Irish Urban Planning Under a Neoliberal Agenda

Dr. Niall A. McCrory
Centre for Urban and Regional Studies, Trinity College Dublin

Much academic attention and debate has been given to the use of and imposition of a Special Purpose Development Authority (SPDA) to Irish urban planning in the 1980s and 1990s to redevelop the Custom House Docks (later enlarged to encompass Dublin docklands). This newly-created agency marked a radical shift in the philosophy guiding urban planning in Ireland towards more overtly facilitative entrepreneurial systems of engagement with the property-development sector. Vested with planning powers to ‘fast-track’ planning and development, the Irish SPDA expropriated planning powers entirely from the local authority marginalising planners’ functions in certain locations. Few studies have, however, attempted to document turn-of-the-century shifts in Irish planning by examining more recent changes in the planning code. This paper will attempt to demonstrate how recent changes in the Planning and Development Acts since 2000 only serve to illustrate the inherent bias of Irish urban planning towards favouring private capital over the interests of the ‘common good’ by providing an exploration Irish urban planning under a neoliberal agenda.

Key words: Neoliberalism, Irish urban planning, Planning and Development Act, Special Purpose Development Agency

This paper reviews the changing role of Irish urban planning under a neoliberal agenda by examining the planning code and the extent to which private-sector demands are overtly facilitated over the common good. Dublin’s inner city was also characterised by a façade of dereliction and decay during the 1980s. Acutely aware of the problems besetting the inner city, the Urban Renewal Act, 1986 and Finance Act, 1986 encouraged renewal in designated areas of the city. Moreover local-authority planning was considered bureaucratic and too inflexible to be able to tackle the scale of Dublin’s inner city problems thus a Special Purpose Development Authority (SPDA) was established to redevelop the Custom House Docks. The Custom House Docks Development Authority (CHDDA) was set-up and vested with planning powers to ‘fast-track’ planning and development expropriating power from the local-authority and alienating local-authority planners during the 1980s and 1990s. Few studies, however, have attempted to document turn-of-the-century shifts in Irish planning under a neoliberal agenda by examining recent changes in the planning code. This paper will attempt to demonstrate how recent changes in planning legislation only serve to illustrate the inherent bias of Irish urban planning towards favouring private capital over the interests of the common good.

1 Neoliberal Agendas

The 1980s was probably one of the toughest decades of the twentieth century for Ireland; the economy was badly mismanaged; the country was teetering on the edge of bankruptcy; unemployment increased from 10 per cent in 1981 to 17 per cent by 1986; and there was also a resurgence in emigration (Allen, 2000; Clinch et al., 2002; Haughton, 1998; Lee, 1986; Nolan et al., 2000; Sweeney, 1998). Literature on Irish development is dominated by accounts that identify the state as being culpable for Ireland’s poor economic performance up until the 1990s. Fianna Fáil’s election programme in 1977, for example, is considered as ‘one of the great mistakes of Irish economic policy in the twentieth century’ (Sweeney, 1998, 39); the party promised to eliminate rates on domestic dwellings

https://doi.org/10.33178/chimera.26.4
https://creativecommons.org/licenses/by-nc-nd/4.0/
and car tax and when in office, engaged in a massive programme of public spending by borrowing excessively in order to meet day-to-day expenditure sending Ireland toward spiralling national indebtedness (Lee, 1989; Sweeney, 1998, 1999). The 1980s was also a time of political turmoil as voter dissatisfaction led to a series of short-lived, collapsing governments:

‘Governments during the 1980s rarely served out their full term, and at one stage three general elections were held within a period of just 18 months’ (De Boer-Ashworth, 2004, 6).

Following the general election of 1987, Fianna Fáil, recognising that the ‘dominance of Keynesian economic ideas had declined’ (Walsh, 1986, 68), reneged on its election pledges when it introduced a cuts package of IRL£485 million which included dramatically reduced public spending, closing hospital wards and making more than 20,000 public servants redundant (Allen, 2000; Collins, 2007; De Boer-Ashworth, 2004; Haughton, 1998; O’Gráda, 1997; Sweeney, 1998, 1999). In an effort to curb industrial unrest and win support for Fianna Fáil’s austerity measures, Charles Haughey forged a tripartite alliance between the state, employers and the unions through the Programme for National Recovery (PNR), which reflected the three core principles of neoliberal orthodoxy by urging the social partners to follow a policy of wage restraint, massive public spending cuts and large-scale public-sector redundancies, and a reduction in taxes to encourage enterprise by multinational corporations (Allen, 2000; Collins, 2007). Moreover, despite promising the unions that Fianna Fáil would not sell off any commercial State-Owned Enterprises (SOEs), the first privatisation of a public enterprise, that of Cómhluucht Siúicre Éireann (Greencore), occurred under the first Fianna Fáil-PD coalition in 1991. Palcic and Reeves (2004, 7) identify those SOEs that have undergone commercialisation over a ten year period between 1991 and 2001 under successive Fianna Fáil administrations:

<table>
<thead>
<tr>
<th>Company</th>
<th>Year</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cómhluucht Siúicre Éireann</td>
<td>April 1991</td>
<td>Sugar/food</td>
</tr>
<tr>
<td>Irish Life</td>
<td>July 1991</td>
<td>Insurance</td>
</tr>
<tr>
<td>B&amp;I</td>
<td>1992</td>
<td>Shipping</td>
</tr>
<tr>
<td>Irish Steel</td>
<td>1994</td>
<td>Steel</td>
</tr>
<tr>
<td>Eircom</td>
<td>1999</td>
<td>Telecommunications</td>
</tr>
<tr>
<td>ICC Bank</td>
<td>January 2001</td>
<td>Banking</td>
</tr>
<tr>
<td>TSB Bank</td>
<td>April 2001</td>
<td>Banking</td>
</tr>
<tr>
<td>INPC</td>
<td>May 2001</td>
<td>Energy</td>
</tr>
<tr>
<td>ACC Bank</td>
<td>December 2001</td>
<td>Banking</td>
</tr>
</tbody>
</table>

The emergence of Public Private Partnerships (PPPs) in the 1990s also marked the ‘manifestation of the neo-liberal transformation of the role of the state’ (Hearne, 2006, 1) as the government concentrated on enabling and promoting the private sector. The Fianna Fail-PD coalition government commissioned a report (Farrell Grant Sparks) in 1998 which examined the potential use of PPPs in Ireland in the provision of public services; one year later, in line with recommendations from the report, a number of PPP projects were approved ranging from waste collection services and wastewater treatment plants to motorways, schools and the regeneration of social-housing estates (Hearne, 2006; 2012). Dublin City Council (DCC), more than any other local authority, has promoted the use of PPPs in local-authority housing regeneration (Brudell et al., 2004; Drudy & Punch, 2005; Hearne, 2006; Kelly & MacLaran, 2004; McGuirk & MacLaran, 2001):

‘Fatima PPP is a pioneering flagship project for the housing sector...From the start I believed that the PPP option had the potential to deliver the regeneration in a more timely manner than would normally be the case using the traditional procurement methods. And this is why I supported the City Council on choosing this approach for Fatima’ (Bertie Ahern, 2005 quoted in Hearne, 2006, 6-7).

Neoliberalism has also infused the planning code through legislation since the 1980s. Dublin’s inner city was characterised by a landscape with over 600 cleared sites and derelict buildings totalling 65 hectares presenting a façade of dereliction and dilapidation during the 1980s (McGuirk & MacLaran, 2001; MacLaran & Williams, 2003). The inner city therefore became the focus for urban renewal when Fine Gael-Labour brought forward legislation in
the Finance Act, 1986 and Urban Renewal Act, 1986 which created a significant package of incentives aimed at encouraging renewal to deal with urban decay in the inner city (Bannon & Bradley, 2007; Drudy & MacLaran, 1994; MacLaran, 1993). The Finance Act, 1986 for example encouraged the private-sector to invest in and engage in renewal of the inner city by providing special tax reliefs in designated areas (Bannon & Bradley, 2007; Bartley & Treadwell-Shine, 2003; Bissett, 2008; Drudy & MacLaran, 1994; MacLaran, 1993, 1999; MacLaran & Williams, 2003). While this package of financial incentives provided a major stimulus to property development and ‘propelled the property development sector into rising levels of activity’ (MacLaran & Kelly, 2007, 73), Brudell et al. (2004) criticise this new approach claiming it fostered a closer (and overt) co-operation central government and the private-sector thereby ushering in a new era of urban politics where local growth and economic development take precedence over the welfare and service needs of people:

“Cities under capitalism are structured and built to maximise the profits of real estate capitalist and industrial corporations, not necessarily to provide decent and liveable environments for all urban residents” (Feagin, 1983, 3)

Local-authority planning was also considered ‘bureaucratic and too inflexible’ (Bissett, 2008, 16) to tackle the scale of the city’s problems. The Urban Renewal Act, 1986 therefore empowered the Minister for the Environment to designate certain areas of the city as being in need of renewal. This provided for the establishment of a Special Purpose Development Agency (SPDA) in a derelict part of the docklands - the Port and Docks Board’s 11 hectare Customs House Docks site - in the northeast inner city. Modeled on, and drawing upon the experience of Urban Development Corporations (UDCs) in Britain, most notably in London Docklands, Custom House Docks Development Authority (CHDDA) operated entirely outside the jurisdiction of Dublin Corporation Planning Department and was ‘endowed with planning powers to streamline planning controls and possess the operational and financial powers to undertake infrastructural developments, acquire land, reclaim it and dispose of it at a subsidised cost to private-sector developers’ (MacLaran, 2003, 10). Private-sector development permission was ‘granted en masse to a single all-embracing plan covering the redevelopment’ (McGuirk, 1994, 292) of this area of the city. Local-authority planners at Dublin Corporation saw their powers completely expropriated by the establishment of CHDDA. This raised important questions regarding the nature of the approach to planning and the relationship to the surrounding local authority:

“The vesting of planning powers in a pro-development body...runs the risk of challenging the legitimacy of the urban planning system itself by exposing it as a tool for legitimating the unequal distributional outcomes of the development process” (MacLaran, 1993, 107).

CHDDA was subsumed by the Dublin Docklands Development Authority (DDDA) under legislation in 1997 to encompass redevelopment and regeneration of a larger area (526 hectares) of Dublin’s docklands (Bannon & Bradley, 2007; Bissett, 2008; MacLaran, 1993). Hailed a major economic success by some commentators, Docklands SPDA prompted phenomenal demand for office space following the establishment of the International Financial Services Centre (IFSC) where there were ‘no restrictions on foreign currency transactions nor any capital gains tax on trading income generated within the centre’ (MacLaran, 1993, 218) in internationally-traded financial services, including banking, asset financing, investment management, and specialised insurance operations. There was also to be a reduced corporation tax rate (ten per cent) for companies approved by the Industrial Development Authority (IDA) as being engaged in off-shore activities. Upon laying the foundation stone for IFSC, Haughey said "we are determined that this project will succeed and we will take whatever action is necessary at government and administrative level to ensure that no obstacle or difficulties will be permitted to prevent its full success" (quoted in McGuirk, 1994, 292). The focus, however, on establishing the IFSC at the site led to a predominance of office activities and a limited amount of residual development. The resulting mono-functional landscape has been ‘lacking in trickle-down benefits for the local indigenous communities’ according to Bartley & Treadwell-Shine (2003, 151). This new form of privatised planning marginalised local-authority planning and engendering feelings of alienation and disillusionment among local-authority planners as to what master urban planning now served (McGuirk & MacLaran, 2001). The desire among local-authority planners for renewed relevance in the urban planning system therefore ‘necessitated a major reorientation of planning towards an entrepreneurial approach facilitative of property capital rather than some nebulous concept of defending the public interest or common good’ (MacLaran & Williams, 2003, 168) as central government-led initiatives demanded that local authorities adopt a ‘can-do’
entrepreneurial culture and seek to promote a more ‘pro-active’ agenda in which urban planning would increasingly become overtly facilitative of private-sector property development (Ibid.). Such a reorientation of Irish urban planning put local authorities under increasing pressure to respond in a pro-active manner to private-sector development opportunities. Dublin City Council, in particular, became aligned with the prevailing ideology by the early 1990s as reflected in its ‘new business-oriented management ethos’ (Bartley & Treadwell Shine, 2003, 145) and the establishment of an Inner City Development Team (ICDT) which was expressly pro-development and thus acted as a catalyst for renewal by using the sale of inner city corporation-owned sites, for which exchequer funding for development was unlikely to be forthcoming, to broker development deals and engender renewal (Kelly & MacLaran, 2004; McGuirk & MacLaran, 2001). Designated Areas were specifically marked out by Dublin City Council as suitable locations for profitable development and to provide a facilitative channel through which prospective private-sector developers could be directed.

The work of Pauline McGuirk is foundational in charting the shift in Irish planning philosophy and practice during the 1990s, however, and with the notable exception of Conroy (2007), Fox-Rogers et al. (2011) and Grist (2008, 2012), few studies have attempted to document turn-of-the-century shifts in Irish planning under a neoliberal agenda by examining recent changes in the planning code. Fox-Rogers et al. (2011, 650) for example, consider the Planning and Development Act, 2000 as reflecting ‘an overall desire to streamline and expedite the planning process in response to pressures from the construction industry’. Indeed, Fox-Rogers et al. (2011) point to new procedures, namely the establishment and designation of Strategic Development Zones (SDZs) and Part V social and affordable housing provision, as facilitating the interests of private development capital:

‘The power to designate SDZs is an example of the Government's desire to retain the power to intervene in the planning process’ (Fox-Rogers et al., 2011, 655).

Under Part IX of the Planning and Development Act, 2000 the Government is empowered to designate a site for the establishment of an SDZ. Following designation, the relevant local planning authority has two years to prepare a draft planning scheme consisting of a written statement and a plan indicating the manner in which it intends the designated site be developed. Appeals to An Bord Pleanála (ABP) concerning the decision to adopt an SDZ can be made within four weeks of the date of submission however this is limited only to those individuals/groups that made submissions thereby raising serious concerns regarding the rights of third party appellants. Moreover, once ABP grant permission for the SDZ, the relevant planning authority is obliged to grant planning permission for applications that are in accordance with it and there is no right of appeal against the planning authority's decision (Fox-Rogers et al., 2011). Developers have always sought direct access to local-authority planners another feature of SDZs under the Planning and Development Act, 2000 is pre-planning application discussions between developers, local-authority planners and senior management, as observed by Grist (2008, 3):

‘...provisional agreements can be reached unconsciously in pre-application discussions on projects, even by careful and highly ethical officials who have no intention of prejudicing the subsequent decision-making process. These are very real issues, which...arise in the context of pre-planning consultations held at local level under s.247 of the 2000 Planning and Development Act’.

A provision to address the chronic shortage of social and affordable housing in the State was also contained in the Planning and Development Act, 2000 under Part V. Implementation of Part V was to be achieved through the development control system whereby local authorities impose a condition to the granting of planning permission demanding a developer to provide up to 20 per cent of a housing development site for social and affordable housing at existing use rather than market value (Conroy, 2007; Fox-Rogers et al., 2011). Developers opposed Part V in highly sought after areas where residential property prices were at a premium believing that the social and affordable element of Part V would discourage prospective buyers from investing in property. Developers therefore lobbied the government in an attempt to retain the full 100% of the scheme so as to maximise residential housing and apartment sales (Fox-Rogers et al., 2011), however, despite such opposition Part V was found to be constitutional by the Supreme Court which ‘recognised that the serious social problems created by the then housing crisis warranted interfering with constitutionally protected property rights’ (Grist, 2012, 82). The Planning and Development (Amendment) Act, 2002 capitulated to developers’ demands and the requirement to provide up to 20 per cent of a development site for social and affordable housing was amended; Part V of the Planning and Development
Amendment) Act, 2002 still obliged developers to comply with their social and affordable accommodation obligations albeit by two additional options (Conroy, 2007):

- Provision of land and/or sites at a different location within the functional area of the planning authority
- Payment of a specified sum of money, which the local authority would subsequently use for social and affordable housing purposes

Such provisions run counter to the logic of Part V as the amended legislature has actually facilitated developers in such a way that they may avoid providing social and affordable housing in locations where it is actually needed and the avoidance of undue segregation in the provision of housing has been completely negated by the amended Part V provisions (Fox-Rogers et al., 2011). The Planning and Development (Strategic Infrastructure) Act, 2006 principally saw the role of ABP ‘shift from a decision-maker of proposed developments to a facilitator of strategic infrastructure development’ (Grist, 2008, 7). The Planning and Development (Strategic Infrastructure) Act, 2006 set out 28 classes of development that potentially can constitute Strategic Infrastructure (SI) and application for permission for strategic infrastructure is grouped under three headings relating to energy, transport and environmental infrastructure (Fox-Rogers et al., 2011; Grist, 2011). The 2006 Act introduced a procedure allowing planning applications to be bypassed from local-authority planning level adjudication by gifting ABP a significant range of new powers to hold meetings and discussions with the promoters of major projects before an application is submitted and advice is given to the applicant regarding the procedures involved and the considerations which may have a bearing on the Board’s decision. The statutory rights of third-party appellants are therefore not on an equal footing to those of first-party private-sector development interests (Grist, 2008) and this was a marked departure from previous legislation which protected ABP from direct contact with appellants so as to ensure that decisions on planning appeals had always been granted on merit and adherence to the development plan rather than through private-sector pressure and coercion:

‘Under all previous legislation, contact with the Board was by written submission only, except where the Board exercised its discretion to have an oral hearing, at which all parties had equal right of audience’ (Fox-Rogers et al., 2011, 652).

One of the major changes in the Planning and Development (Amendment) Act, 2010 is the obligation for local authorities to demonstrate that their development plan is compatible with the National Spatial Strategy and regional planning guidelines (Grist, 2012). Under Section 27 of the Planning and Development Act, 2000 the planning authority ‘shall have regard to any regional planning guidelines in force for its area when making and adopting a development plan’. This provision, however, did not actually require the local authority to rigidly comply with the National Spatial Strategy and regional planning guidelines’ recommendations or to adopt fully the strategies and policies outlined therein. The Planning and Development (Amendment) Act, 2010 amended Section 27 to ensure that the local authority develop a core strategy so that the development plan is ‘consistent with any regional planning guidelines in force for its area’ (S.16, 2010). This amendment, however, is watered down by Section 7 (2010) which states that development objectives in the development plan are ‘consistent, as far as practicable, with national and regional development objectives set out in the National Spatial Strategy and regional planning guidelines’ thereby undermining the objective to be achieved. In addition, the options made available to developers in fulfilling their social and affordable accommodation obligations have increased under the Planning and Development (Amendment) Act, 2010. Under Section 38 it is now possible for developers to enter ‘into rental accommodation availability agreement...with the planning authority’ (S.38, 2010) or to the ‘grant of a lease to the planning authority of built houses on the land which is subject to the planning application, or any other land within the functional area of the planning authority’ (S.38, 2010). These options are available in lieu of, or in conjunction with, transferring land and sites or the payment of a specified sum of money to a planning authority made available through the Planning and Development (Amendment) Act, 2002.
2 Conclusion

The aim of this paper was to examine the impact of neo-liberalism on the theorisation of Irish urban planning, which must be considered a reflection of the political culture of the time. Charles Haughey, for example, was critical in redefining the role of the State when he became Taoiseach in 1987 and he had both the ruthlessness and the drive to implement the necessary changes following the establishment of CHDDA which precipitated radical change in the philosophy guiding Irish urban planning. The imposition of this SPDA in Irish planning resulted in the marginalisation of local-authority planning and alienation of local-authority planners as the public sector had been excluded from (re)development in Dublin’s docklands. Since then successive Fianna Fáil governments have also espoused a free-market, developer-led type development and further infused Irish urban planning with a neoliberal ethos by empowering the private sector. Although few studies have attempted to document turn-of-the-century shifts in Irish planning under a neoliberal agenda by examining recent changes in the planning code, Fox-Rogers et al. (2011) and Grist (2008, 2012) have shown that the Planning and Development Acts since 2000 support the interests of private-sector development interests through SDZs (Planning and Development Act, 2000), the (amended) provisions of Part V social and affordable housing (Planning and Development Act, 2002), the shifting role of ABP from a decision-maker of proposed development to a facilitator of strategic infrastructure development (Planning and Development (Strategic Infrastructure) Act, 2006), and how local-authority development objectives in the development plan are ‘consistent, as far as practicable, with national and regional development objectives set out in the National Spatial Strategy and regional planning guidelines’ (Planning and Development (Amendment) Act, 2010). While this paper provides an exploration of the evolution of the theorisation of the role of the Irish urban planning system under a neoliberal agenda in recent decades, it is really a small step towards understanding an enormously complicated field. Ultimately it is hoped this research will contribute to the understanding of the neoliberal infusion in Irish urban planning and how the demands of the private sector are being overtly facilitated over the common good. That many issues suggest themselves for attention at the end of this paper is to be expected, thus, this conclusion reveals itself to be nothing more than a starting point for further critical questioning and investigation.


**Biographical Statement**

Niall McCrory is a Research Associate for the Centre for Urban and Regional Studies (CURS) at Trinity College Dublin. He has recently completed his doctorate in Geography in the field of Irish urban planning from Trinity College Dublin. His current research interests include urbanisation processes; urban economic restructuring and regeneration; planning and urban policy.

**Contact**

mccroryn@tcd.ie