



Opening Statement for Public Accounts Committee 2nd May, 2013

Good morning. By way of introduction, I am John Tierney and I am here in my capacity of Chairman of the Dublin Docklands Development Authority. I was appointed by the Minister for the Environment to this position on the 1st June, 2012 along with a new Board. With me this morning is Eileen Quinlivan who was appointed as Acting CEO to the Authority on the 15th April, 2013. She is also the Area Manager for the South East Area with Dublin City Council.

The remit of the new Board was set out by the Minister in his statement of the 31st May, 2012. At that time, the Minister envisaged that the Authority would remain in situ for a transition period of 18 months and then be wound up.

This transitional period was to allow the Authority to progress elements of ongoing work and to make the necessary preparations for the orderly winding up of the Authority and migration to new arrangements to be decided by the Government.

The Board prepared a Transition Business Plan in order to achieve the objectives requested by the Minister. I would like to take this opportunity to highlight some of the key issues that we are dealing with as part of the transition.

The context for our work was outlined by the Minister at the time of our appointment. The Minister's clear objectives were as follows;

- Maintaining and enhancing the Docklands brand and international marketability as an attractive and prime location for investment and high-value development;
- Providing for an appropriate set of "fast-track" planning procedures,
- Continuing to involve the local community and the business sector in the regeneration project.
- Facilitating job creation

1. In the context of providing 'fast-track' planning, the Board considered the options available and agreed that the Strategic Development Zone mechanism provided for in the Planning & Development Acts would be the most appropriate statutory vehicle to replace the Authority's Section 25 Planning Schemes.

Designation as an SDZ would reflect the Government's intention that the Docklands become one of the key strategic drivers of national economic recovery and an area of Dublin requiring continued economic and social regeneration. As the Committee will know, when an SDZ is designated by Government, a Planning Scheme is put in place.

The Planning Scheme follows a statutory procedure of public display and adoption by the Elected Representatives of the local authority and subsequent appeal to An Bord Pleanala. Once an SDZ Planning Scheme is adopted, there is no appeal to An Bord Pleanala on individual planning applications and planning decisions are issued within

the 8 week statutory timeframe set out in the Planning & Development Acts. This gives the required fast-track planning process, and decision-making is safeguarded by the other provisions of the Planning & Development Acts.

In early September 2012, Dublin City Council requested an SDZ designation for the area covered at present by the DDDA North Lotts and Grand Canal Docks Section 25 Planning Schemes. It also requested that it be designated as the Development Agency for the SDZ.

The designation of the North Lotts and Grand Canal Dock Strategic Development Zone was made by the Minister on 18th December, 2012. Since requesting the designation, the City Council and the DDDA have worked closely on the preparation of a draft Planning Scheme. A wide-ranging consultation process took place during the latter months of 2012 to make sure the views of all stakeholders were taken on board in preparing the draft document.

The Draft Planning Scheme was put on public display on 25th March and the closing date for submissions is the 10th May. It is hoped that the Draft Planning Scheme will be adopted by Dublin City Council in early-mid September this year, with a period afterwards for appeal to An Bord Pleanála.

The future of the regeneration project also involves considering the Docklands Masterplan which sets out the social and economic policy objectives for the wider Docklands area. There is a parallel process underway with Dublin City Council to examine the Masterplan and ensure its policies fully coincide with the City Development Plan.

2. Regarding the ongoing involvement of the local community and the business sector in the regeneration project, the Board of the DDDA requested that a sub-group of the Docklands Council be formed to consider and recommend to it a representative structure that could be put in place to ensure the involvement of all elements of the local community e.g. residents, business, education in the continued regeneration of the area.

The sub-group is building on work commenced by the Community Liaison Committee who, with agreement of the Board, earlier in 2013 engaged in a process to reflect on their role and contribution to the regeneration process over the past 15 years.

The work of the sub-group will conclude during May, at which stage the Board hopes to recommend to the Minister appropriate representative structures.

Today the DDDA and the City Council are jointly holding a conference on the theme of the sustainable regeneration of the Docklands which I hope will identify issues and challenges for the future of the area and inform the various planning and consultative processes underway.

3. Maintaining and enhancing the Docklands brand and international marketability as an attractive and prime location for investment and high-value development; and facilitating job creation

One of the key elements of the SDZ Planning Scheme is economic development and the requirement to deliver, for example, the mix of floor-plate sizes needed to support the mix of industries and commercial activities, small, medium and large, which have located in the area. The successful adoption and implementation of the Planning Scheme will be essential in ensuring the continued investment in the Docklands.

I envisage the City Council as Development Agency for the SDZ will have a key role in the area of promotion and marketing. The Committee will understand that this work is evolving and that as progress is made on the SDZ, the Docklands Masterplan analysis and the representative structures, the Board will make recommendations to the Minister for the best way to approach the branding and marketing of the Docklands into the future.

4. During our tenure to date, the Board has also kept a clear focus on progressing elements of ongoing work and the orderly winding up of the Authority.

The Committee will be aware that the Authority brought the McNamara/Donatex action to a successful conclusion in having the action dismissed as against both plaintiffs, with costs, in favour of the Authority. It is indeed unfortunate that despite being awarded costs by the court against each of the plaintiffs, no costs will be recovered on behalf of the Irish taxpayer given the fact that one of the plaintiffs (Bernard McNamara) had himself been adjudged a bankrupt in the U.K and his company Donatex, the other plaintiff is insolvent.

The Donatex/McNamara litigation arose out of the purchase of the IGB site whereby the plaintiffs were claiming €100 million in damages against the Authority which proceedings had been ongoing since September 2009. The Authority at all times vigorously defended its position as it always believed the plaintiffs case had no merit. The successful outcome of those proceedings is a significant milestone in the transition of the Authority.

Turning to the financial status of the Authority, the most recent published accounts to December 2011 as audited by the Comptroller and Auditor General show that the Authority had a net asset position of €3.5 million at that date. The Authority is going through its annual audit process for the financial year 2012 with the Comptroller and Auditor General, the results of which will become publicly available in due course.

The Board is endeavouring to maximise value for money for the taxpayer in an orderly windup of its assets and liabilities. I am sure we will be back before you to discuss those accounts in due course.

Under the Authority's duty of care to its staff and as part of the transition, arrangements have been put in place whereby staff have availed of the State's Redeployment process. With the approval of the Department of Public Expenditure and Reform, a voluntary severance scheme has been made available to remaining staff.

Finally Chairman, I would like to take this opportunity to thank the Committee for allowing me to give you an update in the early part of these proceedings.

John Tierney

Chairman DDDA