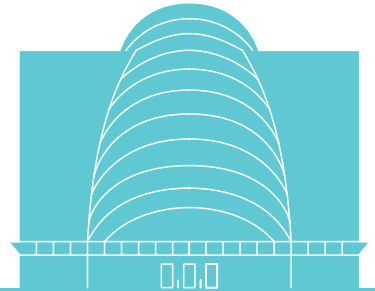


# National Development Finance Agency

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. In this role, the NDFA is responsible for the procurement and construction of projects referred to it before handing the completed asset over to the relevant sponsoring Department/agency.



## Delivering PPP and Non-PPP Infrastructure

### Capital Value

€1.6bn

Delivery of primarily social housing and education PPP and non-PPP infrastructure projects with an estimated capital value of €1.6bn.



### Social Housing

Procurement and delivery of three social housing PPP projects. During 2021, both Social Housing PPP Bundle 1 (534 homes) and Social Housing PPP Bundle 2 (465 homes) were completed. In total, these two projects provided nearly 1,000 social homes in 14 sites across nine counties. Pre-procurement activities continued in 2021 on Social Housing PPP Bundle 3, which will deliver c.480 homes across four counties. This bundle is expected to commence procurement in 2022. The NDFA is currently engaged with the Department of Housing, Local Government and Heritage and with local authorities in relation to further social housing bundles and eight sites to be procured in a fourth bundle (Bundle 4) which will provide c.780 homes within the Dublin City Council area have been approved by the Department of Housing.



### Education

Procurement and delivery of three PPP educational projects and a programme of non-PPP Exchequer Funded educational projects. Construction on the landmark PPP facilities at the Technological University (TU) Dublin campus in Grangegorman was completed in March 2021. Elsewhere in the higher education sector, procurement progressed on a programme of 11 Higher Education facilities, in two bundles, across nine counties. Bundle 1 is at preferred tenderer stage and Bundle 2 is at competitive dialogue stage. Pre-procurement activities on a programme of Exchequer Funded schools are well advanced with procurement of the first bundle in the programme having commenced in March 2022.





## Providing Financial Advice

### Capital Value

# €6.5bn

**Providing financial advice on PPP (procurement, construction and operations) and non-PPP infrastructure projects in sectors including education, housing, transport, health and climate action with an estimated capital value of €6.5bn.**

### Education

Providing financial advice on a number of PPP and non-PPP education projects to the Department of Education, the Department of Further and Higher Education, Research, Innovation and Science and the following universities: National University of Ireland Galway, Dublin City University and University College Dublin.



### Housing

Providing financial advice across a range of housing initiatives, including mixed tenure local authority developments and a pilot cost rental scheme, as well as on a number of social housing PPP projects to the Department of Housing, Local Government and Heritage.



### Transport

Providing financial advice on a number of transport projects, in particular in the rail and road sectors (including Metrolink, which is at an early stage of development).



### Health

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

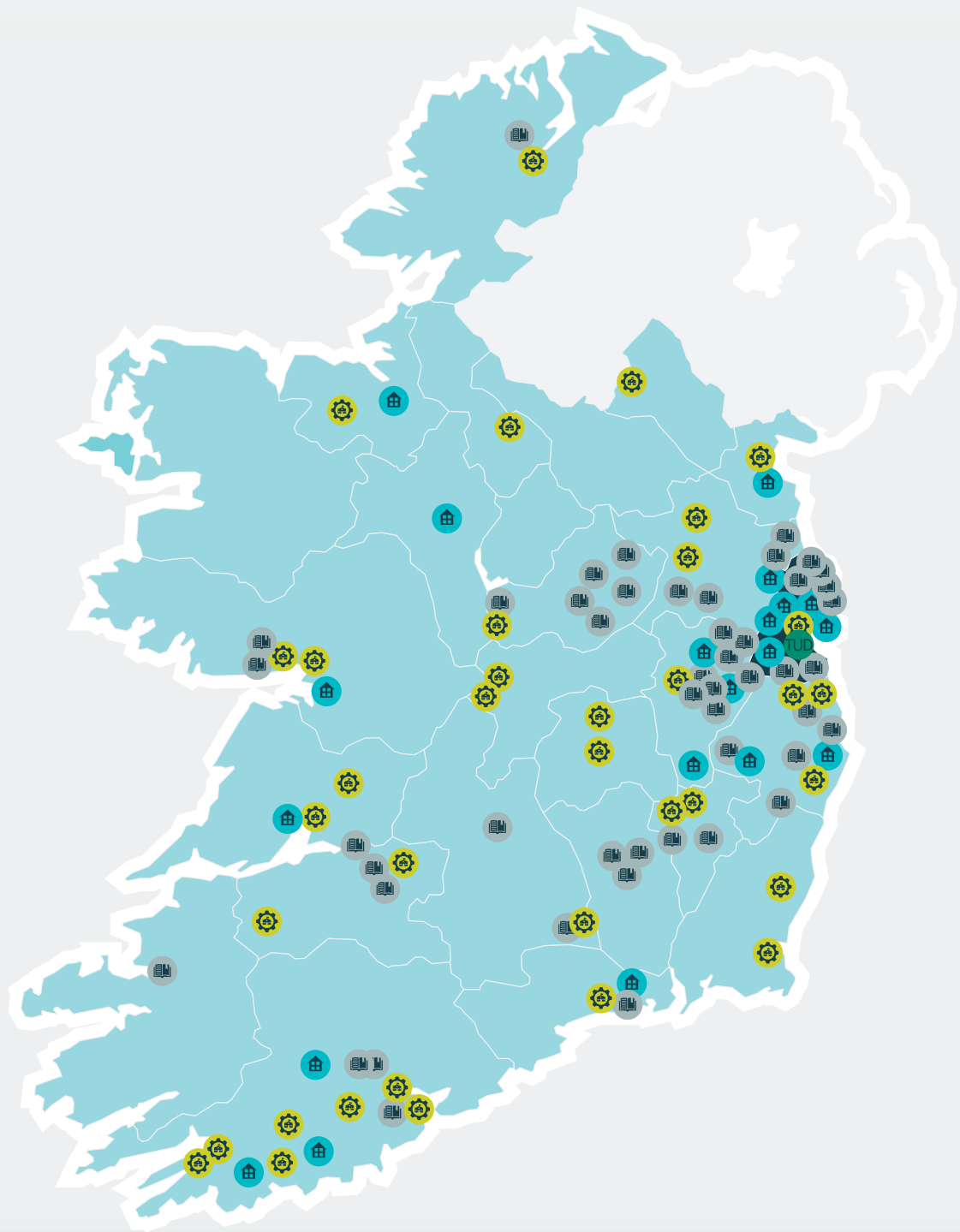


### Climate Action




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



**NDFA Project Locations**



**Projects in pre-procurement/procurement/  
construction by the NDFA in 2021**

-  Schools & Higher Education facilities
-  Social Housing Bundles 1, 2 and 3
-  TU Dublin at Grangegorman

**Operational PPPs under contract management by NDFA or  
where support services provided in 2021**

-  Operational facilities comprising 33 schools across all four provinces, the National Maritime College of Ireland, the Cork School of Music and the Convention Centre Dublin.

*Note: Social Housing Bundle 1 and 2 and TU Dublin at Grangegorman are also now under contract management by the NDFA following construction completion.*








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. The NDFA also provides financial advice to State authorities on some projects below this threshold. It procures and delivers PPP projects when engaged by State authorities and Exchequer funded (non-PPP) projects on behalf of the Department of Education.

The NDFA supports sustainable procurement and the delivery of infrastructure under the Climate Action Plan by preparing green procurement plans. These plans detail climate action and sustainability initiatives being undertaken on projects, including appropriate formal environmental assessment, sustainability scoring in tender assessment and the use of digital technologies for the design, construction and operation of facilities to facilitate better resource efficiency.

## Delivery Of PPP Projects

The procurement and delivery of PPP projects and of Exchequer funded projects was a key focus of the NDFA's activities in 2021.

### Progress on PPP Projects Being Procured by the NDFA at End-2021

Project	Description	Status
<b>Social Housing PPP Programme – Bundle 1</b> 	Development of 534 social homes in Dublin, Kildare, Louth and Wicklow.	Completed. 329 homes were completed during 2021 (205 homes were previously completed in 2020).
<b>Social Housing PPP Programme – Bundle 2</b> 	Development of 465 social homes in Clare, Cork, Galway, Kildare, Roscommon and Waterford.	Completed. All homes were completed during 2021.
<b>Social Housing PPP Programme – Bundle 3</b> 	Development of c. 480 social homes in Dublin, Kildare, Sligo and Wicklow.	Planning processes are well advanced and prequalification is expected to commence in 2022.
<b>TU Dublin at Grangegorman PPP</b> 	Development of two quad buildings at the 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.
<b>Higher Education PPP Programme - Bundle 1</b> 	Development of six higher education facilities, primarily focused on STEM, across four counties.	A preferred tenderer was appointed in September 2021 and the project is expected to progress to financial close in 2022.
<b>Higher Education PPP Programme - Bundle 2</b> 	Development of five higher education facilities, primarily focused on STEM, across five counties.	The project is currently at competitive dialogue stage.
<b>Justice PPP</b> 	Development of a family court facility at Hammond Lane in Dublin 7 and two Garda stations at Clonmel and Macroom.	In pre-procurement. Preliminary business cases and a PPP suitability assessment for a combined justice PPP have been prepared.

During 2021, the NDFA also took part in the Supporting Excellence Action Team (SEAT) which undertook to develop a road map for the implementation of the EY Report *'Supporting Excellence: Capital Project and Programme Delivery Capability Review'* published in March 2021 by the Department of Public Expenditure and Reform. The findings of the SEAT were set out in a report published with the National Development Plan in October 2021. A number of actions under this report have been assigned to the NDFA, including the completion of a pilot partnership model with the Department of Further and Higher Education, Research, Innovation and Science which aims to strengthen sectoral capability to deliver the National Development Plan. The NDFA is currently working with the Department of Further and Higher Education, Research, Innovation and Science on the implementation of this model.

## National Development Finance Agency (continued)

### 2021 In Focus: Project Completions

2021 was a landmark year for PPP delivery in the NDFA in social housing and in education despite the ongoing challenges from COVID-19. Throughout the year the NDFA conducted monitoring of project sites to ensure that Government safety protocols were being adhered to.

### TU Dublin Campus at Grangegorman PPP

In March 2021, the Central Quad building on the TU Dublin Grangegorman campus was completed bringing the construction phase of these important buildings to a close. This followed the completion of the East Quad building in late 2020. Together, these buildings can accommodate 10,000 students and 700 staff. These new quad buildings were designed to provide modern and sustainable academic facilities and staff accommodation spaces using the latest construction methods and to align with the overall master plan for the Grangegorman campus. The NDFA was the procuring body acting for and on behalf of the Minister for Further and Higher Education, Research, Innovation and Science and was financial adviser for the project. It is now providing contract management services for the operational period.



*The Central Quad & Performance Hall in the East Quad, TU Dublin Grangegorman Campus*





## Social Housing PPP Bundles 1 and 2

Social Housing PPP Bundles 1 and 2 reached construction completion in 2021 and delivered nearly 1,000 homes. The first 205 homes in Bundle 1 were delivered in 2020 with the remaining 329 homes delivered in 2021. All 465 homes in Bundle 2 were delivered in 2021.

All homes delivered in these projects achieved the **NZEB<sup>3</sup>** standard featuring air-tight construction and controlled ventilation for a comfortable living environment. **Lifetime Homes** considerations were also incorporated where practicable to ensure that homes can be readily adapted to meet changing tenant needs over time.

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



Social Housing Bundle 1, Kildare



Social Housing Bundle 2, Galway



Social Housing Bundle 1, Wicklow



Social Housing Bundle 2, Roscommon

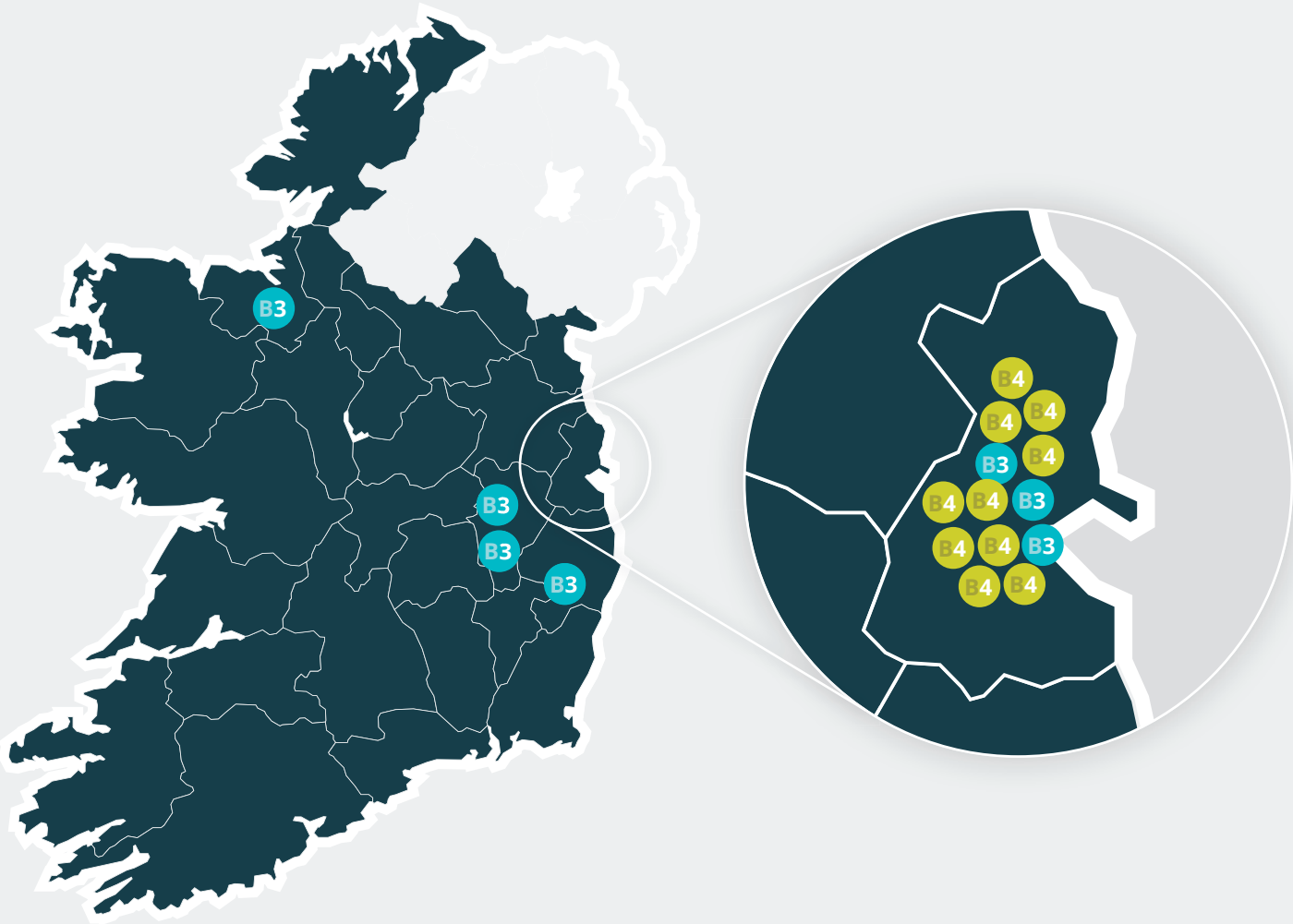
## Looking Forward: Social Housing PPP Bundles

The NDFA has worked in close collaboration with the Department of Housing, Local Government and Heritage and multiple local authorities to progress the current Social Housing PPP Programme.

The Government's 'Housing for All' plan published in September 2021 noted: *"Building on the successful model of social housing PPPs introduced in recent years, which is delivering in the region of 1,500 social homes across three bundles nationally between 2020 and 2024, we will increase their use to deliver social housing. The PPP model provides a delivery structure whereby social housing homes remain in State ownership throughout. The PPPs will be focused in cities, in particular Dublin, to support the acceleration of delivery from current levels to the levels required under Housing for All. The PPPs will be delivered in partnership with the NDFA and experienced tenancy management service providers such as Approved Housing Bodies."*

The NDFA is currently engaged with the Department of Housing, Local Government and Heritage and with local authorities in relation to further social housing bundles and eight sites to be procured in a fourth bundle (Bundle 4) which will provide c.780 homes within the Dublin City Council area have been approved by the Department of Housing.

<sup>3</sup> Nearly Zero Energy Building.



	<div>B3</div> <div>Social Housing PPP Bundle 3</div>	<div>B4</div> <div>Social Housing PPP Bundle 4</div>
Contract signing	Expected 2024	Expected late 2024
Expected delivery of Homes	2025	2026
Number of homes in bundle	c. 480	c. 780
Local authorities	Dublin City Council Kildare Co. Council Sligo Co. Council Wicklow Co. Council	Dublin City Council

## Delivery of Non-PPP Procured Projects

During 2021, the NDFA continued pre-procurement activities on a second programme of 'design and build' schools projects (non-PPP) for procurement by the NDFA on behalf of the Department of Education. While the programme initially comprised 20 individual school buildings to be delivered in three bundles, it has been expanded by a further 17 schools, to be delivered in three subsequent bundles. 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

A programme of 20 individual school building projects in three project bundles (Project Nore, Project Boyne and Project Dargle) was referred to the NDFA for procurement by the Department of Education in December 2018. This followed on from the successful delivery of a non-PPP programme of 15 schools in three bundles completed in 2015. The NDFA is adopting a bundling strategy and a 'design and build' contracting approach which uses the NDFA's experience with the first programme completed in 2015. This benefits from synergies with the NDFA's experience of delivery of projects at scale via PPP.

The programme was expanded by a further 17 school projects to include three further bundles (Project Lee, Project Liffey and Project Shannon). The developments range from new builds to extensions/refurbishment projects for works at both primary and post primary level in 11 counties across Ireland and are expected to provide in excess of 24,000 pupil places. Frameworks of project management/design team consultants and quantity surveyors have been appointed for the programme.

A shortlist of design and build contractors has been selected and the tender process for the first bundle (Project Nore) commenced in March 2022, with construction expected to start later this year. Project Nore will provide six new schools and the extension and refurbishment of one existing school.

Pre-procurement activities progressed in 2021 on the second and third bundles, Project Boyne and Project Dargle, following the appointment of project management/design teams consultants and quantity surveyors, and scheme designs are currently in development in conjunction with the programme stakeholders.

During 2021, the NDFA engaged in site suitability assessments on potential sites for the remaining three bundles in the programme, with 17 schools now selected for Project Lee, Project Liffey and Project Shannon. The procurement of advisors for the fourth bundle, Project Lee commenced in Q2 2022.

## 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 2021, the NDFA provided advice to stakeholders across a range of sectors including education, housing, transport, health and climate action. Notable examples include:

**Education:** the NDFA provided financial advisory assistance to the Department of Education and to certain universities on the financial robustness of contractors in relation to a number of projects.

**Housing:** the NDFA advised a number of local authorities seeking to deliver mixed tenure developments on their lands. The NDFA is also advising on a pilot cost rental scheme.

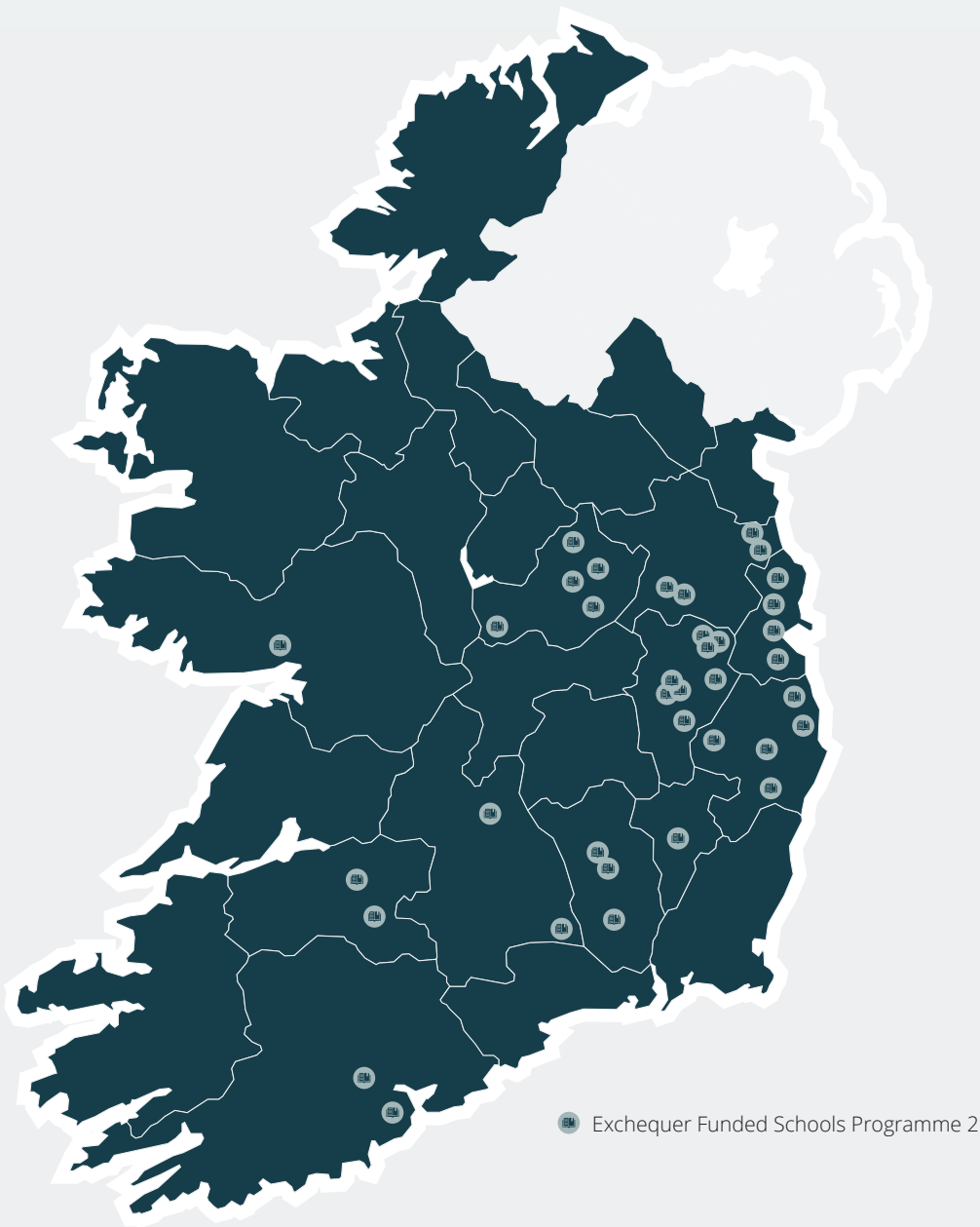
**Transport:** the NDFA advised Transport Infrastructure Ireland in relation to its public transport schemes, such as Metrolink, which is at an early stage of development, as well as certain roads schemes.

**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.






**Climate Action:** the NDFA advised Dublin City Council in relation to its district heating scheme and has joined a steering group chaired by the Department of Environment, Climate and Communications to explore regulation, policy and funding structures for district heating. The NDFA advised Cork County Council on its Public Lighting Energy Efficiency Project – South West Region and Dublin City Council on its Public Lighting Upgrade. The NDFA also advised the Department of Environment, Climate and Communications on the selection of suitable projects for its Climate Action and Just Transition Funds.

During 2021, the NDFA joined the Major Projects Advisory Group (chaired by the Department of Public Expenditure and Reform), which is responsible for reviewing project proposals and external reviews for projects of scale (in excess of €100m) in advance of seeking Government approval to proceed. The NDFA also supported the Department of Public Expenditure and Reform in preparing financial analysis guidance for use in public sector project appraisal.





## Progress on Selected Projects Where the NDFA Acted as Financial Advisor at End-2021

Project	Description	Status
<b>Education</b> 	The NDFA is advising Dublin City University on a new STEM building, NUI Galway on provision of new student accommodation and UCD in relation to a number of large-scale capital expenditure projects.	The NDFA performed financial robustness evaluations in 2021.
<b>Housing</b> 	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 a pilot cost rental scheme.	One of the largest mixed tenure schemes is Kilcarbery Grange which reached contract close in March 2021 and is now in construction.
<b>Transport</b> 	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 by Transport Infrastructure Ireland is ongoing.
<b>Health</b> 	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 2022.
<b>Climate Action</b> 	The NDFA is advising Dublin City Council on its district heating scheme.	Pre-procurement work by Dublin City Council is ongoing. The NDFA has prepared a financial and economic appraisal for the preliminary business case for the project.

### Contract Management Services

The NDFA, at the request of the Department of Education, undertakes contract management of all operational PPP schools. This currently comprises six school PPP projects covering 33 educational facilities.

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, during the operational period, 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 charges or availability payments).

The NDFA provided contract management support to the Department of Housing, Local Government and Heritage for all sites in the Social Housing PPP Bundles 1 and 2 projects which were completed during 2020/2021. The NDFA provides PPP contract management support services for the Convention Centre, Dublin on behalf of the Office of Public Works. The NDFA continues to provide contract management support services to the Department of Further and Higher Education, Research, Innovation and Science for the Cork School of Music and the National Maritime College of Ireland PPP projects (both within MTU) and to TU Dublin for Grangegorman PPP.

In total the combined value of these projects under contract management by the NDFA at the end of 2021 was €1.2bn.