



19<sup>th</sup> April 2017

**TO: MEMBERS OF CORK COUNTY COUNCIL**

### **CAPITAL PROGRAMME 2017-2019**

In accordance with Section 135 of the Local Government Act 2001 (as amended), the attached Capital Programme has been prepared for 2017-2019. This report indicates the programme of capital projects proposed by Cork County Council for the three years 2017 – 2019 having regard to the availability of resources.

The 3 Year Capital Programme sets out the proposed major infrastructural projects to be undertaken, subject to availability of funding, over a three year rolling period.

The programme identifies anticipated projects with an estimated capital spend of €517.6m. It has been prepared on the basis of the information available at the present time and having regard to the measures available to the Council to raise funding. The overall emphasis of expenditure relates to housing provision, roads, environment, recreation & amenity, and flood programmes.

The 3 Year Capital Programme is a rolling programme which by its nature is subject to change as it is reviewed annually. The requirements for progression of any projects therein will take account of:

- any contractual obligations in relation to ongoing works,
- works to be undertaken on foot of current and expected grant allocations and
- those necessary to continue a reasonable level of advancement in particular areas.

It is important to note that consideration of the capital programme by the Members does not confer Council approval on any individual project. This can only be done through the normal statutory processes and compliance with the Public Spending Code. In particular funding arrangements will need to be clearly identified from the below resources in advance of commitment to any particular project.

This report sets out a Capital Programme for 2017 - 2019 of €517.6m. This is summarised as follows for Council.

<b>Nature of Projects</b>	<b>€M</b>
Ongoing programme of works	389.0
Works subject to funding/business need	<u>128.6</u>
	517.6

Ongoing works represent schemes which have already commenced and have been approved in prior years, together with schemes where the Council has contractual commitments to projects and are a first priority on spending programmes. Works subject to funding/business need are schemes the Council would like to progress. However these are dependant both on funding and compliance with the Public Spending Code and statutory requirements.

The attached table outlines the funding sources of the overall rolling capital programme. The sources of funding for the Capital Programme include:

1. Government Grants
2. Borrowing
3. Development Contributions
4. Internal Capital Receipts
5. Capital reserves
6. Provisions in the Revenue Budget.

A breakdown of the proposed Capital Expenditure for 2017-2019 totalling €517.6m is attached which shows:

1. Expenditure per Category
2. Expenditure analysed Contractual/NonContractual
3. Income sources identified

The financial impact of the 3 Year Proposed Capital Programme is outlined later in the report. A summary of the expenditure headings showing the total programme of €517.6m is set out below.

Cork County Council		€M
Total Programme Expenditure		€M
<b>Housing</b>	Social Leasing	4.4
	ICR's	2.3
	Other	10.9
	Social Housing	160.5
	Voluntary Housing	13.7
<b>Housing Total</b>		<b>191.7</b>
<b>Roads</b>	Car Park	1.6
	Fleet Investment	7.2
	Footpaths	3.3
	National Roads	86.7
	Other	16.3
	Public Lighting	4.4
	Regional/Local roads	9.7
	Special Development Contributions	7.1
	LIHAF	27.3
<b>Roads Total</b>		<b>163.6</b>
<b>Water</b>	Coastal Protection	6.4
	Flood Relief	35.3
	Other	0.4
	WSIP	0.3
<b>Water Total</b>		<b>42.3</b>
<b>Other</b>	Burial Grounds	2.9
	Co Hall Campus	1.7
	Environment	5.7
	Fire	8.1
	Haulbowline Remediation	37.4
	Industrial Development	1.4
	Libraries	2.7
	Other	5.5
	Public Realm	12.2
	Recreation and Amenities	27.1
	Tourism	10.8
Traffic & Transportation	4.5	
<b>Other Total</b>		<b>120.0</b>
<b>Grand Total</b>		<b>517.6</b>

The following sets out the impact of the Council’s Capital spend and the major programmes included under each heading.

**HOUSING:**

The DHPCLG Social Housing Strategy set Cork County Council a delivery target of 1,217 units between **2015-2017** with an estimated cost of delivery of €80.6m. The target will be met by progressing a mix of acquisitions, turnkey developments, refurbishment of voids, development of Council own schemes, leasing, RAS, and the Capital Assistance Scheme.

In 2015, 469 units were delivered and in 2016, through DHPCLG funding and the Council’s own resources, the following units were provided;

LABuild/ Acquisitions	98
CAS	1
Voids	118
SCHEP (Social Leasing)	58
RAS	19
Part V	8
<u>Total</u>	<u>302</u>

The delivery of 498 units is projected for 2017.

In 2016 the focus continued to be on voids, acquisitions and a number of turnkey schemes. While further voids have been identified, to be returned to use in 2017, the primary focus from 2018 will be on construction. The Council’s own Schemes are now progressing through the various approval and procurement stages. 10 units will be completed in Fermoy in early 2017 and a number of other projects will be at construction by the end of the year.

**ROADS:**

National Roads / TII

- These are principally allocations provided by the TII for projects on National Roads in the County in 2016. Included are projects such as Macroom – Ballyvourney By-Pass (N22), Cork to Ringaskiddy (N28) and various resurfacing works.

Regional & Local Roads:- Included in this section are

- several small projects many of which have previously commenced.
- Progression through design, land acquisition and construction stages of a number of road upgrade projects, including the Carrigaline Western Relief Road, subject to funding.
- €3m for footpath improvements in 2017 -2019
- The rehabilitation of Bridges and other structures on the road network across the County to supplement funding from Exchequer grants.

Fleet Investment

- For purchase of replacement plant so that the Council’s fleet is roadworthy and efficient. This programme was suspended for a number of years up to 2014.

## Public Lighting

- Some provision is made for new additional lighting in certain urgent locations and for provision of LED lighting to replace older lights which are less energy efficient.

## **WATER SERVICES:**

The Water Services Capital Programme 2017-2019 reflects services which are not migrating to Irish Water and remain functions of the Council.

## COASTAL MANAGEMENT & FLOOD PROJECTS

### *Coastal Projects*

Anticipated capital projects include:

- Extension/repairs to existing coastal infrastructure and Harbour improvement works
- Installation of new coastal infrastructure (including new marine/leisure pontoons)
- Consent (Planning & Foreshore)
- Storm damage repair to coastal, harbour protection (walls, breakwaters, revetments).

Coastal projects are funded from various Government Departments & agencies, viz., DAFM, DAHRRG & OPW. Most funding is on condition of match funding been available to fund the works elements. Design element of capital works are generally not funded by the grant facility and own sources of funding must be identified.

### *Flood Projects*

Funding is applied to and received from OPW for Major Flood projects (100% funded) and Minor Works Flood Projects (90% up to €500k).

Details of the particular funding approvals are not yet available and are subject to funding. Cork County Council must provide match funding to avail of these grants.

The following table summarises the proposed CMFP Capital Budget. Funding approvals are not yet available for the DAFM Programme.

Proposed 2017 Capital Programme	Total Est. Exp 2017	Grant 2017	CCC Contribution 2017
<b>Flood Projects</b>			
<b>Glashaboy River (Glanmire/ Sallybrook) FRAM</b>	1.00	1.00	-
<b>Douglas River FRAM Scheme (Including Togher)</b>	1.00	1.00	-
<b>Crookstown FRAM</b>	0.10	0.10	-
<b>River Ilen (Skibbereen) FRS</b>	6.00	6.00	-
<b>Midleton FRS</b>	0.30	0.30	-
<b>OPW Funded Minor Works Flooding</b>	0.52	0.46	0.06
<b>OPW funded Storm Damage Projects</b>	0.17	0.17	-
<b>Other Flood Projects</b> Includes; Bandon FEWS, Midleton Lot 4	0.28	-	0.28
<b>Flood Projects Sub total</b>	<b>9.7</b>	<b>9.03</b>	<b>0.34</b>
<b>Coastal Projects</b>			
<b>Storm Damage Funding</b>	0.17	0.17	-
<b>DAFM funded Marine and Leisure Facilities Projects</b> Includes; Schull, Adrigole & Youghal Pontoon.	0.53	0.39	0.13
<b>DAFM Harbour Development</b>	0.47	0.35	0.12
<b>Harbour Development</b> Includes; Baltimore Breakwater Design	0.33	-	0.33
<b>Other Coastal Projects</b>	0.25	-	0.25
<b>Coastal Projects Sub total</b>	<b>1.76</b>	<b>0.91</b>	<b>0.85</b>
<b>Total</b>	<b>11.13</b>	<b>9.94</b>	<b>1.19</b>

## ENVIRONMENT & HAULBOWLINE REMEDIATION:

This category of spend includes expenditure of €37.4m for works on Haulbowline under the Islands Remediation Programme. Other proposed projects, totalling €5.7M in this category, which are dependent on funding, include landfill capping and works at Civic Amenity Sites (CAS) as well as a requirement to purchase CAS plant & machinery.

## RECREATION & AMENITY:

The Municipal Districts & Rural Development Directorate will help to deliver the proposed capital programme through the Municipal Districts. The following are some examples of the project areas that the directorate will work to progress:-

- public realm works in many of our towns
- a playground programme
- burial ground extensions
- waterways & blueways including the weir in Fermoy
- greenways projects in Cork Harbour and Youghal to Midleton
- a new pay parking management system
- Carrigaline Skatepark
- refurbishment of the Briery Gap Theatre
- amenity walkways

- **Town CCTV projects**
- works at Council Leisure Centres
- refurbishment of Mallow Town Hall – North Cork Arts Centre,
- continuation of the works at Ballincollig Regional Park
- Provision of new Beach Guard Huts

This is an indication of the projects the Council would like to provide. However while there is an element of funding in place for some of these projects many are subject to the sourcing of a funding stream and the relevant statutory and Public Spending Code requirements.

## **TRAFFIC & TRANSPORTATION PLANNING**

Under the Regional Cities Grants Programme 2017, the NTA (on behalf of Department of Transport, Tourism and Sport) has allocated €1.06m grant aid to Cork County Council towards 4 no. infrastructure projects ; 3 in Douglas and 1 in Little Island.

This is the 5th year of a 5 year Investment Programme which will see approximately €7m invested in the Douglas area and other locations in Metropolitan Cork since 2013.

The purpose of this investment is to provide sustainable travel infrastructure and to improve the uptake of travel by modes other than the private car, such as walking, cycling and public transport as envisaged in Douglas Land Use and Transportation Study (LUTS) and other strategies.

The majority of this investment has been directed towards the implementation of Douglas LUTS. Cork County Council published Douglas LUTS in 2013 which outlined a 10 year investment strategy for Douglas and surrounding area. The significant items that have been delivered in this Investment Programme include; Green Route on Maryborough Hill, Ballybrack Cycle Track Phase 1, Traffic Calming on Old Carrigaline Road, Cycle Path through Douglas Community Park, footpath improvements on Donnybrook Hill and N40 Bridge modifications.

The projects planned for 2017 are:

1. Ballybrack Valley Cycle Track, Douglas – Phases 2 and 3 serving residential areas as far south as Bracken Court
2. Little Island Junction Upgrade – the signalisation of Island Cross on Little Island
3. Donnybrook Hill Pedestrian Enhancement Scheme – Phase 1
4. Douglas Village improvements

It is anticipated that the NTA will continue to allocate grant aid over the coming years.

Cork County Council will continue to work with the NTA and other national agencies to secure further support for the continued delivery of Douglas LUTS and other improvement schemes within Metropolitan Cork.

Other capital projects funded by special contributions include Transportation Studies in Little Island, Castletownbere, Carrigaline and for the Masterplan lands. Traffic and Transportation Section will also undertake Urban Improvement Projects as required.

**OTHER:**

This category provides for the following main elements:

**FIRE:**

This category makes provision to progress the redevelopment of the Teagasc building for the Fire Services HQ, together with investment in replacement vehicles. The Capital Programme also includes provision for the fire stations at Macroom, Kanturk and Clonakilty.

**IT:**

The IT projects included in the Capital Programme are focused on improving communications, using up to date technology and maintaining a reliable, stable IT environment. Updating the Corporate Wifi will provide secure dependable connectivity for employees and guests, thus providing opportunities for increased productivity and collaborations. Replacing out dated equipment and legacy systems is part of our rationalisation program to ensure equipment and applications are using up to date technology. A system test bench allows us to maintain a reliable, available IT environment by ensuring all proposed changes are tested and validated before being released onto the production network.

**CO.HALL CAMPUS:**

This category covers provisions made for the management of the proposed new Business Growth Hub facility which will accommodate Economic Development, Tourism & Community, as well as LEO operations. The provision also includes a building fund which provides for future depreciation issues of the County Hall Campus.

**PERSONNEL:**

Capital expenditure for this Personnel Department includes:

- Ballincollig Regional Training Centre:  
 Extension to existing confined spaces unit to meet LASNTG requirements: €80,000  
 Canteen to cater for training requirements of the centre: €60,000
- CoreHR project – Upgrade of HR and Payroll system & changes re MyPay €200,000

The following is a summary of the funding related to the proposed expenditure.

	<b>Expenditure</b>	<b>Grants</b>	<b>Bridging</b>	<b>ICR's</b>	<b>Other</b>
<b>Housing</b>	191.7	181.1	-	1.8	8.9
<b>Roads</b>	163.6	107.0	-	-	56.7
<b>Water Services</b>	42.3	34.8	-	-	7.5
<b>Other Works</b>	120.0	55.1	-	-	64.9
<b>Total</b>	<b>517.6</b>	<b>377.9</b>	<b>-</b>	<b>1.8</b>	<b>138.0</b>



Of the €138m funding under the heading “Other”, a total of €45.5m relates to ongoing work programmes. This is funded from a combination of capital reserves and development contributions. The remaining €92.5m is associated with works that may be progressed based both on proven business need and a definite source of funding being identified during the year in advance of commencement.

## **CONCLUSION:**

The Capital Programme at €517.6m for 2017-2019 has resulted in a significant amount of analysis by each directorate to outline projects which are required or desired within the county. The progression of the Programme is based on existing capital commitments and, as the year progresses consideration will be given to commencing other schemes where they are deemed necessary and where adequate funding sources are in place. Every effort will be made to maximise funding particularly grant funding, from Central Government in order to deliver on projects.

This 3 year Capital Programme is an ambitious spending programme by Cork County Council that aims to invest, where funding is available, more than €517 million into projects and services in the County over the next three years.

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**HEAD OF FINANCE**