Cork City Council
Comhairle Cathrach Chorcai

Cork Economic Monitor

November 2003

Planning and Development Department
Cork City Council

CONTENTS

1.0 National Trends

The level of activity in Irish economy has increased only marginally since the latter part of 2001. This is confirmed by the evolution of Gross National Product (GNP). GNP growth last year was only 0.1% and 0.8% for the first quarter of this year.

In 2002 GDP growth was 6.9% while GNP growth was only 0.1%. Such a dichotomy between these standard measures of economic growth is unprecedented in developed countries. It highlights the sensitivity of the Irish economy to multinational dominated sectors of the economy

Ireland has the highest inflation rate among the dozen nations sharing the euro. Inflation however did fall to its lowest level in nearly four years in September. Figures published by the CSO show September's Consumer Price Index fell from 3.2% in August to 2.9%, the lowest annual CPI reading since November 1999.

The strong appreciation of the euro in the first half of 2003 coupled with slower growth in output is bringing about a strong dis-inflationary trend in Irish consumer prices. Nevertheless, inflation in consumer prices still remains. Irish inflation is expected to remain the highest within the euro area, placing considerable pressure on relative cost competitiveness

Ireland's export markets have experienced modest growth of 1.25% in the last two years, with growth of 2% expected in 2004.The postponement of UK entry into the euro keeps open the potential for significant depreciation of sterling against the euro in the medium term. This places pressure on indigenous firms, particularly those with high levels of trade with the UK.

Unemployment has risen modestly during 2003. Public sector employment growth was very strong during 2002 and although it has eased, it is still contributing to the year on year growth in employment, offsetting the job loses in some other sectors. Construction sector employment increases seem to be underpinned by the growth in residential construction, which has continued despite the general slowdown. The growth in the hotels and restaurants sector is also encouraging.

The growth performance for the euro area over the first half of 2003 has been weak with moderate growth in the first quarter followed by a mild contraction in the second quarter. While the euro area seems set to benefit from the international upturn, the likelihood remains that recovery in the euro area will lag behind that of the wider global economy. Recent economic indicators support expectation for gradual recovery in the medium term. Latest projections show that economic growth in Ireland will be well ahead of the EU average for this year.

Developments in recent months point to some improvement in global economic performance and the prospects of recovery. This is most apparent in the US where the recovery appears to have gathered momentum over the first half of 2003. In Europe, recovery has not yet materialised. While most forecasts suggest little change to the growth outlook in 2003 and 2004 as compared to that projected around mid-2003, it is now seen as more likely that these forecasts will be realised. Thus the most likely prospect for the international economy as a whole is for a gradual return to sustained growth over the next year or so.

2.0 Local Trends

2.1 Unemployment

Table 2.1 shows the number of persons on the live register for Metropolitan Cork during the period 1993-2003. In the time period from September 1996, when the Live Register was at its peak in Metropolitan Cork (22,257 persons), to September 2003, there has been a 49.4% decrease in the number of persons on the Live Register. The numbers on the Live Register have been rising steadily since late 2001. Live register figures remained relatively stable in the first half of 2003 but showed increases in the months of June and July. A substantial decrease in figures for September however, particularly in the Cork City area, has seen the number of people on the Live Register fall to its lowest level for 2003[1].

Table 2.1 Live Register 1993-2003 Metropolitan Cork

Month	Year	Persons on Live Register
December	1993	21,101
December	1994	21,357
December	1995	21,631
December	1996	21,294
December	1997	18,526
March	1998	17,715
June	1998	16,776
September	1998	15,924
December	1998	14,729
March	1999	14,034
June	1999	14,138
September	1999	13,011
December	1999	11,317
March	2000	10,744
June	2000	10,270
September	2000	9,529
December	2000	9,193
March	2001	8,535
June	2001	9,547
September	2001	9,584
December	2001	10,743
March	2002	11,306
June	2002	11,499
September	2002	11,453
December	2002	11,072
January	**2003**	**11,449**
February	**2003**	**11,496**
March	**2003**	**11,445**
April	**2003**	**11,621**
May	**2003**	**11,325**
June	**2003**	**12,194**
July	**2003**	**12,524**
August	**2003**	**12,259**
September	**2003**	**11,245**

1 Note the Live Register is not designed to measure unemployment.

Between September 2002 and September 2003 the number of people on the Live Register in Metropolitan Cork **decreased** by 1.82% (208 persons). This compares favourably to a 5.82% (9,390 persons) **increase** nationally and a 1.36% (311 persons) **increase** for the South West Region.

Table 2.2 Classification by age and sex of Live Register 2002-2003: Metropolitan Cork

	Met. Cork (Sept 02)	Met. Cork (Sept 03)	Met. Cork % Change	The State (Sept 02)	The State (Sept 03)	State % Change
MALE	**7,263**	**6,930**	**-4.58%**	**95,289**	**98,759**	**3.64%**
under 25	1,381	1,314	-4.85%	17,874	19,050	6.58%
over 25	5,882	5,616	-4.52%	77,415	79,709	2.96%
FEMALE	**4,190**	**4,315**	**2.98%**	**66,143**	**72,063**	**8.96%**
under 25	1,056	994	-5.87%	13,552	15,059	11.12%
over 25	3,134	3,321	5.97%	52,591	57,014	8.41%
TOTAL	**11,453**	**11,245**	**-1.82%**	**161,432**	**170,822**	**5.82%**

Table 2.2 gives a detailed breakdown of the overall figures from September 2002-September 2003 by age and sex, comparing them to the national average in percentage terms. In the year leading to September 2003 the number of persons on the Live Register increased nationally by 5.82% and by 1.36% in the South West region. In contrast Metropolitan Cork recorded a drop in numbers on the Live Register of 1.82% (208 persons). The breakdown of this decrease however reveals varied results. Decreases in the male both over 25 under 25 categories and the female under 25 category were offset by an increase approaching 6% in the female over 25 category. All categories nevertheless compare favourably to both regional and national figures.

The **2002 Census** revealed that Cork City had one of the highest levels of male unemployment in the Country at 14.2%. The major cities of Dublin, Cork, Limerick and Waterford contained 38 of the Country's unemployment blackspots[2] (43.2%). 11 of Cork City's Electoral Divisions were defined as blackspots.

Table 2.3 Unemployment Blackspots in Cork City 2002

Area	Unemployment Rate	Area	Unemployment Rate	Area	Unemployment Rate
The Glen A	31.4%	Knocknaheeny	27.3%	Mayfield	23.6%
Shandon B	23.4%	Blackpool A	23.3%	Churchfield	23.1%
Gurranabraher E	21.4%	Gurranabraher A	20.6%	Farranferris C	20.3%
Gurranabraher B	20.3%	Farranferris B	20.1%		

[2] An Electoral Division is defined as an unemployment blackspot if its labour force exceeds 200 persons and its unemployment rate on a Principal Economic Status exceeds 20%.

2.2 Commercial Property

The second quarter of 2003 saw little change in rents and yields in the Irish commercial property market. The pause in performance in the second quarter came amid a strong time for the prime retail sector but a period of disappointing performance in the office and industrial sectors.

There was a modest growth in retail rents in Cork in the second quarter of 2003 following strong growth (60% on St. Patrick Street) over the past year. The strong growth in retail rents on St. Patrick Street, together with the street's €11m refurbishment and the City Council's identification of potential prime retail sites could lead to the expansion of the City's prime retail area beyond St. Patrick's Street.

There was a strong suburban retail market with the commencement of Mahon Point, the continued development of Eastgate and a number of other developments being proposed. The retail warehousing market is also set to experience growth as part of the Eastgate, Mahon and Blackpool developments. Future opportunities in the retail market should present themselves with the development of Murphy's Barrack's in Ballincollig.

City Centre office rents were flat for the fourth consecutive quarter, while in the suburbs, the fall seen in the last quarter was not repeated in this quarter. Vacancy rates in the office sector were up over the Summer, predominately in the suburbs, while there was a stabilisation in city centre office yields. Office development in the City Centre is continuing however. The City Centre's first third generation office building is almost complete on Angelsea Street, as is the refurbishment of the Eircom building on Lapp's Quay. Construction of the Howard Holdings' third generation office building is underway, also on Lapp's Quay[3].

On the hotel front in Cork there has been significant activity. A new 200 bed hotel is currently under construction on Lapp's Quay, while Shandon Court is also undergoing refurbishment and expansion. A new hotel will also be completed as part of the Mahon Point project which has just commenced construction. In addition, Jury's Hotel have recently announced plans for expansion.

Over the past number of years a survey of available vacant office space in selected areas of the city has been carried out as well as a survey of vacant ground floor retail space on St. Patrick's Street and Oliver Plunkett Street. The findings of this year's survey, together with those of previous surveys are given in Table 2.4 below.

Overall, the level of available office space has risen considerably compared to previous years particularly on the South Mall, which now sees 21,684sq. ft. of office floorspace to let. There are a number of properties in the 5,000sq. ft. range included in this total. In addition, there are currently a number of vacant office buildings on the South Mall with proposals for development. The survey also shows very little ground floor retail space available in either Patrick Street or Oliver Plunkett Street with a large percentage of currently vacant premises due for renovation or reoccupation shortly.

[3] Information gathered from various property magazines and estate agents.

Table 2.4 Office and Retail Space – Selected Streets

Year	Vacant Office Space To Let (Sq. Ft.)				Vacant Retail Space Ground Floor (Sq. Ft.)	
	South Mall	Grand Parade	South Tce.	George's Quay	St. Patrick's Street	Oliver Plunkett Street
1992	39,186	-	8,400	15,679	-	-
1994	55,460	14,070	15,125	-	-	-
1995	47,094	14,405	4,800	12,800	6,444	-
1996	45,407	13,999	2,545	0	18,632	-
1997	8,800	0	1,000	4,300	5,487	-
1998	23,023	680	800	4,500	2,285	3,876
1999	4,300	11,500	2,200	6,000	3,550	3,865
2000	5,800	0	4,000	3,000	1,197	2,700
2001	16,300	0	11,842	0	0	2,730
2002	8,784	0	7,500	0	8,200	1,866
2003	21,684	0	14,784	8,092	2,809	5,447

2.3 Housing

2.3.1 Local Authority Housing Construction

Table 2.5 Local Authority Housing Construction in Cork City

Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 (expected)
Units	36	39	118	79	106	82	100	63	53	72	108	110

During 2002 a total of 108 units were completed (in addition to this figure 94 affordable houses were completed). It is expected that 110 units will be completed by the end of 2003. Table 2.6 shows schemes that are in progress.

Table 2.6 Schemes in Progress

Scheme	Number of Units	Estimated Completion Date
28 Nicholas Street	1	Nov 2003
27 Leitrim Street	3	Nov 2003
16-17 Gerald Griffin Street	12	Dec 2003
5+6 Ballymacthomas St	4	May 2004
Glen Infill / Regeneration	48	June 2004
	Total 68	

In addition to these schemes a number of "turnkey" schemes are currently under construction. The second phases of both the Mount St. Joseph's (30 units) and Sunvalley Drive (8 units) schemes commenced in April 2003 and work is on-going at Glenfields, Ballvolane (109 units), phase II of Willowbank (52 units) and Bakers Road (18 units). Work is on-going on Phase I of the Glen Regeneration Project while Proposals for Contract D of the Knocknaheeny Masterplan were advertised recently.

There are 10 schemes currently in the course of planning totalling 456 units. The largest of these schemes are at Casey's land, Mahon (100 units), Susie's Field, Blackpool (70 units) and Berlingford Drive, Blackrock (56 units).

At 30th September 2003, the housing stock for rental purposes totalled 7,684 units of accommodation. This figure includes dwellings currently under rent, those under repair/refurbishment and dwellings available/likely to be available for rental including those of questionable legal status. Of these 7,684 units, a total of 332 dwellings were deemed to be vacant for a number of reasons.

The total number of applicants on the housing waiting list as at 30th September was 3,065, up from 2,880 in June 2003. Approximately 85% are single-adult households (40% single parents with children, 45% single applicants). Lees than half of the eligible applicants seeking housing from Cork City Council are on the waiting list for longer than three years.

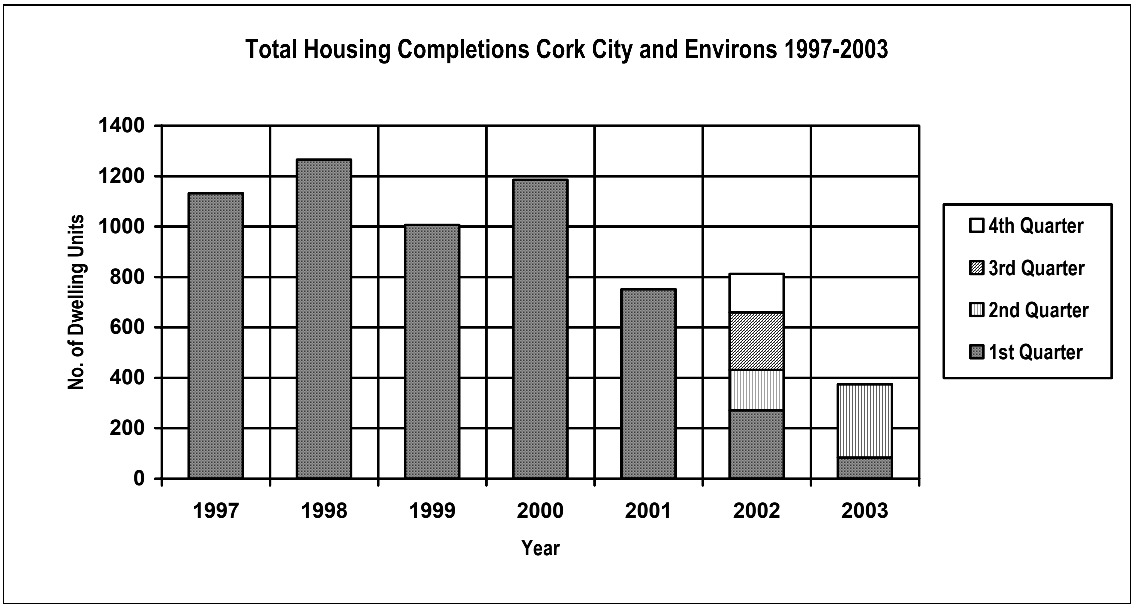
2.3.2 Voluntary and Affordable Housing Schemes

Six Affordable housing schemes, totalling 182 units, are at various stages of planning or construction. There are a number of schemes being funded under the Capital Assistance Scheme. The largest of these are the Respond! Scheme in the Blackpool flats (50 units) and the Bishopstown Senior Citizen's scheme (25 units). Funding is being sought from the DoELG for a 39 unit scheme by Farranree Sheltered Housing.

In addition, the following schemes are being funded as Capital Loan & Subsidy Schemes: the Cluid Housing Association schemes on White Street (36 units) and Broad Lane, Blackpool (28 units) and the Respond! Scheme at the Blackpool flats (12units).

2.3.3 House Completion Statistics

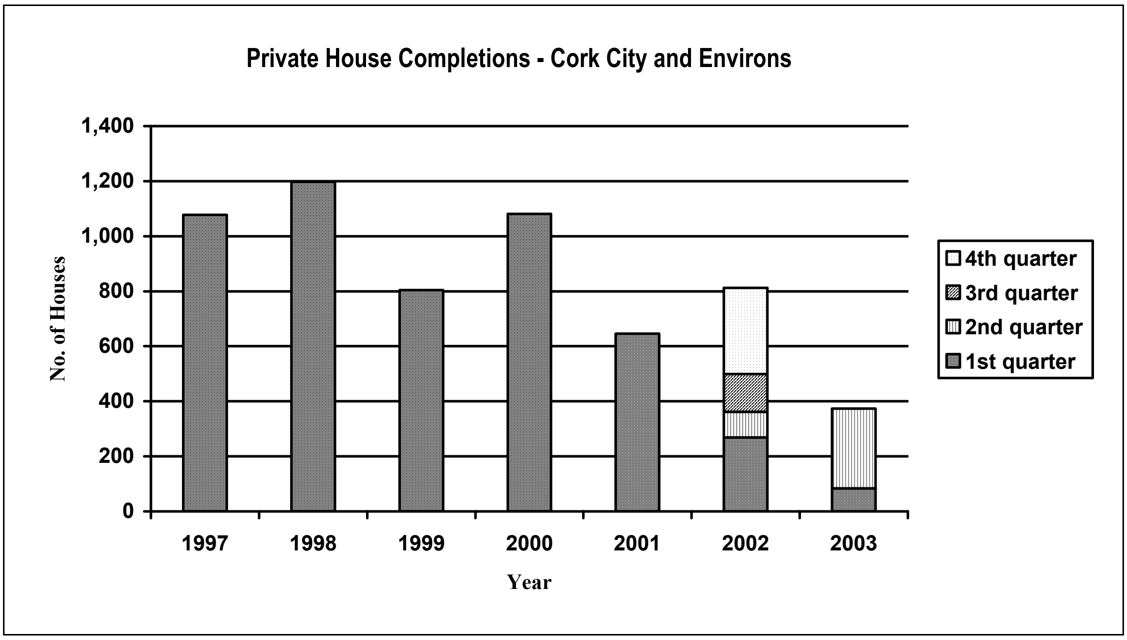
Figure 2.1 Total House Completions in Cork City and Environs 1997-2003



Source: Housing Statistics Bulletin, DoELG

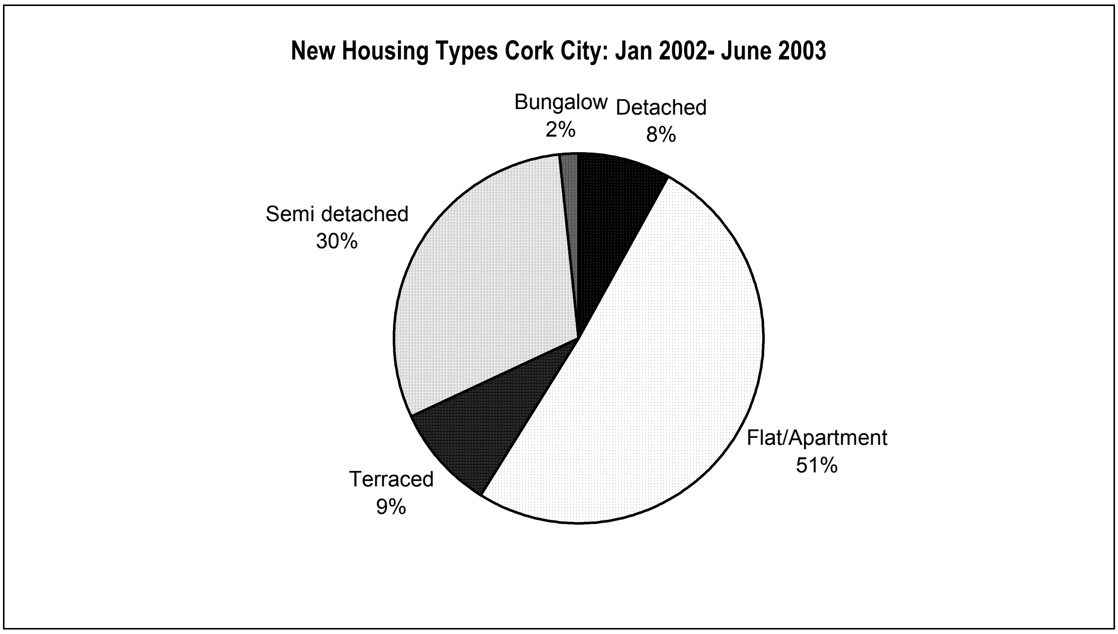
Housing completions (including apartments) peaked in the city in 1998 reaching 1,266. Since 2000 however the number of completions has fallen significantly. In 2002 a total of 812 housing units were completed. In 2003, after a slow first quarter, the number of completions has picked up considerably with 290 units completed between April and June. Figure 2.2 gives the number of **private** house completions in Cork City during the same period.

Figure 2.2 Private House Completions in Cork City and Environs 1997-2003



Source: Housing Statistics Bulletin, DoELG

Figure 2.3 New Housing Types in Cork City and Environs 2002-2003



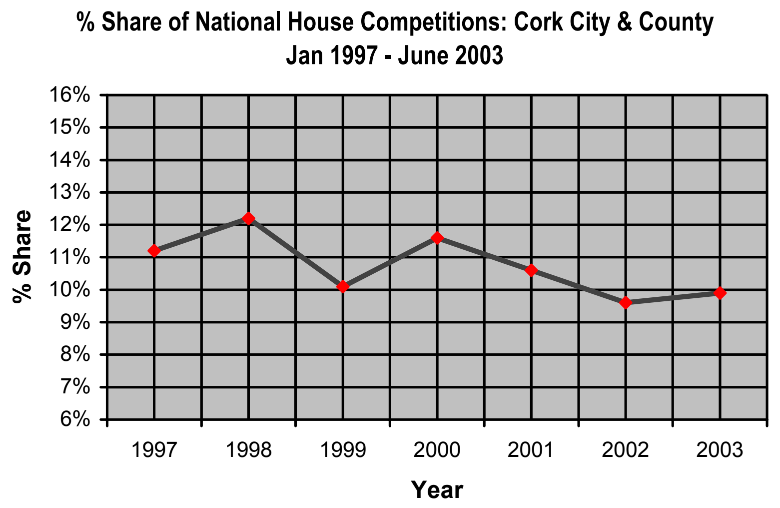
Source: Housing Statistics Bulletin, DoELG

In line with current trends in the other major cities, housing construction in Cork City is dominated by the construction of new apartments. The apartment market has been the most successful sector of the Irish property market over the last two decades, with a steady increase in the number of apartments being completed each year. In the cities, they have made a significant contribution to the regeneration of many inner city areas, rejuvenating run down derelict sites and attracting new populations into city centres. Apartments are now seen as the first choice of accommodation type by a large proportion of first time buyers. While this new demand has had a significant impact on apartment construction, two other important factors have played a part also: constraints in the supply of land within cities and the Government promotion of higher residential densities.

A total of 603 new apartments were constructed in Cork City and environs since the beginning of January 2002. This represents 51% of the total new housing construction in the city. In comparison, 357 semi-detached houses were constructed, 97 detached, 108 terraced and 21 bungalows.

Housing construction in the County Council area reveals a very different picture. The Cork County Council area has the largest number of housing completions per administrative area in the country. A significant proportion of these completions are within the Cork Metropolitan Area and have a direct impact on the city. Figure 2.4 gives the national share of housing completion for the City and County areas.

Figure 2.4 % Share of National House Completions



Source: Housing Statistics Bulletin, DoELG

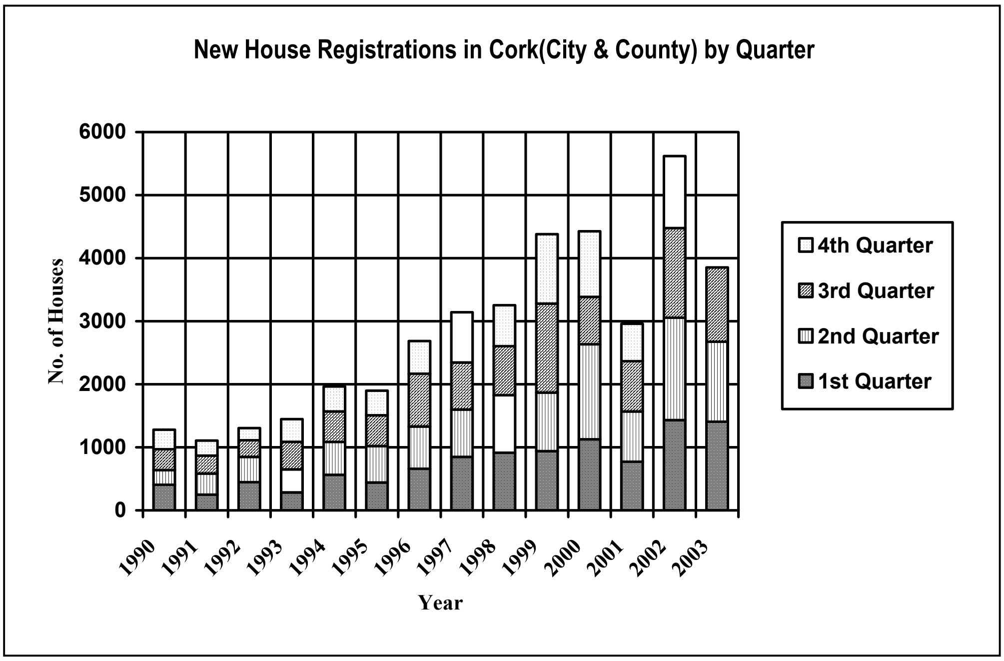
Housing construction in the County Council area is dominated by houses rather than apartments. Apartments account for only 12% of the total housing units completed. Of the 7,321 housing units completed since January 2002, 4,803 were either detached or semi-detached, 937 were bungalows, 702 terraced and 879 were apartments. Significantly figures from the **CSO** reveal that Cork County has one of the lowest incidences (28%) of one-off housing in units built since 1991.

2.3.4 New House Registrations

This section details the number of new houses registered under a building guarantee product: HomeBond or Premier Guarantee (since 2002). While not all new houses are registered under a building guarantee product, these figures serve as a useful indicator of future house building activity.

There was a 63% increase in HomeBond registrations in 2002 reaching a total of over 47,000 for the country as a whole. There were 5,618 registrations in Cork, a 90% increase on 2001.This can largely be explained by the rush of housing completions towards the end of the year before permissions expired under the 2000 Planning and Development Act. Figures for the first three-quarters of 2003, while below 2002, are above the figures for both 2000 and 2001. To date in 2003 there has been 3,854 Homebond house registrations in Cork.

Figure 2.5 New House Registrations (HomeBond)



Premier Guarantee Registration figures are also available for 2002 and the first two quarters of 2003. There were a total of 386 Premier Guarantee registrations in the Cork area during 2002. The total registrations for the 1st and 2nd quarters of 2003 were 60 and 339 respectively.

2.3.5 House Prices

Irish house prices continue to rise but the rate of growth has started to slow. The latest **Permanent TSB House Price Index** reveals that house prices nationally have rose by 9.4% in the first nine months of 2003 and by 15.0% over the last twelve months. There has been some moderation in the rate of house price growth: in August it was 0.8% and was down to 0.5% in September. The gap between Dublin and the rest of the country is now 7 times greater than it was in 1996. Furthermore, house prices in Dublin continue to rise at a greater pace than the rest of the country. This underlines the need for a strategy limiting the growth of Dublin and directing development and growth to other areas of the country.

Housing supply has increased in recent years with some 57,000 completions last year and 63,000 forecast this year. With the annual demand estimated between 40,000 and 50,000 in the medium term, shortage of supply is likely not to be a future factor in house price increases. The two other major influences in the price of housing are demographics and affordability. Demographic trends forecast that the house buying population will continue to rise until 2011 with net migration also continuing to increase.

Forecasts for the housing market now fall into two categories, those who predict collapse and those who argue that house prices will remain the same even edging upwards slowly. What can be said however is that the latest house prices figures have revealed some moderation in the growth of prices and are good news for first time buyers.

Statistics issued from the Department of the Environment & Local Government reflect the average new house and apartment prices from 1999 to the second quarter of 2003.

Table 2.7 Average New House Prices (Excluding Apartments)

Area	1999	2000	2001	2002	2003	%Change
					Average Quarters I-II	Base Year: 1998
Cork	€140,797	€164,535	€175,372	€184,884	€222,836	58%
Dublin	€191,942	€216,433	€252,192	€259,381	€290,144	51%
Galway	€137,510	€160,972	€171,578	€187,194	€216,986	58%
Limerick	€122,146	€146,838	€154,515	€169,577	€188,363	54%
Waterford	€132,510	€145,087	€157,767	€169,681	€185,865	40%
State	€147,043	€166,155	€181,146	€194,835	€214,035	46%

Table 2.8 Average New Apartment Prices

Area	1999	2000	2001	2002	2003	%Change
					Average Quarters I-II	Base Year: 1998
Cork	€144,711	€191,725	€159,741	€175,674	€217,591	50%
Dublin	€201,714	€243,338	€224,485	€249,250	€272,582	35%
Galway	€152,428	€190,509	€168,145	€190,217	€226,114	48%
Limerick	€118,980	€137,457	€129,876	€159,457	€215,978	82%
Waterford	€125,421	€152,424	€127,174	€137,604	€207,109	65%
State	€168,033	€205,682	€196,386	€220,298	€248,936	48%

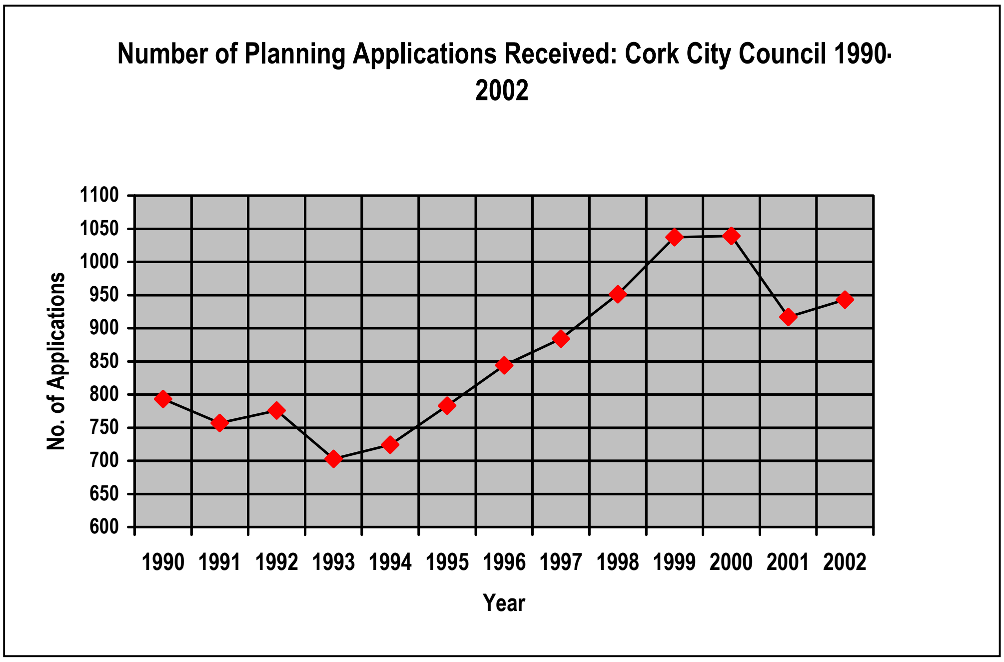
Source: Housing Statistic Bulletin June Quarter 2003, DoELG

2.4 Planning Statistics

2.4.1 Planning Applications / Permissions

The annual number of planning applications received by Cork City Council has increased steadily since 1964. From just 54 applications in 1964, a peak of 1,039 was reached in 2000. Up to September 2003 there have been 949 planning applications, which means we are likely to see the 2000 peak surpassed this year.

Figure 2.6 Planning Applications Received 1990-2003



Of the of total planning permissions granted, the percentage for residential new-build has increased slightly over the last 3 years. In 2001 the percentage of total permissions granted for residential new building was 18.6%, in 2002 it dropped to 17.8% while in 2003 this percentage rose to 21%.

2.4.2 Housing Units Granted

Planning permissions for apartment development have outstripped those for houses over the last number of years and will continue to do so. This reflects the recent shift towards high-density development driven by a number of factors. An increase in the number of single person households, particularly in cities, along with the lack of available land for development has meant that new development is orientated towards higher densities. Government promotion of higher densities is also playing a part. Permissions were granted for 637 apartments in 2003 so far, while 205 houses were granted. A number of the apartment developments given permission in the last number of months have been for students. In addition the City council has a significant number of applications for student apartment developments awaiting decision. This is due to developers taking advantage of Section 50 tax relief for student housing development before the closing date.

2.5 Infrastructure

2.5.1 Infrastructure / Road Schemes

(a) St. Patrick Street

Work is well underway on the Urban Landscape and Refurbishment Works to St. Patrick Street. This scheme, costing €11m, commenced in mid-2002 and is due for completion in mid-2004.

(b) Kinsale Road Interchange

Work is to commence on the Kinsale Road Interchange contract mid 2004. A grant of €10m from the National Roads Authority has been received for this work.

(c) Blackpool Bypass

Work commenced in late 2002 on the rehabilitation of the Watercourse Road, which consists of an Urban landscaping and Traffic Management / Traffic Calming Scheme. The total estimated cost of this scheme is in the order of €4m. It is hoped to complete this scheme by the end of 2004.

(d) Sarsfield Road

Work was completed in late 2002 on the Widening of Sarsfield Road, which is the main link road between the South Link and Wilton area.

(e) Southern Ring Road

Advanced works have been done to the Southern Ring Road on the approach to the Kinsale Road Grade Separation. This work has continued in 2003.

(f) Jack Lynch Tunnel and Approach Roads

The Jack Lynch Tunnel has on going maintenance and improvement programme. This programme has continued throughout 2003.

(g) Cornmarket Street

A new pedestrian bridge has been designed linking Popes Quay to Cornmarket Street. Work on the manufacture of the bridge has commenced and it is hoped to have it in place by Spring 2004. The scheme is quite a simple and distinctive design and was a result of an international competition that was the run by Cork City Council and the Institute of Engineers of Ireland. This bridge will form the first phase of the ***Cornmarket Street Action Plan*** currently being prepared by the City Council's Planning Department.

(h) City Centre Streets

In general the City Centre streets in Cork require considerable investment over the next two years. Cork Main Drainage works will be completed in the city centre by late 2003 and it is hoped to undertake extensive reinstatement and paving work during 2004. Repaving work has already commenced on French Church Street and Carey's Lane.

(i) Black Ash Park and Ride Facility, Kinsale Road

This development proposes to redevelop this former landfill site as a Park and Ride Facility which will initially comprise of approximately 380 parking spaces, including facilities for motor cycle and bicycle parking together with an administration building and associated services. The facility will eventually provide approximately 900 parking spaces.

(j) Oliver Plunkett Street Redevelopment

A scheme for the redevelopment of Oliver Plunkett Street was recently unveiled by the City Council. The scheme proposes the repaving of Oliver Plunkett street and a number of adjacent streets, widening footpaths while retaining the carriageways. It is also proposed to pedestrianise Oliver Plunkett Street for a specific time period each day.

(k) Green Routes

First identified in CASP, green routes will be high-quality, high-profile public transportation routes into the city centre focused on the objective of moving large numbers of people instead of vehicles. Bus lanes and other measures will be implemented to improve priority for public transport, cyclists and pedestrians. Work is to commence shortly on the first of these routes from Douglas to the City centre with a number of other routes at various stages of planning.

(l) BroadBand Network

The Metropolitan Broadband Network consisting of some 60Km of fibre optic cable will be in place before the end of this year.

(m) Water Street Bridge

Consultants will be appointed shortly to progress the design of the Water Street Bridge. The bridge will connect the North and South Docks and constitutes a significant part of the infrastructural improvements outlined in the Docklands Development Strategy.

2.5.2 Water Schemes

(a) Water Network project

This €2.95 million E.U. funded project is underway since September 1997. Computerised (GIS) and hydraulic models of Cork's water network are now in place.

(1) A Strategic Operational Management Plan has been drawn up for the Water Section.

(2) The Water Distribution Network has been divided into 55 district meter areas, each of which can be monitored remotely by telemetry.

(3) Active leakage control being applied citywide.

(b) Lee Road Waterworks Improvement

Funding was allocated under the National Development Plan 2000 – 2006 to modernise the Lee Road Waterworks. The process of making an Abstraction Order is well advanced. An application under Part 8 of the *Local Government Planning and Development Regulations 2001* is now being processed. A Preliminary report has been forwarded to the Department of Environment and Local Government for approval to replace the low level rising mains from the Waterworks. An allocation has been provided in the Water Services Investment Programme 2003-2005 for this project.

(c) Tivoli Industrial Estate Firemain

The Department of the Environment and Local Government (DoELG) has approved a Preliminary Report on the provision of a firemain to serve the Industrial Estate at Tivoli. Contract Documents have been prepared and are to be forwarded to the DoELG shortly.

(d) Renewal of Watermains & Services

As a result of the Network Management Project, the need for a €50.8 million programme of rehabilitation of the City's iron watermains has been identified. €13.04 million has been allocated under the Water Services Investment Programme 2003-2005

The renewal of watermains and services in Cork City Centre is proceeding in conjunction with the Cork Main Drainage Contracts.

Carl-Bro-Ryan Hauley & Co. Consulting Engineers have carried out a detailed study of the watermains for the rest of the city. A Draft Preliminary Report outlining the prioritisation of rehabilitation works was presented to the City Council in April 2003. The Final Report prioritises a phased programme of watermain rehabilitation for the period 2006-2016 valued at €96.5 million.

(e) Schemes submitted to the DoELG

The following schemes have been submitted to the DoELG for approval and funding:

(i) Provision of a stand-by generator to the Lee Road Waterworks. This scheme will be considered as part of the Lee Road Waterworks Improvement Contractor.

(ii) Construction of a storage reservoir at Rochestown.

(f) Strategic Water Plan

Consultants have commenced the preparation of a strategic water plan for Cork County Council's Southern Division and Cork City Council's area.

(g) Docklands Redevelopment

Consultants have been commissioned to prepare a preliminary report on water supply for the Docklands Development Area.

(h) Additional Reservoir Storage

Provision has been made in the Water Services Investment programme 2003-2005 for the planning of additional reservoir storage at Shanakiel.

2.5.3 Cork Main Drainage

The Cork Main Drainage Scheme, which commenced in 1997 and comprised of 21 contracts in all is now drawing to a close. All works will be substantially completed by the end of this year.

Work is progressing on the City Centre Contract No.2 and over the final months of this year drainage works will be completed in most areas of the City.

Work is well advanced at the Treatment Plant site and sewage has been flowing to the plant for treatment since August. The present main discharges of sewage at Kennedy Quay and Horgan's Quay have been eliminated and over 50% of the city's sewage is now being treated. All the remaining discharges of sewage will be connected to the system over the next few months.

The Wastewater Treatment Plant is in the final testing and commissioning stage and will be fully commissioned early next year. The resultant improvement in water quality in the river and estuary will then become apparent.

2.5.4 Amenity Projects

Job Initiative projects

A total of 65 people are employed under the Job Initiative programme, of whom 30 are engaged on amenity projects

Parks are being developed in the following areas:

(a) Shalom Park

Shalom Park has been completely refurbished, including installation of new railings, a construction of a new path layout and paved area, installation of public lighting, seats and litterbins. Mature trees were retained and additional planting carried out. Playground equipment has been installed and the Park was reopened to the public following establishment of the grass in mid-summer.

(b) The Glen

Major work has been completed in The Glen Park on the refurbishment and rebuilding of the pedestrian access and bridges between the ponds. The originals were liable to flooding and after nearly 20 years needed to be replaced. Similarly the paths laid out at the same time within the park have been altered, realigned and/or widened to take account of changes that have occurred over the years.

(c) Red Abbey

Workers moved on site on 4th November 2003 to carry out the refurbishment of the Amenity Area adjacent to the Red Abbey Tower. The Urban and Village Renewal Measure under the Southern and Eastern Operational Programme 2000-2006 included a sub-measure for City Regeneration. The Red Abbey Redevelopment has been approved for funding under this sub measure and matching funding is available from Amenity planning contributions. Improvement of the space is intended to not only upgrade the amenity but also compliment The Red Abbey by setting it in a context as befits its status.

(d) Municipal Golf Course, Mahon

Work is ongoing on the improvement of the access road, car parking, lighting and ancillary works for the new changing rooms and office being constructed for the course. Paving to the front of the building is due to commence in early November in preparation for opening within the near future.

(e) Meelick Park, Ballyvolane

A perimeter path network and seating have been provided around this park as part of ongoing development following its enclosure with a perimeter railing.

(f) Tory Top Park, Ballyphehane

Tory Top park has been brought to a good state of development overall. New playground equipment was recently installed.

(g) Glen Heights Amenity Area

Work is ongoing in this location. Park railings have been erected around the green area and will be completed in conjunction with construction of housing adjacent to the site. A path network will also be constructed and additional planting carried out.

(h) Shandon Cemetery

Work commenced in early April on the clean up and refurbishment of the two Shandon Cemeteries. Dangerous trees have been felled, and the overgrowth has been cut back. The cemeteries have been cleared of all litter and dumped material. Improvements are being carried out in the Northern Cemetery with the construction of a paved footpath with stone edge kerbing. This paving will be extended to improve access points and features.

(i) Fitzgerald's Park

Minor Improvement works are underway on tarmacadam areas, footpaths, and seating. There are also plans to add additional equipment to the playground.

(j) Bank of the Lee Project

Consultants have been appointed to design and oversee construction of the pedestrian bridge at the Mardyke.

Future Planned works:

Mahon Park

Public consultation has taken place for a new Park development off Loughmahon and Skehard Road. Part 8 is nearing completion. It is expected that work on site will commence in late 2003. Funding is provided for this development under the Mahon Lands proposals.

Glenamoy Lawn , Mayfield

Public consultation has taken place and Part 8 is nearing completion for a new park in Glenamoy, Mayfield. Funding has been provided in the current budgets for this work. It is expected that site development should commence in early 2004.

2.5.5 Cork Suburban Rail Project

The Cork Suburban Rail Project is a central element of the transport proposals outlined in the Cork Area Strategic Plan. CASP envisages that:

"there will be a major growth corridor in the northern and eastern part of the metropolitan area between Blarney and Midleton….the location for the development must be close to the existing rail system in order to avoid the traffic gridlock that would occur if a simple roll out of the City were to be adopted as a

policy…Central to this strategy is the upgrading and better utilisation of the rail system and the location of development to avail of the rail infrastructure"

The project will consist of works and the provision of rolling stock associated with:

- Re-opening of and operation of suburban services on the Cork to Midleton Line
- Provision of new services between Blarney and Cork (some to continue to Mallow)
- Upgrading of rolling stock and frequency on the Cobh line as demand increases

Within the city, the main elements of the project will be the re-opening of Kilbarry Rail station and the refurbishment / realignment of Kent Station.

The project was supported by the recent Feasibility study on the Cork suburban Rail project by Faber Maunsell (for Iarnrod Eireann) and the Strategic Rail Review carried out by Booz Allen Hamilton. Both saw it as good value for money and referred to Section 49 as a potential source of funding. The reports cost the project at €115 –124million (€120 million has been used in the calculation of the development contributions). Provision has been made for the payment of a reduced or no contribution in certain circumstances.

Section 49 of the Planning and Development Act 2000, enables Cork City Council to include a planning condition requiring the payment of a contribution in respect of any public infrastructure service project, as defined in the Act. These contributions are termed ***supplementary*** in the sense that they are separate from and in addition to the contributions levied under the ***General Development Contributions Scheme*** (section 48).

In respect of section 49, both Cork City Council and Cork County Council have drafted Supplementary Development Contributions Schemes to help fund the ***Cork Suburban Rail Project.***

The Scheme will apply to areas:

- Within a 1 Kilometre corridor of the Cork-Blarney, Cork-Cobh and Cork-Midleton railway lines (excluding the tunnel section), Kilbarry Station and Kent Station.
- In the functional area of Cork City Council.

Under the 2000 Act the projects or services may be provided or carried out by Cork City Council or by any other person, pursuant to an agreement between them and the Local Authority. The City Council will levy and collect contributions, which will be retained and invested until the project begins. Once an agreement under Section 49(4) of the 2000 Act has been agreed and substantial work on the project has begun, all contributions with accumulated interest will be transferred to the Rail Procurement Agency (or any other organisation designated by the Government) to carry out the project.

3.0 Cork City Planning Framework

The Draft Cork City Development Plan sets out the City Council's vision for Cork City over the next 6 years. It outlines policies and objectives in respect of the economic, infrastructural, social, cultural and sustainable development of the city.

The City Council recently issued the ***Proposed Amendment to the Draft Cork City Development Plan***. This constitutes the next stage in the development plan making process. A four-week public consultation period, running up to the 10th of November 2003, invited submissions or observations on the amendment from the public. The City Manager will submit a report on these submissions to the City Council for their consideration. All submissions or observations received before that date will be taken into consideration before the making of any amendment and the adoption of the final Development Plan.

The recently published ***National Spatial Strategy 2002-2020 (NSS)*** identifies Cork as a Gateway City to counteract the dominance of Dublin. The Strategy provides a spatial planning framework for the country and provides the city the opportunity to build on its substantial and established economic base to lever investment into the South West region. ***Regional Planning Guidelines*** are to be prepared presently for the South West to facilitate the implementation of the NSS.

The Cork area is well positioned to commence implementation of the NSS through the strategic planning framework provided by the ***Cork Area Strategic Plan 2001-2020 (CASP)***. Both City and County Councils have adopted the Plan and it will provide a vision for the development of the Cork region over the next 20 years. It is generally acknowledged that in order to facilitate the future development of Metropolitan Cork a considerable amount of investment in infrastructure will be required.

Consultants appointed by Cork City and County Councils completed the ***Cork Strategic Retail Study*** in December 2002. The Retail Strategy elements of this study are currently being incorporated into both the County and the City Development Plans.

The designation of Cork City as ***European Capital of Culture*** for the year 2005 will bring significant focus to the City Centre and the role of the city in providing a backdrop for the arts and culture and as a place to live. It is expected that many key infrastructural developments will be in place for the year 2005, including the Patrick Street Regeneration Project, the pedestrianisation of Oliver Plunkett Street and the regeneration of the Mardyke Walk, through the Banks of the Lee project.

The City Council's Planning Department will shortly prepare ***Local Area Plans*** for the Docklands area. These Plans will build on the objectives set out in both the *Draft Development Plan* and the *Docklands Development Stratgey,* helping guide and further progress the redevelopment of the Docklands area. Area Action Plans are currently being prepared for Cornmarket Street to guide the rejuvenation of the wider area and for the former Kilbarry railway Station and environs, supporting the development of the Cork Suburban Rail Project.

4.0 Urban Renewal

4.1 City Regeneration Projects

Funding for this project was received under the Urban and Village Renewal Measure of the ***National Development Plan*** and is being delivered up to 2006. It is mainly focused on the implementation of Phase 3 of the ***Historic Centre Action Plan*** in the areas outside the city centre's medieval core and the regeneration of St. Patrick's Street. There are a number of projects being funded under the City Regeneration Project. These are at various stages of completion, details of which are contained under the infratsructural section of the Monitor. The projects include:

(a) Shandon Cemeteries Refurbishment
(b) Banks of the Lee Project
(c) Red Abbey Refurbishment
(d) St Patrick's Street Renovation
(e) Shandon Street Renovation

4.2 Cork Docklands Development

A ***Docklands Development Strategy*** has been prepared for the Docks Area of the city comprising 166 ha (420 acres)

Uses proposed for the area include up to 6 million m2 of new non-residential uses including Offices, Education, Retail, Cultural and Leisure, approximately 6,000 new homes and a new Public Transport System. It is proposed to phase the development over a 20-25 year time frame.

The proposals contained in the Docks Strategy have now been incorporated into the Draft City Development Plan, which will give them a statutory basis. The City Council is considering the preparation of Local Area Plans for Docklands Area in order to further refine the strategy to ensure a quality development. The use of Strategic Development Zones is also being considered to aid the development process. Work has been ongoing to ensure that the area is adequately serviced to facilitate development in terms of Water, Sewerage, Drainage, Roads, Public Transport, Telecoms etc.

Promotion of the area's re-development and working with the various stakeholders, i.e. Landowners, Developers, Residents, Public Agencies etc, has played a large role in the activities of the Docklands Team. Early indications of some success are evident with planning permission for two 10,000m2 office buildings and an 8 storey Hotel. Proposals for the re-development of C.I.E. Lands at Kent Station and Horgan's Quay are expected shortly. This will include a new Railway Station, 1,200 approx. apartments and mixed-use commercial development. Preliminary discussions are ongoing with other landowners/developers.

Proposals for a commuter rail development on the Mallow to Midleton rail line have been included in the Governments 'Strategic Rail Review' report as being viable, which together with the redevelopment of Parnell Place Bus Station and development of Green routes should give the city region a quality public transport system, with a hub in the city centre / Docklands.

Pre-Planning discussions are now taking place with the owners of Barry's timber yard and adjoining sites. It is expected that a large proportion of the development will be residential with ancillary services.

4.3 1999 Urban Renewal Scheme

The 1999 Urban Renewal Scheme applies to two areas of Cork City: Blackpool/Shandon and the City Docks. Both schemes are based on Integrated Area Plans (IAP's) prepared by Cork City Council. Only three areas in the city docks were identified for urban renewal incentives: two sites on Horgan's Quay, and a site on Clontarf Street which includes the CIE Bus Station. There is planning permission granted for the Bus Station site while discussions are on-going regarding the Horgan's Quay site.

Blackpool / Shandon IAP

The Blackpool / Shandon Urban Renewal Scheme 1999 – 2004 offers tax incentives for both residential and commercial development in seven sub-areas covering almost 30 hectares. The emphasis of the scheme is on the regeneration of the Blackpool / Shandon area. In addition, incentives are available to owner-occupiers throughout the Blackpool/Shandon IAP area for the refurbishment of houses constructed before 1920. There is a requirement to retain, repair and replace traditional features of buildings when carrying out refurbishment work.

In accordance with the details announced in the Budget 2002, the deadline for qualification for tax incentives under the Urban Renewal Scheme 1999 has been extended from 31st December 2002 to 31st December 2004. This extension applies to commercial, industrial and residential projects and applies where 15% of expenditure has been certified by the Local Authority to have been incurred on such projects by **30th June 2003**. Approval has been given to extend the deadline in relation to commercial incentives from the European Union.

There was a surge of new applications accompanied by proof of expenditure leading up to the aforementioned deadline of 30th of June. This has included large applications such as the mixed-use developments proposed for Polefield in Blackpool and for Lower Glanmire Road/Horgan's Quay. All applicants were notified regarding certification before the 31st of September. Some of the developments under the Scheme are approaching completion such as at 17-20 Pope's Quay and several refurbishment projects at Devonshire St. and Shandon Street. The vast majority of applicants under the Scheme have been residential investors, which will result in a significant increase in the supply of residential units in the city over the next 2 years.

Progress to date is highlighted in the following tables.

PROGRESS TO DATE

	Aug 03
No. of Applications	69
No. Applied for Preliminary Certs	39
No. of Preliminary Certificates	13
No. of Full Certificates	17
Total	69

STATUS OF DEVELOPMENT

	Aug 03 (No. of applications)	Est. Cost (€)
No. of Developments in Planning	20	125,167,219
No. of Developments with Work in Progress	31	74,509,032
No. of Developments Completed	18	6,480,219
Total	69	206,156,470

NO OF RESIDENTIAL UNITS

No. of Residential Units	Proposed	Completed	Total
Houses	41	12	53
Apartments	572	62	634
Total	613	74	687

SCALE OF DEVELOPMENT %

	Sq.m.	%
Commercial	47,352	48
Residential	50,448	52
Total	97,800	100

4.4 RAPID

Under the National Development Plan there is a specific commitment to target investment expenditure in twenty-five of the most disadvantaged areas in the country. The ***Programme to Re-Vitalise Areas by Planning Investment and Development*** (the RAPID Programme) sets out the twenty five areas and how the programme is to be implemented over the next three years.

The **Cork City RAPID Programme**, designed to prioritise areas of most need in the City and to bring voluntary and commnity organisations together to develop and implement integrated service delivery at local level, is moving forward and is now operational in four areas. They are:

- Knocknaheeny / Hollyhill / Churchfield
- Fairhill / Faranree / Gurranabraher
- Blackpool / The Glen/Mayfield
- Togher / Mahon

The RAPID Programme is being co-ordinated by the City Council's Directorate of Community and Enterprise and a co-ordinator has been appointed for each area. Area Implementation Teams have been set up, which will represent statutory agencies and communities. The plans allow for improved investment in services through the ability of all partner agencies in the state sector to draw down additional resources via the appropriate government departments. Already progress has been positive and even allowing for the more stringent economic climate, each area has been able to identify and focus on local priorities and develop new initiatives

4.5 Living Over The Shop Scheme 2000-2004

This scheme aims at promoting the rehabilitation of buildings and increasing the supply of residential units within the city centre. The emphasis is on refurbishment rather than demolition. Tax incentives for the refurbishment of vacant upper floors above business premises for residential use are available in the streets outlined below. The Streets designated under the Living Over The Shop Scheme are as follows Cornmarket Street(Coal Quay), Castle Street, North Main Street, Washington Street (part of), Oliver Plunket Street, Barrack Street, Marlborough Street, Parnell Place, Douglas Street, Georges Quay, Shandon Street, Leitrim Street, MacCurtain Street, Bridge Street and Great William O'Brien Street (Blackpool Bridge End).

A brochure is currently available from the Planning Directorate, Navigation House, Albert Quay, Cork. Interest in the Scheme greatly increased during the first half of 2003 due to the City Council's promotional efforts and a growing awareness among property owners of the oncoming deadline of 31st of December 2004 for the completion of works. This increased interest has been reflected in the amount of applications received with many more expected over the coming months. A new initiative to promote the Scheme and to emphasise the amount of time remaining is currently being undertaken. This will involve a targeted mail drop to the relevant property owners and will also underline the benefits of living in the city centre in the context of the local upgrading works, the renewal schemes and the Main Drainage project.

The following tables give an up to date position on applications received:

PROGRESS TO DATE	Aug '03
No. of Applications	16
No. of Preliminary Certificates	4
No. of Full Certificates	4
No. under request for further information	8
Total	16*

STATUS OF DEVELOPMENT		Est. Cost (€)
No. of Developments in Planning	6	4,620,000
No. of Developments with Work in Progress	5	2,589,142
No. of Developments Completed	4	1,054,711
Total	15*	8,263,853

NO OF RESIDENTIAL UNITS

No. of Residential Units	Proposed	Completed	Total
Apartments	44	13	57
Total	44	13	57

* These totals differ because one application under the Scheme was in respect of exempted development and has not yet begun. Consequently it was not included in the Status of Development total.

4.6 Promoting Development

In addition to these activities in the area of urban renewal, the City Council is pro-actively encouraging and promoting the redevelopment and rejuvenation of derelict and brownfield sites in the City.

Area Action Plans are being prepared for Cornmarket Street and the Docklands area. The Cornmarket Street Action Plan will set out a vision for the transformation of the area, which has the potential to become a thriving urban quarter, attractive for business, as well as for people to live, work and visit. The Cornmarket Street area extends from Paul Street / Castle Street north to the River Lee, and from Paul's Lane westwards to North Main Street. The area will be a focus for new city centre commercial uses, including an expansion of the prime city centre retail area onto the Guy's site and the southern end of Cornmarket Street. This will have benefits far beyond Cornmarket Street itself benefiting the surrounding shopping streets, including North Main Street.

Both the South and North Docklands Area Action Plans will build on the objectives of both the *Draft Development Plan* and the *Docklands Development Stratgey.*

Through the planning and development process a number of site development briefs have been prepared for a variety of sites around the city. A number of sites along the Watercourse Road have recently had briefs prepared, supporting the workings of the Blackpool IAP renewal project. The An Post site on Eglinton Street is the latest area to have a site development brief prepared for it. In addition, site development briefs are in the process are being prepared for Kent Station, Deanrock in Togher and the

Harbourmasters site in the north Docks. Building on the objectives outlined in the *Draft Cork City Development Plan* (February 2003), the briefs outline the opportunities and constraints that are relevant to each particular site and examine the potential new uses that would be acceptable. Issues such as parking, the public realm, accessibility, density and urban design are also considered in the briefs.

Where necessary the City Council takes action under the Derelict Sites Act 1990, proactively seeking the development of derelict sites in the City, particularly the City Centre in the run up to the City Of Culture in 2005. Title problems which can hold up the development of a property for years, can possibly be resolved by an acquisition under the Derelict Sites Act, which provides a fee simple interest in the property to the local authority which can then be transferred back to the owners. There has been considerable progress on this front in recent months including: the Lapps Quay development, Crosses Green, 182-183 Old Youghal Road (still in progress re perfecting title, but no longer derelict), 4 - 7 Hill Lane (off Popes Quay) and the Blackpool Flats site (disposed to Respond).

In addition, progress has been made on a number of smaller properties, which can make a major difference to the streetscape. There have also been a sizeable number of properties acquired and redeveloped by our own Housing Department.

5.0 Overall Prospects

While the double-digit growth of the late 1990's is at a end, Ireland has shown remarkable resilience in the face of the recent global economic downturn.

Developments in recent months point to some improvement in global economic performance and the prospects of recovery. Growth rates in all the major international economies are likely to remain below 4% until 2004 at the earliest. Nevertheless, such improvement enhances the prospects for growth in the Irish economy in the short term.

The latest ESRI forecasts put Irish GDP growth at 2.2% and GNP growth at 1.9% for 2003. These growth rates were revised downward twice during the year. In 2004 the economy looks likely to pick up marginally with the global economy set to recover somewhat. The ESRI forecast that GDP growth will be 3.2%, while GNP growth will reach a more respectable 3.1%.

Competitiveness however could be a significant problem to Ireland benefiting from any future international upturn. High inflation, notably the high rate of services inflation, is resulting in Ireland's price level being 12% higher than the euro area average. Expectation is that Inflation will continue to come down in the coming months improving the competitive base competitive base of the economy. The focus of domestic policy concern should be to ensure that Ireland is in a position to benefit from the international upturn when it comes.

Unemployment is set to continue to rise, increasing from a predicted 4.7% in 2003 to 5.1% in 2004. There will be significant differences in employment trends across different sectors of the economy however. The market services sector is likely to be the major contributor to employment growth in the coming years. The high technology manufacturing sector, while growing more slowly than over the last decade, will still make an important contribution. The prospects of growth in agriculture, fishing and food processing will continue to be limited, while the loss of competitiveness is likely to affect tourism sector. The building and construction sector is close to an output peak and employment will tend to decline over the coming decade, in spite of continuing public investment.

Cork City and its wider catchment has immediate potential to be further developed because of its population base and economic strength. Substantial existing strengths exist that make it a national counterpole to Dublin, including having in place local strategies such as CASP. The National Spatial Strategy endorses the CASP as the basis for guiding development in Cork and the surrounding areas and its full implementation will be an important contributory step in realising the Government's objective for balanced regional development.

The ESRI's recent review of the National Development Plan and Community Support Framework while generally being support of the contribution made by the Plan to the Country's economic performance, argues for a reorientation of funding to help implement the National Spatial Strategy.

"To implement this there should be a significant increase in funding for the local infrastructure priority, which includes non-national roads. This should go together with a redirection and concentration of funding to enhance access to regional gateways. Funding should also be provided on a competitive basis for the development of key infrastructure projects in NSS designated gateways as part of the forthcoming Regional Planning Guidelines. It is recommended that a significant reallocation of funding be made to underpin the NSS and promote balanced regional development."

If this reorientation of funding is forthcoming, Cork should benefit greatly as one of the regional gateways, underpinning the robust economic growth the region has experienced over the past number of years.