



Extending the strategic planning horizon National Development Plan 2018-2027

On 16 February 2018, the Irish Government unveiled its 10-year National Development Plan (the “NDP”) worth €116 billion of expenditure on infrastructure. The NDP is fully integrated with the new approach to spatial planning as outlined in the National Planning Framework – Ireland 2040 (the “NPF”) also published on the same date.

Overview

The NDP is recognised as an opportunity to address short-comings in Irish infrastructure and competitiveness and is also intended to be a response to the future challenges for Ireland posed by Brexit and climate action commitments under the Paris Agreement 2015. Whilst there are not too many surprises in the NDP, it does inspire confidence that at last we have a Government strategic plan for infrastructure that should enable both public and private sectors to plan on a longer term basis. For the first time, the NDP is fully aligned with a NPF and one would hope that the rolling multi-annual budgetary allocations will reduce the tendency for our capital plans to be stop-start in nature depending on the economic cycle.

Delivery Board and Infrastructure Projects Office

There have been calls for a national coordinating office for infrastructure, similar to the UK’s National Infrastructure Commission and Infrastructure and Projects Authority. On 9 March 2018, Minister for Finance and Public Expenditure and Reform, Paschal Donohoe TD, announced the setting up of a high-level Project Ireland 2040 Delivery Board (the “Board”). This Board will be jointly chaired by the Secretaries-General of the Department of Housing and the Department Public Expenditure and Reform (“DPER”) and will be comprised of officials from Government Departments and Agencies so to provide strategic direction and leadership thereby ensuring a “collaborative whole-of-Government approach to NDP and NPF delivery.”

In addition, an Infrastructure Projects Office is being established within DPER to co-ordinate reporting

on the NDP and to drive reforms in respect of project appraisal and selection. A Construction Sector Working Group is being established to ensure regular and open dialogue between Government and the construction sector in order to ensure timely delivery and value for money in the roll-out infrastructure projects.

A “Major Projects Tracker” was published in September 2017 which is being updated further in order to provide comprehensive information on the cost and delivery of projects identified in the NDP. The hope is that this broad suite of initiatives will provide oversight to delivery of the NPF and the NDP over the coming years.

Public Private Partnerships (“PPP”)

It has been made clear in the NDP that PPP will continue to feature and not all projects will be exchequer funded. It notes that PPP should continue to be considered as a procurement option for appropriate public capital investment projects, such as where there is the potential for user charges or there is the possibility for potential third-party income based on the concession model. In recognition of the challenges that PPPs can pose for Departments in terms of the complexity of the contract and the long-term nature of financial commitments involved, the scope for a new procurement option will be examined in 2018. This will comprise a less complex and shorter alternative PPP-type contractual arrangement for smaller scale projects over a short time period.

Further information in relation to the NPF and the NDP can be found at the following links: [NPF](#) or [NDP](#)

Key investment allocations are highlighted below:

Transport

- €3 billion is being allocated to deliver Dublin Metro North by the year 2027 linking Dublin Airport to Dublin's south city centre;
- €2 billion is being earmarked for the DART Expansion Programme across the Dublin Metropolitan Area;
- Investment in upgraded bus routes, bus services, park-and-ride facilities and bus corridors in Ireland's cities through various schemes e.g.:
 - Galway BusConnects costing €200 million for completion by 2027;
 - Cork BusConnects costing €200 million for completion by 2027 ; and
 - Dublin BusConnects costing €2 billion for completion by 2027.
- Funding totalling €4.5billion is to be spent on regional and national road projects including:
 - New M20 Cork to Limerick Road at a cost of €850 – 900 million for completion by 2027;
 - New N6 Galway City Ring Road at a cost of €550-600 million for completion by 2025;
 - The N4 will be upgraded between Collooney and Castlebaldwin in Co Sligo;
 - The M7 will be widened between Naas and Newbridge.
- €230 million is to be spent at Dublin Port to accommodate larger-sea going vessels;
- Shannon Foynes Port Company will invest €27 million in capacity extension works;
- Port of Cork will invest approx. €90 million in upgrades and capacity enhancement;
- A second parallel runway at Dublin Airport will be constructed at a cost of €320 million by 2021.

Housing

- Support for the delivery 40,000 new social housing units by 2021 at a cost of €4.2 billion;
- Total of 112,000 new social housing units by 2027 at a total cost of €11.6 billion;
- Establishment of an Urban Regeneration and Development Fund to distribute €2 billion for the sustainable growth in Ireland's 5 cities and other large urban centres. E.g.: Limerick 2030, Galway City Centre regeneration and Waterford North Quays Special Development Zone;
- The establishment of a Rural Regeneration and Development Fund worth €1 billion to enable towns, villages and rural areas to grow in compliance with the NPF.

Energy and Climate Action

- A New Climate Action Fund worth €500 million will be available to augment existing public or private investment in climate action measures;
- The proposed Celtic Interconnector between Ireland and France is being allocated €1 billion for completion by 2025-26;
- €940 million is being provided for flood prevention measures via the roll-out of 29 Flood Risk Management Plans for the lifetime of the Plan;

Water Infrastructure

- €8.5 billion is being invested by Irish Water over the course of the Plan including:
 - Eastern Midlands Water Supply Project - €1.2-1.3 billion;
 - Greater Dublin Drainage Project - €500 million;
 - Vartry Water Supply Scheme - €150 million;
 - Ringsend Wastewater Treatment Plant project - €190 million;
 - Cork Lower Harbour Main Drainage Project - €55 million

Education

- The implementation of a Digital Strategy for Schools is being allocated €420 million embedding use of digital technologies in teaching;
- 20,000 permanent school places are to be provided annually at a cost of €1.7 billion over the lifetime of the Plan;
- €2.5 billion being provided for the refurbishment of existing school buildings, PE halls and laboratories;
- €2.2 billion is to be provided for investment in third-level facilities such as new campus buildings and research and development laboratories up to 2027;
- €231 million is to be spent on the development of the DCU campus by 2021;
- A "Technological University for the South-East" consisting of Carlow IT and Waterford IT is to be provided for.

Justice and Defence

- €3 billion has been allocated to justice and defence infrastructure including:
 - A new Forensic Science Laboratory;
 - Replacement of the Harcourt Square Complex;
 - Construction of new Garda stations and the refurbishment of existing ones;
 - Construction of new courthouses and refurbishment of existing ones
 - Redevelopment of Limerick Prison;
 - Development of the Mountjoy Prison Campus;
 - A Family Law and Children's Court Complex
 - Renewal of the Naval Service Fleet and replacement vessels;
 - Renewal and replacement of Air Corps aircraft;
 - On-going upgrade of barracks and training facilities.

Health

- €10.9 billion is being allocated for investment in the health sector up to 2027 including the following projects:
 - New Children's Hospital at St James's campus;
 - New hospital for Cork;
 - Primary Care Centre construction programme across the country;
 - National Rehabilitation Hospital redevelopment, Dún Laoghaire, Dublin – Phase I and Phase II;
 - 2,600 additional acute hospital beds to be delivered across all Hospital Groups;
 - 4,500 additional long term and short term residential beds in Community Nursing Homes in the public system;
- A new National Forensics Mental Health Services facility in Portrane will be built by 2020.

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