

# KILKENNY COUNTY COUNCIL

Capital Programme 2018 - 2020



## Introduction

- Three Year Capital Programme (2018- 2020) approved by the Elected Members at the May Meeting.
  - Summary attached in Appendix 1.
- Total Estimated Expenditure over the 3 year period for projects under consideration.
 

Housing	€131m
Other	€ <u>81m</u>
Total	€212m
- Additional estimated expenditure beyond 3 year period €47.8m (All non Housing).

## Introduction

- Funding Shortall identified in the 3 year period of €26m. (Non-Housing)
- Where will €26m come from?
  - Additional Grants from Central Government.
  - Additional Development Contributions.
  - Income & Expenditure Account.
  - Loan Finance.

## Capital (Excl Housing)

- 3 significant projects included in the 3 year Capital Programme have commenced or are expected to commence this year.

	Budget
1. Butler Gallery at Evans Home	€5.5m
2. Western Environs Road Construction	€9.5m
3. Abbey Quarter - Phase 1	
Public Realms works	<u>€5.0m</u>
Total Budget Expenditure	<u>€20m</u>

## Capital (Excl Housing)

- Grant approvals of €8.6m in place for these 3 projects.
  
- Balance of funding required €11.4m
  
- Application for additional Grant funding will be made under the Urban Regeneration and Development Fund 2018 launched on 9/7/18.

## Capital (Excl Housing)

- Fixed Rate Annuity Term Loan of €5m required in 2018.
- 20 Year Term.
- Interest and Principal payable on 30<sup>th</sup> June and 31<sup>st</sup> December each year.
- No arrangement, commitment or legal fees.
- Repayment provision included in Budget 2018.
- Requires approval of both Council and DHPLG.
- This will bring the total outstanding term loan balance to €17.2m at the end of 2018.

## Housing Capital

- Target Delivery of 769 units over the 3 year period.
- 14 no. of projects currently at different stages with an estimated spend of €37m.
- Land/Building Acquisition - €3m approx spend to date.
- Construction Activity will ramp up significantly over the next 18 months.
- Additional land will have to be acquired for development.
- All expenditure is fully recoupable from the DHPLG.

## Housing Capital

- KCC needs a bridging finance facility to cover.
  - Land/Building Acquisition.
  - Construction Finance.
- DHPLG Governance Procedures
  - Strict procedures in place before expenditure can be recouped from the DHPLG.
- Land/Building Acquisitions
  - Can take up to 2 years to recoup the expenditure.
- Construction
  - 4 Stage Process - before draw downs can commence.

## PROPOSAL

- Revolving Bridging Finance Facility with the HFA.
- Maximum drawdown amount €10m.
- Interest calculated on the outstanding daily balance and payable in June and December each year.
- Interest paid will be recouped from DHPLG.
- Facility available for 5 years from date of draw down of first tranche.
- Final repayment up to 10 years from start date.
- Partial or full repayment of principal amounts allowed.
- Drawdown/Repayments calculated every 2 months - depending on level of activity.
- No arrangement, commitment or legal fees.
- Loan Facility requires both Council and DHPLG approval.

## Summary

- Approval of Members required for:
  - 20 year term loan facility of €5m.
  - Revolving Bridging Finance Facility up to a maximum amount of €10m.



Funding Sources 2018-2020

Project Description	Total Project Expenditure	KCC Local Resources						Total Local Funding	Grants	Other Funding	Balance of Funding required	Total Funding 2018-2020
	€'00's	Income & Expend. €'000	Develop. Charges €'000	Existing Provision €'000	Income & Expend. €'000	Develop. Charges €'000	Existing Provision €'000					
Housing	130,566	0	0	1,000	0	0	1,000	129,566	0	0	130,566	
Roads	83,357	0	2,415	450	0	0	2,865	28,824	0	10,668	42,357	
Fire Services	1,800	0	0	0	0	0	0	1,800	0	0	1,800	
Communtiy & Cultural Services	15,009	350	1,550	400	0	0	2,300	6,845	337	5,467	14,949	
Tourism/Economic Development	14,370	170	1,000	25	0	0	1,195	5,950	0	3,025	10,170	
Civic Buildings Upgrade	2,230	0	0	0	0	0	0	1,115	0	1,115	2,230	
Abbey Creative Quarter	10,690	300	1,270	500	0	0	2,070	1,000	500	4,620	8,190	
Other	0	0	0	0	0	0	0	0	0	0	0	
Information Technology	1,930	450	0	250	0	0	700	0	0	1,230	1,930	
<b>TOTAL</b>	<b>259,952</b>	<b>1,270</b>	<b>6,235</b>	<b>2,625</b>	<b>10,130</b>	<b>175,100</b>	<b>837</b>	<b>26,125</b>	<b>212,192</b>			

