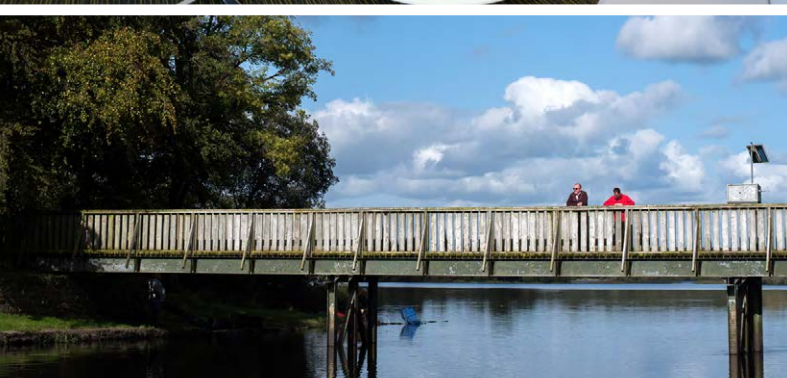
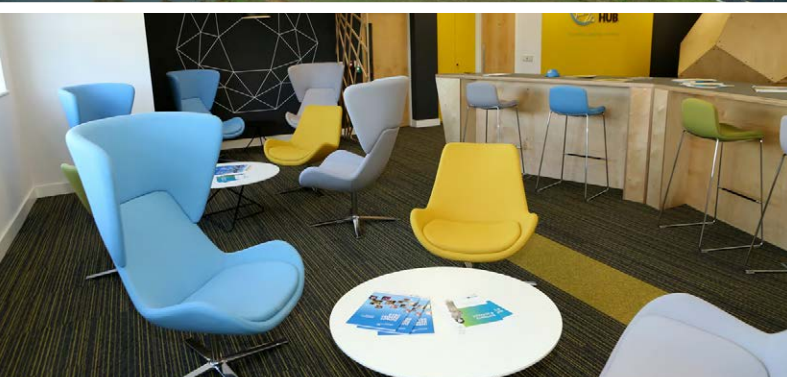




CAVAN ECONOMIC STUDY

Strategic Economic Framework



Supported by:



Future Analytics

FEBRUARY 2021

CAVAN STRATEGIC ECONOMIC FRAMEWORK



TABLE OF CONTENTS

<i>Section 1</i>	Introduction	1
<i>Section 2</i>	Setting the Context: <i>County Cavan in Profile</i>	4
<i>Section 3</i>	SWOT Analysis	46
<i>Section 4</i>	Actions of the Strategic Economic Framework	51
<i>Section 5</i>	Summary	54

“This Cavan Strategic Economic Framework provides a platform for County Cavan to facilitate sustainable economic growth through a series of dedicated and strategic actions.”

1. INTRODUCTION

Supporting and promoting business development and the creation of new employment opportunities are core to creating and maintaining economic prosperity in County Cavan and maintaining a high quality of life for those living and working in the county into the future. The Cavan Strategic Economic Framework has been prepared to support and inform the development of County Cavan through the identification of investment opportunities, areas of economic expansion and new growth employment opportunities.

This Cavan Strategic Economic Framework provides a platform for County Cavan to facilitate sustainable economic growth through a series of dedicated and strategic actions. The actions proposed have been carefully considered and are in line with, and complementary to, national and regional frameworks and policy documents, including the objectives and goals outlined in the Cavan Local Economic and Community Plan (LECP) 2016-2021. They have been informed by the Cavan Strategic Economic Framework which Cavan County Council (CCC) commissioned in early 2017.

“This Cavan Strategic Economic Framework provides a platform for County Cavan to facilitate sustainable economic growth through a series of dedicated and strategic actions.”

The study was undertaken to identify the existing economic context of the county and its relationship with its surrounding regions. A comprehensive socio-economic assessment of the county and its nine principal towns was undertaken to ascertain the characteristics of the county. The study comprised a population and demographic assessment including educational attainment; a review of industries of employment, commuting patterns, projected labour force analysis and commercial vacancy rates.

Examining the commuting patterns of the county’s population allowed for greater insights into the functional relationship of the resident and working populations and between County Cavan, its neighbouring counties and the wider region.

For the county to develop to its optimum, it is essential that appropriate infrastructure including transportation, water services, energy and telecommunications, and key services including, healthcare services, housing, educational facilities, childcare services and waste management are provided and maintained to ensure the facilitation of future economic development activity within the county.





2. SETTING THE CONTEXT:

County Cavan in Profile

County Cavan, one of five 'border' counties, has been identified as having a strategic, accessible location. The county benefits from a strategic position in which it has key corridors that connect domestically with Dublin City and Dublin Airport (via Navan) and Sligo and Galway (via Athlone). Dublin and Cavan are connected by the N3/M3 road, and except for Virginia, this route bypasses or does not pass through any towns or villages. The road continues north, extending into County Fermanagh (A509) to Enniskillen and beyond to Derry. Cavan's strategic location and connectivity is displayed in Figure 2 1.

Cavan is bound by County Fermanagh to the north and its proximity provides important economic trade corridors with Enniskillen, Belfast and Derry. County Cavan is strategically located within proximity to the trade corridors of Dublin and Belfast, while Drogheda, Dundalk and Navan are also accessible. These are all important centres of enterprise and employment, while Dublin and Belfast provide airport and port access, Drogheda also provides port access.

There are no universities or institutes of technology in County Cavan. However, the County does benefit from the Cavan Institute, which provides a range of Level 5 (Certificate) and Level 6 (Advanced/Higher Certificate) courses in fields such as: accountancy, architectural design and technology, digital marketing, software development and animal care.

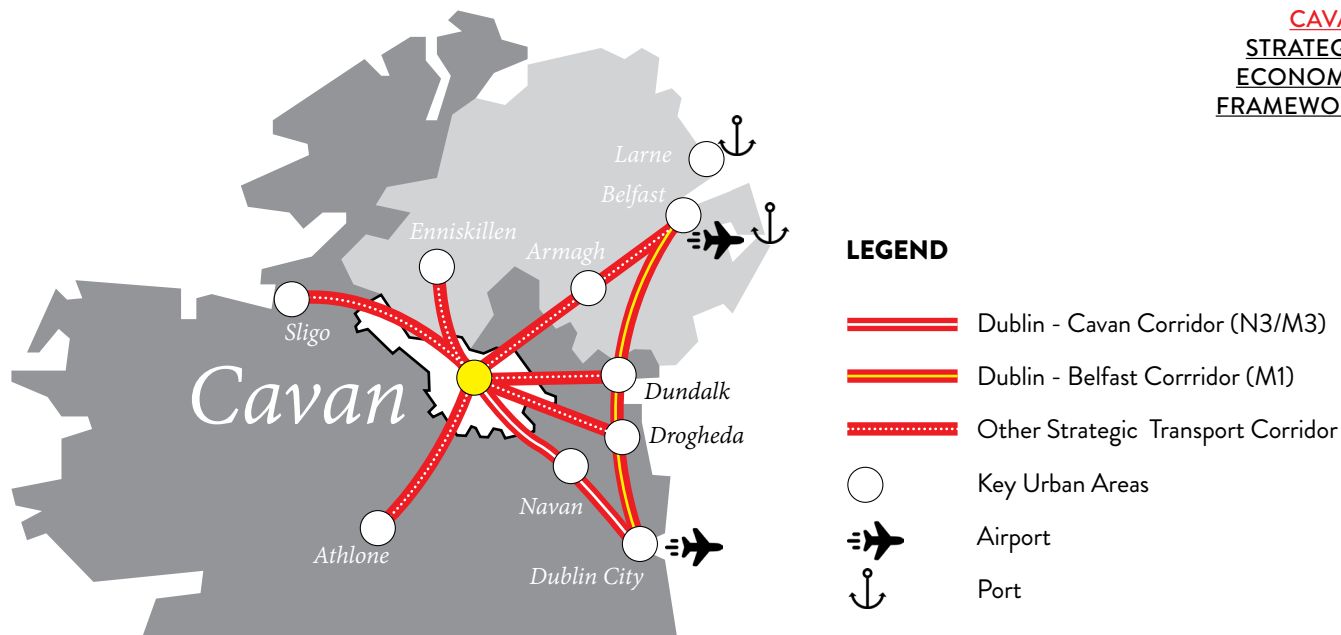


Figure 2.1 Strategic location and connectivity of County Cavan.

As part of the Economic Study, nine principal settlements within County Cavan were assessed in detail: Cavan Town, Bailieborough, Ballyconnell, Ballyjamesduff, Belturbet, Cootehill, Kingscourt, Mullagh, and Virginia.

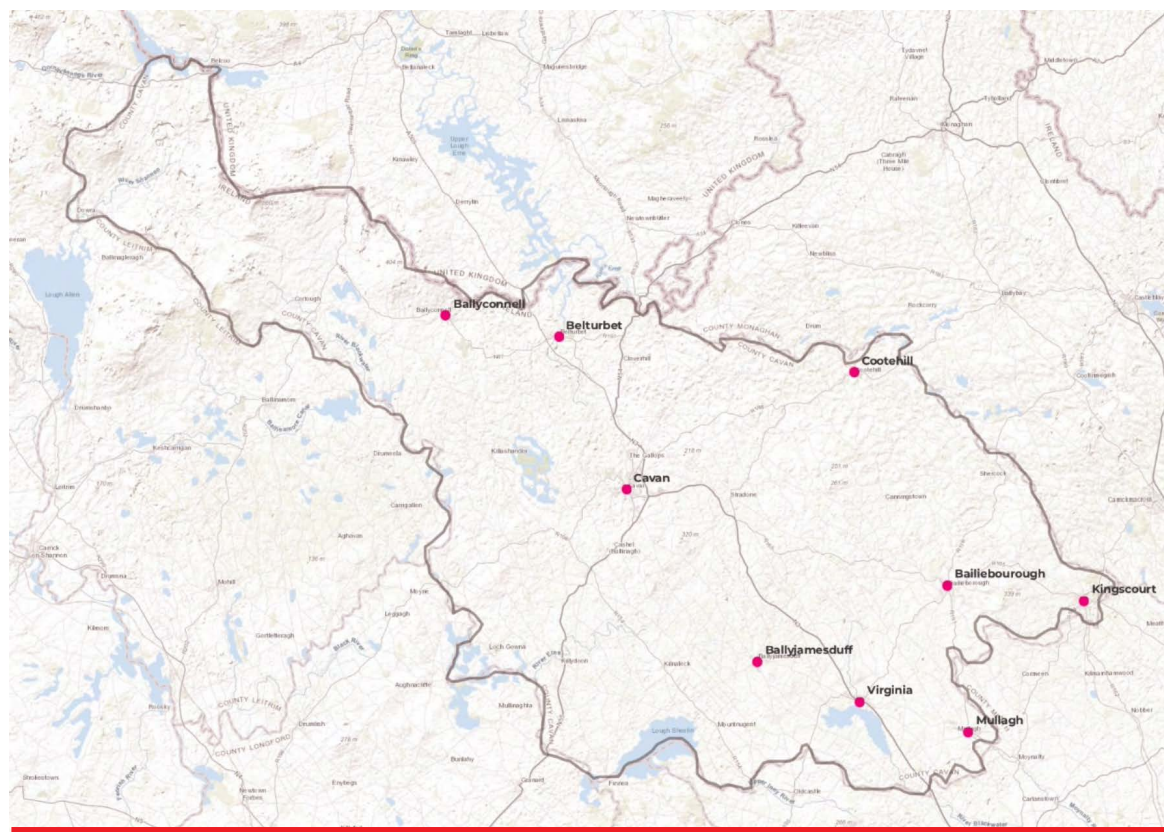


Figure 2.2 Cavan Economic Study - 9 Major Towns





2.1 ECONOMIC TRENDS

As implementation of Brexit begins in January 2021, coupled with significant uncertainty caused by COVID-19, both many constraints and opportunities present themselves for Cavan's economic sustainability.

BREXIT

While an impending hard exit for the UK is likely imminent, there may be economic opportunities which County Cavan can harness as a location adjacent to the border within the EU. Opportunities may manifest themselves in the form of employment due to relocation of businesses, or growth as an economic or transport hub.

While the initial outlook is uncertain, after a period of restructuring there will be eventual stabilisation. It is critical for Cavan that it positions itself well throughout the adjustment period as a strategic hub by the northern border. Cavan's geographic position may enable it to serve as a hub between countries with transport distribution to other aforementioned major cities. Cavan may become a strategic gateway hub.

National trends exhibited by the Central Statistics Office¹ containing indicators of Ireland and the United Kingdom's relationship indicate a National trend across the board of diversification of exports of both goods and services to other Countries within the last two years. These statistics as they relate to trade of goods, services and migration are summarised as follows:

IMPORTS AND EXPORTS

- Imports 29.9% as of October 2020 come from the UK accounting for €2,192,445,000
- Exports 10.0% as of October 2020 go to the UK accounting for €1,214,158,000

MIGRANTS

- 17.7% of Emigrants go to the UK accounting for 10,000 people (2020)
- 17.9% of Immigrants come from the UK accounting for 15,300 people (2020)
- 2.6% of all employed foreign nationals are from the UK accounting for 60,400 people (2019)

TRADE IN SERVICES

- 6.9% of imported services come from the UK accounting for €20,552,000
- 15.8% of exported services go to the UK accounting for €34,897,000

Given diversification of exports as a national trend, Cavan should seek to redirect its exports to align until a certain future for tariffs and duties are known. It is expected that there will be significant uncertainty for the labour force and exchange of service between Cavan and its neighbouring Counties in Northern Ireland. Naturally the import and exports of goods and services are industry dependent. Cavan has a relatively even distribution of its workforce across industry sectors and may benefit from this.

¹ <https://www.cso.ie/en/interactivezone/visualisationtools/brexitindicators/#>

COVID-19 represents the largest economic challenge faced nationally and has been and will be significantly impactful for Cavan's local economy and the National economy. Analysis of national Local Electoral Areas identifies Cavan-Belturbet LEA as one of the worst effected border areas (with the exception of Donegal LEA's bordering Londonderry) by incidence rate per hundred thousand people² as of December 2020. With the mandate for office workers to work remotely, Cavan may benefit by drawing on those relocating due to such changes.

The CSO's Business Impact of COVID-19 Survey³ (August 2020) indicates that only 63.3% of responding enterprises were trading at normal capacity, with 33% trading at partial capacity. This has caused significant reduction of the active labour force whether through reduced hours or full unemployment in which wages must be subsidised leading to increased economic downturn in the long run. 2.5% of businesses stated they had ceased trading temporarily and a further 1.2% have ceased trading permanently. Whilst the number of trading businesses do not linearly equate to the labour force; this marks a significant decline in active enterprise and likely employment. The seasonally adjusted national

unemployment rate has reached 7.5% as of November 2020 with 186,900 persons categorised as unemployed in the Republic of Ireland.

Notably for Cavan's labour force, which primarily has employment in Professional Services (21.0%), Manufacturing (19.6%) and Commerce and Trade (16.7%), has taken significant sectoral hits according to the CSO Labour Market Insights Bulletin⁴. However, while Industry and Construction sectors saw significant decline in Q1/Q2 there has been significant growth through Q3. Where there is positive outlook for the growth of construction and industry there is contrast with Financial, insurance and real estate and Professional, scientific and technical activities which are all seeing a steep decline in Q3. These align somewhat with Commerce and Trade.

As of December 2020, the government has created a COVID-19 Vaccine Taskforce⁵ working with the HSE and Department of Health to roll out vaccines to higher order risk groups in 2021. With implementation of a vaccine, depending on provision, there may be a return to a somewhat pre-COVID influenced economic environment which is expected to reduce unemployment in the near future.

Table 2 1 Change in Employment per Sector Q1-Q3 2020

Economic Sector		Q1 - Q2 %	Q2 - Q3 %	Q1 - Q3 %
B-E	Industry	-3.0	5.5	2.4
F	Construction	-6.6	9.7	2.4
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	-11.2	6.0	-5.9
H	Transportation and storage	-8.9	3.8	-5.5
I	Accommodation and food services	-61.1	102.0	-21.3
J	Information and communication	-4.1	3.1	-1.1
K-L	Financial, insurance and real estate	-6.8	-2.5	-9.1
M	Professional, scientific and technical activities	-8.7	3.5	-5.5
N	Administrative and support services	-17.1	3.6	-14.1
O	Public administration and defence	-5.7	-0.1	-5.9
P	Education	-6.0	-2.9	-8.6
Q	Human health and social work	-4.0	4.3	0.1
R-S	Arts, entertainment, recreation and other service activities	-39.2	47.7	-10.2
All Sectors		-13.5	8.4	-6.2

² <https://covid-19.geohive.ie/>

³ <https://www.cso.ie/en/releasesandpublications/er/bic19/businessimpactof-covid-19survey27julto-23aug2020/>

⁴ <https://www.cso.ie/en/releasesandpublications/br/b-ls/labourmarketinsight-bulletinseries4q32020/>

⁵ <https://www.gov.ie/en/campaigns/199e6-covid-19-vaccine/> - documenting the national COVID-19 Vaccination Allocation Strategy, approved by Government on December 8th 2020.

2.2 AGE PROFILE

The population of County Cavan reached 76,176 in 2016, having increased by 44.3% (23,380) since 1991, by 19% (12,173) since 2006, and by 4.1% (2,993) since 2011. These growth rates consistently exceed the average national rate of change for the same periods.

Generally, the age profile of the county reflects those of its neighbouring and ‘border’ counties, ranking approximately in the middle amongst these. Analysis indicates that there is a tentative connection between spatial location and composition of the population. The towns in the south east of the county (closer to Dublin) have greater proportions of their populations in the 0-14, 15-24 and 24-44 years of age brackets and smaller proportions of their populations in the older categories of 46-64 and 65 years of age and

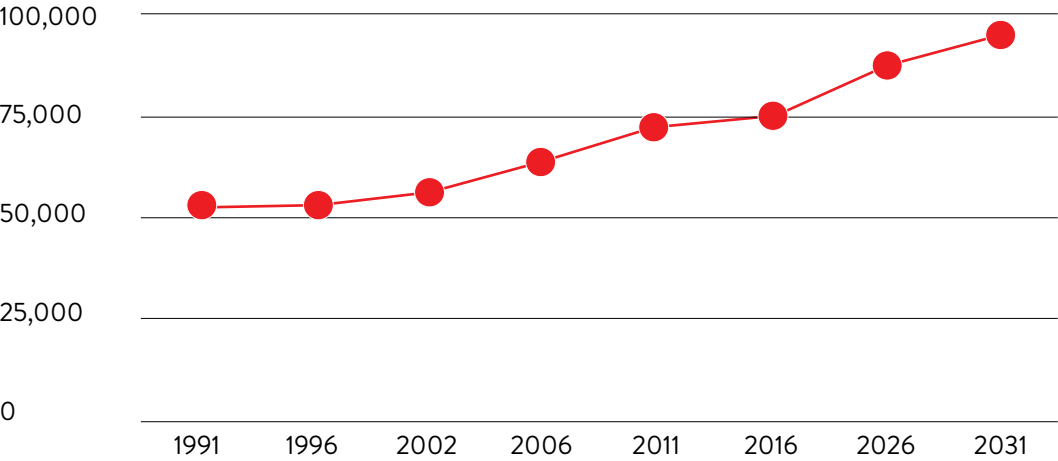
older than the towns to the north west (further from Dublin).

It is estimated that the population of County Cavan will reach 86,288 by 2026, a 13.3% increase on 2016⁶. The rate of increase is in line with that of the State average and indicates projected strong growth within the county, particularly amongst the younger age cohort. Looking further forward, the population of County Cavan will increase by approximately 6.4% (to 91,778) by 2031 (based on 2026 figures), thus anticipating a 20.5% (15,602) growth on 2016 population figures. The key issue for the future will, therefore, be to retain the population and provide sufficient and appropriate employment opportunities, allowing the upcoming generation to live and work in the county.

Table 2.2 County Cavan Population Trends

2016 Population Comparison			
County Cavan	v1991	v2006	v2011
Population	23,380	12,173	2,993
% Change	44.3%	19.0%	4.1%
% versus National Average	9.3%	6.8%	0.4%

County Cavan Population (1991 - 2031)



⁶Based on a scenario named M1aCF1aDO19 run by KPMG FA. This model incorporates births (including fertility rates), deaths and migration aspects to estimate the future population of given spatial areas. This scenario has been adjusted for COVID-19 impacts (current and stable).

Figure 2.3 County Cavan Population (1991 - 2031) (Source CSO 1991-2016, KPMG FA 2020)

2.3 LABOUR FORCE PROFILE

2.3.1 EDUCATION AND SKILLS

Analysis indicates that 31.6% (15,572) of the county's population have attained a third level education, compared to the national average of 39% of the population. This attainment rate aligns closely with some of the county's neighbours: Donegal (31%) and Monaghan (31%). However, it is outperformed by other counties, such as Leitrim (35.4%), Westmeath (36.3%) and Meath (38.9%). The extent of higher-level educational attainment throughout the county varies. For example, in Cavan Town and Virginia, more than 33% of those who have ceased education have attained a third level qualification. By contrast, the figure is 22% in Ballyjamesduff, 26% in Bailieborough and 26% in Cootehill. Evaluating the fields of study for the county; 10% have a third level qualification in each of 'social sciences, business and law' and 'engineering, manufacturing and construction', while 5% of graduates have a background in 'agriculture and veterinary'.

During the 2017/18 academic year, there were 2,404 higher education students that originated in County

Cavan⁷ enrolled in higher educational institutions (HEIs) aided by the Department of Education and Skills. The students represent 1.5% of all Republic of Ireland students studying in the country. However, the county's population represent 1.6% of the state total.

Dublin is the main county in which these students' study (57% or 1,365), compared with a general trend of 46% of the national total studying there (e.g. Trinity College, University College Dublin, Dublin Institute of Technology. 9% study in Louth (Dundalk Institute of Technology), compared with 2% of all students nationally studying there. Similarly, a greater proportion of students originating in Cavan study in Sligo (Sligo Institute of Technology and St. Angela's College) (9% versus 2.6% of the national figure). The remaining 25% of students (610) study in other higher-education counties of Westmeath, Carlow, Cork, Donegal, Galway/ Mayo, Kerry, Kildare, Limerick and Waterford.

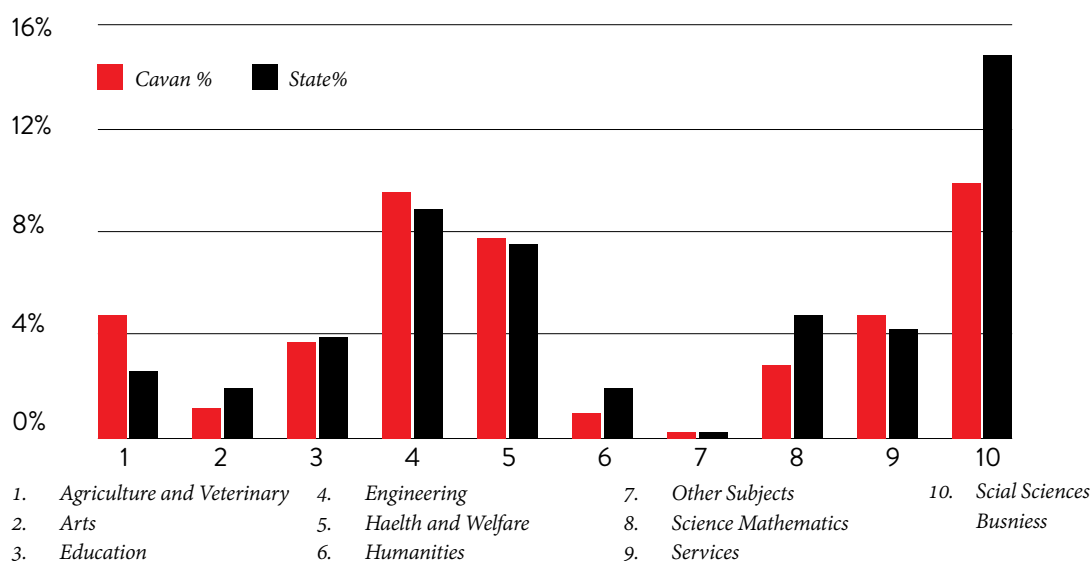


Figure 2.4 County Cavan Population (1991 - 2031) (Source CSO 1991-2016, FAC 2020)

⁷ Last place of residence before enrolling. A very strong indicator of the transition from secondary level student residing in the originating county to third level student studying in the same of a different county.

2.3.2 EMPLOYMENT

The two largest employment sectors in County Cavan are 'Professional services' and 'Commerce and trade', providing employment for 6,419 and 5,993 workers respectively. Respectively, these sectors equate to 20% and 21% of those at work in 2016. However, the relative size of these two industries is smaller in County Cavan when compared to the national rate and the rate in neighbouring and 'border' counties, at 24% and 23% respectively.

Reflective of the county's rural nature and historic economic trends, 'agriculture, forestry and fishing' industry is particularly strong, employing over 11% of the working population in County Cavan, compared to a national average of 4%. 'Manufacturing' employment is also higher in County Cavan at 17%, compared to 11% nationally. Even by comparison with County Cavan's neighbouring counties, these sectors are proportionally larger employers. 'Agriculture, forestry and fishing' accounts for just under 3% in Louth and 4% in Meath.

These employment trends are illustrative of the county's dependence on more traditional economic industries. While agriculture and manufacturing are among its strengths and should continue to be supported, the promotion and facilitation of commercial, professional and technical enterprises must be prioritised. These enterprise sectors are the key growth sectors of the economy they are founded on knowledge and human capital. This knowledge and capital must be retained by enticing graduates back after they complete their studies and by attracting new workforces with further education, high quality standards of living and prospects for the future.

“
IMPORTANCE
OF THIRD LEVEL
EDUCATION
OFFERING IN
THE COUNTY
ITSELF AS WELL
AS RETAINING
GRADUATES
“

2.4 EMPLOYMENT CATCHMENT

As part of the baseline study undertaken, an assessment of the wider economic and employment catchment area (beyond County Cavan's administrative border) was undertaken. The purpose was to ascertain some key population, education and employment characteristics of the working populace (population aged 15-65) in proximity of County Cavan. The findings confirmed a significant potential workforce population within a 60-minute commute (drive) that can be exploited by new and expanding enterprises. Consequently, there are also larger markets that be targeted.

Two different catchments were evaluated to identify the total population and workforce within proximity of Cavan. 'Catchment scenario 1' used a combined '60-minute drive-time' from the nine-principal urban settlements⁸ of the county. The second catchment 'Catchment scenario 2' is defined by a '30-minute drive-time' from the nine-principal urban settlements of the county. The spatial extent of the drivetimes is detailed in Figure 2 5. Of importance is that Dublin (region and city) can be reached within the assigned 60-minute drive time.

Drive Time Overview

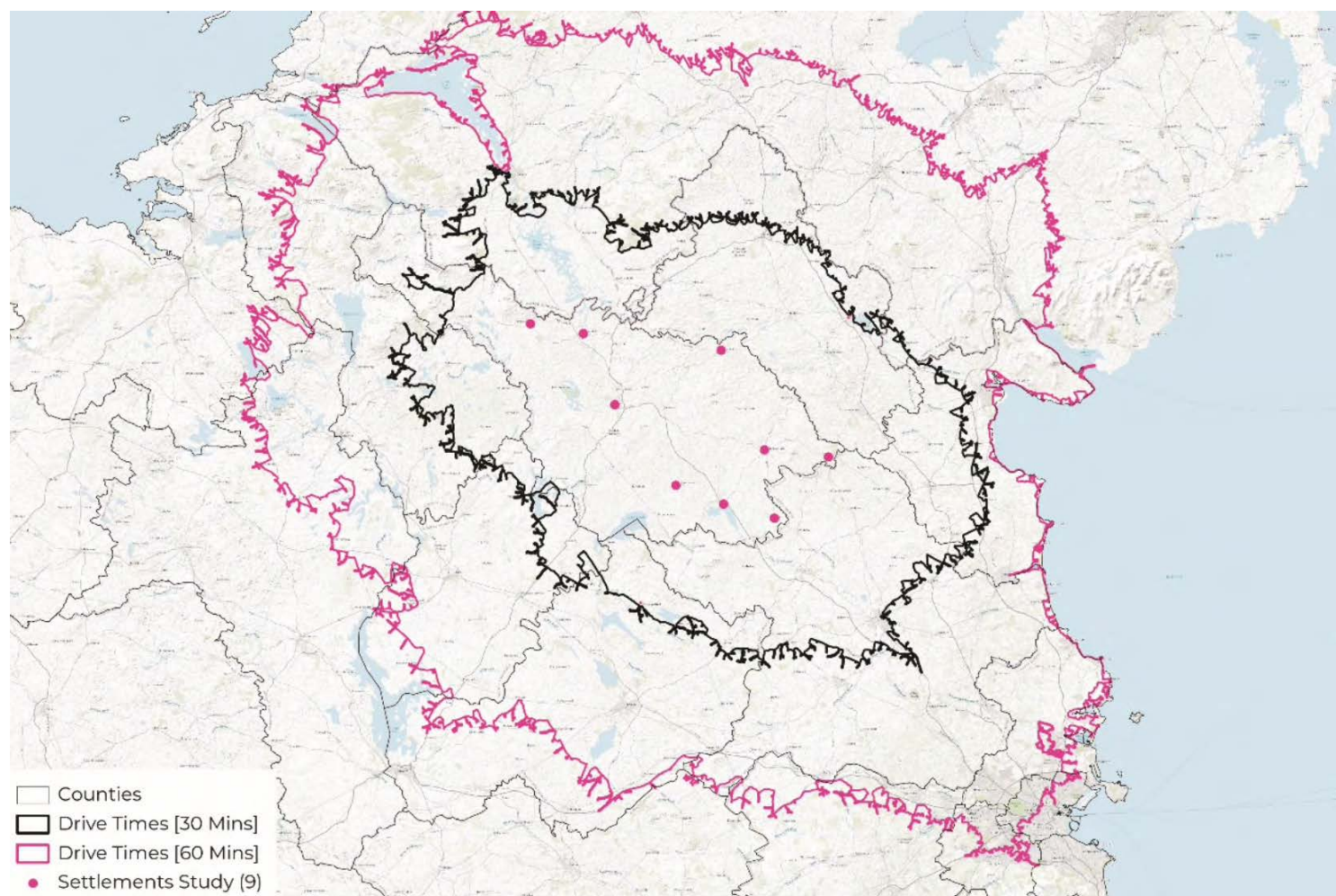


Figure 2-5 30-minute and 60-minute drivetimes from County Cavan's nine main towns (KPMG FA, 2020).

⁸ Cavan Town, Bailieborough, Ballyconnell, Ballyjamesduff, Belturbet, Cootehill, Kingscourt, Mullagh, and Virginia.

2.4.1 CATCHMENT SCENARIO 1

Within a 60-minute drive of the nine major towns of County Cavan, a total population of approximately 1.65 million was identified comprising both the Republic of Ireland and Northern Ireland. This resulted in a potential labour force catchment of 1,087,000 (ca. 919,000 in the Republic of Ireland and ca.

168,000 in Northern Ireland). Upon assessment of the level of educational attainment it is determined that 26% of the catchment population attained a third level qualification, of which 235,224 were based in the Republic of Ireland and 43,716 were based in Northern Ireland.

Table 2.3 Catchment Scenario 1 - Population (Source CSO 2016, NISRA 2011)

Population	Population	Percent
ROI	1,389,856	84%
NI	256,939	16%
TOTAL	1,646,795	100%

Table 2.4 Catchment Scenario 1 - Labour Force (Source CSO 2016, NISRA 2011)

Labour Force	Population	Percent
ROI	919,000	85%
NI	168,000	15%
TOTAL	1,087,000	100%

Table 2.5 Catchment Scenario 1 - Education Attainment (Source CSO 2016, NISRA 2011)

Third level +	26%	
ROI	235,224	84%
NI	43,716	16%
TOTAL	278,940	100%

The active workforce exceeds 700,000, including workers in both the Republic of Ireland and Northern Ireland. 84% of the workforce were found to be in the former and 16% in the latter. Therefore, based on the population and labour force data above, there is a greater level of labour activity in the part of the catchment that is within the Republic of Ireland.

As displayed in Figure 2 6, the proportion for the active workforce employed in ‘commerce and trade’ and ‘transport and communications’ across the catchment is greater than in Cavan alone. Figure 2 6 also demonstrates that the industries of ‘agriculture, forestry and fishing’ and ‘manufacturing’ employ proportionally more people in Cavan than in the catchment. This further reflects the importance of these two industries to the county.

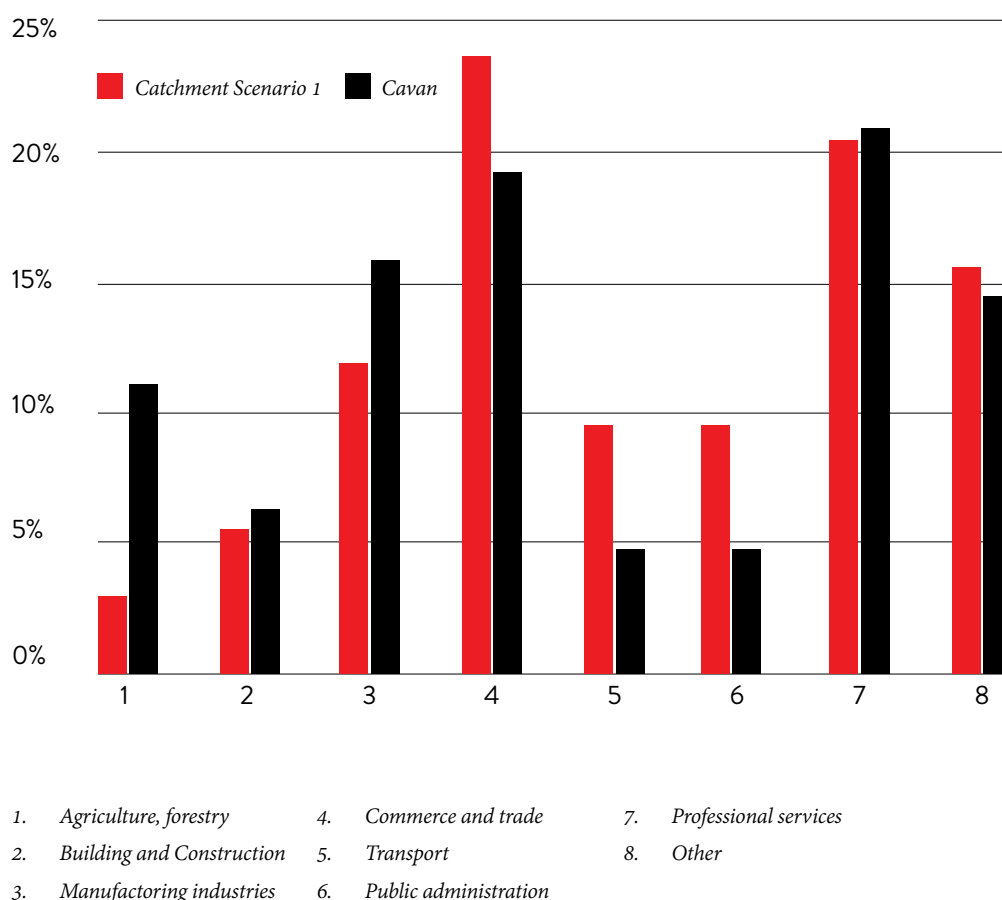


Figure 2-6 Proportional employment by industry, Cavan and the catchment within 60 minutes of the Cavan’s nine major towns (CSO 2016, NISRA 2011).

2.4.2 CATCHMENT SCENARIO 2

Within a 30-minute drive of the nine major towns of County Cavan, there is a total population identified population of 260,849 – 91% (237,665) in the Republic of Ireland and 9% (23,184) in Northern Ireland. The labour

force is approximately 166,000 within the catchment, and this is also split by 91% (150,557) and 9% (15,254) for the Republic of Ireland and Northern Ireland respectively.

Table 2.6 Catchment Scenario 2 - Population (Source CSO 2016, NISRA 2011)

Population	Population	Percent
ROI	237,665	91%
NI	23,184	9%
TOTAL	260,849	100%

Table 2.7 Catchment Scenario 2 - Labour Force (Source CSO 2016, NISRA 2011)

Labour Force	Population	Percent
ROI	150,557	91%
NI	15,254	9%
TOTAL	165,811	100%

Table 2.8 Catchment Scenario 2 - Education Attainment (Source CSO 2016, NISRA 2011)

Third level +	26%	
ROI	31,414	90%
NI	3,487	10%
TOTAL	34,901	100%

An assessment of the educational attainment of the population reveals that 20% of the population in the catchment area have secured a third level qualification, of which 31,414 are based in the Republic of Ireland and 3,487 are based in Northern Ireland. By comparison with Catchment Scenario 1, the localised rate of higher-level educational attainment is slightly lower.

Mostly, the industries of employment of the workforce in Catchment Scenario 2 are

proportionally similar to those in the first scenario. However, there is a slightly higher proportion of people working in 'public administration' in Cavan than there are in the whole of Catchment Scenario 2. The differences in the industries of employment between the scenarios also illustrates the local importance of sectors such as 'agriculture, forestry and fishing' and 'manufacturing industries'. With higher rates of employment in these areas in the more localised Scenario 2.

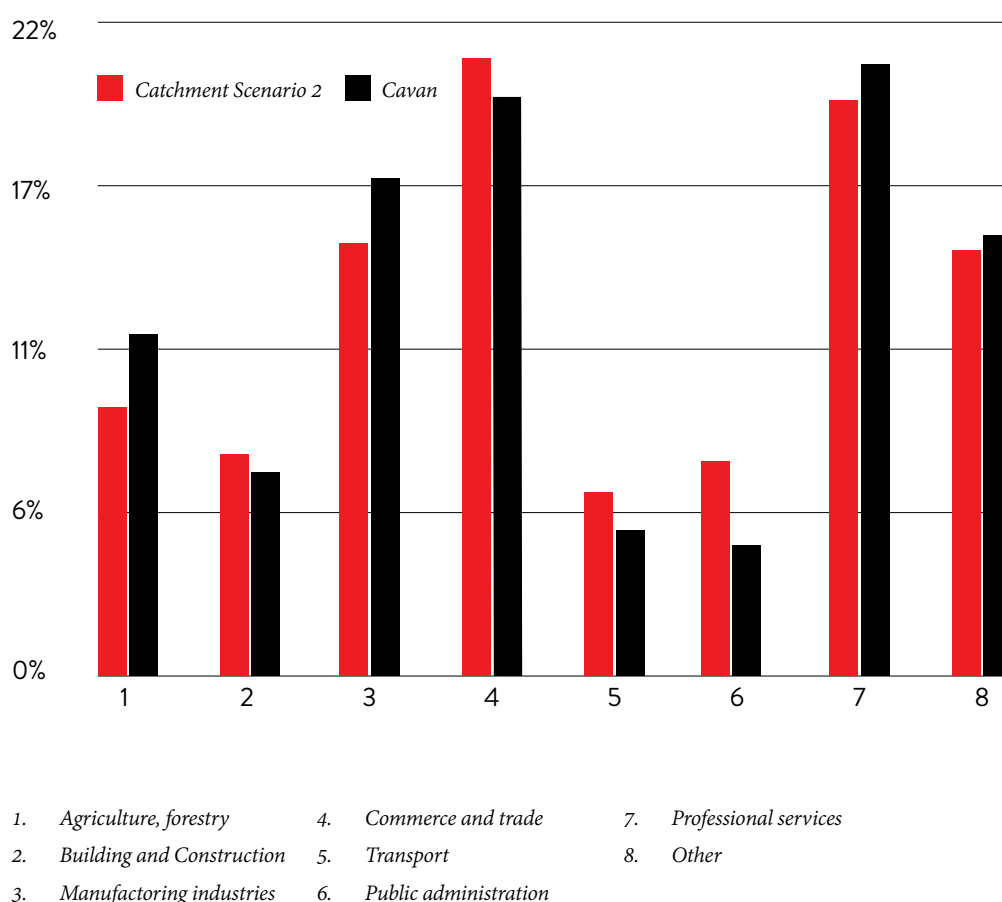


Figure 2 7 Proportional employment by industry, Cavan and the catchment within 30 minutes of Cavan's main towns (CSO 2016, NISRA 2011)





2.5 EMPLOYMENT & COMMUTER ANALYSIS

With the population of Cavan set to increase to 86,288 by 2026, and to 91,778 by 2031⁹ the working population of Cavan is expected to rise, and with it the number of commuters. This growth will see Cavan develop to meet future employment targets organically, together with encouraging where appropriate the redirection of rural-based businesses into urban settlements to facilitate sustainable future growth.

In consultation with Cavan County Council, this report is based on the ‘upper range’ population targets set out for Cavan in the National Planning Framework (NPF) Implementation Roadmap. KPMG FA undertook a custom population projection to inform growth trajectory of the key reported years of 2022, 2026, 2028 and 2031 as it provided the spatial granularity of projected populations at Electoral Division level.

COUNTY CAVAN POPULATION

Setting The Context
Section Two

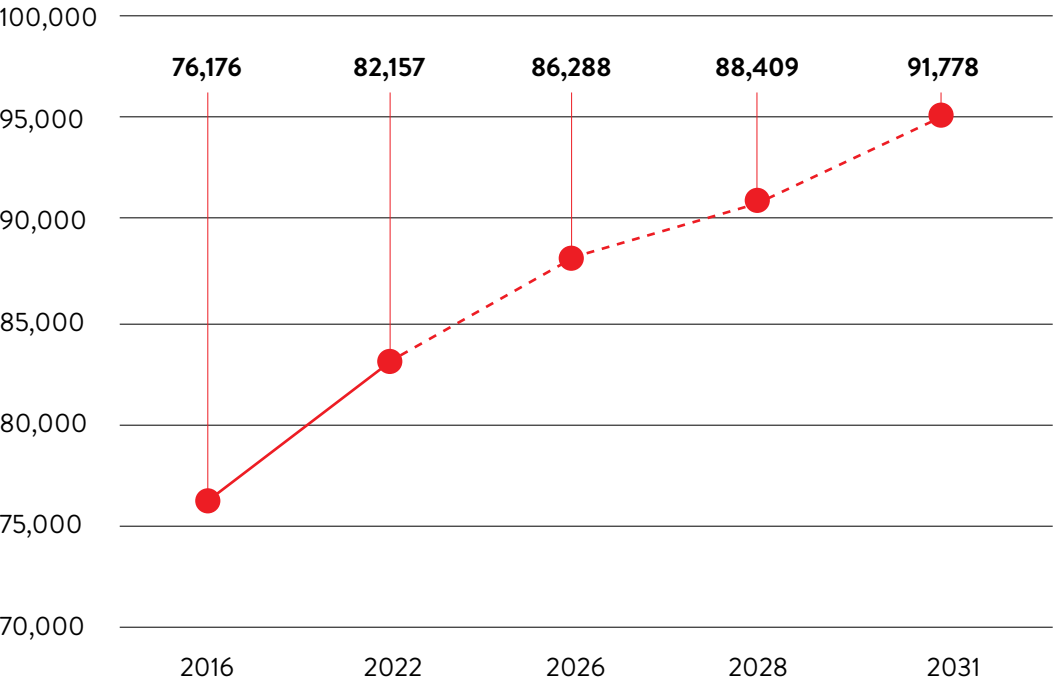


Figure 2.8 County Cavan Population 2016 - 2031 (source CSO, FAC M1xF1aDO19)
Current and Stable, COVID Adjusted

⁹Based on a scenario named M1aCF1aDO19 run by KPMG FA. This model incorporates births (including fertility rates), deaths and migration aspects to estimate the future population of given spatial areas. This scenario has been adjusted for COVID-19 impacts (current and stable).

The NPF has determined that 115,000 further people will be in employment in the North West Region by 2040 with a total population of 1 million persons. To determine Cavan's share of this employment figure, the number of jobs was apportioned to Cavan as a factor of its labour force relative to the North West region. This was done using the proportion of labour force in the region per county with

linear interpolation of the NPF employment target¹⁰. The growth targets are, by linear interpolation, 28,750 jobs by 2022, 47,917 jobs by 2026, 57,500 jobs by 2028 and 71,875 jobs by 2031 (at 4,792 jobs per year). The tables below illustrate the labour force proportions and resulting employment targets for those key years based on the NPF target for the North West Region:

Table 2.9 Employment Target Ranges 2022, 2026, 2028, 2031 (source: KPMG-FA based on NPF target)

County	NWR LF Proportion	Jobs 2022	Jobs 2026	Jobs 2028	Jobs 2031	Total
Cavan	9.1%	2,605	1,736	868	1,302	6,512
Donegal	18.0%	5,161	3,441	1,720	2,581	12,903
Galway (all)	31.6%	9,077	6,051	3,026	4,538	22,692
Leitrim	3.8%	1,080	720	360	540	2,699
Mayo	15.1%	4,353	2,902	1,451	2,176	10,882
Monaghan	7.4%	2,130	1,420	710	1,065	5,326
Roscommon	7.5%	2,151	1,434	717	1,076	5,378
Sligo	7.6%	2,194	1,462	731	1,097	5,484
Total	100.0%	28,750	19,167	9,583	14,375	71,875

Based on proportion of 2016 labour force of counties in North West Region. Figures are cumulative.

Cavan, with a population of 76,176 (2016) growing to 82,157 by 2022 will require an estimated 2,605 jobs. With expected growth to 86,288 by 2026 a further 1,736 jobs will be required. Further growth by 2028 (88,409) and 2031 (91,778) will require a further 868 and 1,302 jobs respectively, bringing the total expected employment target to 6,512 by 2031.

Summary

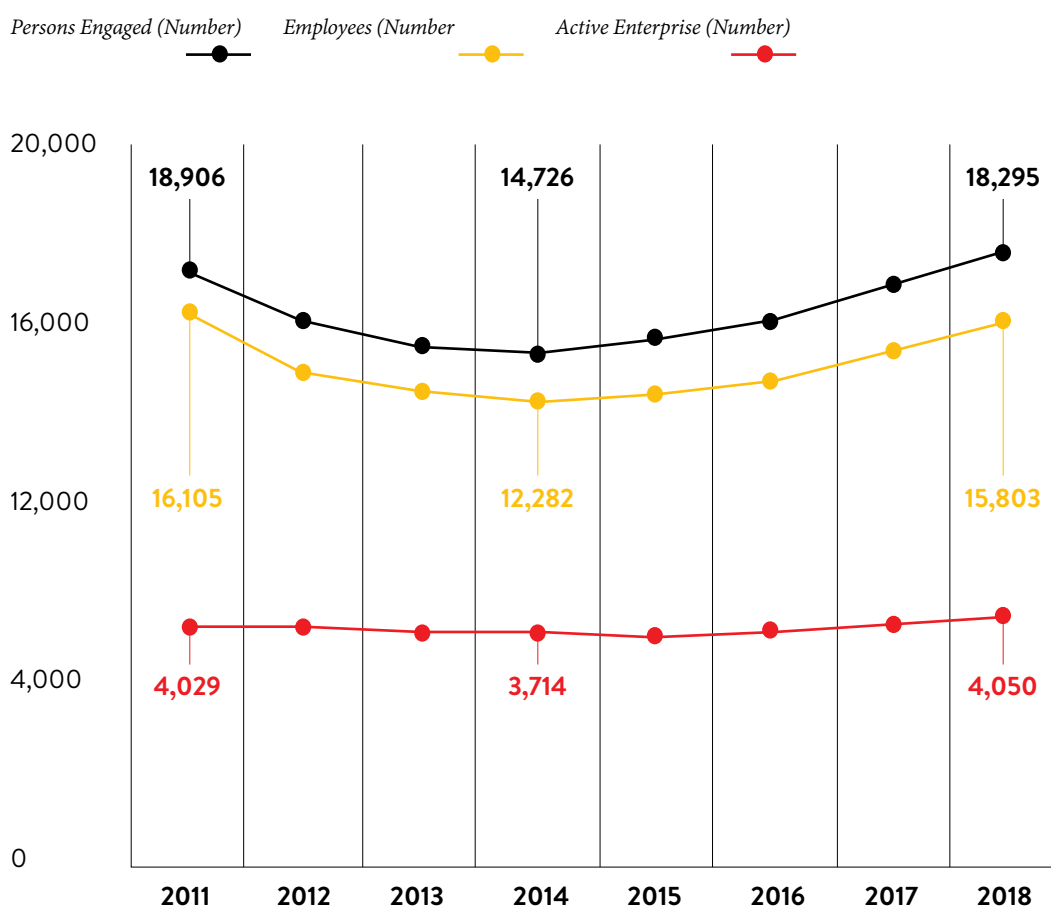
In summary, the total employment target (as interpolated from the NPF/RSES target for the NWRA) for Cavan from 2016 to 2031 is 6,512.

¹⁰ This assumes that employment growth is linear and equal year-on-year to reach a total of 115,000 jobs by 2040 from 2016

Business Demography

With Cavan Towns designation as a key regional support town in the North West Region, and Virginia as a hub for employment, housing and services, together with the support of other primary settlements in the County Settlement Hierarchy (Cavan County Development Plan 2014-2020): Kingscourt, Cootehill, Ballyjamesduff, Bailieborough, Mullagh, Belturbet and Ballyconnell (which have informed the Core Urban Area) presents an opportunity for Cavan to proactively enhance its urban jobs ratio in the region and position itself as a viable and cost-effective location for new employment opportunities and businesses. Under this, 20% of Rural employment is to be diverted to Urban Areas in a scenario explored under future growth.

Business demography data indicates steady growth for Cavan County in recent years. Since lows in 2013 (of persons employed and engaged) growth has risen by 25.7% and 30.8% for persons engaged¹¹ and persons employed in enterprise, respectively. Since the recorded low in 2014, the number of enterprises has increased by 14.7% (519). With historic information showing a clear rise in employment and enterprises, organic growth is expected to accompany population growth. This growth is illustrated in Figure 2.9 below.



¹¹ Persons engaged defined as including employees, proprietors, and family members. Persons engaged are the sum of Employees plus Working Proprietors (CSO).

Figure 2.9 Business Demography of Cavan (2010 - 2017) (Source: CSO)

2.6 COMMUTING TRENDS IN COUNTY CAVAN

To pursue development of a counter-commuting strategy aiming to leverage the economic and social assets of Cavan County, together with the educated and skilled workforce and relevant policy interventions, an analysis of commuter patterns within Cavan County was conducted. This analysis comprised of an external commuter analysis and an urban and rural commuter flow analysis (to external areas).

This was done with an aim to determine the numbers of commuters journeying to Cavan for employment from external counties. Furthermore, the analysis explores local commuter flow from the perspectives of urban and rural areas. With the urban areas surrounding the 9 key settlements acknowledged earlier in this strategic framework being defined as 'Core Urban Areas' for analysis, the 'Rural Areas' are defined as an inverse of this.

Each of these components has been explored using datasets from the Central Statistics Office (CSO):

- namely the Census 2016 public Place of Work, School or College dataset¹² (POWSCAR) which provides an indication of spatial commuting flow across Ireland at Electoral Division (ED) level. The intended use of such data was to identify flow patterns for rural and urban areas in Cavan and to provide a foothold for projecting a series of reasoned assumptions to establish how Cavan can meet its targeted employment growth.

¹² Public POWSCAR does not provide Northern Ireland as an Origin point, only destination figures are available.

2.7 EXTERNAL COMMUTER ANALYSIS

Analysis of Cavan as a commuter destination for external counties (excluding Northern Ireland¹³) indicates that 3,827 people commute to Cavan for work (as isolated from public POWSCAR using proportion of those 'at work' in 2016 Census). This constitutes 11.6% of working commuters in Cavan. With a majority of commuters originating in Monaghan, Meath, Leitrim, Longford, and Westmeath, its location within the North West Region and neighbouring Eastern and Midland Region provide a significant portion of its labour force.

A breakdown of commuter origins is in Table 2.10 (for locations with greater than 1% of commuters) and Figure 2.10 illustrates the spatial origin of commuters going to Cavan:

Table 2.10 External Commuter Origins (Source: POWSCAR 2016)

County	No. Commuters	% Commuters
Monaghan	1,262	33.0%
Meath	1,067	27.9%
Leitrim	456	11.9%
Longford	338	8.8%
Westmeath	142	3.7%
Louth	134	3.5%
Fingal	49	1.3%
Donegal	44	1.1%
Roscommon	39	1.0%
Subtotal	3,532	92.3%
Other locations (<1%)	295	7.7%
Total	3,827	100.0%
% of total commuters from outside of Cavan County (excluding NI)		

Commuter numbers were apportioned by those 'At Work' as defined by Principal Economic Status in the 2016 Census to isolate the labour force component. Those of the commuters in employment were then split into industries of employment based on proportions of industry at their origin. The following resulting tables illustrate the number of commuters employed in Cavan by industry.

Table 2.11 External Commuters to Cavan by Industry of Employment (Source: FAC, CSO)

%Proportion	Industry	Commuters
6.5%	Agriculture forestry and fishing	247
6.9%	Building and construction	265
12.6%	Manufacturing industries	484
22.9%	Commerce and trade	875
7.8%	Transport and communications	297
5.7%	Public administration	219
21.9%	Professional services	837
15.8%	Other	603
100.0%	Total	3,827

¹³ Public POWSCAR does not provide Northern Ireland as an Origin point, only destination figures are available.

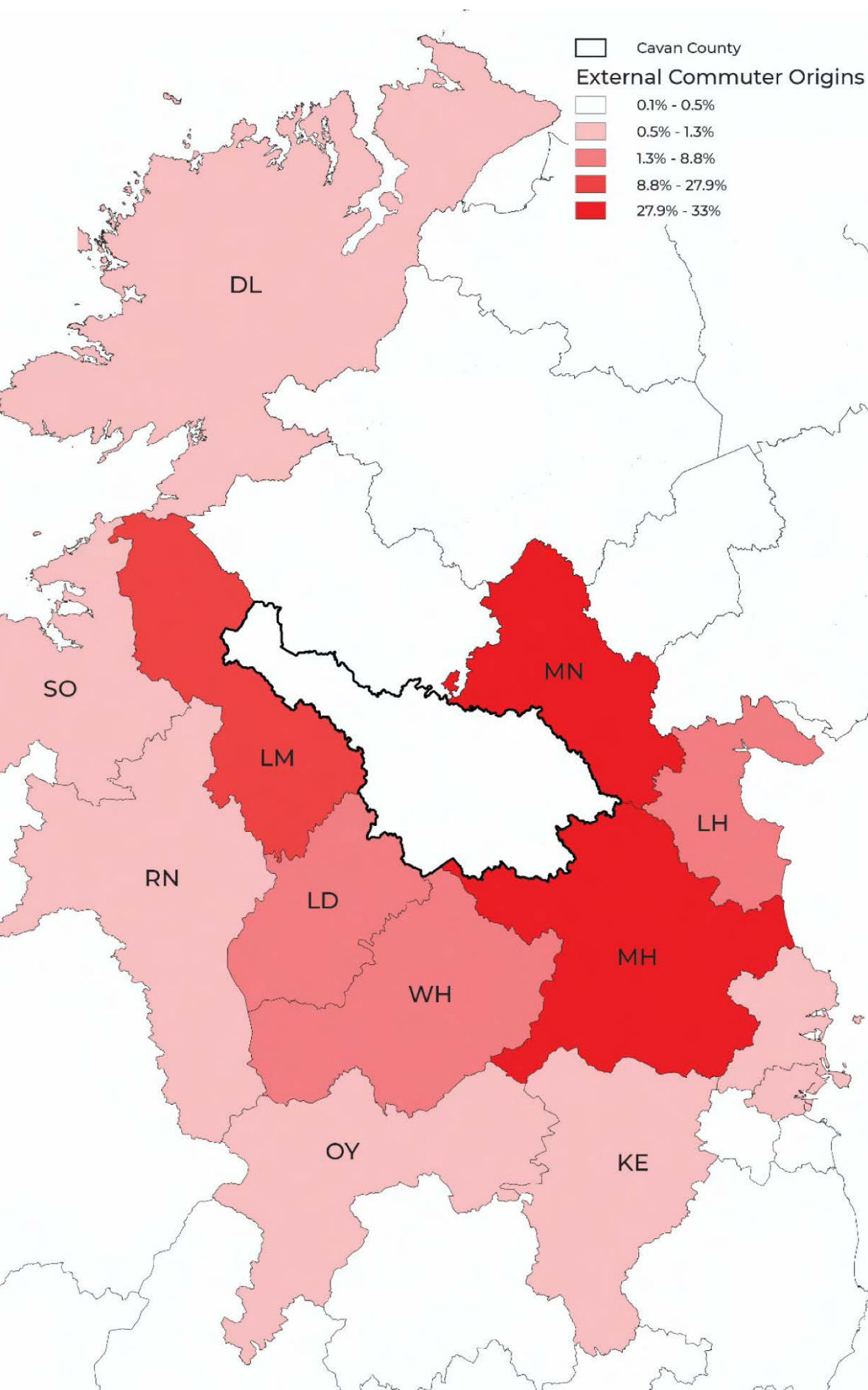


Figure 2.10 Map of External Commuter Origins (source POWSCAR - CSO)

2.8 CAVAN CORE URBAN AREA

Analysis of commuter flow in urban areas in Cavan is based off an amalgamated 'Core Urban Area' comprising electoral divisions which align¹⁴ with the 9 key settlements indicated at the outset of this economic strategy: Ballyconnell, Bailieborough, Virginia, Ballyjamesduff, Kingscourt, Cootehill, Cavan, Belturbet, and Mullagh. These areas are indicated in Figure 2 11.

Prior to assessment of commuters the public POWSCAR data was reduced to isolate the working component. This was done using employment participation based on CSO Census 2016 Principal Economic Status of the underlying Electoral Division catchment.

Of the total occupied population (16,836 - POWSCAR) of the 'Core Urban Area', be it working or studying, 68.8% of residents remain within Cavan County itself (11,575). A further 6.2% (1,042) categorise themselves as having no fixed place of work and therefore are assumed to be working in place of residence¹⁵, and 3.3% work at home (563). The total resident working (or at school) population in this Core Urban Area is 13,180 or 78.3% of the total occupied population (including those who commute externally – 16,836).

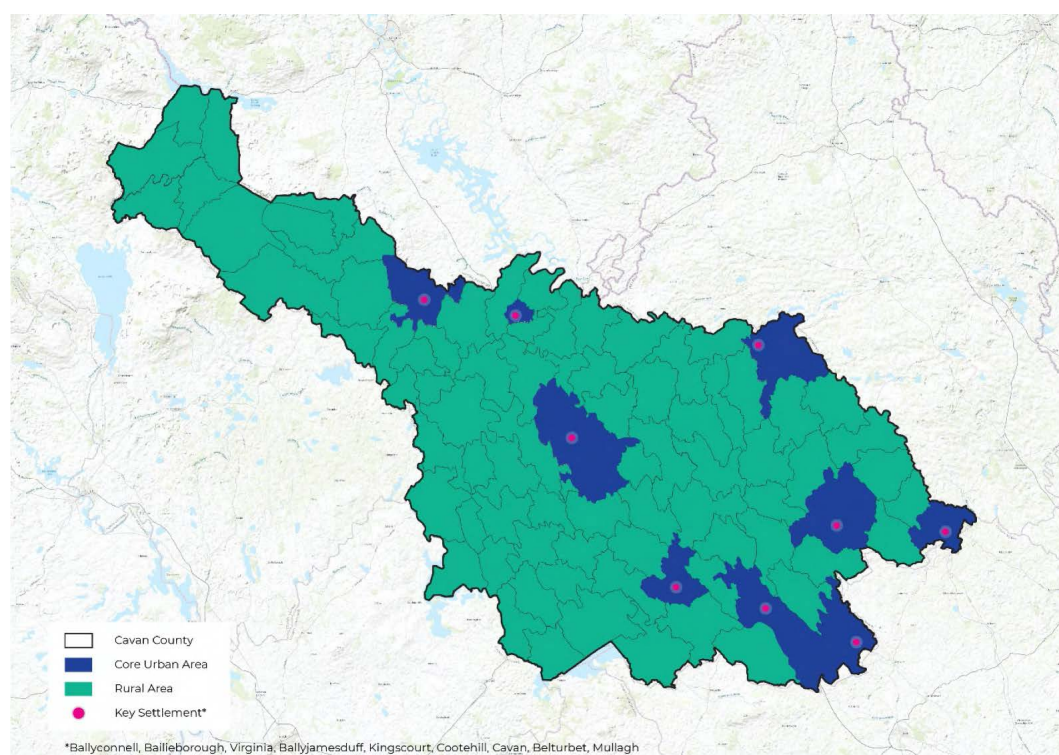


Figure 2.11 Map of Core Settlements, Urban and Rural Areas (source: FAC, CSO)

¹⁴The use of the closest aligning electoral divisions is a limitation forced by the use of public POWSCAR data in the assessment.

¹⁵<https://www.cso.ie/en/census/census2016reports/powscar/>

The remaining population are commuters numbered at 3,656 or 21.7% of the total occupied population. The most prevalent commuting destinations in descending order are Meath, Monaghan, Dublin City, Fingal, and Louth. Approximately 1% or 161 people leave the Republic to work either in Northern Ireland (148) or overseas (13). Table 2 12 provides POWSCAR summary information and Table 2 13 shows a tabular breakdown of commuter numbers to the 5 most prevalent destinations.

Table 2.12 Core Urban Area POWSCAR Summary

POWSCAR	No. Commuters	%Commuters
Cavan	11,575	68.8%
No fixed place of work	1,042	6.2%
Work from home	563	3.3%
Cavan subtotal	13,180	78.3%
External	3,496	20.8%
Non-ROI	161	1.0%
External subtotal	3,656	21.7%
Total	16,836	100.0%

Table 2.13 Cavan Core Urban Area: External Leakage by Destination (source: CSO)

Location	No. Commuters	% Commuters
Meath	1,177	32.2%
Monaghan	594	16.2%
Dublin City	581	15.9%
Fingal	249	6.8%
Louth	228	6.2%
NI/Overseas	161	4.4%
Subtotal	2,990	81.8%
Other locations (<5%)	667	18.2%
Total	3,656	100%

This data was used to analyse potential redirection of commuter flow to Core Urban Areas. An exercise in reducing these figures to isolate the worker component was undertaken using employment statistics derived from the underlying electoral divisions. Commuters were then apportioned to industrial groups derived using the same methodology. The following tables illustrate the applied statistics for economic status and industrial groups.

Table 2.14 Core Urban Area Principal Economic Status - Applied Statistics (source: CSO)

Principal Economic Status	Total %
At work	51%
Looking for first regular job	1%
Unemployed having lost or given up previous job	10%
Student	10%
Looking after home/family	9%
Retired	14%
Unable to work due to permanent sickness or disability	5%
Other	0%
Total	100%

Table 2.15 Core Urban Area Industries of Employment - Applied Statistics (Source: CSO)

Industry of Employment	Total %
Agriculture forestry and fishing	6%
Building and construction	6%
Manufacturing industries	18%
Commerce and trade	21%
Transport and communications	5%
Public administration	5%
Professional services	21%
Other	17%
Total	100%

By apportioning the working component of commuters to industries of employment, under full employment, there are 3,656 commuters in the Cavan Core Urban Area. Table 2.15 illustrates the number of commuters by industry of employment (as apportioned using principal economic status and industries of employment from underlying electoral division Census 2016 data).

Table 2.16 Cavan Urban Area: Commuters by Industry of Employment (source: CSO)

%Proportion	Industry of Employment	Commuters*
6%	Agriculture forestry and fishing	204
6%	Building and construction	230
18%	Manufacturing industries	673
21%	Commerce and trade	771
5%	Transport and communications	193
5%	Public administration	167
21%	Professional services	779
17%	Other	639
100%	Total	3,656
*under full employment		





2.9 CAVAN RURAL AREA

Prior to assessment of commuters the public POWSCAR data was reduced to isolate the working component. This was done using employment participation based on CSO Census 2016 Principal Economic Status of the underlying Electoral Division catchment.

Analysis of commuter flow in rural areas in Cavan is based off an amalgamated 'Rural Area' comprising electoral divisions in Cavan County except for those included in the 'Core Urban Area' which aligned with the 9 key settlements indicated. This 'Rural Area' is indicated in Table 2 17.

Of the total occupied population (19,409) of this 'Rural Area', 62.5% of residents remain within Cavan County itself (12,122). A further 7.7% (1,489) categorise themselves as having no fixed place of work therefore are assumed to be working in place of residence¹⁶, and 7.2% work at home (1,399). Totalling the resident working population in this Rural Area at 15,011 or 77.3% of the total occupied population.

Table 2.17 Rural Area POWSCAR Summary

POWSCAR	No. Commuters	%Commuters
Cavan	12,122	62.5%
No fixed place of work	1,489	7.7%
Work from home	1,399	7.2%
Cavan subtotal	15,011	77.3%
External	4,116	21.2%
Non-ROI	283	1.5%
External subtotal	4,399	22.7%
Total	19,409	100.0%

Table 2.18 Cavan Rural Area - External Leakage by Destination (source: CSO)

Location	No. Commuters	% Commuters
Meath	937	21.3%
Dublin City	594	13.5%
Monaghan	552	12.5%
Longford	411	9.3%
Leitrim	339	7.7%
NI/Overseas	283	6.4%
Subtotal	3,115	70.8%
Other Locations	1,284	29.2%
Total	4,399	100%

¹⁶<https://www.cso.ie/en/census/census2016reports/powscar/>

Within Cavan, commuters who reside in 'Rural Areas' and working in the Core Urban Area are mainly travelling to the following electoral divisions: Cavan Town Rural (19.9%), Cavan Town Urban (8.6%), Bailieborough (5%), and Virginia (4.2%) with the remainder distributed throughout other electoral divisions. These four electoral divisions are the destination for 37.7% of commuters from the Rural Area. External commuters were then apportioned to industrial groups derived using the same methodology as applied in the Core Urban Area analysis however using statistics derived from the 'Rural' electoral divisions. The following tables illustrate the applied statistics for economic status and industrial groups:

Table 2.19 Rural Area Principal Economic Status - Applied Statistics (source: CSO)

Principal Economic Status	Total%
At work	53%
Looking for first regular job	1%
Unemployed having lost or given up previous job	6%
Student	11%
Looking after home/family	10%
Retired	15%
Unable to work due to permanent sickness or disability	4%
Other	1%
Total	100%

Table 2.20 Rural Area Industries of Employment - Applied Statistics (Source: CSO)

Industry	Total %
Agriculture forestry and fishing	16%
Building and construction	8%
Manufacturing industries	15%
Commerce and trade	18%
Transport and communications	4%
Public administration	5%
Professional services	21%
Other	13%
Total	100%

By apportioning the working component of commuters to industries of employment, under full employment, there are 4,399 commuters in the Cavan Rural Area. Table 2.21 illustrates the number of commuters by industry of employment (as apportioned using principal economic status and industries of employment from underlying electoral division Census 2016 data).

Table 2.21 Cavan Rural Area: Commuters by Industry of Employment (source: CSO)

%Proportion	Industry of Employment	Commuters*
16%	Agriculture forestry and fishing	714
8%	Building and construction	334
15%	Manufacturing industries	666
18%	Commerce and trade	810
4%	Transport and communications	192
5%	Public administration	216
21%	Professional services	915
13%	Other	552
100%	Total	4,399
*under full employment		

2.10 COUNTER-COMMUTING STRATEGY SCENARIOS

The following scenarios are intended to inform the identification of a potential future target for achieving an increase in employment in Cavan via redirection of employment leakage. The tables below indicate low (10%), mid (20%) and high (30%) impact scenarios where Cavan County Council embark on implementation of a counter-commuting workforce strategy.

2.10.1 CORE URBAN AREA

The following scenarios illustrate the number of persons employed by industry which could be redirected via implementation of a counter-commuting strategy expressed as a percentage of those currently commuting by industry in the previous Table 2.22.

Table 2.22 Core Urban Area - Counter-Commuter Scenario Ranges by Industry of Employment (Source: KPMG FA, CSO)

Industry of Employment	10%	20%	30%
Agriculture, forestry and fishing	20	41	61
Building and construction	23	46	69
Manufacturing industries	67	135	202
Commerce and trade	77	154	231
Transport and communications	19	39	58
Public administration	17	33	50
Professional services	78	156	234
Other	64	128	192
Total	366	731	1,097

Indicating % of commuting workers if facilitated to work in Cavan. Industries to which workers commute out of Cavan presently.

2.9.2 RURAL AREA

The following scenarios illustrate the number of persons employed by industry which could be redirected via implementation of a counter-commuting strategy expressed as a percentage of those currently commuting by industry in the previous Table 2.20.

Table 2.22 Core Urban Area - Counter-Commuter Scenario Ranges by Industry of Employment (Source: KPMG FA, CSO)

Industry of Employment	10%	20%	30%
Agriculture, forestry and fishing	71	143	214
Building and construction	33	67	100
Manufacturing industries	67	133	200
Commerce and trade	81	162	243
Transport and communications	19	38	58
Public administration	22	43	65
Professional services	92	183	275
Other	55	110	165
Total	440	880	1,320

Indicating % of commuting workers if facilitated to work in Cavan. Industries to which workers commute out of Cavan presently.

In summary, the number of commuters to be redirected under each counter-commuting scenario is:
 Low-range (10%) - 806 Mid-range (20%) – 1,611 High-range (30%) – 2,417

2.9 FUTURE GROWTH ANALYSIS

Analysis of the future population of both Cavan Core Urban Area and Rural Area was conducted to derive future employment figures for 2022, 2026, 2028 and 2031 in order to analyse provision of employment. Using projection data for 2022, 2026, 2028 and 2031¹⁷ labour force participation rates¹⁸ were applied to appropriate cohorts by sex and age group to isolate the future working component. The same method was applied as in the Core Urban and Rural Area analysis where industry proportions were carried forward to split the future working population. Projections indicate that the total labour force in County Cavan will increase by 11,064 by 2031.

Future employment analysis indicates that there will be significant growth in both the Cavan Core Urban and Rural Areas. The Core Urban Area will see estimated growth of 3,497 employed persons by 2022, a further 1,352 persons by 2026, a further 735 by 2028, and 1,150 persons by 2031 bringing the total employment figure to 20,789. This is

under a full employment scenario with an assumed unemployment rate of 4.0% applied. This brings the total labour force natural growth in the Core Urban area to 6,734 between 2016 and 2031.

Employment in Rural areas will grow by 1,614 by 2022, a further 1,224 by 2026, an additional 587 by 2028, and 904 persons by 2031 bringing the total employment figure to 20,784 under a full employment scenario with an assumed unemployment rate of 4.0% applied. This growth is caused by significant population growth coupled with increasing labour participation rates in future years. Table 2.24 contains the projected working populations by industry of employment for future years 2022, 2026, 2028 and 2031. This projected labour force has been reduced by an assumed unemployment rate of 4.0% (to reflect what is considered full employment). This brings the total labour force natural growth in the Rural area to 4,330 between 2016 and 2031.

Table 2.24 Cavan Future Labour Force by Industry of Employment 2022, 2026, 2028, and 2031 (source KPMG FA M1aCF1aDO19 Scenario) in the Core Urban Area

Industry of Employment	2016	2022	2026	2028	2031
Agriculture forestry and fishing	785	980	1,056	1,097	1,161
Building and construction	884	1,104	1,189	1,235	1,308
Manufacturing industries	2,588	3,232	3,481	3,616	3,828
Commerce and trade	2,963	3,700	3,985	4,140	4,383
Transport and communications	743	928	999	1,038	1,099
Public administration	642	802	864	897	950
Professional services	2,995	3,740	4,028	4,185	4,430
Other	2,455	3,066	3,302	3,430	3,631
Total	14,055	17,552	18,904	19,639	20,789

¹⁷ Based on a scenario named M1aCF1aDO19 run by KPMG FA. This model incorporates births (including fertility rates), deaths and migration aspects to estimate the future population of given spatial areas. This scenario has been adjusted for COVID-19 impacts (current and stable).

¹⁸ Table 7.4 Labour Force participation rates by sex and age group, 2006-2031 (CSO) - <https://www.cso.ie/en/releasesandpublications/ep/p-plfp/populationandlabourforceprojections2017-2051/labourforceassumptions/>

Table 2.25 Cavan Future Labour Force by Industry of Employment 2022, 2026, 2028, and 2031 (Source KPMG FA M1aCF1aDO19 Scenario) in the Rural Area

Industry of Employment	2016	2022	2026	2028	2031
Agriculture forestry and fishing	2,670	2,932	3,131	3,226	3,373
Building and construction	1,248	1,370	1,463	1,508	1,576
Manufacturing industries	2,493	2,738	2,923	3,012	3,149
Commerce and trade	3,030	3,327	3,553	3,661	3,827
Transport and communications	718	788	842	868	907
Public administration	808	887	947	976	1,021
Professional services	3,424	3,760	4,015	4,137	4,325
Other	2,063	2,265	2,419	2,493	2,606
Total	16,454	18,068	19,293	19,880	20,784



2.12 FUTURE EMPLOYMENT SCENARIO

Through implementation of a successful counter-commuting strategy coupled with natural growth and redirection of rural jobs to the Core Urban areas, the growth of employment in Cavan would surpass the target set by the NPF (as deduced by KPMG FA) of 6,512 by 2031.

In the Core Urban area, natural growth combined with an assumed successful mid-range scenario of commuter redirection (20% - 1,611 commuters from County Cavan) and a further scenario with 20% (4,157 persons from 2016-2031 inclusive of baseline) of rural employment diverted would see the most significant growth. These diverted figures are outlined below in Table 2.26 which indicates the rural labour force redirected by each of the key years.

Table 2.26 20% of Rural Employment Redirected to the Core Urban Area by key year

Industry of Employment	2016	2022	2026	2028	2031	Total
Agriculture forestry and fishing	534	52	40	19	29	675
Building and construction	250	24	19	9	14	315
Manufacturing industries	499	49	37	18	27	630
Commerce and trade	606	59	45	22	33	765
Transport and communications	144	14	11	5	8	181
Public administration	162	16	12	6	9	204
Professional services	685	67	51	24	38	865
Other	413	40	31	15	23	521
Total	3,291*	323	245	117	181	4,157

*3,291 (20%) of the rural labour force baseline redirected to the Core Urban area.

Under such a compounded scenario, assuming full employment¹⁹, the Core Urban Area would see a total growth of 12,501 employed persons. Of this 12,501, 9,211 is true growth (comprised of the forecasted natural employment increase – 6,734, 20% of commuters – 1,611, and 20% of additional rural jobs redirected from 2016 to 2031 – 866). The additional 3,291 is due to the redirection of 20% of the baseline rural labour force in 2016. This would bring the Core Urban area labour force total to 26,556 by 2031 as set out in Table 2.27.

Table 2.27 Core Urban Area: Labour Force Growth with 20% of Rural Labour Force

Industry of Employment	2016	2022	2026	2028	2031	Counter Commute	Total
Agriculture forestry and fishing	1,319	248	115	60	94	184	2,019
Building and construction	1,134	244	104	55	86	113	1,736
Manufacturing industries	3,087	693	286	153	239	268	4,726
Commerce and trade	3,569	797	330	177	276	316	5,464
Transport and communications	887	199	82	44	69	77	1,357
Public administration	804	176	74	39	61	77	1,230
Professional services	3,680	812	339	181	283	339	5,634
Other	2,868	651	267	143	224	238	4,390
Total	17,346	3,820	1,597	852	1,331	1,611	26,556

¹⁹ Full employment regarded as 4% unemployment rate.

In the rural areas, natural growth is expected to be slower by comparison, however positive. Under the above scenario 20% of future rural employment would be diverted to the Core Urban area and this reduction (866 persons) has been applied. Additionally, 20% of the 2016 baseline would also be redirected (3,291) bringing the total redirection by 2031 to 4,157. Table 2.28 illustrates the 2016 Census labour force of the Rural area and natural growth over the key years.

Under such a compounded scenario, assuming full employment, the Rural area would see growth of 3,464 employed persons (comprised of the forecasted natural employment increase – 4,330, and 20% of additional rural jobs from baseline redirected to the Core Urban area – an applied 866 person reduction). With the redirection of 3,291 jobs from the Rural area labour force baseline however, the net growth in the Rural area would be an additional 173 persons in the labour force bringing the total to 16,627 by 2031.

Table 2.28 Rural Area: Labour Force Growth with 20% reduction

Industry of Employment	2016	2022	2026	2028	2031	Total
Agriculture forestry and fishing	2,136	210	159	76	117	2,698
Building and construction	998	98	74	36	55	1,261
Manufacturing industries	1,994	196	148	71	110	2,519
Commerce and trade	2,424	238	180	87	133	3,062
Transport and communications	574	56	43	21	32	726
Public administration	646	63	48	23	35	816
Professional services	2,739	269	204	98	150	3,460
Other	1,650	162	123	59	91	2,085
Total	13,163	1,292	980	470	723	16,627

The future employment scenario is summarised as follows:

Employment growth:

- Natural growth in the labour force by 11,064 comprising 6,734 in the core urban area and 4,330 in the rural area.
- Mid-range Counter-commuting scenario whereby 20% (1,611) of commuters from outside the county are redirected to the Core Urban area.
- Resulting total of 43,183 persons in the labour force in Cavan by 2031 of which 12,674 additional persons employed.

Employment redirection from Rural to Urban:

- Intervention strategy whereby 20% of the labour force in the Rural area ((4,157 consisting of 3,291 of the 2016 baseline and 866 (20% of 4,330) of natural additional growth (2016-2031)) are redirected to the Core Urban area to meet demand for such locations. This is an additional 12,501 persons in the Core Urban labour force (6,734 (natural), plus 1,611 (counter commuting), plus 4,157 (rural to urban redirection).

Cavan

2.11 INVESTMENT AND SUPPORTS

Continually attracting inward investment into County Cavan by indigenous and foreign investors is a critical element of the future socio-economic development of the county. There are an estimated 8,356 businesses in operation across County Cavan (2016 GeoDirectory data) (Figure 2 12 and Figure 2 13). More in depth analysis highlights that 51% of those businesses (3,698) are in the ‘Agriculture, Forestry and Fishing’ sector, followed by the ‘Services’ sector which comprises 22% (1,578).

Upon spatial analysis, it is determined that 38% of the county’s businesses in 2016 are located within the nine key settlements. The remaining 62% of businesses are located in rural areas and the county’s smaller settlements. ‘Agriculture, Forestry, and Fishing’ comprises the largest sector in the county and 80% of these businesses are located in rural areas, while for all other sectors, the proportion located in the nine key towns was greater than the average (exceeding the per capita ratio). This illustrates the importance of rural areas of agriculture and urban areas for the other sectors of the county’s economy.

A review of commercial vacancy rates on all zoned and unzoned lands in the county determined that County Cavan has the sixth lowest vacancy rate nationally, at 11.8%, compared with 13.5% (Q4 2016). The Q4 2016 vacancy rates highlight a marginal increase (+0.8%) on previous years, which saw commercial vacancy rates remain relatively constant at approximately 11% in 2013, 2014 and 2015. However, the increase is below the national vacancy rate increase of 0.9%.

Looking more closely at the towns (see Table 2 29) the rates vary, with Mullagh recorded as having a very low vacancy rate of 3%, compared with a 21% vacancy rate in Belturbet. Cavan own has a vacancy rate of 12%, slightly higher than the county rate of 11.8%. Ballyconnell and Kingscourt also have relatively high vacancy rates 19% and 18% respectively). Besides from Mullagh, Virginia is the only other town to have a vacancy rate below 10%.

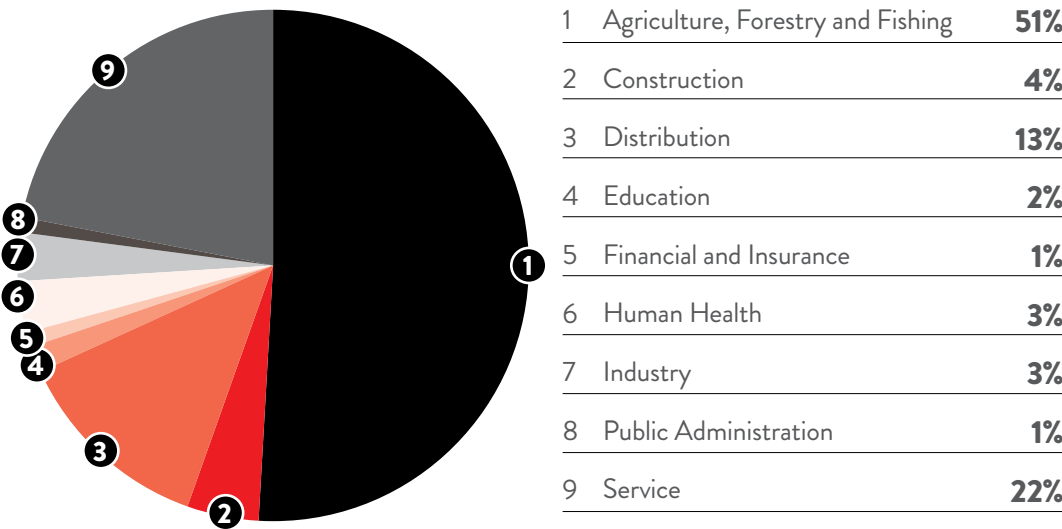


Figure 2.12 The number of businesses by sector (Q4 2016) (Source: GeoDirectory)

Table 2.29 County Cavan commercial vacancy rates.

Town	Commercial Vacancy Rate	County Average	State Average
CAVAN TOWN	12%	11.8%	13.5%
BAILIEBOROUGH	13%		
BALLYCONNELL	19%		
BALLYJAMESDUFF	12%		
BELTURBET	21%		
COOTEHILL	10%		
KINGSCOURT	18%		
MULLAGH	3%		
VIRGINIA	9%		

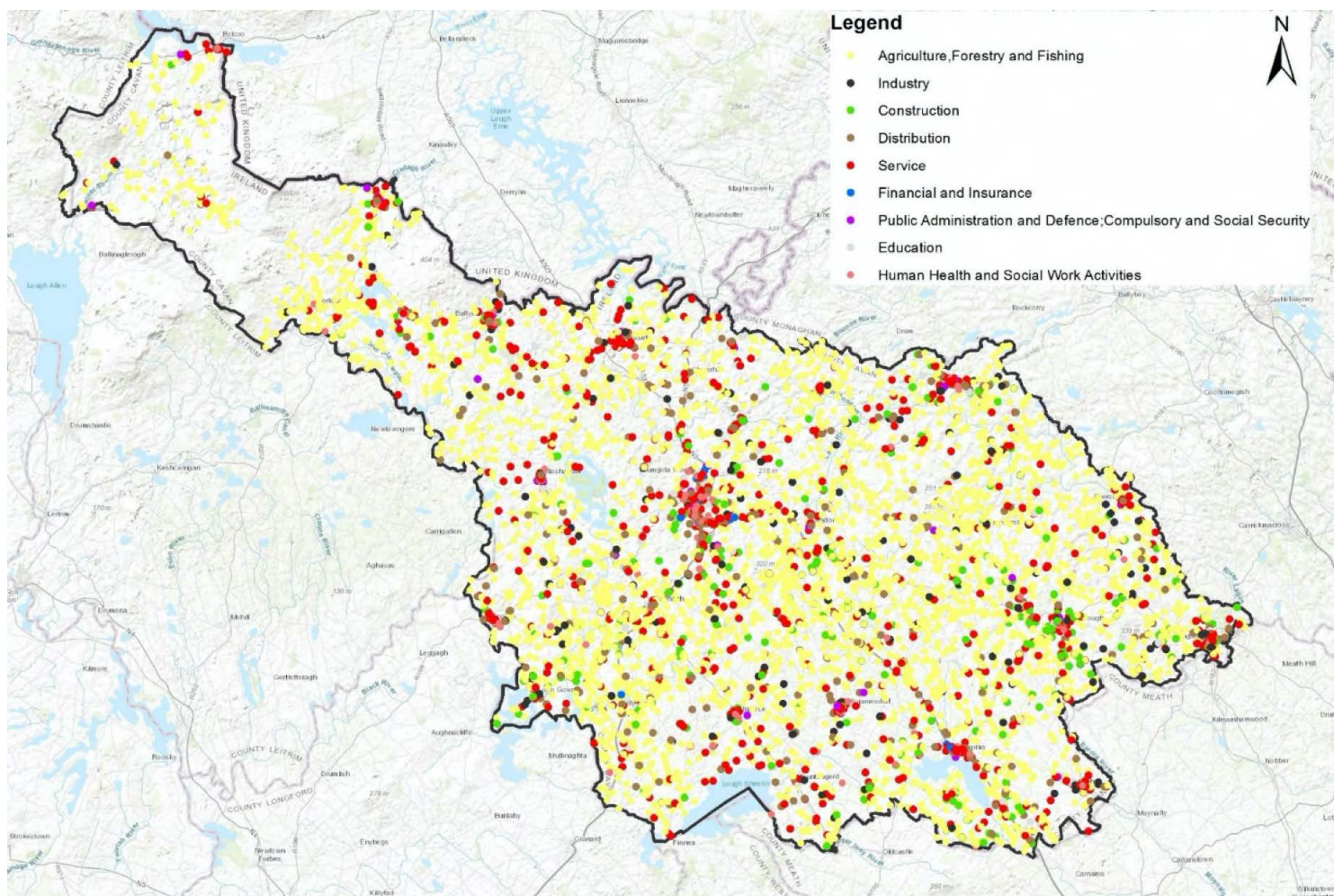


Figure 2.13 Distribution of businesses throughout County Cavan (Source: GeoDirectory).

2.13.1 FOREIGN DIRECT INVESTMENT

Nationally, foreign direct investment (FDI) has been a defining driver of Irish economic growth. However, while its impact in County Cavan has been less pronounced, it remains an important source of employment. There are currently nine IDA Ireland companies located in the county representing engineering, financial services, ICT and consumer goods as of 2019 (refer to Figure 2 14 and Table 2 30).

IDA Ireland data shows that there were 1,203 IDA Ireland client jobs in County Cavan in 2017, of which 41 were new job creations. By comparison with its surrounding and north-western counties, Cavan ranked in the middle in terms of IDA Ireland supported enterprises by per capita in 2017 (see Table 2 31). Westmeath had the highest relative rate, with 13 companies, equating to one for every 6,628 population.

Section Two
Setting The Context

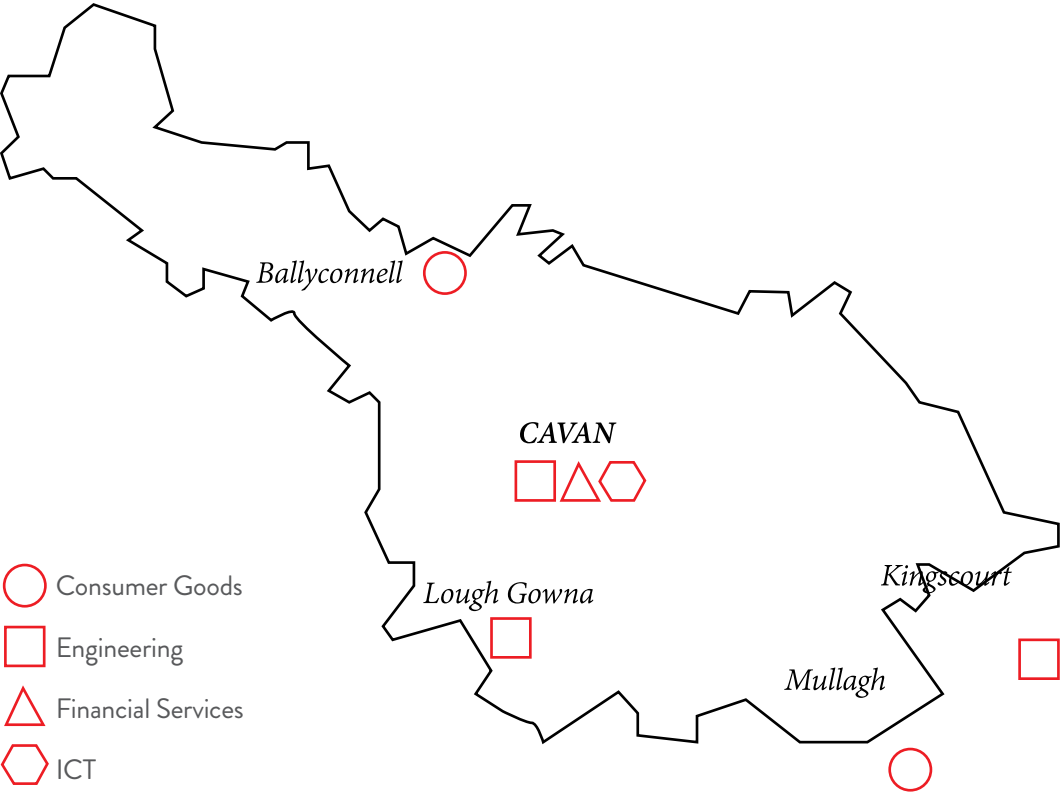


Figure 2.14 Location of IDA Ireland FDI client companies in County Cavan (2016).

Table 2.30 Companies supported by IDA Ireland in County Cavan (Source: IDA Ireland and Cavan LEO 2017).

Company	Sector	Location
Boxmore Plastics	Engineering & Industrial Technologies	Ballyconnell
Kyte Powertech	Engineering & Industrial Technologies	Cavan Town
Foamalite	Engineering & Industrial Technologies	Lough Gowna
Global Indemnity	Financial Services	Cavan Town
Gyproc Saint Gobain	Engineering & Industrial Technologies	Kingscourt
Liberty Insurance	Financial Services	Cavan Town
Presonus Europe	Technology	Cavan Town
Public Relay	Technology	Cavan Town
Wellman International	Engineering & Industrial Technologies	Mullagh

Table 2.31 Population by IDA Ireland supported enterprise in Cavan and surrounding counties (Source: IDA Ireland, 2017).

County	IDA Ireland Supported Enterprises	Population per Enterprise
Cavan	7	10,455
Donegal	12	13,428
Meath	17	16,117
Monaghan	5	12,097
Leitrim	4	7,950
Longford	4	9,750
Westmeath	13	6,628

IDA Ireland data informs that there were seven IDA Ireland-sponsored site visits to County Cavan in 2019. The number of site visits to a county does not necessarily reflect FDI activity there as 70% of all new FDI comes from existing IDA Ireland clients.

As outlined in IDA Ireland's strategy; Winning: Foreign Direct Investment 2015–2019, the agency has established a target increase of between 30–40% in the number of projects for the region during the strategy's life. These investment projects will include: "new name investments, expansions from existing overseas companies in Ireland and R&D

investments". For County Cavan specifically, this could potentially mean the realisation of two to three new FDI projects.

The agency will likely direct much of its supported development and job creation to its Business and Technology Park, to the east of Cavan Town. The park totals 16.7 ha and has direct access to the N3, connecting to Dublin and is already fully serviced (water, wastewater management, electricity, telecommunications and roads). The land available here is reducing due to a positive uptake in market demand. Cavan County Council will continue to work with the IDA to develop this park and adjoining lands as a location for economic investment.

2.13.2 DOMESTIC SUPPORTS

Indigenous enterprise and investment remain the primary employers in County Cavan, responsible for creating and sustaining new jobs. Given the predominance of agriculture in the county, it is no surprise that agriculture and agri-food are key sectors for the county, primarily supporting jobs and economic activity in rural areas. Emerging service and knowledge-intensive sectors are increasing their presence due to the infrastructure and market sizes of urban centres.

The Cavan Local Enterprise Office (LEO) is the “first-stop-shop” for providing advice and guidance, financial assistance and other supports to those wishing to start or grow their own business. They work with entrepreneurs, early-stage promoters, start-ups and expanding businesses. The key objectives of Cavan LEO are to provide: Business Information and Advice, Training, Mentoring, Financial Supports, Networking, Local Economic Development Services and Enterprise Education.

Continuing support for existing and new microenterprises is critical to maintaining rural economies, as they contribute strongly to the creation of local employment opportunities and the retention of population, ensuring vibrant and sustainable rural communities. Rural areas are particularly susceptible to more economic challenges due to lower population densities, higher migration levels, a dependence on more traditional employment sectors, and increased challenges in terms of accessing new employment opportunities.

One of the key purposes of this Strategic Economic Framework is to support and promote the expansion of micro-enterprise, and to directly and indirectly to foster new opportunities in existing sectors such as agriculture, agri-food, precision engineering, tourism, and emerging sectors such as Agri-technology, MedTech and renewables.

Start-up enterprises are also a key area of potential growth in County Cavan and are likely to be prioritised in urban areas that are accessible, have access to high-quality internet and have a critical mass required for infrastructure, markets and workforce. CCC has recently made proactive efforts to foster and catalyse start-ups and smaller technology-based enterprises with the delivery of the ‘Cavan Digital Hub’ in Cavan Town. The ‘Hub’ is a centre to support this sector of the county’s economy, benefiting from the roll-out of the high-speed internet connectivity.

Support and promotion of innovation and social enterprise within the county has potential to assist local communities – particularly those in rural areas – develop their local economies with potential to develop new employment opportunities; particularly for persons who may otherwise be excluded from the labour market. Actively supporting and promoting microenterprise and SME development and the development of social enterprise within the county is key to developing these vulnerable sectors.

2.14 INFRASTRUCTURE

The availability of high quality built, and ICT infrastructure are crucial to the socio-economic development of the County and its economic competitiveness. Failure to ensure adequate infrastructure is available and improved in keeping with the development of the county will adversely impact on the capability of the county to attract new investment or encourage expansion of existing companies.

Critical areas that require ongoing consideration in the county include:

- Road transportation infrastructure;
- Water services;
- High quality public transport;
- ICT/telecommunications;
- Availability of suitable development lands; and
- Availability of affordable housing and availability of schools and other local services.

Any impediments experienced in both investments and upgrading this infrastructure significantly risks hindering the economic growth within the county.



WATER AND WASTEWATER SERVICES

The assurance of high-quality water availability and appropriate capacity wastewater treatment is also a critical element to future economic development of the county. Notable improvements as of 2017 to the water and wastewater infrastructure have been undertaken in recent years including Cavan Sewerage Scheme, Cavan Regional Water Supply Scheme Water Treatment Plant Upgrade, Bailieborough Water Mains Rehabilitation and Ballyconnell Water Mains Rehabilitation, however, other essential infrastructure and supply works remain outstanding.

TELECOMMUNICATIONS

Telecommunications are a key infrastructural element that requires attention. As identified through a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis of the county, there is an urgent need for improved broadband connectivity and speeds throughout the county's urban and rural settlements as of 2017. The deficiency of adequate broadband telecommunications within rural areas is a key factor that will inhibit rural enterprise development and growth, while high quality speeds within urban settlements are crucial to attract new investment opportunities. It is anticipated that the roll out of the National Broadband Plan will alleviate this deficiency. Furthermore, Cavan County was the pilot location chosen by National Broadband Ireland for the installation of overground poles and cables. Cavan Town, Bailieborough, Cootehill and Kingscourt are all connected to the Metropolitan Area Network (MAN).

As illustrated in Figure 2 15, the main settlements are served by commercial broadband providers (blue area), however, large areas of the county are designated as National Broadband Plan intervention areas (amber area), meaning broadband availability outside of the main settlements is extremely limited as of 2017.

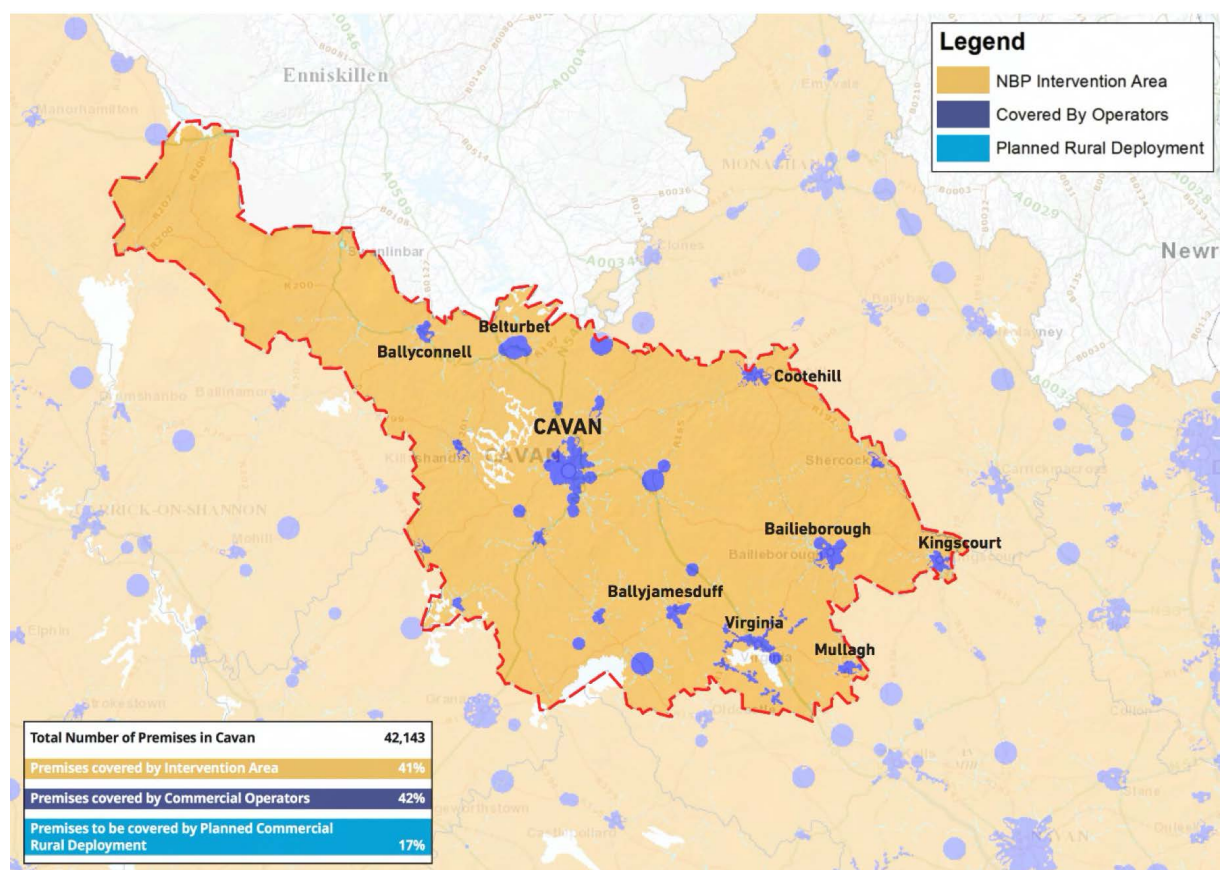


Figure 2.15 Broadband availability from commercial providers and under the National Broadband Plan in County Cavan (Source: National Broadband Plan High Speed Broadband Map, 2017)

TRANSPORT INFRASTRUCTURE

Road Network

County Cavan is located on the main N3 Primary National Route Dublin - Donegal road and is a central point between Dublin, Belfast, Donegal, Galway and Sligo. In terms of accessibility to key access points, Cavan is located within two hours from the ferry ports in Dublin, Dun Laoghaire and Belfast, and the international airports of Dublin and Belfast.

The national road network is key to traversing the county and serving current and new economic investment and development. The road network is the sole method of transport serving the county and providing access to key transport hubs (air, port and rail).

The national roads comprise: N3 National Primary Road (Dublin-Ballyshannon via the A509 Teemore to Belcoo, County Fermanagh); N16 National Primary Road (Sligo-Enniskillen (A4) to Belfast); N54 National Secondary Road (Cavan – Clones – Monaghan – Armagh (A3)); N55 National Secondary Road (Athlone – Edgeworthstown – Granard – Ballinagh – Cavan) and N87 National Secondary Road (Belturbet – Ballyconnell – Swanlinbar – Enniskillen (A32)).

The Cavan Town to Dundalk strategic route improvement scheme is considered a key road network that will provide for improved movement between Cavan and Dundalk, via Cootehill and Shercock. It is the N3 Road that is vital to Cavan, linking it to Dublin and the centre of the Greater Dublin Area. However, a major bottleneck on this route has been identified at Virginia, where the town does not benefit from a bypass. Therefore, north-south vehicular movements are impeded, and travel times extended. This negatively impacts commuting, trade and delivery times and the perceived accessibility and proximity of Cavan from potential investors and qualified workforces. There is no rail link to or through the county; the nearest railway stations being in Edgeworthstown, County Longford to the south of the county (22km by road); Dundalk, County Louth to the east (34km by road) and Sligo Town, County Sligo to the west of the county (41km).

Public Transport

With no rail service, County Cavan relies on its road network which is comprehensive however, public transportation linkages to the county and within the county, particularly in rural areas, are limited, which have impacts on those accessing local services, education and greater employment opportunities, in addition to wider impacts on economic development and rural tourism. Cavan Town and Virginia are serviced by hourly buses from Dublin and Donegal. Cavan Town is also serviced from Belfast, Sligo and Galway. There is a direct daily service to Dublin Airport from Cavan Town. Cavan town Local Link bus service operated by Cavan Monaghan Transport Coordination Unit services Cavan Town - Ballyhaise, serving Butlersbridge, Drumgola and Cavan Institute; and Cavan Town - Ballinagh, serving Corlurgan, Moynehall, Swellan and Cavan General Hospital. Blacklion is the main public transport centre serving the western side of the county where buses serve Sligo and Enniskillen (twice daily).

3. SWOT ANALYSIS



A SWOT (Strengths, Weaknesses (Constraints), Opportunities and Threats) analysis is presented below, based on the main findings of the baseline assessment and following the consultation process. It is intended to help inform the Strategic Economic Framework and provide an understanding of the factors that define County Cavan from an economic perspective and to assist in the development of the Strategic Actions.



STRENGTHS

- » Good population growth.
- » Attractive tourism offer.
- » Strong angling tourism sector.
- » Strong, high quality agriculture economy.
- » Diverse industries of employment.
- » Strategic location geographically, connecting the north, west and east regions.
- » High quality of life.
- » Lower operating costs.
- » Rich natural environment and heritage.
- » Good primary national transportation route with direct link to the Dublin region.
- » Accessibility to key national and international transport infrastructures (Dublin International Airport, Drogheda and Dublin ports, M50).
- » Accessibility and proximity to Northern Ireland.
- » Metropolitan Area Network (MAN) in Cavan Town, Bailieborough, Cootehill and Kingscourt.
- » Proactive local authority and Local Enterprise Office in their efforts to seek new opportunities.

OPPORTUNITIES

- » Brexit and enhanced linkages with Northern Ireland.
- » Centralisation of population with urban-rural gap narrowing.
- » Large, educated, labour force within a 60-minute drive.
- » Competitive operating costs
- » Large quantum of lands zoned for economic activities.
- » Proximity to the 'Dublin-Belfast Corridor'.
- » Increased business and training collaborations.
- » Further expansion of the Cavan agriculture sector.
- » Expansion of social enterprise development.
- » Improved broadband connectivity and speeds.
- » Connecting Ireland's Ancient East with the Wild Atlantic Way.
- » Extensive network of inland water ways.
- » Potential link with, or creation of a satellite location for, a higher-level educational institution.
- » Cavan Food Strategy.
- » Distinct precision engineering sector and expertise.
- » Support and promote indigenous enterprise development and expansion.
- » Enhanced linkages with HEI's through local delivery.
- » Identification of strategic locations for increased start-up, micro-enterprises and SME investment.
- » Enhanced tourism marketing.
- » Increased funding under the Rural Economic Development Zone (REDZ) initiative.

WEAKNESSES / CONSTRAINTS

- » Limited number of third-level graduates within the county.
- » No third-level educational institution.
- » Perceived rurality and distance from Dublin region.
- » Limited number of start-up enterprises.
- » Quality of the existing transport network.
- » Lower levels of disposable income.
- » Predominantly rural population.
- » Small towns.
- » Net commuting outflows representing skills leakage ('Brain Drain').
- » High deprivation combined with high unemployment and low levels of education exist in areas of the county's main settlements.
- » High levels of commercial vacancy in some settlements.
- » Poor broadband connectivity in parts of the county, particularly in rural areas
- » Poor or no public transport in some rural communities leading to barriers accessing commercial services, education and employment opportunities.
- » Underdeveloped tourism sector

THREATS

- » Brexit and likely hard border, customs controls and border tariffs.
- » COVID-19 influence unemployment, both temporary and long term.
- » National and international recession.
- » Competing counties.
- » Net commuting outflows.
- » Prioritisation/appeal of larger urban centres.
- » International agricultural competition.
- » Economic stagnation.
- » Lack of or deficient broadband infrastructure in some parts of the county.
- » Insufficient public transport linkages within the county and reliance on private transport.
- » Environmental pollution / poor water quality may threaten the tourism sector.
- » Decline in tourism numbers from NI and Britain.

“The actions are designed to promote, facilitate and catalyse further economic development, the securing of investment and safeguarding against potential negative outcomes associated with Brexit.”

4. ACTIONS OF THE STRATEGIC ECONOMIC FRAMEWORK

This Strategic Economic Framework identifies a series of key strategic actions that will drive the promotion and support of economic development and employment in County Cavan over the coming years.

The actions are designed to promote, facilitate and catalyse further economic development, the securing of investment and safeguarding against immediate negative outcomes associated with a likely hard Brexit.

Cavan County Council will need to continue to employ an enhanced proactive effect to excel the economic prospects of the County.

Collaboration and communication are vital elements to be associated with the delivery and achievement of the actions. With potential inputs required from the internal departments of CCC and from external stakeholder (businesses, education, state agencies and bodies, etc.) it will be important for those involved to work together to secure positive outcomes and the economic development of the county.

While the national economy faces immediate downturn, prior to the impact of COVID-19 Cavan had continued to strengthen and employment figures increased following the economic difficulties of 2007 and 2008. With the potentially positive outlook with the incoming rollout of vaccinations, Cavan may see an economic recovery along with the state. Brexit now presents a major source of uncertainty, particularly for the agriculture, manufacturing and tourism sectors.

The complexity and potential challenges for economic development in County Cavan are clear and somewhat unprecedented. Under this Strategic Economic Framework, it is anticipated that CCC will be able to drive and promote sustainable economic growth by focussing on the key actions and make the attraction and retention of enterprise and economic development more successful. To maintain economic growth and promote increased development, CCC must recognise the need to adapt to changing national and global economic trends, particularly considering COVID-19 and Brexit.

The varying and unique needs that companies (start-ups, SMEs, large corporations, multinational firms, etc.) have in terms of different levels of skills, capital, sophistication and growth orientation (agriculture, ICT, engineering, food, pharmaceutical, medtech, finance, etc.) must also be acknowledged. As a result, the structures must be put in place to actively entice and seek invest in terms of the built environment and in terms of job creation and economic activity.

This must be supported by planning and zoning to ensure that there is a sufficient availability of appropriate lands to accommodate new investment and enterprise development over the short, medium and long term. The provision of preidentified strategic enterprise and employment zones will maximise the ability of County Cavan to facilitate economic expansion and ensure that the county is in a position to continually attract new investment in the future.

Pillar 1: Planning and Zoning

- 1.1 Cavan County Council to acquire a select number of strategic sites.
 - 1.2 Identify and zone lands capable of supporting high quality economic development and create a limited number of key 'strategic enterprise and employment zones'.
 - 1.3 Promote the key town of Cavan as a primary centre of employment in the County and support the delivery of additional economic development lands in Cavan Town.
 - 1.4 Promote and facilitate the sustainable growth of Virginia as a hub for the east of the County, in terms of employment, housing and services. Support the development of strategic employment lands east of the town.
-

Pillar 2: Enterprise Space and Workspace

- 2.1 Enhance our economic profile with the development of new enterprise parks at strategic locations in the County including Cavan Town and Virginia and further expansion and development of existing enterprise lands and space in other Tier 2 and 3 towns.
 - 2.2 The IDA Business and Technology Park in Cavan is one of the key strategic sites within the County. Develop joint initiatives with IDA Ireland and Enterprise Ireland to promote Cavan as an attractive location for new business. There is scope in the IDA Business Park for further expansion which will be prioritised by the Council by leading a planning application for an advanced technology building in conjunction with the IDA.
 - 2.3 Develop Cavan IDA Business and Technology and adjoining land as a location for economic investment.
 - 2.4 Develop existing and new community enterprise workspace/incubation and hot desks facilities in key locations throughout the County, including Cavan town centre.
 - 2.5 To identify suitable locations and support the provision of co-working facilities, digital hubs/eHubs and eWorking centres throughout the County that function as outreach hubs for city-based employers and promote flexible working arrangements.
-

Pillar 3: Stronger Towns and Villages Centres

- 3.1 Develop and implement local economic initiatives which enhance and support the regeneration of our towns and villages and deliver sustainable reuse and regeneration outcomes with a mix of uses to encourage greater vibrance outside of business hours.
 - 3.2 Promote the development of Abbeyland Cultural Quarter to regenerate this important town centre site with vibrant town centre uses, new pedestrian street and public spaces in order to increase footfall and employment in the town centre.
-

Pillar 4: Funding and Investment

- 4.1 Work in partnership with the relevant development agencies to ensure a cohesive approach to economic development throughout the County enabling us to maximise funding opportunities (URDF/RRDF or similar) and other resources so as to create a resilient and progressive economy in the county, using the New County Development Plan as one of the key drivers of spatial and economic development.
-

Pillar 5: Enterprise Supports

- 5.1 Facilitate and enhance the collective offering of Cavan as an attractive place to live, work and do business and invest in.
 - 5.2 Build on the 'This is Cavan' brand that exemplifies the core components of quality of life factors, including live-work balance, strong education structures, amenity and leisure attractions combined with economic opportunity.
 - 5.3 Strengthen Cross Border Links in the central border region to enhance the social, economic, cultural and environmental well being of cross border communities and encourage collaborative work at this sub regional level to develop cross border initiatives and projects.
 - 5.4 Support in conjunction with Cavan LEO and other relevant agencies the development of indigenous industry and business start-ups in the county.
-

Pillar 6: Renewable Energy and Sustainable Technologies

- 6.1 Support the development and growth of renewable energy and sustainable technology industries in the county.
 - 6.2 Ensure that a sustainable approach is taken to enterprise development and employment creation across all sectors in accordance with the Green Economy national frameworks relevant to each sector.
 - 6.3 Support homebased economic activity that allows for working from home or local hubs to reduce commuting and congestion in our towns.
-

Pillar 7: Education

- 7.1 Promote the delivery of third-level education facilities in Cavan, building on the foundation and success of the Cavan Institute. Develop strategic partnerships, local and cross-border, to address deficiencies in access to third level accredited education and training necessary to support enterprise and economic development throughout the county.
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Pillar 8: Niche Sectors

- 8.1 Support the growth of Virginia as a location of strategic development potential of a regional scale and expand the existing Food Cluster containing Glanbia and AW Ennis east of Virginia.
 - 8.2 Promote Tourism as an integral part of Cavan's economic profile.
-

IMPLEMENTATION AND DELIVERY

The strategic actions contained within this Framework have been informed by a baseline assessment of the County Cavan economic landscape. The indicative actions provide a series of significant opportunities to advance enterprise and employment in the county, strengthening competitiveness and in doing so, strengthening future socio-economic growth. The actions set out will be managed by CCC, however, collaboration with other key stakeholders is central to their successful implementation. While suggested stakeholders have been identified, it should be the responsibility of CCC to engage with them to discuss and agree resources and responsibilities. Furthermore, external engagement with, and support from, the private sector will also prove important as many of the actions require a collaborative approach across public and private sectors. A key component of the implementation process will be monitoring performance of the actions and observing trends.

5. SUMMARY

This Strategic Economic Framework is informed by a socio-economic baseline assessment undertaken to identify new opportunities that support and promote business development and growth, to stimulate new employment opportunities within County Cavan.

To fully avail of these opportunities, it is critical to identify infrastructure constraints and to secure infrastructure improvements in key areas such as water services, transportation and ICT, that may otherwise inhibit the economic development of the county. For example, high quality and reliable water services are required by a cross section of industries including beverage and food production facilities, chemical, technology, engineering, electronics industries etc. Skills gaps amongst the county's labour force, must also be identified.

The implementation of these actions sectors has the strong potential to develop the economies of the nine key settlements identified in the report, while also extending to their hinterlands and to the smaller rural towns, villages and rural economies of the county, facilitating sustainable economic development and growth across the whole county into the future.

At present, COVID-19 and Brexit are cause for significant economic uncertainty. Yet within such uncertainty are opportunities which Cavan must position itself well to exploit for economic sustainability and growth.

Key aspects of this Strategic Economic Framework include:

- » Identifying appropriate strategic enterprise and employment lands capable of supporting high quality enterprise development that will facilitate and stimulate both existing economic performance and future economic expansion.
- » Delivering additional employment and enterprises supporting zoned lands.
- » CCC to acquire a select number of strategic sites and to proactively seek their development for the purposes of economic development and job creation; and
- » Establishing an EDIU to drive the counties economic development, secure investment and address the issues arising as Brexit unfolds.



CAVAN **STRATEGIC** **ECONOMIC** **FRAMEWORK**

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CAVAN STRATEGIC ECONOMIC FRAMEWORK



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