

**Oireachtas Committee of Public Accounts****7th February, 2013****Briefing Paper**

National Roads Authority Financial Statements 2011
2011 Annual Report of the C&AG & Appropriation Accounts – Chapter 6
Financial Commitments under PPPs

The grant allocations to the Authority for national roads, forming part of the Department of Transport Tourism & Sport vote, were as follows:

<i>€ x millions (rounded)</i>			
		2011	2012
B.1.1 National Road Construction & Improvement		674	605
B.1.2 National Road Maintenance		49	42
B.1.3 National Road Administration		14	13
B.1.4 Public Private Partnership Operations		81	74
Sub-total National Roads		818	734

The grant allocations relating to regional and local roads, administered by the Authority on behalf of the Department, were as follows:

<i>€ x millions (rounded)</i>			
		2011	2012
B.1.5(a) Regional & Local Road Construction & Improvement		343	281
B.1.5(b) Regional & Local Road Maintenance & Management		110	96
Sub-total Regional & Local Roads		453	377
TOTAL (National, Regional & Local Roads)		1271	1111

The total grant allocation to the National Roads Authority in 2011 was €1.271 billion.

Administration

This is the grant allocation for the NRA's internal costs, and it reduced from €14 million in 2011 to €13 million in 2012.

National Road Construction & Improvement

The construction works in 2011 included the following:

- 193 pavement overlay and minor improvement schemes
- Rehabilitation works on 96 bridges
- 179 safety improvements
- 7 major schemes
- Signing & lining

The major schemes which started construction were:

N3 Belturbet Bypass (expected to open in 2013)

N4 The Downs Grade Separation (expected to open in 2013)

N5 Longford Bypass (opened in 2012)

N22/N69 Tralee Bypass (expected to open in 2013)

N25 Cork Southern Ring Road Interchanges Upgrade Scheme (expected to open in 2013)

N52 Carrick Bridge to Dalystown (opened in 2012)

N87 Ballyconnell Inner Relief Road (opened in 2012)

Developments in 2012 included fewer major schemes starting construction but in addition to pavement, bridge, safety improvements and signing and lining, construction started on 31 local improvement schemes.

One major scheme started construction in 2012, which is the N5 Ballaghaderreen Bypass. It is scheduled to open towards the end of 2014.

National Road Maintenance

The national road maintenance allocation decreased from €49 million in 2011 to €42 million in 2012.

The maintenance budget is used for drainage, signs, litter picking, grass cutting, verge trimming, pot hole filling, boundary and safety fence repairs, lighting, and the like, and for winter operations such as road weather information services, salt supply and distribution, and clearance of snow and ice.

Regional & Local Roads

The grant allocations for Regional & Local Roads, administered by the Authority on behalf of the Department of Transport, Tourism & Sport, totalled €453 million in 2011. These grants had been administered directly by the Department before 2010.

Public Private Partnerships (PPPs)

There have been no additional commitments to Public Private Partnerships by the NRA since the Comptroller & Auditor General's report.

The updated figures are as follows:

Payments to PPP Companies were €213 million in 2011, decreasing to €142 million in 2012 and forecast as €91 million in 2013. The level of payments for schemes already open will continue to reduce in future years.

However, there are other PPPs in development, and the payments associated with them are likely to arise in years 2015 and beyond.

The position with regards to the PPP projects in development is as follows:

The N11 Arklow-Rathnew & Newlands Cross scheme is at an advanced stage of negotiation with the PPP Company, and it is hoped to reach financial close in the near future.

There are three road Public Private Partnership schemes included in the Government's stimulus package. It is understood that the funding for the State's development costs associated with advancing these schemes will be funded from the sale of state assets.

These schemes are:

N17/18 Gort to Tuam, which is at the Preferred Tenderer stage

N11 Gorey to Enniscorthy, for which the PPP competition has yet to begin

N25 New Ross Bypass, for which the PPP competition has yet to begin

Further schemes that might be developed as PPPs include the N6 Galway City Outer Bypass. Unfortunately the statutory approval process for that scheme is exceptionally difficult. The scheme was submitted to An Bord Pleanála for approval in 2006.