

Economic Plan for Dún Laoghaire Harbour

Submitted to

Dún Laoghaire-Rathdown County Council

Prepared by

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Executive Summary

Introduction and Background

Dún Laoghaire-Rathdown County Council ('DLRCC'), following a competitive tender, appointed Indecon International Economic Consultants ('Indecon') to provide independent expert advice to input to a sustainable economic plan for Dún Laoghaire Harbour. The objective is to assist the Council to develop Dún Laoghaire Harbour with a view to maximising the benefit to its citizens and to ensuring the Harbour's financial sustainability. The aim of the review is to set out a roadmap to guide the ongoing development of Dún Laoghaire Harbour. It is important as context to identify a vision for Dún Laoghaire which incorporates the objectives for both the Town and the Harbour. A suggested overall vision for Dún Laoghaire developed jointly with KPMG/FA, who is advising on an economic and spatial plan for the Town, is presented below.

Vision for Dún Laoghaire

The vision for Dún Laoghaire is for a beautiful, creative and vibrant Town that is a desirable place to live, work and study by the sea. In combination, these qualities will increasingly ensure Dún Laoghaire is a location of choice to live, work and invest. The Town and Harbour will be closely linked with cohesive branding and promotion, as well as enhanced physical connectivity. Ireland's most well-recognised Harbour will provide a greater range of publicly accessible recreational opportunities while retaining its character as a working Harbour in a way that respects, protects and animates the Harbour's heritage. Dún Laoghaire Town and Harbour will be positioned for the future as an enhanced, resilient and thriving place of choice.

Source: KPMG-FA/Indecon

In preparing the economic plan, Indecon notes that there have been several important developments in the external policy context since the transfer of ownership of the Harbour to Dún Laoghaire-Rathdown County Council. These include the Maritime Area Planning (MAP) Bill, the National Planning Framework, and the National Energy and Climate Action Plan 2021 - 2030. Also, of critical importance has been the impact of the COVID-19 pandemic on the Harbour and on its users.

In completing this project Indecon has applied a rigorous methodological approach to delivering on the key requirements. As part of Indecon's approach, new primary research has been completed with inputs from:

- Sports clubs operating in Dún Laoghaire Harbour;
- Businesses operating in Dún Laoghaire Harbour; and
- Other Harbour users.

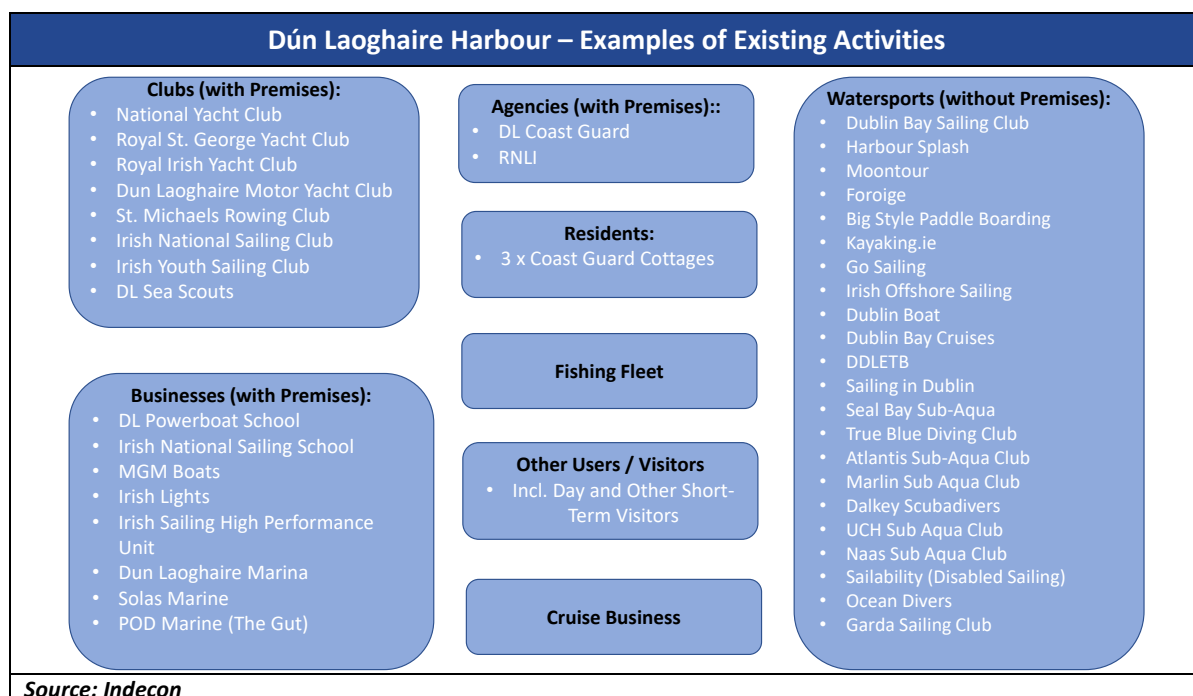
Indecon held bilateral meetings with 25 stakeholders. In addition, workshop meetings were held with DLRCC and its officials. Harbour users, residents, businesses and other stakeholders were also invited to make submissions to Indecon. The extensive consultation process was very effective with 307 submissions received. Indecon is appreciative of the high level of interest and engagement of the public and other stakeholders in the future of Dún Laoghaire Harbour. A joint research exercise with KPMG/FA of businesses and community groups in the Town was also undertaken. Indecon is grateful for the valuable inputs obtained from this consultation programme.

The recommendations in this report are designed not only to support the viability and appropriate use of the Harbour, but to ensure that the social and economic development of the Town is enhanced. The recommendations for the Harbour are designed to be complementary to and not in competition with activities in the Town. Dún Laoghaire-Rathdown County Council in developing an overall LAP should ensure that the designation of uses is consistent with this principle of complementarity in the location of activities. In

developing the strategy for the Harbour, we have been very conscious of the importance of the integration of the Harbour with the Town so as to maximise the overall benefit for Dún Laoghaire and its residents. Conscious of the priority given to this, the strategy for the Harbour has sought to increase the number of visitors to the area but also to deepen the benefits to the Town of those who visit or participate in activities in the Harbour. The interaction with the Town will therefore be enhanced by our proposed initiatives to attract additional tourists and other visitors to the area and to encourage the movement between visitors to the Harbour and the Town.

Current Marine, Tourism and Other Activities

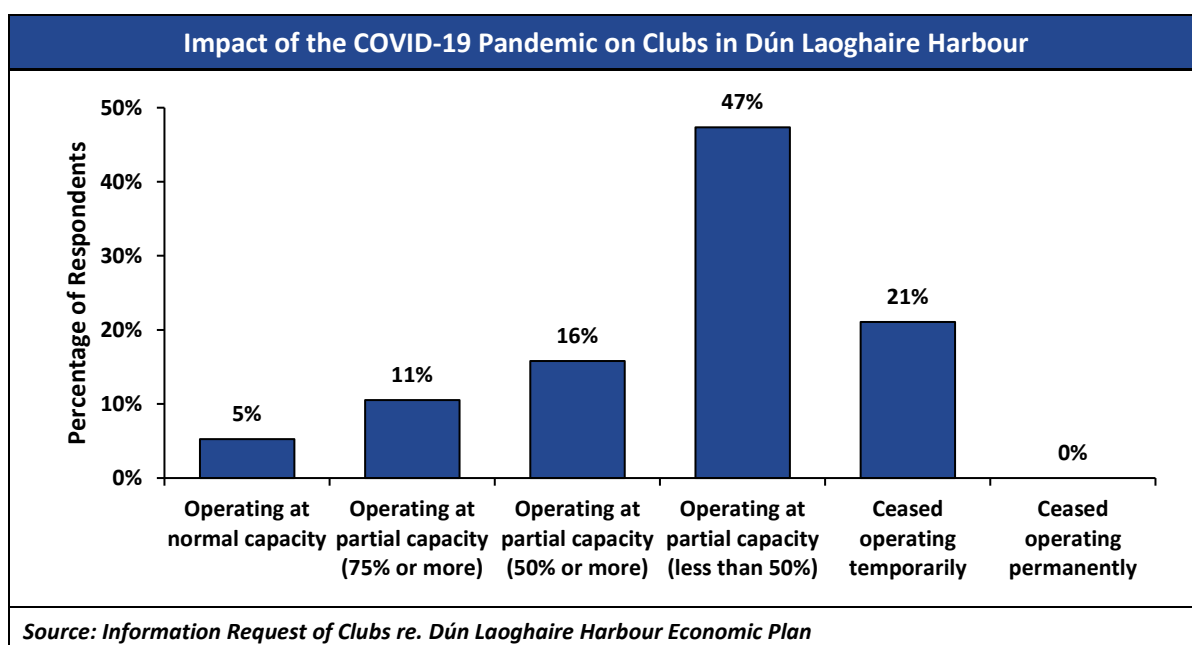
In examining options for the Harbour, it is important to recognise the range and significance of existing organisations in Dún Laoghaire Harbour including marine-related businesses, clubs, recreational and fishing activities as well as residents. These include leading yachting and sailing clubs and water sports organisations, many of whom have national and international reputations. There are also important businesses based in the Harbour as well as agencies, including the RNLI and the Coastguard. Other users include the Navy and cruise operators. Facilitating the continued development of existing users is a priority for the Harbour as well as planning how to accommodate potential new uses. The Harbour is also an important recreational and amenity asset for local residents and visitors to the area. Illustrative examples of the diversity of existing users of the Harbour are presented in the next figure.



In examining the socio-economic contribution of current marine, tourism and other activities, Indecon estimates indicate that the activities of sports clubs, businesses and other organisations based in Dún Laoghaire Harbour directly support over 335 full-time equivalent employees (FTEs). Our modelling suggests that almost 120 additional FTEs are supported through the indirect and induced employment supported by the activities of these organisations in Dún Laoghaire Harbour, leading to total employment of 456. Organisations operating in Dún Laoghaire Harbour spent over €5 million in capital expenditure over the past three years, and over €6.4 million in expenditure on local goods and services in 2019. In addition to these impacts, Indecon recognises the economic and social value of the voluntary activities of organisations based in the Harbour and the amenity value to the public of the Harbour.

Socio-Economic Impact of Sporting Clubs, Businesses and Other Organisations in Dún Laoghaire Harbour	
Direct Employment Supported	337 FTEs
Income supported	€13.27 m
Capital Expenditure in Past 3 Years	€5.03 m
Expenditure on Local Goods and Services in 2019	€6.41 m
<i>Source: Indecon analysis and economic modelling</i>	

These socio-economic impacts can be seasonal in nature. This impacts the viability of activities and the economic contribution which the Harbour makes to the Town. COVID-19 has also had a major impact on organisations operating in Dún Laoghaire Harbour, with the majority of sporting clubs indicating they were operating at reduced capacity or had closed temporarily. Understandably, businesses based in the Harbour also indicated they were closed or operating at reduced capacity.



Financial Situation of the Harbour

Despite the scale of the current economic and social contribution of the Harbour, a major challenge is to ensure its future financial viability and to have sufficient resources to invest in the maintenance and long-term development of this national asset. In this context, it is clear to Indecon that measures are needed to enhance the financial performance of the Harbour. Expenditure by Dún Laoghaire Harbour has averaged €6.6m per annum since 2014, while revenues averaged €5.6m per annum. Addressing the annual financial deficit and securing the resources to enhance the potential economic and social contribution of the Harbour is a key challenge. While numerous interesting and potentially beneficial opportunities for investment in the Harbour have been suggested, a critical issue is the funding constraints on any proposed developments, given the financial position and limited resources available to the Harbour.

Dún Laoghaire Harbour Key Financial Statistics, €000							
	2014	2015	2016	2017	2020	2021 ²	Average 2014-2021
Income	5,410	13,201	4,736	4,157	3,545	2,765	5,636
Expenditure	4,608	18,835	3,848	4,700	4,343	3,356	6,615
Profit/Loss ¹	802	-5,634	887	-542	-798	-591	-979
Source: Indecon analysis of Dún Laoghaire Harbour Company Financial Statements Notes: ¹ Profit/loss on ordinary activities before taxation ² Budgeted. For comparability purposes with 2020 and 2021 data income and expenditure from the 2014 to 2020 accounts includes interest payments etc.							

In investigating the sources of revenue, Indecon notes that in 2020, property/rental income and income from the marina/moorings represented the most important sources of income. Parking charges were also significant although less than budgeted due to the cancellation of parking permit licenses arising from the COVID-19 pandemic. The overall small scale of total revenue suggests the need to explore new additional sources of income.

Dún Laoghaire Harbour Income €000			
	Budget 2020	Outturn 2020	Budget 2021
Property Rental/Leasing	1,411	1,300	1,140
Marina Income & Harbour Moorings	1,289	950	920
Parking Charges/Fines	752	540	600
Other Income	260	755	105
Total Income	3,712	3,545	2,765
Source: Indecon analysis of Dún Laoghaire Harbour Financial Data. Figures may not add up to the total due to rounding.			

An analysis of expenditure of the Harbour is presented in the table below. Wages and salaries amounted to €971,700 in 2020, reflecting the small number of direct employees. Loan repayments amounted to over €800,000. These repayments will remain a burden on the finances of the Harbour until loans are repaid in 2022. While a focus on ongoing cost containment is required in all organisations, our analysis suggests that there are limited options for expenditure reductions and the key focus should be on revenue-generating measures. There may, however, be some potential for a reduction in the costs of external services purchased if shared services can be utilised with DLRCC. The costs of maintenance and repairs are likely to continue to be significant given the age and condition of the Harbour.

Breakdown of Expenditure of DL Harbour, 2020-2021 (€)			
	Budget 2020	Outturn 2020	Budget 2021
Harbour Wages and Salaries	1,004,700	971,700	844,700
Marina Loan Repayment	802,900	802,900	802,900
Harbour Repairs	300,000	919,300	300,000
Harbour Pension Fund Administration	292,300	152,800	169,000
Other Expenses	900,000	1,240,500	983,100
Total expenses (ex. Rates and Other LA Charges)	3,299,900	4,087,200	3,099,700
Source: Indecon analysis of Dún Laoghaire Harbour Financial Data			

Strengths, Weaknesses, Opportunities and Threats

In preparing an economic plan for the Harbour, it is important to critically evaluate the strengths and weaknesses of Dún Laoghaire Harbour. These are summarised in the next table. These highlight the significant strengths of this important resource. There are, however, issues that must be addressed as part of a new economic plan for the Harbour. Measures to overcome existing weaknesses are designed to ensure its continued viability and to maximise the benefits for citizens in Dún Laoghaire-Rathdown.

Summary of Key Aspects SWOT analysis			
STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Attractiveness of Harbour for Visitors • Public Amenity Access to Sea • Existing Sporting Clubs/Organisations • Planning permission granted for Ferry Terminal • Dún Laoghaire Marina • Existing Cruise Visitors • Marine based Businesses • Land available for Development • Links with Transport Infrastructure • Proximity to Dublin • Proximity to Dún Laoghaire Town • Links to Town 	<ul style="list-style-type: none"> • Absence of Restaurants/Cafes • Absence of Retail and other Services Businesses at Port • Constrained Resources available to maintain and invest in the Harbour • Low Level of Investment in Marketing of Harbour • Lack of Integration with Town • Absence of Facilities for Start-Up Businesses 	<ul style="list-style-type: none"> • Growing population size • Growing skills base • Opportunities for expansion in tourism • Maximisation of value of assets • Potential new users • Potential to integrate Harbour and Town • Expansion of existing users 	<ul style="list-style-type: none"> • Immediate economic prospects for Irish and global economies • The continued functionality of the Harbour is likely to need ongoing investment • Financial viability of Harbour remains a challenge in absence of increased resources
Source: Indecon			

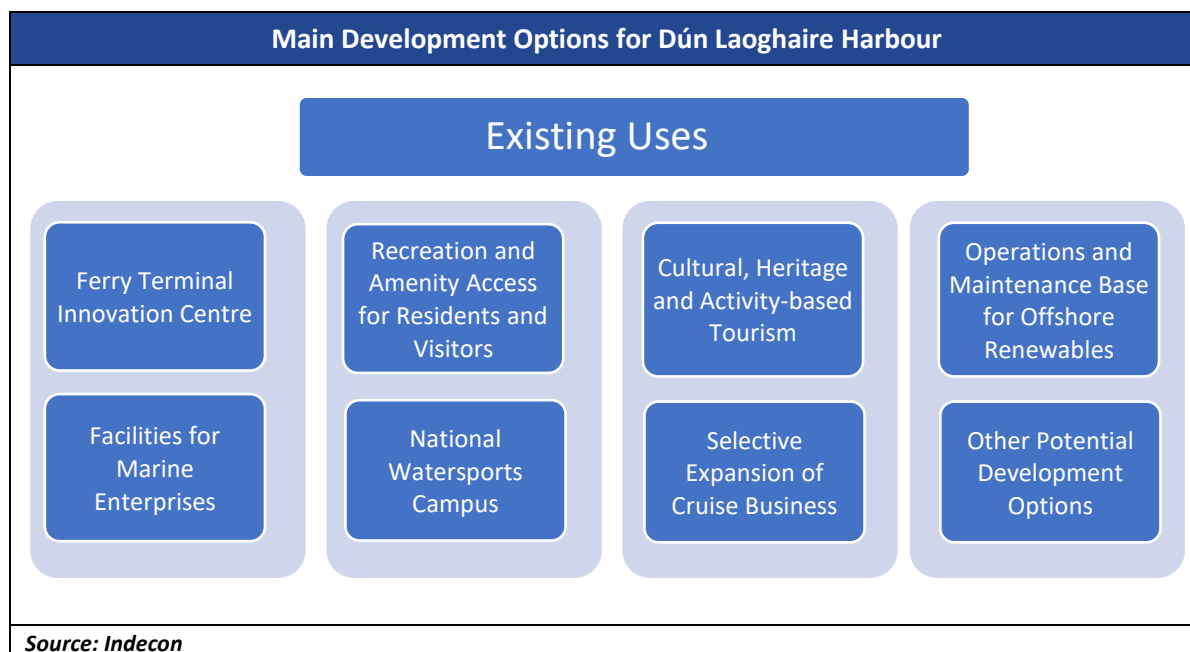
Key Challenges

The realisation of the potential of the Harbour and of the Town will require that action is taken to successfully address key challenges and to build on the strengths of the Harbour. The three main areas which should be given priority are to implement a financial economic recovery plan for the Harbour, to increase linkages with the Town and to maximise the economic and social impact of the Harbour. These objectives require the development of existing uses and the attraction of new or expanded activities to the Harbour. Achieving these objectives should be pursued within the context of enhancing accessible recreational opportunities and respecting the important heritage of the Harbour.

Summary of Key Challenges for Dún Laoghaire Harbour
1. Implement Financial Economic Recovery Plan for Harbour
2. Increase economic linkages between Harbour and Town
3. Maximise economic and social impact of Harbour
Source: Indecon

Review of Development Options

In examining development options, Indecon would note the importance of continuing to facilitate existing sporting clubs, fishing and other users of Dún Laoghaire Harbour. There is also need to accommodate new or expanded uses in order to increase the revenues needed to underpin the financial viability of the Harbour. Based on our detailed analysis and consultations, Indecon has identified a number of key potential new areas of activities.



Strategic Recommendations

The table below summarises the key strategic recommendations, which should guide the future development plans for the Harbour. In implementing the recommendations, care is needed to ensure that any short term activities do not hinder other more beneficial long term uses. Complementarity in land use policies with the Town is also critical.

Summary of Strategic Recommendations
1. Government Action should be taken to Support National Potential of Harbour
2. Support Continued Development of Existing Uses in the Harbour
3. Targeted Expansion of Cruise Business
4. Increase Tourism and Other Visitors to Dún Laoghaire
5. Develop Dún Laoghaire as an Operation and Maintenance Base to Support Offshore Renewable Energy
6. Maximise use of Existing Ferry Terminal
7. Marketing of Harbour and Town
<i>Source: Indecon</i>

Recommendation 1: Government Action should be taken to Support National Potential of Harbour

While responsibility for the Harbour has been allocated to Dún Laoghaire-Rathdown County Council, Indecon believes that its full potential cannot be achieved without supportive government policies as outlined below:

- Investigation of the feasibility of designation of Dún Laoghaire Harbour and other key fishing ports in coastal communities as Strategic Enterprise Zones. Measures to encourage businesses to locate at such zones would be required if this is to have a significant impact. This is particularly important arising from the potential impact of Brexit on coastal and fishing communities.
- Address legacy ownership issues to facilitate the sustainable development of the Harbour. Ownership of all relevant lands should be transferred to Dún Laoghaire Harbour Company at no cost so as to not exacerbate the financial challenges facing the Harbour. This should include reclaimed land and any necessary parts of the foreshore.

Recommendation 2: Support Continued Development of Existing Uses in the Harbour

The existing users of the Harbour are of key importance. These include world-class sailing and other sporting organisations, marine businesses, fishing activities, existing residents and other agencies. The economic plan for the Harbour should support the continued development of these uses. It is, however, in the long-term interest of existing users that additional activities and revenues are attracted to support the overall financial viability of the Harbour. There will therefore be a need to facilitate new uses and to carefully manage the trade-offs in the location of any expansion in existing uses. Specific measures which are recommended to support existing uses include the following:

- Investment in maintenance and development of Harbour infrastructure.
- Continue to focus on operational efficiencies and cost containment.
- Work with existing Harbour users to facilitate their operations.
- Create facilities for marine enterprises.
- Continued support for increased fishing landings was consistent with other users.

Recommendation 3: Targeted Planned Expression of Cruise Business

An uncontrolled expansion of cruise businesses would not be in the interest of Dún Laoghaire-Rathdown, or in meeting climate change objectives. Indecon believes that a targeted expansion of selective cruise businesses would be an important element of a sustainable economic plan. This should, however, be undertaken in a planned way that would not damage existing users. Also of note is that while EU regulations and best practice have significantly reduced environmental impacts, we do not recommend that Dún Laoghaire should attract mass cruise tourism such as that witnessed in some other European cities. Barcelona, for example, had over three million cruise passengers in 2019. This level of cruise tourism would bring significant economic activity but also costs due to environmental and other impacts, including traffic congestion. It would also not be consistent with respecting the value of the existing sailing and other users. While this level of cruise tourism would not be desirable for Dún Laoghaire, a targeted expansion of cruise tourism would contribute to the financial viability of the Harbour and enhance the economic and social impact on the Town. We envisage that an appropriate level of cruise business for Dún Laoghaire should be confined to passenger numbers representing a small percentage of the level evident in some other cities. For example, a maximum of 7.5% or less of the levels evident in Barcelona may be appropriate. Indecon recommends the following:

- Jointly with cruise companies undertake initiatives to facilitate the expansion of appropriate cruise business.
- Increase overall tariffs for cruises but introduce incentive tariffs for selective cruise businesses which facilitate visitors to the Town centre.

Recommendation 4: Increase Tourism and Other Visitors to Dún Laoghaire

Attracting additional visitors, particularly those who stay and spend in the area represents a significant opportunity. This would be consistent with maximising the wider economic and social benefits of the Harbour. Indecon recommends the following actions to increase tourism and other visitors:

- Promote Dún Laoghaire as a tourism location jointly with Fáilte Ireland.
- Expand water sport tourism offerings and facilitate access for residents and other visitors.
- Consider leasing of land for new waterside hotel development.
- Provide facilities for wind surfing and other sporting activities.
- Support the new National Water-Based Campus if the feasibility study is positive and if funding can be achieved.
- Enhance heritage attractions of the Harbour.

Recommendation 5: Develop Dún Laoghaire as an Operation and Maintenance Base to Support Offshore Renewable Energy

The Harbour has the potential to play an important role in supporting offshore renewable energy. This is consistent with national climate change objectives. Indecon notes that the National Energy and Climate Plan 2021 -2030 includes a goal of increasing the offshore renewable contribution to decarbonisation involving 5GW of capacity in offshore wind by 2030. This is a separate issue to any individual decisions on the granting for offshore windfarms. The opportunity identified is to use Dún Laoghaire Harbour to service the operation and maintenance of offshore renewable energy. To facilitate this, we recommend:

- Harbour to provide facilities to support offshore renewable operation and maintenance activities (O&M).
- Market Harbour as a location for O&M.
- Work with local HE/FET sector to support enhancement of the skills required to develop expanded offshore renewables O&M activities. The HE/FET sector in DLRCC is a resource that should be integrated with plans to develop O&M activities.
- Ensure that in planning any O&M activities that the scale, location and nature of the projects are consistent with wider leisure and amenity uses of the Harbour.

Recommendation 6: Maximise use of Existing Ferry Terminal

Indecon's analysis indicates that the development of the former ferry terminal as a business innovation centre would have significant economic and social benefits for the area. We therefore strongly support the following:

- Working with leaseholders to promote Ferry Terminal Business Innovation Centre.
- Undertake supportive investment in maintenance works.
- Support the involvement of the higher and further education sector in the development of the skills required for the businesses and creative activities planned for the proposed innovation centre.

Recommendation 7: Marketing of Harbour and Town

The unique characteristics of Dún Laoghaire open significant potential opportunities to attract additional recreational visitors and tourism. This will be key in achieving the vision outlined for the Harbour and Town. This will require:

- Integrated marketing which removes any disconnect between the Harbour and the Town.
- A joint plan with sporting organisations, businesses and state agencies to market the attractions of Dún Laoghaire.

Acknowledgements

Indecon would like to acknowledge the valuable inputs of a wide range of organisations to this assessment. Firstly, would like to thank the Chair and elected members of the Dún Laoghaire-Rathdown County Council for their insights and guidance on this review. We particularly acknowledge with thanks, the insights and guidance provided by senior staff within Dún Laoghaire-Rathdown County Council, including Philomena Pool, Tom McHugh, Therese Langan, Mary Henchy, Tim Ryan and Carolyn McCarthy, without whom we would not have been able to complete the review. We would also like to express our gratitude to the numerous organisations and individuals in Dún Laoghaire Harbour for their co-operation and for inputs provided as part of the primary research process. These include Dún Laoghaire Harbour Representative Group and many other local and national organisations. Appreciation is due to all members of the public who provide submissions as part of Indecon's public consultation, as well as the various public and private sector stakeholder organisations who provided submissions. Indecon acknowledges the collaboration by KPMG/FA who are involved in the Dún Laoghaire Town Economic Plan. This was important given the necessity to enhance linkages between the Harbour and the Town if the vision for Dún Laoghaire-Rathdown is to be realised.

The usual disclaimer applies, and the analyses and conclusions contained in this document are the sole responsibility of Indecon.

1 Introduction and Background

1.1 Introduction

Dún Laoghaire-Rathdown County Council ('DLRCC'), following a competitive tender, appointed Indecon International Economic Consultants ('Indecon') to provide independent expert advice to input to a sustainable economic plan for Dún Laoghaire Harbour. The objective is to assist the Council to develop Dún Laoghaire Harbour with a view to maximising the benefit to its citizens and to ensuring the Harbour's financial sustainability. The aim of the review is to set out a roadmap to guide the ongoing development of Dún Laoghaire Harbour.

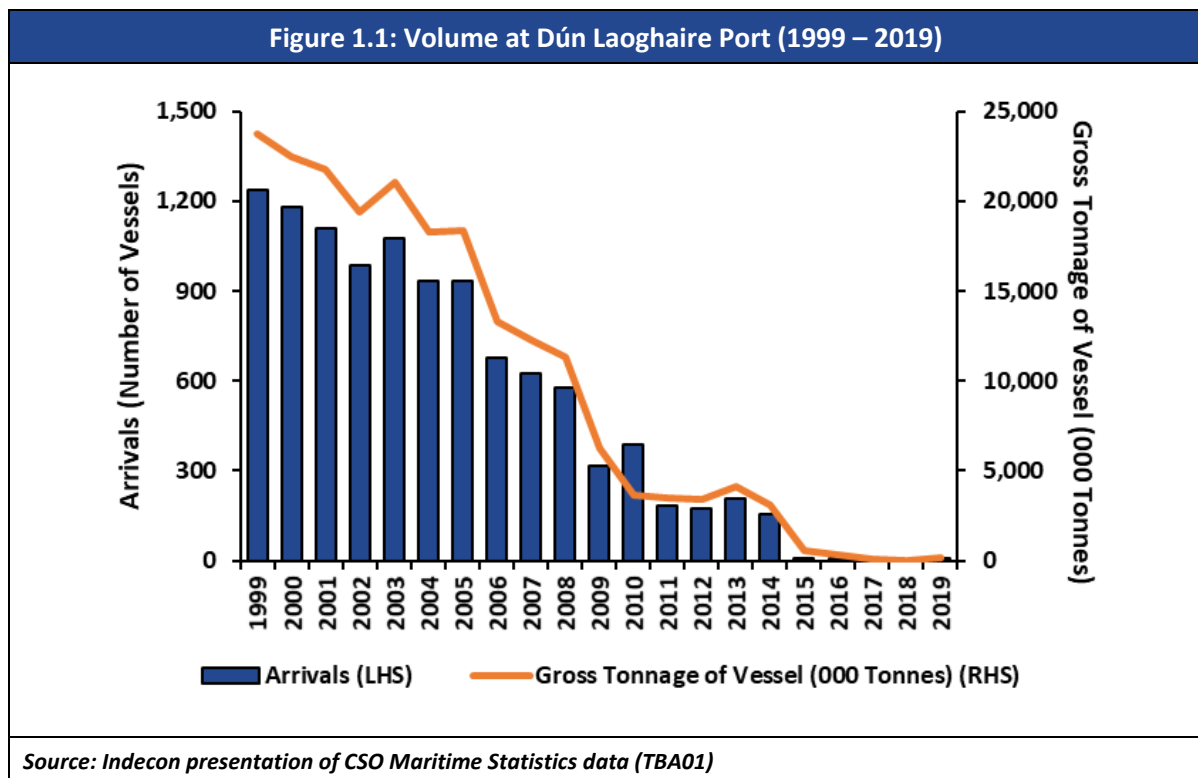
1.2 Background and Terms of Reference

The background to this economic plan is that Dún Laoghaire has a mix of residential, retail and office space which enjoys valuable seafront access at Dún Laoghaire Harbour. In October 2018, ownership of the Harbour was transferred to Dún Laoghaire-Rathdown County Council. Dún Laoghaire-Rathdown County Council appointed Indecon as economic advisers to conduct an economic and strategic review of Dún Laoghaire Harbour. It was intended that the review would set out a roadmap to assist and guide the ongoing development of Dún Laoghaire Harbour. This is designed to contribute to the strategic planning and stimuli of Dún Laoghaire Town and the physical regeneration of Dún Laoghaire Harbour. The specific outputs of the review identified in the terms of reference are outlined below:

- An examination of the current marine, tourism and other activities taking place in the Harbour and an assessment of their socio-economic contribution understanding the variety of users, and the seasonality of their activity.
- An examination of the current financial situation in relation to the operation of the Harbour and an evaluation as to whether the Harbour is currently maximising the potential of its current activities and assets for the benefit of its current stakeholders.
- An examination of the existing non-statutory Harbour Masterplan given developments that have occurred over the past decade since the Masterplan was proposed.
- A review of the external context, including policy, legislative and economic developments which impinge on possible development options and prospects for the Harbour.
- A detailed assessment of the strengths, weaknesses, opportunities and threats facing the Harbour. A strategic focus on development options in the Harbour is a key requirement of this review.
- Strategic recommendations for the future of the Harbour on foot of the analysis and assessment.

1.3 External Context

In preparing the economic plan, Indecon notes that there have been several important developments in the external policy context since the transfer of ownership of the Harbour to Dún Laoghaire-Rathdown County Council. These include the Maritime Area Planning (MAB) Bill, the National Planning Framework, and the National Energy and Climate Action Plan 2021 - 2030. Also, of critical importance has been the impact of the COVID-19 pandemic on the Harbour and its users. It is also important to note the role envisaged for the Harbour within the National Ports Policy. The National Ports Policy 2013 identified Dún Laoghaire's role as a port of regional significance. There was also recognition of the long-term significant decline in tonnage handled. The closure of Stena Line's Irish Sea service between Holyhead and Dún Laoghaire signalled the end of the Harbour as a major freight handling port. The following figure demonstrates the decline in the number of vessels and tonnage volume arriving at Dún Laoghaire. The scale of this decline inevitably raises challenges for the long-term financial sustainability of the Harbour and its ability to fund significant investment to maintain and develop the Harbour and its amenities.



The National Ports Policy suggested that the location of the port, whilst a limiting factor for Dún Laoghaire's potential as a transport hub, may provide other opportunities including urban regeneration, cultural amenity, marine tourism and leisure. Also relevant to the external context is that the National Planning Framework highlighted the importance of harbours for economic growth and their *significance for regional employment and services and their role in supporting marine sectors, such as fisheries, marine renewable energy, and marine tourism.*¹

¹ <https://npf.ie/wp-content/uploads/Project-Ireland-2040-NPF.pdf>

At the EU level, the Maritime Spatial Planning Directive (MSPD) has established a framework for maritime spatial planning aimed at promoting the sustainable growth of maritime economies and the development of maritime areas. Within Ireland, the draft National Maritime Planning Framework has been published, which sets out a 20-year plan for Ireland's maritime areas. The approach being developed for the management of development and activities in the marine space is articulated in a final General Scheme of the Maritime Area Planning (MAP) Bill that was approved by the Government in December 2019. It is expected that this key piece of legislation will be enacted in 2021. The MAP Bill seeks to establish a new regime for the maritime area, replace existing state and development consent regimes and streamline arrangements on the basis of a single consent principle, namely, one state consent (Maritime Area Consent) to enable occupation of the Maritime Area and one development consent (planning permission) with a single environmental assessment. This will be processed through a new body, the Maritime Area Regulatory Authority (Mara), which will have enforcement powers. Near-shore development will be processed through a new foreshore licensing regime, with local authorities having a greater role in their area. Larger offshore projects including wind farms and electricity interconnectors will go through An Bord Pleanála but be licensed by Mara. The MAP Bill incorporates a forward planning model, with decisions to be taken in a manner that secures the objectives of the National Marine Planning Framework (NMPF)² which provides the spatial and policy context for decisions in the maritime area.

Another key policy development of relevance to the economic plan for the Harbour is the National Energy and Climate Action Plan 2021 – 2030. Indecon notes that a key action of the Climate Action Plan is to support innovation enterprise hubs and the supply chain for offshore renewables.”³ In this context, Ireland has set ambitious goals including for offshore renewables contribution to decarbonisation (e.g., 5GW capacity in offshore wind by 2030, as per the National Energy and Climate Plan 202-2030⁴). To facilitate this, there will be a need for operations and maintenance activities and Dún Laoghaire Harbour is well placed as a base for such activities.

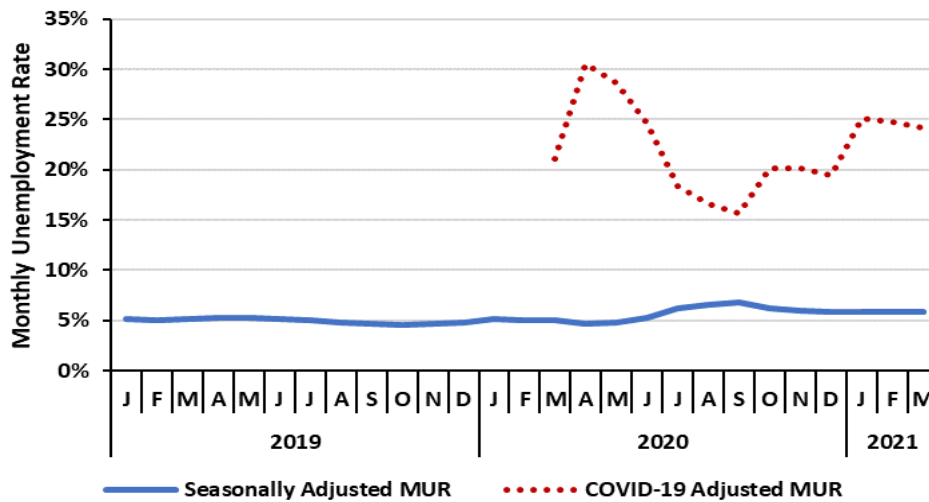
In addition to the impact of policy developments, the COVID-19 pandemic has had a major impact across all areas of Irish society and the economy including on the Harbour and its users. This has impacted significantly on tourism, retail and recreational activities. It also resulted in a significant decline in the cruise passenger numbers which has impacted on the Harbour revenues. The wider national impacts have been reflected in the unemployment numbers with the COVID-19 adjusted employment rate upper bound reaching 30% in April 2020. This calculation assumes that all of those on the Pandemic Unemployment Payment would have qualified for jobseekers' benefit or allowance. This highlights the importance of ensuring that the development of the Harbour takes into account the need to facilitate the expansion of employment opportunities in the Harbour for residents in the Dún Laoghaire-Rathdown Council area.

² Draft National Marine Planning Framework: <https://www.gov.ie/en/publication/a4a9a-national-marine-planning-framework/>

³ <https://assets.gov.ie/10207/c8f59b1734af460fa310ddbe20e01388.pdf>

⁴ National Energy and Climate Plan 2021-2030: <http://www.gov.ie/en/publication/0015c-irelands-national-energy-climate-plan-2021-2030/>

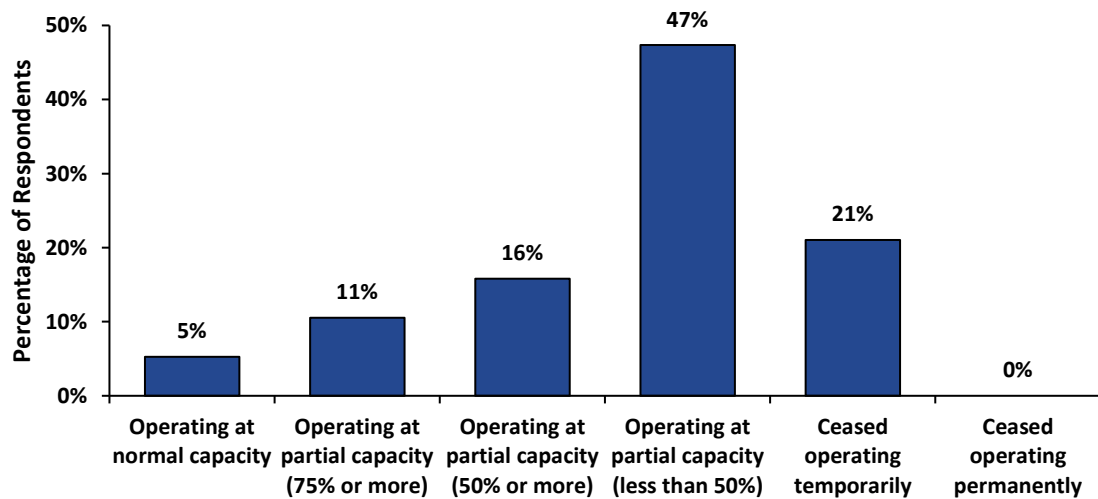
Figure 1.2: Monthly Unemployment Rate in Ireland (Jan 2019 – Mar 2021)



Source: Indecon presentation of CSO Labour Force data (MUM01 and MUM02)

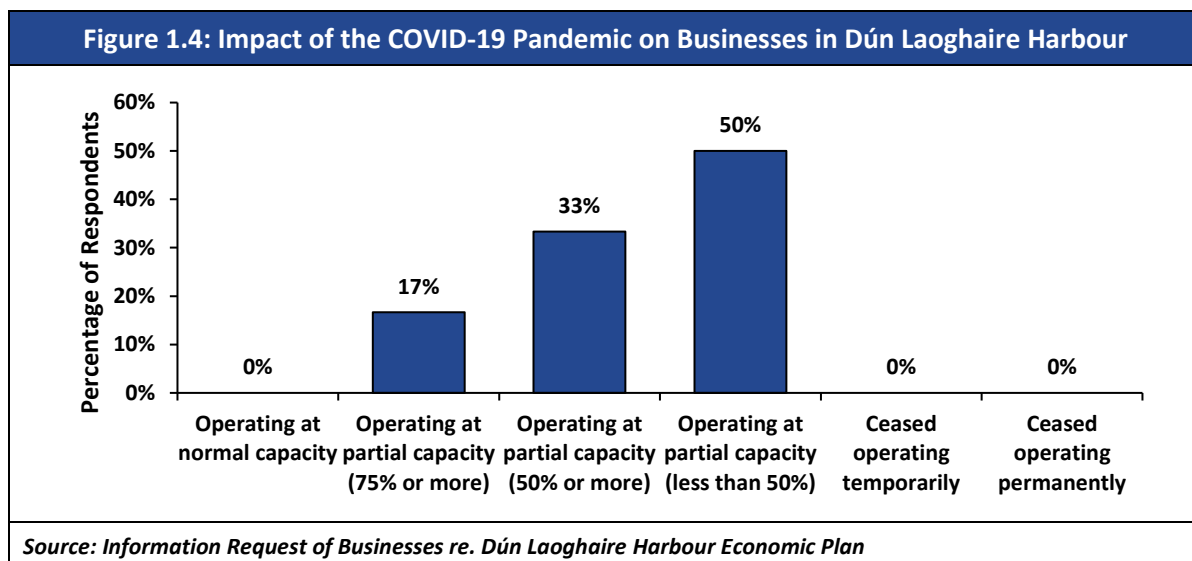
Not surprisingly, the COVID-19 pandemic has had a major impact on the Harbour and on organisations based in the Harbour. Most sporting organisations in the Harbour indicated they were operating at reduced capacity or had closed temporarily.

Figure 1.3: Impact of the COVID-19 Pandemic on Clubs in Dún Laoghaire Harbour



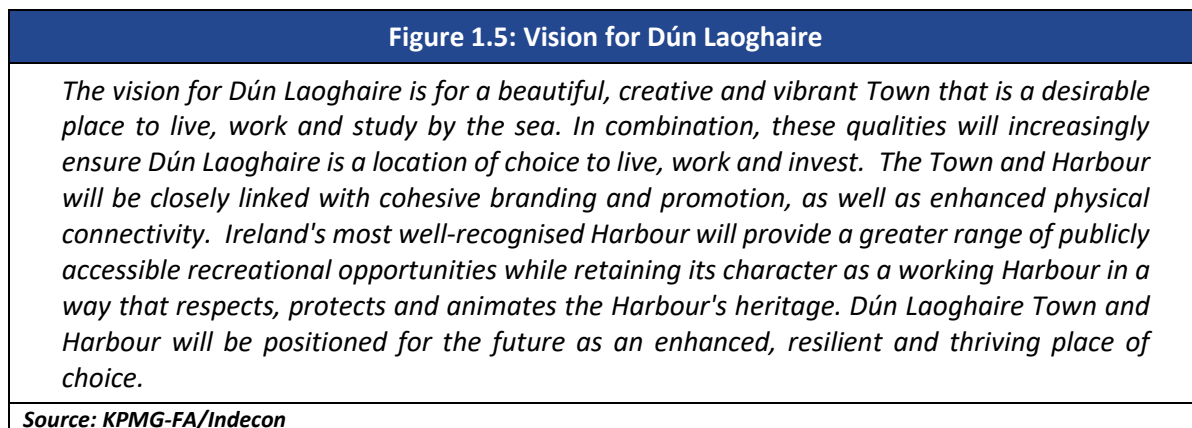
Source: Indecon Information Request of Clubs re. Dún Laoghaire Harbour Economic Plan

Understandably, businesses based in the Harbour also indicated they were closed or operating at reduced capacity.



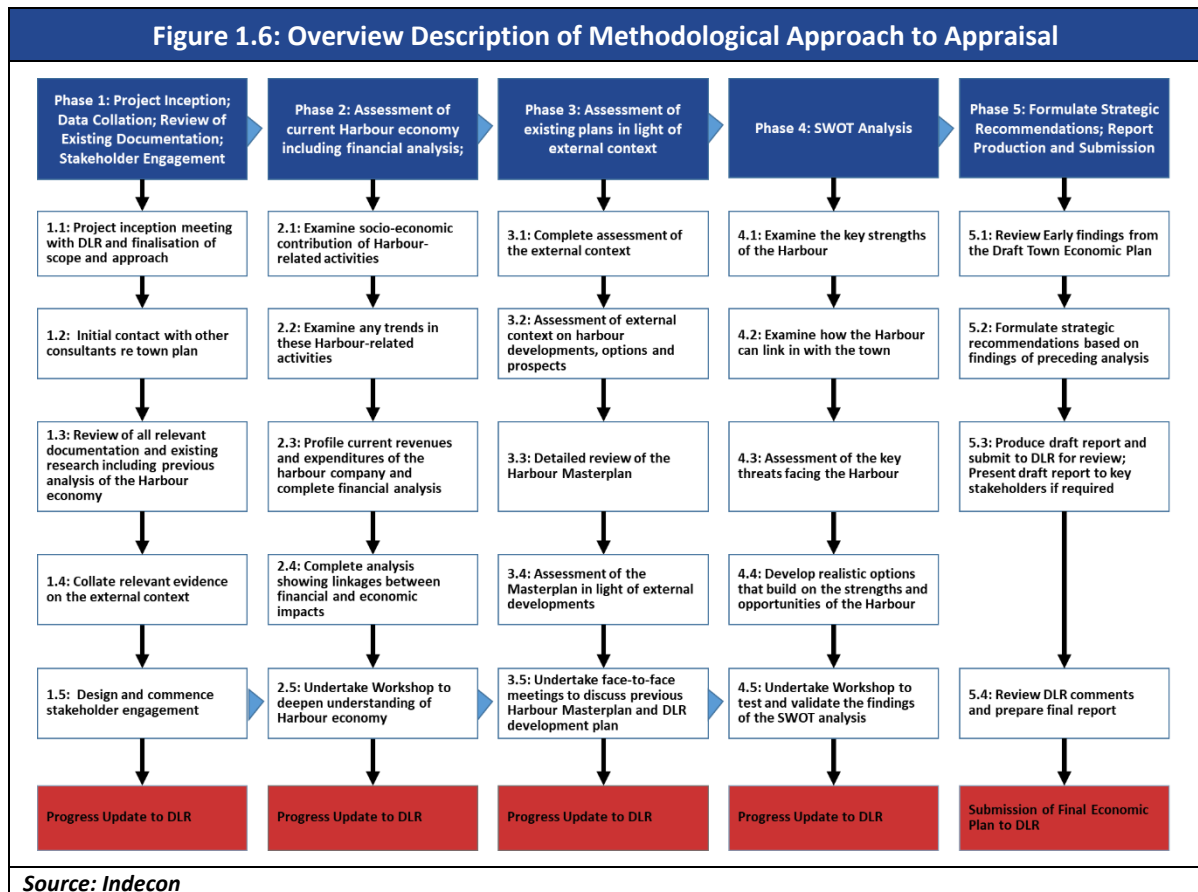
1.4 Vision for Dún Laoghaire

Against the background of the external developments, it is important as context for this study to identify a vision for Dún Laoghaire which incorporates the objectives for both the Town and the Harbour. A suggested overall vision for Dún Laoghaire, which was developed jointly with KPMG/FA, who are advising on an economic and spatial plan for the Town, is presented below.



1.5 Methodological Approach

In completing this project, Indecon has applied a rigorous methodological approach to delivering on the key requirements of this economic plan as set out by Dún Laoghaire-Rathdown County Council. The approach implemented is summarised in Figure 1.6. This included an assessment of the non-statutory Harbour Masterplan. Taking account of changing external context we undertook a detailed strategic assessment of strengths and weaknesses, opportunities and threats. The final phase involved developing strategic recommendations for the future of the Harbour.



As part of Indecon's approach, new primary research has been completed with inputs from:

- Sports clubs operating in Dún Laoghaire Harbour;
- Businesses operating in Dún Laoghaire Harbour; and
- Other Harbour users.

Indecon held bilateral meetings with 25 stakeholders. In addition, workshop meetings were held with DLRCC and its officials. Harbour users, residents, businesses and other stakeholders were also invited to make submissions to Indecon. The extensive consultation process was very effective with 307 submissions received. Indecon is appreciative of the high level of interest and engagement of the public and other stakeholders in the future of Dún Laoghaire Harbour. A joint research exercise with KPMG/FA of businesses and community groups in the Town was also undertaken. Indecon is grateful for the valuable inputs obtained from this consultation programme.

1.6 Report Structure

The report is structured as follows:

- Section 2 provides an examination of current marine, Town and other activities taking place in the Harbour and their socio-economic contribution;
- Section 3 presents an assessment of the current financial situation in relation to the operation of the Harbour;
- Section 4 reviews the external context, including policy, legislative and economic developments which impinge on possible development options and prospects for the Harbour;
- Section 5 provides a strategic assessment of strengths, weaknesses, opportunities and threats facing Dún Laoghaire Harbour; and
- Section 6 outlines strategic recommendations for the future of Dún Laoghaire Harbour.

1.7 Acknowledgements and Disclaimer

Indecon would like to acknowledge the valuable inputs of a wide range of organisations to this assessment. Firstly, would like to thank the Chair and elected members of the Dún Laoghaire-Rathdown County Council for their insights and guidance on this review. We particularly acknowledge with thanks, the insights and guidance provided by senior staff within Dún Laoghaire-Rathdown County Council, including Philomena Pool, Tom McHugh, Therese Langan, Mary Henchy, Tim Ryan and Carolyn McCarthy, without whom we would not have been able to complete the review. We would also like to express our gratitude to the numerous organisations and individuals in Dún Laoghaire Harbour for their co-operation and for inputs provided as part of the primary research process. These include Dún Laoghaire Harbour Representative Group and many other local and national organisations. Appreciation is due to all members of the public who provide submissions as part of Indecon's public consultation, as well as the various public and private sector stakeholder organisations who provided submissions. Indecon acknowledges the collaboration by KPMG/FA who are involved in the Dún Laoghaire Town Economic Plan. This was important given the necessity to enhance linkages between the Harbour and the Town if the vision for Dún Laoghaire-Rathdown is to be realised.

The usual disclaimer applies, and the analyses and conclusions contained in this document are the sole responsibility of Indecon.

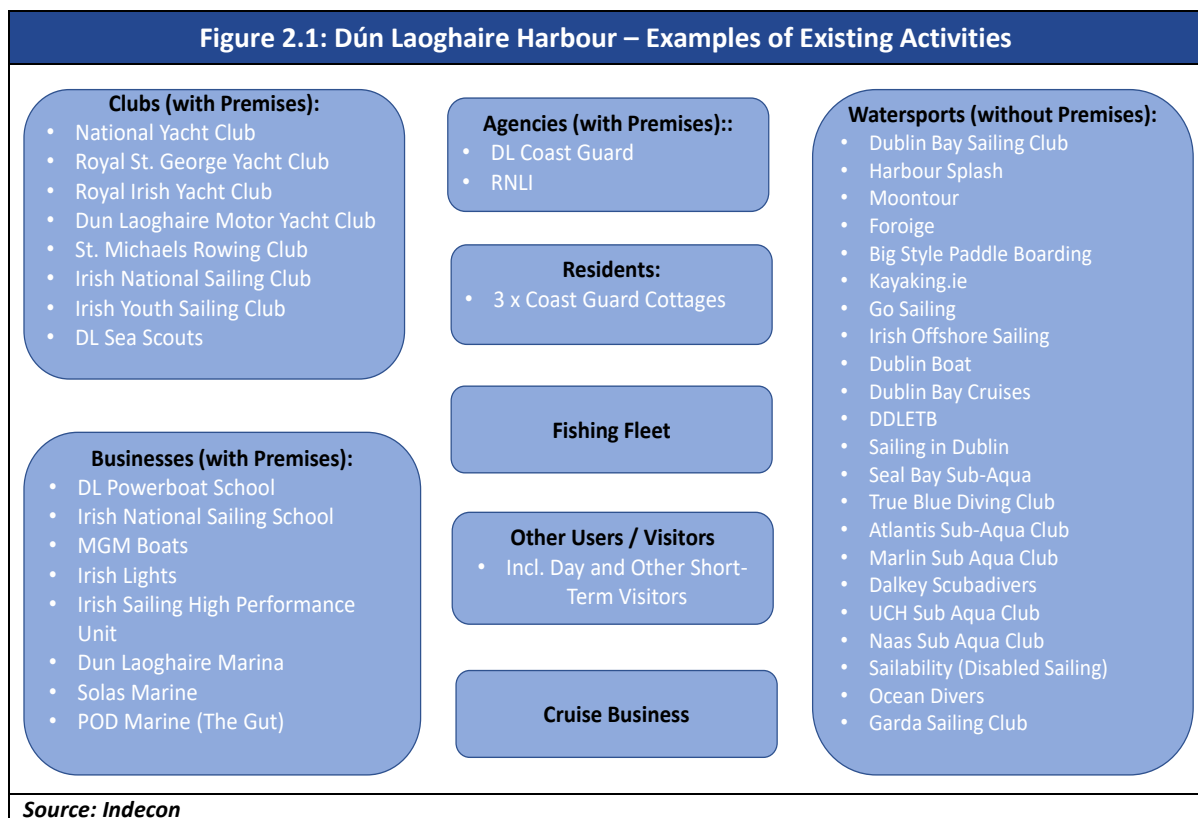
2 Current Marine, Tourism and Other Activities

2.1 Introduction

In this section, Indecon examines the ecosystem and activities undertaken by organisations at Dún Laoghaire Harbour. The analysis assesses the socio-economic contribution of these activities, as well as the seasonality of existing activities.

2.2 Description of Dún Laoghaire Harbour Ecosystem and Activities

In examining options for the Harbour, it is important to recognise the range and significance of existing organisations in Dún Laoghaire Harbour including marine-related businesses, clubs, recreational and fishing activities as well as residents. These include leading yachting and sailing clubs and water sport organisations, many of whom have national and international reputations. There are also important businesses based in the Harbour as well as agencies, including the RNLI and the Coastguard. Other users include the Navy and cruise operators. Facilitating the continued development of existing users is a priority for the Harbour as well as planning how to accommodate potential new uses. The Harbour is also an important recreational and amenity asset for local residents and visitors to the area. Illustrative examples of the diversity of existing users of the Harbour are presented in the next figure.



The very important economic and social contribution of the Harbour was recognised in our consultation programme. Some illustrative examples of views from our consultation process are presented below. These highlight the exceptional recreational and amenity value of the Harbour and the impact on the economy. The views also reflect the richness of the historical and archaeological heritage. It is clear to Indecon that the significance of the socio-economic contribution is much greater than would be envisaged by examining the scale of revenues received by the Harbour. This reinforces the need to maximise the socio-economic benefits of the Harbour as identified by DLRCC at the commencement of this study.

Table 2.1: Inputs from Consultation Process on Activities in Dún Laoghaire Harbour

"The Harbour is an amazing asset to the area; it provides recreational amenities for both sailors and pedestrians who enjoy fresh air and wonderful views. The Harbour walls being level provide walkways for our elderly residents and for young parents with small children. Dún Laoghaire as a sailing venue has an international reputation of providing first-class sailing championship events. The Harbour and its surroundings bring business to the Town by attracting visitors from the immediate hinterland and from further afield, sailors come from all over the world, locals come to swim, walk or meet friends for a meal or coffee and chat looking at the sea."

"The Harbour is a national asset with a rich historical & architectural heritage which is currently untapped."

"Dún Laoghaire Harbour is a high amenity area (sailing, walking, swimming and other water sports) and is part of an old seaside Town with a lovely ambience with a promenade that stretches from Seapoint to Sandycove and beautiful sea views all along its promenade."

"The Harbour is an amazing public asset: apart from the opportunity to enjoy all types of water sport, the number of people walking on both piers bears witness to how essential access to the Harbour is."

"The Harbour makes Dún Laoghaire a unique location for the hosting of large international water sport events, and there is the expertise available to attract these events if the proper infrastructure was available."

"I think Dún Laoghaire Harbour and its clubs and slipways and marina provide great access to a wonderful sailing environment, both for racing and as a base for day-sails and cruising..... The Harbour also supports a sailing school, rowing club and scuba diving, and fishing. The Harbour piers and environs also provide a beautiful shoreside amenity with lovely leisure walks with lots to see and enjoy, food and refreshments, and a great Dublin Bay cruise ferry."

Source: Examples of views suggested to Indecon Consultation Process on Dún Laoghaire Harbour

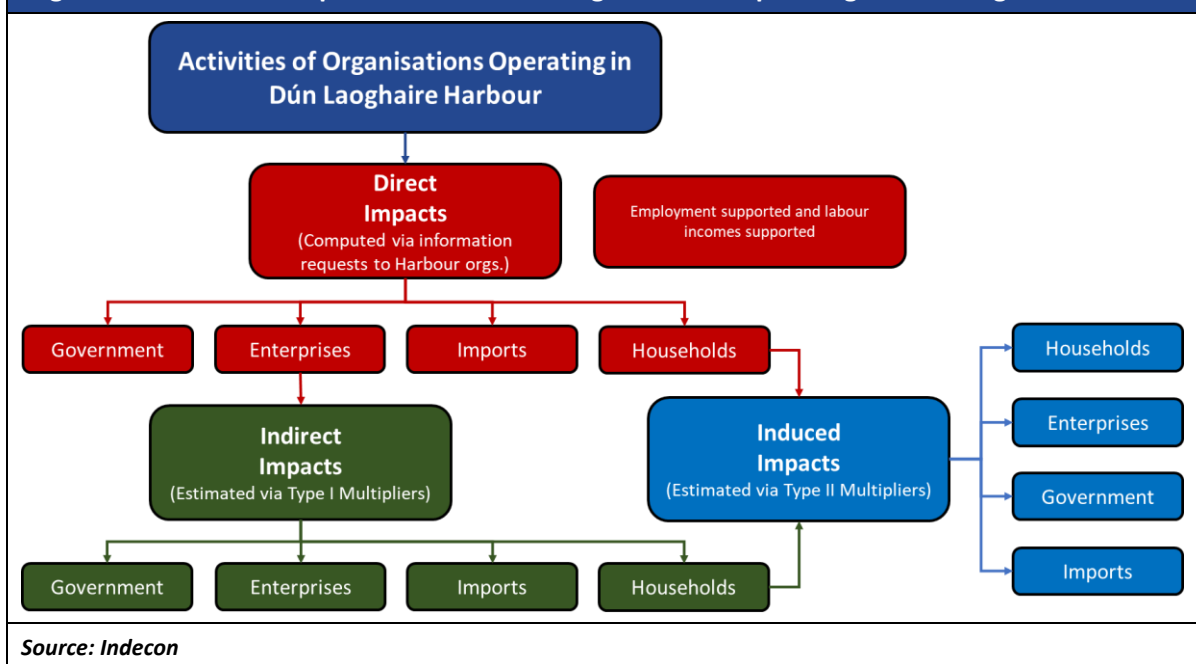
2.3 Socio-Economic Contribution

In examining the socio-economic contribution of current marine, tourism and other activities, Indecon estimates indicate that the activities of sports clubs, businesses and other organisations based in Dún Laoghaire Harbour directly support over 335 full-time equivalent employees (FTEs). Our modelling suggests that almost 120 additional FTEs are supported through the indirect and induced employment supported by the activities of these organisations in Dún Laoghaire Harbour, leading to total employment of 456. Organisations operating in Dún Laoghaire Harbour spent over €5 million in capital expenditure over the past three years, and over €6.4 million in expenditure on local goods and services in 2019. In addition to these impacts, Indecon recognises the economic and social value of the voluntary activities of organisations based in the Harbour and the amenity value to the public of the Harbour.

Table 2.2: Estimated Economy-Wide Employment Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour

	FTEs
Direct Employment	337
Indirect Employment	39
Induced Employment	80
Economy-Wide Employment	456
<i>Source: Information Request of Clubs and Businesses re. Dún Laoghaire Harbour Economic Plan</i>	

The direct economic impact of organisations operating in Dún Laoghaire Harbour has knock-on implications for the wider economy. In order to estimate the wider economic impact of activities at Dún Laoghaire Harbour, Indecon used its input-output model of the Irish economy, which considers the direct, indirect and induced impacts of the activities in Dún Laoghaire Harbour. These direct, indirect and induced impacts of the activities of organisations operating in Dún Laoghaire Harbour on the economy are depicted in the next figure.

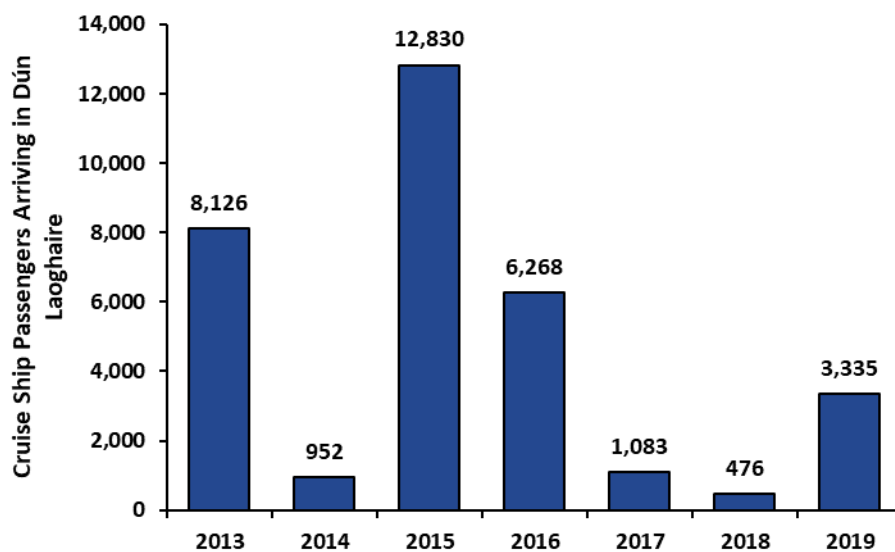
Figure 2.2: Economic Impact of Activities of Organisations Operating in Dún Laoghaire Harbour

This additional employment supported through the indirect and induced impacts leads to additional employment incomes in the wider economy. Indecon's estimates suggest that an additional €18 million in incomes are supported arising from the employment in the Harbour.

Table 2.3: Estimated Economy-Wide Employment Incomes Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour

	€ Million
Direct Employment Incomes	13.27
Indirect Employment Incomes	1.69
Induced Employment Incomes	2.99
Economy-Wide Employment Incomes	17.95
<i>Source: Information Request of Clubs and Businesses re. Dún Laoghaire Harbour Economic Plan</i>	

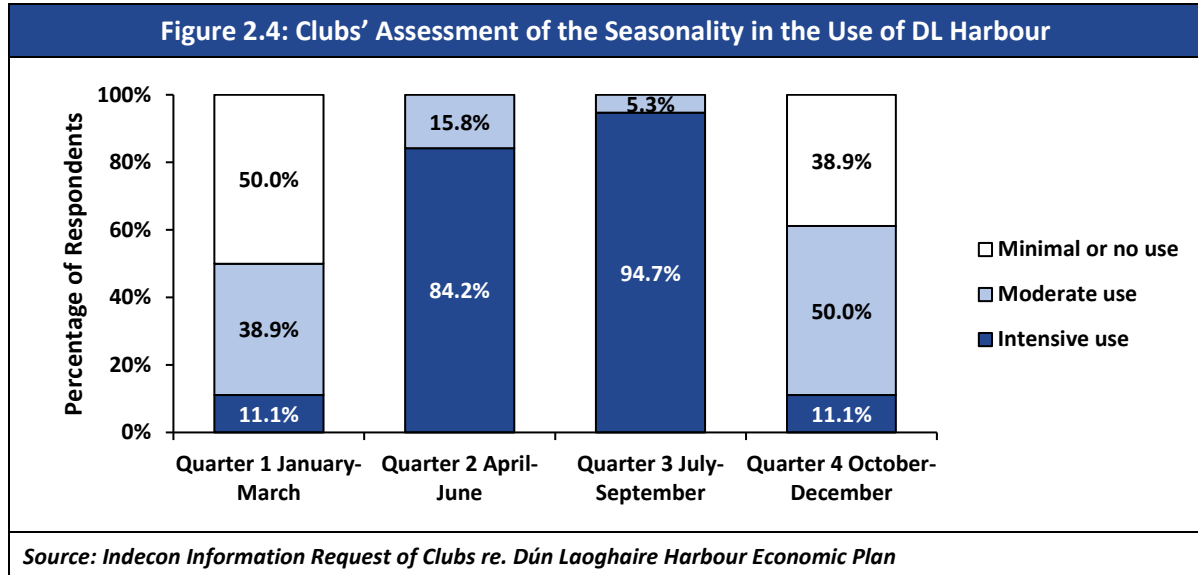
In addition to the employment supported by the activities of the organisations operating in Dún Laoghaire Harbour, it is also useful to consider the impact of cruise ship passengers arriving in Dún Laoghaire Harbour. Indecon notes that while passenger numbers have declined significantly since the exit of Stena Line in 2015, there were over 3,300 cruise ship passenger arrivals in Dún Laoghaire in 2019. Some of these passengers will have incurred expenditures in businesses and cultural attractions in the local economy. However, a major challenge will be to incentivise a greater level of spend by such visitors in the Town and currently much of the spend is likely to be incurred in the Greater Dublin Region.

Figure 2.3: Number of Passengers Arriving in Dún Laoghaire

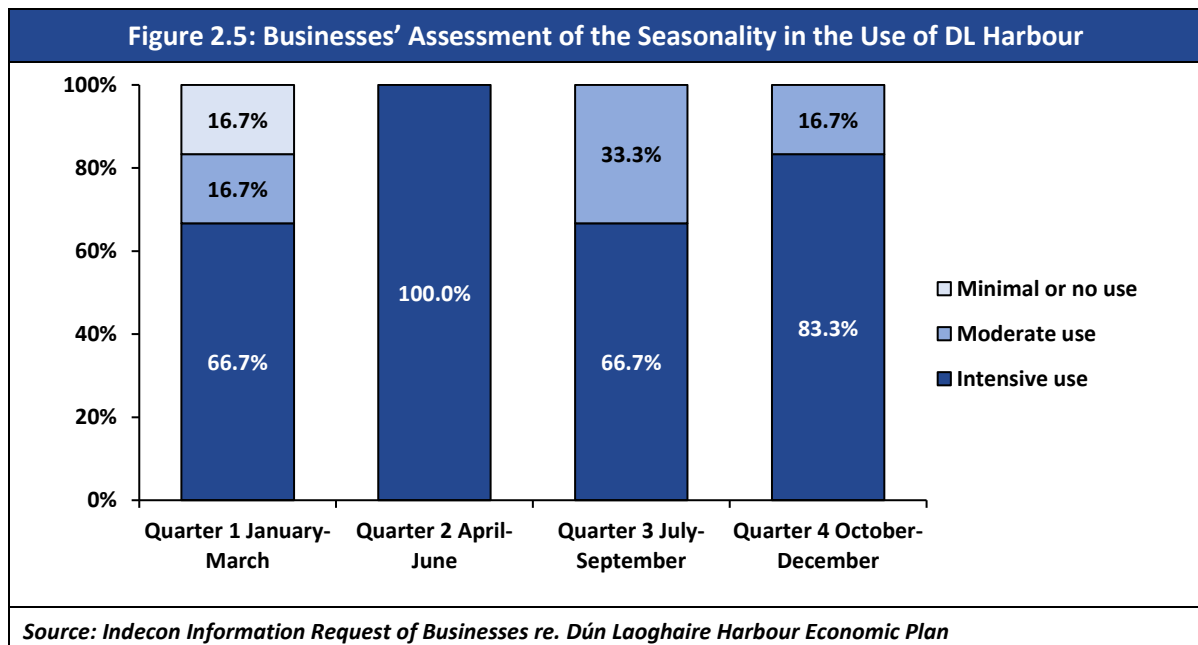
Source: DLRCC

2.4 Seasonality of Activities

The socio-economic impacts of activities in the Harbour demonstrate significant seasonality. This impacts on the viability of organisations and the socio-economic contribution which the Harbour makes to tourism. Ways to extend the season is an important issue in maximising the benefits of the Harbour. The high levels of seasonality of sporting organisations, based in the Harbour, is presented below. This is not surprising for what are largely water-based outdoor activities.



The seasonality of the use of Dún Laoghaire Harbour is less evident amongst businesses. However, there were some indications of seasonality with respondents indicating intensive use between April and June.



2.5 Summary of Key Findings

- ❑ In examining options for the Harbour, it is important to recognise the range and significance of existing organisations including marine-related businesses, clubs, recreational and fishing activities as well as residents in the Dún Laoghaire Harbour. Facilitating the continued development of existing users is a priority for the Harbour as well as planning how to accommodate potential new uses. The Harbour is also an important recreational and amenity asset for local residents and visitors to the area.
- ❑ In examining the socio-economic contribution of current marine, tourism and other activities, Indecon estimates indicate that the activities of sports clubs, businesses and other organisations based in Dún Laoghaire Harbour directly support over 335 full-time equivalent employees (FTEs). Our modelling suggests that almost 120 additional FTEs are supported through the indirect and induced employment supported by the activities of these organisations in Dún Laoghaire Harbour, leading to total employment of 456. In addition to these impacts, Indecon recognises the economic and social value of the voluntary activities of organisations based in the Harbour and the amenity value to the public of the Harbour.
- ❑ These socio-economic impacts can be seasonal in nature. This impacts on the viability of activities and the economic contribution which the Harbour makes to the Town. COVID-19 has also had a major impact on organisations operating in Dún Laoghaire Harbour, with the majority of sporting clubs indicating they were operating at reduced capacity or had closed temporarily.

3 Financial Situation of the Harbour

3.1 Introduction and Overview of Financial Situation

In this section, we examine the current financial situation in relation to the operation of the Harbour. This provides important context for Indecon's assessment as to whether the Harbour is maximising the potential of its current activities and the financial sustainability of current operations. Expenditure by Dún Laoghaire Harbour has averaged €6.6m per annum since 2014, while revenues averaged €5.6m per annum. Addressing the annual financial deficit and securing the resources to enhance the potential economic and social contribution of the Harbour is a key challenge. While numerous interesting and potential beneficial opportunities for investment in the Harbour have been suggested, a critical issue is the funding constraints on any proposed developments, given the financial position and limited resources available to the Harbour.

Table 3.1: Dún Laoghaire Harbour Key Financial Statistics, €000

	2014	2015	2016	2017	2020	2021 ²	Average 2014-2021
Income	5,410	13,201	4,736	4,157	3,545	2,765	5,636
Expenditure	4,608	18,835	3,848	4,700	4,343	3,356	6,615
Profit/Loss ¹	802	-5,634	887	-542	-798	-591	-979

Source: Indecon analysis of Dún Laoghaire Harbour Company Financial Statements (data prior to 2018) and DLRCOCo data (2020 onwards)

Notes: ¹Profit/loss on ordinary activities before taxation ²Budget. For comparability purposes with 2020 and 2021 data income and expenditure from the 2014 to 2020 accounts includes interest payments etc.

Indecon understands that there is no financial data for the years 2018 and 2019. This is because the Dún Laoghaire Harbour company was dissolved in October 2018. The losses evident in 2015 reflect the revaluation of St. Michael's Pier following the exit of Stena.

3.2 Comparisons with Other Ports

Table 3.2 presents comparative revenue data for Dún Laoghaire Harbour and other Irish ports. Dublin Port is by far the largest Irish port, with turnover of over €92 million in 2019. Galway is of a more similar scale to Dún Laoghaire. The evidence shows that increased revenue growth has been concentrated in the larger ports. This represents a strategic challenge for smaller harbours and ports such as Dún Laoghaire.

Table 3.2: Turnover in Various Irish Ports (€ Millions)

	2014	2015	2016	2017	2018	2019
Dublin	72.09	77.67	81.63	85.50	90.37	92.72
Cork and Bantry	26.41	29.83	29.56	31.47	35.44	37.66
Shannon/Foynes Port	11.25	11.86	13.22	13.98	14.66	13.99
Waterford	6.30	6.57	6.27	7.64	7.97	7.81
Galway	3.80	3.79	4.24	4.03	4.46	4.64
Dún Laoghaire	3.98	4.05	4.01	3.05	N/A	N/A

Source: Annual Reports of Port Companies

Note: Turnover figures in Dún Laoghaire Harbour for 2014-2017 are less than the income figures displayed in the previous table as those figures include other sources of income, such as gains on the revaluation of investment properties and grants obtained from the EU for pier reconstruction works.

3.3 Analysis of Sources of Revenue

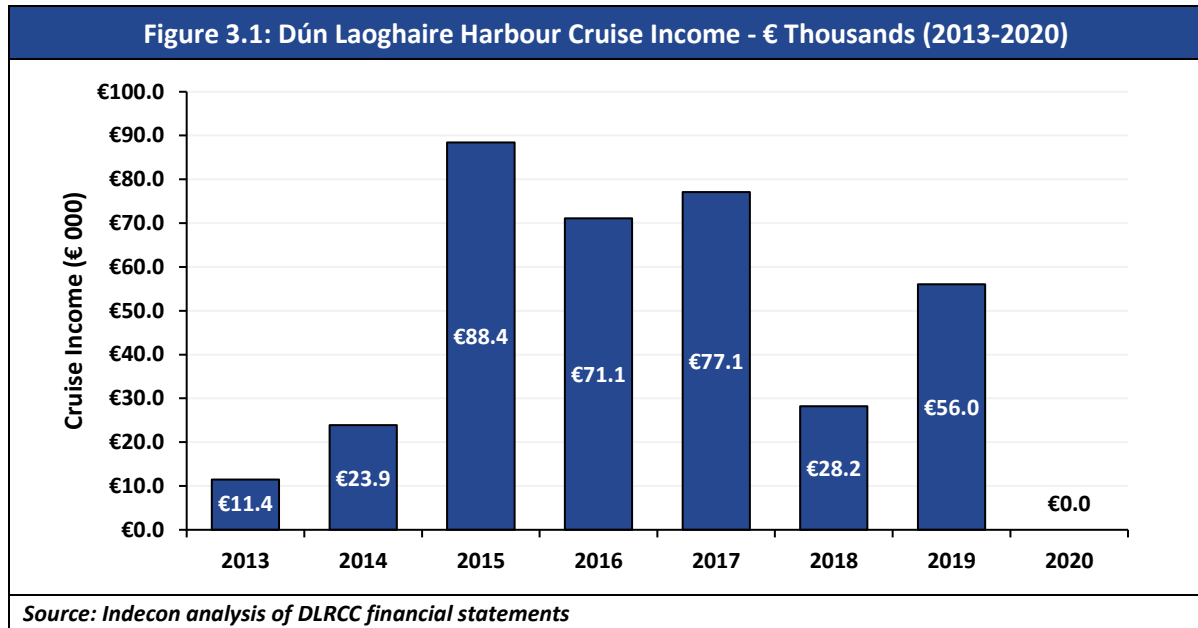
In investigating the sources of revenue, Indecon notes that in 2020, property/rental income and income from the marina/moorings represented the most important sources of income. Parking charges were also significant although less than budgeted due to the cancellation of parking permit licenses arising from the COVID-19 pandemic. The overall small scale of total revenues suggests the need to explore new additional sources of income.

Table 3.3: Dún Laoghaire Harbour Income €000			
	Budget 2020	Outturn 2020	Budget 2021
Property Rental/Leasing	1,411	1,300	1,140
Marina Income & Harbour Moorings	1,289	950	920
Parking Charges/Fines	752	540	600
Other Income	260	755	105
Total Income	3,712	3,545	2,765
<i>Source: Indecon analysis of Dún Laoghaire-Rathdown County Council Harbour Data. Figures may not add up to the total due to rounding.</i>			

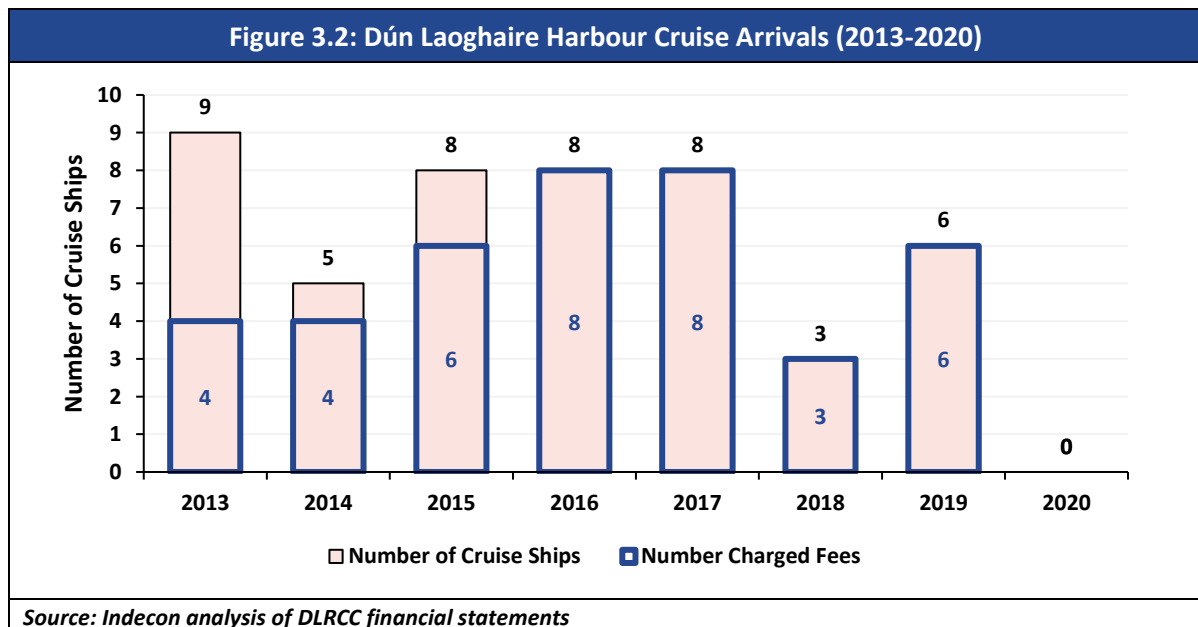
Given the significance of the 'other income' category in 2020, Indecon examined this in more detail. This shows that it was primarily accounted for by the once-off receipt of insurance claims due to Storm Emma in 2018.

Table 3.4: Breakdown of Dún Laoghaire Harbour Income, 2020-2021 (€000)			
Type of Income	Budget 2020	Outturn 2020	Budget 2021
Events / Filming Income	235	32	25
Other Fees/Charges including recoup of energy charges from tenants	22	90	68
Miscellaneous Income	2	15	12
Insurance Claims due to Storm Emma (2018)	0	618	0
Total Other Income	260	755	105
<i>Source: Indecon analysis of Dún Laoghaire-Rathdown County Council Harbour Data. Figures may not add up to the total due to rounding.</i>			

In considering potential sources of additional income, it is useful to examine the income received from cruise ships. Prior to COVID-19 pandemic, cruise income in 2020 had been projected to be €314,000, with projected increases to over €920,000 in 2021.



The variability in cruise income partially reflects the introduction in some years of concessions arrangements to attract cruise ships to call at Dún Laoghaire Harbour. In Figure 3.2, the number of cruise ships that called to Dún Laoghaire Harbour between 2013 and 2020 is displayed along with the number that were charged fees. The analysis shows that there were very few cruise ships arriving at Dún Laoghaire and suggests that there is potential for significant increases over time. Indecon believes that income from cruise ships could become one of the main sources of income for the Harbour.



3.4 Analysis of Expenditure

An analysis of expenditure of the Harbour is presented in the table below. Wages and salaries amounted to €971,700 in 2020, reflecting the small number of direct employees. Loan repayments amounted to over €800,000. These repayments will remain as a burden on the finances of the Harbour until loans are repaid in 2022. While a focus on ongoing cost containment is required in all organisations, our analysis suggests that there are limited options for expenditure reductions and the key focus should be on revenue-generating measures. There may, however, be some potential for a reduction in the costs of external services purchased if shared services can be utilised with DLRCC. The costs of maintenance and repairs are likely to continue to be significant given the age and condition of the Harbour. Apart from wages and salaries and loan repayments, the main expenditure items are Harbour repairs, rates and local authority charges, energy/utility costs, professional fees, security and pension fund administration.

Table 3.5: Breakdown of Expenditure of DL Harbour, 2020-2021 (€)

	Budget 2020	Outturn 2020	Budget 2021
Harbour Wages and Salaries	1,004,700	971,700	844,700
Marina Loan Repayment	802,900	802,900	802,900
Harbour Repairs	300,000	919,300	300,000
Harbour Pension Fund Administration	292,300	152,800	169,000
Other Expenses	900,000	1,240,500	983,100
Total expenses (ex. Rates and Other LA Charges)	3,299,900	4,087,200	3,099,700

Source: Indecon analysis of Dún Laoghaire Harbour Rathdown County Council Data

3.5 Summary of Key Findings

- ❑ Despite the scale of the current economic and social contribution of the Harbour, a major challenge is to ensure its future financial viability and to have sufficient resources to invest in the maintenance and long-term development of this national asset. Addressing the annual financial deficit and securing the resources to enhance the potential economic and social contribution of the Harbour is a key challenge.
- ❑ In investigating the sources of revenue, Indecon notes that in 2020, property/rental income and income from the marina/moorings represented the most important sources of income. Parking charges were also significant although less than budgeted due to the cancellation of parking permit licenses arising from the COVID-19 pandemic. The overall small scale of total revenue suggests the need to explore new additional sources of income.
- ❑ While a focus on ongoing cost containment is required in all organisations, our analysis suggests that there are limited options for expenditure reductions and the key focus should be on revenue-generating measures. There may, however, be some potential for a reduction in the costs of external services purchased if shared services can be utilised with DLRCC. The costs of maintenance and repairs are likely to continue to be significant given the age and condition of the Harbour.

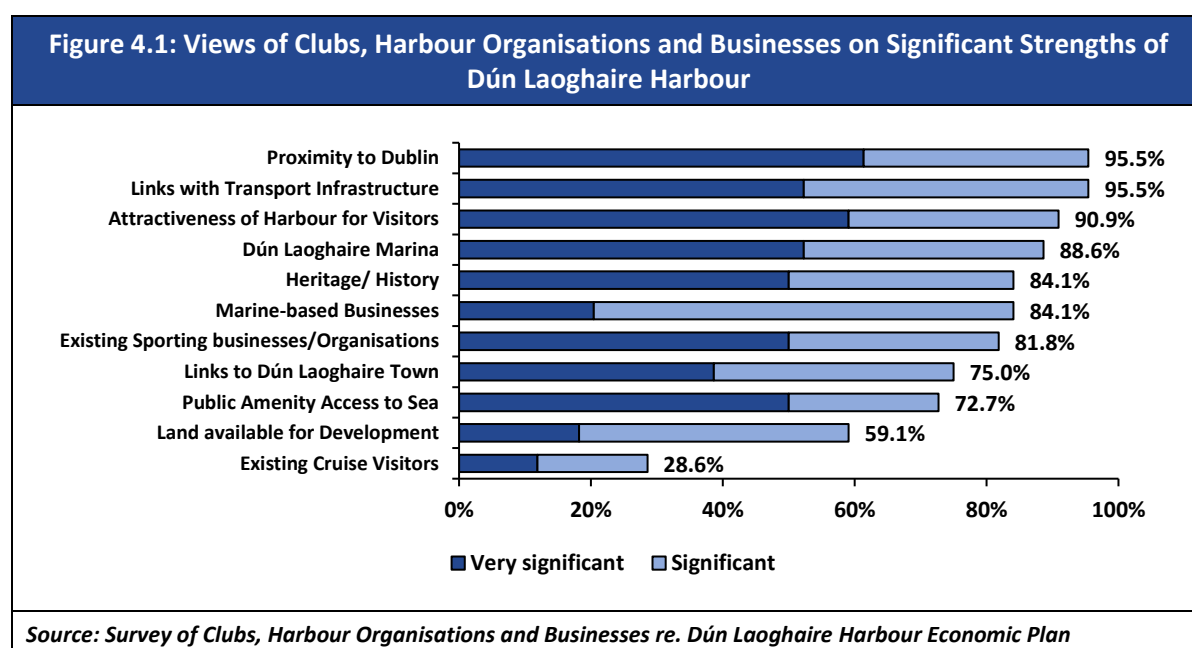
4 Strengths, Weaknesses, Opportunities and Threats

4.1 Introduction

In this section, we set out an assessment of the strengths, weaknesses, opportunities and threats facing the Harbour. A critical evaluation of the current strengths and weaknesses is essential to the preparation of a viable sustainable plan for the Harbour. These highlight the significant strengths of this important resource. It is, however, also evident that there are weaknesses which must be addressed as part of a new economic plan.

4.2 Strengths

The views of clubs, Harbour organisations and businesses in Dún Laoghaire Harbour concerning its existing strengths, are displayed in Figure 4.1. In addition to the inherent strengths of the Harbour, the proximity to Dublin, the access to the sea, and the overall attractiveness of the Harbour for visitors were seen as significant strengths. Also of significance is the presence of world-class existing sporting organisations, as well as marine-based businesses. Existing cruise visitors were not seen as important and this may reflect differences of interests as well as the fact that there are relatively few cruise visitors.



One interesting aspect of the strengths of Dún Laoghaire Harbour which may not always be given recognition is the links with transport infrastructure. The comparative strengths of transport linkages and their proximity to Dublin reflect the fact that there is a high frequency of public transport services. This opens up significant opportunities for recreational visitors and may suggest there is potential to gain a much greater share of the high value-added tourism visitors to Dublin.

Table 4.1: Population by Frequency of Services at Nearest Public Transport Stop - 2019

Frequency of services at nearest public transport stop	State	Dún Laoghaire - Rathdown
	% of pop	% of pop
< 10 services per day	32.2%	18.8%
10 - < 50 services per day	38.1%	24.7%
50 or more services per day	29.6%	56.5%
<i>Source: CSO and Transport for Ireland data</i>		
Note: Population data refers to 2016 Census		

One other strength of the Harbour is that there is a significant base in its hinterland with labour force skills needed to grow enterprises and cultural activities based in the Harbour. There is also close proximity to important higher and further education institutions. These represent an important resource that should be incorporated in developing certain activities at the Harbour. To take one example, the growth in undergraduate and postgraduate students at IADT opens up the potential for support for creative-based enterprises as part of the proposed new Innovation Centre.

Table 4.2: Full-time Enrolments in IADT

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Undergraduate	1,976	1,954	1,980	2,027	1,952	1,876
<i>Percentage of Total</i>	97.1%	96.9%	96.2%	94.3%	95.4%	93.1%
Postgraduate	58	62	79	123	94	139
<i>Percentage of Total</i>	2.9%	3.1%	3.8%	5.7%	4.6%	6.9%
Total	2,034	2,016	2,059	2,150	2,046	2,015
<i>Source: Indecon analysis of HEA data</i>						

The strengths of Dún Laoghaire Harbour, its location and the presence of world-class sporting organisations, were reflected in views expressed in the wider consultation programme. The recreational value and its history and heritage were also highlighted.

Table 4.3: Strengths of Dún Laoghaire Harbour - Findings from Consultation Process

"Direct access to the coast, public transport infrastructure, existing and potential leisure facilities integration."
"The Harbour is an amazing public asset: apart from the opportunity to enjoy all types of water sport, the number of people walking on both piers bears witness to how essential access to the Harbour is."
"Great history in our Irish story -A deep place in Irish emigration."
"The Harbour has major potential to be developed as a centre of excellence for water sports. The presence of the four sailing clubs, the INSS and the relatively new paddle boarding outlet are strengths that can aid such development."
"Sailing clubs with world-class infrastructure and sailing performance."
"It is ideally situated as a base for local yacht racing and as a centre for national and international events due to its easy access to the bay."
"Strategic location - Dublin city, mid-way on Irish Sea."
Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour

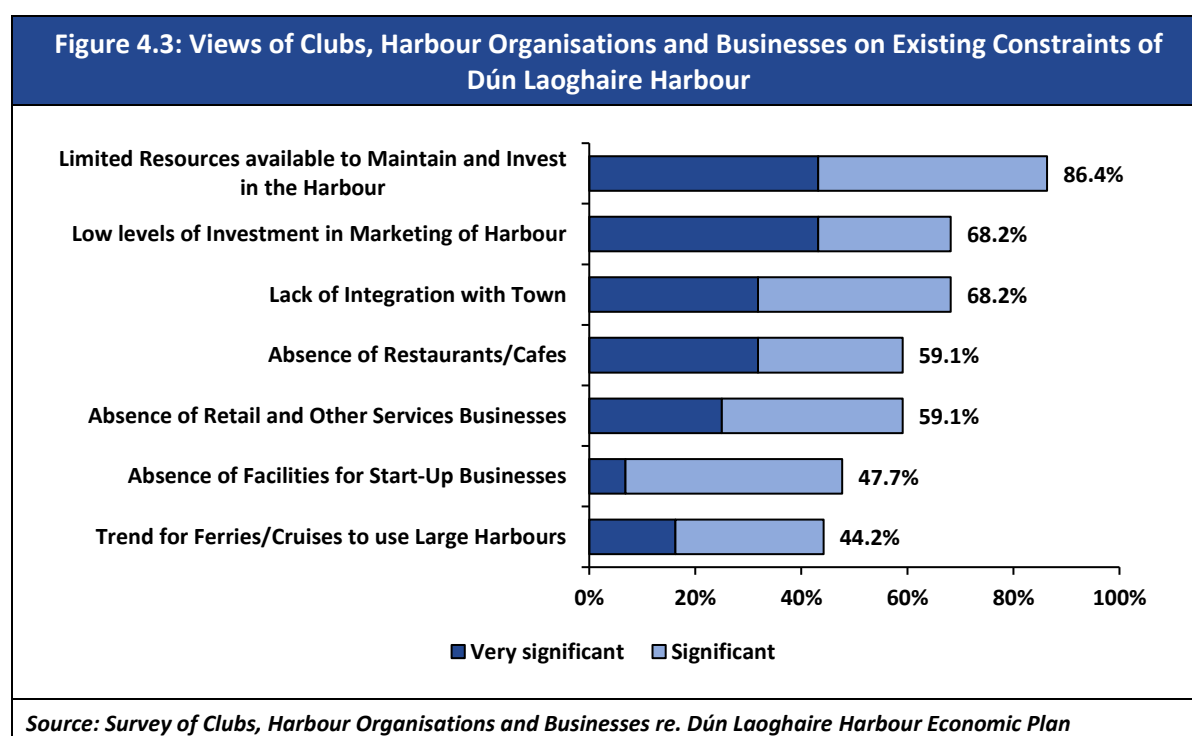
Indecon's assessment of the main strengths of the Harbour is presented below. In addition to the issues raised in the consultation, Indecon believes there are a number of characteristics which, if developed, would represent potential future strengths for the Harbour and are therefore included in our assessment. These include the planning permission granted for the ferry terminal and a track record of existing cruise visitors. These may not be perceived currently by some stakeholders as strengths, but represent a base for future revenue and economic and social benefits.

Figure 4.2: Indecon Assessment of Key Strengths

STRENGTHS
<ul style="list-style-type: none"> • Attractiveness of Harbour for Visitors • Public Amenity Access to Sea • Existing Sporting Clubs/Organisations • Planning permission granted for Ferry Terminal • Dún Laoghaire Marina • Existing Cruise Visitors • Marine based Businesses • Land available for Development • Links with Transport Infrastructure • Proximity to Dublin • Proximity to Dún Laoghaire Town • Links to Town
Source: Indecon

4.3 Weaknesses

There are also a number of significant constraints and weaknesses facing Dún Laoghaire Harbour. One of the most important issues is the limited resources available to maintain and invest in the Harbour. The financial position of the Harbour and the lack of wider funding for its development is a significant concern. This is particularly important given the age and condition of the Harbour. This confirms Indecon's assessment of the priority which should be attached to implementing a financial recovery plan to enable the Harbour to generate a sufficient scale of surplus funds to maintain and develop the infrastructure. There is also a perceived lack of facilities for the general public, such as cafes and restaurants. Another issue raised in the survey research and in our consultations was the lack of integration with the Town and the low levels of investment in the marketing of the Harbour. The absence of restaurants/cafes and other services also means that there is a low level of use of the Harbour in the evenings/night-time. Indecon also believes that a weakness of the Harbour is the seasonality of operations.



The consultation process confirmed a number of the weaknesses and constraints on the Harbour outlined above. Some illustrative views on these are presented in Table 4.4. These relate to the levels of investment in maintenance that have been feasible, the gap in facilities and limits on access to the water for the wider public.

Table 4.4: Weaknesses of Dún Laoghaire Harbour - Findings from Consultation Process
Suffers historically from low-grade standard of care and maintenance
Lack of infrastructure at the Harbour for large touristic water events and for hospitality with views over the Harbour for all members of the public
Weaknesses include lots of urban decay through desolate buildings and vacant premises on the seafront
Lack of facilities and businesses supporting maritime activities
Lack of shore facilities for sailors who are not members of established yacht clubs
Sewerage system not adequate for the ever-increasing population
Far too little public access to the water for water sports
<i>Source: Example of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour</i>

Indecon's analysis suggests there are a number of weaknesses or constraints on the future development of the Harbour. These relate to the absence of a significant base of restaurants/cafes or service businesses at the Harbour. Also, a critical constraint is the limited resources available to maintain and invest in the Harbour. The lack of integration with the Town is also notable. There is also currently an absence of facilities for start-up businesses. At a more strategic level, a potential future weakness of Dún Laoghaire Harbour is the small size of its operations in a context whereby there is a trend for ferries/cruises to use larger harbours. In the case of cruises, however, capacity constraints on Dublin Port open up opportunities for expansion of existing cruise users.

Figure 4.4: Weaknesses of Dún Laoghaire Harbour
WEAKNESSES
<ul style="list-style-type: none"> • Absence of Restaurants/Cafes • Absence of Retail and other Services Businesses at Port • Constrained Resources available to maintain and invest in the Harbour • Low Level of Investment in Marketing of Harbour • Lack of Integration with Town • Absence of Facilities for Start-Up Businesses
<i>Source: Indecon</i>

4.4 Opportunities and Threats

Taking account of the strengths and weaknesses of the Harbour and our analysis of the wider economic context, Indecon has identified the key opportunities and threats. These are designed to build on the significant strengths of this important and unique resource. The threats are, however, related to weaknesses that must be addressed as part of a new economic plan for the Harbour. Measures to overcome existing weaknesses are designed to capitalise on the potential economic and social contribution of the Harbour and to integrate the Harbour more fully with the Town.

Figure 4.5: Summary of Areas of Opportunities

OPPORTUNITIES
<ul style="list-style-type: none"> • Growing population size • Growing skills base • Opportunities for expansion in tourism • Maximisation of value of assets • Potential new users • Potential to integrate Harbour and Town • Expansion of existing uses
<i>Source: Indecon</i>

The consultation process identified a number of opportunities for the Harbour. A small selection of these views is shown below.

Table 4.5: Opportunities for Dún Laoghaire Harbour - Findings from Consultation Process

"There is a major opportunity to develop the Harbour as a destination centred on the water (swimming, etc), with better links to the Town."
"Magnificent infrastructure of the Harbour itself, which is a gateway to Dublin Bay. Could be developed further to an international standard if proper chandlery and maritime related activities and businesses were developed. "
"The Harbour served as a very attractive arrival point into the state; a past Dún Laoghaire brochure likened the East & West Piers to arms welcoming visitors."
"The Harbour makes Dún Laoghaire a unique location for the hosting of large international water sport events, and there is the expertise available to attract these events if the proper infrastructure was available."
"Potential for developing more tourism businesses."
<i>Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour</i>

4.5 Threats

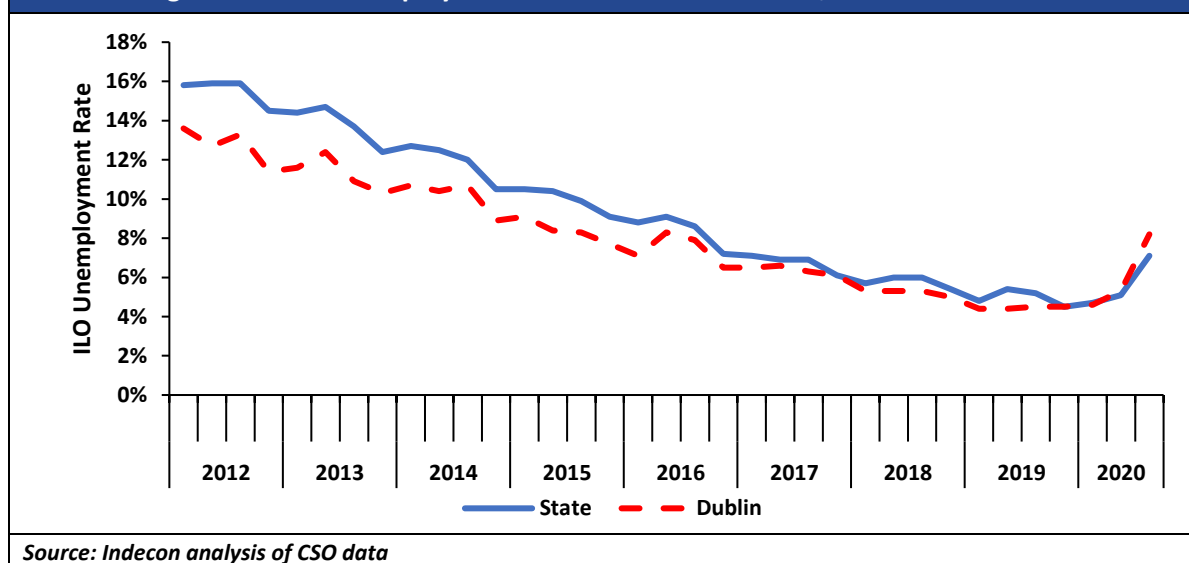
There are a number of threats facing Dún Laoghaire Harbour. These include the immediate economic prospects arising from continued COVID-19 restrictions. However, the economic outlook is likely to improve quickly when the economy re-opens. More significant threats concern the impact on the continued functionality of the Harbour of the constraints on resources for ongoing investment. There are also concerns over the future viability in the absence of increased resources.

Figure 4.6: Key Aspects SWOT Analysis - Threats

THREATS
<ul style="list-style-type: none"> • Immediate economic prospects for Irish and global economies • The continued functionality of the Harbour is likely to need ongoing investment • Financial viability of Harbour remains a challenge in absence of increased resources
Source: Indecon

The immediate economic position remains a significant threat to the short-term prospects for the Harbour. The impact of COVID-19 on the Irish economy is reflected in the rise in unemployment due to the COVID-19 restrictions. The figure below shows the rise in unemployment following the onset of the COVID-19 pandemic, though Government payments and supports mask the true underlying unemployment impact. A projected period of higher unemployment is likely to impact on funding available from central and local government sources. It also reinforces the need to utilise the Harbour to support employment opportunities.

Figure 4.7: ILO Unemployment Rate in Dublin and State, Q1 2012 – Q3 2020



The consultation process identified a number of threats to the Harbour. These highlight valid concerns about any developments which restrict public access. Concerns were also expressed about potential over-development.

Table 4.6: Threats Facing Dún Laoghaire Harbour - Findings from Consultation Process

"Parts of the Harbour are in danger of becoming isolated from the Town. The now closed ferry terminal area is becoming neglected instead of being opened to the community."
"Over development for commercial use, rather than a balance of commercial and public use suitable for the size of a suburban Town."
"Climate change causing changed sea levels and therefore threat to the Harbour and local area."
"The financial cost of the upkeep of the Harbour walls."
"Development projects that would reduce public access."
"Development projects that would reduce the area of water available for leisure use."
"Erosion of the Harbour structure."
<i>Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour</i>

4.6 Summary

In preparing an economic plan for the Harbour, it is important to critically evaluate the strengths and weaknesses of Dún Laoghaire Harbour. These are summarised in the next figure. These highlight the significant strengths of this important and unique resource. There are, however, issues which must be addressed as part of a new economic plan for the Harbour. Measures to overcome existing weaknesses are designed to maximise the economic and social contribution of the Harbour and to integrate the Harbour more fully with the Town.

Figure 4.8: Summary of Key Aspects SWOT analysis

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Attractiveness of Harbour for Visitors • Public Amenity Access to Sea • Existing Sporting Clubs/Organisations • Planning permission granted for Ferry Terminal • Dún Laoghaire Marina • Existing Cruise Visitors • Marine based Businesses • Land available for Development • Links with Transport Infrastructure • Proximity to Dublin • Proximity to DL Town • Links to Town 	<ul style="list-style-type: none"> • Absence of Restaurants/Cafes • Absence of Retail and other Services Businesses at Port • Constrained Resources available to maintain and invest in the Harbour • Low Level of Investment in Marketing of Harbour • Lack of Integration with Town • Absence of Facilities for Start-Up Businesses 	<ul style="list-style-type: none"> • Growing population size • Growing skills base • Opportunities for expansion in tourism • Maximisation of value of assets • Potential new users • Potential to integrate Harbour and Town • Expansion of existing uses 	<ul style="list-style-type: none"> • Immediate economic prospects for Irish and global economies • The continued functionality of the Harbour is likely to need ongoing investment • Financial viability of Harbour remains a challenge in absence of increased resources
<i>Source: Indecon</i>			

5 Review of Development Options

5.1 Introduction

A wide range of potential development options has been suggested for the Harbour. While many of the options have intrinsic value, there is a need to consider what options should be prioritised to maximise the potential of current activities and assets in the interests of all the stakeholders. There is also a need to recognise the implications of any proposed activities in terms of other uses. Many of the potential options would require significant funding and in the absence of resources, would not be feasible. A strategic focus on realistic development options which take account of the financial constraints on the Harbour, is in Indecon's judgement, a key requirement that should guide the economic plan. It is also important to consider short-term versus long-term objectives, as short-term uses that prevent more appropriate long-term uses should not be considered.

5.2 Non-statutory Harbour Masterplan

In identifying possible development options, it is necessary to re-examine the non-statutory Harbour Masterplan given the very significant changes in the economic, market and policy context in the decade since the plan was proposed. The Dún Laoghaire Harbour Masterplan's main objective was to enhance the functionality and attractiveness of the Harbour and promote related investments. The plan contained several proposals for specific elements of the Harbour:

- The Gut: The main issues with the area were seen as a general sense of neglect, with scattered industrial buildings. It is structurally exposed to the elements and as such, less attractive for tourists and passers-by. The Masterplan suggested improving access from both the Old Harbour and the DART station. In terms of structural changes, it suggested the clearing of buildings to provide space for boat storage. It also suggested that the site could accommodate low rise buildings for activities such as maritime enterprise and water sport clubs.
- The Old Harbour: The plan suggested an area should be identified as a marine enterprise cluster, with the construction of an additional building for industrial/business use. It was also proposed to extend the green space and to devote the surrounding small non-residential buildings as locker and changing rooms for divers, sailors and others.
- St Michael's Pier: The site held the ferry facilities and was seen as a key to connectivity with the DART station and public transport. The plan suggested a consolidation of ferry-related activities and to create new commercial and residential developments on the west side of the Pier.
- Carlisle Pier: This was used at the time of the Masterplan, namely as storage space and car parking and on occasion for seasonal events. It has a deep historic meaning in light of its former use as émigré ships. Measures suggested in the plan included a reconstitution of the remains of the Victorian railway station for touristic and historical purposes and the development of other attractions such as a Harbour/Emigration Museum. The development since the Plan of the Emigration Museum in Dublin is relevant background context.
- The (East and West) Piers: The plan suggested maintenance of the existing infrastructures.

Figure 5.1: Development Options for Dún Laoghaire



Source: Dún Laoghaire Harbour Masterplan

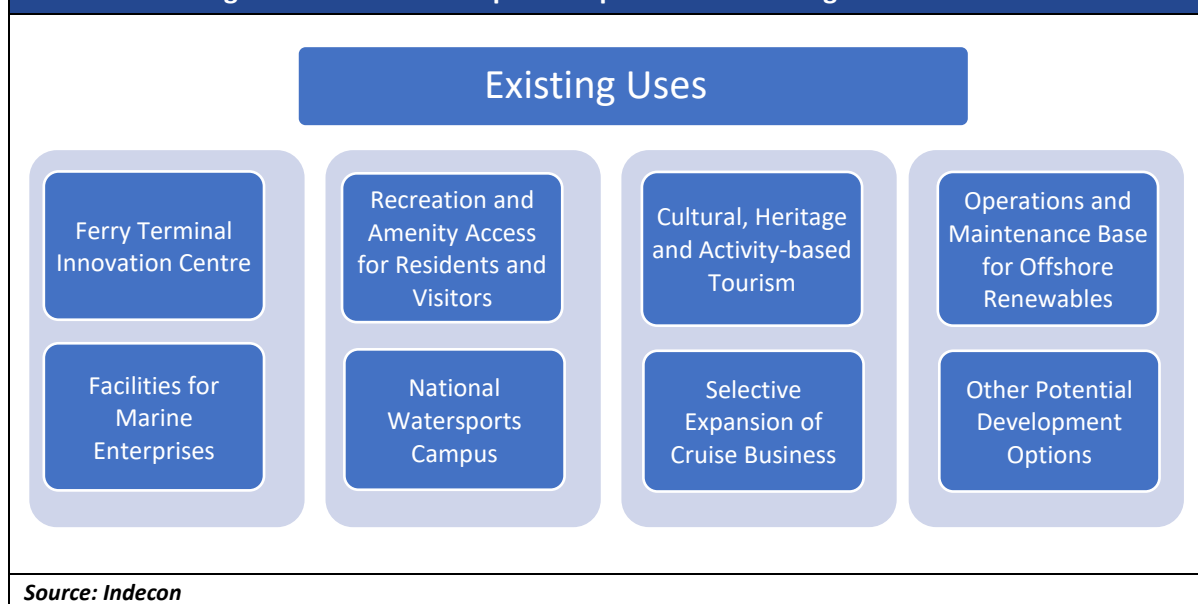
Some of the important changes in the last decade are listed below:

- Since the Masterplan was developed, responsibility for Dún Laoghaire Harbour has been transferred to DLRCC which reinforces the importance of ensuring that any plans developed for the Harbour and the Town maximise the overall benefit for the area.
- The cessation of the ferry service has resulted in a significant loss of revenue to the Harbour, has significantly reduced the level of activity and employment, and presents financial challenges for the Harbour. This, however, creates potential new opportunities arising from the redevelopment of the Ferry Terminal.
- New proposals for the development of a watersports campus are currently being examined.
- The Government's Energy and Climate Action Plan has placed greater emphasis on the development of renewable offshore energy. This creates a potential opportunity for the Harbour to act as an O&M base for offshore renewables.
- The introduction of a proposed Maritime Area Planning Map Bill provides a new spatial and policy context for the Harbour.
- The impact of COVID-19 pandemic has had a major impact on the Harbour and on the organisations based in the Harbour.

5.3 Potential Development Options for Harbour

The overall objective of the non-statutory Harbour Masterplan was to enhance the functionality and attractiveness of the Harbour and to promote related investment and this remains relevant. However, the very significant changes in the external context within which the Harbour operates require a fundamental reassessment of development options for Dún Laoghaire Harbour. In examining development options, Indecon would note the importance of continuing to facilitate existing sporting clubs, fishing and other users of Dún Laoghaire Harbour. These include leisure users, the main yachting and sailing clubs, other water sport activities, marine-related businesses, fishermen, agencies, residents and other users. Our analysis has highlighted the diversity and strengths of existing activities as well as the scale of their socio-economic impacts. It will be critical in considering future new options for the Harbour that existing users are facilitated. However, the interests of any individual use must be considered in the context of the overall development plan and trade-off between potential users are inevitable. There is also a need to accommodate new or expanded uses in order to increase the revenues needed to underpin the financial viability of the Harbour. Based on our detailed analysis and consultations, Indecon has identified a number of key potential new areas of activities. These are presented in the figure below. In addition to facilitating the development of key existing users, we believe that the proposed ferry terminal innovation centre and facilities for marine-based enterprises should be supported. These would complement existing activities and would create new employment opportunities. Indecon also believes that enhanced recreational activities and access for residents and visitors should be a priority. Consistent with this, the proposed National Waterfront Campus would have significant merit if this is financially feasible.

Figure 5.2: Main Development Options for Dún Laoghaire Harbour



The suggested main potential development options also include an expansion of cultural, heritage and activity-based tourism. This would be facilitated by the establishment of a waterfront hotel development. In addition, a selective expansion of cruise businesses would have benefits for the Harbour and if appropriately targeted, would enhance the economic activity in the Town. Our analysis and consultations indicate there is also a specific development opportunity for Dún Laoghaire to develop an operation and maintenance base to support offshore renewables. This would create specialist employment opportunities and provide increased revenues for the Harbour. It would also be consistent with the Government's Energy and Climate Action Plan.

There is a range of other potential development options which have been suggested and which are at different stages of project planning. These inter alia include specific commercial proposals, investment in a range of heritage projects and enhanced recreational activities. A number of these would merit strong consideration if feasible and if they could be accommodated without hindering existing or other potential new users. There were also other options suggested which would not, in our judgement, merit priority at this stage. These include significant private sector residential apartments. While many Harbours have successfully accommodated such developments, we believe this would restrict other more beneficial development options and could damage public amenity access. We also considered the merits of re-establishing Dún Laoghaire as a major ferry port but believe this would not be in the best interest of maximising the wider economic and social benefits. In addition, we believe it would be unlikely to be feasible. The impact on traffic and the wider environment in the catchment of the Harbour would also be of concern.

5.4 Ferry Terminal Innovation Centre

Given the cessation of ferry activities at the Harbour, the former ferry terminal has remained unoccupied since 2015. Proposals have been developed to use the former ferry terminal as a business innovation hub for businesses including for food services as well as cultural uses. This would require a significant capital investment in the ferry terminal which should be undertaken by any proposed leaseholder rather than by the Harbour. Some supportive investment would, however, be appropriate. In addition, it is proposed that an event space would be provided which could be used for mini-trade shows, presentations and cultural events. The business hub would be complementary to the existing leisure usage of the Harbour and could encourage people working in the centre to get involved in water sports. It could also create a non-seasonal form of business, that would increase the level of activity in the Harbour throughout the year. It is envisaged that the proposed Harbour Innovation Campus could deliver revenue of up to €15m in rent and rates over the next 10 years. A wider assessment by Indecon indicates that such an innovation centre would have economic impacts, as well as contributing to Harbour income.

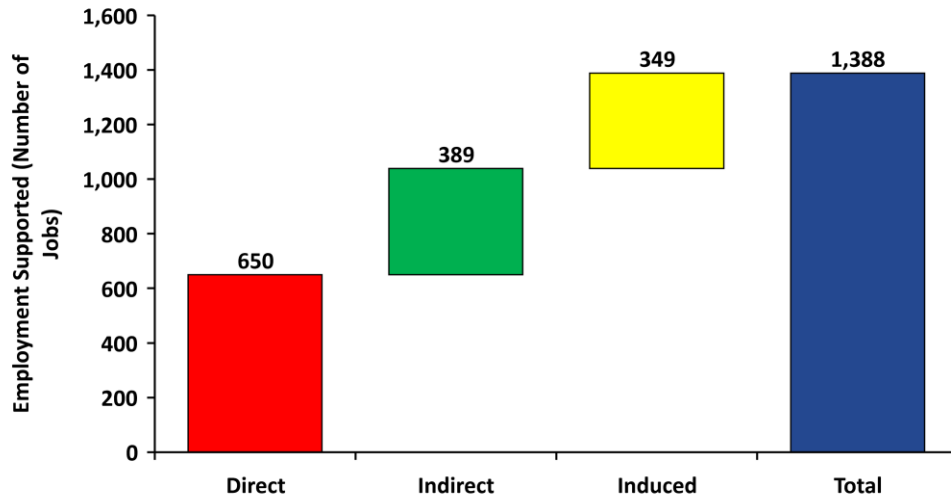
Figure 5.3: Artists Impression of Inside of Proposed Ferry Terminal Development



Source: DLRCC based on proposal by Lapetus Investments

Indecon's assessment of the potential impact of the opening of the ferry terminal as a business innovation centre suggests this could over time create direct and indirect employment in the region of almost 1,400 jobs.

Figure 5.4: Wider Employment Supported by Harbour Innovation Platform

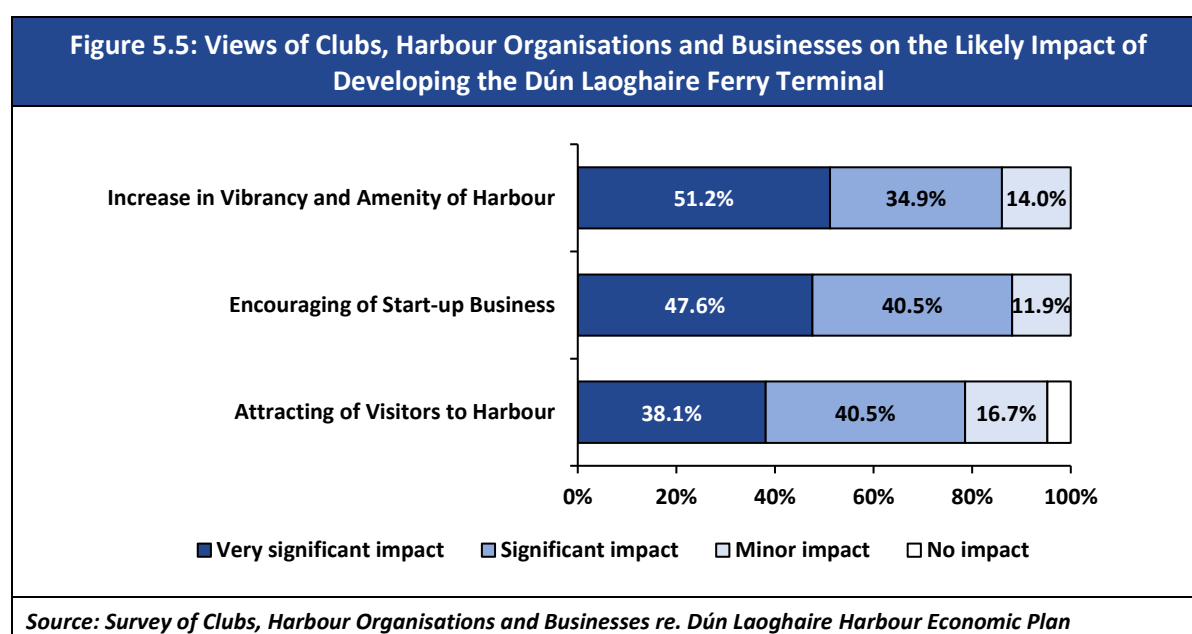


Source: Indecon Analysis of CSO Data and Investment Group Projections

Employment in the proposed innovation centre could generate income of between €42m-€55m annually. This is shown in Table 5.1 below.

Table 5.1: Employment Incomes Supported by Harbour Innovation Platform if Employment Reaches Projections – Annual Incomes		
	Using Median Earnings	Using Average Earnings
Direct Employment Incomes Supported (€m)	25.6	33.0
Indirect Employment Incomes Supported (€m)	11.5	14.8
Induced Employment Incomes Supported (€m)	5.3	6.9
Total Employment Incomes Supported (€m)	42.4	54.7
<i>Source: Indecon analysis of CSO Data and Investment Group Projections</i>		

The views of clubs, Harbour organisations and businesses involved in Dún Laoghaire Harbour on the likely impact of developing the ferry terminal as an innovation centre are displayed in Figure 5.5. This confirms the judgement that such a development could have a positive impact on increasing the vibrancy and amenity of the Harbour, as well as encouraging start-up business and attracting visitors to the Harbour. It would also result in a significant financial contribution to the viability of the Harbour.



5.5 Facilities for Marine Enterprises

There are a number of valuable marine-related businesses that operate in the Harbour. However, a number of support services for leisure and other marine activities are not available locally. There is potential to create and expand facilities for existing and new marine businesses without a significant impact on other existing Harbour users. This could take the form of a mini 'business park' for marine enterprises in the Harbour, with adequate quayside space and a workshop environment. There would be flexibility as to where in the Harbour this would be located based on other demands on space. A number of consultation inputs suggested that facilities for marine business would be appropriate. It is, however, important that this is done in a planned way that is sensitive to the priority which should be given to leisure activities. The financial feasibility of any proposed investment should also be carefully evaluated.

Table 5.2: Findings from Consultation Process on Expanding Facilities for Marine Businesses at Dún Laoghaire Harbour

"Develop a Marine Trade & Industry 'free port' for marine tech companies."

"Allow space for supporting businesses."

Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour

5.6 Recreation and Amenity Access for Residents and Visitors

The recreational and amenity value of the Harbour must be protected at all costs. Ways to enhance recreational access for residents and visitors should be a core element of the plan for the Harbour. Facilitating access for the general public and expanding the range of attractions for visitors should be supported. For example, increased opportunities for activities such as sailing, dinghy or kayak rental may broaden the range of activities that occasional/once-off visitors can participate in. Fáilte Ireland has also suggested that there is potential for Dún Laoghaire Harbour to become a base for kite/wind surfing activities. In addition, a proposal was made for a development involving a flexible indoor and outdoor visitor experience which would include a marketplace with street food and cultural activities with a twin focus on both the day and night-time economy. An example of a comparable project internationally is "Eat Street" in Brisbane, built on the Hamilton Maritime #2 Wharf of Brisbane River. A market has the potential to create a level of activity in the Harbour and increase its attractiveness to visitors, provide a source of revenue, and could be constructed relatively quickly. Depending on where it is located, it could, however, place some restrictions on alternative long-term uses. However, this project may merit consideration as there is likely to be a lag in timescale to develop other options. During our consultations, we also note that a proposal for a skatepark was made by Dún Laoghaire Centre Residents Association. This could involve the creation of a facility for locals and visitors who enjoy skating, skateboarding, scooting, inline blading and biking. There are many examples of such skateparks internationally. Skateboarding will be at the Olympic Games for the first time in its history in Tokyo 2021. However, funding for this would have to come from outside of the Harbour's resources. Indecon believes that a skatepark may be justified but would note that its location does not necessarily have to be located within the Harbour and there are likely to be other potential locations within the Town.

5.7 National Watersports Campus

This proposal is to create a National Watersports Campus in Dún Laoghaire and aims to enhance the existing Harbour through the provision of additional facilities for water sport users, in particular at providing public access to the water both in terms of slipway access but also in terms of the provision of basic showering/changing facilities. The campus as envisaged would be multi-sport and multi-location and has the support of a wide range of existing clubs, national bodies and activity providers. The campus aims to facilitate a full range of sports including sailing, rowing, diving, windsurfing, angling, canoeing, swimming, triathlon, powerboating, kayaking and paddleboarding. The participants will include members of the public, club members, tourists, disabled, disadvantaged, event competitors, schools, youth groups and college students. Indecon's stakeholder engagement indicated broad support among existing Harbour users. We understand the campus envisaged would involve establishing a single venue for multiple sports, bringing economies of scale and benefits in terms of profile, participation and performance. Dún Laoghaire already has many water sport facilities and activities in place. The project promoters estimate that usage of water/leisure could increase by 38%-50%. The project received "Stream 1" to complete a feasibility study for the project. Based on the current proposals, the facilities would remain under the management and control of the Council. The project promoters estimate operational costs will be broadly revenue-neutral, though this needs to be confirmed. No location within the Harbour has been pre-determined. While there are a number of choices for location some could restrict other Harbour uses and need careful review. There is a stated desire by the promoters that the public slipway, multi-purpose event space and a high-performance centre should be located together. Examples of some of the views expressed during the consultation process on the potential for the development of a watersports campus are shown below.

Table 5.3: Findings from Consultation Process on Potential for Expansion of Watersports at Dún Laoghaire Harbour

"Develop more public access facilities for water sports, slipways, changing facilities, public showers, to attract more small water sports businesses and more users."
"Watersports and commercial fishing are the two practical uses of the West Pier area, with water sports a growing draw - this should be co-ordinated into an outstanding feature."
"Centre of excellence for sailing and "green" environmentally friendly water sports, i.e., not just a playground for diesel speedboats. This should include facilities for chandlery and marine support services such as engine maintenance."
"Much greater development of the marina, sailing clubs, and the development of the ferry terminal building and pier, with direct access to the marina, as a national water sports and Olympic/International Centre of training excellence will greatly enhance the Harbour as an international sailing and watersports destination."
"Build a marine leisure facility to open access to the water for more people."

Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour

Indecon has developed some indicative scenarios on the economic impact of a National Watersports Campus in Dún Laoghaire based on the estimates of promoters of the impact on such a campus on the usage of the water and leisure facilities. Using the lower bound of their estimate (a 38% increase in usage), Indecon has estimated that there could be an additional 128 direct employees due to the National Watersport Campus.

Table 5.4: Additional Employment Supported by Watersport Campus

	Current Indecon Estimate of Employment Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour	Estimated Employment Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour with Watersport Campus	Additional employment supported due to Watersport Campus
Direct Employment	337	465	128
Indirect Employment	39	54	15
Induced Employment	80	110	30
Economy-Wide Employment	456	629	173
<i>Source: Indecon analysis</i>			

We also estimate that there would be an increase in economy-wide employment to support over €6.8 million in employment income as per the following table.

Table 5.5: Additional Employment Incomes Supported by Watersport Campus (€ Million)

	Current Indecon Estimate of Employment Incomes Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour	Estimated Employment Incomes Supported by Sporting Clubs and Businesses Operating in Dún Laoghaire Harbour with Watersport Campus	Additional Employment Incomes Supported due to Watersport Campus
Direct Employment Incomes	13.27	18.31	5.04
Indirect Employment Incomes	1.69	2.33	0.64
Induced Employment Incomes	2.99	4.13	1.14
Economy-Wide Employment Incomes	17.95	24.77	6.82
<i>Source: Indecon analysis</i>			

5.8 Cultural, Heritage and Activity-Based Tourism

A key challenge for the Harbour is to provide opportunities for tourists and leisure visitors to enjoy the Harbour and to fully participate in what it has to offer. Dún Laoghaire is well-positioned to develop motivating tourism experiences, and the Harbour is a critical component of this and could meet the growing tourism segment that wants to get out in nature and have outdoor experiences in water-based and other activities, including walking and cycling. Indecon is very appreciative of the insightful inputs provided by Fáilte Ireland to our assessment of the tourism potential of the Harbour. Fáilte Ireland's views on how Dún Laoghaire Harbour could be aligned with future trends in tourism are summarised in the next table.

Table 5.6: Fáilte Ireland's View on Future Trends in Tourism

"Covid-19 has accelerated appreciation of the outdoors and changing the way we socialise. A key pillar of Fáilte Ireland's strategy is to open up the outdoors by re-imagining the urban spaces, optimising and promoting existing outdoor assets and developing and promoting water-based activities. Dún Laoghaire is well positioned to develop motivating tourism outdoor experience."

Source: Fáilte Ireland

One important specific potential tourism opportunity for the Harbour is the development of a waterfront hotel. Currently, there is limited hotel capacity in Dún Laoghaire Town which represents only a very small share of accommodation compared to Dublin. A waterfront hotel could create a year-round level of activity in the Harbour, create significant spin-off opportunities for the Town including local employment, while also generating funding for the Harbour. A high-quality hotel in the Harbour could potentially transform the evening and daytime ambience of the Harbour.

Table 5.7: Hotels in Dublin and Dún Laoghaire, 2018

	Dublin		Dún Laoghaire Town	
	Establishments	Bedspaces	Establishments	Rooms
5 Star	10	3,853	-	-
4 Star	57	26,138	1	228
3 Star	58	13,147	1	45
2 Star	13	1,230	-	-
1 Star	5	309	-	-
Total	143	44,677	2	273

Source: Indecon Analysis of Fáilte Ireland Data

In the following table, Indecon estimates the potential employment and incomes supported by a new hotel in Dún Laoghaire. Indecon assumes that the new hotel would have 150 rooms and that there would be 0.66 staff for each room, leading to an estimated 100 employees in the hotel. Using an average wage of €19,153 Indecon obtained an estimate of incomes supported by the hotel of almost €2 million, with economy-wide incomes supported of over €2.66 million once indirect and induced impacts are considered.

Table 5.8: Potential Economic Impact of Proposed New 4* Hotel (Employment)

Estimated Number of Rooms (A)	150
Assumed Staff to Room Ratio (B)	0.66:1
Number of Employees (C = A*B)	100
Average earnings in accommodation and food services (CSO - 2019) (D)	19,153
Income supported by hotel (€) (E = D*C)	1,915,300
Economy-wide employment (F)	118
Economy-wide incomes supported (€) (G)	2,664,434

Source: Indecon analysis of CSO data

There also is likely to be significant increased tourism spend associated with a new hotel in Dún Laoghaire. Using Irish Hotel Federation data on occupancy in Dublin, it is estimated that 123 rooms would be occupied per day on average. For the purposes of this scenario, a 50:50 split between domestic and overseas tourists is assumed, with overseas holidaymakers estimated to spend more than domestic tourists. Tourists to this new hotel are estimated to spend over €3.8 million per year. It is important to caveat this by noting that this expenditure may not be additional to the Irish economy as some of the expenditure, particularly by domestic guests, may be displaced expenditure from elsewhere in the country.

Table 5.9: Potential Economic Impact of Proposed New 4* Hotel (Tourism Spend)	
Estimated Number of Rooms (A)	150
Occupancy Rate (2019 Irish Hotels Federation figure for Dublin) (B)	82%
Estimated occupancy per day (C = A*B)	123
Estimated occupancy per year (D = C*365)	44,895
Domestic / Overseas Split Assumed (E)	50:50
Average daily overseas holidaymakers spend (€) (F)	€96
Average daily domestic overnight tourist spend (€) (G)	€74
Estimated spend by guests per year (€) (H = D*E*F + D*E*G)	3,816,075
Source: Indecon analysis of CSO and IHF data	

A number of other interesting possible uses of the Harbour which could support an expansion of tourism were suggested by different stakeholders. These include a heritage Harbour. There are examples internationally (e.g., Netherlands, Belgium, France and Germany) of Harbours that have sought to highlight existing historic buildings, moorings, and other maritime facilities. Such a development could include the development of set walks (guided or self-guided) and other points of interaction for visitors to provide historical context. During our consultation, the merits of the relocation of the existing marine museum, (Ireland's National Maritime Museum) which is housed in Dún Laoghaire's 180-year-old Mariners Church, directly opposite the DLR Lexicon library was also suggested. The existing museum is limited in terms of the number of visitors it attracts. There is a stock of maritime artefacts (e.g., cannons) that have been discovered but remain in storage and could be used by an enlarged museum. There was also a proposal for a dedicated memorial to the RMS Leinster, its passengers and crew at the Carlisle Pier. Other examples of projects suggested, which would support tourism and wider visitor attractions, include floating restaurants which could build on the ambience and character of Dún Laoghaire's maritime heritage.

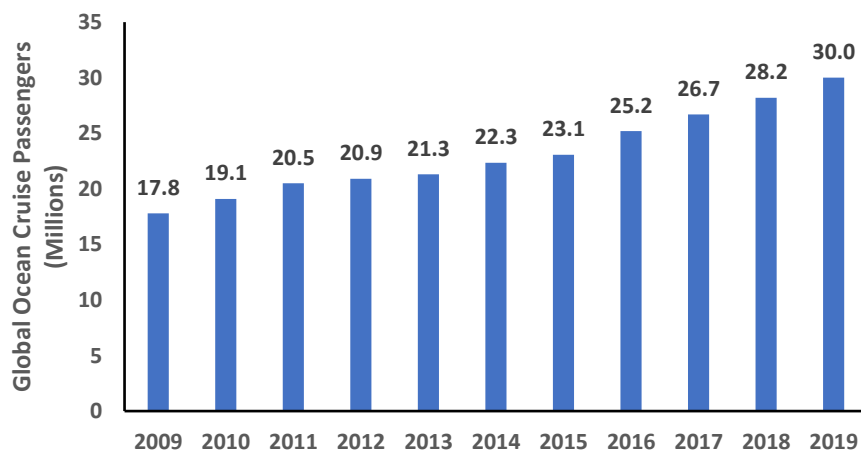
5.9 Selective Expansion of Cruise Business

A targeted expansion of cruise tourism could be a valuable development option for Dún Laoghaire Harbour and could represent a significant source of revenue for the Harbour. The income from cruises would support the overall financial viability of the Harbour which would have benefits for other users. It would also have wider benefits for the Town if appropriately managed.

It is however important that any expansion of cruise businesses is carefully planned taking account of the needs of other users including the needs of the sailing community and the need to ensure that the wider benefits for the town are maximised. Realising the full potential from cruise revenues for the Harbour via increased tariffs for cruises is also of importance.

While many cruise passengers who disembark are likely to want to travel on to Dublin, a significant number could be facilitated and encouraged to stay and spend locally. Cruise operators who are willing to facilitate this should be prioritised. As noted in a previous study undertaken by Indecon for Dublin Port, the cruise sector has seen significant growth in recent years. The following figure outlines the figures for the global ocean cruise passengers since 2009. This shows that cruise passenger numbers increased from 17.8 million in 2009 to around 30.0 million passengers in 2019. While cruise businesses, like other tourism, ceased during the pandemic, there is a big market opportunity. This suggests an ability for Dún Laoghaire to be selective on the nature, scale and type of cruise tourism. There is also potential to increase the financial contribution to the Harbour of the cruises via appropriate pricing. This should be designed to meet the objective of maximising revenue but offering concessions to those cruise operators who take measures to enhance local impacts.

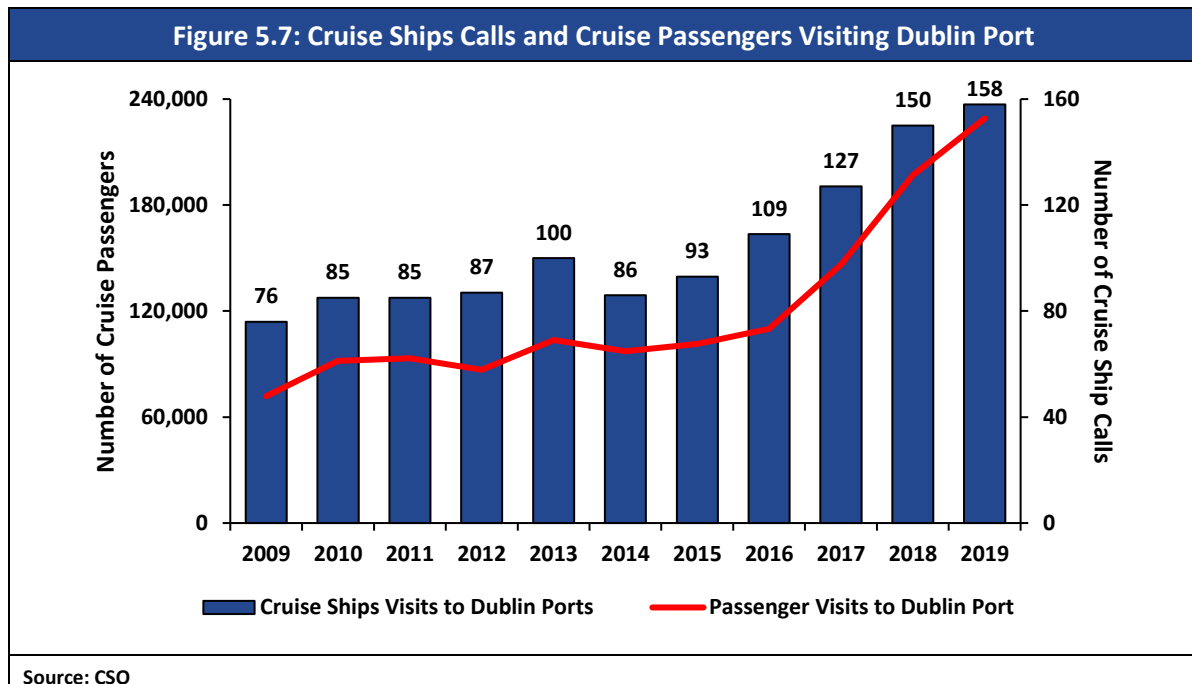
Figure 5.6: Global Ocean Cruise Passengers



Note: Figure for 2019 is estimated

Source: Cruise Lines International Association Published in Indecon's Review for Dublin Port, of Dublin Port

Indecon believes that Dún Laoghaire, due to its inherent attractiveness and its proximity to Dublin, would be a very attractive location for cruise visitors. The following figure, published as part of the Dublin Port Review, presents data on the number of cruise ships calling to Dublin Port and the number of cruise passengers since 2009. The number of cruise ships calling at Dublin Port had doubled from 2009 levels by 2019. Over the same period, passenger numbers increased by 219% from 72,000 to 229,000.



While there is uncertainty around the pace of recovery post-COVID-19, there is evidence to suggest that many of past cruise passengers will be interested in cruising after the pandemic. Of particular relevance to development options for Dún Laoghaire Harbour is that Dublin Port has announced that it is to restrict cruise dockings to 80 per annum from 2021, representing a halving in the number of ships permitted to dock. This is because of the increase in cargo shipping, which has reduced capacity in Dublin Port. Prior to COVID-19, Dún Laoghaire Harbour was attracting a very limited amount of cruise business. Indecon believes revenue could rise to a minimum of €2 -3m per annum depending on docking fees achieved, and the number of dockings. Smaller cruise vessels can berth at Carlisle Pier, but large vessels of 150m or greater in length need to anchor in deep water outside the Harbour and use the tender berth. The use of tenders is not favoured for passenger disembarkation/embarkation, both for passenger safety and for the comfort of passengers. An alternative option for development in Dún Laoghaire would be to install so-called “floating piers”. These are already in use in some other countries, including Geiranger (Norway), Port of Nynäshamn (Stockholm, Sweden). Indecon notes that this would require capital investment and given the financial constraints on the Harbour, if this was to proceed it should be funded by the cruise sector. An alternative option would be if cruise operators provided guaranteed income for Dún Laoghaire Harbour over a period, this could also provide the basis for funding for such an investment. The merits of this however need to be carefully considered and such infrastructure is not included in our base case estimates of economic impact.

Indecon believes that it would be important if cruise business is to develop to ensure that it is implemented in a planned way that does not significantly negatively impact on sailing activity and other water leisure users. This must ensure that it does not restrict international sailing and other water sports events. While some examples of views expressed during the consultation on the potential for cruise are shown in the next table, Indecon notes that there are also alternative views and concerns were expressed about the impact of an uncontrolled expansion of cruise activity. Uncontrolled attraction of large cruise ships would be likely to damage the environment and also

hinder other users of the Harbour, and as such would be inappropriate for the Harbour. However, a more targeted attraction of cruise tourism would be a benefit to the Harbour and to the Town.

Table 5.10: Findings from Consultation Process on Activities in Dún Laoghaire Harbour on Potential for Cruise Ships

"Personally, I would like to see the Harbour expanded to allow some kind of cruise liners to be able to dock in the Town. Imagining the waves of tourists descending on the Town periodically, spending money in all of our businesses, pubs, restaurants, cafes, ice cream shops, it would invigorate the local economy to a level we haven't seen for a while."
"Our priority should be to develop marine activity including ferry services, fishing and the smaller cruise ships that can utilise the existing facilities in the Harbour."
"Close proximity to Dublin Port. Could benefit if some form of partnership entered into, i.e. In the Cruise business."
"The previous attempt to negatively transform the Harbour by accommodating supercruise lines was thankfully unsuccessful... However there is still the option of attracting smaller cruises."
"Small Luxury Cruise Business which would be lucrative for the Town."
"Some funding might be generated by encouraging some small cruise ships to dock in Dún Laoghaire though the passengers on these ships tend not to spend much money while in port."
<i>Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour</i>

Indecon believes that as well as the financial benefits of cruise revenues, expanding the wider benefit from passenger spending in the Town should be a core part of any strategy to attract cruises. Fáilte Ireland survey research undertaken provides estimates on the spending patterns of cruise passengers visiting Dublin. This suggests average spend for turnaround passengers of €184 and €54 for transit passengers. These figures included estimated expenditure by day tripper and by those passengers who are homeport passengers. This suggests a potentially significant benefit to local economies arising from the expenditures of cruise passengers. Indecon would caution against assuming that all these economic benefits will necessarily accrue to the local Dún Laoghaire-Rathdown area unless measures are taken to incentivise a greater share of cruise passengers to visit the Town. In our modelling, we therefore only assume that 50% of these expenditures will accrue to Dún Laoghaire.

Table 5.11: Average in Port Expenditure by Cruise Passenger Type

Passenger Type	Average Expenditure
Turnaround passengers	€184
Transit passengers	€54
Crew	€39
<i>Source: Fáilte Ireland</i>	

In the following table, Indecon has developed estimates of the potential impact of targeted expansion in cruise visitors in Dún Laoghaire. In our indicative estimates of the potential annual expenditure impact on Dún Laoghaire, we included a range of estimates based on different assumptions on the levels of turnaround passengers. These include a base case lower estimate assuming a very low level of turnaround passengers and a higher long term potential estimate based on evidence from Dublin Port. The upper estimate represents long-term potential if there was a seawalk (floating berth) and fewer planning restrictions and does not represent our base-case analysis. Indecon also notes that certain types of business may also take some time to attract and would require targeting particular types of cruises.

Indecon has used the average port expenditure by cruise passenger types, as well as estimates of the breakdown of passenger types, to estimate expenditure of between €10.9 million and €18 million by cruise passengers, depending on the scenario. Indecon has estimated that only 50% of this expenditure would stay in Dún Laoghaire. Even this will be dependent on the implementation of our recommended approach to incentivise cruise operators to organise trips to the town centre and to facilitate access via commuter buses etc. Using an assumption of only 50% of expenditure staying in Dún Laoghaire, Indecon has estimated a potential lower annual expenditure impact of around €5.5 million per annum or €7.5m if tariff revenue of €2m is included.⁵ This estimate assumes no seawalk and very few turnaround passengers. If there were no measures taken to encourage any local visits by cruise passengers, the percentage of local spend could be even less but this would be in conflict with our recommended approach. These figures are based on figures provided by Dún Laoghaire Rathdown County Council on the number of cruise passenger numbers booked for 2022. If a percentage of cruise visitors decided to return to Dún Laoghaire for a subsequent holiday, the economic impact on the Town is likely to be greater than estimated. Additionally, if measures were developed to further integrate the Town and the Harbour it may incentivise more passengers to remain in Dún Laoghaire and the economic impacts for the local area could be higher. The economic GVA estimates exclude the estimated annual additional cruise tariff income for Dún Laoghaire Harbour. However, as included in the last line of the table, our base estimate of economic impact if annual tariff fees are included would be of the order of €7.5m. There are also likely to be some purchases by cruise operators locally, but these are not likely to be as significant as other areas of spend and are not included in our estimates. Indecon believes the lower estimate assuming very few turnover passengers should be the base case.

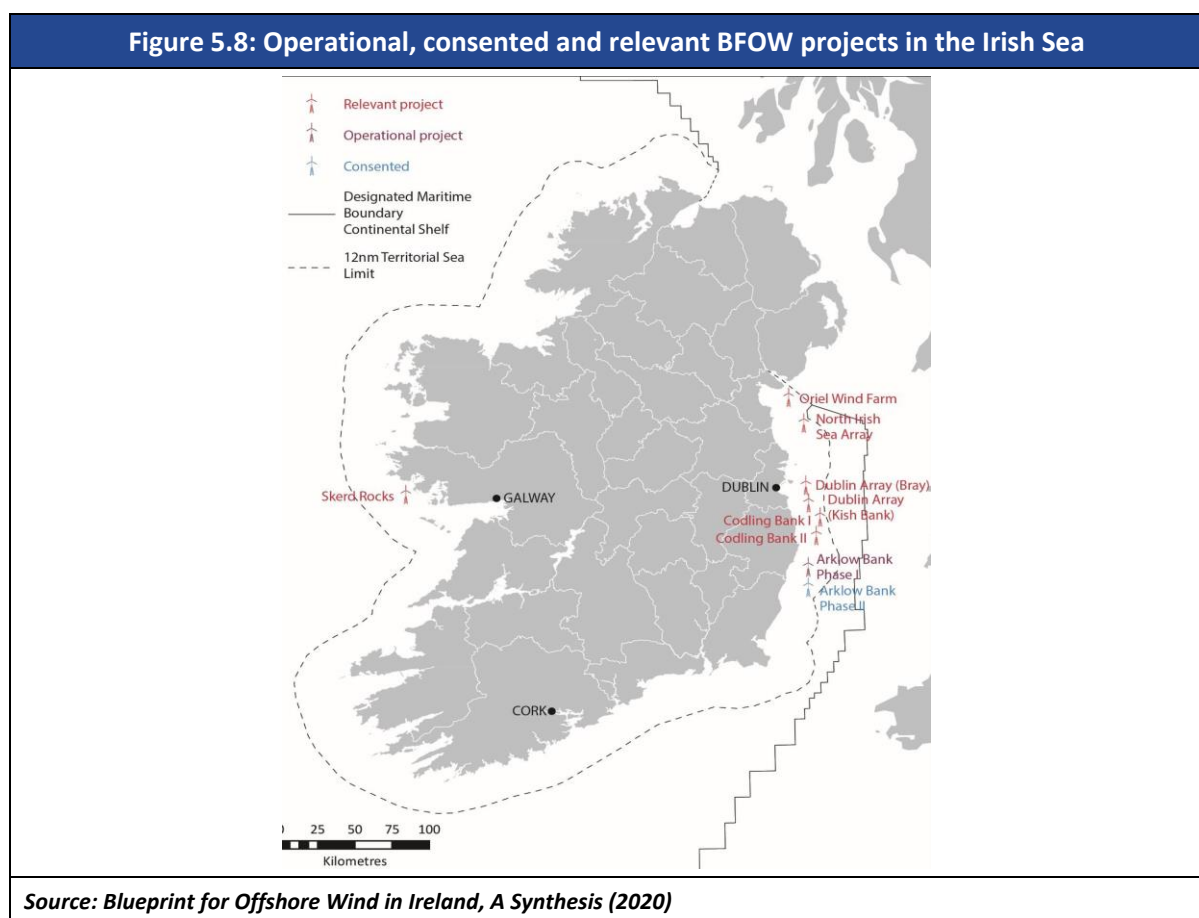
Table 5.12: Potential Economic Impact of Targeted Expansion in Cruise Visitors to Dún Laoghaire	
2022 estimate of passengers (No)	162,159
Port call passengers (No)	106,741 - 161,259
Turnaround passenger (No)	900 - 55,418
Crew (No)	60,496
Total annual expenditure	€10.9 - 18.0m
Estimated annual expenditure in Dún Laoghaire excluding tariff revenue	€5.5 - 9.0m
Economy-wide output (€m)	€17.2 - 28.4m
Economy-wide GVA (€m)	€10.7 - 17.6m
Estimated base estimate of annual expenditure in Dún Laoghaire including estimated tariff fees from cruise operators	€7.5m
<i>Source: Indecon analysis of Fáilte Ireland and CSO data</i>	

5.10 Operation and Maintenance (O&M) Base to Support Offshore Renewables

Offshore wind will be a key energy source for Ireland to meet its national and international commitments regarding reducing carbon emissions. The Programme for Government set out a commitment to an average 7% per annum reduction in overall greenhouse gas emissions from 2021

⁵ Indecon understands that there is currently a projected cruise income of €1.541 million for 2022 and €1.689m for 2023. This however is based on current rates / charges. Indecon believes that targeting of a minimum of €2.5m per annum is appropriate and there may be potential to significantly increase this in line with our recommended increase in tariffs. We have however only included €2m in our modelling.

to 2030 (a 51% reduction over the decade) and to achieving net-zero emissions by 2050.⁶ The targets for offshore wind, given in Programme for Government in 2020, is for 5GW by 2030. To reach such goals, capacity needs to be built in the short to medium term, which include access to Harbours for the construction and servicing of offshore wind farms. The Irish Sea is likely to play a particularly important role in this regard in the generation of offshore wind energy due to the proximity to market, availability of grid, and water depth. In May 2020, seven bottom-fixed offshore wind (BFOW) projects were given 'relevant project' status in the context of the new Marine Planning and Development Management Bill. Developers of 'relevant projects' will be facilitated over earlier stage projects when the new offshore consenting regime comes into play. Indecon understands that offshore projects have the potential to deliver 3.8GW as part of Ireland's strategy to deploy 5GW of offshore wind between now and 2030. Figure 5.8 below shows the operational, consented and relevant BFOW projects in the Irish Sea. Dún Laoghaire Harbour offers the potential as a base for offshore wind operations and maintenance (O&M).



Indecon would note that mixed views were expressed on the potential for Dún Laoghaire Harbour to support offshore renewable activities. Indecon believes that this represents an important development option but needs to be carefully planned so as to ensure priority to the recreational and leisure users.

⁶ "Programme for Government: Our Shared Future", 2020.

Table 5.13: Findings from Consultation Process on Potential to Support Offshore Renewables at Dún Laoghaire Harbour

"Offshore Windfarms on the Kish, Bennet & Bray banks are inevitable; Dún Laoghaire Harbour could be the base from which they are installed and serviced."
"Any commercial activity promoted by the Council for the Harbour should support the cultural, leisure and historic aspects of the Harbour and its use for industrial applications, such as windfarm construction/service, is not appropriate."
"If the Harbour is to see increased commercial traffic due to the windfarm project, it is necessary for there to be marine operatives in Dún Laoghaire for safety to be maintained."
<i>Source: Examples of Views Suggested to Indecon Consultation Process on Dún Laoghaire Harbour</i>

5.11 Other Potential Development Options

As part of our research and consultations, a range of other potential development options were identified. Some of these have merit if they can be accommodated with the other plan. One opinion concerns a potential increased role for the Naval Service. The Irish Naval Service uses Dún Laoghaire Harbour for various reasons including personnel transfers, logistical resupply and routine maintenance. Up until the mid-2000s Naval Service vessels would routinely operate from the East Pier. In more recent times Carlisle Pier and St. Michael's Pier have also been used. We understand that the opportunity to enhance the utility of the Dún Laoghaire Harbour Naval Operations is currently being considered by the Naval Service.

5.12 Summary of Development Options

In examining development options, Indecon would note the importance of continuing to facilitate existing sporting clubs, fishing and other users of Dún Laoghaire Harbour. These include leisure users, the main yachting and sailing clubs, other water sport activities, marine-related businesses, fishermen, agencies, residents and other users. Our analysis has highlighted the diversity and strengths of existing activities as well as the scale of their socio-economic impacts. It will be critical in considering future new options for the Harbour that existing users are facilitated. However, there is also a need to expand uses to ensure the financial viability of the Harbour and to maximise its socio-economic impact. In addition to facilitating existing users, a number of potential development options are available to the Harbour, including:

- Ferry Terminal Innovation Centre
- Facilities for Marine Enterprises
- Recreation and Amenity Access for Residents and Visitors
- National Watersports Campus
- Cultural, Heritage and Activity-Based Tourism
- Selective Expansion of Cruise Business
- Operations and Maintenance Base for Offshore Renewables
- Other Potential Options.

6 Strategic Recommendations for Future of Harbour

6.1 Introduction

In this section, we set out strategic recommendations as inputs to guide the future of Dún Laoghaire Harbour, based on the preceding analysis and assessment. These recommendations also take account of the need to meet the integrated vision for the Harbour and those of the Town. The recommendations in this report are designed not only to support the viability and appropriate use of the Harbour, but to ensure the social and economic development of the Town is enhanced. The recommendations for the Harbour are designed to be complementary to and not in competition with activities in the Town. Dún Laoghaire Rathdown County Council in developing an overall LAP should ensure that the designation of uses is consistent with this principle of complementarity in the location of activities. In developing the strategy for the Harbour, we have been very conscious of the importance of the integration of the Harbour with the Town so as to maximise the overall benefit for Dún Laoghaire and its residents. Conscious of the priority given to this, the strategy for the Harbour has sought to increase the number of visitors to the area but also to deepen the benefits to the Town of those who visit or participate in activities in the Harbour. The interaction with the Town will be therefore enhanced by our proposed initiatives to attract additional tourists and other visitors to the area and to encourage the movement of visitors between the Harbour and the Town.

6.2 Need to Address Challenges

The realisation of the potential of the Harbour and of the Town will require that action is taken to successfully address the identified challenges and to build on the strengths of the Harbour. The three main areas which should be given priority in the economic plan for the Harbour are to implement a financial economic recovery plan, to increase linkages with the Town, and to maximise the economic and social impact of the Harbour. These objectives require the development of existing uses and the attraction of new or expanded activities. Achieving these objectives should be pursued within the context of enhancing accessible recreational opportunities and respecting the important heritage of the Harbour.

Table 6.1: Summary of Key Challenges for Dún Laoghaire Harbour

1. Implement Financial Economic Recovery Plan for Harbour
2. Increase economic linkages between Harbour and Town
3. Maximise economic and social impact of Harbour
<i>Source: Indecon</i>

Implement Financial Recovery Plan for Harbour

Despite the scale of the current economic and social contribution of the Harbour, a major challenge is to ensure its future financial viability and to have sufficient resources to invest in the maintenance and long-term development of this national asset. In this context, it is clear to Indecon that measures are needed to enhance the financial performance of the Harbour. Addressing the annual financial deficit and securing the resources to enhance the potential economic and social contribution of the Harbour to the Town is a key challenge. While many interesting opportunities for investment in the Harbour have been suggested, a critical issue is the funding constraints on any proposed developments, given the financial position and limited resources available.

Maximise Economic and Social Impact of Harbour

An important challenge is to maximise the wider economic and social impact of any developments in the Harbour. Dún Laoghaire Harbour should not be seen as only or even mainly as a commercial operation and the objective of any plan for the Harbour should be to maximise the benefits for the citizens of Dún Laoghaire and for Ireland. This requires consideration of the potential for the Harbour to support the creation of employment and skill opportunities and to enhance tourism and retail expenditures in the wider DLRCC. Ensuring the Harbour contributes to national objectives for climate change and economic recovery is also important.

Increase Economic Linkage between Harbour and Town

The separation of the Harbour and the Town represents a major loss in opportunity. Indecon is appreciative of the opportunity to work in co-operation with KPMG/FA in developing an integrated vision for the Harbour and the Town. Ensuring that there are strong social, economic and infrastructural linkages between the Harbour and the other parts of the DLRCC area can be achieved through a variety of means. These include attracting additional tourism to the area. Investments in physical and other social infrastructure to enhance the public realm and accessibility between the Harbour and Town will also be important. This will require increased walkways and signage.

6.3 Strategic Recommendations

The table below summarises the key strategic recommendations, which should guide the future development plans for the Harbour. In implementing the recommendations, a case is needed to ensure that any short-term activities do not hinder other more beneficial long term uses. Complementarity in land use policies with the Town is also critical.

Table 6.2: Summary of Strategic Recommendations
1. Government Action should be taken to Support National Potential of Harbour
2. Support Continued Development of Existing Uses in the Harbour
3. Targeted Expansion of Cruise Business
4. Increase Tourism and Other Visitors to Dún Laoghaire
5. Develop Dún Laoghaire as an Operation and Maintenance Base to Support Offshore Renewable Energy
6. Maximise use of Existing Ferry Terminal
7. Marketing of Harbour and Town
Source: Indecon

Recommendation 1: Government Action should be taken to Support National Potential of Harbour

While responsibility for the Harbour has been allocated to Dún Laoghaire-Rathdown County Council, Indecon believes that its full potential cannot be achieved without supportive government policies as outlined below:

- Investigation of the feasibility of designation of Dún Laoghaire Harbour and other key fishing ports in coastal communities as Strategic Enterprise Zones. Measures to encourage businesses to locate at such zones would be required if this is to have a significant impact. This is particularly important arising from the potential impact of Brexit on coastal and fishing communities.
- Address legacy leasing ownership issues to facilitate the sustainable development of the Harbour. Ownership of all relevant lands should be transferred to Dún Laoghaire Harbour Company at no cost so as to not exacerbate the financial challenges facing the Harbour. We understand this mainly relates to the land at St Michael's Pier, which is needed to facilitate several of the identified development options. We were informed that the Harbour Company (when it existed) had received legal advice that it owned the foreshore. Indecon believes that issues around the ownership of this land need to be resolved to allow for the DLRCC to plan for the future viability and enhancement of the Harbour. This should include reclaimed land and any necessary parts of the foreshore.

Recommendation 2: Support Continued Development of Existing Uses in the Harbour

The existing users of the Harbour are of key importance. These include world-class sporting organisations, marine businesses, fishing activities, existing residents and other agencies. The economic plan for the Harbour should support the continued development of these uses. It is, however, in the long-term interests of existing users that additional activities are attracted to support the overall viability of the Harbour. There will therefore be a need to facilitate new uses and to carefully manage the trade-offs in the location of any expansion in existing uses. Specific measures which are recommended to support existing uses include the following:

- Investment in maintenance and development of Harbour infrastructure: There will be a continued need to invest in the Harbour. The ongoing cost of maintaining the infrastructure needs to be considered when reviewing the development options.
- Continue to focus on operational efficiencies and cost containment: While there are no immediate areas for significant cost reductions identified, there is a need to continue to ensure containment of operating costs. The potential for major cost efficiencies is, however, likely to be limited.
- Work with existing Harbour users to facilitate their operations: There is an existing base of Harbour users, which have important economic and social impacts. Indecon believes that a number of potential development opportunities can be investigated while continuing to accommodate the need of existing users. In developing new opportunities, care must be taken to protect the existing uses of the Harbour.

- Create facilities for marine enterprises: Indecon believes that there is some potential to create and expand facilities for existing and new marine businesses. This could take the form of a mini ‘business park’ for marine enterprises in the Harbour, with adequate quayside space and a workshop environment. There would be flexibility as to where in the Harbour this would be located based on other demands on space.
- Continued support for increased fishing landing where consistent with other users. Dún Laoghaire is a working Harbour and the need of users including the fishing sector should be respected. There is likely to be potential to increase fish landings at the Harbour consistent with other users. Indecon understands that there has been an increase in fish landings in recent months.

Recommendation 3: Targeted Planned Expression of Cruise Business

An uncontrolled expansion of cruise businesses would not be in the interest of Dún Laoghaire-Rathdown, or in meeting climate change objectives. Indecon believes that a targeted expansion of selective cruise businesses would be an important element of a sustainable economic plan. This should, however, be undertaken in a planned way that would not damage existing users. Also of note is that while EU regulations and best practice have significantly reduced environmental impacts, we do not recommend that Dún Laoghaire should attract mass cruise tourism such as that witnessed in some other European cities. Barcelona for example had over three million cruise passengers in 2019. This level of cruise tourism would bring significant economic activity but also costs due to environmental and other impacts, including on traffic congestion. It would also not be consistent with respecting the value of the existing sailing and other users. While this level of cruise tourism would not be desirable for Dún Laoghaire, a targeted expansion of cruise tourism would contribute to the financial viability of the Harbour and enhance the economic and social impact on the Town. We envisage that an appropriate level of cruise business for Dún Laoghaire should be confined to passenger numbers representing a small percentage of the level evident in some other cities. For example, a maximum of 7.5% or less of the levels evident in Barcelona may be appropriate. Indecon recommends the following:

- Jointly with cruise companies undertake initiatives to facilitate expansion of appropriate cruise business: There remains significant potential for the expansion of cruise traffic into Dún Laoghaire to create jobs and economic activity and provides revenue for the Harbour. This needs to be planned in a way that is consistent with other users. The potential for a floating marina, which would have a wider use than accommodating cruise dockings, should also be investigated. It may be possible to reach commercial agreements to have this project funded by users. The wider impacts of this should however be carefully considered.
- Introduce incentive tariffs for cruise business and support scheme for new routes: Indecon believes that there is significant merit in using harbour tariffs to selectively expand cruise traffic and to target the type of cruises which will maximise economic benefits for the tourism and contribute to the viability of the Harbour. The tariffs, however, should reflect the attractiveness of Dún Laoghaire and take account of the constraints on Dublin Port. We believe that this implies the potential to significantly increase tariffs for cruise business for Dún Laoghaire. The application of airport type tariff incentives which have been used to expand increased airline traffic and routes should be considered in a way which targets selective high-value cruises.

- While overall revenue per cruise visit should increase significantly, we recommend the provision of tariff concessions for cruise businesses which facilitate visitors to the Town centre. This could involve reduced tariffs for cruises who organise a targeted number of visitors to the Town. This could involve the provision of coach transport links and other services in association with operators. The increased revenue arising from cruise business would support the financial viability of the Harbour and help fund necessary infrastructure which would benefit sailing and other users.

Recommendation 4: Increase Tourism and Other Visitors to Dún Laoghaire

Attracting additional visitors, particularly those who stay and spend in the area represents a significant opportunity. This would be consistent with maximising the wider economic and social benefits of the Harbour. Indecon recommends the following actions to increase tourism and other visitors:

- Promote Dún Laoghaire as a tourism location jointly with Fáilte Ireland: There should be increased investment in the promotion of the Harbour and the Town to both domestic and international visitors. This is consistent with Fáilte Ireland's strategy of optimising and promoting existing outdoor assets and developing and promoting water-based activities.
- Expand water sport tourism offerings and facilitate enhanced access for residents and other visitors. While there exists a strong tradition of water sports in the Harbour, much of this is through private membership clubs, with limited access for the general public. There is a potential, through the completion of the water sport campus or through some other means, to expand access to the water to occasional users. The provision of enhanced showering/changing/other facilities will also be required.
- Consider leasing of land for new waterside hotel development. There is a potential to develop a waterfront hotel in the Harbour. This could create a year-round level of activity resulting in significant spin-off opportunities for the Town including local employment, while also generating revenues for the Harbour. A high-quality hotel could potentially transform the evening and daytime ambience of the Harbour.
- Provide facilities for wind surfing and other sporting activities: Consideration should be given to expanding the facilities for other sporting activities, particularly if they are not covered by the water sport campus.
- Support the new National Water-Based Campus if the feasibility study is positive and if funding can be achieved. The proposed National Water Sports Campus represents an important opportunity to expand access to the Harbour, while also creating a centre of excellence in Ireland for water sports. In choosing locations within the Harbour care must be taken, where possible, not to restrict alternative uses, and ensure that it retains its character as a working Harbour.
- Enhance heritage attractions of the Harbour. The Harbour is an important heritage and amenity asset for Dublin and for Ireland as well as for local residents. The enhancement of the unique history and heritage of the Harbour is important.

Recommendation 5: Develop Dún Laoghaire as an Operation and Maintenance Base to Support Offshore Renewable Energy

The Harbour has the potential to play an important role in supporting offshore renewable energy. This is consistent with national climate change objectives. Indecon notes that the National Energy and Climate Plan 2021 -2030 includes a goal of increasing the offshore renewable contribution to decarbonisation involving 5GW of capacity in offshore wind by 2030. This is a separate issue from any individual decisions on the granting for offshore wind farms. The opportunity identified is to use Dún Laoghaire Harbour to service the operation and maintenance of offshore renewable energy. To facilitate this, we recommend:

- Harbour to provide facilities to support offshore renewable operation and maintenance activities (O&M). Offshore wind will be a key energy source for Ireland to meet national and international commitments regarding reducing carbon emissions. The Irish Sea is likely to play a particularly important role in this regard in the generation of offshore wind energy. Providing facilities to support this should be pursued.
- Market Harbour as a location for windfarm O&M. The promotion of Dún Laoghaire Harbour as a base for O&M activities represents a potential long-impact on development opportunities.
- Work with local HE/FET sector to support enhancement of the skills required to develop expanded offshore renewables O&M activities. The HE/FET sector in DLRCC is a resource that should be integrated with plans to develop O&M activities.
- Ensure that in planning any O&M activities that the scale, location and nature of the projects are consistent with wider leisure and amenity uses of the Harbour.

Recommendation 6: Maximise use of Existing Ferry Terminal

Indecon's analysis indicates that the development of the former ferry terminal as a business innovation centre would have significant economic and social benefits for the area. We therefore strongly support the following:

- Work with leaseholders to promote Ferry Terminal Business Innovation Centre: The proposed use of the ferry terminal as a business centre will create economic activity in the Harbour on a year-round basis. This project also represents an opportunity for integration between the Harbour and the Town.
- Undertake supportive investment in maintenance works: While the main investment costs of the redevelopment of the ferry should be the responsibility of any proposed new leaseholder, there will be a need for some supportive investment in maintenance works. We understand this relates to the upgrading of mechanical and electrical works.
- Support the investment of higher and further education sector in the development of the skills required for the businesses and creative activities planned for the proposed Innovation Centre. Ensuring the skills are available to support the creative and other activities proposed for the Innovation Centre is important in maximising the local benefits of this proposed development.

Recommendation 7: Marketing of Harbour and Town

The unique characteristics of Dún Laoghaire open up significant potential opportunities to attract additional recreational visitors and tourism. This will be key in achieving the vision outlined for the Harbour and Town. This will require:

- Integrated marketing which removes any disconnect between the Harbour and the Town.
- A co-operative plan with sporting organisations, businesses and state agencies to market the attractions of Dún Laoghaire.

6.4 Conclusions

Indecon believes that the proposed recommendations will help guide the sustainable development of the important national asset. The scale of the challenges faced by the Harbour should, however, not be underestimated.