

National Development Finance Agency

Acting as the National Development Finance Agency (NDFA), the NTMA provides financial advisory, procurement and project delivery services to State authorities on public infrastructure projects.



Delivering PPP and Non-PPP Infrastructure

Capital Value

€1.3bn

Delivery of primarily education and housing PPP and non-PPP infrastructure projects with an estimated capital value of €1.3bn.

Education

Procurement and delivery of three PPP educational projects and three non-PPP Exchequer Funded educational projects. Notwithstanding delays due to COVID-19, construction was completed on two large academic buildings on the Technological University (TU) Dublin campus in Grangegorman with the East Quad and Central Quad completed in December 2020 and March 2021 respectively. Procurement progressed on 11 Higher Education facilities across nine counties, (in two bundles), and pre-procurement activities advanced on a programme of 20 Exchequer Funded schools in three bundles across seven counties.



Social Housing

Procurement and delivery of three social housing PPP projects. Notwithstanding delays due to COVID-19, construction continued on Social Housing PPP Bundle 1 (534 homes) where 205 homes were completed by August 2020, a further 179 homes in Q1/Q2 2021 and with the remainder expected by Q2/Q3 2021. Construction also continued on Social Housing PPP Bundle 2 (465 homes) with the first 28 homes delivered in May 2021 and the remaining due for delivery in 2021. Further COVID-19 restrictions may impact delivery of homes in 2021. Pre procurement activities have now commenced on Social Housing PPP Bundle 3 which will deliver c.440 homes across four counties.



Providing Financial Advice

Capital Value

€5.6bn

Providing financial advice on PPP (procurement, construction and operations) and non-PPP infrastructure projects in different sectors including housing, climate action, health, transport and education with an estimated capital value of €5.6bn.

Housing

Providing financial advice across a range of housing initiatives, including mixed tenure local authority developments, social housing leasing and a pilot cost rental scheme.



Climate Action

Providing financial advice across a range of climate action initiatives, including climate action grant funding and district heating.



Health

Providing financial advice to the Health Service Executive on projects including the Community Nursing Units PPP.



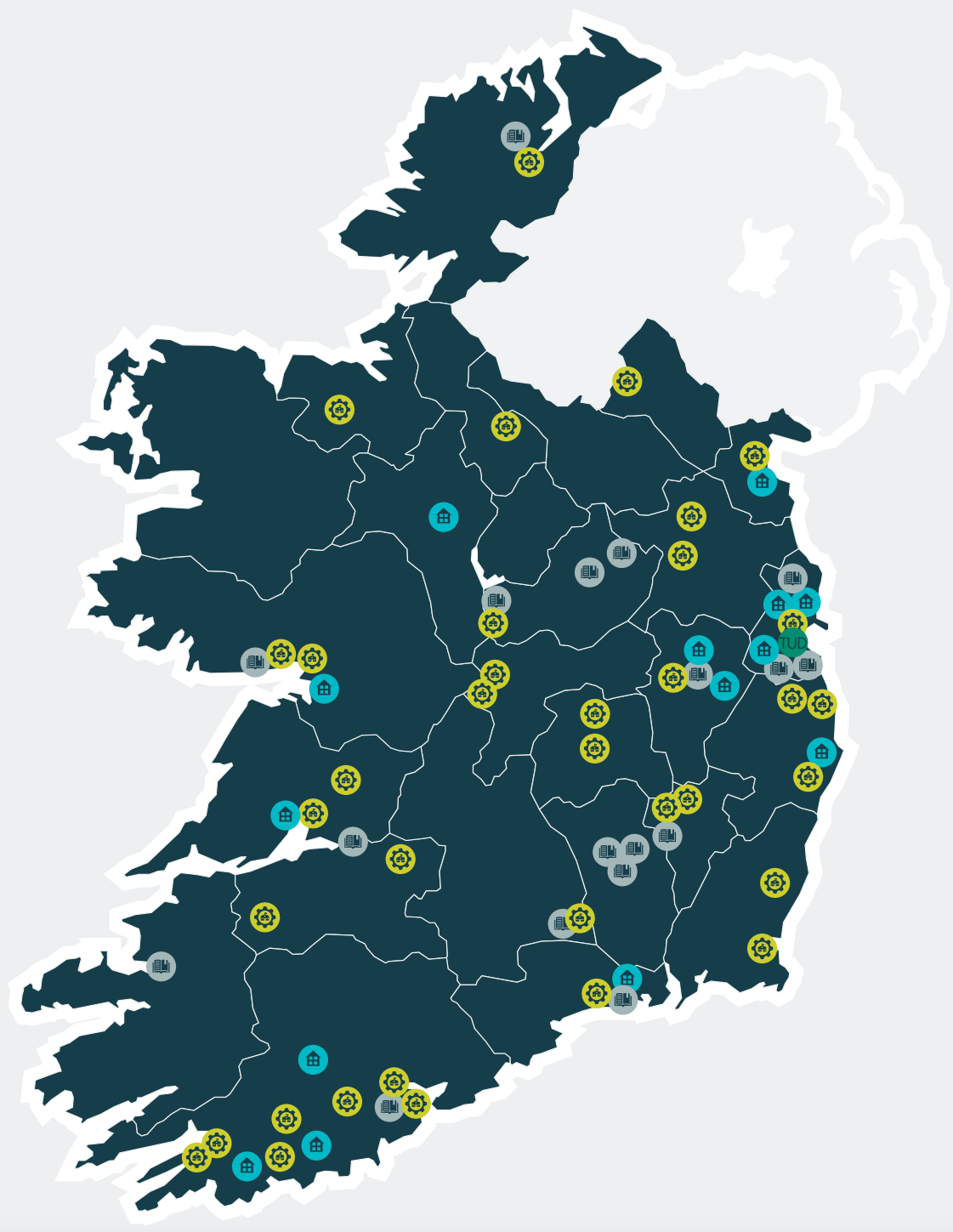
Transport

Providing financial advice on a number of transport projects, in particular in the rail and road sectors (including Metrolink).




National Development Finance Agency (continued)


NDFA Project Locations



Projects in procurement/construction by the NDFA in 2020

-  Schools & Higher Education facilities
-  TU Dublin at Grangegorman
-  Social Housing

Operational PPPs under contract management by NDFA or where support services provided in 2020

-  Operational Facilities comprising 33 schools across all four provinces, the National Maritime College of Ireland, the Cork School of Music (both now in the Munster Technological University (MTU)) and the Convention Centre Dublin.








The NTMA is known as the National Development Finance Agency (NDFA) when providing financial advice to State authorities in respect of public investment projects which are referred to it, with a capital value over €75m. The NDFA also provides financial advice to State Authorities on some projects below this threshold. It procures and delivers Public Private Partnership (PPP) projects when engaged by State authorities and directly procures Exchequer funded (non-PPP) projects on behalf of the Department of Education.

Delivery of PPP Projects

2020 was a very challenging year for construction activities with sites closed for up to seven weeks due to COVID-19. The NDFA was involved in the monitoring of NDFA project sites when works recommenced, including monitoring of adherence to COVID-19 health and safety guidelines. Project delays and site closures arising from COVID-19 restrictions required significant amounts of additional time and resources to manage the subsequent impacts. While COVID-19 restrictions impacted delivery across the NDFA portfolio of projects, progress was still made on these projects during the year.

Further restrictions during 2021 may impact expected timelines noted below.

Progress on PPP Projects Being Procured by the NDFA at End-2020

Project	Description	Status
TU Dublin at Grangegorman PPP 	The development of two quad buildings at the new TU Dublin Campus in Grangegorman, providing 10,000 student places in applied arts, sciences and engineering.	Completed. The East Quad building and the Central Quad building reached service commencement in December 2020 and March 2021 respectively.
Higher Education PPP Programme -Bundle 1 	Development of six higher education facilities, primarily focused on STEM, across four counties.	Following a pre-qualification process, three candidates were shortlisted and invited to tender in August 2020 with the procurement process ongoing.
Higher Education PPP Programme -Bundle 2 	Development of five higher education facilities, primarily focused on STEM, across five counties.	Pre-qualification documents issued in October 2020 and the procurement process is ongoing.
Social Housing PPP Programme - Bundle 1 	Development of 534 social homes in Dublin, Louth, Wicklow and Kildare.	Three of the six sites were completed by August 2020 providing 205 homes. 179 further homes were completed in Q1/Q2 2021 and the remaining homes are due for completion by Q2/Q3 2021.
Social Housing PPP Programme - Bundle 2 	Development of 465 social homes in Roscommon, Cork, Waterford, Galway, Clare and Kildare.	Construction is continuing with the first 28 homes completed in May 2021 and the remaining homes due for completion in 2021.
Social Housing PPP Programme - Bundle 3 	Development of c. 440 social homes in Dublin, Kildare, Sligo and Wicklow.	Advisers have been appointed and design development is ongoing. It is expected that the project will launch to the market in Q3/Q4 2021.
Schools PPP Bundle 5 	Five schools and one Institute of Further Education providing 4,870 student places in Carlow, Meath, Wicklow and Wexford.	All schools are operational. Final outstanding works across the project were completed in October 2020 ⁴ .

⁴ The completion of the overall project was impacted by the liquidation of a member of the PPP company (Carillion plc) in January 2018 which necessitated restructuring of the project by the remaining shareholder.

National Development Finance Agency (continued)

Higher Education PPP Programme

These projects are being delivered under Project Ireland 2040, which recognises that investment in education is central to achieving a strong, future-proofed economy, balanced across the regions, and a just society in which all citizens are enabled to fulfill their potential. The NDFA will procure the projects on behalf of the Department of Further and Higher Education, Research, Innovation and Science and the Higher Education Authority and is also acting as financial adviser.

The project facilities, to be delivered in two distinct project bundles under this programme, will enhance the campus environment for students and staff, and support strengthened partnerships with industry. The buildings will have a strong STEM focus, supporting practice-based learning, including laboratories, workshops and studios. They will also have significant flexibility to adapt to changing teaching and learning needs, and to support hybrid and remote learning.

All facilities will be “nearly zero energy building standard” (NZEB) compliant, achieve a minimum A3 **Building Energy Rating** (BER) and a “very good” **BREEAM*** rating, with significant emphasis on reducing fossil fuel usage in the tender requirements. The programme, which will facilitate approximately 8,000 additional students, is especially significant as it is currently forecast that demand for enrolments in this sector will increase by c. 20% by 2030.

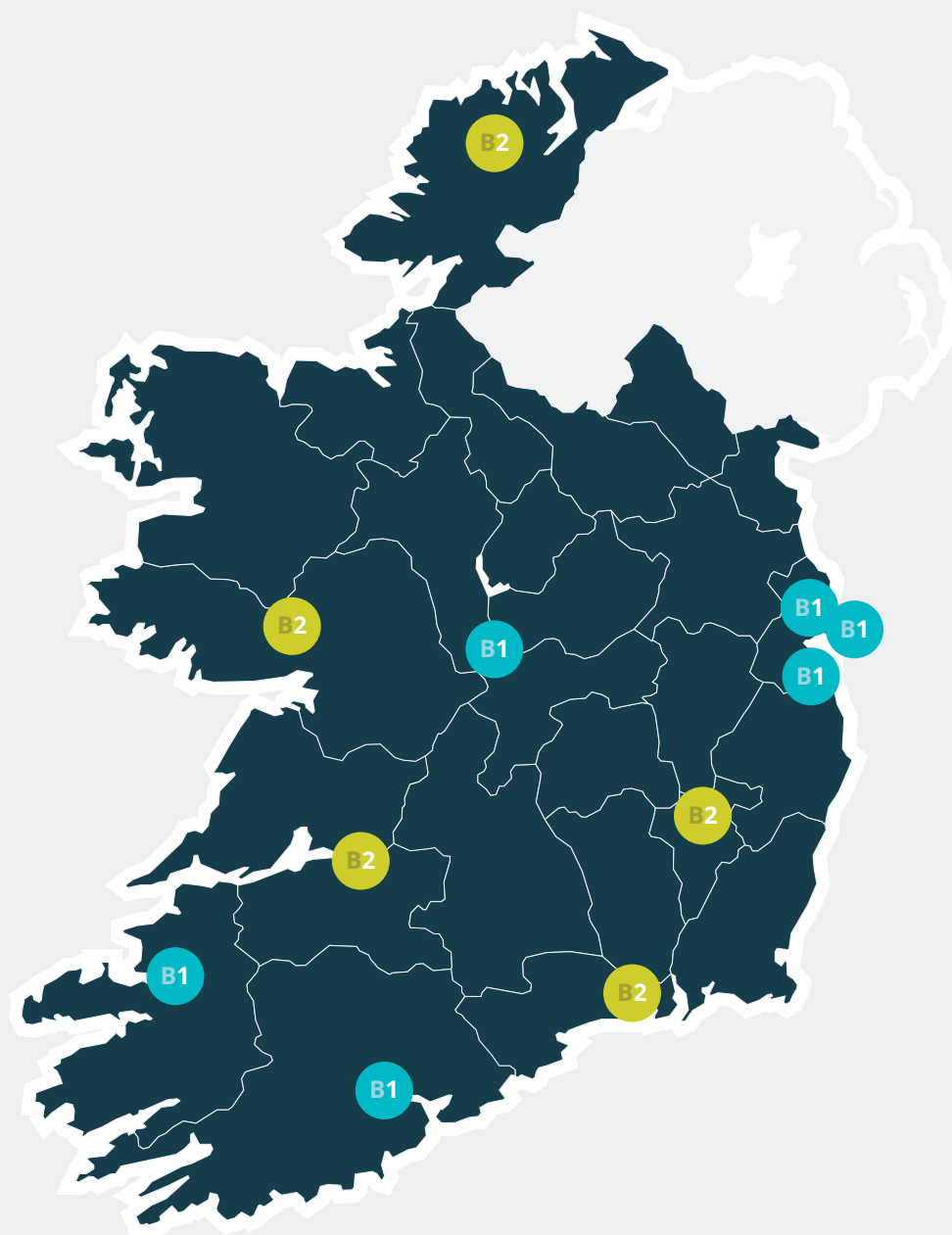
The projects in the first bundle are located in the Tallaght and Blanchardstown campuses of TU Dublin; in the Cork and Tralee campuses of the new Munster Technological University (MTU) which was established in January 2021; in the Institute of Art, Design and Technology, Dún Laoghaire; and in Athlone Institute of Technology.

The projects in the second bundle are located in the Waterford Institute of Technology and the Institute of Technology Carlow, which are part of the consortium seeking to establish a Technological University for the South East; in the Galway-Mayo Institute of Technology and Letterkenny IT, which are part of the Connacht Ulster Alliance; and in Limerick Institute of Technology which has formed a consortium with Athlone Institute of Technology.



Higher Education PPP Bundle 1, Artist impression of Dún Laoghaire Institute of Art, Design & Technology.

* Building Research Establishment Environmental Assessment Method (BREEAM).



B1

Higher Education PPP Bundle 1

Last Key Milestone	Tender documents issued August 2020
Next Key Milestone	Tender evaluation
Expected delivery of facilities	2023/2024
Number of facilities in bundle	6
Higher Education Facilities	Athlone Institute of Technology MTU Cork Campus Dún Laoghaire Institute of Art, Design and Technology TU Dublin Blanchardstown Campus TU Dublin Tallaght Campus MTU Tralee Campus

B2

Higher Education PPP Bundle 2

Last Key Milestone	OJEU Notice published October 2020
Next Key Milestone	Prequalification evaluation
Expected delivery of facilities	2024/2025
Number of facilities in bundle	5
Higher Education Facilities	Waterford Institute of Technology Limerick Institute of Technology Letterkenny Institute of Technology Galway-Mayo Institute of Technology Institute of Technology Carlow

Business Review

National Development Finance Agency (continued)

Social Housing PPP Programme

It is expected that around 1,500 homes will be delivered by the State through the Social Housing PPP Programme. The delivery is divided into three distinct project bundles with construction of homes nationwide. Constructing and providing social housing using the PPP model is a first for the State.

These projects are unique for a number of reasons:

First social housing PPP projects in Ireland; first time local authorities are collaborating to deliver social housing projects; first time European Investment Bank (EIB) financing has been used in a Social Housing PPP; first time the Irish charity sector is involved in a PPP consortium.

Tenancy Management is a new feature in this PPP delivery model. Like traditional social housing the local authority is the landlord for these schemes and nominates the tenants to each unit; however under this model the PPP company then acts as landlord's agent to provide a comprehensive tenancy management service. The tenant's rights and obligations are no different to other local authority tenants and the PPP company provides the service through its specialist tenancy management provider, typically an approved housing body.

The design and construction quality of the homes delivered by this programme is of a high standard. All homes will achieve the **NZEB** standard featuring air-tight construction and controlled ventilation for a comfortable living environment.

Lifetime Homes considerations have also been incorporated where practicable to ensure that homes can be readily adapted to meet changing tenant needs over time.

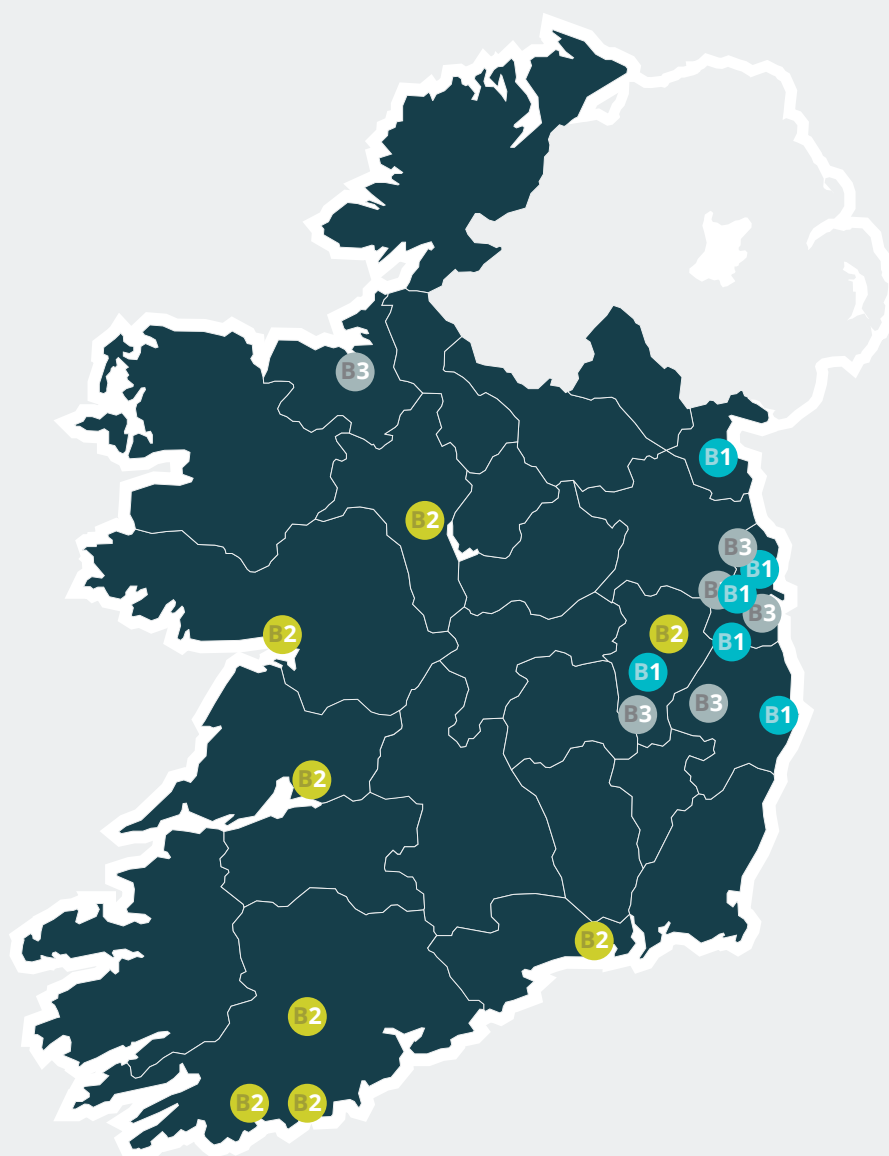
The types of homes being delivered by the programme include apartments, houses, senior citizen and assisted living homes. Another important feature of this model is that whilst the properties are privately funded, they remain in State ownership throughout.

The NDFA has worked in close collaboration with the Department of Housing, Local Government and Heritage and multiple local authorities to progress the programme with contracts signed in 2019 for the first two bundles and the third bundle design phase now underway.

Notwithstanding delays due to COVID-19, construction continued on Social Housing PPP Bundle 1 (534 homes) where 205 homes were completed by August 2020, a further 179 homes in Q1/Q2 2021 and with the remainder expected by Q2/Q3 2021. Construction also continued on Social Housing PPP Bundle 2 (465 homes) with the first 28 homes delivered in May 2021 and the remaining due for delivery in 2021. Further COVID-19 restrictions may impact delivery of homes in 2021. Pre procurement activities have now commenced on Social Housing PPP Bundle 3 which will deliver c. 440 homes across four counties.



Social Housing PPP Bundle 1, new homes at Craddockstown, Co. Kildare.



	B1 Social Housing PPP Bundle 1	B2 Social Housing PPP Bundle 2	B3 Social Housing PPP Bundle 3
Contract signed	March 2019	November 2019	Expected 2023
Expected delivery of Homes (subject to COVID-19 restrictions)	First homes completed and occupied in 2020; remainder expected in 2021	First homes completed in May 2021, remainder expected later in 2021	2024/2025
Number of homes in bundle	534	465	c. 440
Local authorities	Dublin City Council South Dublin Co. Council Louth Co. Council Wicklow Co. Council Kildare Co. Council	Roscommon Co. Council Cork Co. Council Galway Co. Council Clare Co. Council Kildare Co. Council Waterford City and Co. Council	Dublin City Council Kildare Co. Council Sligo Co. Council Wicklow Co. Council
PPP Company			
Building Contractor	Sisk	JJ Rhatigan/OHL	Pre-procurement activities have commenced
Operating Service Provider	Choice Housing	Derwent FM	
Tenancy Management Co.	Oaklee	Tuath Housing Association	
Equity Provider	Macquarie and Sisk	Equitix Ltd., Kajima Partnerships Ltd. OHL S.A., Tuath Housing Assoc.	
Debt providers	EIB, Bank of Ireland, Korean Development Bank	Nord LB	

Business Review

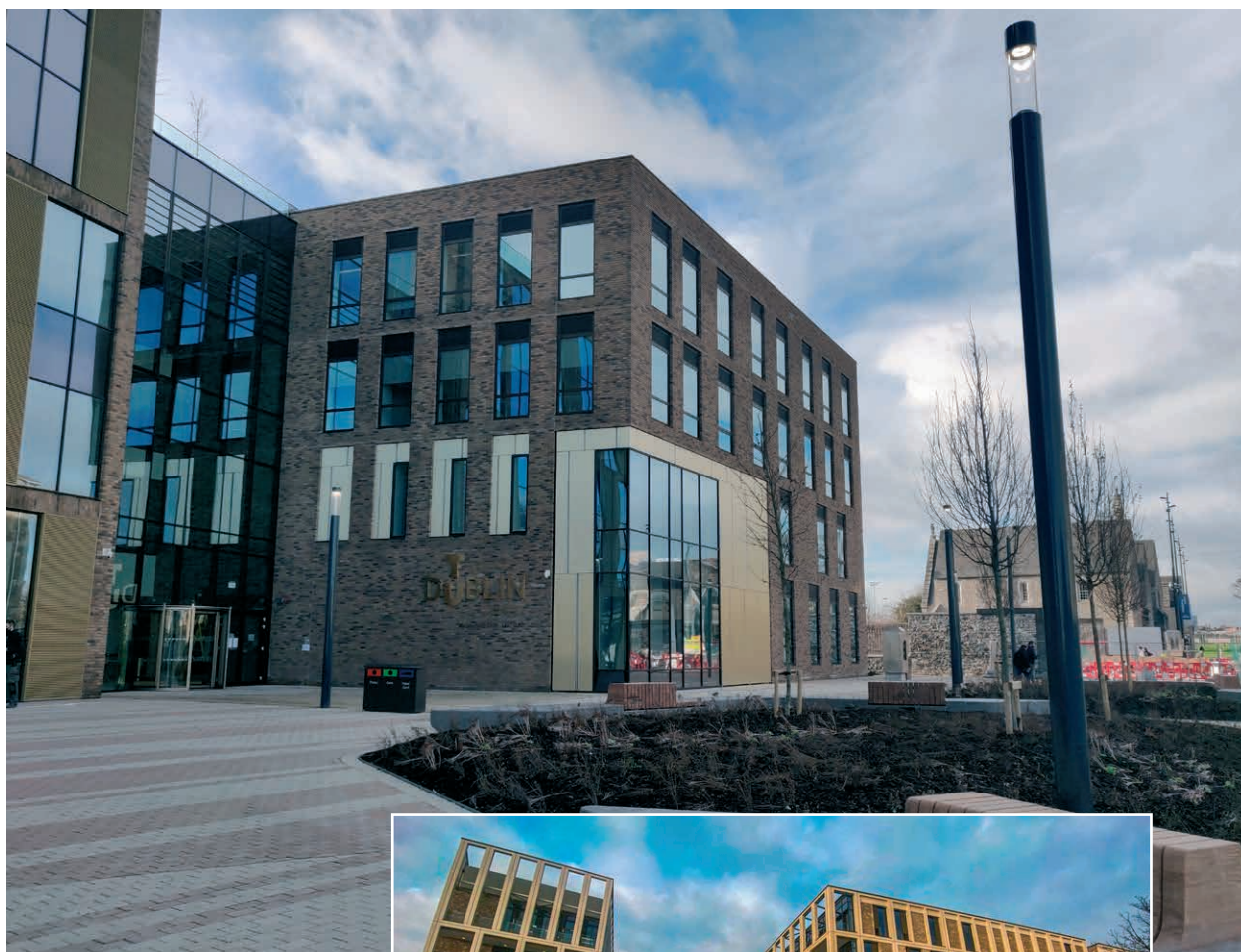
National Development Finance Agency (continued)

TU Dublin Campus at Grangegorman PPP

Despite delays due to COVID-19 restrictions, in December 2020 the project reached a significant milestone with the completion of the East Quad building. A further milestone was reached when the Central Quad building was subsequently completed in March 2021, bringing the construction phase of these important buildings to a close. This consolidates over 15 academic schools into two large academic buildings on one campus for TU Dublin at Grangegorman. Together these buildings will accommodate 10,000 students and 700 staff.

The Central Quad is the bigger of the two new buildings at 36,000m², accommodating 7,000 students, while the East Quad is 16,000m² accommodating 3,000 students. The East Quad building is now the location of the College of Music and features a 400 seat performance hall where public recitals and performances will take place.

Both buildings were designed to provide modern and sustainable academic facilities and staff accommodation spaces using the latest construction methods and to fit in with the overall master plan for the Grangegorman campus. The NDFA is the procuring body acting for and on behalf of the Minister for Further and Higher Education, Research, Innovation and Science and is financial adviser for the project. It will also provide contract management services during the services period.



East Quad building, TU Dublin Campus at Grangegorman.



Central Quad building, TU Dublin Campus at Grangegorman.

Delivery of Non-PPP Procured Projects

Following the successful delivery of the first Exchequer Funded Schools Building Programme in 2015, the Department of Education has referred a second programme of 'design and build' schools projects (non-PPP) for procurement by the NDFA. Separately, the NDFA continued to provide strategic project management advice to the Department of Education on other non-PPP procured schools projects.

Exchequer Funded Schools Programme 2

Approximately 20 individual school building projects in three distinct project bundles (Project Nore, Project Boyne and Project Dargle) will be provided under the second Exchequer Funded Schools Building Programme. The developments range from new builds to extensions/refurbishment projects for works at both primary and post primary level in seven counties across Ireland and are expected to provide in excess of 15,550 pupil places. A framework of project management and design team consultants has been appointed for the programme.

Scheme designs are completed and planning applications are in finalisation for the first bundle, Project Nore, and construction is expected to commence in Q1 2022 upon appointment of a design and build contractor in Q4 2021, subject to COVID-19 restrictions. This bundle will provide for six new schools and the extension and refurbishment of one existing school.

Pre-procurement activities progressed in 2020 for the second bundle, Project Boyne, with design teams and project managers tendered for in August 2020.

Exchequer Funded Schools Programme 2 - Project Nore

School	Location	Project Type
Kilkenny CBS	Kilkenny	New Build Replacement
St. Canice's Primary School	Kilkenny	New Build Replacement
Presentation Secondary School	Kilkenny	New School Replacement
St. Finian's College	Mullingar	Extension and Refurbishment of Protected Structure
St. Mary's Special School	Mullingar	New Build Replacement
Gaelscoil Charraig na Siúire	Carrick on Suir	New Build Replacement
St. Mark's Special School	Newbridge	New Build Replacement

Business Review

National Development Finance Agency (continued)

Provision of Financial Advice

The NDFA provides financial advice to State authorities in respect of public investment projects which are referred to it with a capital value over €75m.

During 2020, the NDFA provided advice to stakeholders across a range of sectors including housing, climate action, health, transport and education. Notable examples include:

Housing: the NDFA advised a number of local authorities seeking to deliver mixed tenure developments on their lands. Other schemes the NDFA is advising on include enhanced leasing schemes and a pilot cost rental scheme.





Climate Action: the NDFA advised the Department of Environment, Climate and Communications on the selection of suitable projects for its €500m Climate Action Fund. The NDFA also advised Dublin City Council in relation to its district heating scheme.

Health: the NDFA advised the Health Service Executive on the procurement of its Community Nursing Units PPP and provided advice to the Department of Health on the National Children's Hospital.

Transport: the NDFA advised Transport Infrastructure Ireland in relation to its public transport schemes, such as Metrolink, which is at an early stage of development, as well as certain roads schemes.

During 2020, the NDFA provided assistance to the Department of Public Expenditure and Reform in implementing the updated Public Spending Code, published in 2019. The NDFA is part of a working group to support the development of an external assurance process for major capital projects (above €100m) under Project Ireland 2040. The external assurance process will provide independent peer reviews of major projects. The NDFA has also provided input into a review led by the Department of Public Expenditure and Reform of the use of PPPs in the National Development Plan (NDP).

Progress on Projects Where the NDFA Acted as Financial Advisor at End-2020

Project	Description	Status
 Housing	The NDFA is advising a number of local authorities seeking to develop mixed tenure housing on their lands. Other schemes the NDFA is advising on include enhanced leasing schemes and a pilot cost rental scheme.	One of the largest and most advanced of the mixed tenure schemes is Kilcarbery Grange which reached contract close in March 2021. The project will see the delivery of 1,034 homes including 310 social homes. Seven enhanced leasing agreements have been completed to date which will deliver over 300 social homes across Dublin, Wicklow, Kildare and Galway.
 Climate Action Fund	The NDFA is advising the Department of Environment, Climate and Communications on the selection of suitable projects for its €500m Climate Action Fund.	The NDFA has assisted with four submissions which have obtained grant funding and a further two submissions are at validation stage.
 Health	The NDFA is advising the Health Service Executive on its Community Nursing Units PPP which will provide seven units nationwide.	The project is at preferred tenderer stage and is expected to reach financial close in H2 2021.
 Transport	The NDFA is advising Transport Infrastructure Ireland on the Metrolink project, which is at an early stage, with procurement options, including PPP, under consideration.	Pre-procurement work is ongoing.

Contract Management Services

The NDFA, at the request of the Department of Education, undertakes contract management of all operational PPP schools. At the end of 2020, the NDFA was managing the contracts for six schools projects covering 33 educational facilities (capital value c. €500m).

Working under a Service Level Agreement, this involves monitoring the relevant PPP companies in the performance of their obligations under the PPP contract, ensuring that the long-term value of these contracts is captured. Under a PPP contract if the facilities are not available to users and/or services are not provided to the required standard then deductions are made to the payments to the PPP company (known as unitary or availability payments). While all operational schools were closed for a period in 2020 due to COVID-19 restrictions, the NDFA actively supported the

Department of Education by liaising with the relevant PPP companies and school stakeholders to facilitate the safe re-opening of these schools in September 2020 and with further school closures in 2021.

The NDFA provided contract management support to the Department of Housing, Local Government and Heritage for the first three sites in the Social Housing Bundle 1 PPP which were completed and occupied during 2020. The NDFA also provides contract management support services for the Convention Centre, Dublin on behalf of the Office of Public Works and the Cork School of Music and the National Maritime College of Ireland (now within MTU) on behalf of the Department of Further and Higher Education, Research, Innovation and Science. The NDFA will additionally provide contract management services for the recently completed TU Grangegorman PPP during the services period.

