


Moving West

An Exploratory Study of the Social and Economic Effects of the
Relocation of Public Sector Offices to Towns in the Western Region

Western Development Commission





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Note

This report was researched and written for the Western Development Commission by BIGGAR Economics. Additional text editing in the WDC by Patricia O'Hara and Helen McHenry.

The Western Development Commission (WDC) is a statutory body promoting economic and social development in the Western Region (counties Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway and Clare). To ensure that the Western Region maximises its full potential, the WDC

- analyses economic and social trends and makes policy recommendations;
- promotes the Western Region through the LookWest.ie campaign;
- supports the rural economy through facilitating strategic initiatives; and
- provides risk capital to businesses through the WDC Investment Fund.

The WDC publishes reports and commentary on issues relevant to its remit (see www.wdc.ie).

Given that the Western Region is predominantly rural, with few large urban centres and many small towns, the impact of the relocation of a number of Government Departments and Agencies to western counties, under the current Public Service Decentralisation Programme, is significant for the regional economy. Indeed, the WDC regards relocation of public sector jobs as a form of inward investment in the services sector, with the jobs involved providing longer term security than is the case with some other forms of investment. Thus, it can have a potentially strong positive impact on rural locations in the Western Region, particularly small market towns.

Up to September 2008, 684 posts were decentralised to the Western Region under the Programme with an additional 433 due to relocate over the next two years. This will bring the total for the seven counties to 1,117. In light of constraints on public finance in 2008, decisions on the balance of the Programme are being deferred and will be reviewed in 2011. This means that a further 920 posts for the region are 'on hold' until then.

Despite a considerable history of relocation of public sector jobs in Ireland – much of it to towns in the Western Region such as Sligo, Ennis, Castlebar, Letterkenny – there are no hard data on the impact, either on those who move, or on the local economy and society. For this reason the WDC regarded the current phase of relocations as providing an excellent opportunity for an exploratory study to examine the impact of the Programme on the individuals who move, and on the locations to which offices are relocated.

Accordingly, the WDC initiated this exploratory study in early 2008, following discussions with the relevant Departments involved in managing the Programme and those relocating functions to the Western Region. The relocation of the Department of Community, Rural and Gaeltacht Affairs (DCRGA) to Mayo and part of the Department of Social and Family Affairs (DSFA) to Carrick-on-Shannon were identified as the most suitable case studies. Following a competitive tendering process, BiGGAR Economics who had conducted a similar study in Scotland, were commissioned to undertake the work over the period May-August 2008. The report, which follows, clearly demonstrates the impact of the relocation of posts to date in terms of direct, indirect and induced employment and GVA per annum as well as projecting the full impact of the total relocation of posts planned for these offices. These quantitative impacts are complemented by the analysis of why people chose to relocate, their experiences of relocation and the wider effect on each of the towns.

The impact on the two towns concerned is quite significant and in line with experiences elsewhere. The fact that the employment impact of the relocation is greater than simply the number of posts relocated is a key finding. In the case of DSFA's move to Carrick-on-Shannon, for every four jobs relocated, an additional job is created; for DCRGA's move, every six jobs relocated creates an additional job. Moreover, the study revealed that in the north-west region there is a significant cluster of civil service jobs providing considerable opportunities for mobility both within and between Departments. This is illustrated by the fact that, for the DSFA relocation, 41% of those who moved to Carrick-on-Shannon came from civil service offices in Sligo and Donegal and a further 43% from the neighbouring county of Longford. Also, more than half of those who moved to DCRGA transferred from elsewhere in the Western Region. Back-filling of the positions that these workers vacated has enabled those who wished to move to the region, or close to it, to relocate from Dublin.

The fact that quality of life was the strongest motivator for those who moved reinforces the evidence from the WDC's LookWest.ie campaign, and from attitude surveys, that people working elsewhere value the chance to move, or return, to the Western Region. Primary reasons are the opportunity for a less stressful life with an easier commute to work, being able to live in rural surroundings, and to be closer to family and community.

The WDC wishes to thank all those who helped to bring this study to fruition. Much appreciation is due to BiGGAR Economics, the authors, for their commitment and professionalism. The Department of Community, Rural and Gaeltacht Affairs, under whose aegis the WDC operates, provided financial support for the study as well as advice and guidance at all stages.

The study was overseen by an Advisory Committee comprising senior officials from the Departments of Finance, Social and Family Affairs, and Community, Rural and Gaeltacht Affairs who were an invaluable source of advice and expertise, and who paved the way for the research in the two Departments. Although it is exploratory and necessarily limited in its coverage, the WDC believes that this study provides important new information about the impact of public sector employment on small towns, and how it can contribute to more balanced regional development.

Summary of Key Points

Objectives and Methods

In this study the effects of the relocation of two public sector offices - part of the Department of Social and Family Affairs (DSFA) and the headquarters of the Department of Community, Rural and Gaeltacht Affairs (DCRGA) – to two towns in the Western Region were explored. The objectives of the study were to investigate:

- why, and under what circumstances, employees chose to relocate, and the impact on their behaviour and quality of life;
- the economic and social impact of the creation of a significant number of quality service jobs in the rural locations involved.

A mix of research methods and qualitative and quantitative analysis were used, including desk research and fieldwork, consultations, focus groups, staff surveys and case studies.

An economic model was used to determine the impact of the jobs relocated on the Western Region.

Numbers Moving

At the time of the study, DCRGA had relocated 100 posts to Tubbercurry. The total DCRGA headquarters staffing complement of 164 are due to move to new offices in Charlestown by 2010. DSFA had relocated 116 posts to Carrick-on-Shannon, and will have moved 135 by the end of 2008. It was planned to have a total of 220 DSFA posts in Carrick-on-Shannon after a second phase of relocation. This has now been deferred, pending a government review in 2011.

Of the 100 people based at the DCRGA in Tubbercurry, 48% moved from offices in Dublin, with 52% moving from workplaces elsewhere. Only 10% moved from offices in Dublin to the DSFA in Carrick-on-Shannon; a further 47% came from workplaces outside the Western Region and the remainder from offices within the region.

Staff surveys showed 41% of respondents in DCRGA moved house along with their workplace relocation, compared to 27% in DSFA. In DCRGA, 32% moved house from Dublin, mainly to Mayo, compared to 14% of respondents in DSFA who mainly moved to Leitrim.

Reasons for Moving and Outcomes

Public sector employees have taken up opportunities to relocate to the Western Region largely for quality of life reasons. At both Departments a majority of those consulted stated that the relocation had a positive impact on their quality of life. More free time, shorter travel time, less stress, and closeness to family and community were the most frequently cited positive impacts. For some, the relocations also created career opportunities.

For those who have moved from Dublin, particular advantages included cost savings (lower cost of living and house prices), close community links, being nearer to family and living in a rural location.

Economic Impacts

The economic impact analysis found that the current net impact of the relocation of public sector posts in DCRGA and DSFA on the Western Region is a total of 153.7 jobs and associated annual GVA¹ of €6.6m, which included:

- net direct impact of 126 jobs and annual GVA impact of €4.5m;
- net induced impact of 23 jobs and annual GVA impact of €1.5m; and
- net indirect impact of 5 jobs and annual GVA impact of €0.6m.

¹ Gross Value Added (GVA) at basic prices is a measure of the value of goods and services produced priced at the value received by the producer minus product taxes payable and plus subsidies on products receivable.

If projected increases in relocated posts are realised (164 in DCRGA and 220 in DSFA), the impact could amount to 248 jobs and associated annual GVA of €10.5m.

In total, the relocation of DCRGA posts had an impact in the town of Tubbercurry of 26 jobs, and €1.4m in annual GVA and the relocation of DSFA posts had an impact on Carrick-on-Shannon of 34 jobs with an associated annual GVA of €2m.

Benefits to Towns

Apart from the economic impacts above, the wider impacts on towns appeared to depend on their social and economic profile and that of the relocating Department. In Tubbercurry, DCRGA has had a significant impact in creating a sense of place and pride among local residents. Buildings which are now occupied by the Department were empty previously and refurbished for the Department. This has had a positive impact on the aesthetics of the town and has encouraged local shopkeepers/business owners to 'tidy up' shop frontages and stimulated the establishment of new businesses.

Wider impacts in Carrick-on-Shannon are more limited, as it already has a large anchor business presence, significant tourism enterprises and a keen sense of place. The awareness of DSFA in Carrick-on-Shannon is low, despite its striking office façade, and therefore it is perceived to have had a limited effect on the town's image. The decentralisation of DSFA does not appear to have stimulated the establishment of new services or businesses.

The DCRGA will move to Charlestown in 2010. However, Tubbercurry has demonstrated that it can accommodate another major employer, over and above its existing private sector employers, which positions it effectively for the future and will help mitigate the effect of the move of the DCRGA from the town.

Finally, the report shows that, if the primary objective of a relocation or decentralisation policy is to generate economic impacts in the receiving communities, there is merit in targeting those communities where the move is a significant event relative to other economic drivers. Such communities might include smaller towns and communities without an existing base of large employers.

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1. Introduction and Context

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A Public Service Decentralisation Programme was announced by the Government in 2003. In this report we present the findings of a study that explored the effect of this Programme on two towns to which government offices were relocated, the economic impact of these relocations on the Western Region, and the experiences of the individuals involved. The Western Region is the operational area of the Western Development Commission (WDC) and comprises counties Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway, and Clare.

The 2003 Decentralisation Programme proposed the relocation of approximately 10,300 jobs to 53 centres in 25 counties, including the two relocations to the Western Region which are the focus of this research. The relocations studied are:

- the Department of Community, Rural and Gaeltacht Affairs (DCRGA) in Tubbercurry, Co. Sligo. This is an advance office for the HQ of the Department which will be located in Charlestown, Co. Mayo; and
- the Department of Social and Family Affairs (DSFA) in Carrick-on-Shannon, Co. Leitrim.

We have examined the benefits for the individuals who relocated and assessed the impact on the towns of Tubbercurry and Carrick-on-Shannon. The likely impacts on Charlestown, Co. Mayo, the final destination for the DCRGA, were also considered.

The study objectives were to investigate:

- why and under what circumstances people chose to relocate to the town concerned and their experiences of the move; and
- the economic and social impact of the creation of a significant number of quality public service jobs in the rural locations involved.

1.1 Study Methods

In the study we used a mix of research methods, including desk research, fieldwork, and both quantitative and qualitative analysis.

The desk research included:

- socio-economic context – an analysis of the socio-economic situation in the Western Region, Carrick-on-Shannon, Tubbercurry and Charlestown using published statistics; and
- a literature review of other studies that considered the impact of the relocation of public service jobs.

The fieldwork was carried out between May and August 2008 and included consultations, focus groups, staff surveys and case studies, as follows:

- consultations (semi-structured interviews) were held with representatives from DSFA and DCRGA, local Chambers of Commerce in both receiving towns and representatives from Leitrim and Sligo County Councils;
- four focus groups were held, two at each Department, which explored why individuals made the decision to relocate and the impact of the relocation on their lives;
- a web-based staff survey was designed for both Departments, in order to gather information to support the economic analysis and to provide quantitative evidence for the outputs of the focus groups. In the case of the DSFA, this was augmented by a paper-based survey;
- five case studies, with individuals identified through the course of the research, were compiled.

The analysis of the desk research and fieldwork includes quantitative and qualitative elements:

- an economic model was created to analyse the quantitative economic impact of the relocations on the receiving towns and the Western Region;
- a qualitative assessment of impacts on communities was informed by consultations with the Chambers of Commerce and County Councils. The analysis of impacts on individuals was informed by outputs from the focus groups, staff surveys and case studies.

1.2 Socio-Economic Context

To set the relocations examined in this study in their proper context, we briefly introduce the two receiving communities, Tubbercurry in Co. Sligo and Carrick-on-Shannon in Co. Leitrim. We also refer to the economic conditions in Charlestown in Co. Mayo, which will be the final destination for the DCRGA.

Tubbercurry and Carrick-on-Shannon are two towns with quite different economic circumstances. Tubbercurry is a small town in the south of Co. Sligo bordering Co. Mayo and less than 20km from Co. Roscommon. Charlestown is just inside the Mayo border. Carrick-on-Shannon is the county town of Co. Leitrim. It is the largest town in the county and borders Co. Roscommon.

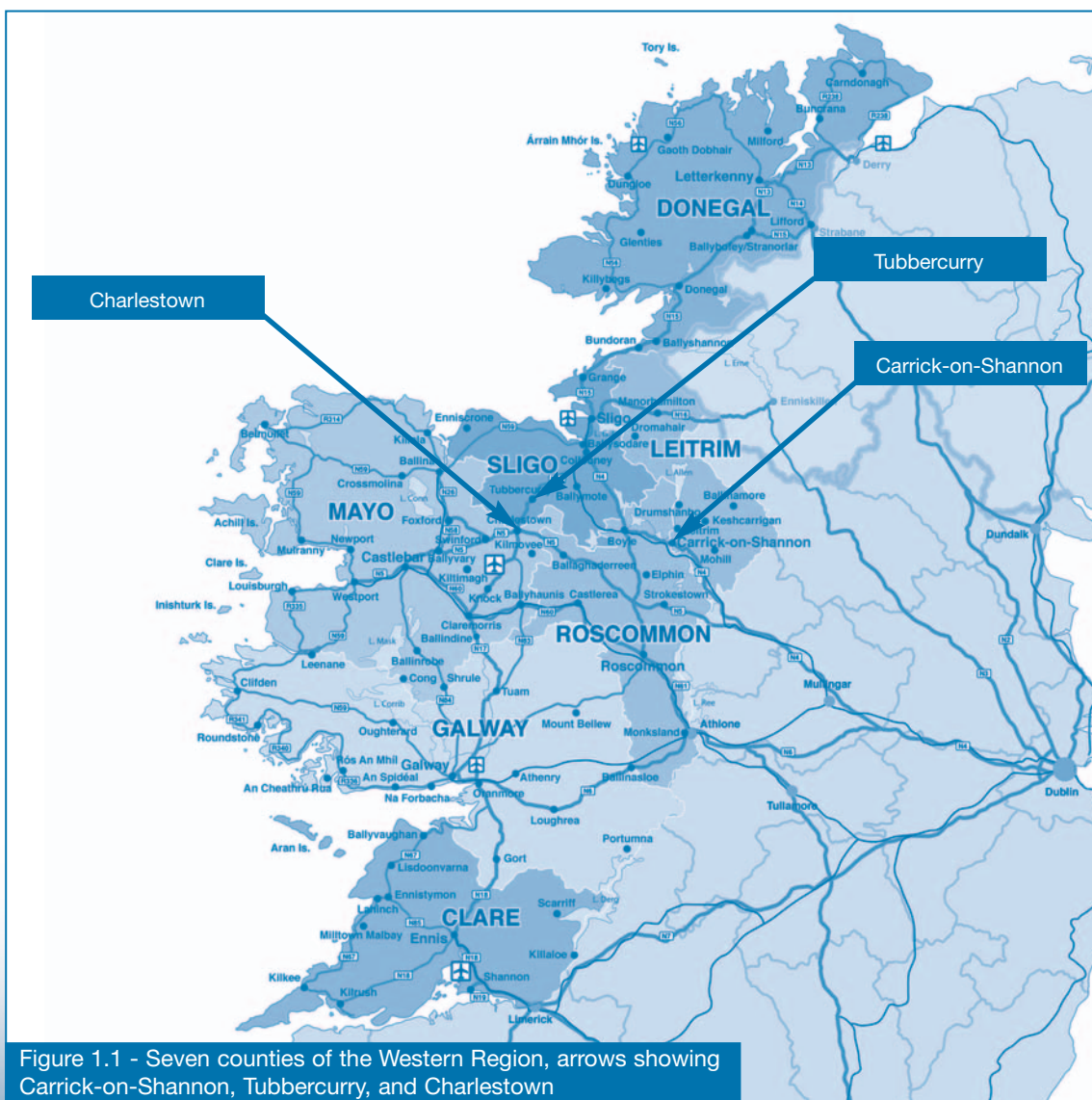


Figure 1.1 - Seven counties of the Western Region, arrows showing Carrick-on-Shannon, Tubbercurry, and Charlestown

1.2.1 Population

Both Tubbercurry and Carrick-on-Shannon have had considerable growth in population between 2002 and 2006 (Table 1.1). Tubbercurry (DCRGA), with a population of 1,421 in 2006, grew by 21% over the four years to 2006. It is the second largest town in Co. Sligo.

Charlestown in Co. Mayo is the final destination for the DCRGA. This is a much smaller town, with 859 people in 2006, and although it shows growth, this is lower than for Tubbercurry at 14%.

Carrick-on-Shannon (DSFA) is Co. Leitrim's county town, and is significantly larger, with 3,163 people in 2006. It has had very high population growth between 2002 and 2006, at 41%.

Table 1.1 - Population of Carrick-on-Shannon, Charlestown and Tubbercurry 2002-2006

| | 2002 | 2006 | Growth |
|---------------------------|---------|---------|--------|
| | No. | No. | % |
| Tubbercurry | 1,171 | 1,421 | 21% |
| Charlestown | 753 | 859 | 14% |
| Carrick-on-Shannon | 2,237 | 3,163 | 41% |
| Western Region | 705,148 | 762,335 | 8% |

Source: CSO (2007), Census 2006 Table 1-12, Alphabetical list of Towns with their population 2002 & 2006

To put these figures in their regional context it is worth noting that the seven-county Western Region overall had 8% growth in population over the same period. Thus each of the three towns had a population growth rate in excess of the regional growth rate.

1.2.2 Employment

Data from the 2006 Census show that 911 people living in Tubbercurry were in employment while 1,761 people living in Carrick-on-Shannon were in employment².

Manufacturing is a major sector in Tubbercurry. The largest private sector employer in the area is a manufacturer with 110 employees.

In Carrick-on-Shannon, financial services is the major employment sector. Most of these workers (1,100) are employed in one financial institution which has a major operations centre in Carrick-on-Shannon. An industrial plant is located close to the town employing 200 people.

Employers in Charlestown include local retail shops, banks and other small businesses. Small scale manufacturing employment is also apparent.

Given the size of all three towns, but particularly Tubbercurry (and Charlestown), we would expect that the impact on the town of an influx of public sector jobs would be quite significant.

In the next chapter, we review evidence from other studies of the impact of public service relocations elsewhere, and draw out implications for the move of DSFA and DCRGA to the Western Region.

² BiGGAR Economics analysis of CSO, SAPS Towns with Population over 1000; Table 13-1; Census 2006

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2. Experiences Elsewhere

2. Experiences Elsewhere

Reviewing experiences from elsewhere allows us to compare the economic impacts in Tubbercurry and Carrick-on-Shannon with those found in other areas, and to identify the circumstances in which public sector relocations can be most successful. The majority of the research that informed this chapter was undertaken in the UK, but there are two studies which considered Irish policy and its effects.

To help understand the various ways in which relocations have an effect, we have provided an overview of typical quantitative economic impacts. We go on to consider how these impacts are realised, through job creation and developing the skills base, along with wider effects such as regeneration, and influencing regional and national growth. We also consider possible impacts from the geographic clustering of relocations. Each of these issues is outlined under the headings that follow.

2.1 Typical Economic Impacts

The economic benefit of relocation to the receiving area comes from increased spending by the relocated Department and its employees on goods and services, which boosts demand and creates jobs. When measuring the impact of relocation on an area the economic tool commonly used is multiplier analysis. Such analysis measures how many jobs will be created in the area as a result of the relocation, over and above the jobs that have been relocated. The multiplier is a combination of the following impacts:

- the additional jobs arising from the relocated organisation purchasing goods and services in the area (the indirect effect);
- the additional jobs arising from employees of the relocated organisation spending money in the area (the induced effect); and
- any resulting reduction in private sector jobs, known as displacement.

For example, a multiplier of 1.5 implies that for every job relocated another 0.5 jobs will be created in the area. A multiplier value of 1.0 implies no wider impact on the area concerned over and above the number of jobs relocated. In the UK, the Independent Review of Public Sector Relocation³ commissioned Experian Business Strategies to undertake an appraisal of the economic impacts of public sector relocation, by looking at previous published and unpublished literature. In their 2004 report⁴ Experian provided multipliers from various studies which vary between 1.0 and 1.29. These are set out in Table 2.1 below and are referred to in Chapter 5 of this report to provide comparisons with the economic impact found in Tubbercurry and Carrick-on-Shannon. (UK examples are used in the absence of any available Irish data).

Table 2.1 - Relocation Multiplier Effects from Elsewhere

| Study/Source | Relocation | Multiplier |
|---|-------------------------------------|------------|
| Ashcroft, B., et al (1988) ⁵ | Overseas Development Administration | 1.25 |
| Rhodes, J., et al (1994) ⁶ | Various | 1.29 |
| HM Treasury (2000) ⁷ | Various | 1.05-1.15 |
| Experian (2003), unpublished | Patent Office | 1.0 |
| Experian (2003), unpublished | Patent Office | 1.0 |

Source: Experian Business Strategies (2004), The Impact of Relocation: A Report for the Independent Review of Public Sector Relocation

³ Lyons, M., (2003) "Independent Review of Public Sector Relocation, Interim Report", (available at: <http://hm-treasury.gov.uk/lyonsreview>)

⁴ Experian Business Strategies (2004), The Impact of Relocation: A Report for the Independent Review of Public Sector Relocation

⁵ Ashcroft, B., et al (1988), ODA Dispersal to East Kilbride, Scottish Office, HMSO, Edinburgh

⁶ Rhodes, J., et al (1994), English Partnerships: Evaluation Evidence, Parameter Values & Expenditure Weights, A Report Prepared for English Partnerships.

⁷ HM Treasury (2000), Productivity in the UK: The Evidence and the Governments Approach.

2.2 Job Creation

The research on relocation of public sector jobs demonstrates that the impact on a region depends critically on the type of jobs relocated, the numbers of people that move from the origin area and the number recruited locally.⁸

Where more senior and higher skilled posts are relocated, there will be a greater impact from employee spending. These groups are more likely to move with their post, which could limit the crowding out effect the relocation might have on the private sector. Higher skilled jobs also have a greater impact on the receiving region, as do larger numbers of employees from the origin region, as they enhance the skills and knowledge base (discussed in section 2.3 below).

The size of the relocating body relative to the host area is also a driver of impact. Where the numbers of staff represent a significant proportion of local employment, the potential impacts can be much greater than in an area where the relocated organisation's employment represents only a small proportion of total local employment.

However, there is also the possibility of negative impacts, which might reduce the benefits of relocating posts. These could include increasing demand in destination regions, resulting in property and labour price increases.⁹ This is much less likely, however, where the labour market is slack, or there is sustained unemployment.¹⁰ In this case, negative effects would be mitigated by the positive impacts of increased employment opportunities.

2.3 Skills and Knowledge

Wider impacts found in the studies reviewed include the potential for relocation to have positive impacts on skills and knowledge in the receiving location, which is a key driver of regional productivity. This effect was enhanced if a greater number of senior posts were moved, and could be expected over time to create a "flow of learning" to other sectors through staff turnover and networking.¹¹ Furthermore, if the relocation results in a greater proportion of managerial and professional staff in the area, then this could lead to greater involvement in public affairs, and create pressure to drive up standards locally.

2.4 National and Regional Growth

Relocating Departments to less developed regions may provide a stimulus for growth in these regions¹² for the reasons described in the sections above - job creation and skills growth. There can also be a contribution to national growth from bringing underutilised resources into employment and simultaneously liberating scarce resources in high income regions.¹³ There are, however, concerns that in some circumstances relocations can have negative impacts on regional growth. Increasing demand in the destination region could raise factor prices and make the region less competitive. Growth in the public sector could be at the expense of the private sector, and thus make the regional economy more dependent on the existing private sector to promote growth, and leave the region more vulnerable to changes in government policy.

⁸ Marshall, J.N. (2007), "Public Sector Relocation Policies in the UK and Ireland", *European Planning Studies*, vol. 15, no. 5, pp. 645-666

⁹ Ashcroft, B., and Swales, J.K. (1982), "Estimating the Effects of Government Office Dispersal", *Regional Science & Urban Economics*, vol. 12, pp. 81-97

¹⁰ Marshall, J.N. (2007), "Public Sector Relocation Policies in the UK and Ireland", *European Planning Studies*, vol. 15, no. 5, pp. 645-666

¹¹ Experian Business Strategies (2004), *The Impact of Relocation: A Report for the Independent Review of Public Sector Relocation*

¹² Jefferson, C.W., and Trainor, M. (1996), "Public Sector Relocation and Regional Development", *Urban Studies*, vol. 33, pp. 37-48

¹³ Ibid.

Despite these potential negative impacts, the authors of the study referenced here¹⁴ believe that the beneficial effects of employment opportunities would provide an overall positive impact for destination regions. In fact, this is supported by the studies listed in Table 2.1, which all show positive impacts. The negative issues raised here can be avoided where displacement of private sector jobs and strong inflationary pressure on local wages are minimal.

2.5 Wider Impacts

A number of wider impacts have been described in the experiences from elsewhere. These include the fact that public sector relocation can stimulate confidence in the future of an area, potentially addressing a spiral of decline, or contributing to the successful regeneration of a deprived area.¹⁵

The presence of a public sector organisation can also encourage qualified people to remain in the area rather than migrate to a city, and can act as a catalyst for further investment by making the location more attractive to potential investors.¹⁶

Wider impacts identified in one Irish study reviewed include service improvements (e.g. IT and broadband), community development and the growth of complementary services in neighbouring areas.¹⁷

2.6 Clustering Relocations

Clustering relocations together creates and increases career opportunities for those working at the relocated Departments.¹⁸ Creating a critical mass of public sector Departments and related functions can provide a more focused impact, reduce communication costs and increase career opportunities within a region. However, because it can increase demand, particularly for labour and property, there is a risk of displacing private sector employment.

Despite these potential pitfalls, the research reviewed here demonstrates that, on balance, relocating a greater number of higher skilled and higher paid posts can provide greater benefits to a receiving region. Experian's (2004) research¹⁹ found that senior staff can be reluctant to relocate, if there is a perception that career opportunities outside the capital city are limited. Clustering relocated public sector functions regionally is likely to reduce the resistance of senior officers to relocating.

Clustering can also build on synergies between public sector organisations, for example research establishments, universities and existing regional presences, to promote a more informed and coordinated approach to policy development and administration.

¹⁴ Ibid

¹⁵ Experian Business Strategies (2004), The Impact of Relocation: A Report for the Independent Review of Public Sector Relocation

¹⁶ Ibid

¹⁷ "Securing Maximum Positive Benefit for Local Communities from the Public Service Decentralisation Programme" (2005) Fitzpatrick Associates for the Department of Finance Decentralisation Policy Unit

¹⁸ Marshall, J.N., (2007) "Public Sector Relocation Policies in the UK and Ireland", European Planning Studies, vol. 15, no. 5, pp. 645-666

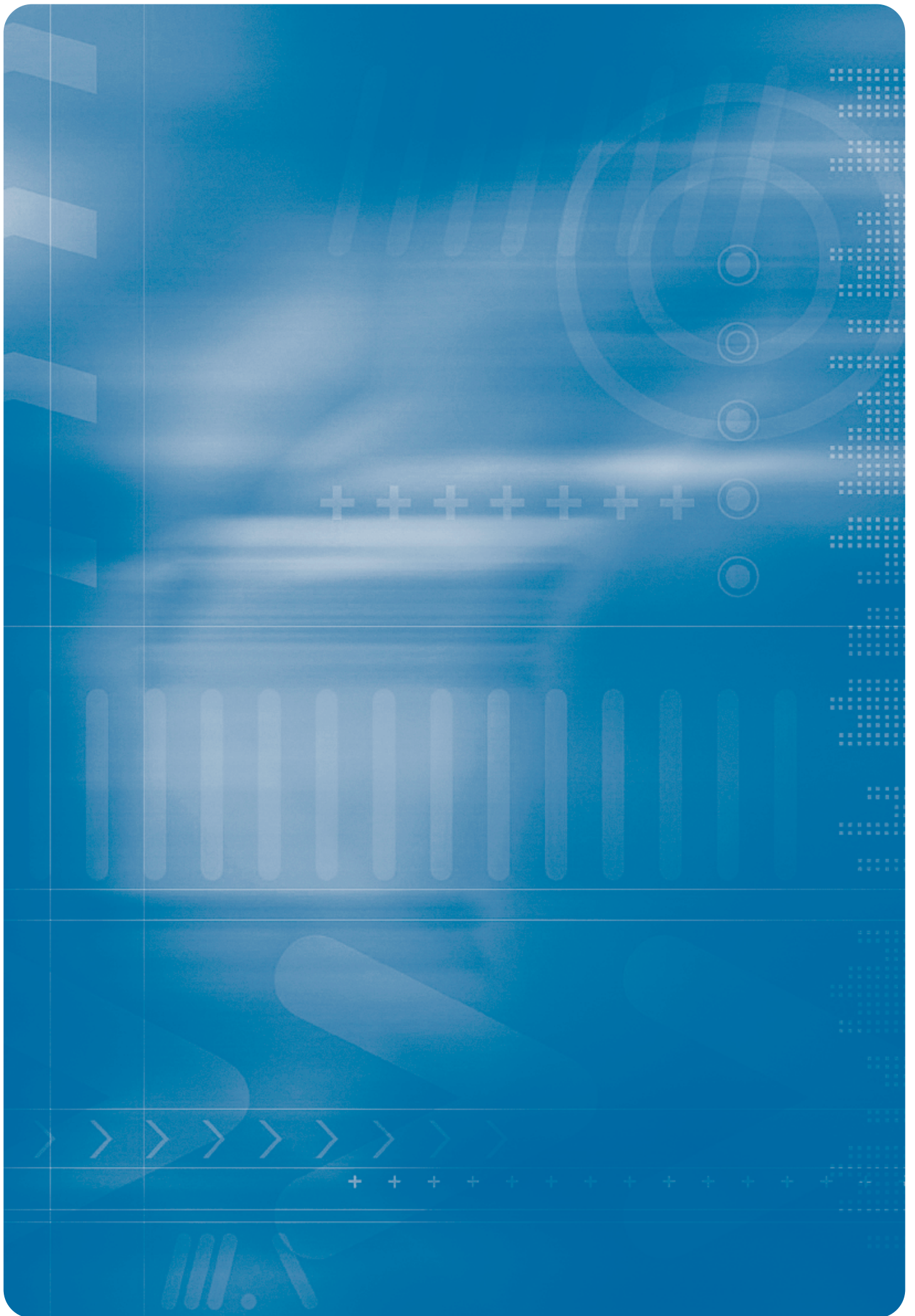
¹⁹ The Impact of Relocation, A report for the Independent Review of Public Sector Relocation, January 2004, Experian Business Strategies

2.7 Summary

The research reviewed for this study indicates that the benefits of relocation on a receiving community can be significant; however, there are a number of factors which will influence the success or otherwise of the relocations:

- job creation in the local area can have significant impacts, particularly where the scale of the relocation is large in comparison to the size of the receiving community, if the labour market is slack and/or there is low employment, productivity and economic growth. The impacts originate from direct employment at the relocated organisation, indirect employment supported by increased spending in the area, and induced employment created by increasing the overall wealth of the region;
- relocating higher skilled and more senior posts out of central regions has a greater impact than relocating junior and administrative posts. This is because such posts are associated with higher incomes, and can also increase the skills and knowledge pool in the receiving area which can in turn drive economic growth;
- by bringing underutilised resources in destination regions into employment, and simultaneously liberating scarce resources in high income regions, relocation can contribute to national growth;
- wider impacts include increased confidence, stimulation of further investment and reduction of out-migration from a region;
- clustering might encourage more senior staff to relocate to destination regions, as the perception of limited career opportunities might be ameliorated.

There is no single approach to maximising the benefits of relocation. This is because of the variability in the destinations' economic, social and regional contexts as well as the profile of those relocating.



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3. Overview of Department Relocations

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3.1 Department of Community, Rural and Gaeltacht Affairs

DCRGA's mission statement is 'to promote and support the development of communities and to advance the use of the Irish language'. The Department was set up in June 2002 and employs just under 270 staff across six locations in Dublin, Letterkenny, Furbo, Tralee and Tubbercurry. Its responsibilities include addressing the difficulties caused by declining populations, unemployment, language issues, social disadvantage and drug misuse. The key principle underlying the Department's activities is the provision of support to enable communities in both inner city and rural settings to identify and address issues in their own areas.

The DCRGA is one of the original Departmental Headquarters earmarked for decentralisation in 2003. Part of the Department is now located at an advance office in Tubbercurry pending construction of its permanent headquarters in Charlestown, Co. Mayo. Tubbercurry was not originally planned as the location for the Department – the original decision was to locate at a site close to Ireland West Airport Knock. However, when planning permission for the development at Knock Airport was refused in 2007, the Government then decided that the Department's Headquarters would be relocated to Charlestown under the Decentralisation Programme. Therefore, it is important to note that Tubbercurry is a temporary location for the Department. In this study we have considered the impacts of the move to this temporary location, and inferred the Department's likely impacts on its final location in Charlestown.

There are a number of sections of the Department located in Tubbercurry at present, including the Community and Local Development Division, Community and Voluntary Support Division, the Rural Development Divisions, Accounts and Finance Branch and the Department's Inspectorate Service. Other sections still based in Dublin include Corporate Governance and IT, Charities Regulation Unit, Drugs Strategy Unit, Press and Information Offices and the Ministers' Offices. The Department retains other offices in counties Donegal, Galway, Kerry, Mayo and Meath to facilitate functions including the engagement and support of rural and Gaeltacht communities. None of these sections are scheduled to be relocated.

3.1.1 Employment Profile

At the time of this study the Department employed 269 people with 100 based in its decentralised office in Tubbercurry. Once the Charlestown office is established (in 2010), the staff in Tubbercurry, together with the remaining Dublin posts, will be moved to Charlestown, creating total Department employment in that location of approximately 164 staff.

Some people now based at the Tubbercurry office have moved with their posts from Dublin, others filled these relocated (from Dublin) posts from civil service offices elsewhere in the country. The Department provided a breakdown of staff numbers and grades at the Tubbercurry office along with information about whether they relocated from workplaces in Dublin or from workplaces outside Dublin. This is presented in Table 3.1 below.

Table 3.1 - DCRGA Total Staff in Tubbercurry: Employment and Origin Workplace, by grade

| | Origin Workplace Dublin | Origin Workplace Elsewhere | Total Staff Numbers |
|----------------------------------|-------------------------------|----------------------------------|---------------------------|
| PO (Principal officer) | 5 | 2 | 7 |
| AP (Assistant principal officer) | 7 | 5 | 12 |
| Professionals | 2 | 1 | 3 |
| HEO (Higher executive officer) | 19 | 7 | 26 |
| EO (Executive officer) | 9 | 15 | 24 |
| CO (Clerical officer) | 5 | 21 | 26 |
| SVO (Services officer) | 1 | 1 | 2 |
| Total | 48 | 52 | 100 |
| % of all staff | 48% | 52% | 100% |

Source: Data provided to BiGGAR Economics by DCRGA

The table shows that the highest proportions of staff relocated were Higher Executive Officers (HEOs) and Clerical Officers (COs), with 26 staff at each grade. Staff of Executive Officer (EO) grade or higher accounted for 42% of the Department's total staff in Tubbercurry. Forty-eight staff moved from offices in Dublin, with 52 moving from workplaces elsewhere. Individuals moving workplace from Dublin therefore filled 48% of the posts that were relocated. Higher proportions of senior staff moved from Dublin (HEOs, Professionals, Assistant Principals and Principal Officers), while higher proportions of more junior staff relocated from offices elsewhere in the country.

3.1.2 Relocation and Moving House - DCRGA Survey

We carried out a web-based electronic survey of people employed at the Department's Tubbercurry office in order to provide evidence for the economic impact of the relocation on the receiving community, and to help understand the impact the moves made on individuals. The analysis of the data provided by the survey is included in Chapters 4 and 5. The survey data show how the relocation has affected people's choices of where to live. It is important here to provide a clear picture of the numbers of people that have moved house, and moved into the region, as a result of the relocation, before the analysis of economic and individual impacts that follows later in the report.

One hundred staff were surveyed, 65 responded, a response rate of 65%. As shown in Table 3.2 below, there was some variation in the response rates between grades, with the more junior grades (CO/SVO) having a lower response rate of 54%. The highest response rate, of 70%, was for HEOs/EOs.

The survey sample is fairly representative of the total staff across grades, although more junior grades (CO/SVO) are slightly less well represented within the sample than higher grades. The most senior grades (PO/AP/Professionals) are very well represented, with only a 1% difference between the proportion of total at these grades and the proportion at these grades in the survey sample.

Table 3.2 – DCRGA Survey: Total staff in Tubbercurry and Sample Representations

| | Total Staff in Tubbercurry (n=100) | Sample (n=65) | Response Rate for Grade |
|------------|--|------------------|-------------------------------|
| | % | % | % |
| PO/AP/Prof | 22 | 23 | 68 |
| HEO/EO | 50 | 54 | 70 |
| CO/SVO | 28 | 23 | 54 |

Source: Data provided to BiGGAR Economics by DCRGA; DCRGA Staff Survey Analysis

The survey provided us with information about the numbers of people who have chosen to move house with their workplace relocation. The numbers of relocating staff who moved house as well as moving workplace is of fundamental importance in the analysis provided later in this report.

DCRGA was able to supply data about how many people had moved workplace from Dublin or from elsewhere, and we have compared the proportions of people in these categories with the proportions in the survey sample. As shown in Table 3.3, 48% of the total staff moved workplace from Dublin, compared with 47% of the sample, while 52% of the total staff moved workplace from elsewhere compared with 53% of the sample. This provides a strong indication that the survey sample is representative of those who have relocated from Dublin and from other areas.

Table 3.3 - DCRGA Total Staff in Tubbercurry and Sample: Numbers and Proportions Who Moved Workplace and House

| Place of work | Total Staff in Tubbercurry (n=100) | Sample (n=64) |
|-----------------------------|------------------------------------|--------------------|
| Moved from Dublin | 48 (48% of total) | 30 (47% of sample) |
| Moved from elsewhere | 52 (52% of total) | 34 (53% of sample) |
| House | Total Staff in Tubbercurry (n=100) | Sample (n=65) |
| Moved from Dublin | Unknown | 21 (32% of sample) |
| Moved from another location | Unknown | 6 (9% of sample) |
| Did not move house | Unknown | 38 (59% of sample) |

Source: Data provided to BiGGAR Economics by DCRGA; DCRGA Staff Survey Analysis

Of those surveyed, 32% (21 people) had moved house from Dublin; 9% (6 people) had moved house from another location, and 59% (38 people) had not moved house. DCRGA has not collected data on whether staff moved house along with their workplace relocation. Therefore we cannot undertake the same comparison of the sample with the total staff for this area as we have for workplace relocation.

Of the sample, 41% (27 people) moved house. It is of interest that while 47% of the sample (30 people, n=64) moved their place of work from Dublin, only 32% (21 people, n=65) moved to a new house from Dublin. Nine people moved workplace from Dublin but did not move house. Of the 6 people who moved house from another location than Dublin, four moved workplace from Dublin but had previously lived outside the city. Two people moved from other workplaces (Sligo and Donegal).

The people in the DCRGA survey now live in a range of locations, all within the Western Region. The locations of those that moved house, and those that did not, are shown in the in Table 3.4 below.

Table 3.4 - DCRGA Staff: House Locations

| | Did not move house | Did move house | Total |
|----------------------------|--------------------|----------------|-----------|
| Castlebar, Co. Mayo | 2 | 3 | 5 |
| Charlestown, Co. Mayo | 3 | 2 | 5 |
| Kiltimagh, Co. Mayo | 1 | 3 | 4 |
| Other Co. Mayo | 11 | 10 | 21 |
| Total, County Mayo | 17 | 18 | 35 |
| Tubbercurry, Co. Sligo | 7 | 2 | 9 |
| Other Co. Sligo | 1 | 1 | 2 |
| Total, County Sligo | 8 | 3 | 11 |
| Other Western Region | 2 | 2 | 4 |
| Total | 27 | 23 | 50 |

Source: Analysis of DCRGA Staff Survey

As can be seen from Table 3.4 the majority of the 50 people who gave us this information, and who moved house, moved to Co. Mayo (78%, or 18 people). Further responses to the survey showed that 42% live in open countryside, 50% in towns, and 8% in villages.²⁰

Those who responded to the DCRGA survey joined the Department at different times before and during the relocation process. Most (94%) work full-time and about half are parents. The experience of relocation for these groups is explored in Chapter 5.

3.2 Department of Social and Family Affairs

DSFA is a large department, employing over 4,800 staff. It formulates social protection policies and is responsible for the delivery of a range of social insurance and social assistance schemes. Payments are made to nearly 950,000 people each week.

In contrast to DCRGA, which is moving the headquarters of a relatively small Department to the Western Region, DSFA is moving a small proportion of a much larger Department to the Western Region, to Carrick-on-Shannon. Nine functions will be moved to Carrick-on-Shannon at the completion of the decentralisation including: Decision Advisory Office; Freedom of Information Unit; Client Identity Services; Labour Market Unit; Overpayment and Debt Management Unit; Back to Work Programmes; Employment Support Services, Control Division and Central Prosecutions; Maintenance Recovery Unit; and Buildings maintenance and other local support offices. The office in Carrick-on-Shannon is an administrative office and is not open to the public.

3.2.1 Employment Profile

The Carrick-on-Shannon relocation was planned to happen over two phases. In Phase I a total of 135 posts relocated from Dublin to Carrick-on-Shannon. While Phase II was to take the total number of posts to 220, it was deferred by the Government in October 2008, and will be reviewed in 2011. The Department has provided a breakdown of staff numbers and grades at the time of the study (Table 3.5).

Table 3.5 – DSFA Total Staff for Carrick-on-Shannon Phase I: Employment by Grade

| | Total no. of posts to relocate | Posts already relocated | Posts to move later in 2008 |
|--|--------------------------------|-------------------------|-----------------------------|
| PO (Principal officer) | 3 | 3 | 0 |
| AP (Assistant principal officer) | 11 | 10 | 1 |
| HEO/AO (Higher executive officer/Administrative Officer) | 18 | 16 | 2 |
| EO (Executive officer) | 27 | 20 | 7 |
| SO (Staff officer) | 7 | 6 | 1 |
| CO (Clerical officer) | 66 | 58 | 8 |
| SVO (Services officer) | 3 | 3 | 0 |
| Total | 135 | 116 | 19 |

Source: Data provided to BiGGAR Economics by DSFA

Of the 135 posts to be relocated as part of Phase I (Table 3.5), 116 had moved at the time of the study, with the remaining 19 expected later in 2008. The largest proportion of staff relocated were Clerical Officers, representing 66 people or 49%. The next most common grade was Executive Officer, accounting for 27 people, or 20%. Staff of Executive Officer grade or higher accounted for 44% of those relocating.

²⁰ There were 64 responses to this question.

While the posts have relocated from Dublin, the people occupying them have come from workplaces in many different locations. Their origin workplaces are shown in Table 3.6. This table shows the numbers of people who moved workplace from Dublin, from within the Western Region and from outside the Western Region.

Table 3.6 - DSFA Total Staff in Carrick-on-Shannon: Origin Workplace

| Origin Workplace | Number of employees | % of DSFA Total Staff in Carrick-on-Shannon |
|---|---------------------|---|
| | No. | % |
| Total, Dublin | 12 | 10 |
| Other Locations Outside Western Region | | |
| Portlaoise, Co. Laois | 1 | 1 |
| Athlone, Co. Westmeath | 3 | 3 |
| Longford | 51 | 43 |
| Roscrea, Co. Tipperary | 1 | 1 |
| Total, Outside Western Region | 56 | 47 |
| Western Region | | |
| Sligo | 47 | 40 |
| Donegal | 1 | 1 |
| Total, Western Region | 48 | 41 |
| Recruited locally | 2 | 2 |
| Total | 118 | 100 |

Source: Data provided to BiGGAR Economics by DSFA

Of the 118 staff working (in 116 posts) at the DSFA offices in Carrick-on-Shannon at the time of the study, 12 (10%) relocated from workplaces in Dublin (Table 3.6). A further 56 (47%) relocated from other workplaces outside the Western Region. The majority of these (and in fact the largest proportion of staff overall) were previously located in Longford (51 people, or 43% of the total). A further 48 people (41%) relocated to Carrick-on-Shannon from within the Western Region, the majority of these (47 people) from Sligo. Two people have been recruited locally. Overall, therefore, 57% (or 68) of those now working at the Carrick-on-Shannon office have located there from workplaces outside the Western Region.

3.2.2 Relocation and Moving House - DSFA Survey

As in the DCRGA, the DSFA staff survey was web-based but in this case was augmented with a paper-based survey so that those without internet access could participate. The population of the survey was 118 with a response rate of 59 (50%).

Table 3.7 below shows that there was some variation in the response rates between grades, with the more junior grades (SO/CO/SVO) having a lower response rate of 39%. The highest response rate, of 72%, was for the HEO/AO/EO grades. This is a similar pattern of response by grade to the DCRGA survey, although the overall response rate for the DCRGA was higher, at 65%.

Comparing the sample with the total staff complement in Carrick-on-Shannon, it is clear there is good representation in the sample of the most senior posts, with PO/AP accounting for 11% of the total staff and 10% of the sample. Middle grades have a higher representation in the sample, at 44%, while they account for 31% of the staff. The more junior grades (SO/CO/SVO) are under-represented in the sample, at 46%, while accounting for 58% of staff.

Table 3.7 - DSFA Survey: Population and Sample Representations

| | Total Staff in Carrick-on-Shannon (n=118) | Sample (n=59) | Response Rate for Grades |
|-----------|---|------------------|-----------------------------|
| | % | % | % |
| PO/AP | 11 | 10 | 46 |
| HEO/AO/EO | 31 | 44 | 72 |
| SO/CO/SVO | 58 | 46 | 39 |

Source: Data provided to BiGGAR Economics by DSFA; DSFA Staff Survey Analysis

As with the DCRGA survey, the data indicate the extent to which individuals moved house as well as work location. The numbers of DSFA staff that have moved house when moving workplace is of fundamental importance in the analysis provided later in this report. Because DSFA was able to supply data about how many people have moved workplace from Dublin or from elsewhere, we have been able to compare the proportions of people in these categories with the proportions in the survey sample (Table 3.8)

Table 3.8 - DSFA: Total Staff in Carrick-on-Shannon and Sample Representations for Moving Workplace and House

| Place of work | Total Staff in Carrick-on-Shannon (n=118) | Sample (n=57) |
|-----------------------------|---|--------------------|
| Moved from Dublin | 12 (10% of total) | 10 (18% of sample) |
| Moved from elsewhere | 104 (88% of total) | 47 (82% of sample) |
| Recruited locally | 2 (2% of total) | 0 (0% of sample) |
| Home | Total Staff in Carrick-on-Shannon (n=118) | Sample (n=56) |
| Moved from Dublin | Unknown | 8 (14% of sample) |
| Moved from another location | Unknown | 7 (13% of sample) |
| Did not move house | Unknown | 41 (73% of sample) |

Source: Data provided to BiGGAR Economics by DSFA; DSFA Staff Survey Analysis

As Table 3.8 shows, 10% of the staff moved workplace from Dublin, compared with 18% of the sample. This means that those moving from Dublin are over-represented in the sample. In fact, 10 of the 12 people who relocated from Dublin responded to the survey. An important function of the survey was to understand the experiences of those who have moved from Dublin, so a high proportion of respondents in this group is welcome. Some 88% of the total Carrick-on-Shannon staff moved workplace from elsewhere, compared with 82% of the sample. This provides an indication that our sample is representative of those who have relocated from other areas. The sample does not include either of the two people who have been recruited locally. This is not an issue of concern because they are not a focus of this study.

Of those who responded to the survey, 14% (8 people) moved house from Dublin, while 13% (7 people) moved house from another location and 73% (41 people) did not move house. Like DCRGA, DSFA has not collected data on whether staff moved house along with their workplace relocation. Therefore we cannot undertake the same comparison of the sample with the total staff for those moving house as we have for workplace relocation.

Across our sample, a minority of people actually moved house – 27% or 15 people (compared with 41% of the DCRGA sample). The majority of the sample (73%, 41 people) did not move house. The majority also moved workplace from elsewhere, not Dublin. Table 3.6 above showed the location of these workplaces.

The people surveyed in the DSFA now live in a range of locations. The locations of those that moved house, and those that did not, are shown in Table 3.9 below.

Table 3.9 – DSFA Staff: House Locations

| | Did not move house | Did move house | Total |
|---|-----------------------|-------------------|-----------|
| Carrick-on-Shannon, Co. Leitrim | 4 | 5 | 9 |
| Drumshambo, Co. Leitrim | 2 | 2 | 4 |
| Other Co. Leitrim | 9 | 3 | 12 |
| Total County Leitrim | 15 | 10 | 25 |
| Boyle, Co. Roscommon | 7 | 0 | 7 |
| Other Co. Roscommon | 4 | 2 | 6 |
| Total County Roscommon | 11 | 2 | 13 |
| Other Western Region (Co.s Mayo and Sligo) | 3 | 1 | 4 |
| Outside Western Region (Co.s Kerry and Cavan) | 3 | 0 | 3 |
| Total | 32 | 13 | 45 |

Source: Analysis of DSFA Staff Survey

As can be seen from Table 3.9, the majority of the 45 respondents who gave us information about their house location, and who moved house, moved to Co. Leitrim (10 people). Further responses show that 49% live in open countryside, 39% in towns, and 12% in villages.²¹

Respondents joined the department at different times. The majority (83%) worked in the Department before it relocated, eight joined during the decentralisation process (14%) and two (35%) joined the Department since it was relocated to Carrick-on-Shannon.

Most of the respondents work full-time (76%), almost two-thirds are parents. These different groups' experiences of relocation are explored in Chapter 5.

²¹ There were 57 responses to this question.

The background is a solid blue color with various faint, light-blue geometric patterns and icons. On the left, there are vertical bars of varying heights. In the center, there are horizontal bars and a series of plus signs. On the right, there are circular patterns and a grid of small squares. At the bottom, there are more horizontal bars and a series of plus signs.

4. Impact on Communities

4. Impact on Communities

In this chapter we present a quantitative economic impact assessment of the relocation of public sector jobs to towns in the Western Region and conclude with a discussion of wider qualitative impacts. The chapter is structured as follows:

- methodology - an introduction to the approach taken to the economic impact assessment;
- current impacts - impacts of the relocation of the two Departments, with their 2008 staff complements;
- future impacts - the projected impact of the planned full complement of staff in place in each Department. These calculations are based on the planned number of posts to be relocated as outlined in Chapter 3. As already noted, Phase II of the DSFA relocation has been deferred and will be reviewed in 2011;
- local impacts - while the study has focused on the impact on the Western Region, the local impacts, on the towns of Tubbercurry and Carrick-on-Shannon, have also been calculated;
- summary of impacts - a summary of the current and future impacts on the Western Region is provided;
- employment multipliers are calculated and compared with those from other economic impact studies of relocations which were discussed in Chapter 2; and
- wider impact assessment - the qualitative impacts.

4.1 Methodology

Our approach to assessing the economic impact is based on extensive experience in conducting these analyses, and on a comprehensive understanding of the wide range of guidance that exists regarding economic impact.

We have referred to the Irish Department of Finance's Guidelines for the Appraisal and Management of Capital Expenditure Projects in the Public Sector²² in conducting the economic impact assessment. While these guidelines are not directly relevant to this project, they do suggest important inclusions such as assessments of deadweight/additionality, displacement and leakage (explained below).

Other sources of guidance include the UK's HM Treasury Green Book,²³ Scottish Enterprise Additionality Guide,²⁴ English Partnerships Additionality Guide,²⁵ BERR's Guidance for RDAs in Appraisal, Delivery and Evaluation²⁶ and the Impact Evaluation Framework²⁷ used by England's Regional Development Agencies.

The method of assessing the quantitative economic impact of the relocations has been designed with reference to all the above sources of guidance.

²² Department of Finance (2005), Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector

²³ HM Treasury (2003), The Green Book – Appraisal and Evaluation in Central Government

²⁴ Scottish Enterprise (2007), Scottish Enterprise Economic Impact Assessment Guidance

²⁵ English Partnerships (2004), Additionality Guide

²⁶ Department for Business, Enterprise and Regulatory Reform (2008), Guidance for RDAs in Appraisal, Delivery and Evaluation

²⁷ SQW and PA Consulting (2005), Evaluating the Impact of England's Regional Development Agencies, for the Department for Trade and Industry

The first stage of the economic impact analysis is to identify the gross economic impact – that is, the total economic activity associated with the relocation of posts to the towns in the Western Region. These impacts are expressed in terms of jobs and gross value added²⁸ (GVA) and are made up of:

- direct impacts - directly supported by the relocations i.e. the jobs created at the Departments;
- induced impacts - generated by the expenditure of direct employees in the economy (sometimes known as the “income effect”); and
- indirect impacts - generated by the purchases of supplies and services by the Departments (sometimes known as the “supplier effect”).

As noted above, all impacts are assessed at the current (2008) staffing levels and future impacts are calculated based on increases in staffing which had been planned to take place in future years. The calculations focused on the regional impact. However, estimates are also provided for the impacts on the two towns that have received the relocated posts.

For each of the direct, induced and indirect impacts, the gross impacts calculated are converted to net impacts by taking account of:

- additionality - the extent to which the impacts would have happened in the absence of the relocations;
- leakage - the proportion of the impacts that will benefit those outside of the local and regional economy; and
- displacement - where the new economic activity is at the expense of activity elsewhere in the local and regional economy, for example in the local labour market.

Details of the calculations at each stage and the assumptions made are given in the next section.

4.2 Current Regional Economic Impacts

4.2.1 Direct Regional Impacts - Current²⁹

In estimating economic impact, we start with gross employment – this is the employment at the Departments themselves. DCRGA currently has 100 posts in Tubbercurry. DSFA will have 135 posts in Carrick-in-Shannon at the end of 2008. These figures form the basis for the ‘current’ calculations although only 116 positions were in place in Carrick-on-Shannon at the time of the study.

The GVA impact associated with the public sector is estimated by multiplying these gross employment figures by data on GVA per employee (of €36,029, derived from National Accounts³⁰).

$$\text{Gross GVA} = \text{gross employment} \times \text{GVA per head [public sector]}$$

The gross direct impacts are, therefore, 100 jobs and €3.6 million at DCRGA and 135 jobs and €4.9 million at DSFA (Table 4.1).

Table 4.1 - Gross Direct Impacts

| | DCRGA | DSFA | Total |
|--------------------------------|-----------|-----------|-----------|
| Gross direct employment (No.) | 100 | 135 | 235 |
| Gross direct GVA per annum (€) | 3,602,900 | 4,863,915 | 8,466,815 |

Source: BiGGAR Economics Analysis

²⁸ Gross Value Added (GVA) at basic prices is a measure of the value of goods and services produced priced at the value received by the producer minus product taxes payable and plus subsidies on products receivable. Total GVA at market prices is equivalent to GDP at market prices.

²⁹ This study was carried out between June and August 2008

³⁰ CSO (2006) National Accounts 2003 - the calculation of GVA per employee, is based on CSO National Accounts data for services.

The next step in the process of calculating the direct regional impacts is to take account of additionality, leakage and displacement effects. Additionality rates are based on the percentages of employees who have relocated from outside the region to work in the Departments. For DCRGA, 48% of the employees moved from Dublin to the Western Region while at DSFA 58% of the employees moved their workplace from outside the region. Employment leakage takes account of any employees working in the Western Region but living elsewhere. For both Departments, of those employees that were additional to the region, none were living outside of the region. Leakage for both DCRGA and DSFA was therefore 0% at the regional level.

Labour market displacement would occur if the Departments were to attract employees from the local economy at the expense of existing local employers who were then not able to source suitably qualified staff. The consultation programme with the Departments, local Chambers of Commerce and County Councils, found no evidence of any labour market displacement. This is not surprising since very few employees have been recruited locally. Given that future local employment by the Departments is expected to be small relative to the total size of the local labour market, none of those consulted during the study expected displacement to occur in the future. Displacement for both DCRGA and DSFA was therefore 0% at the regional level.

Applying these additionality, leakage and displacement assumptions to gross impacts (Table 4.1) gives net direct regional employment and GVA impacts.

$$\text{Net direct employment [regional]} = \text{gross direct employment} \times (1 - \text{non-additionality}) \times (1 - \text{leakage [regional]}) \times (1 - \text{displacement [regional]})$$

$$\text{Net direct GVA [regional]} = \text{net direct employment [regional]} \times \text{GVA per head [public sector]}$$

The net direct impacts are, therefore, 48 jobs and €1.7 million at DCRGA and 78 jobs and €2.8 million at DSFA (Table 4.2).

Table 4.2 - Net Direct Impacts, Western Region

| | DCRGA | DSFA | Total |
|------------------------------|-----------|-----------|-----------|
| Net direct employment (No.) | 48.0 | 77.8 | 125.8 |
| Net direct GVA per annum (€) | 1,729,392 | 2,802,934 | 4,532,326 |

Source: BiGGAR Economics Analysis

4.2.2 Induced Regional Impacts - Current

Induced impacts have been calculated based on information gathered in the staff surveys. Employees that responded stated into which range their household income fell. Total household income was calculated on the basis of the mid-points in these ranges.

$$\text{Household income [survey respondents]} = \text{mid-point [household income range]} \times \text{number of respondents.}$$

To calculate the household income of non-respondents, an average household income was calculated and weighted to take account of the seniority of those responding to the survey relative to the seniority of those in the total staff.

$$\text{Household income [non-respondents]} = \text{average household income [weighted for seniority]} \times \text{number of non-respondents}$$

Household income data was then adjusted downwards by 16.8% (based on data from the Household Budget Survey³¹) to take account of deductions to give household disposable income.

$$\text{Household disposable income} = \text{gross estimated household income} \times \text{average net deductions from salary}$$

³¹ CSO (2007), Household Budget Survey 2004-05 Final Results. The survey found that gross average direct weekly household income in Ireland was €862.55 and gross average weekly direct tax was €144.98, 16.8%.

The data on household income are summarised in Table 4.3 and Table 4.4

Table 4.3 - DCRGA Employees: Gross and Net Household Income

| Range | Mid Point /Average | No. of Respondents | Gross income for range | Net income for range |
|---------------------|--------------------|--------------------|------------------------|----------------------|
| €25,001 - €35,000 | €30,000 | 3 | €90,000 | €74,880 |
| €35,001 - €45,000 | €40,000 | 4 | €160,000 | €133,120 |
| €45,001 - €55,000 | €50,000 | 9 | €450,000 | €374,400 |
| €55,001 - €65,000 | €60,000 | 11 | €660,000 | €549,120 |
| €65,001 - €75,000 | €70,000 | 6 | €420,000 | €349,440 |
| €75,001 - €85,000 | €80,000 | 6 | €480,000 | €399,360 |
| €85,001 + | €90,000 | 11 | €990,000 | €823,680 |
| Non-respondents | €60,048 | 50 | €3,002,419 | €2,498,012 |
| Total all employees | - | 100 | €6,252,419 | €5,202,012 |

Source: Analysis of DCRGA Staff Survey Data

Table 4.4 - DSFA Employees: Gross and Net Household Income

| Range | Mid Point /Average | No. of Respondents | Gross income for range | Net income for range |
|---------------------|--------------------|--------------------|------------------------|----------------------|
| Under €25,000 | €12,500 | 1 | €12,500 | €10,400 |
| €25,001 - €35,000 | €30,000 | 9 | €270,000 | €224,640 |
| €435,001 - €45,000 | €40,000 | 4 | €160,000 | €133,120 |
| €45,001 - €55,000 | €50,000 | 7 | €350,000 | €291,200 |
| €55,001 - €65,000 | €60,000 | 10 | €600,000 | €499,200 |
| €65,001 - €75,000 | €70,000 | 7 | €490,000 | €407,680 |
| €75,001 - €85,000 | €80,000 | 6 | €480,000 | €399,360 |
| €85,001 + | €90,000 | 8 | €720,000 | €599,040 |
| Non-respondents | - | 83 | €4,632,252 | €3,854,033 |
| Total all employees | - | 135 | €7,714,752 | €6,418,673 |

Source: Analysis of DSFA Staff Survey Data

The staff surveys also provided information on proportions of spending in key categories (Table 4.5).

Table 4.5 - Employee Spending Assumptions

| | Spending by category (%) | |
|----------------------------|--------------------------|-------|
| | DCRGA | DSFA |
| Utilities | 14.4 | 16.7 |
| Housing Costs | 23.4 | 23.6 |
| Holidays and Entertainment | 11.1 | 9.9 |
| Food and Groceries | 19.9 | 22.3 |
| Other Household Items | 10.3 | 8.7 |
| Transport | 11.4 | 10.4 |
| Other | 9.4 | 8.5 |
| Total | 100.0 | 100.0 |

Source: Analysis of Department Staff Survey Data

The household disposable income and employee spending assumptions provide a basis for calculating total spend by category, that is, gross induced impact.

$$\text{Total spend [category]} = \text{household disposable income} \times \% \text{ spent on each category}$$

DCRGA employees have a combined estimated annual spend of €5.2 million and DSFA employees of €6.4 million (Table 4.6).

Table 4.6 - Household Spend by Category (Gross induced impact)

| | Total gross induced spend by category (€) | |
|----------------------------|---|-----------|
| | DCRGA | DSFA |
| Utilities | 748,848 | 1,070,751 |
| Housing Costs | 1,219,448 | 1,514,223 |
| Holidays and Entertainment | 577,060 | 637,491 |
| Food and Groceries | 1,034,354 | 1,432,531 |
| Other Household Items | 537,138 | 555,799 |
| Transport | 595,207 | 665,208 |
| Other | 489,957 | 542,670 |
| Total | 5,202,012 | 6,418,673 |

Source: Analysis of Department Staff Survey Data

As with direct impacts, net spending is calculated by taking account of additionality, leakage and displacement.

$$\text{Net spend [category, regional]} = \text{total spend [category]} \times (1 - \text{non-additionality}) \times (1 - \text{leakage [regional]}) \times (1 - \text{displacement [regional]})$$

As with the direct impacts, additionality rates are based on the percentages of employees who have relocated their workplace from outside the region to work in the Departments, for DCRGA, 48% and for DSFA, 58%.

Leakage estimates have been made based on data from the staff surveys on proportions of spending that occurred outside of the Western Region (Table 4.7).

Table 4.7 - Employee Spending Leakage Assumptions (for Induced Regional Impact)

| | DCRGA Employees % | DSFA Employees % |
|----------------------------|-------------------|------------------|
| Utilities | 41 | 27 |
| Housing Costs | 57 | 23 |
| Holidays and Entertainment | 70 | 51 |
| Food and Groceries | 35 | 19 |
| Other Household Items | 56 | 29 |
| Transport | 39 | 19 |
| Other | 83 | 46 |

Source: Analysis of Department Staff Survey Data

Displacement for both DCRGA and DSFA was 0% at the regional level.

After adjusting for leakage, displacement and additionality effects, DCRGA employees have a combined estimated net annual spend of €1.2 million and DSFA employees of €2.7 million (Table 4.8).

Table 4.8 - Net Additional Spend by Category, per annum, Western Region

| | DCRGA € | DSFA € |
|----------------------------|------------------|------------------|
| Utilities | 211,321 | 448,899 |
| Housing Costs | 249,788 | 670,208 |
| Holidays and Entertainment | 84,063 | 180,929 |
| Food and Groceries | 320,640 | 666,702 |
| Other Household Items | 114,523 | 226,491 |
| Transport | 174,110 | 308,850 |
| Other | 41,020 | 168,871 |
| Total | 1,195,466 | 2,670,951 |

Source: BiGGAR Economics Analysis

Induced regional employment impact can be estimated, based on output per employee in each of the sectors relevant to that spending.

$$\text{Net induced employment impact [category, regional]} = \frac{\text{net spend [category, regional]}}{\text{output per Full Time Equivalent (FTE)}^{32} \text{ [category]}}$$

³² Full-time equivalent (FTE) is measurement of a workers time in the job relative to a full-time worker. An FTE of 1.0 means that the person is equivalent to a full-time worker while an FTE of 0.5 is equivalent to half time work.

The Central Statistics Office provides data on GVA, output and employment in key sectors in Ireland in 2003, published in 2006.³³ This provides the basis for calculating output per employee and GVA per employee (Table 4.9).

Table 4.9 - Output and GVA per Full Time Equivalent (FTE)

| Sector | Output per FTE € | GVA per FTE € | Spending Category for analysis purposes |
|---------------------------------------|------------------|---------------|--|
| Other Production Industries | 348,314 | 123,747 | Utilities |
| Wholesale and Retail Trade | 125,242 | 47,540 | Other household items & Food and groceries |
| Hotels and Restaurants | 76,652 | 24,781 | Holidays and Entertainment |
| Transport, Storage and Communications | 188,483 | 59,884 | Transport |
| Financial and other business services | 253,276 | 131,700 | Housing Costs |
| All | 166,887 | 69,586 | Other |

Source: Calculated using data from CSO National Accounts (see table above)

The net induced employment impacts are calculated by applying these figures for output per employee to the net spend by category. This gives a net induced employment impact at the regional level of seven people from DCRGA and sixteen people from DSFA (Table 4.10).

Table 4.10 - Net Induced Employment Impact, Western Region

| | DCRGA | DSFA |
|----------------------------|-------|------|
| | FTEs | FTEs |
| Utilities | 0.6 | 1.3 |
| Housing Costs | 1.0 | 2.6 |
| Holidays and Entertainment | 1.1 | 2.4 |
| Food and Groceries | 2.6 | 5.3 |
| Other Household Items | 0.9 | 1.8 |
| Transport | 0.9 | 1.6 |
| Other | 0.2 | 1.0 |
| Total | 7.3 | 16.1 |

Source: BiGGAR Economics Analysis

The net induced GVA impacts are derived by applying the GVA per employee figures to the net induced employment impacts.

Net induced GVA impact [category, regional] = net induced employment impact [category, regional] x GVA per FTE [category]

These jobs are estimated to generate €0.5 million per annum in GVA associated with DCRGA and €1.1 million associated with DSFA (Table 4.11).

³³ CSO (2006) National Accounts 2003

Table 4.11 - Net Induced GVA Impact per annum, Western Region

| | DCRGA € | DSFA € |
|----------------------------|----------------|------------------|
| Utilities | 75,077 | 159,482 |
| Housing Costs | 129,887 | 348,499 |
| Holidays and Entertainment | 27,177 | 58,493 |
| Food and Groceries | 121,710 | 253,070 |
| Other Household Items | 43,471 | 85,973 |
| Transport | 55,318 | 98,127 |
| Other | 17,104 | 70,413 |
| Total | 469,743 | 1,074,057 |

Source: BiGGAR Economics Analysis

In summary, the net induced impacts are, therefore, seven jobs and €0.5 million at DCRGA and sixteen jobs and €1.1 million at DSFA (Table 4.12).

Table 4.12 - Net Induced Impacts, Western Region

| | DCRGA | DSFA | Total |
|-------------------------------|---------|-----------|-----------|
| Net induced employment (No.) | 7.3 | 16.1 | 23.4 |
| Net induced GVA per annum (€) | 469,743 | 1,074,057 | 1,543,800 |

Source: BiGGAR Economics Analysis

4.2.3 Indirect Regional Impacts - Current

Indirect impacts arise from the supply chain spending of the Departments; on the basis that increased turnover at suppliers will support increased employment.

Estimates of Department spending in various categories were provided by DCRGA and DSFA.

For DCRGA (Table 4.13), 87% of spending identified was within the Western Region, with leakage of 13% to other parts of Ireland.

Table 4.13 - DCRGA Bought-in Goods and Services

| | Total | Western Region | Rest of Ireland |
|-------------------|----------------|----------------|-----------------|
| | € | € | € |
| Rent | 200,000 | 200,000 | - |
| Catering | 11,471 | 11,471 | - |
| Electricity | 15,175 | - | 15,175 |
| Telecoms | 21,945 | - | 21,945 |
| Cleaning Services | 26,592 | 26,592 | - |
| Total | 275,183 | 238,063 | 37,120 |

Source: DCRGA

For the DSFA (Table 4.14) 93% of spending identified was within the Western Region, with leakage of 7% to other parts of Ireland.

Table 4.1 4 - DSFA Bought-in Goods and Services

| | Total | Western Region | Rest of Ireland |
|----------------------|----------------|----------------|-----------------|
| | € | € | € |
| Rent | 800,000 | 800,000 | - |
| Catering | 15,486 | 15,486 | - |
| Electricity | 33,135 | - | 33,135 |
| Telecoms | 29,626 | - | 29,626 |
| Cleaning Services | 35,899 | 35,899 | - |
| Misc. local spending | 1,200 | 1,200 | - |
| Total | 915,346 | 852,585 | 62,761 |

Source: DSFA

For indirect impacts, leakage was implicit within the data collected (since the Departments provided data on spending within the region) so there was no need to apply a separate leakage assumption. Similarly, additionality was assumed to be 100% since all of the regionally sourced supplies were new business for the region since the Departments relocated. As with direct and induced impacts displacement was assumed to be 0%.

The net indirect employment impacts were calculated by dividing net additional spend in each category by an output per employee in the relevant sector, using a similar approach to the calculation of induced employment.

$$\text{Net indirect employment [category, regional]} = \text{net spend [category, regional]} / \text{output per FTE [category]}$$

The net indirect employment impact at the regional level is 1.0 at DCRGA and 3.5 at DSFA (Table 4.15).

Table 4.15 - Net Additional Supplier Employment Impact, Western Region

| | DCRGA | DSFA |
|--------------------------|------------|------------|
| | FTEs | FTEs |
| Rent | 0.8 | 3.2 |
| Catering | 0.1 | 0.1 |
| Cleaning Services/ Misc. | 0.1 | 0.2 |
| Total | 1.0 | 3.5 |

Source: BiGGAR Economics Analysis

The net indirect GVA impacts are derived by applying the GVA per employee figures to the net indirect employment impacts.

$$\text{Net indirect GVA impact [category, regional]} = \text{net indirect employment impact [category, regional]} \times \text{GVA per FTE [category]}$$

These jobs are estimated to generate €0.1 million per annum in GVA associated with DCRGA and €0.4 million associated with DSFA (Table 4.16).

Table 4.16 - Net Additional Supplier GVA Impact per annum, Western Region

| | DCRGA € | DSFA € |
|--------------------------|----------------|----------------|
| Rent | 103,997 | 415,989 |
| Catering | 4,783 | 6,457 |
| Cleaning Services/ Misc. | 11,088 | 15,469 |
| Total | 119,868 | 437,915 |

Source: BiGGAR Economics Analysis

In summary, the net indirect impacts are, therefore, one job and €0.1 million at DCRGA and three jobs and €0.4 million at DSFA (Table 4.17).

Table 4.17 - Net Indirect Impacts, Western Region

| | DCRGA | DSFA | Total |
|--------------------------------|---------|---------|---------|
| Net indirect employment (No.) | 1.0 | 3.5 | 4.5 |
| Net indirect GVA per annum (€) | 119,868 | 437,915 | 557,783 |

Source: BiGGAR Economics Analysis

4.2.4 Total Regional Impacts - Current

The total net employment and GVA impacts in the Western Region can be calculated by adding the direct, induced and indirect impacts.

Total net employment impact [regional] = direct employment impact [regional] + induced employment impact [regional] + indirect employment impact [regional]

Total net GVA impact [regional] = direct GVA impact [local/regional] + induced GVA impact [local/regional] + indirect GVA impact [local/regional]

In total, the relocation of DCRGA posts has had an impact in the Western Region of 56.4 jobs, which produce €2.3 million in annual GVA. The relocation of DSFA posts has had an impact of 97.3 jobs with associated annual GVA of €4.3 million (Table 4.18 and Table 4.19).

The economic impact analysis has found that the current net impact of the relocation of public sector posts in DCRGA and DSFA on the Western Region is a total of 153.7 jobs and associated annual GVA of €6.6 million.

Table 4.18 - Total Current Net Employment Impacts, Western Region

| | DCRGA | DSFA | Total |
|-----------------------------|-------------|-------------|--------------|
| | FTEs | FTEs | FTEs |
| Net direct employment | 48.0 | 77.8 | 125.8 |
| Net induced employment | 7.3 | 16.1 | 23.4 |
| Net indirect employment | 1.0 | 3.5 | 4.5 |
| Total net employment | 56.4 | 97.3 | 153.7 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

Table 4.19 - Total Current Net GVA Impacts per annum, Western Region

| | DCRGA | DSFA | Total |
|----------------------------|-----------|-----------|-----------|
| | € | € | € |
| Net direct GVA per annum | 1,729,392 | 2,802,934 | 4,532,326 |
| Net induced GVA per annum | 469,743 | 1,074,057 | 1,543,800 |
| Net indirect GVA per annum | 119,868 | 437,915 | 557,783 |
| Total GVA per annum | 2,319,003 | 4,314,906 | 6,633,909 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

4.3 Future Regional Economic Impacts

At the time that the study was undertaken the planned relocations had not been fully implemented. Additional posts were expected to be moved in the case of both DCRGA and DSFA. Future impacts, based on the original planned relocations were calculated.

DCRGA had 100 posts in Tubbercurry in 2008, with an estimated further 64 to be moved to the locality by 2011. The location in Tubbercurry is a temporary one so the 164 posts are expected to be in a new office in nearby Charlestown Co Mayo.

DSFA had 135 posts in Carrick-on-Shannon in 2008, with a further 85 posts expected to be moved in a second phase by 2009, bringing the total to 220. In October 2008 the government deferred this second phase. It will be reviewed in 2011. The future regional economic impacts have been calculated, using the same method and assumptions as the current regional economic impacts described above.

When complete the relocation of DCRGA posts could have an impact in the Western Region of 91.7 jobs and €3.7 million in annual GVA. The relocation of DSFA posts could have an impact of 156.5 jobs and €6.8 million in annual GVA (Table 4.20 and Table 4.21).

Table 4.20 - Total Future Net Employment Impacts, Western Region

| | DCRGA | DSFA | Total |
|-------------------------|-------|-------|-------|
| | FTEs | FTEs | FTEs |
| Net direct employment | 78.7 | 126.8 | 205.5 |
| Net induced employment | 12.0 | 26.2 | 38.2 |
| Net indirect employment | 1.0 | 3.5 | 4.5 |
| Total net employment | 91.7 | 156.5 | 248.2 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

Table 4.21 - Total Future Net GVA Impacts per annum, Western Region

| | DCRGA | DSFA | Total |
|----------------------------|-----------|-----------|------------|
| | € | € | € |
| Net direct GVA per annum | 2,836,203 | 4,567,744 | 7,403,947 |
| Net induced GVA per annum | 770,379 | 1,750,315 | 2,520,694 |
| Net indirect GVA per annum | 119,868 | 437,915 | 557,783 |
| Total GVA per annum | 3,726,450 | 6,755,974 | 10,482,424 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

4.4 Local Impacts

While the study has focused on the impact on the Western Region, the local impacts on the towns of Tubbercurry and Carrick-on-Shannon have also been calculated.

The approach taken was the same as for the regional impacts. However, there were important differences in some of the assumptions made, particularly on additionality and leakage. Additionality at the local level was 100% for DCRGA and 98% for DSFA since almost all of those employed were employed somewhere other than the two towns prior to the Departments moving.

However, employment leakage was much higher at the local level, 90% for DCRGA and 91% for DSFA, reflecting the commuting patterns with most of those employed in Tubbercurry and Carrick-on-Shannon travelling from other towns in the region.

In total, the relocation of DCRGA posts has had an impact in Tubbercurry of 26.1 jobs, which produce €1.4 million in annual GVA. The relocation of DSFA posts had an impact in Carrick-on-Shannon of 33.5 jobs with associated annual GVA of €2.1 million (Table 4.22 and Table 4.23).

For Tubbercurry:

- net direct impact of 10 jobs and annual GVA impact of €0.36 million;
- net induced impact of 15.3 jobs and annual GVA impact of €0.98 million; and
- net indirect impact of 0.8 jobs and annual GVA impact of €0.1 million.

For Carrick-on-Shannon:

- net direct impact of 11.7 jobs and annual GVA impact of €0.42 million;
- net induced impact of 18.6 jobs and annual GVA impact of €1.21 million; and
- net indirect impact of 3.2 jobs and annual GVA impact of €0.41 million.

Table 4.22 - Total Current Net Employment Impacts, Local

| | DCRGA (Tubbercurry) | DSFA (Carrick-on-Shannon) |
|-------------------------|------------------------|------------------------------|
| | FTEs | FTEs |
| Net direct employment | 10.0 | 11.7 |
| Net induced employment | 15.3 | 18.6 |
| Net indirect employment | 0.8 | 3.2 |
| Total net employment | 26.1 | 33.5 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

Table 4.23 - Total Current Net GVA Impacts per annum, Local

| | DCRGA (Tubbercurry) | DSFA (Carrick-on-Shannon) |
|----------------------------|------------------------|------------------------------|
| | € | € |
| Net direct GVA per annum | 360,290 | 421,895 |
| Net induced GVA per annum | 978,632 | 1,214,412 |
| Net indirect GVA per annum | 103,997 | 416,489 |
| Total GVA per annum | 1,442,919 | 2,052,797 |

Source: BiGGAR Economics Analysis (note: totals may not add due to rounding)

4.5 Summary of Impacts

The economic impact analysis has found that the current net impact of the relocation of public sector posts in DCRGA and DSFA on the Western Region is a total of 153.7 jobs and associated annual GVA of €6.6 million, which includes:

- net direct impact of 125.8 jobs and annual GVA impact of €4.5 million;
- net induced impact of 23.4 jobs and annual GVA impact of €1.5 million; and
- net indirect impact of 4.5 jobs and annual GVA impact of €0.6 million.

The analysis also found that future net impacts in the Western Region of the Departments, once projected increases in relocated posts have been realised, could amount to a total of 248.2 jobs and associated annual GVA of €10.5 million, which includes:

- net direct impact of 205.5 jobs and annual GVA impact of €7.4 million;
- net induced impact of 38.2 jobs and annual GVA impact of €2.5 million; and
- net indirect impact of 4.5 jobs and annual GVA impact of €0.6 million.

In total, the relocation of DCRGA posts has had an impact in Tubbercurry of 26.1 jobs, which produce €1.4 million in annual GVA and the relocation of DSFA posts has had an impact in Carrick-on-Shannon of 33.5 jobs with associated annual GVA of €2 million.

For Tubbercurry:

- net direct impact of 10 jobs and annual GVA impact of €0.36 million;
- net induced impact of 15.3 jobs and annual GVA impact of €0.98 million; and
- net indirect impact of 0.8 jobs and annual GVA impact of €0.1 million.

For Carrick on Shannon:

- net direct impact of 11.7 jobs and annual GVA impact of €0.42 million;
- net induced impact of 18.6 jobs and annual GVA impact of €1.21 million; and
- net indirect impact of 3.2 jobs and annual GVA impact of €0.41 million.

4.6 Comparisons with Other Studies

As discussed in Chapter 2, previous studies on the relocation of public sector jobs provide some comparisons for the relationship between direct impacts and total impacts (including direct, induced and indirect impacts). Multipliers from these studies vary between 1.0 and 1.29.

The equivalent multipliers from this study are 1.17 for DCRGA and 1.25 for DSFA, which are within the range of findings from previous studies (Table 4.24).

Table 4.24 - Relocation Multiplier Effects from Elsewhere and this Study

| Study/Source ³⁴ | Relocation | Multiplier |
|------------------------------|-------------------------------------|------------|
| Ashcroft, B., et al (1988) | Overseas Development Administration | 1.25 |
| Rhodes, J et al (1994) | Various | 1.29 |
| HM Treasury (2000) | Various | 1.05-1.15 |
| Experian (2003), unpublished | Patent Office | 1.0 |
| Experian (2003), unpublished | Dept of Health and Social Security | 1.3 |
| BiGGAR Economics | DCRGA | 1.17 |
| BiGGAR Economics | DFSA | 1.25 |

Source: Experian Business Strategies (2004), The Impact of Relocation, A Report for the Independent Review of Public Sector Relocation; BiGGAR Economics

4.7 Wider Impact Assessment

In addition to the quantitative impacts detailed above, our consultation programme, focus groups and Department Staff Surveys have gathered evidence on the qualitative impacts of decentralisation on the towns. This analysis is presented below.

Wider impacts generally fall under the same categories for both Departments, however it should be noted that the different contexts in the towns mean that certain impacts may be more important in one location than another. This is highlighted in the text.

4.7.1 Sense of Place

In Tubbercurry it was believed that DCRGA had a significant impact in creating a sense of place in the town, and in giving local residents a source of pride. An example cited by a local business was the impact of the flag which is located outside the Department – this made the individual feel that Tubbercurry was ‘connected’ to the rest of the country, as it had not had an official flag post before.

Tubbercurry, unlike Carrick-on-Shannon, does not have a large ‘anchor’ business. As a result, having DCRGA located there has a much greater impact on the locality than has DSFA in Carrick-on-Shannon.

In fact in Carrick-on-Shannon it was reported that, although they appreciated the building’s appearance, many locals did not believe the building was occupied. The visibility of DSFA in Carrick-on-Shannon is low and therefore it does little to contribute to the town’s sense of place.

³⁴ The sources for these studies are given in Table 2.1 in Chapter 2.

4.7.2 Raising Profile

As with sense of place, Tubbercurry's profile has benefited to a much greater extent than Carrick-on-Shannon, which was already relatively well known as a tourist destination and as the county town of Co. Leitrim.

Despite having many local events and activities, Tubbercurry is not as popular a tourist destination as Carrick-on-Shannon, and therefore does not have as high a profile outside the locality. Local businesses believe that DCRGA has provided a greater awareness of Tubbercurry simply through being located there.

4.7.3 Regeneration/ Investment

There are very few examples of how DSFA in Carrick-on-Shannon has had an effect on regeneration or investment in the town. Visibility of the Department is low to local people and businesses, and while the new building is considered to be agreeable visually, there are believed to be no further impacts in encouraging additional regeneration or investment.

In Tubbercurry, the buildings which are now occupied by DCRGA are understood to have been empty previously, and works were undertaken to refurbish them for the Department's arrival. This has had a positive impact on the aesthetics of the town, and it is believed that this has encouraged some local shopkeepers/ business owners to 'tidy up' shop frontages.

In addition it was reported that a business was planning to close its Tubbercurry office, however on hearing that DCRGA would be located there, and with assurances that certain elements of infrastructure would follow, the business changed its plans and remained. In both towns there was no evidence that the relocations had any impact on house building or house prices.

4.7.4 New Demand for New Services

In Carrick-on-Shannon there is no evidence that new services or businesses have been established following the relocation of DSFA posts there.

However in Tubbercurry it is believed that a new business has been established in response to inquiries about demand for its proposed services to DCRGA employees.

4.7.5 Summary of Wider Impacts

In addition to quantitative impacts, there are a number of sources of wider impact of the Departments in the receiving communities. There are examples of the Departments increasing local pride and sense of place, raising the profile of the area, encouraging new businesses and stimulating regeneration and investment.

However, the nature and extent of the impacts appears to depend greatly on the current social and economic profile of the areas. Tubbercurry, a smaller town with fewer large employers, amenities, businesses and attractions, appears to have experienced these benefits to a greater extent than Carrick-on-Shannon, where the relocation has had little wider impact.

Tubbercurry has demonstrated that it can accommodate a major employer, over and above its existing private sector employers, which positions it effectively for the future and will help mitigate the effect of the move of the DCRGA posts to Charlestown as planned for 2010. The temporary relocation has created a favourable infrastructure (such as broadband and suitable accommodation) and it is reasonable to suggest that the DCRGA has provided Tubbercurry with a stepping stone to hosting another permanent major employer in the town.

The background is a solid blue color with various faint, light-blue geometric patterns and icons. On the left, there are vertical bars of varying heights. In the center, there are several horizontal rows of icons: a row of plus signs, a row of vertical bars, a row of right-pointing chevrons, and a row of plus signs. On the right side, there are concentric circles and a grid of small squares. At the bottom, there are more vertical bars and a row of plus signs.

5. Impact on Individuals

5. Impact on Individuals

If the impact of public sector relocations is to be maximised, then we need to understand how the people involved are affected. This includes understanding their motivations for being involved in the relocation, their expectations of it, and their experiences. This will provide a useful input to the development of relocation policy, as well as insights into the location decisions of employees which will be valuable to the regional agencies.

In this chapter we provide an overview of the motivations, expectations and experiences of the staff of DCRGA and DSFA, now based in Tubbercurry and Carrick-on-Shannon. Three sources of information have been used:

- staff surveys carried out at each Department, introduced in Chapter 3;
- four focus groups, two held at each Department, which explored why individuals made the decision to relocate and the impact of the relocation on their lives; and
- five case studies from individuals, who have given their own personal stories to this study.

These three sources have provided a rich array of qualitative information which is structured in this chapter around themes. We have reported by theme, rather than looking at each Department in turn, so that the chapter can tell a story that starts with people's motivations for taking up the opportunities provided by the relocations, through their experiences, to their reflections on how it has worked out for them. The staff at each Department is considered separately under each theme. This chapter is therefore structured as follows:

- a brief recall of the survey results discussed in Chapter 3, to set the context for the rest of the chapter (section 5.1);
- an account of the motivations for relocating with the Departments, both for those that have moved house, and for those who are living in the same place as they were before they relocated workplace (section 5.2);
- the expectations of those that have moved house along with their workplace relocation (section 5.3); and
- an exploration of whether expectations of the relocation have been realised, both for those moving house, and those not moving (section 5.4).

The experiences of five individual case studies are highlighted throughout the chapter, to bring a personal touch to the issues being discussed.

5.1 Moving Workplace, Moving House

It is useful to reflect briefly here on the numbers of people moving workplace with each Department, and those moving house, along with where they have moved from. This was discussed in detail in Chapter 3 and the key points are summarised below.

Within DCRGA, 100 posts have been relocated from Dublin to Tubbercurry. Of the 100 people in Tubbercurry, 48 moved from offices in Dublin, with 52 moving from workplaces elsewhere. Individuals moving workplace from Dublin therefore filled 48% of the posts that were relocated.

DSFA showed a different profile, with only 10% of the 116 posts being filled by people who relocated from Dublin. A further 47% relocated from other workplaces outside the Western Region and 41% from within the Western Region, the majority of these from Sligo. Two people were recruited locally.

Each Department had a distinct pattern of house relocation associated with moving workplace. Staff surveys showed that 41% of those surveyed in DCRGA moved house due to relocation, while only 27% within DSFA moved house. In DCRGA 32% have moved house from Dublin, with just 14% of those surveyed at DSFA doing the same thing.

5.2 Relocating Workplace Motivations

Decisions to relocate to the Western Region were strongly influenced by quality of life choices, with a majority of those in both Departments citing the opportunity to lead a more desirable lifestyle involving less stress, more time for family and leisure, better quality housing etc. as the primary reason for the relocation. For some, the relocations have also created career opportunities. The first case study,³⁵ introduces both quality of life and career issues.

Case Study 1

A staff member in DSFA who originally worked in another government Department left Dublin in 1989 to move to Sligo to be closer to her in-laws. Recently, she has moved work (but not house) to Carrick-on-Shannon.

Her motivation to work in Carrick-on-Shannon was to cut down on commuting time and to have more leisure time. Before, she drove to and from work in the dark, but she now enjoys her longer evenings to go walking.

Over the last ten years or so, she has noticed many changes in the region which make it increasingly attractive. The shopping facilities have improved considerably. There are better transport links both within the Western Region and to and from Dublin. There are also better promotion prospects within the Government Departments between Sligo, Longford and Carrick-on-Shannon, which means there are opportunities for professional development and progression within the region.

Table 5.1 below illustrates the split between quality of life and work reasons for moving to DCRGA at Tubbercurry. The table shows that 65% of those at DCRGA cite quality of life over work reasons as the motivation for relocating. This pattern is more pronounced, however, when the motivations of those that have moved house are considered separately from those that have not, as shown.

Table 5.1 - Reasons for Moving Workplace, DCRGA

| | Quality of life reasons | Work reasons | Total |
|---------------------------------------|-------------------------|--------------|-------|
| | % | % | % |
| All respondents (n=63) | 65 | 35 | 100 |
| Moved house from Dublin (n=21) | 81 | 19 | 100 |
| Moved house from other location (n=6) | 83 | 17 | 100 |
| Did not move house (n=36) | 53 | 47 | 100 |

Source: DCRGA Staff Survey Analysis

Overall, we know that 41% of those relocating to Tubbercurry moved house. It is clear from Table 5.1 that quality of life reasons were a driver for a much higher proportion of those that moved house, either from Dublin (81%, n=21) or from elsewhere 83%, n=6). However, for those that did not move house, there is an almost half and half split between quality of life (53%) and work-related reasons (47%).

³⁵ Details of individuals in case studies have been altered to preserve anonymity.

At the DSFA, the split between motivations is much more pronounced than for DCRGA, as shown in Table 5.2

Table 5.2 - Reasons for Moving Workplace, DSFA

| | Quality of life reasons | Work reasons | Total |
|---------------------------------------|-------------------------|--------------|-------|
| | % | % | % |
| All respondents (n=56) | 93 | 7 | 100 |
| Moved house from Dublin (n=8) | 100 | 0 | 100 |
| Moved house from other location (n=7) | 100 | 0 | 100 |
| Did not move house (n=40) | 90 | 10 | 100 |

Source: DSFA Staff Survey Analysis

Some 93% of all those at DSFA cite quality of life over work reasons as the motivation for relocating workplaces (n=56). We know that a minority of staff at DSFA, 27%, have moved house. All of the staff that moved house with their workplace relocation did so for quality of life reasons, whether they have moved from Dublin or elsewhere. Furthermore, a huge majority of those that have not moved house, 90% (n=40), relocated workplace because of quality of life reasons.

Having shown that quality of life drives the decisions of individuals to relocate, there is no doubt that the presence of the public sector offices within the Western Region have also created career opportunities for their staff, as outlined in the second case study.

Case Study 2

One of the staff in DSFA moved workplace from Sligo to Carrick-on-Shannon in order to shorten the commute from her home. Originally from Dublin, she moved West in the 1990s.

The move from Sligo has been very positive. She is building a new house and moving to Carrick-on-Shannon has allowed her to find a more affordable site as land is less expensive. Its close proximity to work means that she can attend site meetings in her lunch hour. None of this would have been possible without the move.

There have also been career development opportunities, with a changed role allowing her to broaden her horizons. In fact, she feels that over the last few years there has been a tremendous increase in opportunities to build and develop a public sector career in the West, because of the work available in Sligo, Carrick-on-Shannon and Longford. She considers that this might also have created new work opportunities for local young people.

5.3 Moving House - Expectations

The discussions held during the focus groups made it clear that those who moved house had a range of expectations. For those who moved from Dublin the more affordable property in the Western Region was an important driver, allowing them to better accommodate growing families. The ease of commuting in the rural West was also an important expectation for those moving from the congested city region, although they were also aware that public transport links are not as good. Finally, all of those in the focus groups who had moved were attracted by the rural nature of the area.

The surveys for each Department provide some quantitative measures of these expectations. The main advantages expected by staff at DCRGA are shown in Table 5.3 below.

Table 5.3 - Advantages Expected from Moving House, DCRGA

| | Shorter commute | Better quality/larger house | Opportunity to live in a rural area | Lower cost of living | Other |
|---------------------------------------|-----------------|-----------------------------|-------------------------------------|----------------------|-------|
| | % | % | % | % | % |
| All respondents (n=27) | 63 | 63 | 57 | 52 | 30 |
| Moved house from Dublin (n=21) | 57 | 67 | 62 | 52 | 29 |
| Moved house from other location (n=6) | 83 | 50 | 33 | 50 | 17 |

Source: DCRGA Staff Survey Analysis, multiple choice answers

A majority of those at DCRGA that moved house expected to find advantages in a shorter commute, a better quality or larger house, an opportunity to live in a rural area, and a lower cost of living. It is not surprising that a higher proportion of those that responded to this question, and who moved house from places other than Dublin, expected the commute to be shorter, and fewer of them expected advantages in the housing market or from rural living.

These data were also analysed to consider whether people with children had different expectations to those that were not parents. Parents were more likely to have been seeking advantages from commuting, housing and rural living than those who were not parents. However, they were less likely to expect a lower cost of living from moving house, only 30% of parents expecting to find cost of living lower after moving house.

The picture at DSFA was similar, although there were higher proportions of staff expecting commuting benefits, and lower proportions expecting advantages from living in a rural area (Table 5.4).

Table 5.4 - Advantages Expected from Moving House, DSFA

| | Shorter commute | Better quality/larger house | Opportunity to live in a rural area | Lower cost of living | Other |
|---------------------------------------|-----------------|-----------------------------|-------------------------------------|----------------------|-------|
| | % | % | % | % | % |
| All respondents (n=15) | 93 | 73 | 40 | 53 | 7 |
| Moved house from Dublin (n=7) | 86 | 71 | 57 | 71 | 14 |
| Moved house from other location (n=7) | 100 | 71 | 29 | 43 | 29 |

Source: DSFA Staff Survey Analysis, multiple choice answers

The numbers of people moving house with the DSFA relocation are lower than for the DCRGA, and so only a small sample of 15 people responded to the question about expectations. Despite this, the differences in response from DCRGA are of note.

A huge majority (93%) of staff that moved house expected advantages from a shorter commute. This is the case for all of the people who moved from somewhere other than Dublin, and 86% of those that have moved from Dublin. Although a minority (40%) of those that moved house were seeking advantages of rural living, a majority of those that moved from Dublin did expect such advantages (57%).

As with DCRGA, those with children are more likely to have expected advantages from housing and rural living than those who were not parents. However, they expected the advantages of a shorter commute and lower cost of living in equal proportions, to those who were parents.

5.4 Expectations Realised?

The impacts of the relocations on individuals have been keenly felt. Within the focus groups there was a tangible sense that the benefits anticipated before the move had been met, both for those that moved house and for those that did not.

The time liberated by changed commuting patterns was consistently remarked upon as a major benefit by focus group participants, both for those moving house as well as for others. For those moving from Dublin, the ease of commuting into small towns, compared with the city, has brought considerable benefits – in terms of time saved, less stress and lower costs. All of these in turn impact on quality of life. For those who did not move from Dublin, the proximity of home and workplace was quoted as the single greatest factor in attracting them to relocate their job. For example:

Due to less time spent travelling I have more time to spend with my family. (DCRGA, relocated within Western Region)

More time to myself. I am a little more relaxed, there is less rushing. (DSFA, relocated within Western Region)

Not as tired from travelling, therefore more quality time with my family. (DSFA, relocated within Western Region)

For those relocating from Dublin, the cost of property was also discussed as having a major benefit.

For those relocating within the region, the major influence on quality of life is from reduced commuting time. For those relocating from outside the region, there are further clear benefits to having moved here:

The move to the West has given me a higher standard of living and a healthier and more varied quality of life, plus a greater sense of belonging to the community than I would have had if I stayed in Dublin. (DSFA)

I have a much better quality of life. I am certainly not as stressed as living in Dublin. (DSFA)

Community also rates highly amongst those who discussed their experiences with us. There were two themes running through discussions about the community aspects of moving to the Western Region. The first involved the considerable differences people felt in relation to smaller towns and rural communities, which in almost all cases were viewed very positively. This includes benefits such as friendlier people with a suggestion that people have more time for each other, better schools, and closer communities.

Case Study 3

A young woman whose family home is in Co. Mayo, took a position with the DCRGA in Dublin after graduating from college. She did this knowing that the Department would be relocating and with the expectation that this would allow her to return home. Although the organisation moved to Tubbercurry, she has been able to return home to Mayo.

The move has meant a major change for the better in her quality of life. The tight-knit community means she feels much safer than in Dublin, with a pace and lifestyle that is less stressful than city living. And while using public transport in the West is not easy, there was no doubt that getting around Dublin was difficult in different ways, with roads and congestion a real issue. However, she has had to buy a car since returning to the region.

A particular benefit of moving back to the Western Region has been the opportunity to become much more closely involved with the community. This woman is a very active community member. She sings in her local choir, regularly visits older people living in a local care home, and during the summer is involved with a neighbourhood youth programme in the evenings. This level of community involvement was not possible for her while in Dublin. Being part of a close community has allowed her to be an active contributor.

The second community aspect relates to those who were returning to their home region, most of whom still had family connections in the area:

I am closer to family and friends and feel that my children will grow up in a safer town. (DSFA, relocated from Dublin)

My life is improved in that my child is being brought up in the country as opposed to Dublin and I get to see my parents nearly every day. (DCRGA, relocated from Dublin)

Case Study 4

A member of staff in the DCRGA had taken a career break to travel the world. While abroad, she heard of the opportunity to work in Co. Mayo.

The chance to move back to be close to family in Co. Mayo, to pursue her passion for the Irish language and to return to live in the countryside drew her back from the other side of the world.

Now she wants to stay working and living in the Western Region – a place with no traffic worries, no noise pollution and no queues in the shops. She plans to settle here, and will buy a house over the next two or three years.

The positive picture of experiences described in this section is supported by the survey responses. In the survey, those who moved house considered whether their expectations had been realised. The following question was asked:

Have your expectations been met so far?

In both Departments the answer was overwhelmingly, yes – for 74% of those at DCRGA and 87% of those at DSFA.

Analysis of how different groups of people have responded to this question provides interesting insights.

There is little difference at DCRGA between those who joined for quality of life reasons or for those at different grades within the Department. However, as Table 5.5 shows, a slightly lower proportion of those moving from Dublin, 67%, answered yes to this question.

Table 5.5 - Expectations of Relocation Realised by Original Location, DCRGA

| Were expectations met? | Yes | No | Total |
|---------------------------------|-----|----|-------|
| | % | % | % |
| All respondents (n=27) | 74 | 26 | 100 |
| Moved from Dublin (n=21) | 67 | 33 | 100 |
| Moved from other location (n=6) | 100 | 0 | 100 |

Source: DCRGA Staff Survey Analysis

Some of the reasons given for expectations not being met for a third of those moving from Dublin included:

Settling-in period has taken longer than expected. Not a big problem, but a factor nonetheless;

Rural transport is a big issue as is lack of contact during winter months;

Country living is great but the cost of living i.e. travel, is working out at approx €100 per week as opposed to approx €10 a week in Dublin;

House prices fell and could not sell Dublin property;

Department did NOT move to Knock which is what I signed up for therefore a long commute is involved the same really as I had in Dublin;

Decentralisation has lead to more not less travel. The Department's work is unsuited to a location with limited public transport.

Some 87% of those that moved house to work at the DSFA felt that their expectations have been met. Those who said that expectations were not met (13%) told us that this was related to workplace issues, not to moving house.

Finally, we asked whether working at the Departments in Tubbercurry or Carrick on Shannon had an impact on the lives of the staff there. The question was:

Has working at the Department in Tubbercurry/Carrick-on-Shannon had any effect on your life?
With three possible answers:

- No, my life is still the same;
- Yes, my life has improved; or
- Yes, but my life has not improved.

A high proportion of staff at both Departments answered Yes to this question, as discussed below.

As is shown in Table 5.6, 68% of people at the DCRGA in Tubbercurry felt their lives had improved. The responses to this question for those that moved house, and those that did not move house are included in the table. Analysis by other groups (such as parents and seniority) does not show significant differences.

Table 5.6 - Impact of Relocating on Individuals, DCRGA

| | Yes, my life has improved | Yes, but my life has not improved | No, my life is still the same | Total |
|---------------------------------------|---------------------------|-----------------------------------|-------------------------------|-------|
| | % | % | % | % |
| All respondents (n=62) | 68 | 16 | 16 | 100 |
| Moved house from Dublin (n=19) | 53 | 26 | 21 | 100 |
| Moved house from other location (n=6) | 83 | 0 | 17 | 100 |
| Didn't move house* (n=37) | 73 | 14 | 14 | 100 |

Source: DCRGA Staff Survey Analysis, *does not add to 100 due to rounding

Of all of those from DCRGA that responded to this question, 16% felt that their life had not improved and the same number said there was no change to their lives. When this is considered according to those that have moved from Dublin, 53% have felt improvements to their lives. A small proportion (26%) felt their lives have not improved and a similar proportion (21%) felt their lives were still the same. Improvement has been experienced by large proportions of those who have moved from another location (5 out of 6 people) and who didn't move house (27 out of 37 people).

Many of those who said their lives had not improved offered reasons for their answers. The impact of commuting was the reason for almost all of these responses. Comments varied from simply I am driving more miles, to concerns that if the relocation had been to Knock (as originally anticipated) the commuting would be less. One respondent is now expected to travel to Dublin regularly, which has a negative impact.

Table 5.7 below, shows that an even higher proportion of those moving to the DSFA at Carrick-on-Shannon felt their lives had improved, at 80% of the sample.

Table 5.7 - Impact of Relocating on Individuals, DSFA

| | Yes, my life has improved | Yes, but my life has not improved | No, my life is still the same | Total |
|---------------------------------------|---------------------------|-----------------------------------|-------------------------------|-------|
| | % | % | % | % |
| All respondents (n=55) | 80 | 7 | 13 | 100 |
| Moved house from Dublin* (n=8) | 63 | 25 | 13 | 100 |
| Moved house from other location (n=7) | 86 | 0 | 14 | 100 |
| Didn't move house (n=39) | 82 | 5 | 13 | 100 |

Source: DSFA Staff Survey Analysis, *does not add to 100 due to rounding

Of all of those from DSFA that responded to this question, only 7% (4 people) felt that their life had not improved. Those who provided comments on the survey about this cited issues concerning their work as a reason why life had not improved. The small number of people who said their life is still the same did not provide a reason.

Case Study 5

One of the men who moved to Tubbercurry from Dublin with his wife and young family, says the move has changed their lives.

Originally from Dublin, he was prompted to consider the relocation because of an opportunity to take a promotion with the Department as it went into the process of decentralising. At that time, the couple had one pre-school child with another on the way, and were not inclined to leave Dublin, his home town.

However, it was clear after some initial investigation that relocating to the West was appealing. The attractive environment, the quality of the schools and lower cost of living all made the promotion and move a real prospect. In particular, the difference in house prices offered our case study's wife an opportunity to stay at home with the children while they were young, in addition to moving to a bigger house. In Dublin, they both worked full-time to cover their mortgage costs.

Having moved, these aspirations have all been realised. The move has brought many other benefits too. There are as many services and amenities as they used in Dublin, and greater benefits - they feel closer to nature, with a real sense of community that they didn't have before, and an undeniably better quality of life. This is the sort of place where they can leave the back door open without a worry, where neighbours become friends, and where they know and speak to friendly people as they walk through town. Moving here has been a life changing experience.

The background is a solid blue color with various faint, light-blue geometric patterns and icons. On the left, there are several upward-pointing chevrons. In the upper right, there are concentric circles and a grid of small squares. In the center, there is a horizontal row of plus signs. Below that, there is a row of vertical bars of varying heights. At the bottom, there is a row of right-pointing chevrons and another row of plus signs. The overall design is modern and technical.

6. Summary and Conclusions

6. Summary and Conclusions

6.1 Objectives and Methods

In this study we set out to explore the effects of the relocation of two public sector offices to two quite different towns in the Western Region. We have assessed the social and economic impacts on the towns, and on the region as a whole, as well as considering the motivations and expectations of the individuals involved and the effect of the relocation on their lives. The objectives of the study were to investigate:

- why and under what circumstances people chose to locate in the town concerned and the impact on their behaviour and quality of life; and
- the economic and social impact of the creation of a significant number of quality service jobs in the rural locations involved.

We used a mix of research methods to deliver the study objectives, including desk research and fieldwork, involving both quantitative and qualitative analysis. The fieldwork was carried out between May and August 2008 and included consultations, focus groups, staff surveys and case studies.

The quantitative analyses included an economic model to determine the economic impact of the decentralisation on the Western Region.

The evidence presented in the report answers the questions above, and demonstrates that the impacts are influenced by differences in the relocating Departments and receiving communities. In summarising the findings and drawing conclusions, we have organised the findings around a number of questions: Who relocated? Who moved house? Why did people move? Were expectations realised? What were the economic impacts? Did the towns benefit?

6.2 Who Relocated?

At the time of the study the Department of Social and Family Affairs (DSFA) had relocated 116 posts to Carrick-on-Shannon, and the Department of Community, Rural and Gaeltacht Affairs (DCRGA) had relocated 100 posts temporarily to Tubbercurry, pending a further move to purpose-built offices in Charlestown. At the time of the study there were 118 people working in DSFA and 100 in DCRGA.

Although of similar scale, the nature of the relocations of the Departments and the profile of the people moving with them differed. The total staffing complement of the DCRGA headquarters is scheduled to relocate to Charlestown, whereas only certain functions of the DSFA (a much larger Department) are relocating to Carrick-on-Shannon.

The DCRGA was one of the Departmental headquarters earmarked for decentralisation in 2003. At the time of the study the Department employed 240 people in total with 100 based in Tubbercurry. Once the Charlestown office is established, the staff in Tubbercurry, together with the remaining Dublin posts, will be moved to Charlestown, creating a total staff complement in that location of approximately 164.

The DSFA is a large Department, employing over 4,800 staff. Nine functions will have moved to Carrick-on-Shannon at the completion of the relocation. The Carrick-on-Shannon relocation was planned to happen over two phases. Phase I involves a total of 135 posts relocated from Dublin to Carrick-on-Shannon by the end of 2008, while Phase II was intended to take the total number of posts to 220. Phase II was deferred by the Irish Government in October 2008 and will be reviewed in 2011.

Of the 100 people based at the DCRGA in Tubbercurry, 48% of staff moved from offices in Dublin, with 52% moving from workplaces elsewhere. Individuals moving from workplaces in Dublin therefore filled nearly half of the posts that were relocated. Higher proportions of senior staff (HEO and higher) moved from Dublin.

DSFA shows a different profile, with only 10% of the posts relocated being filled by people who moved from offices in Dublin. A further 47% came from other workplaces outside the Western Region. The majority of these (and in fact the largest proportion of staff overall) were previously located in Longford (43%). Apart from 2% who were recruited locally, the rest of the staff at the DSFA (41%) relocated from within the Western Region, the majority of these from Sligo.

6.3 How Many Moved House?

Each Department had a quite different pattern of house relocation associated with the workplace moves. Staff surveys showed 41% of those surveyed in DCRGA moved house due to relocation, while just 27% in DSFA moved house. In DCRGA 32% moved house from Dublin, compared to just 14% of respondents at DSFA.

The majority of those working at DCRGA now live in Co. Mayo (70%), with those moving house with DCRGA also moving mainly to Mayo. Those working at DSFA are most likely to live in Co. Leitrim, with a majority of people working at the Department living there. Those in DSFA who moved house also moved mainly to Co. Leitrim.

6.4 Why Did People Move?

Staff surveys in each Department revealed reasons for choosing to relocate (both jobs and homes) that were similar for both Departments. Relocation to the Western Region was motivated primarily by quality of life considerations, with a majority of those in both Departments citing these as reasons for the relocation. For some, the relocations also created career opportunities.

For those moving from Dublin the more affordable property in the Western Region was an important expectation, allowing them to better accommodate growing families. The ease of commuting in the rural West was also an important expectation for those moving from the congested city region, although they were also aware that public transport links are not as good. The majority of those moving house were attracted by the rural nature of the area.

A key question, of course, is whether their expectations have been realised – the research has considered whether there has been a positive impact on their lives.

6.5 Were Expectations Realised?

At both Departments a majority of those consulted stated that the relocation had a positive impact on their quality of life. The focus groups confirmed that the benefits anticipated before the move had been met, both for those who had moved house and for those who had not.

A key consideration was the time liberated by changed commuting patterns, both for those moving house as well as the others. Time and travel was the greatest and most frequently cited positive impact, whether respondents had decentralised from Dublin or another location. Commuting impacts include less stress, more free time, and reduced expenditure on fuel. Among those who did not relocate from Dublin, the proximity of the Department to their home towns was the single greatest factor in attracting them to work there.

For those who moved from Dublin, cheaper property prices were significant. Realising a relatively higher price for their Dublin home meant that many of those were able to buy larger or better quality houses.

Staff also cited benefits relating to community issues. These included positive views about small towns and rural communities, and the advantages of returning to their native communities where they could have much greater contact with their extended families.

6.6 What Were the Economic Impacts?

The economic impact analysis has found that the current net impact of the relocation of public sector posts in DCRGA and DSFA on the Western Region is a total of 153.7 jobs and associated annual GVA of €6.6 million, which includes:

- net direct impact of 125.8 jobs and annual GVA impact of €4.5 million;
- net induced impact of 23.4 jobs and annual GVA impact of €1.5 million; and
- net indirect impact of 4.5 jobs and annual GVA impact of €0.6 million.

The analysis also found that future net impacts in the Western Region of the Departments, once projected increases in relocated posts have been realised, could amount to a total of 248.2 jobs and associated annual GVA of €10.5 million, which includes:

- net direct impact of 205.5 jobs and annual GVA impact of €7.4 million;
- net induced impact of 38.2 jobs and annual GVA impact of €2.5 million; and
- net indirect impact of 4.5 jobs and annual GVA impact of €0.6 million.

In total, the relocation of DCRGA posts has had an impact in Tubbercurry of 26.1 jobs, which produce €1.4 million in annual GVA and the relocation of DSFA posts had an impact in Carrick-on-Shannon of 33.5 jobs with associated annual GVA of €2 million.

For Tubbercurry:

- net direct impact of 10 jobs and annual GVA impact of €0.36 million;
- net induced impact of 15.3 jobs and annual GVA impact of €0.98 million; and
- net indirect impact of 0.8 jobs and annual GVA impact of €0.1 million.

For Carrick-on-Shannon:

- net direct impact of 11.7 jobs and annual GVA impact of €0.42 million;
- net induced impact of 18.6 jobs and annual GVA impact of €1.21 million; and
- net indirect impact of 3.2 jobs and annual GVA impact of €0.41 million.

6.7 Did the Towns Benefit?

The nature and extent of the wider impacts appears to depend greatly on the social and economic profile of the areas, and the profile of the relocating Department. Tubbercurry, a smaller town with fewer large employers, amenities, businesses and attractions, appears to have experienced wider benefits to a greater extent than Carrick-on-Shannon, where the decentralisation has had little wider impact.

In Tubbercurry DCRGA has had a significant impact in creating a sense of place in the town, and in giving local residents a source of pride. Tubbercurry, unlike Carrick-on-Shannon, does not have a large 'anchor' business or a particular focal point of attraction. As a result, the DCRGA presence in the town has a much greater impact on the locality than has DSFA in Carrick-on-Shannon.

The visibility of DSFA in Carrick-on-Shannon is low and therefore it does less to contribute to the town's sense of place. In Tubbercurry, the buildings which are now occupied by the Department are understood to have been empty previously, and works were undertaken to refurbish the buildings for the Department's arrival. The Department is highly visible, and has had a positive impact on the aesthetics of the town, in fact it is reported that this has encouraged local shopkeepers and business owners to 'tidy up' shop frontages.

In Carrick-on-Shannon there is no evidence that new services or businesses have been established following the decentralisation of DSFA there. However in Tubbercurry it is believed that the establishment of a new business was stimulated by DCRGA's arrival.

Tubbercurry has demonstrated that it can accommodate another major employer, over and above its existing private sector employers, which positions it effectively for the future and will help mitigate the effect on Tubbercurry of the move of the DCRGA posts to Charlestown as planned for 2010. The temporary relocation has created a favourable infrastructure (such as broadband and suitable accommodation) and it is reasonable to suggest that the DCRGA has provided Tubbercurry with a stepping stone to hosting another permanent major employer in the town.

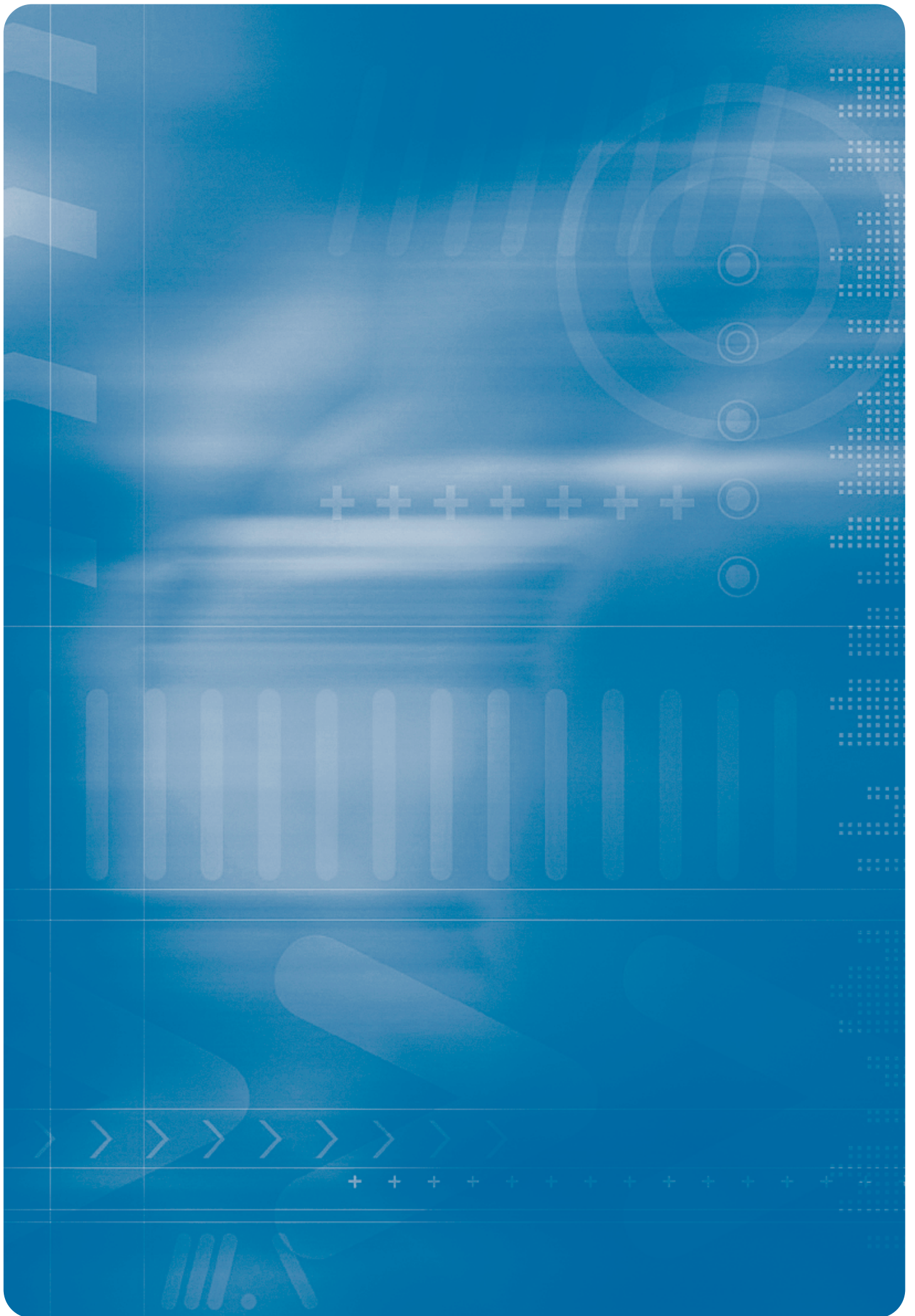
6.8 Conclusion

The economic impact of the relocation of public sector jobs to the Western Region is positive and significant, with current net impacts estimated at 154 jobs which could generate €6.6 million per annum in GVA.

Public sector employees have taken up opportunities to relocate to the Western Region for a number of reasons. On the whole, these relate to quality of life issues, in particular the many benefits realised by easier commuting to work. For those who have moved from Dublin, the Western Region offers many other advantages. These include cost savings (lower cost of living and house prices), benefits from living within a close community, being closer to family and living in a rural location. For some individuals, as evident from the case study material, these benefits have been life changing.

The wider impacts in Tubbercurry are also significant. The relocation of the DCRGA has increased local pride and a sense of place, raised the profile of the area, and encouraged new business. Wider impacts in Carrick-on-Shannon are more limited, with the Department lacking visibility within a town that already has an anchor business presence and keen sense of place.

This suggests that, if the primary objective of a relocation or decentralisation policy was to generate economic impacts in the receiving communities, there is merit in targeting those communities where the move would be a significant event relative to other economic drivers. Such communities might include smaller towns and communities without an existing base of large employers.



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Appendix - Consultations

Appendix - Consultations

During our consultation programme we spoke to representatives of the decentralised Departments, County Councils and the Chambers of Commerce.

Table 7.1 - Study Consultees

| Name | Organisation |
|--------------------|--|
| Nollaig Whyte | Community & Enterprise Department, Leitrim County Council |
| Geraldine McGourty | Department of Social and Family Affairs |
| Mary C. Dolan | Executive Officer, Carrick-on-Shannon Chamber of Commerce |
| Rita McNulty | Director of Services, Community and Enterprise, Sligo County Council |
| Seamus Jackson | Department of Community, Rural and Gaeltacht Affairs |
| Breda Kilkenny | Department of Community, Rural and Gaeltacht Affairs |
| Mary Barry | President, Tubbercurry Chamber of Commerce |

In addition, we interviewed five people in more depth to include as case study subjects to inform the analysis.



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