall, the level of employment in Manufacturing in the State has declined since Census 2011 when just over 17 per cent of the labour force was employed in the sector.

2.3.4 Commuting Patterns

According to CSO SAPS data from Census 2016 59.7 per cent of workers in Limerick's city & suburbs commute to work by car, some 1.3 percentage points higher than the State average. The level of commuting by car in Limerick city is surpassed only by Waterford city & suburbs with 61.8 per cent of the population commuting to work via a car while the proportion in Cork city & suburbs is broadly similar (59.2 per cent). The levels recorded in Galway (53.5 per cent) and Dublin (32.2 per cent) are below that observed at the State level. Across workers and school and college students the proportion using the car to commute to their destination is 39 per cent, a reduction compared to the level observed in Census 2011 of 41 per cent.

The second most common form of transport to work in Census 2016 is by foot with 14.2 per cent of the city's population choosing this form of travel. This is 5.3 per cent higher than the State average and is the second highest rate observed across the five cities. In Galway city & suburbs close to 16 per cent of commuters travel to work by foot while in Cork the level is 13.2 per cent. The proportion of Waterford city's population choosing this form of transport is 13 per cent while Dublin city & suburbs has the lowest proportion of walking commuters at 12.8 per cent – still 3.9 percentage points higher than the national average.

Only 0.2 per cent of workers in Limerick's city & suburbs travelled to work via train at the time of Census 2016. While this is exceptionally low, compared to the national average of 3.2 per cent it is broadly in line with the level observed in Galway (0.2 per cent), Waterford (0.3 per cent) and Cork (0.4 per cent) and should be considered in the context that no commuting service is provided in Limerick. In Dublin city & suburbs 7.7 per cent of the population travel to work by train, DART or Luas – 4.5 percentage points higher than the national average. The proportion of people using the train, DART or Luas in the five cities is little changed from the proportions observed in Census 2011.

The CSO's SAPS Census 2016 data also identifies the average travel time for those commuting to work, school and college. In Limerick's city & suburbs 37.6 per cent of people spend between one quarter of an hour and half an hour commuting each way. The commute time for a further 34.8 per cent of people is less than 15 minutes each way in the city & suburbs.

This means that 72.4 per cent of those commuting to work, school and college reach their destination within 30 minutes of starting their journey and a total of 87.8 per cent complete their journey in one hour or less. This is broadly similar to Galway (88.2 per cent) and Waterford (88.4 per cent) while in Cork city & suburbs, 90 per cent of those commuting to work, school or college reach their destination within one hour. The proportion of the Dublin city & suburbs population that complete their commute in one hour or less is much lower at 83 per cent, less than the State average of 84.3 per cent.

Since Census 2011 there appears to have been a shift in Limerick city with the proportion of those who complete their commute in 30 minutes or less decreasing while the proportion of those taking between 30 minutes to one hour to complete their journey increasing. Similar trends are also observed in the four other cities and are a positive reflection of the increase in the work force in the wake of the economic recovery over the past five years.

Additional data from Census 2016²⁵ shows that 76.7 per cent of the total workers usually resident in the area also work in the area. This means that 23.3 per cent of workers that live within Limerick city & suburbs commuted out of the city for work. With a total of 22,716 persons commuting into the area for work this leaves

²⁵ <http://www.cso.ie/en/releasesandpublications/ep/p-cp6ci/p6cii/p6www/>

a daytime working population of 44,624 persons, a net gain of 16,079 in the working population in the city & suburbs.

A larger net gain in working population is observed in Dublin city & suburbs (90,045 persons), Cork city & suburbs (29,388 persons) and Galway city & suburbs (16,534 persons). In Waterford city & suburbs, the next gain in the working population is 7,765 persons.

Statistics 2.3 LABOUR MARKET

FIGURE 2.3.1: UNEMPLOYMENT RATE, BY CITY & SUBURBS, CENSUS 2011 - CENSUS 2016, %



Source: CSO City & Suburb Definition.

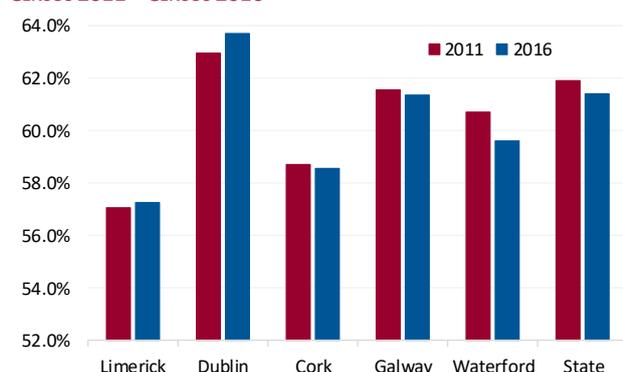
TABLE 2.3.1: UNEMPLOYMENT RATE, BY CITY & SUBURBS, CENSUS 2011 & 2016

City & Suburbs	2011	2016
Waterford	24.6	18.8
Limerick	23.3	16.8
Galway	18.6	12.8
Cork	18.0	12.1
Dublin	17.4	11.9
State	19.0	12.9

Source: CSO City & Suburb Definition.

Figure 2.3.1 puts Limerick’s unemployment rate in context with that of the other four cities. A significant drop in unemployment is seen across all, reflecting the improving economy. According to Census 2016 the rate of unemployment in Limerick city & suburbs of 16.8 per cent is above the State average of 12.9 per cent, and is the second highest of the five Irish cities, behind Waterford.

FIGURE 2.3.2: LABOUR FORCE PARTICIPATION RATE BY CITY & SUBURBS, CENSUS 2011 – CENSUS 2016



Source: CSO City & Suburb Definition.

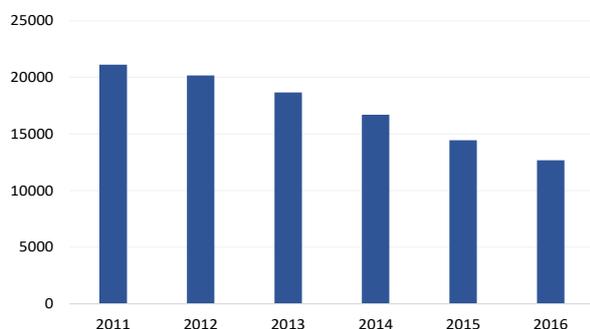
TABLE 2.3.2: LABOUR FORCE PARTICIPATION RATE CITIES & SUBURBS, CENSUS 2011 - CENSUS 2016

City & Suburbs	2011	2016
Dublin	63.0	63.7
Galway	61.6	61.4
Waterford	60.7	59.6
Cork	58.7	58.5
Limerick	57.1	57.3
State	61.9	61.4

Source: CSO City & Suburb Definition.

The labour force participation rate, i.e. the proportion of people of working age who are in employment or seeking employment, has remained relatively static in Limerick City in the period from Census 2011 and Census 2016. As observed in both Figure 2.3.2 and Table 2.3.2, the participation rate in Limerick City is the lowest amongst the five Irish cities, with a participation rate of 57.3 per cent in 2016. The rates were also lower than the State averages of 61.9 per cent and 61.4 per cent for 2011 and 2016 respectively.

FIGURE 2.3.2: LIVE REGISTER LIMERICK COUNTY



Source: Live Register.

Note: Average of 12-month figures for each year.

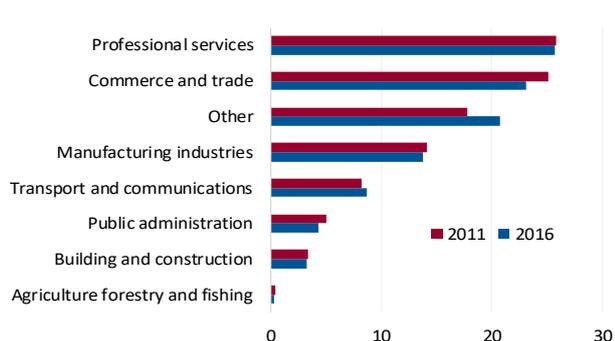
TABLE 2.3.2: NUMBER OF PERSONS ON THE LIVE REGISTER, BY COUNTY, SEPTEMBER 2017

County	No. on Live Register
Dublin	60,932
Cork	21,931
Galway	12,683
Limerick	10,313
Waterford	8,362
State	244,319

Source: Live Register.

Numbers on the Live Register have fallen considerably across all five counties in recent years, and Limerick is no exception. In the period between 2011 and 2016 the number on the Live Register in the county has fallen by approximately 8,400 persons. Table 2.3.2 shows the number on the Live Register as of September 2017 across the five counties. Of the 244,319 persons on the Live Register in the State, 4.2 per cent are in claiming unemployment benefit in Limerick County.

FIGURE 2.3.4: PERSONS AT WORK IN LIMERICK CITY & SUBURBS BY INDUSTRY AS PERCENTAGE OF TOTAL AT WORK



Source: CSO Census 2016, City & Suburb Definition.

TABLE 2.3.4: PERSONS AT WORK BY SECTOR IN FIVE CITY & SUBURBS, CENSUS 2016

Industry	Dublin	Cork	Limerick	Galway	Waterford
Agriculture, Forestry, Fishing	0.2%	0.4%	0.3%	0.5%	0.6%
Construction	3.6%	4.0%	3.2%	2.8%	3.6%
Manufacturing	6.5%	15.1%	13.8%	14.6%	17.5%
Commerce & Trade	28.7%	23.7%	23.1%	20.5%	21.9%
Transport & Communications	12.2%	9.7%	8.7%	8.3%	6.0%
Public Administration	5.4%	4.4%	4.3%	3.6%	3.7%
Professional Services	23.4%	25.1%	25.7%	26.1%	26.6%
Other	20.1%	17.7%	20.8%	23.6%	20.0%
Total (000's)	535.6	88.5	37.5	35.5	20.6

Source: CSO Census 2016, City & Suburbs definition.

Of the 37,475 persons employed in Limerick city & suburbs 25.7 per cent are employed in Professional Services, largely unchanged from Census 2011 (see Figure 2.3.4). Between 2011 and 2016 the number of persons employed in Commerce & Trade declined by 2.1 percentage points. Table 2.3.4 compares the industrial breakdown across the five cities. The proportional breakdown is broadly similar with Professional services on top in Cork, Limerick, Galway and Waterford's city & suburbs, followed by Commerce & Trade. The situation is reverse in Dublin with more employed in Commerce & Trade in 2016.

2.4 EDUCATION

The success of Limerick's third level institutes is a key strength for the city and county. Given the level and sectors of FDI in Limerick in recent times, it is paramount that the city is in a position to supply a highly qualified, highly skilled labour force to meet the requirements of multinational firms.

2.4.1 Labour Force Education

The CSO Census 2016 also allows us to identify the main field of study for all those over the age of 15 years residing within the five Irish cities. In Limerick city & suburbs 14.4 per cent of those over the age of 15 years in the general population indicate Social Sciences, Business and Law as their primary field of study. The second most represented field of study is Engineering, Manufacturing and Construction with 8.9 per cent of the 15 years and older population.

Similar proportions are observed across the other four city areas, with Social Science, Business and Law, and Engineering, Manufacturing and Construction accounting for the largest proportions of the population aged 15 years or older. It is interesting to note that the proportion of those 15 years or older with Engineering, Manufacturing and Construction as main field of study is higher in Limerick city & suburbs than in Dublin (7.5 per cent), Galway (8.6 per cent) and Waterford (7.6 per cent) and is also marginally higher than the State average (8.8 per cent). The level in Limerick city & suburbs is surpassed only in Cork city & suburbs where 9.3 per cent of those aged 15 years or older have a qualification in Engineering, Manufacturing and Construction.

With regard to STEM related subjects, 13.8 per cent (8,352 or a total 60,587) of people 15 years or older in Limerick city & suburbs, report Science, Mathematics and Computing or Engineering, Manufacturing and Construction as their main field of study. This is considerably lower than that reported in the city & suburbs of Galway (16.3 per cent) and Cork (15.5 per cent) but is higher than that reported in Dublin (13.6 per cent) and in Waterford (12.1 per cent).

2.4.2 Academic Enrolments & Graduates

In the academic year of 2015/2016 some 23,800 students were enrolled in third level institutions in Limerick, across University of Limerick (UL), Limerick IT (LIT) and Mary Immaculate College (MIC). The majority of students, approximately 13,600, enrolled in UL (Figure 2.4.1). Across the five main cities, Limerick institutions rank fourth, after Dublin, Cork and Galway, in terms of the level of enrolments in the 2015/2016 academic term.

In the academic year 2015/2016 21 per cent of graduates from UL graduated with a degree in Business, Administration and Law. Across both UL and LIT, the proportion graduating with degrees in Natural Sciences, Mathematics; ICT and; Engineering and Manufacturing totalled 10 per cent, 8 per cent and 17 per cent respectively (Table 2.4.2).²⁶

²⁶ HEA Full-Time Honours Degree by Institute, Grade and Field.

Students of STEM subjects account for just over one third of graduates from UL and LIT. This compares favourably to third level institutions in Dublin, Cork, Galway and Waterford where the proportion of STEM students graduating in 2015/2016 accounted for between 22 per cent (in Waterford) and 28 per cent (in Cork) of total graduates.

2.4.3 UL Graduate Destinations

A recent report²⁷ from UL details the employment and further study patterns of the graduates of 2016. An encouraging feature of the survey is that some 41 per cent go on to find employment in the Mid-West Region, up from 38 per cent in the 2015 report.²⁸ Considering the importance attached to STEM subjects, it is noteworthy that 66 per cent of UL's science and engineering graduates have found employment in Ireland, while a further 8 per cent have found employment abroad. The remaining 32 per cent are in further study or training, seeking employment or not available for employment. Almost one fifth of primary degree graduates have found employment in Business, Finance and Insurance while a further 9 per cent are employed in ICT and Telecommunications.

2.4.4 World University Rankings

The QS World University Rankings, which ranks over 950 universities from 84 countries, ranks UL between 501 and 550 in 2018.²⁹ The ranking is evaluated on six metrics:

1. Academic Reputation.
2. Employer reputation.
3. Citations per faculty.
4. International faculty ratio.
5. International student ratio.

In Ireland, Trinity College Dublin ranks first (88th), followed by University College Dublin (168th). University College Cork and NUI Galway have both also performed better than UL in the past four years of rankings. It must be noted that the rankings of almost all Irish institutions have deteriorated in the past number of years. In 2015, Trinity College Dublin ranked 71st while University College Dublin ranked 139th. UL ranked between 501 and 505 in 2015, and improved its standing in 2016 to between 471 and 480 before falling back again. NUI Galway is the only Irish university that has consistently improved its ranking over the past four years, coming in at 280th, 271st, 249th and 243rd between 2015 and 2018.

The SCImago Institutions Rankings (SIR)³⁰ provides a classification of academic and research-related institutions, based on a combination of research performance, innovation outputs and societal impact (Table 2.4.4). In 2017 UL ranked 502nd out of 5,250 institutions globally and 8th in Ireland.

²⁷ <https://www3.ul.ie/careers/careers/stugrad/FDR%202016%20Exec%20Summary.pdf>

²⁸ <http://www3.ul.ie/careers/careers/stugrad/FDRExecSummary2015/>

²⁹ QS Top Universities <https://www.topuniversities.com/>

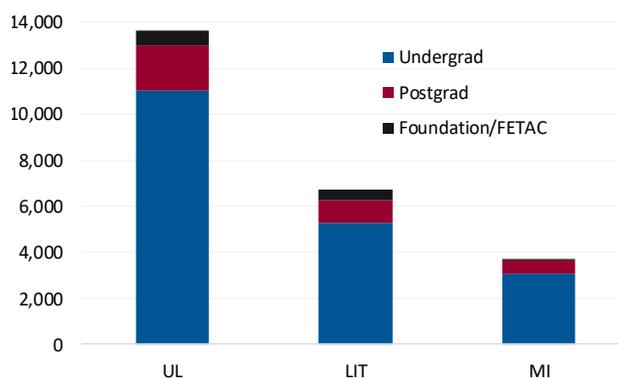
³⁰ <http://www.scimagoir.com/index.php>

Overall, UL ranks in the 25th percentile, taking into account its standing with regard to research performance (ranked in the 21st percentile), innovation outputs (ranked in the 37th percentile) and societal impact (ranked in the 6th percentile). This compares to the results for Trinity College Dublin (TCD), for example, which is ranked 256th globally and 1st in Ireland. TCD falls into the top 7th percentile, broken down across research performance in which it falls in the 7th percentile, innovation outputs in the top 9th percentile, and societal impacts, under which it is ranked in the top 3rd percentile.

Similar to the QS World University Rankings, UL has improved its position in the SIR moving from 625th in 2009 to 491st in 2015. The position dropped slightly in 2016 to 546th before recovering again in 2017. It must be noted, however, that most Irish institutions experienced a similar decline in 2016 before recovering again in 2017.

Statistics 2.4 EDUCATION

FIGURE 2.4.1: ENROLMENT NUMBERS BY LEVEL OF EDUCATION – LIMERICK HIGHER EDUCATION INSTITUTIONS, 2015/16



Source: Higher Education Authority.

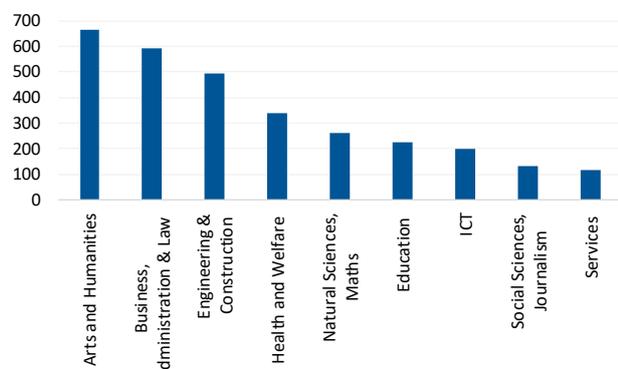
TABLE 2.4.1: ENROLMENT NUMBERS IN THIRD LEVEL INSTITUTIONS BY LEVEL OF EDUCATION, 5 COUNTIES, 2015/16

Level	Dublin	Cork	Galway	Limerick	Waterford
Undergrad	70,764	24,938	20,435	19,370	6,940
Postgrad	19,275	4,818	3,615	3,555	852
PLC/ FETAC	1,128	514	451	888	298
Total	91,167	30,270	24,501	23,813	8,090

Source: Higher Education Authority.

The level of student enrolments in Limerick higher education institutions is presented in Figure 2.4.1 and shows that of the near 24,000 students enrolled in Limerick in 2015/2016 some 58 per cent enrolled in University of Limerick. Further, Table 2.4.1 shows that the level of postgraduate enrolments is similar across Limerick, Cork and Galway at 14.9, 15.9 and 14.75 per cent of total enrolments respectively.

FIGURE 2.4.2: LIMERICK BACHELOR DEGREE GRADUATES BY FIELD, 2015/16 – ALL INSTITUTIONS



Source: Higher Education Authority.

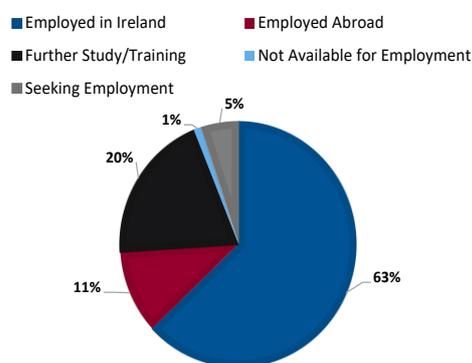
TABLE 2.4.2: PERCENTAGE OF GRADUATES, BY SPECIFIC FIELD AND COUNTY, 2015/16

Field	Limerick	Dublin	Cork	Galway	Waterford
Business & Law	20.8	19.6	16.2	20.5	24.7
Sciences & Maths	10.1	9.9	15.2	14.7	4.9
ICT	7.6	3.4	11.3	4.0	7.8
Engineering & Construction	16.6	9.1	9.9	11.5	9.5
All Other	44.9	58.0	47.4	49.3	53.1
Total	100.0	100.0	100.0	100.0	100.0

Source: CSO.

Figure 2.4.2 shows the breakdown of graduates of Limerick HEIs by field, with Arts and Humanities leading, followed by Business and Law, and Engineering and Construction. Table 2.4.2 shows the percentage breakdown of graduates by specific field. Limerick has the highest level of Engineering and Construction graduates. It is also second behind Cork (and far exceeds Dublin and Galway) in the percentage of ICT graduates, and is just behind Waterford in Business graduates.

FIGURE 2.4.3: GEOGRAPHIC DESTINATION OF THIRD LEVEL GRADUATES 2014/15 – UNIVERSITY OF LIMERICK



Source: UL Graduate Destination Report, 2016

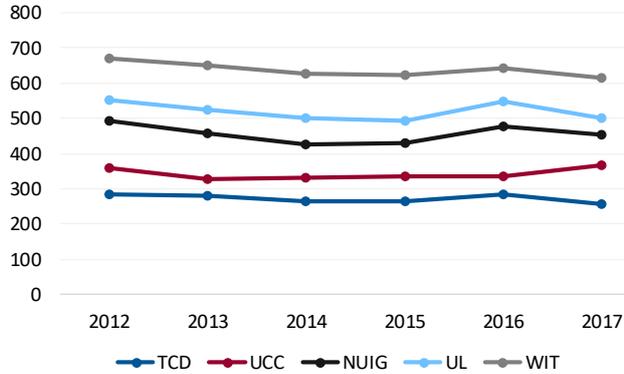
TABLE 2.4.3: NUMBER OF BACHELOR DEGREE GRADUATES BY COUNTY 2015/16

County	No. of Graduates	% First Class Honours
Dublin	12,488	16.4
Cork	4,028	18.6
Galway	3,550	15.2
Limerick	3,027	19.4
Waterford	1,238	15.6

Source: Higher Education Authority.

Table 2.4.3 presents the number of bachelor’s level graduates of 2015/16 of which 3,027 graduated from Limerick institutions; this is only 1,000 behind Cork. Figure 2.4.3 shows the breakdown of destinations of UL graduates within one year of leaving college. A large proportion are working in Ireland (63 per cent) with a further 20 per cent continuing with study or training, and 11 per cent working abroad. Only 5 per cent are unemployed, showing the high return on investment as a result of attaining a degree from the University of Limerick.

FIGURE 2.4.4: SCIMAGO INSTITUTE RANKINGS



Source: SCImago.

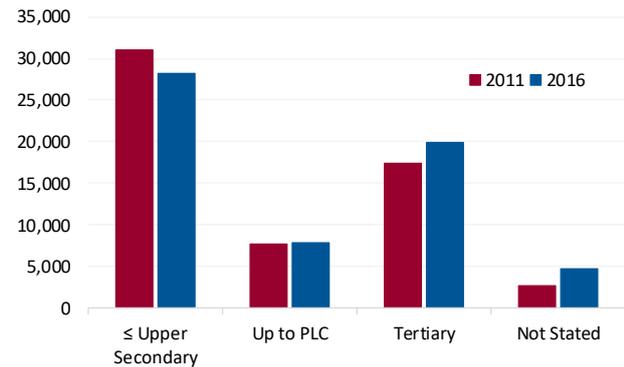
TABLE 2.4.4: SCIMAGO UNIVERSITY RANKING OF IRISH INSTITUTIONS

University	2012	2013	2014	2015	2016	2017
UL	551	524	499	491	546	502
TCD	283	278	265	265	284	256
UCD	294	280	263	272	320	297
UCC	358	327	332	336	335	367
NUIG	493	456	426	430	477	452

Source: SCImago Rankings.

Figure 2.4.4 plots the SCImago rankings of the top institution in each county since 2012. This is an international ranking, based on a composite indicator of research performance, innovation outputs and societal impact. UL is the lowest ranked university in Ireland. However from 2012 to 2017 the institution has risen 49 places. Data is unavailable for LIT and MIC.

FIGURE 2.4.5: EDUCATIONAL ATTAINMENT LIMERICK CITY & SUBURBS, CENSUS 2011 - CENSUS 2016



Source: CSO City & Suburbs Definition.

TABLE 2.4.5: EDUCATIONAL ATTAINMENT, BY CITY & SUBURB, CENSUS 2016

Level	Limerick	Dublin	Cork	Galway	Waterford
≤ Upper Secondary	46.5%	39.0%	43.3%	32.9%	50.6%
Up to PLC	13.0%	11.6%	12.8%	13.0%	14.4%
Tertiary	32.8%	41.2%	37.4%	46.1%	27.6%
Not Stated	7.7%	8.3%	6.4%	8.0%	7.3%

Source: CSO City & Suburbs Definition.

Note: PLC stands for Post-Leaving Cert qualification.

Figure 2.4.5 looks at the highest level of education received by the population of Limerick County. Upper secondary level (or less) is the largest cohort, however a decline in this level is seen from 2011 to 2016. Consequently, an increase is seen in the proportion of the population holding a tertiary level education. Table 2.5 looks at educational attainment in Limerick city & suburbs, in comparison with the four other cities. Limerick city & suburbs has the second lowest percentage of its population educated to third level, ahead of Waterford by 5.2 percentage points. Limerick ties for second highest proportion with a PLC level of education or equivalent with Galway.

2.5 HOUSING

Ireland's housing crisis, marked by a lack of supply and increasing demand, has reached all regions of the country, with very few cities and towns unaffected. In Limerick city and county, the situation is no different; however, it is not straightforward to track the true changes in housing supply within Limerick city given the coming together of Limerick's City and County councils in 2014.

According to Census 2016 there are currently 40,085 housing units (41 per 100 of population) in Limerick's city & suburbs. This accounts for occupied homes as well as those that are temporarily unoccupied, holiday homes or vacant for other reasons. This compares to Dublin and Cork cities & suburbs where there are currently 468,372 (40 per 100 persons) and 86,213 (41 per 100 persons) housing units and Galway and Waterford city & suburbs with 34,297 (43 per 100 persons) and 24,522 (46 per 100 persons) housing units, respectively.

A key requirement of the National Planning Framework is to grow and diversify Limerick city's employment base. Data has shown that not only has there been a hollowing out of the city centre in terms of population but also in terms of appropriate office and housing space. If the city is to attract more people to live in the city centre it means that housing options will need to be improved and provided as a matter of urgency.

In conjunction, Limerick 2030 has identified measures to encourage '*significant inner urban residential regeneration and development*'. In particular the city centre's Georgian Quarter has been singled out as an '*area of opportunity for encouraging more city centre living*'.

Given the scale of the issues in the housing market, as discussed in this section, the suitability of initiatives, such as the *Living Cities Initiative*³¹, will be key in determining how successful the likes of *Limerick 2030* and the National Planning Framework will be in improving the vibrancy of the city centre.

2.5.1 Housing completions

Prior to 2014, housing completions were reported by each of the councils in Limerick and as such it was possible to track completion trends in the city. In the lead-up to the merging of the two local authorities, housing completions in the city were exceptionally low with just 106 units completed in 2013, some 83 per cent lower than the 365 completions recorded in 2008. Similarly, at a county level, the number of completions in 2013 was 235 units compared to 1,572 units five years previously.

In 2014, the number of completions recorded by LC&CC declined to 270 units, before rising by 70 per cent in 2015 and a further 4.3 per cent in 2016 (Table 2.5.1). Although starting from a very low base, the number of houses being completed in Limerick city and county is continuing to rise, with 234 units

³¹ <https://www.limerick.ie/council/services/housing/tax-relief-initiative/living-city-initiative-limerick>

completed in the first five months of 2017 compared to 170 units in the same period of 2016.

Similar trends and issues have also occurred in other Irish cities. In 2013, the numbers of completions recorded in each of the five city councils were over 70 per cent lower than that recorded in 2008 – in Dublin city housing completions were 90 per cent down from 2008 levels. In 2016, the level of completions recorded in Cork city, Dublin city and Galway city has been over 50 per cent higher than 2015 while the level of completions in Waterford city and county, whose councils merged in 2014, has fallen by 8.1 per cent in the same period.

2.5.2 Housing Planning Permission

A key issue at the core of the housing crisis in Ireland is the lack of building that took place during the crisis period. From 2008 onwards, there was a dramatic fall in the level of completions and an equally dramatic fall in the numbers of planning permissions granted – all of which is now contributing to the under-supply of houses.

Planning permission data for Limerick city, specifically, indicated only five housing units (once-off) being granted permission in the city in 2012 and 2013. This compares to 354 once-off housing units granted permission at a county level in the same two year period.

Compared to the other four cities, the level of planning permissions granted in both 2012 and 2013 was considerably lower in Limerick city. In Waterford city 43 units were granted permission, while 73 units and 157 units were given planning permission in Cork city and Galway city respectively. As one would expect, the highest level of planning permissions awarded was in Dublin city with some 768 units approved in the same two year period.

Since LC&CC merged in 2014 there has been a notable increase in the number of units granted permission in Limerick. Much of this increase came in 2015 with an annual growth rate of 50.7 per cent recorded in the numbers of housing and apartment units granted planning permission. This grew by a further 28.9 per cent in 2016. Within this, the majority of approvals were for multi-development houses, with the number of units approved increasing by 90 per cent in 2014 and a further 136 per cent in 2015. The number of private apartment units granted planning permission also grew in 2016 by some 447 per cent, from 17 in 2015 to 97 in 2016.

With 379 units granted planning permission in 2016, Limerick City and County lies fourth out of the five cities in terms of the number of units potentially coming on stream in future years. Cork (city and county) and Galway (city and county) lie in second and third place, respectively, with 1,774 units and 539 units granted planning permission. Dublin (city and county) lies far in front with a total of 7,896 units awarded planning permission in 2016.

2.5.3 Housing Transactions

In the past five years a positive trend has emerged in the volume of sales of all residential property types in Limerick city. So too has there been an increase in the value of sales over the past five year period.

In the past five years Limerick city has performed well when compared to the other four Irish cities. With regard to the volume of sales, growth rates recorded in 2014 and 2015 exceeded those in the other cities by a substantial amount – for example, growth of over 84 per cent in Limerick city compared to growth of less than 50 per cent in the four other cities in 2014. The level of growth in the value of aggregate sales in Limerick city was also considerably higher than Dublin, Cork and Waterford in 2014 and 2015.

CSO data indicates that very few new units are coming onto the market in Limerick city. In the past five years only 31 new units have been sold in the city compared to close to 2,000 existing units sold. A similar trend is observed in the other Irish cities but the level of new sales in Limerick city is considerably lower and it lies fifth out of the five cities. To put this into context, Galway city, which lies in fourth place, recorded 114 new unit sales in the past five years.

According to Sherry FitzGerald³² sales activity increased in all regional centres in the first three months of 2017, excluding Limerick, where sales activity decreased by 4 per cent on an annual basis. In Dublin, approximately 3,290 sales were recorded in Q1 2017, an increase of 10 per cent year-on-year. In both Cork and Galway sales activity rose by 10 per cent and 4 per cent, respectively, in the year to Q1 2017. Data was not provided for the level of sales activity in Waterford.

In Limerick city, average sales price remains stubbornly low compared to 2012 levels. According to the CSO, average house prices in Limerick city fell in the years leading up to 2014 before showing signs of recovery in each of 2015 and 2016 (Table 2.6.3).

However, this recovery has come one year after the average sale price began to rise in each of the other four cities (Figure 2.6.3). As a consequence, Limerick is the only city in which the average sales price is still below that recorded in 2012, €162,812 compared to €140,687 in 2016. The data thus confirms that housing units are relatively more affordable in Limerick city with average sales prices in Cork, Galway and Dublin cities 59 per cent, 66 per cent and 174 per cent higher than in Limerick city, respectively.

2.5.4 Residential Rental Market

Increasing residential rents³³ is a concern across the whole of the country but particularly in Ireland's cities. The upward trend in rental costs is strongly related to the availability of housing in the market. One such reason for the rise in rents is

³² Sherry FitzGerald, Irish Residential Market, summer 2017.

³³ All rental data sourced from CSO and related to CSO definition of the five cities (excl. suburbs)
<http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?Maintable=RIA02&Planguage=0>

that tenants are staying longer in rented accommodation while saving for a mortgage and awaiting an increase in housing supply. This means that rental accommodation, which would usually become available in the natural progression of tenancy is coming on the market at a much slower rate, resulting in an increase in rents.

In Limerick city, the situation is no different although the rate of rent price growth is somewhat subdued compared to other cities like Galway and Dublin (Figure 2.6.4). According to the CSO, the average rent in Limerick city has increased from €614 to €672 per month. This makes Limerick the second most affordable city in Ireland for renting, surpassed only by Waterford where rent stood at €573 per month by year end 2016, an increase of just 2.7 per cent over 2012 values.

While rents have increased by 8.8 per cent in the past four years in Limerick city the situation has deteriorated much more in each of Dublin, Cork and Galway where double digit growth has been recorded in the same period. In the five years to 2016 rent in Galway increased by just over 26.1 per cent while 24.2 per cent growth has occurred in the Dublin city market.

While growth rates in 2016 were positive in all cities, the rate of growth declined in all but one of the cities (Waterford). For example, in Galway, rental prices grew by a considerable 15.9 per cent in 2015 before a more subdued rate of 2.1 per cent in 2016. Similarly, In Limerick city the rate of growth in 2016 of 3.0 per cent is down on the growth of 4.1 per cent recorded in the previous year (Table 2.6.4).

2.5.5 Residential Vacancy Rates

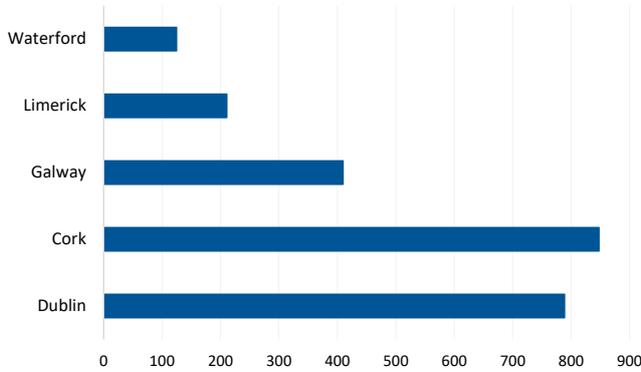
Census 2016³⁴ allows us to identify, at a city level, the vacancy rate across residential property types in the State. It confirmed that 12.2 per cent of all properties in the State were vacant as of April 2016. The vacancy rate accounts for properties which were unoccupied holiday homes or other vacant dwellings on Census night in April 2016. At 7.6 per cent the vacancy rate in Limerick's city & suburbs is 4.6 percentage points lower than the State average and represents the lowest vacancy rate across all five cities.

In fact, the vacancy rate recorded across all five cities & suburbs is lower than the State average with a rate in Waterford city & suburbs of 11.3 per cent. Cork city & suburbs has a vacancy rate of 7.8 per cent while Dublin and Galway city & suburbs each have a vacancy rate of 8.1 per cent and 9.3 per cent respectively.

³⁴ All residential vacancy data is sourced from CSO
<http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?maintable=E1070&PLanguage=0>

Statistics 2.5 HOUSING

FIGURE 2.5.1: HOUSING COMMENCEMENTS BY COUNTY 2017



Source: Department of Housing.

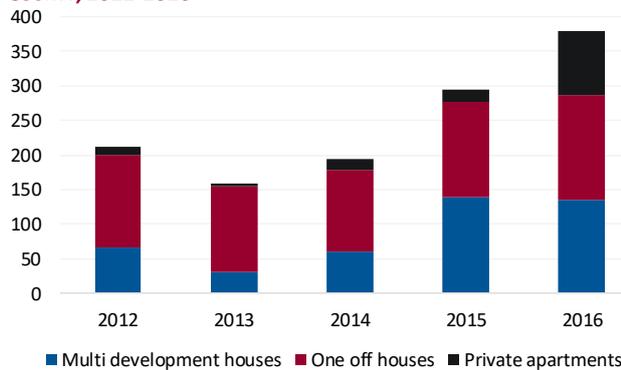
TABLE 2.5.1: HOUSING COMPLETIONS BY COUNTY, 2014 TO 2016

County	2014	2015	2016
Dublin	3,268	2,891	4,234
Cork	1,153	1,432	1,817
Galway	586	722	817
Limerick	270	459	479
Waterford	232	380	349
Total	5,509	5,884	7,696

Source: Department of Housing.

The number of housing commencements in each county, in the full year 2017, is graphed in Figure 2.5.1. The level of commencements in Limerick County lies far behind Dublin, Cork and Galway. Table 2.5.1 measures the number of housing completions by county and year and shows a similar trend. While the number of completions has increased in Limerick, relative to the activity in 2014, the level is still low when compared to the numbers reported for Dublin and Cork in particular. Completions in Limerick County increased 70 per cent in 2015 and by a further 4.3 per cent in 2016.

FIGURE 2.5.2: RESIDENTIAL PLANNING PERMISSION (UNITS) IN LIMERICK COUNTY, 2012-2016



Source: CSO.
 Note: 'Multi development houses': Housing Estates. 'Houses': One-off housing.

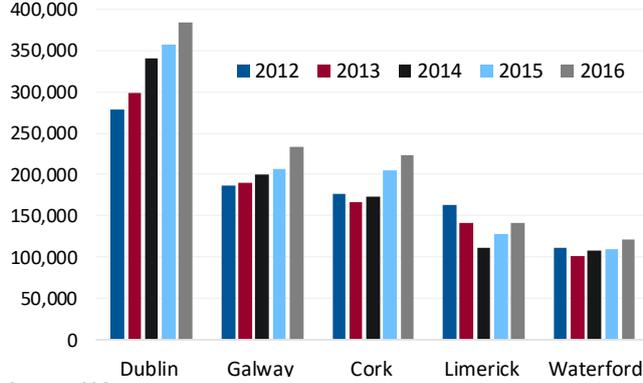
TABLE 2.5.2: GROWTH INDEX OF UNITS FOR WHICH RESIDENTIAL PLANNING PERMISSION GRANTED, BY COUNTY, 2012-2016

County	2012	2013	2014	2015	2016
Dublin	100	177	162	372	403
Waterford	100	156	140	170	319
Cork	100	94	121	188	262
Limerick	100	75	92	139	179
Galway	100	77	96	105	130

Source: CSO.

Figure 2.5.2 illustrates the breakdown of residential units granted planning permission in Limerick, by property type. The number of apartments grew very strongly in 2016, and was the main source of growth in the year. Table 2.5.2 is a growth index of units granted planning permission and shows that while planning permission growth is positive and gaining momentum in Limerick, the county still lags behind Dublin, Waterford and Cork.

FIGURE 2.5.3: AVERAGE SALES PRICE FOR ALL DWELLING TYPES, BY COUNTY, €



Source: CSO.
Note: CSO definition of city used.

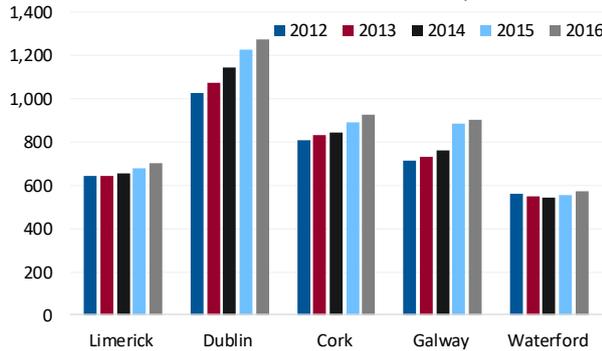
TABLE 2.5.3: LIMERICK CITY AVERAGE SALE PRICES, NEW & EXISTING DWELLINGS (€'000)

Property Type	2012	2013	2014	2015	2016
New Dwellings	162.8	140.4	111.7	127.5	140.6
Existing Dwellings	165.0	137.7	110.8	127.2	139.1

Source: CSO.
Note: CSO definition of city used.

Data on the average sales price of all dwellings across counties, indicates that the Limerick housing market was the last to experience a recovery in prices. House prices only began to rise in Limerick in 2015. This is also borne out in Table 2.5.3, which differentiates between new and existing dwellings.

FIGURE 2.5.4: AVERAGE MONTHLY RESIDENTIAL RENTS, BY CITY AND YEAR



Source: Residential Tenancy Board.
Note: RTB definition of city used.

TABLE 2.5.4: RESIDENTIAL RENTS, % GROWTH, BY CITY AND YEAR

City	2013	2014	2015	2016
Cork	3.2	1.6	5.3	4.1
Dublin	4.4	6.8	7.2	3.9
Waterford	-1.8	-1.0	2.3	3.2
Limerick	0.2	1.3	4.1	3.0
Galway	2.7	3.9	15.9	2.1

Source: Residential Tenancy Board.
Note: RTB definition of city used.

Residential rents have remained relatively steady in Limerick since 2012. Figure 2.5.4 depicts the growth in residential rents in the five cities from 2012 to 2016. Limerick clearly has an advantage in terms of affordability. Table 2.5.4 shows that Limerick has had the second lowest rental growth rate in recent years, further increasing its affordability advantage.

2.6 TOURISM

The successful development of tourism is important not only for Limerick city, but for the county and Mid-West region as a whole. Recent data released by Tourism Ireland³⁵ indicates that on a national level, the number of international tourists arriving in Ireland in the first four months of 2017 increased by 2 per cent over the same period in the previous year. Significant growth occurred in the North American market, which increased by 27 per cent, and the Australian and Developing markets which also rose by 18 per cent. In the first four months of the year the number of visitors from Great Britain fell by 8 per cent – likely linked to the weakness of Sterling.

2.6.1 Overseas and Domestic tourism in Limerick

The most recent data from Fáilte Ireland reports that just under 540,000 overseas tourists travelled to Limerick County in 2015.³⁶ Overall, there has been a positive upward trend in these figures back to 2012 when approximately 391,000 overseas tourists visited the county and subsequently rose by 7 per cent, 18 per cent and 9 per cent in each of 2013, 2014 and 2015 respectively.

While the overall tourism trend has been positive there has been a notable change in the composition of foreign tourists. In each of 2012, 2013 and 2014 British tourists accounted for the majority of overseas visitors to Limerick County, followed by Mainland Europeans. There has, however, been a downward trend in the British market, falling from 44.4 per cent of total visitors to Limerick in 2012 to 41.9 per cent in 2013. In 2014, British tourists accounted for 39.1 per cent of the overseas tourists to Limerick. This shifted in the latest figures for 2015 which show that the majority of overseas tourists are from mainland Europe (37.2 per cent), followed by Britain (30.9 per cent).

A similar trend is evident in Cork and Waterford where British tourists made up the majority of overseas tourists to the counties in 2012, 2013 and 2014 before shifting to Mainland Europeans in 2015. In both Dublin and Galway, the majority of tourists over the three year period between 2012 and 2015 were Mainland Europeans

In line with the trend observed in the numbers of tourists visiting Limerick County, there has also been a significant increase in tourist spending between 2012 and 2015. In 2012 some €116 million was spent by overseas tourists in the county. This increased by 16 per cent in 2013 before rising by 25 per cent in each of 2014 and 2015 implying strong growth in expenditure per tourist.

While the number of trips to Limerick County by Irish residents has increased by 21,000 between 2012 and 2016, there has been a fall in the growth rate in the recent year. Domestic tourism numbers declined by 19 per cent in 2016. The situation in Dublin indicates that there were fewer domestic travellers to the city

³⁵ https://www.tourismireland.com/TourismIreland/media/Tourism-Ireland/Research/SOAR-June-2017_1.pdf?ext=.pdf

³⁶ <http://www.failteireland.ie/FailteIreland/files/c4/c42b5249-242d-4860-b3b5-8720df101d4c.pdf>

in 2016 than there was in 2013 - 1.5 million in 2013 compared to 1.4 million in 2016.

This has had an impact on the level of expenditure by Irish tourists in Limerick County. Despite the numbers of domestic tourists visiting the county rising slightly in 2015, by 2 per cent, there was a significant fall in expenditure of approximately 18 per cent in the same year, from €39.2 million to €32.1 million.

Although the trends observed in domestic and overseas visitors and expenditure is broadly similar to that observed across the other four counties considered in this study, it is worth noting that Limerick still lags considerably behind. This highlights the unrealised potential of the city and county as a tourist destination.

2.6.2 Tourism Attractions in Limerick

As of 2015 Limerick had two fee-charging visitor attractions in the Top 47 attractions in the country as listed by Fáilte Ireland, i.e. The Hunt Museum and King John's Castle, which attracted 108,000 and 107,000 visitors respectively. In comparison to the rest of the country, these two attractions came in at 42nd and 43rd in the list in terms of the number of visitors on an annual basis.

Fáilte Ireland also provide a breakdown of the most popular free visitor attractions in the country, with Limerick City Gallery of Art (82,525 visitors) and Ballyhoura Mountain Bike Trails (70,000 visitors) ranking 24th and 25th in a list of 30 attractions. In total, these two sites attracted 152,500 visitors in 2015.

To provide context, Limerick ranks fourth among the counties containing a major city, with Waterford ranked fifth. Similar to Limerick, Galway, which ranks third, also only has two sites that fall within the list of top fee paying attractions (Kylemore Abbey and Garden (300,000 visitors) and Dun Aonghasa (203,104 visitors)) in 2015. Galway also only has two sites in the list of top free attractions - Connemara National Park (190,793 visitors) and Galway City Museum (174,556). In total, across the four main offerings in Galway County there are a total of 868,400 visitors compared to 367,500 visitors across the four main offerings in Limerick.

2.6.3 Accommodation

According to Fáilte Ireland there were 27 registered hotels in Limerick County in 2017, with a combined 2,102 beds.³⁷ Assuming that all 27 hotels remain open throughout the year this means that approximately 767,200 bed nights are currently available in the county.

While length-of-stay data is unavailable for overseas tourists to Limerick, the CSO provides some detail on the number of bed nights spent by Irish residents on domestic travel to the county. This data indicates a mixed trend over the past six years to 2016 – reflecting the economic crisis – with bed nights falling from

³⁷http://www.failteireland.ie/Failteireland/media/WebsiteStructure/Documents/2_Develop_Your_Business/4_Quality_Assurance/2017-Hotel-Register.pdf

697,000 in 2010 to 398,000 in 2011. This number rose again to just over 621,000 in 2013 before falling back to 495,000 in 2016.

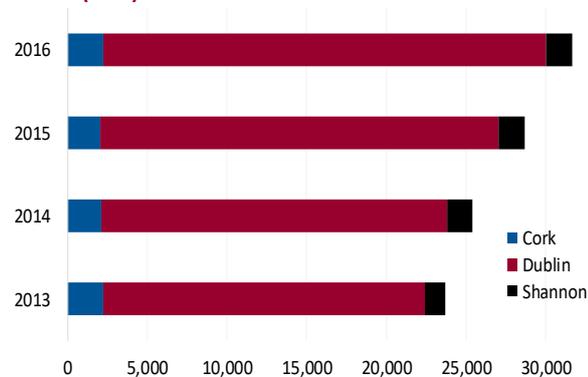
The average length of stay by domestic tourists in Limerick is broadly in line with that of Dublin, with the average tourist spending 2.4 nights in Limerick as opposed to 2.2 nights in Dublin in 2016. Domestic tourists appear to stay the longest in both Galway and Waterford at an average of 2.8 nights while tourists spent approximately 2.5 nights in Cork. Between 2012 and 2016, Limerick is the only county (of the five counties considered) in which the average length of stay of Irish tourists has increased, from 2.1 nights in 2012 to 2.4 nights in 2016.

Hotel earnings data provided by Trending³⁸ shows that Limerick continues to outperform the national average when it comes to the revenue generated from available rooms (RevPAR). Data from July 2017 indicates RevPAR growth of 11.2 per cent in the first quarter of the year.

In July 2017 the level of hotel room occupancy in Limerick stood at 81.3 per cent. This compares to an average occupancy rate of 75 per cent in Ireland and is much improved from the city’s occupancy rate of 60.7 per cent recorded in 2014. The average room rate has also increased to €80.13, up 6.9 per cent in the month to July 2017. The equivalent national average room rate was €73.63. As a result, the RevPAR has also increased significantly in Limerick from €33.63 in 2014 to €65.18 in July 2017, an increase of 93.8 per cent in the four years. In July 2017 the national average RevPAR was €94.58.

Statistics 2.6 TOURISM

FIGURE 2.6.1: NUMBER OF PASSENGERS TRAVELLING THROUGH IRISH AIRPORTS, BY YEAR ('000)



Source: CSO.

TABLE 2.6.1: SHANNON AIRPORT, NUMBER OF PASSENGERS AND FLIGHTS YEAR-ON-YEAR GROWTH

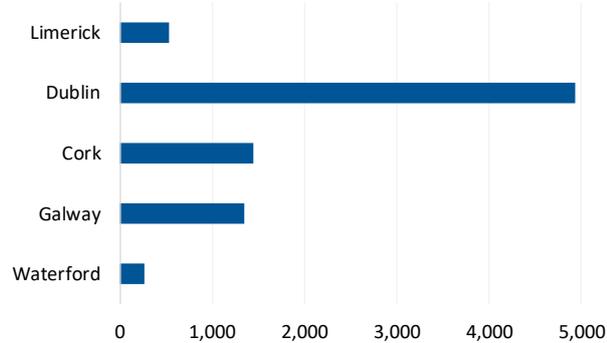
	2014	2015	2016
Passenger Arrivals	21%	6%	1%
Commercial Flight Arrivals	20%	-16%	3%

Source: CSO.

Shannon airport has recorded positive year-on-year growth in the number of passengers travelling through its gates over the past three years. Passenger growth was positive in 2015 despite a significant decline in flights in the same year. A total of 1.7 million passengers passed through Shannon Airport in 2016. This includes both arrivals and departures and makes up 5.3 per cent of total passenger movement through all Irish airports in 2016.

³⁸ <http://trending.ie/>

FIGURE 2.6.2: NO. OF FOREIGN TOURISTS TO IRELAND, BY COUNTY 2015 ('000)



Source: Fáilte Ireland.

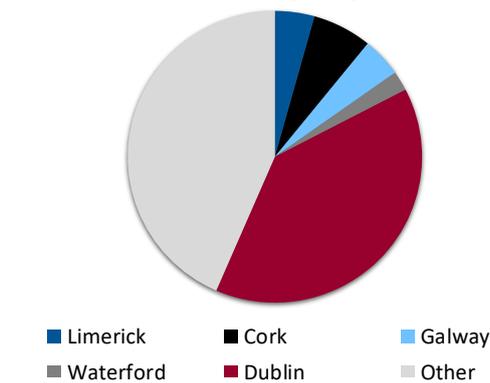
TABLE 2.6.2: BREAKDOWN OF FOREIGN TOURIST REVENUE, BY COUNTY AND ORIGIN 2015 (€ MILLION)

County	Total	Britain	Europe	N. America	Other
Dublin	1,726	323	657	457	289
Cork	557	137	254	126	40
Galway	474	69	174	197	34
Limerick	212	47	61	80	24
Waterford	75	23	24	16	12

Source: Fáilte Ireland.

Figure 2.6.2 shows that Limerick lags behind the Galway, Cork and Dublin in terms of the number of foreign tourists visiting the county. In 2015 just under 540,000 overseas tourists visited the county. Overall however there has been a positive upward trend in overseas visitors to the county in the past four years. As observed in Table 2.6.2, the level of foreign tourist revenue generated in the county is lower in Limerick as a result of the lower visitor numbers.

FIGURE 2.6.3: PERCENTAGE BREAKDOWN OF FÁILTE IRELAND TOP 45 FEE PAYING VISITOR ATTRACTIONS, 2015, BY COUNTY



Source: Fáilte Ireland.

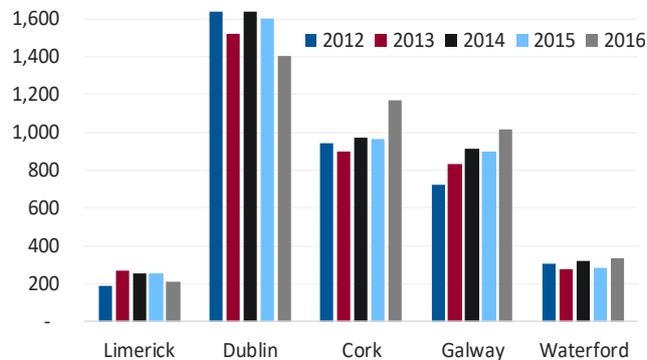
TABLE 2.6.3: NO. OF VISITORS TO TOP FEE-PAYING & FREE VISITOR ATTRACTIONS BY COUNTY, 2015

County	Dublin	Cork	Galway	Limerick	Waterford
Fee-paying	6,731,646	961,386	503,104	215,076	177,000
Free	4,270,988	658,082	365,309	152,525	-
Total	11,002,634	1,619,468	868,413	367,601	177,000

Source: Fáilte Ireland.

Of the 77 top free and fee-paying tourist attractions across the State, as listed by Fáilte Ireland, only four lie within Limerick county - The Hunt Museum, King John's Castle, Limerick City Gallery of Art, and Ballyhoura Mountain Bike Trails. Figure 2.6.3 shows the percentage breakdown of attractions by county. While Galway and Limerick hold an equal proportion, Table 2.6.3 indicates that Galway's four attractions receive more than double the number of visitors. Waterford only has one Top 45 attraction, but receives almost half the level of tourists that visit all four attractions, combined, in Limerick.

FIGURE 2.6.4: DOMESTIC TRAVEL BY IRISH RESIDENTS – NO. OF TRIPS ('000)



Source: CSO.

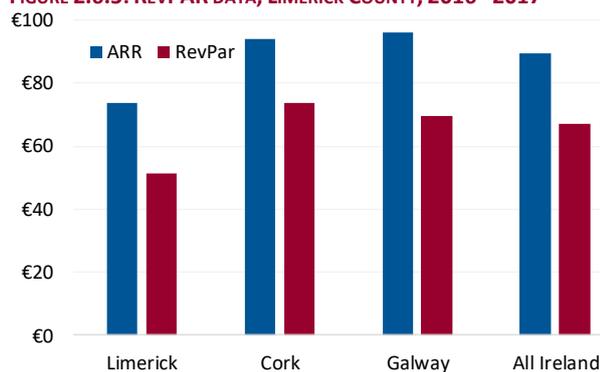
TABLE 2.6.4: DOMESTIC TRAVEL BY IRISH RESIDENTS – NUMBER OF TRIPS ('000)

County	2012	2013	2014	2015	2016
Dublin	1,642	1,525	1,639	1,599	1,406
Cork	944	902	973	967	1,169
Galway	720	834	916	895	1,013
Waterford	304	273	317	285	334
Limerick	188	271	253	257	209

Source: CSO.

Figure and table 2.6.4 shows domestic travel by number of trips made to each county from 2012 to 2016. Cork and Galway observe a general upward trend and Dublin a decline. Waterford and Limerick see some fluctuations, but no significant change from 2012 to 2016. Limerick sees an increase from 188 to 209, and Waterford from 304 to 334. These numbers are strikingly behind those of the other three counties, with for instance the number of trips to Galway almost five times that to Limerick in 2016.

FIGURE 2.6.5: REVPAR DATA, LIMERICK COUNTY, 2016 - 2017



Source: Trending.ie.

TABLE 2.6.5: REVPAR, YTD JULY 2017, BY COUNTY

Area	Occupancy	ARR	RevPar
Dublin	82.2%	€135.3	€111.2
Cork	78.4%	€94.1	€73.8
Galway	72.9%	€95.9	€69.6
Limerick	69.9%	€73.6	€51.5
All Ireland	75.2%	€89.5	€67.2

Source: Trending.ie and STR Global.

RevPAR, revenue per available room, is derived by multiplying the Average Room Rate (ARR) by the occupancy rate. Of the available data, Limerick has the lowest RevPAR over the period July 2016 to July 2017 at €51.48, and is below the national average by €15.76 per room. For instance, while occupancy is only three per cent lower than in Galway, the average room rate is €22.33 lower. Each of Limerick, Galway and Cork lie far behind Dublin across all three indicators.

2.7 INFRASTRUCTURE

Strong, reliable infrastructure is paramount to the development of any location, be it city, county or region. It is of particular importance with LCCC's aim to develop Limerick city and county into a national economic locus which is an attractive and competitive location for enterprise and inward investment.

2.7.1 Road Connectivity

According to Transport Infrastructure Ireland,³⁹ in 2015 there was a total of 192.5 km of national road in Limerick city and county of which 27.2 km was motorway, 8.9 km was dual carriageway and 156.3 km was single carriageway. The strongest connection is currently along the M7 which connects Dublin and Limerick. The completion of this motorway in 2010 created a strong connection between the capital and the Mid-West region. Data released by Transport Infrastructure Ireland⁴⁰ indicates that in 2016 between 580,000 and 800,000 vehicles used the M7 on a monthly basis, up approximately 5.3 per cent in the year. This compares to 2015 figures which indicated that between 530,000 and 780,000 trips occurred on the motorway on a monthly basis. Data released for the first half of 2017 suggests this trend is continuing upwards.

Some 14.2 per cent of Limerick national road network is made up of motorway. This compares to 9.5 per cent in Cork and 72.6 in Dublin. In Galway, the largest proportion of the road network is made up of dual carriageway, 53.1 per cent, while the majority of road infrastructure in Cork, Limerick and Waterford is made up of single carriageway. In Waterford, close to 91 per cent of the road network comprises single carriageway, compared to 81.2 per cent in Limerick.

Connectively along these transport routes is vital for future inward investment in Limerick city. Limerick is relatively well served with motorway infrastructure – the 2nd highest level, in kilometre terms, across the five counties of interested. Connectivity to the other four cities is particularly important. Based on the current level of road infrastructure, it is possible to travel from Limerick city to all the other cities in less than two and a half hours.⁴¹ By road, the farthest city is Dublin at 2 hours 15 minutes travel time, followed closely by Waterford city which is 2 hours 12 minutes from Limerick city while Galway city is closest in terms of travel time at 1 hour 20 minutes. In late September 2017 the M17 motorway between Gort and Tuam opened and can be expected to reduce this travel time even further.

The National Planning Framework highlighted the fact that in the case of Limerick *'regional connectivity especially to Cork and Waterford must be addressed and average journey times per km need to be improved in a manner that doesn't undermine metropolitan area population and jobs growth'*. The current road

³⁹ http://www.tii.ie/tii-library/Network_Management/National%20Route%20Lengths/National%20Route%20Lengths%20015

⁴⁰ <http://www.tii.ie/roads-tolling/operations-and-maintenance/traffic-count-data/>

⁴¹ Google Maps.

infrastructure between Limerick city and Cork city is relatively poor and takes approximately 1 hour 41 minutes to drive between the two points despite Cork city being a similar distance from Limerick as Galway city.

2.7.2 Bus Transportation

Data sourced from the CSO⁴² provides an indication of the level of bus and rail connectivity within Limerick city (CSO definition). As of 2015 2.8 million trips (28 trips per capita) were taken on Bus Éireann within the city. This level of usage has remained broadly stable over the past five years. Compared to Cork city and Galway city, the level of usage in Limerick is low with 11.7 million Bus Éireann trips in Cork (93 trips per capita) in 2015 and 4 million in Galway city (47 per capita). In both of these cities the level of use has increased over the past five years – in Cork city by 25.8 per cent and in Galway city by 21.2 per cent.

In line with the growing numbers of passengers in Cork and Galway, the number of busses in the city fleet has increased since 2011, particularly in Cork where there has been a 12.8 per cent increase in the Bus Éireann fleet.

The CSO also provides information on all licensed bus operators operating within Ireland's main cities. As of 2015 there were 71 licensed bus operators in Limerick (county) largely unchanged since 2011. This compares to 128 bus operators in Galway, 133 in Cork and 234 in Dublin. It must be noted that since 2011 the number of licensed bus operators in five counties apart from Limerick, has declined by between 2.5 per cent (in Dublin) and 17.1 per cent (in Waterford). The rate remained unchanged in Limerick.

2.7.3 Rail Transportation

According to Irish Rail⁴³ less than 1 per cent of commuter demand is currently met by rail in Limerick. They note that this is partly due to the location of Limerick Colbert station in relation to business districts in the city and county. According to data collected by Irish Rail there were 828,000 passenger journeys were made on the Dublin to Limerick route in 2015. This compares to 2.9 million passenger journeys on the Dublin to Cork line, 1.6 million passenger journeys on the Dublin to Galway line and 1.2 million passenger journeys on the Dublin to Waterford route.

The number of passenger journeys on the Limerick to Ballybrophy route totalled 25,000 while 102,000 passenger journeys occurred on the Limerick to Galway route. In addition, the five stations on the Limerick to Ballybrophy route were amongst the 15 least used on the entire network in Ireland with less than 40 passenger movements in 2015.

⁴² All data sourced from CSO <http://www.cso.ie/en/releasesandpublications/ep/p-tranom/to2015/pt/>

⁴³ All data sourced from Irish rail https://www.nationaltransport.ie/wp-content/uploads/2016/11/151116_2016_Rail_Review_Report_Complete_Online.pdf

Between Dublin and the four other Irish cities it is estimated that the train journey between Dublin Heuston and Limerick is the shortest – between 145 minutes and 162 minutes. The Dublin Heuston to Galway journey takes an estimated 150 -170 minutes while the journey to Waterford takes an estimated 157-172 minutes. The longest journey occurs on the Dublin Heuston to Cork route which is estimated to take between 186 minutes and 201 minutes.

Irish Rail also provides data on the punctuality and reliability of its services.⁴⁴ In 2015 the punctuality of the three main services that operate to and from Limerick train station (Ballybrophy, Limerick Junction and Galway) was above 80 per cent. On both the Ballybrophy and Limerick Junction routes punctuality was over 98 per cent and has shown an improvement in the year between 2015 and 2016 – 4.8 percentage point improvement on the Limerick to Ballybrophy route and a 2.9 percentage point improvement on the Limerick to Limerick Junction route. In the past year, punctuality on the Limerick to Galway route has deteriorated falling from 92.5 per cent punctuality to 88.3 per cent.

Figures on the reliability of train services in 2016 are also provided by Irish Rail and indicate that on all three services reliability is over 99 per cent.

One of the key routes operating from Limerick is the Dublin to Limerick route which passes through Limerick Junction. Data from Irish Rail shows that punctuality on this route was approximately 97.8 per cent in 2016 with reliability of service close to 100 per cent.

2.7.4 Shannon Airport

One of the key attractions of Limerick City for inward investment is not only its links to Dublin but also its proximity to Shannon airport. Currently there are year round flights to the UK serving three London airports as well as Edinburgh, Birmingham and Manchester airports. There are also flights to 14 European destinations and transatlantic flights to the US service five major cities with flights to both Boston and New York operating for 12 months of the year.

According to the OAG Megahubs Index⁴⁵ which ranks leading airports in terms of connectivity, London Heathrow, which Shannon Airport serves on an annual basis, ranks 13th in the world and comes first in Europe. As previously mentioned, Shannon Airport also serves Frankfurt International which is ranked third largest megahub in Europe and JFK which is ranked 31st in the world.

Between 2012 and 2016 the number of passengers travelling through Shannon Airport rose by 28 per cent, from 1.3 million to 1.7 million.⁴⁶ Dublin Airport has fared slightly better with growth of 31 per cent between 2012 (19 million passengers) and 2016 (27.8 million passengers) while the number of passengers

⁴⁴ <http://www.irishrail.ie/about-us/train-performance>

⁴⁵ https://www.oag.com/hubfs/Free_Reports/Megahubs/2016/OAG-Megahubs-Index-2016.pdf

⁴⁶ <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?Maintable=TAM05&Planguage=0>

using Cork Airport was 8 per cent lower in 2016 (2.2 million passengers) compared to 2012 (2.3 million passengers).

In 2016 there was an increase of close to 2 per cent in passenger numbers through Shannon Airport, served by an average of 106 flights per week.⁴⁷ This compares to a 7.7 per cent increase observed in Cork Airport and an 11.2 per cent increase recorded at Dublin Airport.

Across all airports in the country Shannon Airport accounted for 5.1 per cent of the total 32.8 million passengers in 2016.⁴⁸ This compares to Cork at 6.8 per cent and Dublin at 84.6 per cent.

In 2016, the top three airports for both origins and destinations at Shannon Airport were London Heathrow, London Stansted and New York (JFK Airport). Of the approximately 1.7 million passengers handled by Shannon Airport the majority, 16 per cent were passengers travelling to and from London Heathrow. This was closely followed by London Stansted at 14.3 per cent. Three of the top four origins and destinations for Shannon Airport were in London (Heathrow, Stansted and Gatwick) accounting for 36.9 per cent of total passengers while JFK Airport accounted for 8.1 per cent of total passengers.

The greatest proportion of travellers through Shannon Airport in 2016, some 64.2 per cent were either travelling to or from the UK. Following this 24.1 per cent were travelling to or from the US. The passenger number to and from other European destinations are broadly similar but Spain is the highest ranked country with 11.7 per cent of passengers through Shannon Airport in 2016 either travelling to or from the county. On a whole, 29.6 per cent of passengers through the airport in 2016 travelled to or from a mainland European country.

2.7.5 Shannon Foynes Port

Shannon Foynes is the only Tier 1 port of national significance on the west coast of Ireland.⁴⁹ According to maritime data from the CSO⁵⁰ the main ports in the five Irish cities in this study – Shannon Foynes, Dublin port, Cork port, Galway port and Waterford port – accounted for 90 per cent of the total cargo handled through Irish ports in the State in 2016. Of the five ports, Shannon Foynes handles the second largest quantity of cargo, both received and forwarded, after Dublin port. In 2016 some 10.9 million tonnes of cargo was handled at Shannon Foynes compared to 23.8 million tonnes handled at Dublin Port. Cork and Waterford ports handled 8.9 million tonnes and 1.3 million tonnes respectively while Galway port handled 588,000 tonnes in 2016. However, it must be noted that Shannon-

⁴⁷ <http://www.shannonairport.ie/gns/passengers/home.aspx>

⁴⁸ <http://www.cso.ie/en/releasesandpublications/er/as/aviationstatistics2016/>

⁴⁹ Along with Dublin and Cork ports. Department of Transport Tourism & Sport, 2013, *National Port Strategy*, <http://www.dttas.ie/sites/default/files/node/add/content-publication/National%20Ports%20Policy%202013.PDF>

⁵⁰ All data sourced from the CSO

http://www.cso.ie/px/pxeirestat/Database/eirestat/Maritime%20Statistics/Maritime%20Statistics_s_tatbank.asp?sp=Maritime%20Statistics&Planguage=0

Foynes is a bulk port, and does not handle containerised traffic, and hence its volumes will be relative greater than at the other ports.

The quantity of cargo handled at Shannon Foynes in 2016 represents a 10.6 per cent increase over the quantity that was handled in 2011, with much of this growth derived from an increase in the quantity of dry bulk handled through the port, increasing by 11.7 per cent in the five year period.

Indeed, the vast majority of cargo handled at Shannon Foynes port - approximately 88 per cent is dry bulk. Of the total tonnage of dry bulk handled through the port approximately three-quarters is cargo received and one-quarter cargo forwarded. This breakdown has remained broadly stable over the five years, apart from in 2014 when 56.4 per cent of the total dry bulk handled at the port was received. Liquid bulk made up 10-11 per cent of the cargo handled in each year. The quantity of break bulk handled at the port has been very low, at less than 2 per cent throughout the period.

Across the State, the majority of dry bulk handled through Irish ports is at Shannon Foynes. In each of the last five years Shannon Foynes accounted for over 55 per cent of the dry bulk handled through Irish ports, and stood at 61 per cent in 2016. This proportion has remained broadly stable over the study period. Of the five ports, Dublin is next in line in terms of the quantity of dry bulk handled, at 12.9 per cent of the total in 2016. Cork port accounted for 9 per cent while Waterford and Galway ports accounted for 6.1 per cent and 0.6 per cent respectively.

In 2016, of the 10.9 million tonnes of cargo handled at Shannon Foynes, the largest proportion was received from 'foreign trade: other ports' (i.e. non-UK, non-EU) at 51 per cent of all goods through the port, up 5 per cent since 2011. Foreign trade from the EU (i.e. non-UK) constituted the second largest region with 30.8 per cent of the total cargo through the port in 2016, an increase of 31.1 per cent from 2011. The majority of trade between EU countries and Shannon Foynes over the past five years has been in the form of cargo received.

Trade between Shannon Foynes and the UK has declined over the past five years. In the period between 2011 and 2016 the quantity of all goods handled between Shannon Foynes and Britain has fallen by 36.7 per cent. Not only has there been a decline in the quantity of cargo handled, there has also been a notable shift in the level of cargo received and forwarded. Since 2011, the quantity of cargo received by Shannon Foynes from Britain has declined by 71 per cent while the quantity of cargo forwarded to Britain has increased by 46.2 per cent.

In each of Galway, Cork and Waterford ports a similar trend has emerged in the past five years, with declines of 77.6 per cent, 44.0 per cent and 77.4 per cent in all cargo handled between the respective ports and Britain. Similarly, there has been a fall in the quantity of cargo received and an increase in the quantity of cargo forwarded. For example, in the case of Cork port, the quantity of cargo

received from Britain has fallen by 83.5 per cent in the five years since 2011 while the quantity of cargo forwarded increased by 37.6 per cent in the same period. Dublin has proved the exception with increases in both the cargo received and forwarded between the port and Britain. It may be the case that Dublin port is capturing more market share from Britain however there has been a 3.9 million tonne reduction in the quantity of cargo received from Britain to Shannon Foynes, Cork, Galway and Waterford ports combined but an increase of 2.1 million tonnes in the quantity received in Dublin port.

This may be a reflection of a move from maritime to air trade, however statistics from the CSO⁵¹ do not indicate a large enough change in the level of freight transported by air between Shannon Airport and the United Kingdom to explain the reduction in maritime trade between the Shannon Foynes port and Great Britain. Between 2013 and 2016 the quantity of freight transported through Shannon Airport to the UK rose from 4,700 tonnes to 5,000 tonnes. This represents 39.6 per cent of the total freight passing through Shannon Airport to Great Britain in 2016. Of the total 12.6 million tonnes of freight transported through Shannon Airport, 4.3 million tonnes is for/from other Irish domestic locations, 6.8 million tonnes was for/from EU28 (excluding Ireland) and 1.2 million tonnes was for/from the US. The remaining 0.3 million tonnes of freight was delivered to/received from the rest of the world.

2.7.6 Broadband

High quality and reliable broadband continues to be a priority when it comes to highlighting the opportunities within Limerick for FDI and indigenous investment. Under the LECP 2016-2021⁵², poor broadband connectivity and lack of ICT infrastructure was identified as a key economic threat, limiting access to new economic opportunities in the county.

The Department of Communications, Climate Action and Environment has detailed the level of broadband connection across Limerick, Dublin, Cork, Galway and Waterford counties. Currently, some 23 per cent of Limerick County is classed as a target area for State Intervention under the National Broadband plan while commercial operators deliver (or have indicated they will deliver) high speed broadband to approximately 60 per cent of the county. This is broadly in line with other five counties, apart from Dublin where close to 100 per cent of the market is serviced by private operators.

Census data has also identified the level of broadband connectivity across the country in the past three Censuses.⁵³ In 2006 only a quarter of households in Limerick city & suburbs had access to broadband, compared to a third of Dublin

⁵¹

<http://www.cso.ie/px/pxeirestat/Staire/SelectVarVal/Define.asp?maintable=TAA03&PLanguage=0>
https://www.limerick.ie/sites/default/files/media/documents/2017-07/Limerick%20Local%20Economic%20and%20Community%20Plan%202016-2021_0.pdf

⁵³

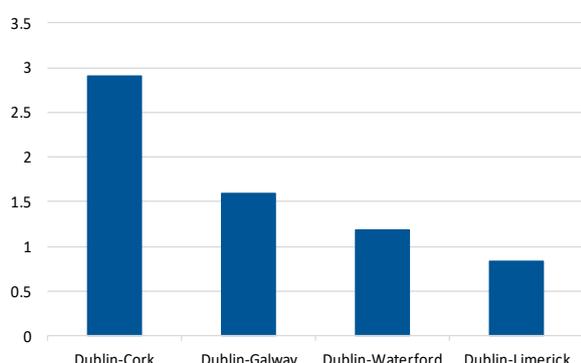
<http://www.cso.ie/en/media/csoie/newsevents/documents/census2016summaryresultspart1/Census2016SummaryPart1.pdf>

city & suburbs households. By Census 2011 the number of households with broadband more than doubled in Limerick to 65 per cent, before increasing further to just over 71 per cent in Census 2016. While close to three quarters of households in Limerick city & suburbs now have access to broadband this level of access is one of the lowest of the five main city and suburb areas – 79.6 per cent in Dublin city & suburbs, 71.3 per cent in Galway city & suburbs, 73.3 per cent in Waterford city & suburbs and 71.3 per cent in Cork city & suburbs.

According to the Head of Digital Strategy in LCCC, some 66 per cent of premises in Limerick city and county are already enabled for high-speed broadband, placing the County in the top 10 locations in Ireland from a broadband coverage point of view. In Limerick County it is projected that over 15,000 properties in rural areas will be enabled with commercial super-fast broadband between 2017 and 2018. This will enable access to high-speed broadband on a commercial basis for 78 per cent of all premises in Limerick city and county.

Statistics 2.7 INFRASTRUCTURE

FIGURE 2.7.1: IRISH RAIL TOTAL PASSENGER NUMBERS BY ROUTE, 2015 (MILLIONS)



Source: Irish Rail.

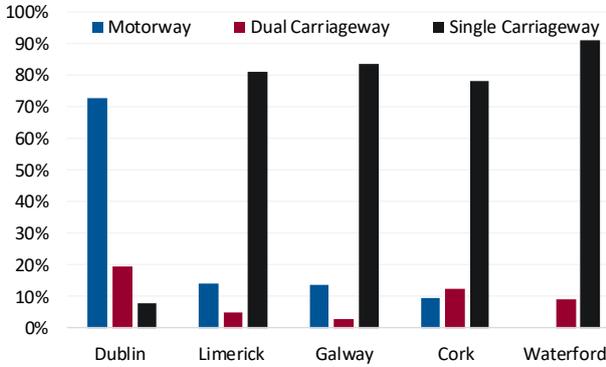
TABLE 2.7.1: ESTIMATED CORE CITY CENTRE TO CORE CITY CENTRE JOURNEY TIMES BY RAIL (MINUTES)

Origin	Destination	Journey Time
Dublin Heuston	Limerick	145-162
Dublin Heuston	Galway	150-170
Dublin Heuston	Waterford	157-172
Dublin Heuston	Cork	186-201

Source: Irish Rail.

As evident in Table 2.7.1 the Dublin to Limerick rail line accounted for just 828,000 passengers in 2015. This compared to 2.9 million passenger journeys on the Dublin to Cork line and 1.6 million and 1.2 million journeys on the Dublin to Galway and Dublin to Waterford lines. Irish rail also provides an estimated core city to core city journey time for each of their routes and Table 2.7.1 shows that the Dublin to Limerick route can be completed in the quickest time. On average the journey can be completed in 154 minutes compared to 160 minutes and 164 minutes on each of the Galway and Waterford routes. The estimated journey to Cork is the longest at an average 194 minutes.

FIGURE 2.7.2: NATIONAL ROAD INFRASTRUCTURE, BY COUNTY AND CARRIAGEWAY TYPE, 2015



Source: Transport Infrastructure Ireland.

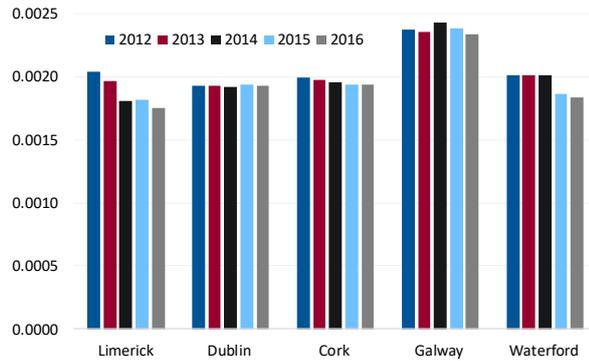
TABLE 2.7.2: ROAD JOURNEY TIMES BETWEEN CITIES

Destination	Time Taken
Galway City	1 hr 20 min
Cork City	1 hr 41 min
Waterford City	2 hr 12 min
Dublin City	2 hr 15 min

Source: Google Maps.

As Figure 2.7.2 shows, the majority of the road network in Limerick is made up of single carriageway; however, Limerick is connected by motorway to Dublin via the M7, and to Galway via the M18. The opening of the M18 has reduced the travel time to Galway to under an hour. Road connectivity between the five cities is of vital importance, and as Table 2.7.2 shows it is possible to travel between Limerick city and any one of the other Irish cities in less than two and a half hours.

FIGURE 2.7.3: NUMBER OF POST-PRIMARY SCHOOLS PER CAPITA BY COUNTY AND YEAR



Source: Department of Education.

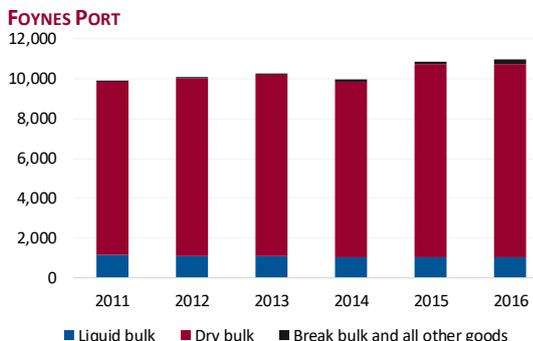
TABLE 2.7.3: NUMBER OF SECONDARY LEVEL INSTITUTIONS BY COUNTY

Secondary Schools	2012	2013	2014	2015	2016
Dublin	183	183	184	188	188
Cork	86	86	86	86	87
Galway	45	45	47	47	47
Limerick	33	32	30	30	29
Waterford	19	19	19	18	18

Source: Department of Education.

Table 2.7.3 depicts the number of secondary level institutions by county over the past five years. Figure 2.7.3 looks at secondary school per capita (number of students). Galway sees the highest number, with a decline seen in Limerick's figures of recent. This does not suggest a lower number of school places however, as schools have amalgamated or expanded places to make up for any closures.

FIGURE 2.7.4: TONNAGE OF CARGO BY TYPE AND YEAR – SHANNON



Source: CSO.

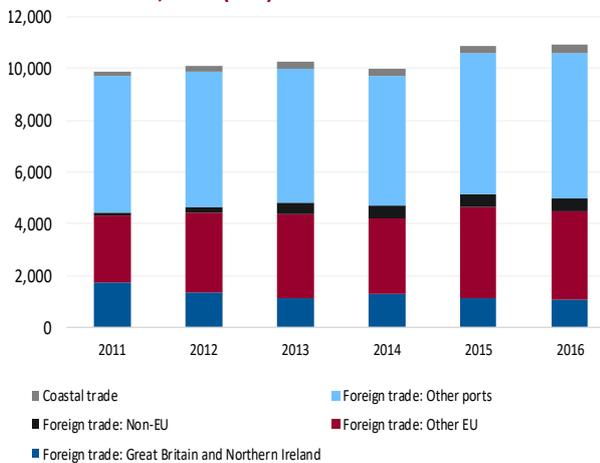
TABLE 2.7.4: TONNAGE OF CARGO, BY PORT AND TYPE, 2016 ('000)

Type	Shannon				
	Dublin	Foynes	Cork	Waterford	Galway
All cargo	23,849	10,949	8,977	1,325	588
Roll-on/roll-off	12,667	n/a	84	n/a	n/a
Lift-on/lift-off	5,062	n/a	1,889	279	n/a
Liquid bulk	4,017	1,050	5,430	n/a	438
Dry bulk	2,053	9,714	1,435	970	90
Break bulk/ other	50	184	139	76	60

Source: CSO.

Figure 2.7.4 depicts clearly that dry bulk cargo is the most common to pass through Shannon Foynes port making up 88 per cent of the total cargo handled at the port. The overall quantity of cargo handled by the port has increased by approximately 11 per cent since 2011. Table 2.7.4 shows that of the five city ports Shannon Foynes handles the second largest quantity of cargo, 10.9 million tonnes, after only Dublin which handles almost twice the amount.

FIGURE 2.7.5: TONNAGE OF GOODS HANDLED BY SHANNON FOYNES, BY REGION OF TRADE, 2016 (000)



Source: CSO.

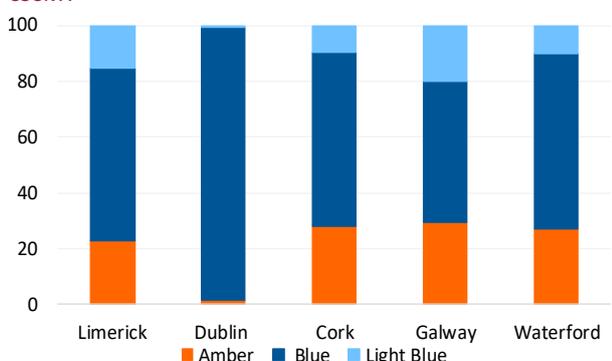
TABLE 2.7.5: TONNAGE OF GOODS HANDLED, BY REGION OF TRADE AND PORT, 2016 (000)

Trade Area	Dublin	Shannon Foynes	Cork	Waterford	Galway
Foreign trade: Great Britain & Northern Ireland	15,348	1,101	1,658	53	46
Foreign trade: Other EU	7,273	3,374	2,775	993	129
Foreign trade: Non-EU	346	523	2,884	107	n/a
Foreign trade: Other ports	675	5,581	1,091	118	n/a
Coastal trade	208	369	570	54	413

Source: CSO.

Of the 10.9 million tonnes of cargo handled at Shannon Foynes just over 50 per cent of it was foreign trade received from or forwarded to 'Other Ports' i.e. non-UK and non-EU. The proportion of foreign trade to other EU ports (non-UK) has fallen from 32.7 per cent in 2015 to 30.8 per cent in 2016, as observed in Figure 2.7.5. The level of trade between Great Britain and Northern Ireland and Shannon Foynes has fallen in the past five years from 1.7 million tonnes in 2011 to 1.1 million tonnes in 2016. As seen in Table 2.7.5 the majority of goods handled at Dublin in 2016 was received from or forwarded to Great Britain and Northern Ireland.

FIGURE 2.7.6: BROADBAND GEOGRAPHIC AVAILABILITY BREAKDOWN BY COUNTY



Source: Department of Communications.

Key:

Amber areas - which are the target areas for the State Intervention of the National Broadband Plan.

Dark Blue Areas - where commercial operators are delivering or have indicated plans to deliver high speed broadband services.

Light Blue Areas - new areas where commercial operators have committed to deliver high speed broadband in rural areas.

TABLE 2.7.6: BROADBAND LEVEL PERCENTAGE BREAKDOWN BY CITY & SUBURB AREA, CENSUS 2006, 2011 & 2016

City & Suburbs	2006	2011	2016
Dublin	32.3	72.2	79.6
Galway	31.5	72.8	77.5
Waterford	27.1	67.0	73.3
Limerick	24.2	64.8	71.3
Cork	24.3	64.8	71.3
State	20.0	63.8	70.7

Source: CSO.

Note: CSO definition of city & suburb used. Limerick definition excludes Annacotty and Mungret.

As can be seen in Figure 2.7.6, Dublin is close to 100 percent covered by commercial broadband providers. Some 23 percent of the land area in Limerick is currently classed as 'amber' meaning it is due to gain coverage under the national broadband plan (NBP), but presently does not have commitment from a commercial provider. Table 2.7.6 gives the percentage of city & suburb area combined with broadband coverage at each census (2006, 2011, 2016), for residential dwellings specifically. The increase over time can be seen clearly, with Limerick's coverage growing from 24.2 per cent in 2006 to 71.3 per cent in 2016.

3. KEY ECONOMIC PROFILE STATISTICS

Based on the economic indicators contained in Section 2 above, we would recommend the following set of Economic Profile statistics to become the key performance indicators for the city and county, to be updated on an annual basis, or as per the five yearly Census of Population where applicable.

Population

- Limerick city & suburbs population by age (Figure 2.1.2, Census, city & suburbs)
- Dependency Ratio (Figure 2.1.9, Census, city & suburbs)
- Net Migration (Figure 2.1.10, Census, county)

Commerce

- Number of Active Enterprises by Sector (Figure 2.2.2, Annual, county)
- IDA-Supported Companies by Sector (Figure 2.2.4, ongoing, city/county)
- Office Space Available in Limerick (Figure 2.2.6, Quarterly, city/county)

Labour

- Number of Employees in Active Enterprises (Figure 2.2.5, Annual, county)
- Live Register (Figure 2.3.2, Monthly, city)
- Unemployment Rate (Figure 2.3.3, Census, city)

Education

- Bachelor Degree Graduates by Field (Figure 2.4.2, Annual, Institution)
- SCImago Institute Rankings (Figure 2.4.4, Annual, Institution)
- Educational Attainment (Figure 2.4.5, Census, city & suburbs)

Housing

- Housing completions (Table 2.5.1, Monthly, county)
- Average Monthly Residential Rent (Figure 2.5.4, Monthly, city)
- Average Sales Price (Figure 2.5.3, Monthly, city)

Tourism

- Number of Passengers Through Shannon Airport (Figure 2.6.1, Annual, Airport)
- Foreign Tourist Revenue (Table 2.6.2, Annual, county)
- RevPAR (Figure 2.6.5, Monthly, county)

Infrastructure

- Tonnage of Goods Handled by Region of Trade (Table 2.7.5, Annual, port)
- Broadband Geographic Availability (Figure 2.7.6, ongoing, county)
- Number of Scheduled Airport Connections per week with North America, London and Continental hubs (Annual, airport).

4. ECONOMIC SECTOR DESTINATION PROFILE

This chapter profiles the composition of the existing industry sectors in Limerick in terms of major employers, number of enterprises, numbers employed, growth, and annual investment.

4.1 SECTORS, NUMBER OF ENTERPRISES, EMPLOYMENT & GROWTH

Earlier chapters have presented comprehensive data on the most important economic sectors in Limerick. To summarise, the key sectors in terms of numbers of businesses and employment levels in Limerick County are:

Table 4.1: NUMBER OF ACTIVE EMPLOYERS & EMPLOYMENT BY SECTOR, LIMERICK, 2015

Sector (NACE Code)	Employers	%age Breakdown	Persons Engaged	%age Breakdown	Average Persons per Enterprise	% Growth in Employment 2011-2015
Manufacturing (C)	647	5.6%	9,139	13.3%	14.1	9.0%
Mining, Energy & Water (B, D, E)	79	0.7%	424	0.6%	5.4	-2.8%
Construction (F)	1,742	15.0%	4,699	6.9%	2.7	10.4%
Wholesale & Retail Trade, Motor Repair (G)	1,823	15.7%	9,831	14.4%	5.4	-2.4%
Transportation and Storage (H)	839	7.2%	2,462	3.6%	2.9	11.3%
Accommodation & Food Service Activities (I)	812	7.0%	6,443	9.4%	7.9	16.8%
Information & Communication (J)	418	3.6%	1,565	2.3%	3.7	34.6%
Financial & Insurance (K)	194	1.7%	712	1.0%	3.7	14.7%
Real estate Activities (L)	461	4.0%	891	1.3%	1.9	65.6%
Professional, Scientific & Technical (M)	1,386	12.0%	3,971	5.8%	2.9	12.7%
Administrative & Support Service (N)	578	5.0%	3,120	4.6%	5.4	8.7%
Arts, Entertainment & Recreation (R)	411	3.5%	1,552	2.3%	3.8	15.6%
Total NACE Codes B to N + R	9,390	81.0%	44,809	65.4%	4.8	9.5%
Education (P)	576	5.0%	6,087	8.9%	10.6	5.3%
Health & Social Work (Q)	814	7.0%	15,437	22.5%	19.0	n/a
Other Services (S)	806	7.0%	2,174	3.2%	2.7	n/a
Total NACE Codes P, Q & S	2,196	19.0%	23,698	34.6%	10.8	n/a
Total NACE Codes B to S (excl. O*)	11,586	100.0%	68,507	100.0%	5.9	n/a
Total ICT**	410	3.5%	3,031	4.4%	7.4	-7.7%

*NACE code O represents public administration. **NACE codes 261 to 264, 268, 465, 582, 61, 62, 631, 951, including manufacturing, wholesaling, service-hosting and repairs. N/a .. not available. Source: CSO Business Demography.

The table is split roughly between those sectors that are primarily private sectors (NACE codes B to N plus R), and those that are primarily public sector (NACE codes P, Q and R), with the exception of Public Administration.⁵⁴ It can be seen that over

⁵⁴ Primarily civil servants and employees of local authorities.

80 per cent of employers in County Limerick are in the private sector, and they account for two-thirds of employment.

The largest sectoral employer in the county is Healthcare, followed by Wholesale & Retail, and Manufacturing. It is noteworthy that manufacturing features relatively strongly in terms of Limerick employment, compared to the counties containing the other four main cities in Ireland. So Limerick's strong manufacturing tradition is still apparent in the city's business and employment statistics.

The average private sector business size is small, engaging just under five persons, while the equivalent in the public sector is over twice this level. These levels reflect the structure of business throughout Ireland, where SMEs (those employing less than 250) predominate. Manufacturing stands out in terms of person engaged per enterprise, as do Health and Education in the public sector. Over 90 per cent of employers in Limerick employ fewer than 10 persons, while the vast majority employ fewer than 50 persons. Just over 100 employers employ between 50 and 250, while only 12 employers in the county employ more than 250. This is the lowest number of 'large' employers of any of the five counties containing cities in Ireland: there are 16 in Waterford, 17 in Galway, 43 in Cork and 323 in Dublin.

Growth in employment over the four years as described in the table above varies by sector. Many sectors have seen strong growth, reflecting the economic recovery, notably manufacturing, where employment has grown by 9 per cent. Also worthy of note is the recorded fall in employment across all elements of ICT. This reflects a major fall in employment recorded in 2012. Since then, employment in the sector has grown by 27 per cent.

Another important data source for employment growth is public job announcements. As described in Chapter 1, new jobs have been announced across a broad range of sectors over the last 4½ years, with Construction being the largest single category, followed by ICT and BioPharma/Medical. In the four-and-a-half years covered, permanent job announcements have totalled just short of 8,000 jobs, with a further 3,600 in construction. It is worth noting that a delay of approximately two years can be expected between job announcements and actual employment occurring.

4.2 INVESTMENT

Section 4 of this report, *Assessment of Investments*, give a detailed description of the pattern of investment across the county in recent years. Here we focus on industrial investment.

Between 2014 and 2017 some 72 industrial planning applications, with a total floor area of 147,500 sq. m., were granted planning permission in Limerick's city and county. These projects have a potential construction value of c. €72 million, thus averaging approximately €1 million per project.

Of these 72 applications some 23 projects (114,408 sq. m.), valued at €31 million have progressed to construction stage, while the remaining 49 applications, valued at c. €41 million, (33,000 sq. m.), have yet to do so.

In 2016 a total of 16 projects, valued at c. €25 million and delivering 11,300 sq. m of industrial space, were granted planning permission. This compares with 15 projects (8,100 sq. m) with a combined value of c. €7 million in 2015. The value of new builds granted planning permission spiked in 2016 with the success of a c. €20 million application for the construction of an office and packaging facility at Shannon Foynes Port. In 2017, there were nine successful applications in the year to early November 2017 with an estimated construction value of c. €5 million (6,500 sq. m).

While lags can be expected as the tendering process is completed, it is noteworthy that only two industrial projects went on-site in Limerick in 2017. As a consequence, the level of actual industrial investment in Limerick in 2017 is estimated at only €220,000, compared to €21 million in 2016, €4.4 million in 2015 and €4.6 million in 2014.

The vast majority of investments made over this period have been by the private sector - € 29.3 million out of the €30.4 million that has been invested in on-site construction.

However one of the more notable investments made over this period was a public sector project – i.e. the redevelopment of the former Dell building in Castletroy for Troy Studios.⁵⁵ This project, with a construction value of c. €1 million, began construction in 2016 and is now a fully operational film hub with 32,500 sq. m of filming space.

4.3 FDI

FDI plays an exceptionally strong role in the economy of Ireland, and therefore it is worthwhile focussing on the level of FDI activity in the county. Note FDI is included in the general discussion above.

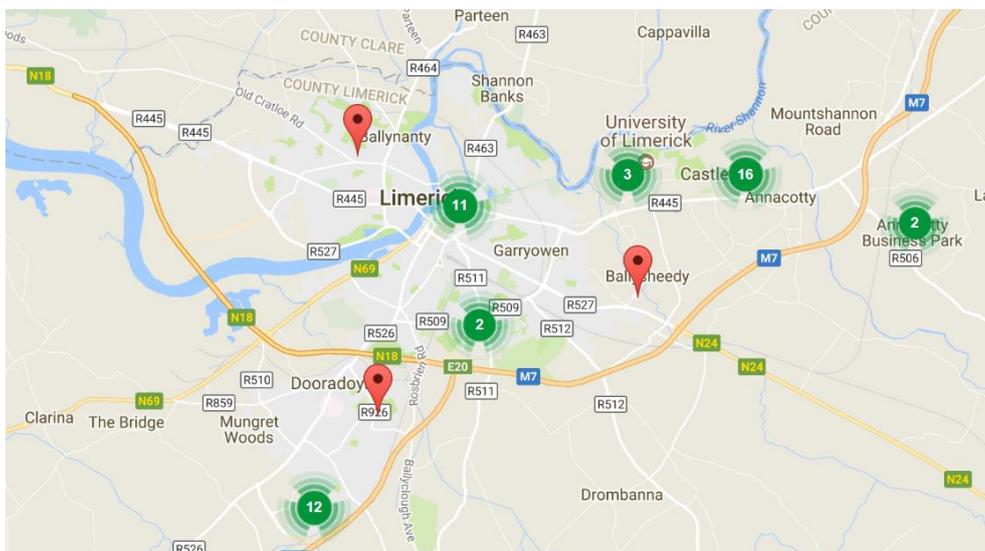
As of early 2018, there are 54 IDA Ireland-backed firms operating in the county. These include many of most recognisable multi-national firms, as summarised in Appendix A1.

4.3.1 Location

The following map shows the location of these firms within the county. It can be seen that there is a degree of clustering, in the city itself, around Annacotty to the east, and around Raheen to the south.

⁵⁵ <http://troystudios.ie/>

FIGURE 4.1: LOCATION OF IDA IRELAND-BACKED FIRMS IN LIMERICK



Source: IDA Ireland website, January 2018.

4.3.2 Sectors & Nationality

Sectorally and by nationality, the main FDI firms are as per the following table. Limerick is strongly represented in many of the key growth sectors internationally, while maintaining a strong presence in engineering and hardware, reflecting the city’s manufacturing tradition.

Table 4.2: IDA IRELAND-BACKED FIRMS IN LIMERICK, BY SECTOR & NATIONALITY

Sector	US	UK	Germany	Russia	Belgium	Canada	Finland	Japan	Switzerland	Total
Engineering	7		3	1			1		1	13
ICT - Software	7	2				1		1		11
Business Services	8									8
ICT - Hardware	5			1	1					7
Medical Technology	6									6
Consumer services	4	1								5
Shared Services	1	1								2
Bio Pharmaceuticals	1									1
Financial Services	1									1
Total	40	4	3	2	1	1	1	1	1	54

Source: IDA Ireland website, January 2018

The nationality of the FDI firms operating in Limerick reflect the range of countries that have invested in Ireland, but are heavily dominated by firms from the US. Some 40 of the 54 firms operating in Limerick are US-owned. Another four are from the UK, three are from Germany, while two are from Russia. On a national basis, 55 per cent of IDA-backed firms are US-owned.⁵⁶ The preponderance of US-

⁵⁶ IDA Annual Report 2016 https://www.idaireland.com/IDAireland/media/docs/About-IDA/IDA_Annual_Report_2016.pdf

owned firms based in Limerick may be reflective of the county's west-coast location and proximity to Shannon airport.

4.4 MAJOR EMPLOYERS

It is one of Limerick's strengths that it can boast a range of major employers across the private traded and non-traded, and public sectors. This gives the city region a resilience to economic change that perhaps was not there in the past.

4.4.1 FDI

In terms of individual employers, Limerick boasts some of the major players in the Irish and global economy. Notable among these are:

- **Analog Devices**, employing approximately 1,200 in Limerick.
- **Dell**, which has a long association with Limerick, and currently employs approximately 1,000 in the city.
- **Northern Trust**, which employs 1,000, and has announced 400 additional jobs in the last year.⁵⁷
- **Cook Medical**, which employs approximately 900 people in Limerick.⁵⁸
- **Regeneron**, employing approximately 570 with plans to add a further 300 recently announced⁵⁹, and with a total investment of USD750 million.
- **Johnson & Johnson**, which employs 470 via its various operations in Limerick, including Vistakon.⁶⁰
- **General Motors**, which employs 100 in the city, and plans to double this.⁶¹
- **Uber**, employing approximately 150 in Limerick and with plans to increase to approximately 300.⁶²
- **Fazzi Healthcare Services**, which plans to employ 300 over the coming years.⁶³
- **Viagogo**, which currently employs 100 in Limerick and plans to double this in the coming years.⁶⁴
- **WP Engine**, which plans to employ 100 people in Limerick over the coming years.⁶⁵

Overall, employment in IDA Ireland-backed firms in the county in 2016 totalled 10,734, up from 7,248 in 2011, a net increase of almost 3,500 despite high profile job losses in early years.⁶⁶ This represents 5.2 per cent of the total IDA Ireland-backed employment in the country.

⁵⁷ <https://www.rte.ie/news/ireland/2017/0612/882074-northern-trust-limerick/>

⁵⁸ <http://www.thejournal.ie/bill-doherty-cook-medical-limerick-2-3327149-Apr2017/>

⁵⁹ <https://www.rte.ie/news/munster/2017/1025/915119-limerick-jobs/>

⁶⁰ <https://www.idaireland.com/newsroom/johnson-johnson-vision-ca>

⁶¹ <https://www.independent.ie/business/general-motors-aiming-to-boost-limerick-division-and-double-its-workforce-to-200-35367359.html>

⁶² <https://www.idaireland.com/newsroom/uber>

⁶³ <https://www.idaireland.com/newsroom/fazzi-healthcare-services>

⁶⁴ <https://www.idaireland.com/newsroom/the-viagogo-group-announc>

⁶⁵ <https://www.rte.ie/news/2016/0926/819196-limerick-jobs-wp-engine/>

⁶⁶ <https://dbe.gov.ie/en/Publications/Publication-files/County-Employment-Overview.pdf>

Employment has grown further since, and the degree to which the majority of the firms listed above have active plans to further expand employment in Limerick is a strong endorsement of the city and county.

4.4.2 Indigenous Traded Sectors

The indigenous traded sector is also active in Limerick. Overall, employment in Enterprise Ireland-backed firms in the county in 2016 totalled 7,371, up from 5,931 in 2011, a net increase of almost 1,440.⁶⁷ This represents 3.6 per cent of the employment in these firms across the entire country.

At a regional level, the following table and chart summarise the trend in foreign- and Irish-owned traded sector employment over the last decade:

Table 4.3: FOREIGN- & IRISH-OWNED TRADED SECTOR EMPLOYMENT, MID-WEST REGION, 2007-2016

	Foreign	Irish-owned
2007	20,051	13,396
2008	18,299	12,292
2009	14,589	10,972
2010	14,199	11,003
2011	14,301	10,785
2012	14,545	10,900
2013	14,703	11,551
2014	15,338	11,832
2015	16,088	12,442
2016	17,562	13,556
% Change 2015-2016	9.2%	9.0%
% Change 2007-2016	-12.4%	1.2%

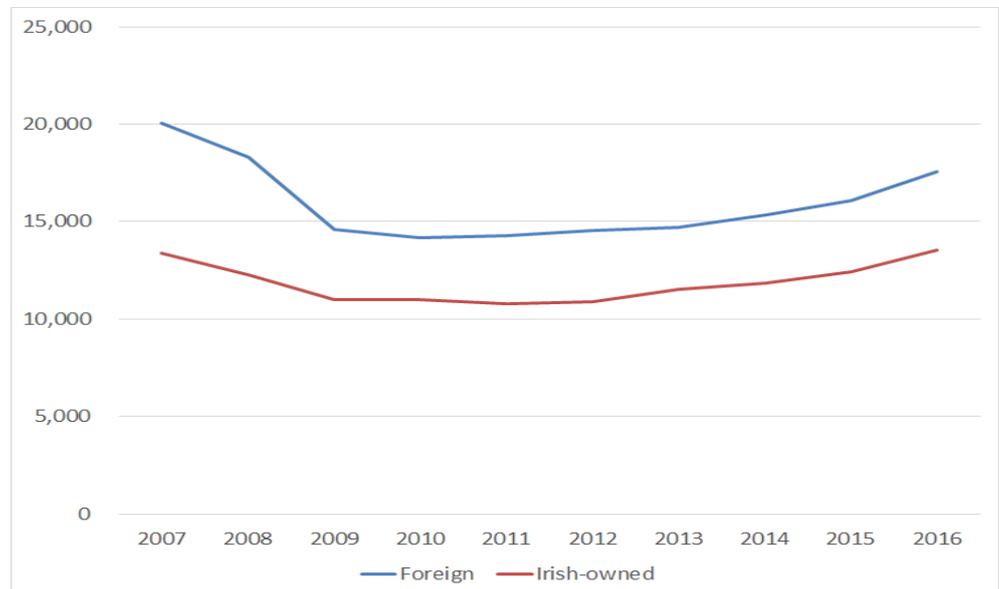
Source: <https://dbei.gov.ie/en/Publications/Annual-Employment-Survey-2016.html>

The sharp fall in foreign-owned employment in particular in the early years of the economic crisis is apparent, and has not yet been fully recovered, despite accelerating growth in the intervening years.

The data also indicate that Limerick is home to 62 per cent of the region's FDI employment, and 54 per cent of the region's indigenous traded-sector employment.

⁶⁷ DBEI, Op. Cit.

FIGURE 4.2: FOREIGN- & IRISH-OWNED TRADED SECTOR EMPLOYMENT, MID-WEST REGION, 2007-2016



Source: <https://dbe.gov.ie/en/Publications/Annual-Employment-Survey-2016.html>

4.4.3 Other Indigenous & Public Sector Employers

There are also a number of major public sector employers in the city, notably:

- **Mid-Western Regional Hospital**, Limerick, employs approximately 2,400 Whole-Time equivalent (WTE) staff across its three campuses in Limerick.⁶⁸
- **University of Limerick**, with 1,300 staff.⁶⁹
- **Limerick City & County Council**, which employs approximately 1,200 staff.⁷⁰
- **Limerick Institute of Technology**, with approximately 740 staff.⁷¹

Other important indigenous employers include:

- **Troy Studios**, where employment varies by the degree of activity, but could reach 500 during production, and
- **Adare Manor**, the world famous and recently completely refurbished 5-Star resort, which employs 350.

⁶⁸ http://www.hse.ie/eng/staff/jobs/Jobs_in_the_HSE/midwestprofile.html

⁶⁹ <https://www.ul.ie/ul-campus/campus-profile/>

⁷⁰ <https://www.limerick.ie/council/services/your-council/about-us/about-us>

⁷¹ <http://hea.ie/assets/uploads/2017/04/LIT-Staff-Statistics-December-2016.pdf>

APPENDIX A1: IDA IRELAND-BACKED FIRMS OPERATING IN LIMERICK, JANUARY 2018

Company	Sector	Nationality
Regeneron Pharmaceuticals Limerick	Bio Pharmaceuticals	US
Ctsi Europe Limited	Business Services	US
Rr Donnelley Global Turnkey Solutions	Business Services	US
Applied Communications Ireland	Business Services	US
Cetra Ireland	Business Services	US
Glass Lewis Europe Limited	Business Services	US
WorldWide Tech Services	Business Services	US
Acacia Ireland	Business Services	US
Trusource Labs Ireland	Business Services	US
Multi Packaging Solutions (Limerick)	Consumer services	US
Gilt Global Trading and Procurement Company	Consumer services	US
Liberty Global Incorporated	Consumer services	US
Uber Ireland	Consumer services	US
Rettig Ireland Limited	Engineering	Finland
Info-Lab Limited	Engineering	Germany
Kostal Ireland Gmbh	Engineering	Germany
Weener Plastic Packaging Group	Engineering	Germany
Rusal Aughinish Limited	Engineering	Russia
TE Connectivity Limerick	Engineering	Switzerland
B.S.& B. Safety Systems Limited	Engineering	US
Adhesives Research Ireland Limited	Engineering	US
Materion	Engineering	US
On Semiconductor Ireland Research and Design Limited	Engineering	US
Tungco Worldwide Ltd (Ireland)	Engineering	US
Meco Limited	Engineering	US
Ar Europe	Engineering	US
Northern Trust	Financial Services	US
Zetes Ireland	ICT - Hardware	Belgium
Nt Mdt Service and Logistics Limited	ICT - Hardware	Russia
Analog Devices	ICT - Hardware	US
Dell Products	ICT - Hardware	US
Intepro Systems	ICT - Hardware	US
Bel Power Solutions Ireland Ltd	ICT - Hardware	US
Kemp Technologies	ICT - Hardware	US
Optel Vision Ireland	ICT - Software	Canada
NTT Data	ICT - Software	Japan
Martin Dawes Systems Limited	ICT - Software	UK
One Horizon Group	ICT - Software	UK

Company	Sector	Nationality
Channeladvisor Limited	ICT - Software	US
QAD Ireland Limited	ICT - Software	US
Dts Licensing Limited	ICT - Software	US
WP Engine Ireland	ICT - Software	US
Fazzi Healthcare Services Limited	ICT - Software	US
Etq Incorporated	ICT - Software	US
Janssen Pharmaceutical Limerick (software)	ICT - Software	US
Cook Ireland Limited	Medical Technology	US
Johnson & Johnson Vision Care (Ireland)	Medical Technology	US
Stryker Orthopaedics Limerick	Medical Technology	US
Itw Filtertek	Medical Technology	US
Teleflex Medical	Medical Technology	US
Gencell Biosystems Limited	Medical Technology	US
Viagogo Limerick	consumer services	UK
Maersk Group Infrastructure Services	shared services	UK
General Motors (Ireland)	Shared Services	US

Source: IDA Ireland website, January 2018



Section B - Predictive Analysis



Section B – Predictive Analysis: Limerick Economic SWOT

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1. INTRODUCTION

1.1 SWOT ANALYSIS BACKGROUND

A SWOT¹ analysis is an evaluation technique which involves identifying internal and external factors which are considered to be influential over an entity's current performance and future prospects. In this chapter, the strengths, weaknesses, opportunities and threats of Limerick are highlighted, having come to the fore from consultations with a broad range of Limerick stakeholders, the economic profiling report, the international benchmarking analysis, and further research by the consultants.

The views of stakeholders in Limerick on the characteristics of the county and its potential from a business, social and cultural perspective form the basis for the SWOT analysis in this chapter. It is also evident from the economic profiling report that Limerick has specific economic, social and infrastructural characteristics which are quite unique from both an Irish and international standpoint, and these characteristics supplement the views of stakeholders. The research by the consultants has been prompted by the consultations and focuses on a broad spectrum of topics contained below.

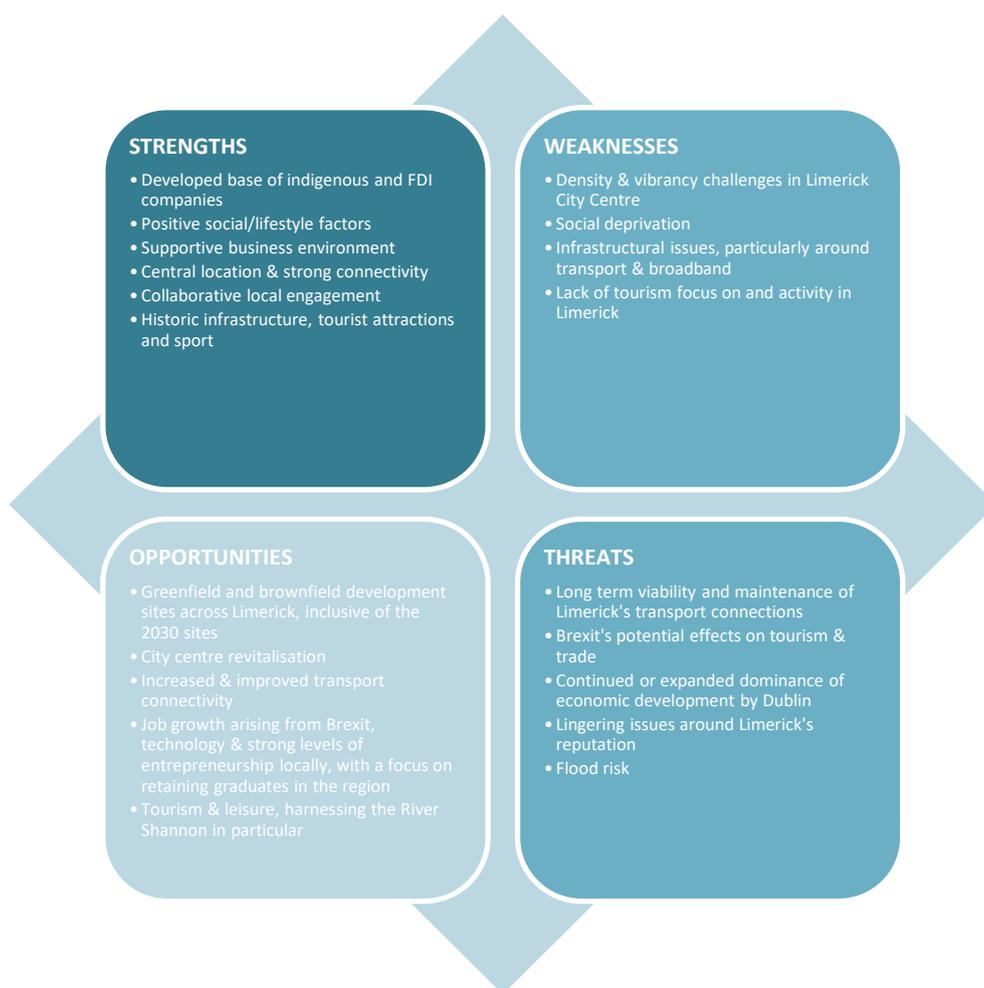
In conducting this SWOT analysis, the following four core components were considered:

1. **Strengths**, which are advantages Limerick enjoys as a location to live, work, invest in or visit which have been largely developed by and are under the control of stakeholders in the Limerick region.
2. **Weaknesses**, which are shortcomings of Limerick as a location to live, work, invest in or visit which can be influenced by stakeholders in the Limerick region.
3. **Opportunities** are areas which Limerick could target in order to improve as a region to live, work, invest in or visit which can be actively pursued by stakeholders in Limerick.
4. **Threats** are downside risks to Limerick which are mainly outside of the control of stakeholders in the region.

Having collated the different information streams and considered Limerick under each of the four core components of the SWOT analysis, the following diagram was developed. Each of the topics listed in the diagram will be expanded upon below.

¹ Strengths- Weaknesses- Opportunities- Threats

Figure 1.1: SUMMARY OF LIMERICK'S SWOT ANALYSIS



2. STRENGTHS

From our consultations with stakeholders in Limerick it became clear that the region has many strengths which make it a highly attractive location in which to live and work, for businesses to operate in, for students to learn in and for tourists to visit. As outlined in the above chart, the strengths of the region can be categorised in to six main 'themes' which capture many of the advantages of Limerick and its surrounding areas.

2.1 LIMERICK'S DEVELOPED BASE OF INDIGENOUS & FDI FIRMS

It is evident that the existing base of industries and businesses located in Limerick is a key strength for the region. Limerick has a strong and growing indigenous core which it has successfully supplemented by attracting a range of FDI firms over the past number of decades, which have combined to form a foundation for the region's economy.

As brought out in the economic profiling report, there were approximately 12,000 active enterprises within County Limerick in 2015, and three main sectors accounted for approximately 41 per cent of the total: Wholesale and Retail Trade, Construction, and Professional, Scientific and Technical Activities.

A key strength in this regard is the broad spectrum of industries located in the region. An expansion in the range of economic activities in Limerick has reduced dependencies on individual sectors, and this is an important development given the previous dependency on the IT sector, which resulted in severe economic consequences for the wider region from the closure of the Dell plant in Castletroy in 2009.

In the FDI sphere, IDA Ireland currently has 54 'client companies' based in County Limerick, with the majority (approximately two-thirds) originating from the United States and the remainder from Europe and further afield. The range of sectors represented by these firms is quite broad. High skill sectors dominate the FDI base with concentrations in technology, engineering and financial/business services. As illustrated in the benchmarking analysis, Limerick is a strong performer on the absolute number of FDI projects underway and associated capital expenditure outlays relative to other locations internationally. An even stronger performance indicator for Limerick is the number of FDI companies, where only Vancouver rates above Limerick out of the nine cities considered. This existing portfolio of FDI firms in Limerick is a powerful signal to other international firms of the suitability of Limerick as a base, and will be an asset for the region in its efforts to attract further FDI in what is a competitive international environment.

Many firms of considerable pedigree have either emerged from Limerick or have chosen Limerick as their base. In terms of investment in to Limerick, large multinational companies including Johnson & Johnson, General Motors, Northern Trust and Uber have selected the county as a base, while growing technology firms such as WP Engine have located in the city and become integral in the collaborative business environment. Stripe, a San Francisco-based financial technology company operating in 25 countries worldwide and valued at \$9.2 billion², was founded by Limerick brothers Patrick and John Collison.

New sectors and industries have also emerged in recent years. The Troy Studios Film Hub in Castletroy is a prime example of a newly established industry in the area which it is hoped will create job opportunities across a range of trades and professions. The National Sports Business Cluster is also to be established in Limerick and is intended to leverage facilities such as UL's sports campus, LIT's Thurles Sportslab (which is Europe's leading strength and conditioning centre³) and a range of firms involved in other sports-related sectors, such as sports tech and nutrition.

² <https://www.forbes.com/sites/ryanmac/2016/11/28/stripe-investment-makes-cofounder-the-worlds-youngest-self-made-billionaire/#763c31f574fa>

³ <https://www.siliconrepublic.com/jobs/irelands-first-sports-cluster-to-generate-up-to-500-new-jobs>

These examples of indigenous and foreign, established and emerging companies coupled with business clusters illustrate the rich base of commercial entities which are currently based in Limerick.

2.2 SOCIAL/LIFESTYLE FACTORS

An analysis of the cost of living in Limerick, coupled with stakeholders' opinions, made it clear that lifestyle factors are a key advantage for the population of the county. Relatively affordable housing costs, low congestion levels and a relatively compact city were some of the features highlighted as significant positive points.

Cost of Living

Cost of living is a key element, particularly for young families, as disposable incomes in Limerick are higher than the national average. Housing is undoubtedly a central component in this regard. Rents for houses and apartments are significantly lower in Limerick when compared to the national average, as shown in Table 2.1.

Table 2.1: STANDARDISED AVERAGE MONTHLY HOUSING RENTS IN LIMERICK AND NATIONALLY, Q2 2017

Area	Standardised Average Monthly Rent	% of National Standardised Average Monthly Rent
Newcastle West	€464	45.6%
Adare - Rathkeale	€783	77.0%
Cappamore- Kilmallock	€664	65.3%
Limerick City West	€946	93.0%
Limerick City North	€875	86.0%
Limerick City East	€948	93.2%
National	€1,017	100.0%

Source: RTB.

Recent research from Sherry FitzGerald⁴ reported that Limerick was the most affordable urban area of Ireland in which to rent. As a proportion of after-tax income, Limerick residents paid 30 per cent in rent on average per month, below the other Irish urban centres of Cork (37 per cent), Galway (41 per cent) and Dublin (55 per cent).

House prices in Limerick are less expensive than the national average and this also contributes towards cost of living factors in the region. As shown in Table 2.2, prices for both new and second hand houses were considerably cheaper in Limerick than in Dublin, Cork and Galway in Q4 2016 and this has been a consistent trend over many years.

⁴ <https://www.irishtimes.com/business/personal-finance/dubliners-spend-55-of-take-home-pay-on-rent-1.3267093#.WfBE1AYctzU.mailto>

Table 2.2: AVERAGE NEW AND SECOND-HAND HOUSE PRICES IN SELECTED COUNTIES & AT THE NATIONAL LEVEL, Q4 2016

County	New House Prices	Second-hand House Prices
Cork	€311,849	€247,326
Dublin	€391,369	€363,891
Galway	€253,270	€218,284
Limerick	€233,655	€195,324
Waterford	€271,158	€183,151
State	€322,680	€284,348

Source: CSO.

In Q4 2016, new house prices in Limerick averaged €233,655, almost €90,000 lower than the national average of €322,680 and over €157,000 more affordable than the equivalent for Dublin. The situation was broadly similar for second-hand houses where average prices in Limerick were approximately €195,000, well below both the national (€284,348) and Dublin (€363,891) averages.

This relative affordability is a positive feature which has a direct impact on the disposable incomes of those living in the region. As shown in the economic profiling report and again in Table 2.3, data up to 2014 shows that disposable incomes⁵ per capita were higher in Limerick than all other cities in the State, barring Dublin. Incomes were also higher than the national average in Limerick and this is a significant advantage for those people living in the region.

Table 2.3: DISPOSABLE INCOME PER CAPITA FOR COUNTIES & STATE, 2010-2014 (€)

County	2010	2011	2012	2013	2014
Cork	19,661	19,057	19,441	18,993	19,234
Dublin	21,278	20,690	21,347	20,834	21,963
Galway	19,628	17,784	18,580	17,501	17,929
Limerick	19,807	21,677	21,743	19,990	20,395
Waterford	18,491	17,997	18,430	17,869	18,870
State	19,462	18,765	19,190	18,536	19,178

Source: CSO.

Lack of Congestion

A relative lack of congestion in most areas of Limerick was also cited by a number of stakeholders as being a distinct advantage of living and travelling around Limerick and its surrounding counties. With a few notable exceptions, including areas around Raheen to the south and traffic accessing the city from the east via the M7 around peak times, congestion levels in Limerick are quite low. According to data from TomTom⁶, drivers in Limerick spend on average 16.5 hours in traffic

⁵ Disposable income is defined as Total income *minus* Current taxes on income (e.g. Income taxes, other current taxes) *minus* Social insurance contributions (e.g. Employers', employees', self-employed, etc.). Total income is defined as an individual's primary income *plus* Social benefits *plus* Other current transfers.

⁶ <http://www.independent.ie/irish-news/revealed-the-worst-irish-city-for-congestion-where-drivers-spend-more-than-the-average-work-week-sitting-in-traffic-every-year-35467969.html>

per annum. Although this figure is above the time spent in traffic by drivers in the city of Waterford (15.6 hours), it is significantly less than the average times spent in traffic by drivers in Galway (43.5 hours), Dublin (31.4 hours) and Cork (24.5 hours).

Consultations with stakeholders in Limerick confirmed this strength, although an apparent over-reliance on the car for transport was indicated. A 2017 Collins McNicholas Relocation Survey⁷ was also in agreement with this aspect of life in the Mid-West as 90 per cent of respondents had commutes to work of less than 40 minutes, and 70 per cent of those surveyed had a shorter commute to work since relocating to the region. Census 2016 also contained data on commuting patterns of residents in different counties as shown in Table 2.4.

Table 2.4: COMMUTING TIMES OF WORKING POPULATION AGED 15 YEARS & OVER BY COUNTY OF USUAL RESIDENCE, 2016

County	Commute < 45 minutes	Total Commuters*	Percentage < 45 minutes
Cork	170,000	199,000	85.2%
Dublin	413,000	532,000	77.5%
Galway	77,000	93,000	82.8%
Limerick	58,000	66,000	88.0%
Waterford	34,000	39,000	87.7%
State	1,377,000	1,720,000	80.0%

Source: CSO Census 2016.

* Only includes commuters that reported a commuting time, and those that work outside of the home.

Limerick compared favourably to the other counties in Ireland which contain cities. Of working Limerick residents aged 15 or over, 88 per cent had commutes of less than 45 minutes. This was broadly in line with the proportion for Waterford (87.7 per cent), but considerably higher than the Dublin (77.5 per cent) and national (80 per cent) averages.

Undoubtedly the compact size of Limerick as a city facilitates these shorter commutes, and many of those consulted as part of the analysis alluded to the ease of travelling around the city (often on foot) or to the nearby countryside as a distinct advantage of living in the region.

Quality of Life

The combination of relatively affordable accommodation options, high levels of disposable income, a generally low level of congestion and stable work-life balances is considered to contribute to a high quality of life for those based in Limerick. This is viewed as particularly beneficial for young professionals and families as fewer resources are tied up in accommodation costs and less time is spent commuting.

⁷ <http://www.collinsmcnicholas.ie/wp-content/uploads/2017/07/Collins-McNicholas-Midwest-Relocation-Survey-2017.pdf>

The overall quality of life of those living in the region was cited as a key driver for those relocating to Limerick in the Collins McNicholas Survey⁸, with 88 per cent of respondents reporting that this factor was “extremely important” to their relocation decision, and the remaining 12 per cent stating that it was “moderately important”. It is thus evident that lifestyle factors play an important role in attracting workers to the Mid-West region.

2.3 BUSINESS ENVIRONMENT

The business environment in Limerick has created conditions which are highly conducive to successful business development, and this is a strength which has emerged from our analysis.

Corporate Taxation

At a high level, the low corporate tax rate in Ireland was described as a very attractive factor for businesses looking at Limerick as a potential base. The 12.5 per cent rate which applies represents an important ‘up front’ benefit to locating in Ireland, especially for foreign firms considering a number of international locations.

Affordability

The relative affordability of office space in Limerick is another high-level benefit of locating in the region. As shown in the economic profiling report, Cushman and Wakefield’s research on the office markets of Irish cities indicates that rents in Limerick averaged €215 per square metre in Q1 2017. Equivalent rents in Galway and Cork were 16.1 per cent and 47.2 per cent higher respectively, while rents in Dublin’s Central Business District stood at €619 per square metre in the quarter. This underlines Limerick’s relative affordability for office space within Ireland, although lower than in Dublin or in London, Limerick’s office rents are expensive relative to international peers identified in the Benchmarking analysis. Of the nine cities benchmarked, Limerick had the third highest average office rents, which is a shortcoming when foreign firms are considering a number of international locations. An apparent under-supply of high quality office space has also been reported in Limerick at present, although it is hoped that the *Limerick 2030* strategy and private development will address this issue. The Gardens International development which will be completed in late 2018, and the proposed Opera development which is at the planning stage, will be expected to provide new supply to the market in the city in the medium term.

Limerick’s international rankings for prime retail and industrial rents were more favourable. Retail rents in prime locations in Limerick city were reported at €79.20 per square metre per month and this was considerably cheaper than the higher ends rents recorded in Norwich (€183.60) and Montpellier (€166.70). A similarly positive situation arose for industrial rents where Limerick (€4 per square metre per month) was substantially more affordable when benchmarked against the likes

⁸ <http://www.collinsmcnicholas.ie/wp-content/uploads/2017/07/Collins-McNicholas-Midwest-Relocation-Survey-2017.pdf>

of Tampere (€7.80) and Dundee (€7.10). These factors are highly advantageous to firms with retail or industrial space needs looking at international cities and regions in which to set up.

Education

Limerick also has substantial strengths in the area of education, which feed through to the business environment. At second level, Limerick is home to the best secondary school in the country in Laurel Hill⁹, and has an expanding network of schools in suburban areas. At third level, University of Limerick (including Mary Immaculate College) and Limerick Institute of Technology (including the highly rated Limerick School of Art & Design) have an aggregate student population of approximately 23,300, which provides a strong pipeline of talent to local businesses for both entry level and post-education positions. Coupled with the noted flexibility of these institutions in adapting courses to suit the skills needs of employers in the region, this represents a significant strength for the business environment. The third level institutions rate quite favourably in an Irish context but it is recognised that more needs to be done at an international level to promote the standings of these educators, in order to attract international students and greater streams of funding. Advancing the pipeline of STEM and healthcare graduates coming from the likes of UL and LIT is highlighted in section 4.4 as an opportunity for Limerick to further enhance its educational standings, while also appealing to a number of economic growth sectors.

Population

High concentrations of students in Limerick will have affected population demographics, which were illustrated in the benchmarking analysis. Limerick has a lower median age than the other eight benchmarked cities, and a slower growth rate of the cohort aged above 65. This represents a significant competitive advantage for the county in economic terms as greater labour force participation over a longer period would be expected in Limerick relative to other locations. This is an attractive feature for firms considering a number of international investment locations. Limerick will benefit from these population demographics, but there is some evidence of a 'brain-drain' in the county as it quite surprisingly measured poorly against other benchmark cities in the context of 25-64 year olds with tertiary education. This suggests that although there are prominent third level institutions in Limerick, an issue exists around retaining graduates in the region, and this will need to be addressed via greater job opportunities if Limerick is to fully capitalise on its positive demographic features.

Ease of Doing Business

Although Limerick's small scale is an issue in the areas of population and overall density, it does have distinct benefits in terms of the ease of doing business. Short travel times and close, collaborative engagement between businesses and industries were cited by stakeholders as key factors which have supported this facilitative business environment. When combined with the flexible approach of

⁹ As measured by the progression of second-level students over a three-year period to universities and institutes of technology.

Limerick City & County Council (LC&CC) and the buy-in from third level education institutions, this contributes towards synergies and conditions which are conducive to successful business development.

As the local authority for the county, LC&CC were praised by many stakeholders for their supportive and flexible approach to exploring office space solutions with businesses in the region, and particularly FDI firms establishing offices in the county for the first time. The co-location of General Motors in the Council's offices in Dooradoyle is a prime example of this facilitation. This is an important aspect which needs to be maintained as business stakeholders pointed to this flexible approach as a significant factor in easing their entry to the region.

2.4 LOCATION & CONNECTIVITY

Limerick's location at the centre of the western seaboard of Ireland, between the other regional cities of Galway, Cork and Waterford was highlighted as an advantage by stakeholders, which was accentuated by the relative proximity of the city to Dublin. Limerick is a well-connected county which has the benefits of a nearby international airport and a deep-water port, along with expanding road connections, and rail and bus infrastructure.

Location

The county is located on the River Shannon Estuary along the west coast of Ireland and draws considerable strength from geographic factors. Limerick city in particular, and nearby areas such as Foynes, are sheltered sections of the Estuary which makes them ideal for both commercial and leisure marine activities. Geographic features also contribute towards the tourism sector in Limerick with the River Shannon, Curraghchase Forest Park and the Ballyhoura Mountain Trails some of the natural attractions in the region.

Limerick is also situated in relatively close proximity to the other regional cities of Galway, Cork (both within approximately 100 kilometres) and Waterford (approximately 130 kilometres), while Dublin is 200 kilometres from the city. With an improving road network – which has been bolstered by the recently completed M17/M18 to Tuam and is planned to include a new M20 motorway to Cork – Limerick's connectivity is developing in to a key strength.

Shannon Airport

An international airport is a significant asset for Limerick, and is critical to the growth of the wider region.

The substantial benefits from having an international airport with US passenger pre-clearance was a feature which arose in many consultations. The Airport has direct connectivity to the UK (including London, Manchester, Birmingham and Edinburgh), other European destinations and the US (New York and Boston). Its importance to businesses in Limerick cannot be underestimated as the airport provides vital connectivity to commercial centres, which facilitates greater interaction of firms in Limerick with businesses outside Ireland.

In this context, both multinational firms and indigenous companies operating in the Mid-West benefit from the air freight capacity provided as the airport handled over 12,500 tonnes of cargo in 2016.¹⁰ This will have facilitated the trading operations of many firms based in Limerick, and forms an integral component in supply chains.

The airport also enables the western part of the country to tap in to tourism markets – including the important US market – with direct flights to large feeder cities such as New York, Boston and London. This is of direct benefit to the hospitality and tourism sectors in the Mid-West and further afield. The population of the region also benefits from greater connectivity with multiple destinations for leisure travel, including routes to popular sun holiday destinations.

Sea Port Connectivity

Limerick city is served by two harbours — the Limerick Docks and Shannon-Foynes Port. Shannon-Foynes is one of the deepest ports in Europe and is located in a sheltered area of the Shannon Estuary, less than 40 kilometres from Limerick city. It was highlighted by several stakeholders as an important factor for many local businesses. In 2016, Shannon-Foynes handled almost 11 million tonnes of cargo, second only to Dublin in a national context. Stakeholders in Limerick referred to Shannon-Foynes as a significant resource on the city's doorstep which could be vital to Limerick's connectivity.

Similarly, the Limerick Docks are seen as an asset to the city, but also from the perspectives of renewable energy technology testing and the future development potential of the site (see section 4.1). The Docks are somewhat hampered by their tidal nature and peripheral location on the west coast of Ireland, and have capacity for up to three or four times the current cargo of approximately 750,000 tonnes handled per annum. This extra capacity is considerable, but the Docks are an outlet for the exports of many indigenous firms, most of which are located within a 10 kilometre radius of the Docks. The facilities have also evolved in to a testing space for tidal energy technology given the sheltered nature of the enclosed waters in the dock, and this is considered to be an opportunity for further future expansion in activities.

Road & Rail

Limerick is served by the Irish motorway network via the M7 connection to Dublin, and the recently opened M17/M18 motorway to Galway and Tuam. Despite the recession, road infrastructure in Limerick have been improved in places over the past decade including the Limerick Tunnel under the River Shannon which now forms part of the Limerick Southern Ring Road/M18. Further significant improvements to the network are anticipated in the coming years with the planned developments of a motorway link to Cork and the Northern Distributor Road (see sections 4.1 and 4.3).

¹⁰ <http://www.cso.ie/en/releasesandpublications/er/as/aviationstatistics2016/>

Limerick is also served by a rail system connecting the city with:

- Ennis and Galway,
- Dublin and Cork via Limerick Junction; and
- Dublin, Cork and Waterford (infrequently) via Ballybrophy.

Some direct services to Dublin also run. There are no direct rail connections to other cities but the infrastructure is in place for more direct, particularly to Dublin, which would be a more convenient and efficient proposition for users of public transport. Colbert Station in Limerick city is also in the midst of a €16.8 million redevelopment¹¹ which has delivered a new pedestrian plaza and public drop-off point, and will deliver a new bus station and 235-space car park. This will act to enhance the station and its surrounds for residents and visitors alike.

2.5 COLLABORATIVE LOCAL ENGAGEMENT

The level and depth of engagement between businesses, third level institutions, representative bodies and statutory bodies in Limerick is a quite unique and formidable strength for the region. A collaborative approach is at the heart of many of the best initiatives in Limerick, and this is driven by an inherent buy-in and sense of identity and purpose amongst stakeholders.

Industry collaborations such as ‘Limerick for IT’ and ‘Limerick for Engineering’ are examples of industry-led initiatives which are supported by education and training providers in the region, to address future skills needs and ensure an adequate pipeline of talent will be available. Stakeholders have pointed to these initiatives, which involve companies ranging in size from SMEs to multinationals, as indicators of the joined-up approach and willingness to collaborate for the greater good of the region’s economy. This is a standout feature when compared to other cities around Ireland.

The case studies of Tampere, Dundee and Portland in this report have illustrated how public-private-academic partnerships are critical for regions as economic development teams cannot work in isolation, and a joined-up focus is required to ensure that long-term investment and planning is successful. The existence of a collaborative approach in Limerick is an advantage for strategic planning and communications between key stakeholder groups.

The collaborative approach to enterprise in Limerick city has been further enhanced by the development of spaces such as ‘ENGINE’, Bank of Ireland’s Workbench facility, the Nexus Innovation Centre at UL and the Hartnett Enterprise Acceleration Centre at LIT. Third level institutions in the region were specifically praised by companies for their flexibility in adapting courses to address skills needs, and in certain cases providing in-house training for employees. This is seen as invaluable to upskilling the available pool of talent and improving Limerick’s reputation as a centre for excellence in education.

¹¹ <http://www.transportforireland.ie/e16-8-million-redevelopment-limericks-colbert-station-announced/>

Collaboration in the wider region also extends to the county councils where the CEOs of the local authorities of Limerick, Clare and Tipperary meet every six weeks to discuss policies for the development of the region. It is recognised that although the counties are competing with each other in certain spheres, economic progress in one county is advantageous for the others, and hence approaching development from a regional perspective is mutually beneficial.

2.6 TOURIST ATTRACTIONS, HISTORICAL INFRASTRUCTURE AND SPORT

As well as being bordered by a number of counties which offer a variety of famous visitor attractions, Limerick boasts a broad spectrum of historic and tourist amenities which should form important components in the region's tourism strategies over the coming years.

Building on the success of Limerick as the European City of Sport in 2011 and the National City of Culture in 2014, the *Limerick Tourism Development and Marketing Strategy 2017-2023*¹² was developed by LC&CC in order to “revitalise the tourism sector in Limerick”. The draft report highlights key opportunities to grow the tourism sector across the city and county, from the forests and mountains of rural Limerick to the vibrancy of the city area.

Limerick city itself has an important Georgian built heritage, and is home to significant historical sites including King John's Castle and The Treaty Stone, while the county is dotted with castles, cathedrals, friaries and medieval villages. These features are complemented by natural attractions such as the Ballyhoura Mountain Trails, and the landmark River Shannon which offers multiple opportunities for tourism and leisure activities. Cultural amenities in the county include the Limerick City Gallery of Art and The Hunt Museum which formed parts of Limerick's candidacy for the title of European Capital of Culture 2020.¹³

A key piece of tourism infrastructure is on Limerick's doorstep in Shannon Airport, providing access to the county for international tourists, while the road, rail and bus networks provide access for those travelling over land. This existing transport infrastructure is a strong basis for the development of the region's tourism offering.

Accommodation in County Limerick is underpinned by 27 hotels which are registered with Fáilte Ireland, including the recently reopened luxury 5 star Adare Manor. Hotels in the region account for over 2,100 beds, and occupancy levels have risen over recent years to over 80 per cent, in excess of the national average. This confirms that the existing hotels are performing well, but suggests that additional capacity may be needed over the coming years if tourist volumes increase, and this point was alluded to in consultations.

¹² <https://www.limerick.ie/sites/default/files/media/documents/2018-01/DRAFT%20Limerick%20Tourism%20Development%20and%20Marketing%20Strategy%20%282%29.pdf>

¹³ <http://www.limerick2020.ie/>

One of the primary passions of Limerick people is the county and province's sporting heritage, and this provides significant physical and cultural assets for the city in particular. Thomond Park, the home of Munster Rugby which was redeveloped in 2007-2008 to accommodate a capacity of 26,000, is an asset not only in terms of sporting infrastructure but also as a venue for business and entertainment events. The Gaelic Grounds in the west of the city is a larger stadium with a capacity of approximately 50,000, and similarly represents significant sporting infrastructure for the GAA, which could be adapted for music concerts amongst other events. Limerick's sporting pedigree is renowned and was further recognised in 2011 as the city was named the European City of Sport.¹⁴

3. WEAKNESSES

As with all regions, Limerick has a number of areas of weakness which could be improved upon. In the case of Limerick, these factors are related to the region's physical infrastructure, socio-economic conditions and tourism sector performance.

3.1 LIMERICK CITY CENTRE

Limerick city has encountered a number of issues in relation to its physical infrastructure over recent decades which came to the fore during this analysis. The primary weakness arises from a 'donut effect' from an apparent 'hollowing out' of the city's core residential, retail, education and commercial activities. This has contributed towards a lack of vibrancy around the city centre, while in a related context the city has also failed to achieve significant scale and density in population terms.

Population

Population density is one issue which has reduced the 'vibrancy' of Limerick city, with a relatively low number of people living in the centre and many commuting from the suburbs or further afield to the city each day. Census 2016 showed that Dublin and Cork are the most densely populated cities in Ireland with over 3,000 persons per square kilometre. This compares to approximately 623 persons per square kilometre in Limerick city, and underlines the relative under-population of the urban area.

A lack of density ultimately relates to population and the small scale of Limerick may be a hindrance for its future growth. Businesses and workers are attracted to urban areas of critical mass as they tend to have better infrastructure and wider pools of talent, and so the relatively small population size of Limerick city & suburbs of approximately 97,000 may be problematic, though the National Planning Framework has targeted population growth in the city & suburbs of at least 50 per cent by 2040. If achieved this would see the population rise by approximately 50,000 – 55,000 over the next twenty years or so.

¹⁴ <http://www.limerickchamber.ie/limerick/sport/>

Housing

The lack of availability of modern apartment blocks may be a contributory factor behind this lack of density. In Census 2016 83.2 per cent of households in Limerick city & suburbs resided in houses, compared to 17.8 per cent in apartments. Although this was 6 percentage points above the national average, it is relatively low compared to number of households living in apartments in the city & suburb areas of Galway (23.3 per cent) and Dublin (26.3 per cent). A shortage of city centre apartments was also alluded to by stakeholders who underlined the often unfulfilled desire of many young professionals to live close to the heart of Limerick city, due to the lack of appropriate accommodation.

Retail & Commercial

A 'donut effect' is most evident in the retail sector, where suburban shopping centres have come to dominate. This has acted to draw people away from city centre retail outlets as big name brands and a wider selection of retail offerings in shopping centres and retail parks have come to the fore. Retail in the city centre has been adversely affected by this trend (which also affects other cities in Ireland) and has ultimately acted to reduce footfall in the city.

Shortages of office space may also be contributing towards this lack of urban density, though the development of the *Limerick 2030* sites can be expected to alleviate part of this issue. According to Cushman and Wakefield¹⁵, there is a distinct shortage of large, high quality office space in Limerick city centre (Central Business District and adjoining areas). The stock of office space in the city has been increasing over the past number of years, but the rate of growth observed has been steadily declining and is clearly not keeping pace with demand.

Urban Renewal

Certain areas of Limerick city centre were also singled out for comment amongst stakeholders. The Georgian Quarter of the city was highlighted by multiple stakeholders due to the dilapidated nature of many buildings in the area. The economic viability of refurbishing these buildings for modern residential or commercial use has been questioned, and may be a reason for the general decline in building conditions in the Quarter. Nicholas Street was also alluded to as a thoroughfare which has struggled with vacant buildings, social disadvantage and an overall peripheral feeling which is problematic for a street which links the city centre with attractions in the Old Quarter such as King John's Castle.

Events & Social Life

Stakeholders also pointed to a lack of high profile events and a shortage of options for night-time entertainment and socialising as being detrimental to the city's feel of life and vibrancy. A number of stakeholders felt that there weren't sufficient high quality hospitality and entertainment options in the city centre at night time, meaning that people tended to stay in suburban areas instead. However, in recent months a number of new bars and venues have opened in Limerick which represent

¹⁵ See Cushman & Wakefield, Irish Office Market, Q1 2017 for further details.

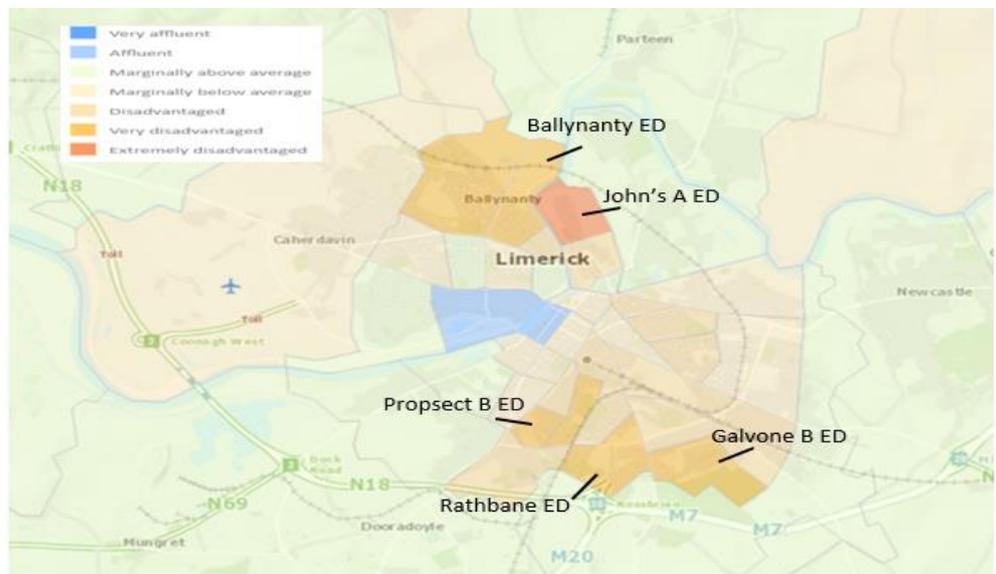
strong additions to the night time entertainment options in the city. As will be explored in section 4.5, there appears to be scope for the hosting and promotion of more events in the city.

3.2 SOCIAL DEPRIVATION

As set out in the economic profiling section of this report, social deprivation is a prominent issue in a number of areas of Limerick. As detailed in that section, the affluence or disadvantage of a particular area can be measured by the Pobal HP Deprivation Index¹⁶ using data from the Census of Population. In establishing the affluence/deprivation in an area the index draws on the demographic profile of the area (e.g. population change, age profile), the social class composition (e.g. educational level) and the labour market situation (e.g. male and female unemployment rate). For further details on this index please refer to Section A.

Relative to the other four Irish cities, Limerick suffers greatly in terms of the level of deprivation in the city centre area. Based on Census 2016 data, the Pobal HP Deprivation Index identified 11 Small Areas, across 6 EDs (areas containing an average of 90 households) in Limerick as being “extremely disadvantaged”. While it is difficult to make direct comparisons with other cities, it is worth noting that only four extremely disadvantaged Small Areas (SAs) were identified in Dublin, one in Cork city and none in either Galway or Waterford cities.

Figure 3.1: DEPRIVATION INDEX MAP – LIMERICK CITY & SUBURBS, BY ED, CENSUS 2016



Source: Pobal

Population

In each of the 11 SAs, the level of social deprivations has worsened from an average deprivation score of -27.85 in 2011 to -31.73 in 2016 (with -35 representing the worst possible score).

¹⁶ <https://www.pobal.ie/Pages/New-Measures.aspx>

Between 2006 and 2016 the total population in the five EDs included in Regeneration Limerick (excludes Ballinacurra B) has fallen from approximately 9,000 to 6,600 persons, representing just under 7 per cent of the city & suburbs population. This reduction in population is due in part to the policies of Regeneration Limerick which aimed to reduce the concentration of deprivation in these areas. The most pronounced reductions occurred between 2006 and 2011, with the populations of Galvone B ED (Southill) and John's A ED (St Mary's Park) recording the largest decreases of 43.7 per cent and 28.7 per cent respectively over the period. Population reductions slowed between 2011 and 2016, but for the decade between Census 2006 and Census 2016 the overall population decline in these two EDs in particular has been substantial. In particular, the population of Galvone B (Southill) has reduced by 57.4 per cent while the population of John's A (St Mary's Park) has fallen by 37.3 per cent in total in the 10 year period.

Box 1: Pobal HP Deprivation Index – Absolute Index and Relative Index

For each Census wave, the Pobal HP Deprivation Index comprises an absolute and a relative score. The Absolute Index Score measures the affluence/deprivation of each small area on a single scale which is fixed across all waves and has a mean of zero and standard deviation of ten for 2006 only. The Absolute HP Deprivation Scores for 2011 and 2016 are constructed using the same measurement scale, which means that they reflect changes in the national economy. For example, if there is economic growth between two Census waves, we would expect the deprivation scores to reflect the resulting increase in affluence.

The Relative Pobal HP Deprivation Index Scores show how each area relates to all other areas at a point in time by using the latest Census data. The Relative HP Deprivation Scores are derived by subtracting the underlying trend from the absolute HP Deprivation Scores and rescaling them so that they have a mean of zero and a standard deviation of ten at each Census wave.

For more information on the Pobal HP Deprivation Index: [The 2016 Pobal HP Deprivation Index Introduction](#).

Education

In Limerick's most deprived areas there have been notable improvements in educational attainment over the past five years. According to the Pobal HP Deprivation Index, the proportion with only a primary education decreased in five of the six most deprived EDs in the city. However compared to the rest of the county, where 15 per cent of the population on average hold only a primary education, the levels observed in the city's most deprived areas are still exceptionally high. For example, in John's A ED, the location of St Mary's Park, 47 per cent of the population is only educated to primary school level, representing an improvement from Census 2011 when close to 53.5 per cent of the population had

only a primary education. However, of the ED's which contain the 11 SA's identified as being "extremely disadvantaged", John's A would be considered the worst performing when it comes to education attainment. In Prospect B, for example, 32.9 per cent of the ED population is educated to primary level only – a more positive situation than that observed in John's A.

More generally, educational attainment in Limerick is also poor relative to comparator cities. In 2016, just over 12 per cent of those over the age of 15 in Limerick city & suburbs had a primary school education only. This compares favourably to the 13.6 per cent in Waterford, but is considerably higher than in Dublin (10.9 per cent), Cork (10.7 per cent) and Galway (7.9 per cent). In all, 46.5 per cent of those over the age of 15 have an educational level up to and including secondary level only, much higher than the rates observed in Dublin, Cork and Galway.

Considering the high proportions of the population with only a primary level education it can be expected that the knock-on effect is a population with a low level of third level educational attainment. At a national level the proportion of the population with a third level education was 36 per cent in Census 2016. Third level attainment in Limerick County is broadly in line with that of the State at 34.8 per cent of the population and within Limerick city & suburbs the rate is 32.8 per cent. This means that Limerick sits at the lower end when compared to the other four cities with Galway (46.2 per cent), Dublin city & suburbs (41.2 per cent) and Cork (37.4 per cent) ahead of Limerick. Waterford (27.6 per cent) is the only city with a lower third level education attainment rate.

At an ED level, the situation is even more pronounced. In four of the five most Limerick Regeneration EDs, less than 7 per cent of the population had a third level education. At the more granular SA level, there have been very marginal improvements in the proportion with a third level education over the period 2011 to 2016. The rates are still extremely low as less than 5 per cent of the populations in the 11 of the most deprived SAs have a third level education.

Unemployment

In the city & suburbs of Limerick the unemployment rate is high at 16.8 per cent compared to a State average of 12.9 per cent, as per the 2016 Census.¹⁷ It is also considerably higher than the unemployment rates observed in city & suburbs of Galway (12.8 per cent), Cork (12.1 per cent) and Dublin (11.9 per cent). However, this 2016 level of unemployment in Limerick represents a marked improvement on the rate recorded in Census 2011 when just over 23 per cent of the city & suburbs population was unemployed. This is equivalent to a 6.5 percentage point decline in unemployment and was the strongest improvement observed across the five city & suburbs areas

¹⁷ The definition of unemployment per the Census is different from that used in the Quarterly National Household Survey, and results in a somewhat higher level.

While there have been clear improvements in the economy over the past five years there is notable concern regarding the high unemployment rates recorded in Limerick's most disadvantaged areas. Addressing the educational deficit is central to dealing with unemployment and the scale of deprivation in these areas however, the issue of unemployment in Limerick city is one which appears to have been difficult to address.

The Pobal HP Deprivation Index breaks down the unemployment rate by gender. In the five years between Census 2011 and Census 2016, a period of economic recovery, the unemployment rate amongst males increased in six of the 11 Limerick SAs of "extreme disadvantage". In fact, the average rate of unemployment amongst males in the 11 SAs only fell from 61.8 per cent in 2011 to 61 per cent in 2016. Conversely, the female unemployment rate dropped in eight of those 11 SAs in the same period and from an overall average of 50.2 per cent in 2011 to 43.9 per cent in 2016.

As mentioned in the economic profiling report, 17 of the country's 79 unemployment blackspots were located in Limerick city in 2016. With respect to the five EDs identified earlier, all are classified as unemployment blackspots with unemployment rates ranging from 33.8 per cent in Rathbane to 58.3 per cent in John's A (St Mary's Park).

It is clear from the data that the situation in the four most deprived areas of the city - Moyross, St Mary's Park, Southill and Ballinacurra - is having a negative overall effect on county and city level data in particular. This is particularly true in the case of the unemployment figures. While there have been some marginal reductions in the unemployment rate in the five most disadvantaged EDs in the city, the rate of decline has been slow considering the economic recovery that has occurred in the county and in the State. In the case of John's A ED, the rate of unemployment recorded in Census 2016 actually marks a deterioration from the Census 2011 figure of 56.8 per cent. Unless improvements are generated in terms of the number of unemployment blackspots in Limerick city, it is difficult to see the overall level of unemployment in the city coming in line with the national average in the short- to medium-term.

When it comes to the issue of social deprivation it appears, from the data outlined above and in the economic profiling section of this report, that there are long-standing and deep-rooted issues in Limerick compared to the other four Irish cities. During consultations with stakeholders it was highlighted that density and vibrancy needs to be returned to the city centre with a number of stakeholders identifying Limerick's city centre as both the biggest weakness and opportunity with regard to Limerick 2030. While much work is being done by Regeneration Limerick (see the economic profiling report) the development of the Northern Distributor Road, as singled out in consultations, will also open up landholdings north of the city, in the proximity of Moyross and St. Mary's Park. This, combined with a zero rate development levies, should act as an incentive to further develop and improve these areas.

If Limerick city is to achieve the objectives of Limerick 2030 and draw investment into the city centre then it is important that all areas of the city are utilised to their full potential. Increasing the educational attainment and housing opportunities in the most disadvantaged areas will contribute positively towards Limerick's ability to draw in future investment to both the city and county. Achieving this however will require intensive and sustained intervention in the four most deprived areas of the city in particular which will take time to be felt in the wider community.

3.3 INFRASTRUCTURE

Although Limerick has many strengths from an infrastructure and connectivity standpoint, there are a number of weaknesses in this area which have been highlighted as potential impediments to the future growth of the region.

Road Infrastructure & Transport

Road infrastructure has improved in certain areas of Limerick in recent years, most notably with the recent opening of the M17/M18 motorway linking Limerick to Galway and Tuam, but a number of areas of weakness arose in our consultations.

The absence of a motorway directly to Cork was raised in the majority of consultations and is considered to be a vital piece of infrastructure which will be needed in order for regional cities such as Cork and Limerick to evolve economically over the coming decades. This will be explored further in section 4.3. The existing Dock Road was also specifically highlighted as a weakness as it is prone to high levels of congestion, hinders access to the city, and is unsuitable for the large volumes of vehicles accessing the Docks from the Western Road. Traffic accessing the city via the M7 around peak times was also cited as problematic. This is especially the case for those travelling to areas in the east of the city such as the National Technology Park in Castletroy, or the nearby University of Limerick, though the Northern Distributor Road will be expected to relieve some of this pressure once complete.

A high car dependency amongst those working and living in Limerick is an issue. As shown in Table 3.1, just 2.8 per cent of Limerick residents aged 15 years and over working outside the home commuted by public transport¹⁸ as of the 2016 Census. This was below the State average of 9.3 per cent and below all other counties which contain a city, with the exception of Waterford where 1.9 per cent of working commuters use public transport. Just over 2,000 workers commute by public transport in Limerick and, according to stakeholders, this has created a strain on carparking capacity, limiting options for drivers and hindering efficient access to and exit from the city.

¹⁸ Bus or train.

Table 3.1: PROPORTION OF POPULATION IN SELECTED COUNTIES AND AT STATE LEVEL AGED 15 YEARS AND OVER, WORKING OUTSIDE THE HOME & COMMUTING BY PUBLIC TRANSPORT, 2016

County	Public Transport		Percentage Public Transport
	Commuters	Total Commuters	
Cork	9,601	214,190	4.5%
Dublin	124,553	587,108	21.2%
Galway	4,007	101,401	4.0%
Limerick	2,005	72,356	2.8%
Waterford	787	42,222	1.9%
State	174,569	1,875,773	9.3%

Source: CSO Census 2016.

Utilities

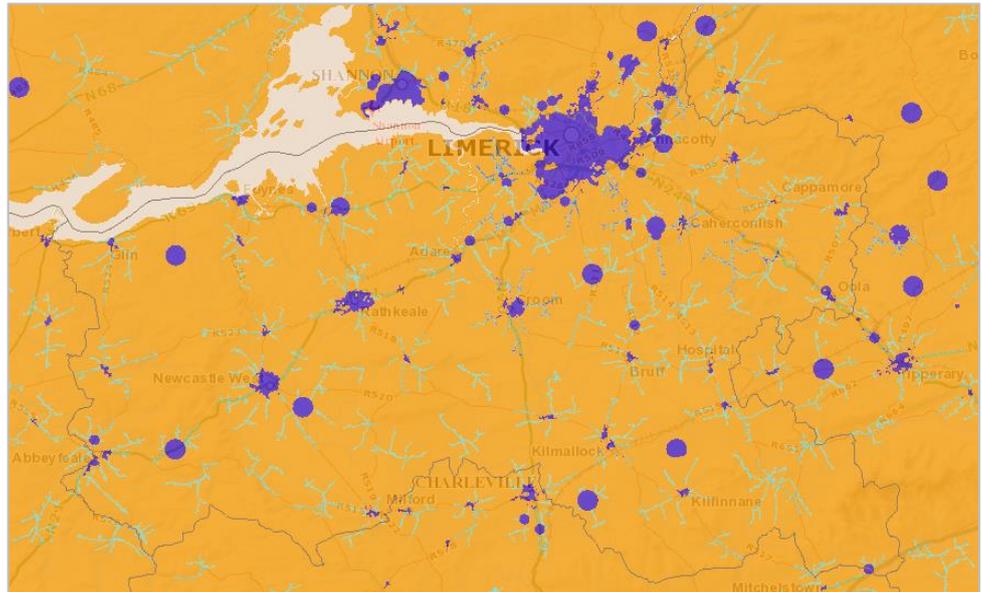
Broadband quality and availability is another facet of infrastructure in County Limerick which was cited by stakeholders as requiring attention, despite strong coverage levels in Limerick city. A 2014 report¹⁹ which reviewed the level of broadband access in Limerick, based on 2011 Census data, showed that Limerick city enjoyed a relatively high level of broadband access with one-third of all Small Areas are classified in the top 25 per cent nationally in terms of the percentage of households that have home broadband.

Superfast broadband of up to 1 gigabit per second is provided by a number of commercial operators in Limerick city & suburbs.²⁰ As shown in Figure 3.2, commercial operators deliver, or plan to deliver, high speed broadband to many urban areas including Rathkeale, Newcastle West and Limerick city & suburbs, but broadband coverage outside of these centres is evidently poor and is hence being targeted by the National Broadband Plan. Several stakeholders outlined how this should be a high priority for the future development of the county, as this weakness is restricting the progress of individuals and businesses, particularly outside urban areas.

¹⁹ https://www.researchgate.net/profile/Des_McCafferty2/publication/322665115_Limerick_After_the_Downturn/links/5a677ef80f7e9b76ea8f0142/Limerick-After-the-Downturn.pdf

²⁰ <https://siro.ie/towns/limerick/>

Figure 3.2: MAP OF BROADBAND COVERAGE IN COUNTY LIMERICK, 2017



Source: Department of Communications²¹

Purple Areas: where commercial operators deliver or have indicated plans to deliver high speed broadband.

Amber Areas: target areas for the State Intervention of the National Broadband Plan.

Light Blue Areas: where commercial operators have committed to deliver high speed broadband in rural areas.

The international benchmarking report also brought this weakness in the area of broadband to the fore, as Limerick was found to have the one of the weakest broadband speeds and a low level of Wi-Fi hotspots per head of the population relative to the comparator cities. Given the imperative of sound broadband access in the digital age, addressing this shortcoming should be a priority for Limerick.

In the next two to five years the focus must move to removing broadband black-spot areas in some suburbs of Limerick city and other rural towns and isolated areas of Limerick County. The National Broadband Plan will enable access to the remaining 22 per cent of properties in Limerick County in the next three to five years. At the same time, the Limerick Digital Strategy, the first digital strategy in Ireland to define Limerick as a Smart City Region and Communities, will aim to increase the digital infrastructure, fibre connectivity, public Wi-Fi access points, deployment of IoT - Internet of Things for traffic and pedestrian counting, noise, water and air quality and wider use of data and analytics for evidence based decision making.

The area of energy also produced mixed results for Limerick when compared to other international locations. Average industrial electricity prices were the highest of the nine benchmarked cities at €0.100 per kilowatt hour, substantially above the most affordable locations of Portland (€0.045), Vancouver (€0.048), and Tampere (€0.067). Average industrial gas prices reflected more favourably on Limerick as it ranked fourth of the nine benchmarked locations. Energy is a differentiator amongst international destinations, especially for those firms engaged in high

²¹ <http://www.dccae.gov.ie/en-ie/communications/topics/Broadband/national-broadband-plan/high-speed-broadband-map/Pages/Interactive-Map.aspx>

energy consumption sectors. The future of the Moneypoint coal-fired power station in County Clare is a medium term consideration in this regard.

Education

In the area of education, concerns were raised by stakeholders over the capacity of schools in the region to absorb additional pupils if the population of Limerick continues to rise, and particularly at the rates targeted in the National Planning Framework (at least 50 per cent by 2040). As of the 2016 Census, the population of Limerick city and county was approximately 195,000, 1.6 per cent above the figure from the 2011 Census. Continued increases in the population of Limerick will naturally have implications for school capacities in the future.

Limerick city has been particularly affected by school amalgamations in recent years, which have been driven by changing demographics, the movement of family-based households with children into the suburbs and the construction of new schools in the suburbs. This has resulted in a reduction in the number of schools in the city centre, which may have contributed towards a lack of density or 'vibrancy'. Despite this overriding trend, there has been evidence of new enrolments in certain city centre schools, particularly amongst migrant communities which have settled in Limerick. Overall, in light of the targeted increase in the population of Limerick city & suburbs of 52,000 people by 2040 contained in the NPF, school places will be in greater demand over the coming decades and the sector will need further capacity.

In a related context, the availability of places in international schools were also raised by stakeholders as an area of concern. Limerick as a county endeavours to attract further FDI and this would involve the movement of international staff to the region, some of whom would have children requiring an education which is adaptable to their needs. More schools offering courses such as the International Baccalaureate would further enhance Limerick's reputation as a destination for FDI, and contribute towards attracting experienced talent from overseas.

3.4 TOURISM

The tourism sector in Limerick has been identified as an area of relative weakness, given the potential for greater activity in the sector. Limerick is bordered by counties with numerous famous natural attractions in Kerry, Clare and Cork, which draw large volumes of tourists. Limerick has been less successful in this regard, despite the close proximity of Shannon Airport. As the main regional city between Galway and Cork, on the River Shannon with access to an international airport, Limerick's tourism sector should be attracting larger volumes of tourists. Just under 540,000 overseas tourists visited Limerick in 2015, and although this represents a significant increase on the circa 391,000 such visitors in 2012 and is close to the visitor numbers for Clare in 2015 (597,000), it pales in comparison to Kerry (1 million) and Cork (1.45 million).

It is apparent that Limerick has suffered from an underperformance in tourism for many years. A primary weakness is its absence from the main route of the *Wild*

Atlantic Way, which has generated considerable tourism benefits for other counties all along the western seaboard. Limerick is not part of a designated tourism trail and for this and other reasons it has not developed to its full potential in a tourism sense – especially given the attractions outlined in section 2.6. There is scope for improvements which would benefit many sectors of the Limerick economy, particularly hospitality and leisure.

Shannon Airport has been highlighted as a vital asset for the region providing daily access to the US, UK and Europe. The airport serves 31 destinations across 11 countries and provides connections to some of the world’s largest airport hubs, including London Heathrow, New York JFK, Newark and Boston.

Since obtaining Independence in 2013, Shannon Airport has seen strong passenger growth. In 2017, the airport handled 1.75 million passengers (Figure 3.3), representing a 25 per cent increase in passenger numbers since obtaining independence in 2013. Critically since independence, transatlantic traffic has increased by 20 per cent, while European traffic has also grown by 80 per cent. The introduction of new routes with Norwegian in 2017 along with the introduction of Air Canada in summer 2018 will provide a further boost.

Further evidenced in Figure 3.3 is the weakening of passenger numbers through Shannon Airport in recent years. As shown, passenger arrivals at the airport dropped off from over 1.83 million in the 12 months to September 2007 to just under 800,000 in the 12 months to September 2017. Passenger departures through Shannon were broadly similar to those of arrivals over the same period.

Figure 3.3: PASSENGER ARRIVALS AT SHANNON AIRPORT IN THE 12 MONTHS TO SEPTEMBER OF EACH YEAR, 2007-2017



Source: CSO

Given the significant excess capacity available at the airport, the broadly upward trend in demand for air travel internationally in recent years, and the multitude of attractions in the west of Ireland, it is reasonable to consider that there are

opportunities for growth at the airport in the medium term. The wider region likewise needs Shannon Airport to return to stronger levels of growth.

4. OPPORTUNITIES

Arising from the strengths, and indeed weaknesses, of Limerick it is clear that opportunities exist for the overall improvement of the county as a place to live, work, do business in or visit. These opportunities relate to the further development of the region's physical infrastructure, the revitalisation of the city centre, making improvements to transport links, targeting enterprise growth and improving the performance of the tourism sector.

4.1 DEVELOPMENT SITES

There exists substantial scope for the development of both greenfield and brownfield sites in Limerick which could cater for residential, commercial, educational or recreational amenities in future. Six key development sites are at the heart of the *Limerick 2030* strategy and are supplemented by several other potential development areas which could cater for the demands of a growing city in both population and economic terms.

Limerick 2030

In the context of *Limerick 2030*, the 8 acre Cleeves Riverside Campus and the 3.7 acre Opera Site are considered to have the most 'transformational' potential for the future development of the city. The Cleeves Riverside Campus, which is shown on the northern bank of the River Shannon in the aerial photograph overleaf, is at the master planning stage and is considered to be suited to a mix of uses, including education, tourism, residential, incubation/innovation space and commercial office use. The potential of this site has been supplemented by the purchase of the adjacent former Salesians School site of 2.3 acres which will also form part of the *Limerick 2030* portfolio. The Opera Site, which is located at the northern edge of the city's core commercial area and is bounded by Patrick Street, is projected to accommodate approximately 550,000sq.ft of building accommodation for up to 3,000 workers. This site is currently going through the planning process with construction expected to start in late 2018, and has recently secured major funding from the European Investment Bank (EIB) and the Council of Europe Development Bank.²²

The *Limerick 2030* portfolio also includes the 0.6 acre Gardens International site on Lower Henry Street where construction is expected to be completed during 2018, providing five storeys of mainly office space which will be targeted at large-scale, knowledge-based enterprises. The Troy Studios Film Hub has already been

²² <http://www.limerick2030.ie/news/european-investment-bank-backs-rejuvenation-limerick-and-confirms-new-irish-urban-investment>

delivered by *Limerick 2030*, while a 0.8 acre site beside Colbert Station is expected to accommodate a mixed use development.

The area around Mungret to the south-west of the city has swiftly developed over recent years with new schools and housing but there is substantial scope for future development. The former Mungret College site alone consists of 80 acres which is the sixth element in the *Limerick 2030* portfolio and is earmarked for the provision of up to 850 houses.

In combination, the six sites incorporated under *Limerick 2030* represent a significant opportunity for the regeneration and development of Limerick city and its environs.

Figure 4.1: AERIAL PHOTOGRAPH OF LIMERICK SHOWING POTENTIAL DEVELOPMENT SITES INCLUDING FOUR OF THE LIMERICK 2030 SITES



Source: LC&CC

Other Development Sites

A number of stakeholders also pointed to the potential of separate sites north of Limerick City which could be developed following the completion of the Northern Distributor Road. The road, which has been approved by councillors in LC&CC and is shown in the map below, is planned to link Lisnagry to the east of Limerick city with Coonagh on the west of the city, with junctions serving Corbally, UL and the National Technology Park.

Figure 4.2: PROPOSED ROUTE (IN PURPLE) OF THE NORTHERN DISTRIBUTOR ROAD IN COUNTIES LIMERICK AND CLARE



Source: Limerick.ie

The proposed route would reduce congestion on constrained routes around the north of the city, ultimately facilitating swifter access to sites near Coonagh and Moyross which have been identified as having potential for future development. Access to the National Technology Park and UL would also be enhanced, contributing to the attractiveness of Limerick for many stakeholder groups.

Limerick Docks also represent a significant opportunity for development closer in to the city and in late March 2018 the Shannon Foynes Port Company launched their Docklands Framework Strategy²³ which could see a minimum of €100 million worth of development and redevelopment taking place on the site. The Docks are located in a prime location in the south-west of the city, flanked by the M7 motorway to the west and the city to the east and include brownfield land along with two historic and protected buildings in Bannatyne Mills and Rank's Silo. The Docks also encompass considerable greenfield land between the Dock Road and the River Shannon which has the potential to accommodate offices and warehouse space. Improving pedestrian access from the Docks to the city, and vehicular access towards the Western Road via the Dock Road will further enhance the potential of the Docks.

²³ <http://www.sfpc.ie/download/Docklands%20Framework.pdf>

Private Development

Overall, private development will need to be attracted to the city in order for Limerick to prosper in the medium- to long-term. *Limerick 2030* is an example of LC&CC's proactive approach to development but this will need to be supplemented by private development of sites for many uses including residential, commercial and recreation. According to LC&CC there is currently 440ha of land zoned for residential development in the city and its environs. A number of stakeholders also queried whether private developers could be engaged for parts of the *Limerick 2030* portfolio in order to speed up the development process and alleviate pressure on public funds, and also to bring their development expertise to bear. This may be a route worthy of exploration.

4.2 LIMERICK CITY CENTRE REVITALISATION

Linked to the 'donut effect' and lack of density in Limerick city centre is a lack of vibrancy, which is both a weakness and an opportunity. The rejuvenation of the city via the renewal of run down areas and the development of greenfield and/or brownfield sites would promote Limerick as a modern place to live, work in and visit. This represents a significant opportunity to create added atmosphere around the city, which could be accentuated by strengthening the already broad base of cultural and sporting events hosted by the city on an annual basis.

The National Planning Framework has set a target increase in the population of Limerick city & suburbs of at least 50 per cent or approximately 50,000 – 55,000 people by 2040, with 50 per cent of the additional housing required in Limerick to be constructed on infill/brownfield sites. The Georgian Quarter in particular is an obvious area of opportunity for development in this regard, with many derelict and/or vacant buildings requiring action in order to be habitable again, although the heritage nature of the buildings imposes some constraints. An Urban and Village Renewal Department has been established within LC&CC to look at plans for this particular area of the city centre. These include residential plans and LC&CC is working with various Governmental schemes to rejuvenate the Quarter.

Revitalisation also feeds through to vibrancy in the centre of Limerick where music, cultural and sporting events could generate further atmosphere. Events which attract large crowds to the city on a regular basis would produce added vibrancy and life and generate economic benefits for the city. Effective marketing of these events to domestic and international markets is essential.

O'Connell Street was mentioned by stakeholders as a thoroughfare which presents a unique opportunity for development, especially given a €9.1 million revitalisation plan for the street is at the Feasibility Concept Phase.²⁴ Limerick's main street could be transformed into a more attractive and accessible route which would encourage more people to visit the city centre for leisure and shopping activities. Stakeholders pointed to poor aesthetics as a shortcoming of O'Connell Street and other streets

²⁴ <https://www.limerick.ie/council/services/roads-and-travel/limerick-urban-centre-revitalisation/oconnell-street-limerick>

in the centre, which would need attention in order to become a more attractive destination for shopping and leisure activities. Given the capital expenditure which would be involved, such opportunities do not present themselves often and hence finding an appropriate and acceptable solution for as many stakeholders as possible is important for the future of the city.

The establishment of WP Engine, a new co-location space is also helping to provide a vibrant innovation and business development ecosystem in the city centre, providing a readymade solution to businesses who which to benefit from a city centre location.

The development of Limerick as a 'smart city' is also an area of potential in this light, as rejuvenation provides opportunities for Limerick to install modern technology systems which could, for instance, improve the county's transport efficiency or energy consumption levels. The megatrends analysis outlined in Chapter 10 show that challenges and opportunities will continue to emerge in numerous areas of smart technologies for cities, such as mobility, energy and waste. The case studies in Chapters 6-9 also illustrate how cities need to be bold in their smart city and sustainable policies in order to underpin urban renewal and future growth. Investment in these areas would contribute towards Limerick's status and attractiveness as an investment location.

4.3 TRANSPORT

The transport infrastructure of Limerick is well developed in many respects, but opportunities have been highlighted for the system to be improved for the betterment of mobility across the region.

A motorway connection between Cork and Limerick was most often cited, with the majority of stakeholders favouring the M20 option which would directly connect Limerick and Cork, significantly reducing travel times between the two cities. An Taoiseach, Leo Varadkar, confirmed in October 2017 that the M20 motorway has been passed by Government and could be under construction by 2021, subject to planning.²⁵ This new motorway will facilitate swifter travel times for those moving between the cities for business, work, leisure or other reasons.

The UL Hospital Group, which has been growing over the past number of years, has a vision for a continued phased development of its infrastructure and services.²⁶ As such there may come a time in the future when medical services offered in Cork may be provided in Limerick. However, until that time, faster access to Cork would ensure that medical patients in need of urgent care will be better able to avail of specialist care in the larger hospitals in Cork.

²⁵ <https://www.irishtimes.com/news/ireland/irish-news/cork-limerick-motorway-to-be-in-capital-plan-taoiseach-confirms-1.3255641>

²⁶

<https://www.hse.ie/eng/services/publications/serviceplans/serviceplan2016/oppls16/ulopspls16.pdf>

This motorway would also open up job opportunities for people in Limerick, Cork and elsewhere as reduced commuting times would enable workers to explore job opportunities further afield. It would also complete a motorway network stretching from Tuam in the north to Cork in the south, with further connection to Waterford and Rosslare via the N25.

Other potential road projects mentioned in consultations were the upgrade of the Dock Road which connects Limerick Docks with the Western Road. An upgrade of this road would facilitate more efficient transport of cargo to and from the Docks thus reducing congestion in the area, and would also ease access should the redevelopment of the Docks proceed in future.

The Northern Distributor Road – which has been approved by councillors in LC&CC – was also referenced as a key opportunity for development within the road network, which would alleviate congestion bottlenecks between Lisnagry in the east of the city and Coonagh to the west. While more broadly, the National Planning Framework has identified a lack of high-quality connectivity between the regions of the Atlantic Economic Corridor (AEC) which has resulted in major impediment of its development as a counter-balance to the eastern regions.²⁷

Shannon Airport's capacity was alluded to by a number of stakeholders in the context of opening new routes, particularly to continental European destinations such as Paris, Amsterdam and Frankfurt. The airport has strong connectivity on certain routes at present, but passenger levels remain significantly below capacity and historic levels, and greater connectivity would benefit businesses, tourists and residents in the wider western region. Shannon faces challenges in this regard as the market for international routes is highly competitive and dependent on commercial performance. A key challenge for Shannon in this regard is to ensure its cost base is competitive compared to other International rivals. Shannon also faces additional challenges domestically in terms of competition from a dominant Dublin Airport but also from subsidised private airports at Knock and Kerry. The current system of subvention for regional air services which affects substantially, if indirectly, the finances of the regional airports is having an impact on competition between the airports on the West coast whose catchments all clearly overlap.

Rail and bus links in Limerick contain opportunities for the county. Direct train services to Dublin (removing the need for transfer at Limerick Junction), the operation of commuter trains between the city and certain suburban areas, and the development of a rail link from Shannon-Foynes to Limerick city (potentially along the route of a disused rail line between the two locations) were each cited by stakeholders as potential solutions to inefficiencies in the train service. However, it must be acknowledged that consultations with Irish Rail indicated that lack of population density along these routes and in the region in general places constraints on the potential to develop new rail routes.

²⁷ <http://npf.ie/wp-content/uploads/Project-Ireland-2040-NPF.pdf>

Bus Eireann's routes around the city were also highlighted as areas in need of attention which have the potential to provide transport solutions for many additional areas. A number of stakeholders highlighted low usage of the bus network and their perception that bus routes are not well-matched to cater for commuters' needs, and questioned whether routes were evaluated on a regular basis to ensure that sufficient services are provided to enable as many people as possible to travel swiftly across the city, and further afield.

4.4 ENTERPRISE

As outlined under the strengths of Limerick, the region has a broad existing base of foreign and indigenous firms. Opportunities exist for this base to be expanded upon to the benefit of the regional economy.

Brexit is an example of one opportunity for Limerick to develop its economic base, as there may be scope for the transfer of jobs from the UK to destinations in Ireland. This is particularly the case given Ireland would be the only remaining native English-speaking country in the EU. It was recognised by a number of stakeholders that Limerick is unlikely to be in the reckoning for the transfer of head office operations, as capital cities such as Dublin would be more probable destinations for such functions. However, back office and support functions for multi-national companies could be attracted to Limerick and this is an area which the region can actively target.

'Clustering' is another important theme in business, whereby interconnected firms and third level institutions locate in a specific geographic area and generate synergies by operating in close proximity. Limerick has developed strengths in this regard with the likes of the National Sports Business Cluster to be located in the city, and it is hoped that the Troy Film Studios could spur clusters in the film/television and trades sectors. There is potential for further business clustering, with technology to the fore. Green energy technologies were one such area which was suggested by stakeholders, given the proximity of Limerick to the ocean resources of the Atlantic and the availability of deep water port infrastructure. Indeed Limerick Docks is already a test bed for tidal energy technologies.²⁸ This sector was deemed by stakeholders to be worthy of further exploration as a growth industry which could 'cluster' in Limerick.

Consultations with stakeholders also underlined the importance of entrepreneurship to the region. Startups are currently supported by facilities such as the Hartnett Enterprise Acceleration Centre, the Nexus Centre, Bank of Ireland Workbench and the newly opened 'ENGINE' space (based on and linked with the Guinness Enterprise Centre Model), but there is scope for further expansions in this area. Enterprise Ireland is an important stakeholder in this regard as it provides support for the development of early stage companies with export potential across the business spectrum.

²⁸ <http://tidalenergytoday.com/2017/10/05/gkinetic-concludes-second-round-of-tidal-testing/>

Startups, and indeed businesses of all sizes, will need additional office space if Limerick is to thrive. Section 4.1 outlined sites with potential for large scale development, but incubators, accelerators and development programmes are also important features. The case studies for Tampere, Dundee and Portland showed that providing these spaces is integral to assisting small firms to establish, collaborate and scale up.

The availability of finance, and particularly venture capital, is an issue for start-ups across the world. At present, there is no venture capital fund based in Limerick which can provide assist new enterprises however Innovate Limerick have recently partnered with Kernel Capital to introduce capital options. The development of such a fund, or facilitating access to such funds (by way of roadshows by start-ups to locations outside Limerick, or regular visits to Limerick by venture capital funds) would be an opportunity for startups to gain access to such important finance streams.

An opportunity would also appear to exist for Limerick to retain more graduates in employment beyond the conclusion of their college courses. At present, Limerick has approximately 23,300 students enrolled in its third level facilities, but it is evident that a large proportion of these students migrate to other locations both in Ireland and abroad for work purposes post-graduation.²⁹ This rich pipeline of talent represents a significant asset which could be utilised to greater effect by employers in the region so that the talent pool emerging from third level institutions is not dissipated to such a degree. This would benefit Limerick in both social and economic terms.

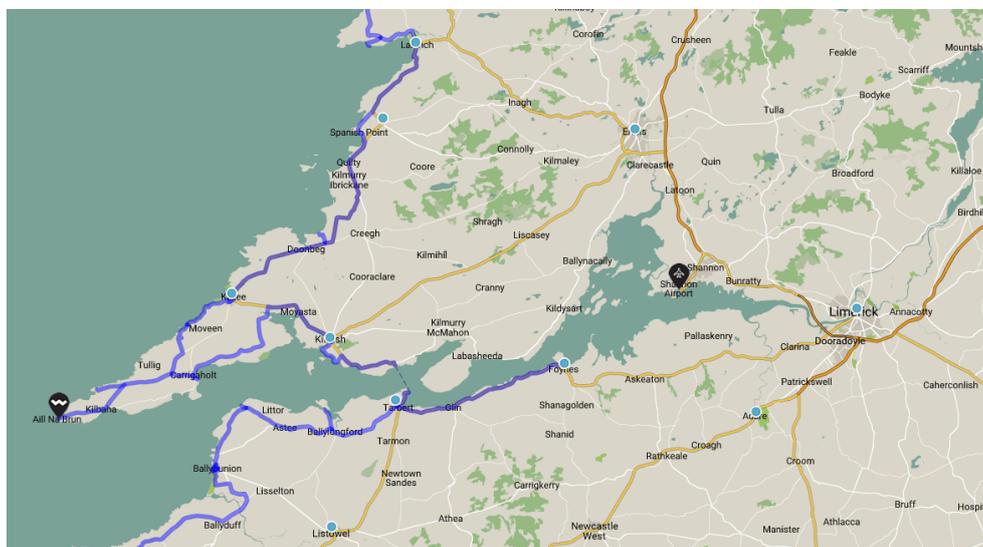
4.5 TOURISM & LEISURE

Tourism represents a key sector of opportunity for Limerick which, with the appropriate focus, could be an economic driver for the region. As mentioned previously, LC&CC's *Limerick Tourism Development and Marketing Strategy 2017-2023* is building on existing strengths to rejuvenate the tourism sector in the county and indeed the region.

The Wild Atlantic Way is a dominant brand in Irish tourism and connects counties along the western seaboard. Limerick, as shown in Figure 4.3, forms only a minor element of *The Wild Atlantic Way* via a route from Kerry to the Foynes Flying Boat & Maritime Museum, but it is evident that an opportunity may exist for the county to be more fully included. Limerick forms part of a 'loop' called *The Shannon Estuary Drive* but more formal inclusion on the *Wild Atlantic Way* would enable the county to supplement the strong offering already in place while also allowing it to tap in to a rich tourism market.

²⁹ For instance, approximately 26 per cent of all UL graduates in 2016 entered directly into employment in the Mid-West. Approximately 48 per cent entered employment outside the Mid West. Source: <http://www3.ul.ie/careers/careers/stugrad/FDR%202016%20Exec%20Summary.pdf>

Figure 4.3: WILD ATLANTIC WAY MAP SHOWING CONNECTION BETWEEN TARBERT (CO. KERRY) AND FOYNES (CO. LIMERICK)



Source: www.wildatlanticway.com

Outside of *The Wild Atlantic Way*, certain stakeholders observed that Limerick appears to have suffered from an underperformance in tourism for many years, and again an opportunity exists for a proper examination of the strategy for the county's tourism sector in future. As outlined in section 2.6, Limerick has significant natural, historic and cultural assets which could form the bedrock for greater tourism activity.

Another area of particular scope for exploration is the River Shannon, which was identified by multiple stakeholders as a significant asset which should be harnessed for both tourist and leisure activities. On the tourism side, the opportunity to offer cruises – potentially upstream to the Ardnacrusha Power Station or downstream towards the mouth of the river – was cited as highly attractive given the current dearth of such activities. More 'active' tourism and leisure offerings such as kayaking and sailing could also be explored, similar to that of the existing Get West³⁰ and Nevsail³¹ offerings. Internationally, the case studies in Chapters 6-9 showed how leveraging natural assets is beneficial in many ways for both residents and visitors and the economy. The River Shannon is a major opportunity in Limerick's case.

The hosting and effective marketing of events is another area of potential for Limerick tourism, which was cited by stakeholders. There are already many festivals hosted, especially in the city, which relate to a broad range of sectors including literature, music, theatre, film and food, but these events have thus far garnered less attention than higher profile events in the likes of Galway, Cork and Dublin. The promotion of 'flagship' events around which visitors' trips can be planned would be a stimulant for the tourism sector, while further efforts to host

³⁰ <https://www.getwest.ie/>

³¹ <https://www.nevsailwatersports.ie/home.html>

new festivals would contribute towards Limerick's vibrancy and identity as a destination.

5. THREATS

There are a number of factors, mainly outside of the control of stakeholders in Limerick, which are considered to represent threats to the future economic success of the county. These factors mainly relate to how Limerick is perceived relative to other domestic and international locations, while the county's exposure to Brexit and changes in transport linkages could also prove problematic.

5.1 TRANSPORT LINKS

Shannon Airport is of vital importance to Limerick and many counties in the west of Ireland, and any uncertainty over the continued operation of its routes represents a threat which would have serious and widespread downside consequences. As mentioned in section 2.4, the airport connects the west of Ireland with the UK, a number of other European destinations and North America. 2017 has shown how ruthlessly competitive and unpredictable the sector can be as, for instance, Norwegian Airlines opened new routes to New York and Rhode Island but United Airlines cut back on connections to Chicago and Newark, citing poor financial performance and reducing market demand. The further closure of routes to both the United States and European destinations would be a significant threat to businesses and residents in Limerick, and to the tourism market in the region, due to the importance of Shannon Airport for access to these key markets. The maintenance of these routes is of course influenced to some degree by Shannon Airport and other local bodies, but the ultimate decisions are taken by airlines and so it can be considered a largely 'external' threat.

The viability and continued operation of train routes to and from Limerick is also considered to be a threat. In a 2016 review of Irish Rail's routes³², the National Transport Authority identified the four poorest performing routes in Ireland in terms of financial performance per passenger carried. Two of the four worst performing routes had a terminus in Limerick: the Limerick – Galway route, and the Limerick- Ballybrophy route. The routes "were examined purely in financial terms and not on their potential to meet travel demands or other policy objectives in the future", but concerns will exist around the long-term viability of these lines, particularly as road connectivity improves to the likes of Galway, and given the much-publicised financial difficulties of Irish Rail.

5.2 BREXIT

The impending exit of the UK from the European Union and its implications for Ireland are substantial threats for Limerick – mainly for trade and tourism reasons. Although it is unclear what form Brexit will take, the imposition of a hard border on

³² https://www.nationaltransport.ie/wp-content/uploads/2016/11/151116_2016_Rail_Review_Report_Complete_Online.pdf

the island of Ireland, increased tariffs or a further weakening of sterling would have serious consequences for the economy of Limerick.

The traded sector in the region could be particularly impacted, thus resulting in lower activity levels across other sectors such as the ports and airport. Limerick Docks is an example of a part of the economy which could be impacted as industries in the region – such as agriculture and construction – use the port for exports, many of which go to the UK. Any setbacks for such sectors would have knock-on effects on other sections of Limerick’s economy.

Tourism from the UK market could also be significantly affected as a result of Brexit. Sterling has already weakened and this will have increased the cost of trips to Ireland for British tourists. Any further weakening of the currency, delays at seaports or reductions in air routes could further destabilise an important market for tourism in Ireland and Limerick.

Uncertainty is the dominant theme governing Brexit at present. This uncertainty is a threat to Limerick as long-term planning is affected for businesses and public bodies in the region and throughout Ireland. FDI by UK firms in to locations like Limerick may be postponed, scaled down or cancelled entirely on foot of more challenging trade conditions.

5.3 DOMESTIC CITY COMPETITION

Dublin has long been the dominant urban centre in Ireland, commanding a large portion of the national economy and population. The continuance or exacerbation of this trend is a threat to Limerick – and indeed the other regional Irish cities – as balanced economic growth would be hindered, thus producing less economic opportunities outside the capital.

The National Planning Framework³³ will be an important factor in this regard as it sets out the Government’s spatial plans to 2040 and provides guidance for investment decisions. The Irish cities and regions outside Dublin form a central component of this Framework, yet a lack of action on planning at a national level was cited in the draft document as a threat to the future economic success of the regional centres. This threat is primarily encompassed in the following forms:

- An ongoing shift in population and jobs towards the east of the country;
- Further decline of rural areas and towns;
- Stagnation of inner city and older suburban areas;
- Regional cities such as Limerick growing, but not at the pace or scale required to function as realistic alternatives to Dublin.

Each of these is relevant to Limerick, but in the current context the most pertinent are stagnation in inner city areas and a lack of scale.

³³ <http://npf.ie/wp-content/uploads/Project-Ireland-2040-NPF.pdf>

If there is insufficient action, or if the plans for more ‘balanced’ regional development are not realised, this could be detrimental for the country as a whole – placing more pressure on Dublin while hampering economic development in regions such as the Mid-West. This is a significant threat to cities such as Limerick in achieving meaningful scale, as envisaged in the Framework.

5.4 REPUTATIONAL ISSUES

Limerick has taken great strides over the past decade to address the crime problem which previously existed, and has successfully reduced violent crime from its peak in around 2007. Despite this substantial progress, there exists concern that Limerick has not fully remedied the reputational damage which was inflicted. Lingering awareness of the issue is considered to be highest within Ireland, and would likely be a burden on the region’s progress should it persist over the medium- to long-term.

The reputation of Limerick is largely outside of the control of stakeholders in the region in the short-term at least, yet represents a downside risk to economic performance. Issues around crime and social deprivation in the city remain problematic in terms of reputation, despite the significant progress which has been made in recent years. Such factors could have an impact on the attractiveness of the city for many groups including potential residents, businesses and visitors.

The tourism sector would be particularly affected by this threat, as domestic tourism is important across Ireland and forms a bedrock and indicator for overseas tourists looking for destinations to visit in the country. Reputational issues could also affect those looking to move to Limerick for work or study purposes from within Ireland or from abroad, which would negatively impact on the pool of talent available in the region. Investment decisions could be affected as firms look at a broad range of factors before deciding on locations in which to establish a presence.

This is a challenge for stakeholders in Limerick which is difficult to directly address beyond maintaining and building upon the progress made over the past decade, and effectively communicating such positive developments to external audiences.

5.5 FLOOD RISK

Although it was not raised as an issue in our consultations the threat of flooding is an ongoing one along the lower Shannon catchment area. According to the Office of Public Works (OPW), Limerick County has been designated as an Area of Potential Significant Risk (APSR) when it comes to the threat of flooding along the River Shannon.³⁴ According to the OPW there is a long history of flooding in Limerick city with Preliminary Flood Risk Assessment (PFRA) mapping predicting an

³⁴ http://shannonframstudy.ie/docs/frr/Appendix%20D4-UoM25_26/FRR%20Limerick%20City%20V0_A.pdf

ongoing significant flood risk – a conclusion supported by both the Local Authority and the OPW.

The Catchment Flood Risk Assessment and Management (CFRAM) programme identified a number of areas in Limerick that are at risk of flooding and key areas where new flood defence infrastructure will be required including Montpellier, Costleconnell, Ballyvollane, Annacotty, Corbally, Kings Island, Limerick city, Condell Road, Foynes and Askeaton. The OPW have estimated that up to 1,000 properties could be at risk of flooding in the Limerick area if new infrastructure is not provided.³⁵

However, as part of the National Planning Framework, a Strategic Flood Risk Assessment report has identified only two policy objective which have the potential to negatively impact the flooding potential of Limerick. Proposed extensions of Limerick city centre towards Limerick Docks should be managed in a sustainable manor so as to ensure that particular residential areas are not placed in flood risk areas. Similarly, any infill and regeneration opportunities throughout inner suburban areas so be managed so as to avoid flood plains.³⁶ Currently, €55 million has been ring-fenced under the CFRAM programme for infrastructure work in Limerick city and €940 million has been committed to 29 Flood Risk Management Plans under the National Planning Framework, including schemes in Limerick city.

³⁵ <http://maps.opw.ie/shannon/map/172/>

³⁶ <http://npf.ie/wp-content/uploads/2017/09/Strategic-Flood-Risk-Assessment-Report-%E2%80%93-Ireland-2040.pdf>

Section B – Predictive Analysis:
Lessons Learnt from the Case Studies
of Dundee (UK), Portland (Oregon, USA) and
Tampere (Finland)

INTRODUCTION



- **Aims of the case study phase:**
 - Compare Limerick with a three successful cities with similar characteristics that are progressive and visionary to understand their transformative journeys in more detail

- **Case study cities**
 - Dundee, UK
 - Tampere, Finland
 - Portland, Oregon, USA

INTRODUCTION AND KEY FINDING



This document summarizes the key learning points from the case studies of Dundee, Portland Oregon and Tampere produced in Autumn 2017.

Examples of current and planned new and 'disruptive' activities are also given.

The standout finding here is that the three cities do most of these activities most of the time; there's no time to stand still and a great local and regional desire to keep moving forward.

SUSTAINED INVESTMENT

- **Sustained investment through partnerships**
 - It takes sustained investment and determination over decades to achieve change, and economic development is a continual process which doesn't have a finish line. Public-private-academic partnerships are critical. Economic development teams cannot work in isolation – it is essential to work with the local, regional and national authorities.
- **Stick to your vision**
 - Once agreed, stick with the overall vision and try not to deviate onto the 'next best thing' – this will only slow you down.



- *The £1 billion Dundee Waterfront project is being part-funded by the City Council, Scottish Enterprise and national government, along with circa 70% private investment.*



- *Dundee City Council's Mike Galloway (Executive Director, City Development) was the charismatic figurehead who has masterminded the Waterfront project over many years.*
- *All three case studies demonstrate the value of setting long-term plans and policies and ensuring that all partners understand, embrace and promote the same vision for their city.*

PLANNING AND MONITORING

- **Spend time on planning and partnerships**
 - Time spent on planning the city's strategy, tactics and key performance indicators (KPIs) is time well spent. Agreeing objectives and detailed programmes with all partnership stakeholders can be time consuming but it will build trust and get better results in the long run.



- *Dundee, Portland and Tampere all demonstrate ambitious goal setting and detailed measurement systems and KPIs.*

COMMUNICATION

- **Keep communicating with residents**
 - Regularly keep the residents up to date with progress. Positive PR and social media can make a huge difference to the perceived attractiveness of the city, and it doesn't have to cost a lot of cash.



- *Historically, Dundee has had to deal with negative press from the rest of Scotland, and public perceptions are gradually being turned around through the use of PR and social media. The City Council and Dundee-based officers of Scottish Enterprise and Scottish Development International are constantly alert to putting out positive and consistent messages about the city, even in the face of a very strident local press.*

ENTREPRENEURIALISM AND INNOVATION

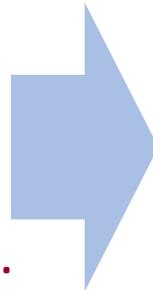
- **Encourage entrepreneurialism**

- Set up incubators, accelerators and development programmes to encourage startups and to help companies climb onto the next rung of the ladder.



- **Make the most of academic institutions**

- Tampere, Portland and Dundee all have ever stronger links between academia and the public and private sectors. Incubators and business accelerators are often set up in universities, some attracting large investments from major foreign companies.



- *Dundee's Waterfront project has a series of current and future plans to encourage entrepreneurs in pockets of the development. These incubators may be small to begin with but they have the opportunity to grow fast (e.g. in the computer games and creative industries) and they link to an over-arching strategy for innovation in the city allied to the V&A Museum project.*
- *Tampere has had great success with startups at its New Factory incubator and Demola project and has a thriving startup ecosystem with many communities operating in the region, including the Tribe Tampere project launched in September 2017.*
- *Tampere is proposing a co-creation model for the city, based on their bid to be European Capital of Innovation 2017. Their project involves collaboration between citizens, companies, universities, communities and city administrators to develop the city together with a smart and human-centred development environment.*

- *All three cities show a major commitment to involving the academic sector in industry and innovation*
- *Tampere, following the model in Helsinki, is undergoing a tri-merger of two universities and one applied science university.*

INTERNATIONAL FOCUS

- **Be outward facing**

- Be outward facing to the local community, to local and country markets, and to international investors. Don't be parochial: build international trade into the strategy from the outset. Don't risk attracting less inward investment than comparable cities. Encourage local companies to build an export business.



- *Portland has attracted a great deal of inward investment and is successful in exports. The city has built relationships over many years with companies in Germany and Asia (China, Korea, Japan and Qatar), however they know they need to look further afield and are working on plans for this.*
- *Tampere has a long tradition of exporting and has built on this with a growing number of inward investment projects.*

EQUAL OPPORTUNITIES

- **Equality matters**

- Equal opportunity decisions and actions matter, and being open about the issues is important. Narrowing pay, housing and skills gaps is a long haul and community involvement is key.



- *Portland has challenges with inequality and poverty and has set aside a fund of \$159 million p.a.* for 13 urban renewal areas which each has its own very specific plans and activities. The large size of this budget reflects the size of the city itself, however the key importance is in having a programme of this nature which is well-funded on a long term basis.*

SMART CITY AND SUSTAINABILITY

- **Smart city strategies to underpin urban growth**

- Be bold in your smart city, sustainable policies and programmes to underpin urban renewal and future growth. This investment will pay off for the city and the region in both the short- and long-term. Consider urban renewal and industry growth strategies that enhance the attractiveness of the city both to residents and investors.



- *Portland is 'throwing the kitchen sink' at its smart city initiatives with a new paradigm-shifting plan of 'Ubiquitous Mobility for Portland (UB Mobile PDX)'. They are aiming to be world-leaders in sustainability and integrating this strategy into key policy areas of employment, urban renewal areas and transport infrastructure.*
- *'Liveability', 'walkability', 'complete neighbourhoods', and the '20-minute index' are forward-thinking concepts and programmes currently in use in Portland.*
- *Tampere have set up the Smart Tampere programme and project team and are investing 6-10 billion Euros by 2030 to build an internationally attractive smart city. Tampere is a larger city and local government is funded differently, however the main point is that they are developing a long term strategy with its own team and are funding it to a high levels to meet their goals.*

CITY PERSONALITY

- **Leverage your natural scenery**

- Use the natural environment to your advantage for both residents and incomers. Make the city more attractive by making it easy for people to access the outdoors and stay happier and healthier.



Portland has linked its nearby mountain and valley region directly into the city with forward-thinking public transport, a car-free river bridge and urban greenways which allow pedestrians and cyclists to leave their vehicles at home, making Portland one of the world's most environmentally conscious cities and a very desirable location for residents.

Tampere's vision directly states attractive lakeside living for residents and the city is consistently viewed as the most attractive location to live in Finland.

Dundee's Waterfront project designers considered not just the environments and zoning within the project itself, but also its links to the city centre and views from the city's main streets.

- **Be yourself!**

- Allow your city's personality to shine through and develop – your style and environment are unique to you, and 'doing it your way' is often what attracts others to you.



Portland has a very distinctive personality – although officially known as the Rose City, Portlanders often use the slogan 'Keep Portland Weird'!

Dundonians embrace their own creativity and style through their support of digital media industries and the links between art and technology.

Summary

Best practice learning from case studies	Key areas	Limerick examples	Issues and queries	Assessment
Sustained investment through partnerships	<i>Long term economic development programme, working with partners</i>	Limerick's 2030 strategy focuses on partnership funding and skills development. The city centre redevelopment is being funded by an estimated 250 million euros over 20 years. This is part of a wider 750 million euros project for the Shannon estuary area. Funding is being provided by the private sector, philanthropic bodies, government, the European Commission and potentially the European Investment Bank.	Relatively speaking, cities and regions/states in some other countries (e.g. USA and Finland) have greater autonomy (including fiscal) than Limerick.	
Stick to your vision	<i>Try not to deviate from your plan to the next new/hot topic</i>	Limerick has a long term vision and strategy for 2030, designed collaboratively in 2013 which is still being pursued.	There is a need for tangible and visible "KPIs" and progress review and reporting.	
Spend time on planning and partnerships	<i>Ambitious goal setting and detailed measurement systems and KPIs</i>	The wide-ranging and ambitious 2030 strategy was developed in partnership with multiple stakeholders. The Local Economic and Community Plan (LECP) 2016-2021 sets out the high level policies and goals, as well as action areas, the responsible agencies and desired outcomes.	Are specific outcome-based objectives set e.g. 'improve X by Y% by e.g. the end of 2019...'?	
Keep communicating with residents	<i>Regular and positive communication with the local community</i>	The 2030 strategy aims to rebrand Limerick and to market it in a consistent way with confident, positive messages.	Genuine inclusivity and dialogue is a critical success factor. Reporting progress is essential but meaningful, empowering dialogue is essential.	
Encourage entrepreneurialism	<i>Set up incubators, accelerators and startup programmes</i>	Point 2 of the 2030 economic strategy states 'develop an outstanding environment for starting and growing new business.' Local Economic and Community Plan (LECP) 2016-2021 stresses business support areas such as access to finance for small businesses and employability skills training. An example is The Engine re-purposed building. The strategy calls for an Innovation Hub, revitalisation of the Georgian Quarter professional services cluster, a science and technology park and medical park.	Will the current plans make enough of an impact on employment and skills? Relatively speaking, compared with Tampere for example, Limerick seems to be a little bit behind the curve in terms of its start-up ecosystem. Closer engagement with Enterprise Ireland would benefit Limerick.	

Summary



Best practice learning from case studies	Key areas	Limerick examples	Issues and queries	Assessment
Make the most of academic institutions	<i>Strong ties with universities, business accelerators in academic institutions</i>	The Local Economic and Community Plan (LECP) 2016-2021 aims to build strategic education-industry partnerships in R&D&I to support economic development in high value-added sectors. Also upskilling and conversion courses to increase the pipeline of ICT graduates and reduce skills shortages in this sector, and adapting this model to engineering, food and creative industries. Innovate Limerick aims to accelerate innovation by providing a supportive environment, working with stakeholders including higher education institutions.	Working towards positioning the university higher up the world rankings is a goal worth aiming for. Also event greater and more dynamic engagement into start-up support is needed.	
Be outward facing	<i>Build international trade into your plan and focus on inward investment</i>	Limerick's 2030 vision highlights importance of FDI and local business growth. The Local Economic and Community Plan (LECP) 2016-2021 identifies the need to promote Limerick an FDI location, with a series of actions.	Is there a specific budgeted FDI plan and set of activities and outcomes? Further coordination and supporting IDA Ireland is essential.	
Equality matters	<i>Allocate long-term funding to narrow gaps in pay, housing and skills</i>	The Local Economic and Community Plan (LECP) 2016-2021 highlights equality and diversity as key themes, including economic, social and physical aspects. The Community Plan aims to improve social inclusion and reduce deprivation through a raft of 'action areas'.	Unemployment is still high and there are still disadvantaged communities within Limerick. Retraining and education opportunities and closer working with local employers are key.	
Smart city strategies to underpin urban growth	<i>Well-funded long term projects for urban renewal led by smart tech</i>	The 2030 city centre transport strategy calls for pedestrians to be put first and smart/green travel principles to be adopted. The Local Economic and Community Plan (LECP) 2016-2021 highlights landscape, biodiversity, greening the city, action on waste, digital strategy including ICT and broadband, renewable energy, energy efficiency and energy security.	Is Limerick making the best use of the latest technology for smart cities in a joined-up strategy with the travel and innovation plans? Limerick remains behind the curve, notably compared to Nordic and Dutch cities. The relative lack of city centre housing remains a challenge.	
Leverage your natural scenery	<i>Make the city a desirable location to live as well as work</i>	The 2030 vision focuses on environmental, cultural and heritage attributes, and there is also an aim to create a unique tourism offer for the city centre. The focus of the public realm investment strategy is on public plazas, river walks and canal renovation.		
Be yourself!	<i>Allow your city's personality to shine through</i>	The long term marketing strategy is to reflect themes of authenticity, innovation and progressiveness. Limerick is indeed raising its visibility and identity.		



Section B – Predictive Analysis: Megatrends - Implications for Limerick

MEGATREND	IMPLICATIONS FOR LIMERICK/IRELAND
BREXIT	<ul style="list-style-type: none"> • Short-term uncertainty; potential trade barriers and increased cost for Irish exports to UK and likely increased costs of imports, driving Irish inflation. Agrifoods and tourism sectors are particularly exposed. Also potential reduced mobility of Irish citizens to the UK. • On the positive side, Ireland may become even more attractive as an FDI location and could be potential relocations of both UK companies and existing foreign investors in the UK.
EU and US tax pressure impacts FDI	<ul style="list-style-type: none"> • Drive of the new Presidency to re-shore investment into the USA and to get tough on “unfair” loopholes that disfavour the US. Ireland could find itself under increased pressure regarding its already contentious tax position from both the USA and the EU
Continuing rise of Asian economies	<ul style="list-style-type: none"> • China and other Asian countries will become more important parts of the global economy, and will continue to be increasingly active investors in the West in the form of both FDI and equity investment.
Automation, robotization, “AI”, “IoT”	<ul style="list-style-type: none"> • There are many opportunities from disruptive technology as Ireland still has an excellent reputation as a location for tech companies and very favourable conditions for attracting FDI – but how well positioned is Limerick to really benefit from this? • Negative impact: as everywhere, many jobs are going to be lost and it has been reckoned that in 60% of occupations, at least 30% of tasks could be automated and that 5% of jobs will cease to exist. Clearly up-skilling, retraining and education will be critical challenges for Ireland. This will represent a particular challenge for cohorts of the Limerick population that are already marginalised in the labour market, and risk getting left further behind.
Smarter, sustainable and cleaner cities	<ul style="list-style-type: none"> • Megacities are a key megatrend but not in the context of Ireland (too small to support a megacity). • There is however a clear trend towards urbanization that, together with demographics, is a source of both challenges and opportunities from healthcare to mobility to waste, air quality, healthcare and affordable housing. • Limerick needs to ensure that it is a frontrunner in smart cities in Ireland and in Europe. It is an area where city authorities can play a leading role in terms of policy and use of city assets and services for piloting and development of smart and clean innovation. City centre living and public transport are key challenges for Limerick in this regard.
Online retailing	<ul style="list-style-type: none"> • Relatedly, online retailing is representing an increasing challenge to “bricks and mortar” retail. This is particularly relevant for Limerick, whose city centre retail has already been weakened by previous shifts to edge of city retail.

MEGATREND	IMPLICATIONS FOR LIMERICK/IRELAND
Energy and climate change	<ul style="list-style-type: none"> • Related also to smarter sustainable cities, movement towards carbon neutrality will have implications for energy generation and usage, and transport. • Long term future for Moneypoint coal-fired power station, which will have implications for the cost of energy.
Ageing demography	<ul style="list-style-type: none"> • On the positive side, Ireland (and indeed Limerick) has one of the youngest populations in Western Europe. It's also clear that retirement ages will increase and older persons, in theory, should be fit enough to extend their working life. • Medical and healthcare product and service innovation, especially solutions for independent living represent a major global growth market and innovation opportunity. • But it is clear that the economic participation rate of the population will decline with ever-increasing percentages of retired persons and growing healthcare and tax challenges. The centralised nature of Government and taxation in Ireland limits the degree to which cities such as Limerick can influence policy here.
Technology start-ups boom – rise of the Unicorns	<ul style="list-style-type: none"> • It is the emergence of next generation IT technologies and 5G infrastructure that is the biggest driver of these new generation of massively backed start-ups which are dramatically changing industries from automotive to fintech to health to manufacturing and logistics. Ireland is in a strong position to attract these companies and has also established its own significant start-up ecosystem. • The challenge for Limerick is to ensure that it play its part fully in this revolution, in particular establishing its own sustainable, start-up ecosystem and creating the right environment and infrastructure to enable this.



Section C: International Benchmarking

INTRODUCTION

- **Aims of the international benchmarking phase:**

- Compare Limerick with a group of successful cities with similar characteristics that are progressive and visionary
- Alongside in-depth case studies of three cities (in blue), to understand their transformative journeys in more detail



Benchmark cities:

1. **Dundee**
2. **Tampere**
3. **Portland**
4. Norwich
5. Aalborg
6. Montpellier
7. Groningen
8. Vancouver

INTERNATIONAL BENCHMARK CITIES: BASIC STATISTICS AND RATIONALE



City	County	Region	Country	Population, City (thousands)	Population, Wider Area (thousands)	Rationale	Reservations	Port	Airport
Norwich	Norwich and East Norfolk	Norfolk	UK	141.0	365.4	University town, not too near London, good mix of sectors, rural catchment area, airport, ports are not so far away in Suffolk and Essex.		No	Yes
Dundee	Angus and Dundee City	Eastern Scotland	UK	148.3	264.8	University town, not too near Glasgow or Edinburgh, has had some successful rejuvenation, good life sciences and creative-tech clusters, significant ports and regional airport.		Yes	Yes
Tampere	Pirkanmaa	Finland	Finland	229.3	363.5	Probably Finland's smartest and most progressive city. Three universities, rated Finland's most attractive place to live, good mix of heritage industries, electronics, software and start-up hub, regional airport. Also got hit by Nokiagate but did very well in winning replacement investors.		No	Yes
Aalborg		North Jutland	Denmark	113.4	211.9	University town, not too near Copenhagen, significant port, small airport.		Yes	Yes
Montpellier	Hérault	Occitanie	France	441.9	579.4	University town, high growth city, mix of industries, regional airport, recognized as one of France's Métropoles France Tec in 2014, port nearby is Sète.		No	Yes
Groningen	Groningen	North Netherlands	Netherlands	202.6	360.7	2 universities, strong in life sciences, not too near Amsterdam, rural hinterland, network of ports and decent regional airport.	Economy is quite different to Limerick; ports serve the North Sea offshore energy.	Yes	Yes
Vancouver	Greater Vancouver	British Columbia	Canada	631.5	2,548.7	Consistently rated as one of the best places to live in the world, and esteemed as a smart city.	Size of the city.	Yes	Yes
Portland	Portland-Vancouver-Hillsboro, OR-WA Metro Area	Oregon	USA	639.9	2,425.0	World leader in smart city and sustainability, airport hub for Asia, high tech clusters mixed with traditional industries, progressive city planning and urban regeneration.	Size of the city.	Yes	Yes

EXECUTIVE SUMMARY (1)

FINDINGS

Younger population age profile and forecast in Limerick.



Favourable corporate tax environment.



High unemployment compared with the benchmark locations.



Sector employment profile similar to Tampere.



33% of Limerick 25-64 year olds have tertiary education.



IMPLICATIONS

This is a competitive advantage for Limerick as it can have greater economic participation of the population for longer than the benchmarks – but only if Limerick is able to deliver employment opportunities.

Ireland has the best corporation tax rate in Europe, which continues to be a compelling sales argument for FDI attraction, expansion and retention. It is also a favourable rate for Irish SMEs.

This clearly a challenge. Limerick will need to reinvest in upskilling and ‘life long learning’ of the labour force as a whole as, for example, Tampere is doing.

Limerick’s strength is the relative diversity of its sector employment, mitigating risks of over-dependence on a single sector/company. Both Limerick and Tampere were victims of major retrenchment by global ICT firms.

Limerick is only ahead of Aalborg and Montpellier on this metric despite being a good university city. It is further evidence of ‘brain-drain’ and a potential risk for attracting higher skilled corporate investment projects.

EXECUTIVE SUMMARY (2)

FINDINGS

Infrastructure (**negative**): low broadband speed and WIFI hotspots, low ranking for digital competitiveness and higher industrial electricity prices.



Infrastructure (**positive**): industrial gas prices, air connections, air freight and road congestion compare favourably with benchmark cities.



Limerick has high property taxes and charges. Its office rents are expensive but retail and industrial are competitive.



Comparable number of HE students and high per capita. High STEM share but health/welfare relatively low.



IMPLICATIONS

Digital infrastructure investment is imperative for deployment of smart city technologies and IoT. Uncompetitive electricity prices are a hindrance for business investors and also for development of electric and increasingly autonomous vehicles.

Limerick has the best air links (which could still be improved): a key asset for both FDI attraction and for Limerick exporting firms. Further European route expansion, embedding into export manufacturing supply chains for air freight and improved national road developments are both strengths and opportunities.

A key issue is a lack of affordable office space, which is a constraint for SMEs and startups. Limerick needs to address this issue, ensuring adequate supply catering for different phases of start-up growth, particularly in the city centre locations. Both Dundee and Tampere have invested in high quality but affordable and flexible startup space.

Limerick has a critical mass of HE talent. Increasing STEM and health graduate numbers would increase the city's attractiveness to international companies and also for R&D contract work. Biggest issue for Limerick is graduate talent retention – a missed opportunity!

EXECUTIVE SUMMARY (3)

FINDINGS

Four cities have higher ranking universities than Limerick, and two benchmark locations have 2 institutions in the QS top 1,000.



Ireland has lower R&D spend than all other benchmark countries and fewer researchers and ranks low for talent and innovation in global indices.



Ireland has a very mixed position on global rankings. Consistently high in the IMD World Competitiveness ranking but the lowest on the WEF GCI index.



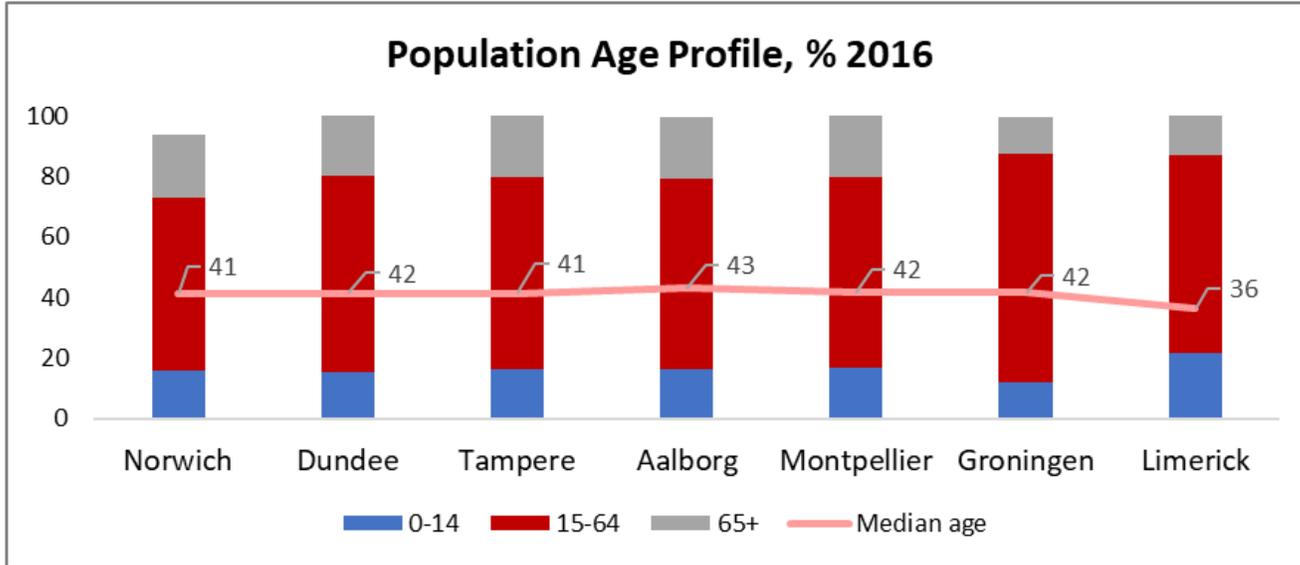
IMPLICATIONS

Limerick universities are very good in a national context but more needs to be done to increase their international standing. Subject specific rankings should be used to illustrate sector expertise.

Relatively speaking, Ireland does not have quite the international pure R&D intensiveness – but IDA Ireland has been highly successful in attracting applied R&D and software innovation FDI projects.

It depends on one's definition of 'competitive'. Ireland is a global front runner in FDI attraction so is clearly competitive for business. But the other indices indicate Ireland is less competitive for innovation/R&D. Ireland also has room for improvement on ease of doing business compared to the UK and Denmark.

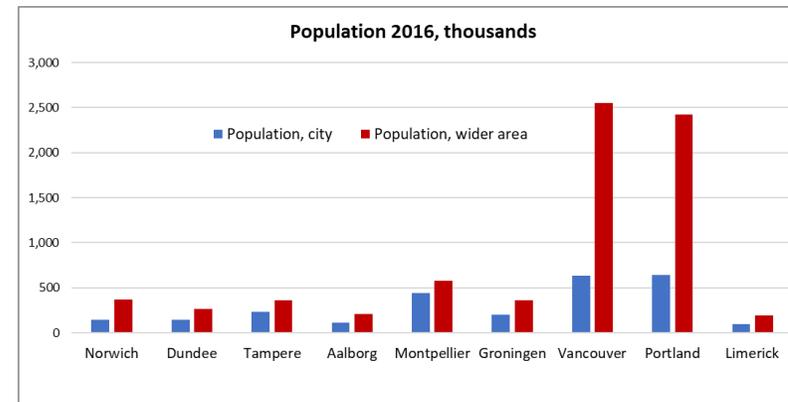
POPULATION



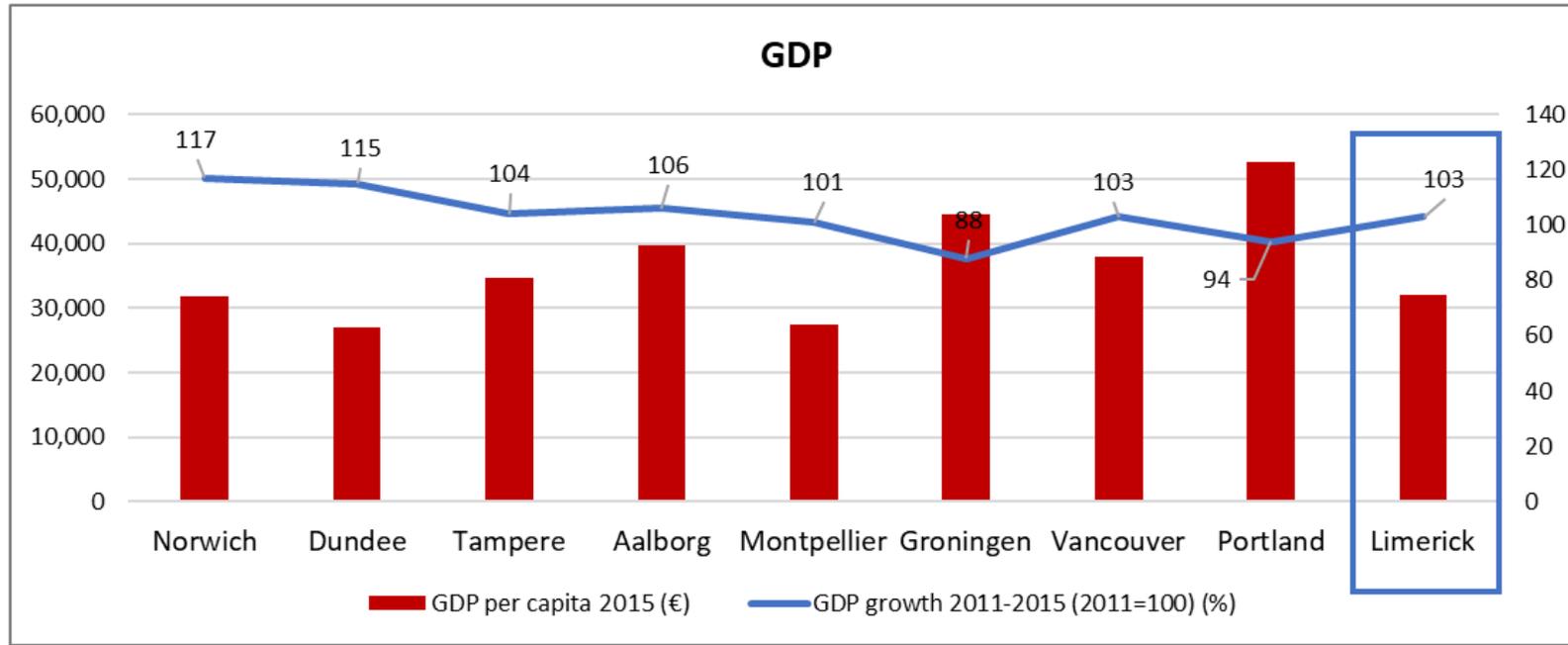
Source: EUROSTAT

- Limerick has a lower median age than the benchmark cities, and a slower rate of growth of those aged 65+

NOTE. Limerick's population and labour force is considerably smaller than the populations of the North American cities. This means we should be careful when making comparisons with Vancouver and Portland in this report.



GDP AND TAX

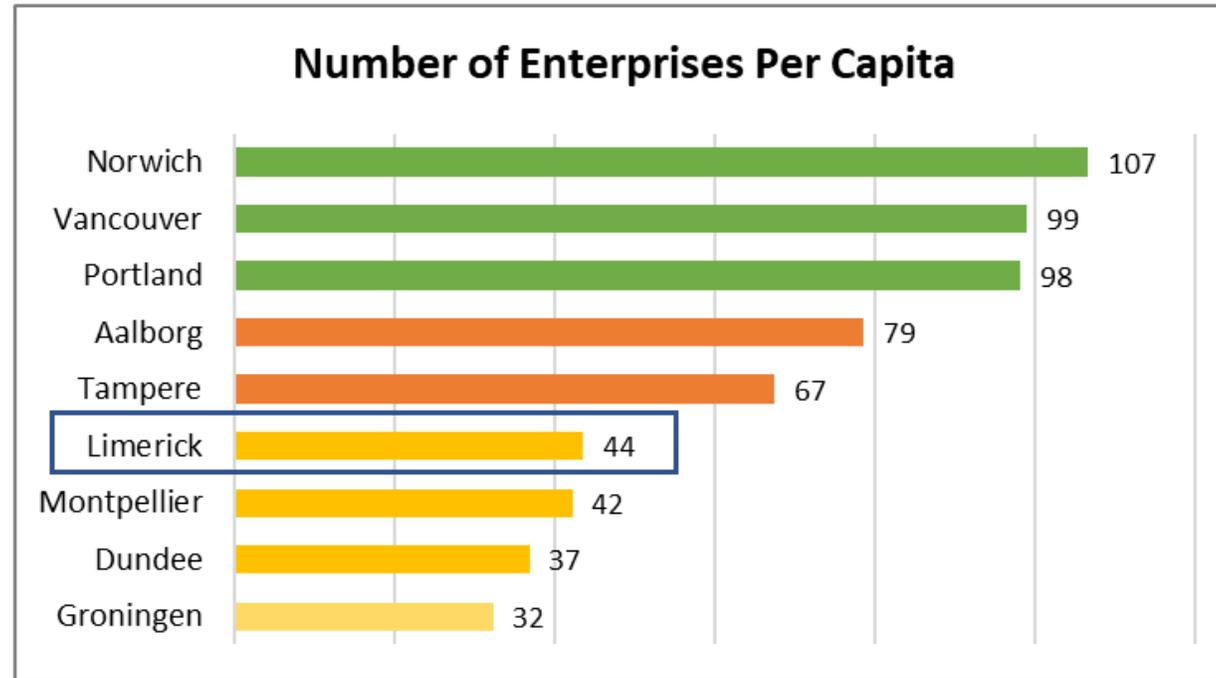


Source: EUROSTAT, Brookings, national statistics

- Limerick's GDP per capita is similar to that of Norwich, and higher than in Dundee and Montpellier. Groningen and Aalborg have high levels to which Limerick can aspire.
- Corporate tax in Ireland is lower than all benchmark cities except for Portland. VAT is higher than in the UK and Canada but lower than the Nordic countries.
- Ireland's national insurance contribution rates for both individuals and employers are lower than the UK and other European benchmark cities, however Ireland's rate starts at a lower threshold. Personal income tax is also lower in Ireland than in the UK and other benchmarks.

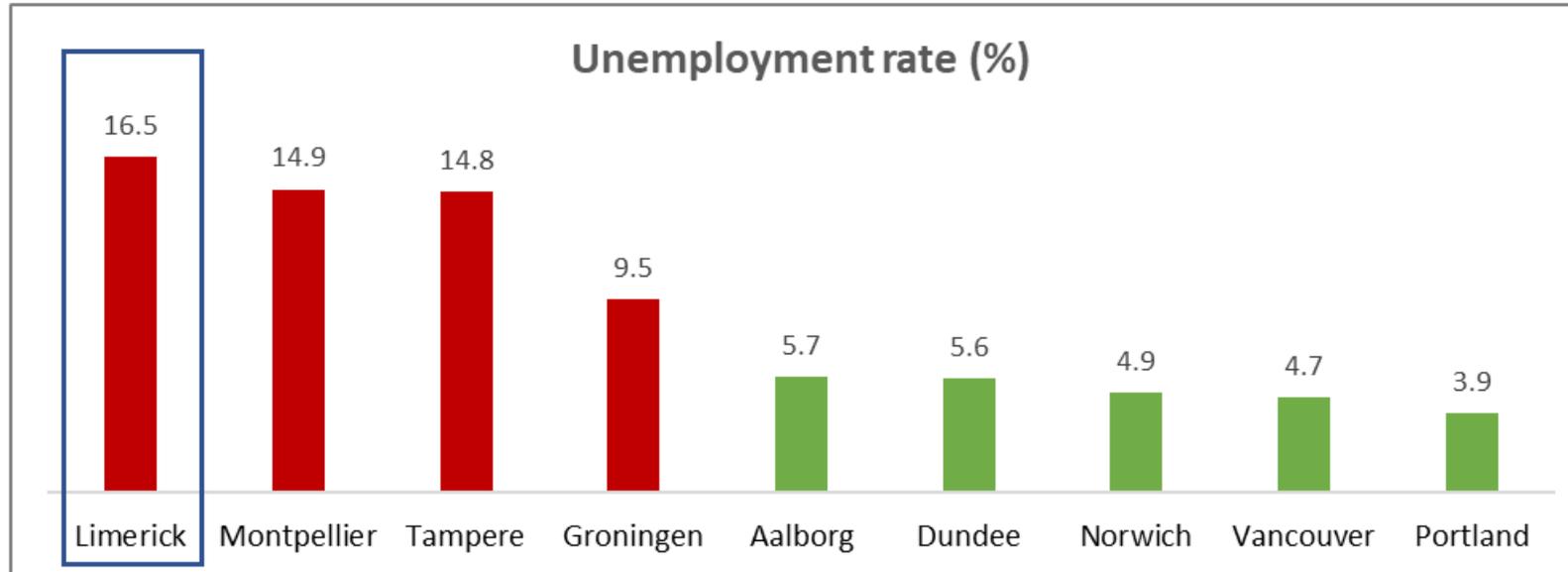
NUMBER OF ENTERPRISES

- The number of enterprises per capita varies by city, with Limerick in the lower half of the benchmark cities.



Source: Hoovers

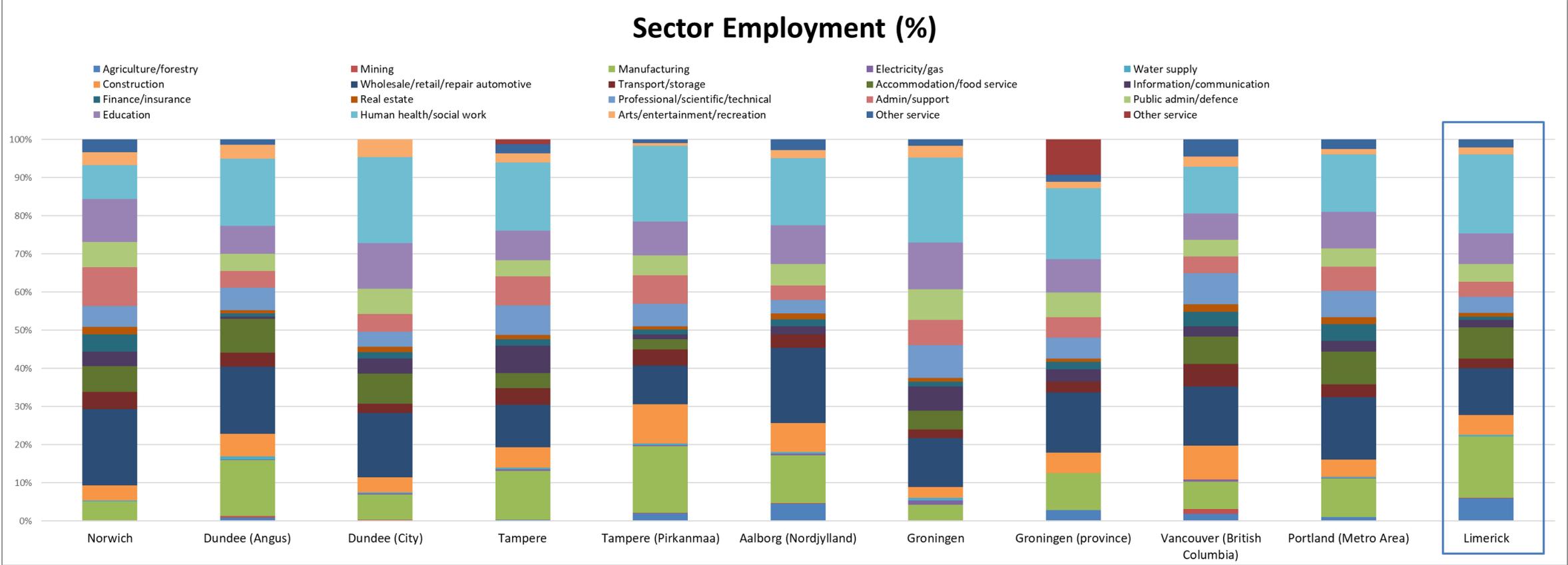
LABOUR FORCE: UNEMPLOYMENT



Sources: Nomis, EUROSTAT, European Commission, UWV Werkbedrij, Statistics Canada, US Bureau of Labor Statistics, CSO Census, City of Groningen, dates vary from 2013-2016

- **Limerick, Montpellier and Groningen have the highest levels of unemployment in the benchmark group.**
- **Dundee is a good model to follow as it has brought unemployment down to 5.6% from a historic high in March 2014 when it had the highest level of unemployment in Scotland at 14%. (See Dundee Case Study for details of plans and programmes, including the Waterfront regeneration, fostering of entrepreneurialism, innovation and public-private-academic partnerships.)**
- **When all employer contributions are taken into account, Limerick's average hourly labour costs are higher than Norwich, Dundee and Tampere, but lower than Montpellier and Groningen.**

SECTOR EMPLOYMENT



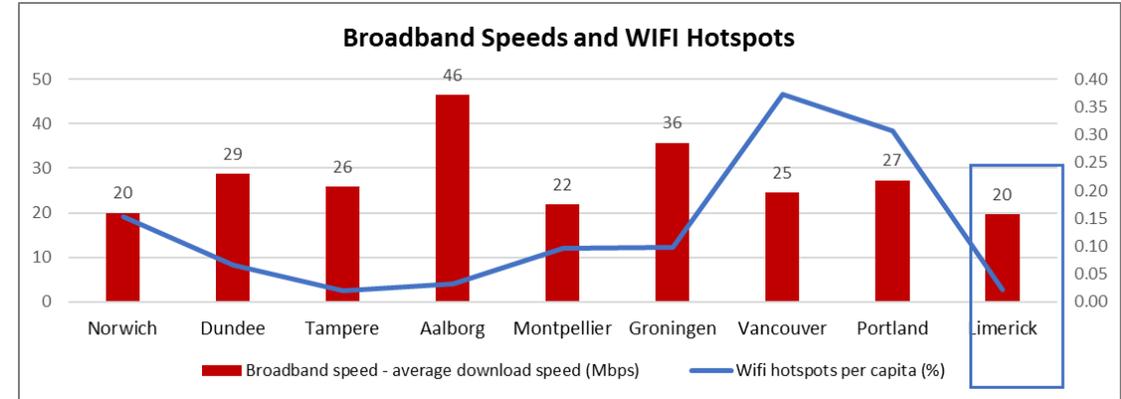
Sources: Statistics Finland, ONS, CSO Census 2016, Eurostat, MCI estimates, Statistics Denmark, US Census Bureau

- **Limerick's sector profile shows high employment levels in construction, manufacturing, human health and automotive. Manufacturing employment is the highest in Limerick (16%) when compared with all other benchmarked cities.**

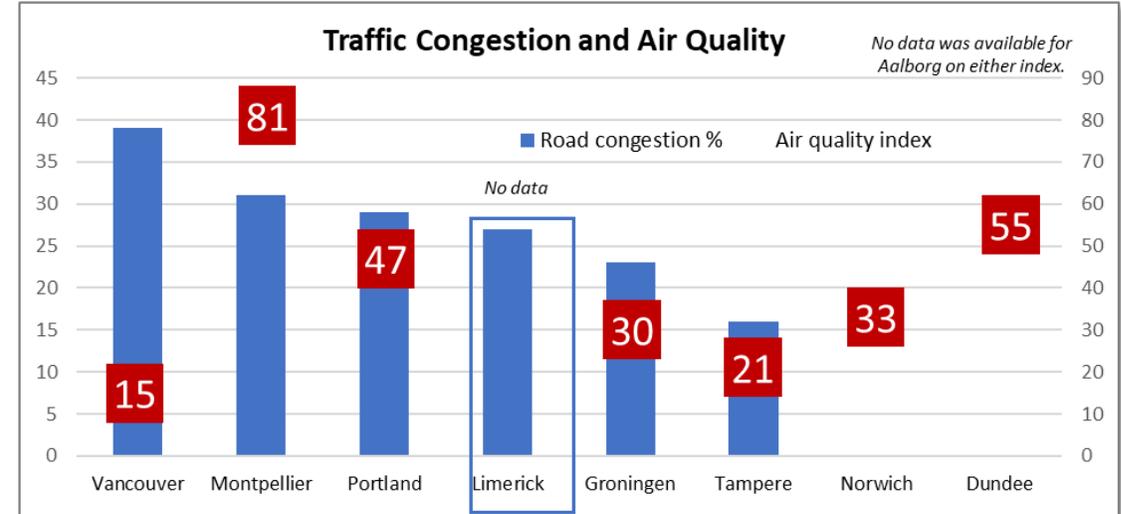
UTILITIES AND INFRASTRUCTURE

Industrial electricity prices are the highest in Limerick of all the benchmark cities. However, industrial gas prices are at the lower end of the group of cities, and lower than Tampere, Aalborg, Groningen, Vancouver and Portland.

- At the snapshot in time when we gathered the data on digital infrastructure (Oct. 2017), we found that Limerick's broadband speed is one of the lowest (Aalborg and Groningen were best) and Limerick had a low level of WIFI hotspots per head of population alongside Tampere. Note that the latter has not stopped Tampere becoming a technology leader amongst Nordic cities! (Also reliable data is very difficult to collect on this measure).
- Limerick compares well with the other cities for air connections and air freight, and road congestion is at the lower end of the group of cities investigated.



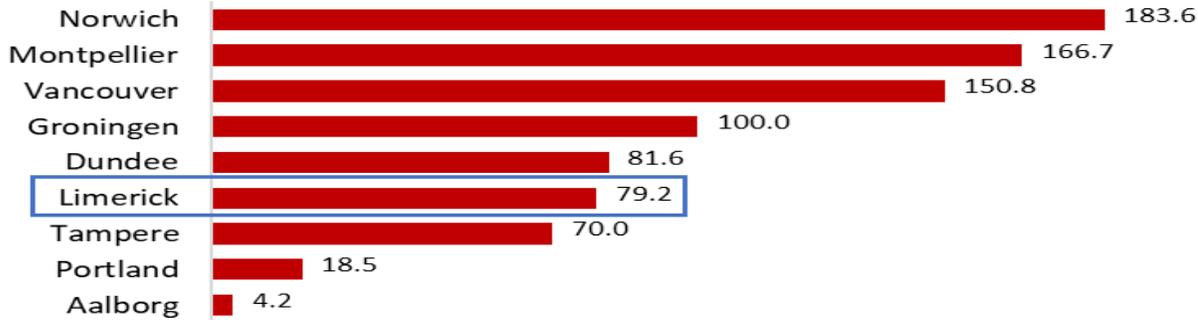
Sources: broadbandspeedchecker.com, broadbandcompare.co.uk, wiman.me



Sources: TomTom, aqicn.org

PROPERTY

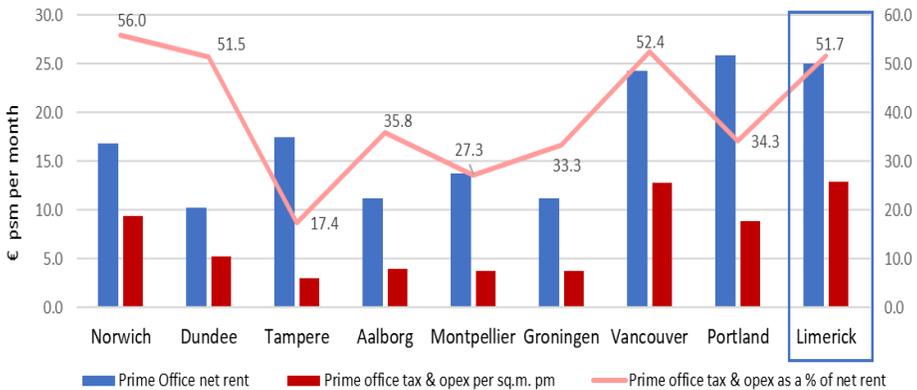
Property Rents: Prime Retail Zone A
(€ per square metre per month)



Limerick's prime retail rents are at the lower end of the scale compared with the benchmarks.

Sources: Bidwells, Colliers International, Cushman & Wakefield, Arthur Lloyd, Kidder Matthew

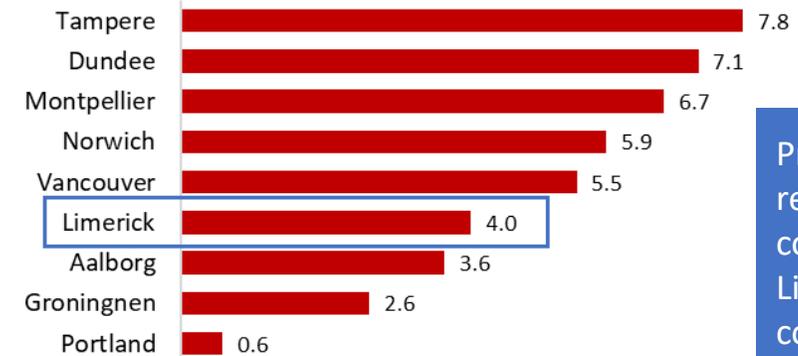
Prime Office Rents



Property taxes and charges are very high in Ireland compared with the other locations, both as a percentage of rents and in absolute terms.

Sources: Colliers International, Savills, KTI, Cushman & Wakefield, Arthur Lloyd

Property Rents: Prime Industrial
(€ per square metre per month)

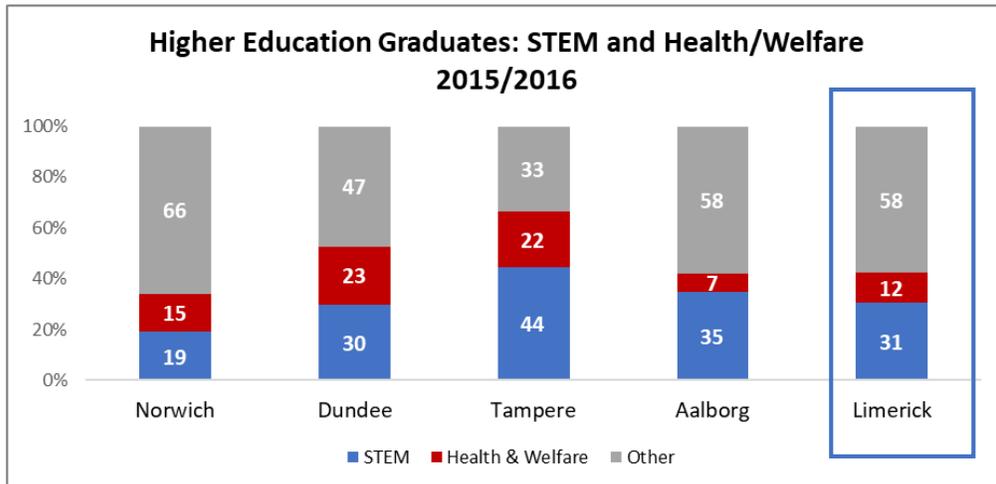


Prime industrial rents are competitive in Limerick compared with the benchmark locations.

Sources: Colliers International, Arthur Lloyd, Cushman & Wakefield

EDUCATION

- Limerick's higher education (HE) student population is similar in size to Norwich and Dundee, but with a higher percentage of STEM students than Norwich and a similar percentage to Dundee.
- The overall number of HE graduates ('qualifiers') from Limerick institutions (2,900 per year) is however lower than both Norwich (6,600) and Dundee (5,000).



Sources: HESA, MCJ calculations, national statistics offices

Number of HE Institutions in the World's Top 1000

Tampere	2
Montpellier	2
Norwich	1
Dundee	1
Aalborg	1
Groningen	1
Limerick	1
Vancouver	1
Portland	1

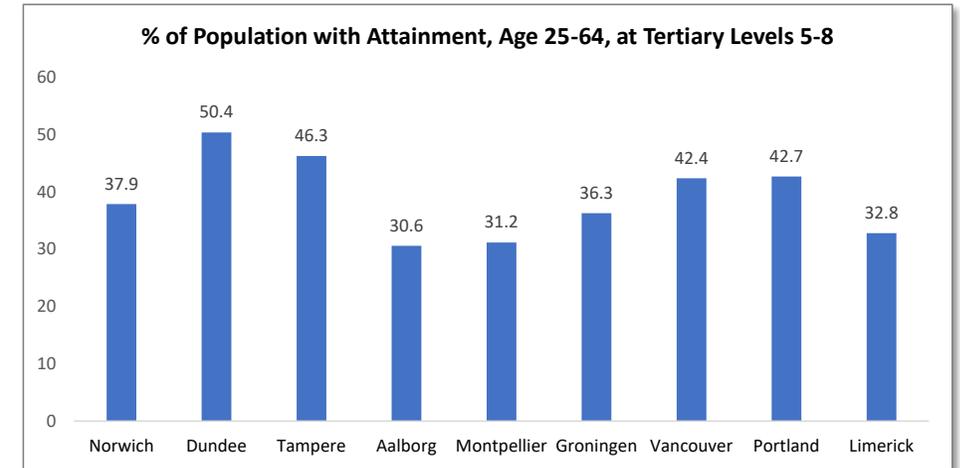
Source: QS World University Rankings 2017

Limerick has one higher education institution in the QS University World Rankings (University of Limerick: rank 501-550)



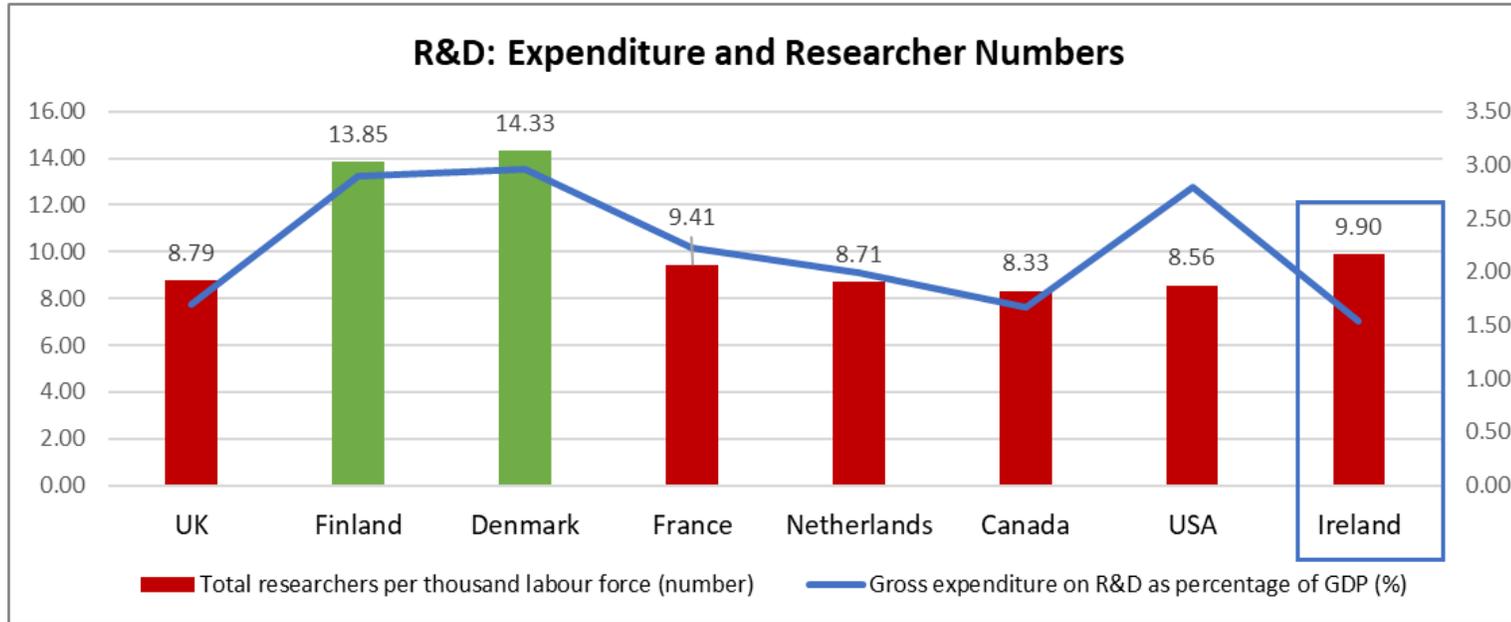
- Dundee, Norwich, Groningen and Vancouver have universities ranked in the top 300.
- Tampere and Montpellier have two institutions ranked in the top 1,000.
- The University of British Columbia (Vancouver) is ranked 51 in the world.

- Dundee and Tampere have the highest attainment levels at tertiary level
- Limerick is at a similar level to Montpellier and Aalborg



Sources: Eurostat, Areascore.ca, Statisticalatlas.com

RESEARCH AND DEVELOPMENT



Source: OECD

- Ireland spends less on R&D as a percentage of GDP than all other benchmarks.
- Finland and Denmark are notable for spending almost double that of Ireland in recent years. They also have the highest number of researchers per thousand employees.
- Ireland has slightly more researchers per thousand than the UK, France, Netherlands, Canada and USA. (NB. Some figures are estimated and time periods are not directly comparable).

INTERNATIONAL RANKINGS

HOW TO READ THIS CHART

The best 'footprint' to have on this chart is as small and close to the centre as possible, indicating the highest rankings in all indices. The numbers up to 35 on the scale are the countries' rankings on each index.

International Rankings



Global Competitiveness Index 2016-17

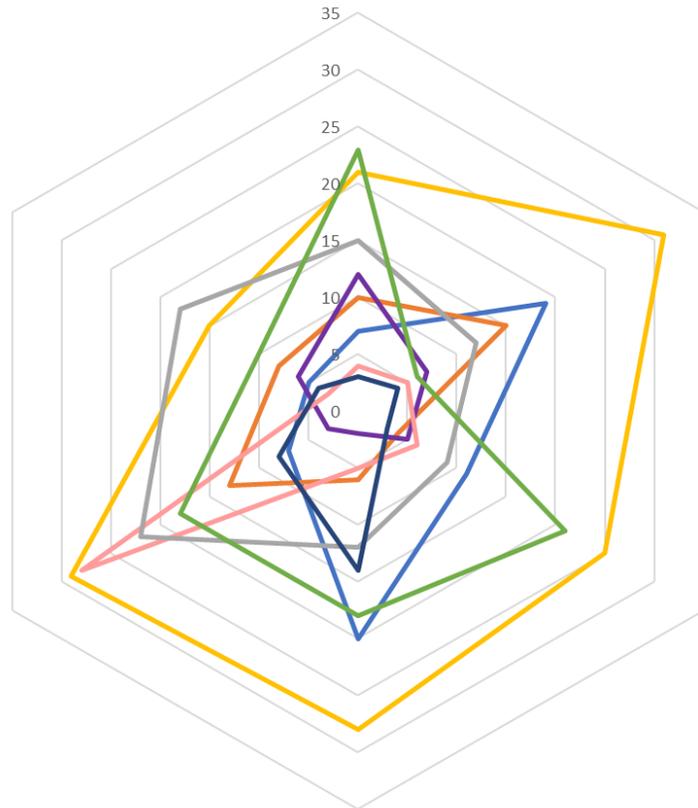
Global Innovation Index 2017

World Competitiveness 2017

Doing Business Index 2017

World Digital Competitiveness 2017

World Talent Ranking 2016



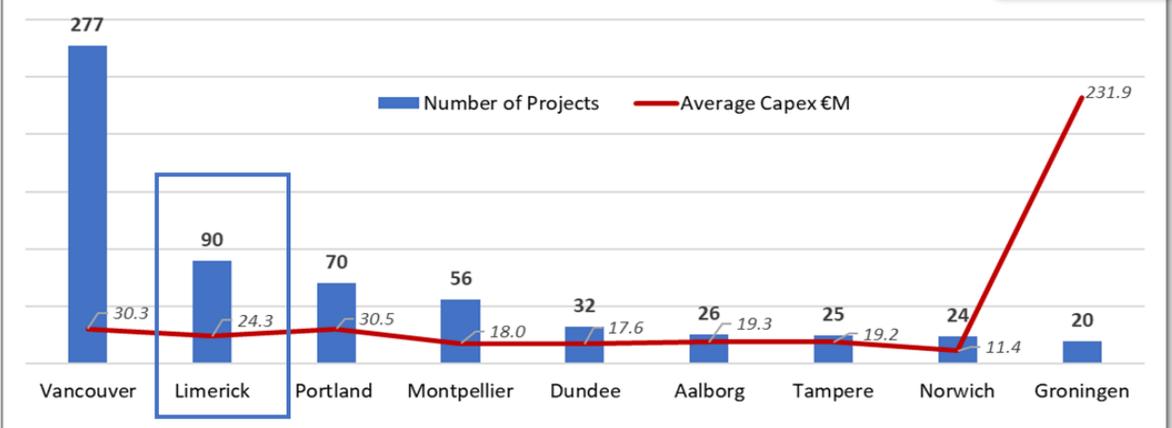
Sources: World Economic Forum, IMD, World Bank, WIPO/ISEAD

- Ireland ranks third in the IMD World Competitiveness rankings, but the lowest of all benchmark cities in the World Economic Forum Global Competitiveness Index.
- USA, Netherlands, and UK perform particularly highly for global competitiveness.
- Ireland and France are ranked lower than the other benchmarks for digital competitiveness, and USA, Netherlands and Denmark are ranked highly on this index.
- Netherlands and Denmark also perform well on talent, along with Finland. Ireland is 6th out of the 9 cities for talent and doing business and 7th for innovation.
- Denmark again ranks highly for doing business and USA and UK also rank highly for this.
- For innovation, the highest performers are USA, Netherlands, and UK.

FDI TRENDS

FDI Projects (for companies investing in 7 destination cities from January 2003 to September 2017)

NUMBER OF PROJECTS & AVERAGE CAPEX

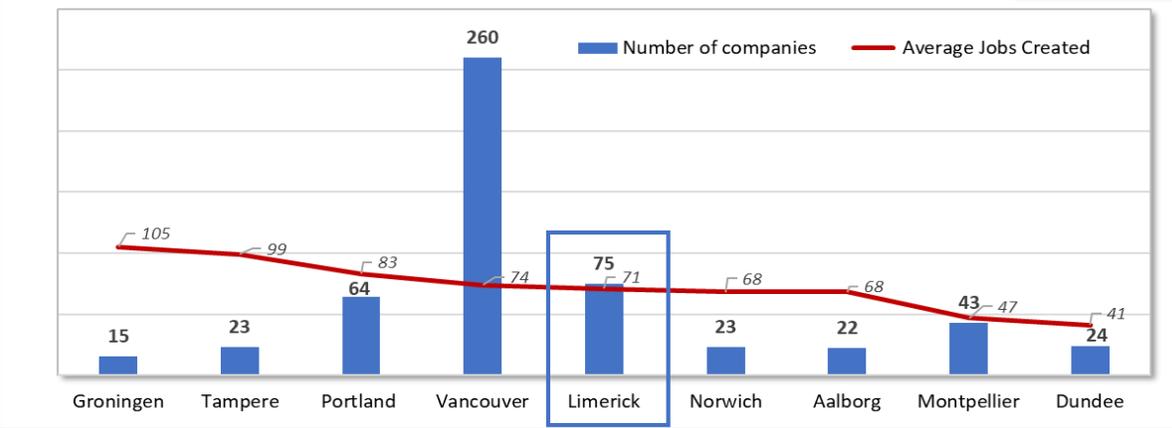


Source: Financial Times fDi Markets

- For FDI projects, Limerick performs very well in absolute terms and even better in per capita terms.

FDI Projects (for companies investing in 7 destination cities from January 2003 to September 2017)

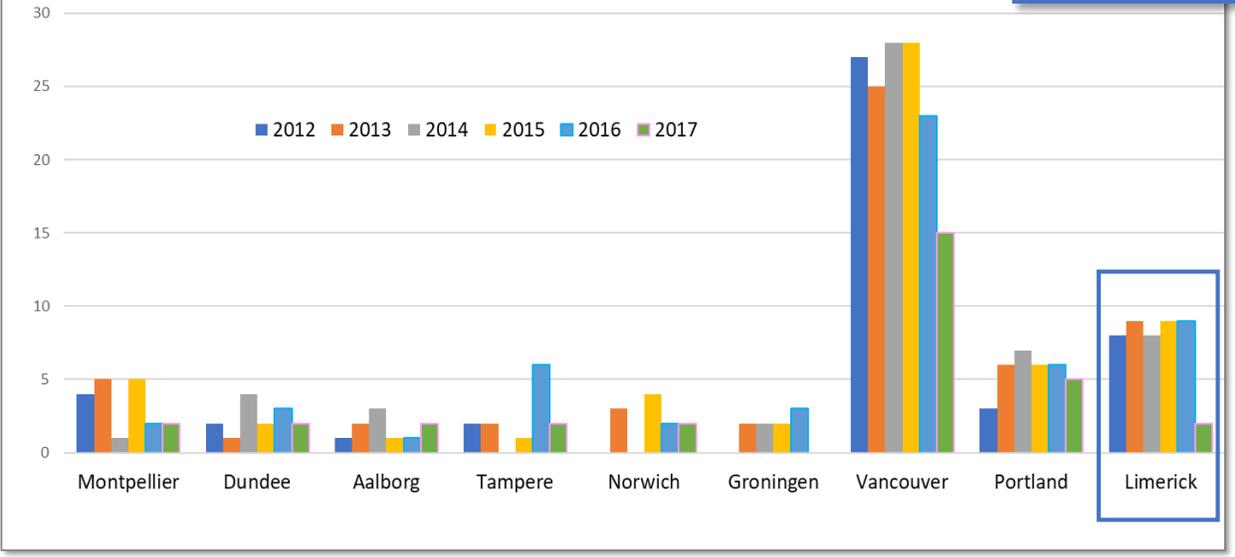
NUMBER OF COMPANIES & AVERAGE JOBS



Source: Financial Times fDi Markets

Number of FDI Projects, Trend (for companies investing in 7 destination cities, 2012-2017)

NUMBER OF PROJECTS: ANNUAL TREND



Source: Financial Times fDi Markets



Section D: Assessment of Investment

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1. INTRODUCTION

The quantity and quality of a region's infrastructure has an important role to play in sustaining competitiveness. Investment decisions, in particular foreign direct investment, are made based upon the quality and reliability of physical infrastructure. In this report a detailed review of the public and private infrastructure put in place across Limerick in recent years is presented.

In assessing the level of capital investment in Limerick (city and county) data has been sourced from Construction Information Services (CIS). CIS's core activity is the collection and processing of building and construction information. In particular they track all planning applications from small residential to large commercial and public sector developments collating information including:

- Segmentation of projects by location, sector and category, build type and funding type.
- Key scheduled activity updates at the plans submitted, planning decided, appeals, tenders, award of contracts, project commencements and completions stages.
- Key data including project values and square footage.

For this project it was possible for CIS to divide all investments by city and county. Therefore, any reference to Limerick city & suburbs relates directly to the definition used in other sections of the report – i.e. the CSO definition of Limerick city & suburbs including the settlement areas of Mungret and Annacotty. All references to investment in Limerick County relate to the area outside of the city & suburbs defined area.

Data is available for the period January 2014 to November 2017 and covers all public and private investments made in the following sectors – Agriculture, Care Residential, Civil, Commercial & Retail, Education, Hotel & Catering, Industrial, Leisure, Medical, Residential, Social, Transport and Utilities. The analysis excludes all self-build investments. The current stage of the planning process is also provided i.e. plans submitted, withdrawn, refused, granted, contracts tendered, contract awarded and on-site. Based on the proposed floor areas (square meter) CIS also provide an estimate of the average construction cost of the project. Given that buildings are completed to different standard e.g. residential versus commercial, the estimated cost of the build is for shell and core only. It is also possible for CIS to identify the funding type of the project by private, public, part government and public private partnership. Where the investment is not related to a new build CIS also identifies if the project is a change of use, civil works, demolition, extension, refurbishment, or retention.

In total, 1,365 planning applications (excluding one-off self-build applications) have been identified in the combined Limerick city and county area. Some 1,324 of these submissions were made between 2014 and 2017 with a further 41 planning permissions sought from 2009 to 2013 inclusive have also been included. These 41

projects are included because of the fact that while a planning decision may have been made in 2009 construction may not have commenced until 2014, which falls into our study period.

Table 1.1 below shows the volume of applications that have been granted planning permission. The number of applications awarded planning permission has increased year-on-year between 2014 and 2016. While it appears that the number of successful applications has fallen in 2017 it must be noted that the data provided for the current year is complete up to 7th November 2017.

The greatest proportion of applications awarded are agricultural, at 35.6 per cent. Commercial & retail and residential projects represented 16.3 per cent and 10 per cent respectively of all applications granted planning permission in the period. Successful applications across all other sectors account for 38.1 per cent of the total. Over the four year study period a total of 723,000 sq m worth of investment or €1 billion was granted planning permission.

Table 1.1: NUMBER OF PROJECTS GRANTED PLANNING PERMISSION, CITY & COUNTY, 2014 - 2017

Sector	2014	2015	2016	2017	Total	% of Total	Total Volume 2014-2017 (‘000 sq m)	Total Value 2014-2017 (€m)
Agriculture	73	85	140	50	348	35.6%	189.2	125.8
Health & Medical	16	7	11	12	46	4.7%	37.9	84.5
Civil	4	2		5	11	1.1%	7.2*	5.6*
Commercial & Retail	34	46	37	43	160	16.3%	23.1	317.5
Education	18	22	21	20	81	8.3%	70.3	138.5
Hotel & Catering	10	15	20	20	65	6.6%	24.9	72.7
Industrial	19	23	18	9	69	7.1%	136.6	71.6
Residential	21	18	27	32	98	10.0%	153.8	198.8
Sport, Leisure & Social	16	25	16	27	84	8.6%	40.5	92.9
Transport	5	1	1	0	7	0.7%	5.3	18.1
Utilities	2	1	2	5	10	1.0%	34.2	14.4
Total	218	245	293	223	979	100.0%	723	1,002

Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017.

* Data relates to only 2 observation points.

While some insight can be garnered from the data relating to successful applications, in that it provides some indication of the level of planning activity, it fails to account for the applications that have subsequently moved on to the tendering stage of the process. CIS divides the contracting stage into three parts – projects that are (i) at tender stage, (ii) have had tenders awarded and (iii) are on-site. Based on this break-down the following is observed in terms of the value and volume of construction activity in the city and county combined.

Table 1.2: VOLUME AND VALUE OF INVESTMENTS ACROSS VARIOUS PROJECT STAGES, CITY & COUNTY, 2014-2017

Contract Stage	2014	2015	2016	2017	Total
Volume (no.)					
At Tender Stage	3	2	3	11	19
Tender Awarded	1	2	0	3	6
Project On-Site*	45	67	82	81	275
Value (€'000)					
At Tender Stage	183	190	661	42,090	43,123
Tender Awarded		100	0	8,580	8,680
Project On-Site	28,851	122,960	212,614	93,082	457,507

Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017. Investment per Capita is based on the population of Limerick city and county as per Census of Population 2016 and estimated value of all investments on-site in each year (excl. Agriculture).

* Project On-Site refers to projects that begin construction in a given year. For example, the 45 projects that went on site in 2014 are dissimilar to the 67 projects that went on site in 2015.

Since 2014 c. €458 million has been invested in Limerick city and county across 275 projects. Accounting for those projects that have been granted planning permission and are actively at the tendering stage or are in the process of beginning construction there is potential for a further c. €52 million to be invested in the county across a further 25 projects.

Over the period 2009-2017 the total value of potential investment (i.e. estimated value of all projects that have been submitted for planning permission) in Limerick city and county has been c. €2 billion. When agricultural investment is removed the total potential investment made over the period comes to c. €1 billion.

Delving deeper, approximately €42.5 million is being invested in the top five projects that advanced to on-site stage on site in 2017. As per Table 1.3, the top two investments currently on site in Limerick are being publicly funded. The largest investment is the development of the Gardens International site (a strategic site identified in Limerick 2030) with an estimated construction value of c. €18 million and generating close to 10,500 square meters of office space in the city. The second largest investment currently on site in related to an extension to Coláiste Iósaef in Kilmallock.

Table 1.3: TOP FIVE INVESTMENTS THAT WENT ON-SITE IN 2017, LIMERICK CITY & COUNTY

Sector	Category	Start Date	Finish Date	Estimated Value, €m (Shell & Core)	Funding Type	Location
Commercial & Retail	Office	Apr 2017	Aug 2018	18.0	Public	City
Education	School	Jun 2017	Oct 2018	6.6	Public	County
Residential	House	Apr 2017	Apr 2019	6.2	Private	City
Commercial & Retail	Office	Jun 2017	Mar 2018	5.9	Private	City
Care Residential	Nursing Home	May 2017	N/A	5.7	Private	City

Source: CIS and EY-DKM estimates.

The remaining three investments are all privately funded. On the outskirts of the city, at Castletroy, a housing development commenced in early 2017 and is expected to deliver 53 housing units from an investment of just over c. €6 million. A second office building, associated with the National Technology Park in Castletroy, is expected to result in an additional 7,000 square meter commercial space with an investment of just under c. €6 million between 2017 and early 2018. Finally an extension to an existing nursing home is estimated to cost c. €6 million.

Of the just over 700 projects for which estimated valuations have been provided, only two projects have an estimated value in excess of €100 million, one of which is the Opera site at an estimated value of c. €150 million, expected to be completed in early 2020. This development is still in the early stages and at the time of writing has not yet begun construction. Following this a further nine projects have been valued at between €20 million and €52 million, 13 projects have been valued at between €10 million and €20 million and the remaining 682 projects have an estimated value of less than €10 million.

Table 1.4: ON-SITE INVESTMENT, PER CAPITA, BY COUNTY 2014-2017 (€M)

County	2014	2015	2016	2017
Dublin	1,221	1,928	2,187	2,772
Cork	882	728	1,117	2,250
Waterford	445	958	993	983
Galway	396	2,959	540	664
Limerick	134	627	1,077	454

Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017. Investment per Capita is based on the population of Limerick city and county as per Census of Population 2016 and estimated value of all investments on-site in each year (excl. Agriculture).

In terms of on-site investment per capita, Table 1.4 above depicts the situation over the past four years in each of the five counties which contain a city. The level of per capita investment is currently greatest in Dublin and this has been the case in all but one of the four years of the study period. In 2015, there was a considerable boost in the level of on-site investment in Galway County resulting in the per capita investment jumping from €396 per person in 2014 to close to €3,000 per person in 2015.

Aside from 2016, when there appears to have been an apparent boost in the level of on-site investment in the county, the per capita investment in Limerick has been the lowest of all five counties in 2014, 2015 and 2017.

This rest of this report will detail the investments across sectors as outlined in Table 1.1 above. As per the requirements of the Brief, this will focus on major infrastructural projects that contribute to the delivery of Limerick's economic ambitions across industry, education, transport and supporting economic infrastructure.

2. INDUSTRIAL INVESTMENT

CIS data classifies industrial projects as those including factories, warehouses, and heavy/light industries. Between 2014 and 2017 some 69 industrial planning applications with a total floor area of 136,374 sq. m were granted planning permission in Limerick's city and county, with a potential construction value of c. €72 million. Of these 69 applications a total of 23 projects (51,408 sq. m) have progressed to construction stage.

In 2016 a total of 18 projects, valued at c. €26 million and relating to 13,189 sq. m of industrial space, were granted planning permission. This compares to 23 projects (22,037 sq. m) granted planning in 2015 with a combined value of c. €18.5 million.

In 2017, the success rate has fallen somewhat, with nine (6,500 sq. m) successful applications in the year to early November 2017 with an estimated construction value of c. €5 million. Almost half of the approved industrial floor area in 2017 is categorised as 'new builds', with an estimated value of €2.2 million, and is broadly in line with the ratios observed in 2015 and 2014. The value of new builds granted planning permission spiked in 2016 with the success of a c. €20 million application for the construction of an office and packaging facility at Shannon-Foyes Port.

Needless to say, there is a difference between the expected value of construction associated with successful planning applications and the real investment that occurs when projects begin in earnest on-site. A notable consequence of the economic crisis has been the negative impact on the viability of construction. This has been an issue across all sectors and is evident when looking at the number of projects on-site in Limerick.

While lags can be expected as the tendering process is completed, only two industrial projects went on-site in 2017 even though 69 projects were granted planning permission in the previous four years. As a consequence, the level of actual industrial investment in Limerick in 2017 was only €220,000, compared to €21.2 million in 2016, €4.4 million in 2015 and €4.6 million in 2014.

The vast majority of investments made over this period have been private sector - €29.3 million out of the €30.4 million that has been invested in on-site construction.

However one of the more notable investments made over this period was a public sector project – i.e. the redevelopment of the former Dell building in Castletroy to Troy Studios.¹ This project, with a construction value of c. €1 million, began construction in 2016 and is now a fully operational film hub with 32,500 square meters of filming space. Also, Regeneron Ireland invested €3.9 million in a biopharmaceutical facility in Raheen in 2014 while Analog Devices invested a further €8.9 million in 2016.

¹ <http://troystudios.ie/>

Table 2.1: INDUSTRIAL INVESTMENT GRANTED PLANNING PERMISSION AND ON-SITE, LIMERICK CITY & COUNTY, 2014 – 2017

Contract Stage	2014	2015	2016	2017	Total
On-Site (sq. m)	7,083	7,761	36,154	410	51,408
On-Site (€'000)	4,631	4,354	21,194	221	30,401
Planning Permission Granted (sq. m)	7,141	8,093	11,295	6,521	33,050
Planning Permission Granted (€)	4,036	7,406	24,586	5,134	41,152

Source: CIS and EY-DKM estimates.

Note: Planning Permission Granted relates to those projects which were granted planning permission in the period that have not progressed to On-Site investment and as such represents potential investment.

Beyond the projects that are currently on-site in Limerick County, there is considerable potential investment in the industrial sector based on the level of planning applications that have been granted permission. For example, as per Table 2.1 above, a total of €41.2 million worth of industrial projects have been awarded planning permission in the study period and have yet to progress to the on-site stage. If these investments were to come to fruition it would add an additional 33,050 sq m worth of industrial space to the county.

3. COMMERCIAL & RETAIL INVESTMENT

In the study period the greatest level of investment in Limerick city and county has been in the commercial and retail sector. Between 2014 and 2017 just under €90 million was invested via on-site construction in this sector. Commercial projects, i.e. office space, made up €65.5 million of this, while retail projects, i.e. shopping centres etc., constituted €24.3 million of the total.

Indeed the level of investment that has occurred in the county is much lower than the potential investment that could have occurred. Over the four years a total of 131 applications were granted planning permission in the county with an approximate construction value of €307.4 million and represents a total of 224,200 square meters (sq. m) worth of planning granted permission. Of the 158,400 sq. m of projects awarded planning but not yet on-site, just over 90 per cent of the remaining projects have been granted for Limerick's city and suburbs specifically. In particular, a total of 62,600 sq m (c. € 87 million) of commercial space has been awarded planning permission in the city & suburbs between 2014 and 2017. Taking retail space in the city, a total of 79,300 sq m has been approved in the period.

In terms of actual investments on-site, the value of commercial and retail construction has increased year-on-year since 2014. For example, in 2014 just 9,000 sq. m of commercial and retail space was constructed at an estimated value of €9.5 million. By 2015 this had increased to 18,000 sq. m and an estimated investment of close to €24.5 million. A similar level of investment was observed in 2016 (c. €25 million) before increasing again in the first three quarters of 2017 to c. €31 million and 24,100 sq. m.

Table 3.1: VOLUME (SQ. M) AND VALUE (€M) OF ALL PROJECTS 'ON-SITE', CITY & COUNTY, 2014-2017

On-Site	2014	2015	2016	2017	Total
Volume (sq. m)					
Total	9,000	18,000	14,700	24,100	65,800
Commercial	5,000	13,800	8,500	20,900	48,200
Retail	4,000	4,200	6,200	3,200	17,600
City & Suburbs	4,700	15,000	12,000	19,100	50,800
City & Suburbs Commercial	4,600	12,700	8,500	17,400	43,200
Value (€m)					
Total	9.5	24.4	24.7	31.1	89.8
Commercial	6.1	17.5	14.6	27.4	65.6
Retail	3.5	6.9	10.0	3.8	24.2
City & Suburbs	5.8	22.0	17.9	26.3	72.0
City & Suburbs Commercial	5.7	14.5	10.1	24.4	56.7

Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017.

In each of the years the majority of investments, both value and volume, have occurred in the city & suburbs. For example, of the total 65,800 sq. m of commercial and retail space developed in the study period, 50,800 sq. m is located in the city & Suburbs area. In value terms these city & suburbs projects account for 80.2 per cent of the total investment across the city and county.

It is also worth noting that the level of investment has been greatest in the commercial space, with 73 per cent of the total on-site investment 2014-2017 going towards office space. The largest commercial investment over the period in Limerick city and county has been the aforementioned office space in the Hanging Gardens International site. This site alone accounts for 65.7 per cent of the total investment made in commercial projects in 2017. Kirkland Investment Limited have also begun construction of a €40 million mixed-use development in Bishops Quay which it's hoped will create 100 construction jobs as well as 500 permanent roles once complete. In late 2015 a further €9.6 million was invested by Johnson & Johnson Vision Care (Vistakon) in the construction of an office building in the national Technology Park in Plassey.

Indeed, the majority of commercial and retail space constructed in the period has been funded through private investments. Of the c. €90 million invested in on-site construction projects, some €71.4 million has been private sector. In addition, the level of private investment has increased annually between 2014 and 2016: in 2014 the level of private investment was c. €10 million, rising to c. €25 million by 2016. Over this same period, no public investments were made in this sector.

In Q1-Q3 2017 the level of private investment decreased to approximately half of the 2016 investment value, to c. €13 million. By contrast with previous years, investment in commercial and retail space in 2017 was driven by the publicly funded c. €18 million investment in the Hanging Gardens International site, detailed previously.

Additional data provided by CIS for the period 7th November to 31st December 2017 shows that six commercial and retail projects progressed to on-site in the period. The most substantial investments are a €4.6 million motor showroom development in Garryglass and a €1.1 million office building extension in Askeaton. In total, the estimated value of the six projects is €7.6 million.

4. RESIDENTIAL INVESTMENT

As has been highlighted throughout this report, the residential sector has been particularly badly hit by the economic crisis. A notable consequence of the bursting of the housing bubble in the mid 2000's has been the dramatic slow-down in home building resulting in the current lack of supply across the whole county. The data from CIS highlights that the situation is no different in Limerick city and county.

Table 4.1 below shows the dramatic difference between the number of units which were awarded planning permission between 2014 and 2017 and the number of units on which construction began. In 2014, 891 housing units were granted planning permission however only 17 units began construction in the same year, and only 4 of those were located in the city & suburbs area.

Subsequent years show a marked improvement in the situation as the economic recovery takes hold and it appears, given the discrepancy between the planning permissions and the projects on site, that there was a lag in projects awarded permission prior to 2014 going on-site from 2015 onwards. While there has been a notable increase year-on-year in the numbers of units granted planning permission, there appears to have been a slowdown in 2017 in terms of the number of units being constructed.

Table 4.1: RESIDENTIAL UNITS GRANTED PLANNING PERMISSION AND ON-SITE, CITY & COUNTY, 2014-2017

Contract Stage	2014	2015	2016	2017	Total
Permission Granted (no. units)					
Total	891	352	394	799	2,436
City & Suburbs only	858	224	114	579	1,775
New Builds	864	350	327	777	2,318
House	856	330	302	770	2,258
Apartment	35	22	92	29	178
Apartment (city & suburbs only)	35	20	29	23	107
On Site (no. units)					
Total	17	345	395	202	959
City & Suburbs only	4	333	316	153	806
New Builds	17	345	373	202	937
House	17	345	373	188	923
Apartment	0	0	22	14	36
Apartment (city & suburbs only)	0	0	22	14	36

Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017. Data excludes one-off housing planning applications.

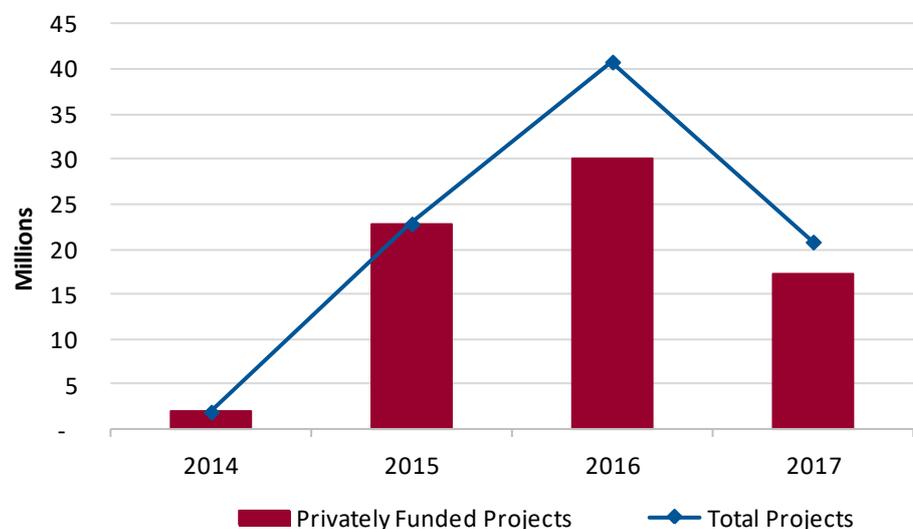
An important policy priority, which has been highlighted throughout this report, is the need to counteract the hollowing out of the city centre and to provide adequate city centre housing. In meeting this objective suitable apartment units will be

required in the city area. The data above shows however that very few apartment units are (i) included in the projects seeking planning permission and (ii) being constructed. In the four year period only 36 apartment units have been constructed in the city centre (14 units in 2017 and 22 units in 2016), and only 107 units have been approved for planning.

Having said that, the value of residential projects on-site has also recovered since the economic crisis, increasing from c. €2 million in 2014 to c. €41 million in 2016, with much of the investment occurring in the city & suburbs area. In the period Q1 – Q3 2017 c. €21 million worth of residential projects were on-site in Limerick city and county, €20 million of which was located in the city & suburbs.

In 2017 the highest value project on-site was a housing development valued at c. €6.2 million in the Castletroy area, containing 53 housing units. In each of 2016 and 2015 two very large housing projects went on site in Limerick. In 2016 a €21 million housing development began construction in the Annacotty area of the city & suburbs, with the objective of supplying some 170 housing units. This particular project is due for completion in 2019. In 2015 a project valued at €12.6 million began construction which will add 141 new build housing units to the housing stock.

Figure 4.2: ESTIMATED VALUE OF ALL RESIDENTIAL PROJECTS ON-SITE, 2014-2017



Source: CIS and EY-DKM estimates.
 Note: 2017 data for the year 1st January to 7th November 2017.

Housing supply is a key issue in the residential market at the moment. In light of these issues there have been renewed calls² for government intervention to provide for social housing, rather than depend solely on the private sector. According to CIS data, no publically funded housing units were constructed in either 2014 or 2015. This can be observed in Figure 4.2 above which shows that all investment in residential projects in 2014 and 2015 were funded privately.

² See <https://www.esri.ie/pubs/QEC2016SUM.pdf>

In the past two years also, the level of investment has been relatively subdued compared to the investment which is occurring in the private sector. In 2016 and 2017 a total of 130 publically funded housing units went on-site with an estimated investment value of €14 million. This compares to 467 privately funded units with a construction value of c. €47 million in the same period.³

Additional data provided by CIS for the period 7th November to 31st December 2017 shows that plans were submitted for a further 12 residential projects (225 units) with an estimated construction value of €21.8 million. One of the 12 applications is for a publically funded project and could see €1.1 million invested in the construction of 13 housing units.

³ Note that estimated values are for core and shell construction only and do not include land purchasing costs.

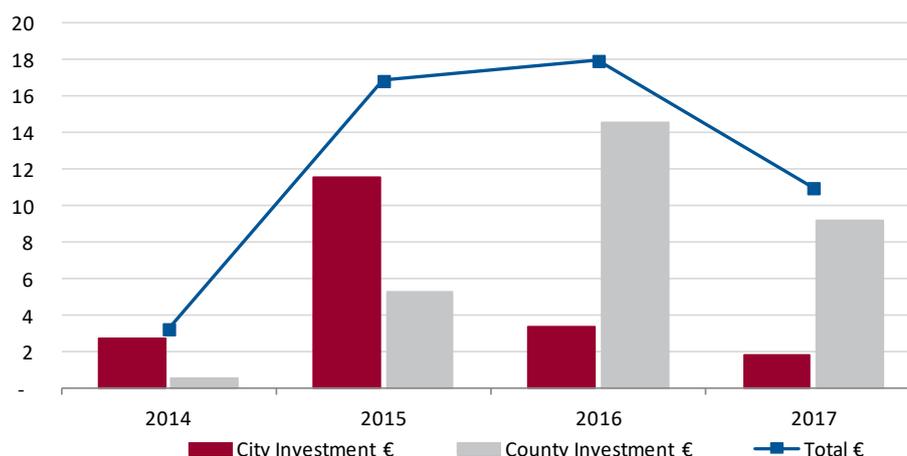
5. EDUCATION INVESTMENT

CIS data shows that there has been considerable investment in the education sector over the past four years, with c. €49 million invested across crèche/nurseries, schools, colleges, universities and training centres.

In terms of projects that have been awarded planning permission and have actually begun/completed construction, the vast majority have constituted extensions and refurbishments. Of the 50 projects that have been constructed between 2014 and 2017 only nine were classed as ‘new builds’. Similarly, very few new builds are currently in the pipeline to be built in the county, with only nine of the 31 potential investments that have been granted planning permission classified as a new build.

Of the c. €49 million that has been invested in ‘on-site’ projects, €34 million has been invested in primary and secondary schools, with a further €13 million invested in third level colleges and universities. (see discussion on Sports, Leisure and Social Investment below for details on additional third level investments). As identified in Figure 5.1 below, the composition of city and county investment has changed over time. In 2014 and 2015 most of the investment that occurred was located within Limerick’s city & suburbs. This changed in 2016 and 2017 with c. €24 million of the €29 million investment occurring outside of the city and suburbs area. The largest single investment in education (c. €12 million) was recorded in 2016, with the development of the Mungret Educate Together National School and Gaelscoil an Raithín. As expected, the vast majority of investment made in education is public sector, representing c. €46 million of the total €49 million of on-site investments.

Figure 5.1: VALUE OF ALL EDUCATION PROJECTS ON-SITE, 2014 – 2017, CITY & COUNTY, €M



Source: CIS and EY-DKM estimates.

Note: 2017 data for the year 1st January to 7th November 2017.

As per Table 5.1 below, the level of on-site investment in educational projects, nationally, has been declining since 2015. In Limerick, the trend is slightly less clear

with a large jump in investment occurring between 2014 and 2015 before a decline being observed in the year between 2016 and 2017.

In 2017, 3.3 per cent of the overall national investment in education occurred in Limerick compared to 4.5 per cent in 2016. The proportions observed in 2015, 2016 and 2017 compare favourably to that observed in 2014 when less than 1 per cent of the on-site investment in education in Ireland occurred in Limerick County.

Table 5.1: PERCENTAGE BREAKDOWN OF INVESTMENT IN EDUCATION, LIMERICK COUNTY, 2014-2017

	Estimated Value of all Education Projects On-Site, Ireland (€m)	Estimated Value of all Education Projects On-Site, Limerick (€m)	Education Investment in Limerick as proportion of Education Investment Nationally
2017	330.4	10.9	3.3%
2016	394.6	17.9	4.5%
2015	431.9	16.8	3.8%
2014	421.7	3.2	0.008%

Source: CIS and EY-DKM estimates.

Note: Excludes Agricultural investments. Includes public and private investment.

Since 2014 the number of planning applications granted permission has increased from five projects to 14 projects in 2017. It should be noted however that the scale of projects appears to be reducing over this period. In 2014 for example, the total value of investment granted planning permission in 2014 was c. €10 million whereas c. €3 million has been granted permission in the year to November 2017.

6. OTHER INVESTMENTS

6.1 HEALTHCARE INVESTMENT (CARE RESIDENTIAL AND MEDICAL)

For the purposes of this analysis we have combined the sectors of care residential and medical services. Construction in these two sectors covers projects ranging from dental surgeries, to health centres, nursing homes and hospitals. The number of projects in this sector which have progressed to construction stage has increased since 2014 and although the overall number is relatively low, at 20 projects, the estimated construction value is comparatively high at c. €64 million.

Two large projects, valued at c. €17 million and c. €11 million, began construction in 2015 and 2016 respectively. The 2015 project constituted the publicly funded construction and fit-out of a new emergency and dialysis department at University Hospital Limerick, while the 2016 project saw the privately funded construction of a palliative care unit also in the city & suburbs area.

6.2 TRANSPORT INVESTMENT

Transport infrastructure has been identified as a weakness of Limerick city and county in the Limerick SWOT Analysis in Section B, with just 2.3 per cent of Limerick residents commuting to work via public transport. This is 7 percentage points lower than the Stage average. With such over-reliance on private transport there has been an undoubted pressure on the car parking capacity in the city.

According to CIS very few transport projects have been approved in the past four years with even fewer projects actually making it to the 'on site' stage. Between 2014 and 2017 seven projects were granted planning permission in Limerick with an estimated construction value of €18 million. These projects constitute surface car parks, and a bus station extension in Roxboro, and for the most part these projects are relatively low value. A large component of the overall transport investment is attributable to one project, which progressed to site in 2015. The first stage of this project included the development of a new public plaza, taxi rank and car set down area to the front of Colbert Train Station in Limerick city. In addition, a new bus station will be constructed as part of the project and a new surface level car park will create 326 car spaces. The total estimated construction value of this project is €16.8 million.

6.3 CIVIL ENGINEERING INVESTMENT

There is very little information provided with regard to the level of civil engineering investment in Limerick County. Investment of this nature covers road, highway and bridge construction and maintenance, and is predominantly funded through public spending. For 2016 and 2017 the CIS database does not contain any record of civil investments being made in Limerick County and only three projects, with a combined construction spend of just over €1 million, took place in 2015.

Similarly, there are few civil projects in the pipeline, with a total of five projects granted planning permission in 2017 – three civil works projects, one roads project and one waste transfer facility valued at €5.4 million. It is not possible to provide an estimate of the construction value for these combined projects as sufficient data was not provided.

6.4 UTILITIES INVESTMENT

Between 2014 and 2016 a total of 14 utilities applications were submitted to Limerick City & County Council for planning permission. These include applications for wind farms, solar farms, ESB substations and water treatment plants. Of these, eight were granted planning permission and a further five went on to the construction stage. Similar to the data for civil investments, the volume data relating to Utilities is limited and as such it is difficult to determine the precise value of investment that has been made in this sector over the past four years.

Of the five projects that progressed to on-site all but one were new builds and privately funded. Although one project was on site in each of 2015 and 2017 there is no data relating to the value of the projects in these particular years. The two projects on-site in 2016 include the erection of two wind turbines in Ballagh, Co. Limerick with a construction value of c. €3 million and are connected to the construction of a wind farm in 2014 at a value of c. €3 million. In the four years since 2014 a minimum of €5.6 million euro has been invested in the utilities sector and a further c. €8 million has been granted planning permission.

Further data provided by CIS for the period 7th November to 31st December 2017 shows that a €6.5 million solar farm in Kilmallock was successfully awarded planning permission in the period

6.5 HOTEL & CATERING INVESTMENT

The hotel and catering category covers projects such as hotels, guesthouses, hostels, pubs, restaurants and cafés. Between 2014 and 2017 approximately €58 million worth of projects began construction. The most notable investment over this period was that which occurred at Adare Manor Hotel which constituted €50 million of the €58 million, across sectors such as hotel and catering, sport and utilities.

Over the four year period, a total of €72 million worth of hotel and catering projects were granted planning permission in the county. When the development at Adare Manor is excluded, a total of €22 million was invested in the sector.

In the four year period, c. €15 million worth of projects were also granted planning permission but have not yet progressed to on-site. Over half of this potential investment is attributable to the building/refurbishment/extension of hotels and guesthouses beyond the city & suburbs area. In addition, planning permission for a €4.8 million euro investment in the Castletroy Park Hotel was submitted in mid-2017 and later granted planning permission in mid-November 2017.

6.6 SPORTS, LEISURE AND SOCIAL INVESTMENT

There has been considerable investment in the sports, leisure and social category in the past four years, with an estimated €43 million having been invested in the likes of sports facilities and various community, religious and leisure centres. According to CIS data 83 per cent of this investment has occurred in the city & suburbs of Limerick even though only 12 of the 29 projects on-site are located in that area.

Between 2014 and 2016 the level of investment in sports, leisure and social facilities in the city & suburbs increased from c. €1 million to c. €27 million. However the investment observed in 2016 is linked to the investment of c. €26 million in one project, the Glucksman Library at University of Limerick. In 2017, on-site investment had returned to a more modest €4.2 million – still considerably higher than the level observed in 2014.

It would appear that large investments are also in the pipeline, with c. €37.9 million worth of projects granted planning permission between 2014 and 2017. A large proportion of this potential investment is linked to one project that was successful in obtaining planning permission in 2017. When this project, a c. €21 million library/resource centre on the Mary Immaculate College campus is excluded, the potential investment in the city and county is still considerable at c. €17 million.

7. CONCLUSIONS

In this report a thorough review of public and private investment in Limerick city and county over the period 2014 to 2017 is presented. One of the three key elements of Limerick 2030 is a Spatial Plan focused on revitalising and redeveloping Limerick city centre. There is an acknowledgement that the redevelopment of the city centre will lead to improved investment opportunities not only in the county but also throughout the wider Mid-West Region. As highlighted in the plan –

“The City Centre will be at the heart of this economic force – an attractive magnet for retail, leisure, residential, commercial, educational and cultural growth. Growth will benefit all citizens across the city, county and Mid-West region.”

Investments that will contribute to Limerick’s industrial, educational and transport infrastructure are some of the key aspects of the Limerick 2030 plan. Taking the investments as outlined in this report, it is clear that achieving the objectives of the Spatial Plan are a priority for LC&CC, with the planning and construction of significant projects already underway.

With regard to commercial space in the city centre, it has been noted in the Economic Profiling section of this study that Limerick currently lags behind other Irish cities in terms of the supply of high-spec office space in the city centre. This analysis has highlighted that this issue is being addressed through the development of such sites as the Hanging Gardens International and Opera Site, which together will create 60,000 sq. m of high spec office space in the city centre. Through a combination of public funding and public private partnerships these two projects have an estimated construction value of c. €168 million.

In the areas of transport and industrial infrastructure the c. €17 million redevelopment of Colbert Station and the c. €1 million development of Troy Studios shows how public investment is being utilised to achieve the objectives of Limerick 2030.

Limerick city and county has also been successful in attracting private investment over the past four years. For example, there has been c. €30 million worth of on-site industrial investment in Limerick city and county in the study period. Similarly in the area of commercial and retail investment c. €135 million has been invested since 2014.

Despite the slowdown in the housing sector since 2008, there have still been substantial private investments made in this sector. Of the c. €86 million that has been invested in housing in the city and county, c. €72 million has been privately sourced. Publicly funded residential investment has been relatively limited at c. €14 million over four years. However, this is coming off a very low base with no public investments made in either of 2014 or 2015.

Between 2014 and 2017 and across all sectors (excluding agriculture) a total of c. €491 million has been invested in Limerick city and county. A further €180 million is to be invested in two projects commencing construction in early 2018 and 2019. Private investment constituted the majority of this total, with public investment making up c. €156 million.

In all, this analysis has shown that Limerick city and county has succeeded in attracting private investment over the past four years and that public investment is being utilised to fund key infrastructural projects in the city. These public investments have been important for attracting other business investment in the county and region. If Limerick is to act as a counterbalance to Dublin, as proposed in the National Planning Framework to 2040⁴, then maintaining and adding to the quantity and quality of the county and region's infrastructure is important in sustaining competitiveness vis-à-vis other locations, both domestically and internationally.

⁴ <https://www.limerick.ie/sites/default/files/media/documents/2017-03/Ireland%202040.PDF>



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