



Wicklow County Council
Comhairle Contae Chill Mhantáin

Public Spending Code
Quality Assurance Report
in respect of the financial year 2017

*To be submitted to the Department of Public Expenditure and Reform in
Compliance with the Public Spending Code*





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This Annual Quality Assurance Report reflects Wicklow County Council's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

Signature of Accounting Officer:



Frank Curran

Chief Executive, Wicklow County Council

Date: 30th May 2018

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1 Introduction

Wicklow County Council has completed this Quality Assurance (QA) Report as part of its compliance with the Public Spending Code (PSC).

Circular 13/13: The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service – Standard Rules & Procedures was issued in September 2013 implementing a comprehensive set of expenditure appraisal, value for money requirements and related guidance covering all public expenditure.

The new Code replaces all previous guidelines, circulars and directions issued in relation to appraisal and value for money. The Code combines and updates the previous components of the VFM framework and also includes additional modules.

The requirements of the Public Spending Code (PSC) are based on employing good practices at all stages of the *expenditure life cycle*. Every organisation needs to assure itself that the expenditure practices it employs are of an acceptable standard, that it consistently maintains these standards and if there are deficiencies that they are identified and addressed.

The Quality Assurance procedure aims to gauge the extent to which Wicklow County Council is meeting the obligations set out in the Public Spending Code¹. The Public Spending Code ensures that the state achieves value for money in the use of all public funds.

The Quality Assurance Process contains five steps:

1. ***Drawing up Inventories of all projects/programmes at different stages of the Project Life Cycle*** (appraisal, planning/design, implementation, post implementation) for projects/programmes greater than €0.5m. The three sections of the inventory are:
 - a. Expenditure being considered
 - b. Expenditure being incurred
 - c. Expenditure that has recently ended
2. ***Publish summary information on website of all procurements in excess of €10m***, whether new, in progress or completed
3. ***Checklists to be completed in respect of the different stages***. These checklists allow Wicklow County Council to self-assess our compliance with the code. The checklists are provided through the PSC document
4. ***Carry out a more in-depth check on a small number of selected projects/programmes***. A number of projects/programmes are selected to be reviewed more intensively.

¹ Public Spending Code, DPER, <http://publicspendingcode.per.gov.ie>

5. **Complete a short report for the Department of Public Expenditure and Reform** which includes the inventory of all projects, the website reference for the publication of procurements above €10m, the completed checklists, Wicklow County Council's judgment on the adequacy of processes given the findings from the in-depth checks and Wicklow County Council's proposals to remedy any discovered inadequacies.

This report fulfils the fifth requirement of the QA Process for Wicklow County Council for 2017, and this report has been prepared following NOACs review & comments from the 2016 QA report.

1.1 Application of PSC principles in a local government context²

The following are the basic principles established for the application of the PSC

- a) The Public Spending Code imposes obligations, at all stages of the project/programme life-cycle on organisations that spend public money.
- b) The Code applies to both capital and current (revenue) expenditure and sets out to explain what is required of public service managers at different points of the expenditure lifecycle and advises how to fulfill those requirements.
- c) Section B06 of the PSC – Section 2 (page 79) provides a distinction between Capital and Current Expenditure. It states that
 - a. Capital spending generally involves the creation of an asset where benefits accrue to the public over time e.g. a road, a rail line, a school or a hospital
 - b. Current expenditure involves day to day expenditure, e.g. Revenue Expenditure

The application of PSC principles in Local Government are:

- o All local government expenditure is funded by public money whether this is by way of grant funding , rates, local property tax or service charges.
- o Current expenditure can be defined as Revenue Expenditure which is formally adopted by Council Members each year in the statutory budget process.
- o Capital Expenditure is project based and largely funded through capital grants, development levies and borrowing.
- o Local Authorities can be both the Sanctioning and Sponsoring Agency under the terms of the PSC.
- o Local Authorities will primarily be Sponsoring Agencies but where the local authority allocated grant funding to persons, other bodies, including community groups/facilities at a level that is subject to the requirements of the PSC, they will also assume the responsibilities of a Sanctioning Authority for such payments.

² Public Spending Code (PSC) Quality Assurance Requirements: A guidance note for the Local Government Sector (prepared by the CCMA Finance Committee)

- Capital Expenditure within Local Authorities is project based and applying the principles of the PSC are relatively straightforward in this spending area.
- With regard to current expenditure, the PSC confirms that the appraisal requirements do not apply to routine administrative budgets already in place and the focus of the code will be on new or extending programme expenditure. Therefore only new or extended current expenditure to the value of €0.5m or greater will be subject to the application of the code from the date of implementation of the PSC within Local Authorities.

2 Expenditure Analysis

2.1 Inventory of Projects/Programmes

This section details the inventory drawn up by Wicklow County Council in accordance with the guidance on the Quality Assurance process. The inventory lists all of Wicklow County Council's projects and programmes at various stages of the project life cycle which amount to more than €0.5m. This inventory is divided between capital and current (revenue) projects and between three stages:

- Expenditure being considered
- Expenditure being incurred
- Expenditure that has recently ended

Tables 1 and 2 list a summary of Wicklow County Council's compiled inventory. Full tables including details of each programme/project are listed in Appendix 1. For the purposes of clarity and accuracy the inventory was compiled using the template provided by NOAC. Directorates of Wicklow County Council were requested to compile an inventory of their projects and programmes. For consistency and accuracy these inventories were informed by the Capital Investment Programme 2017-2019 adopted at Council Meeting 8th May 2017 and the Annual Budget which were carried out as part of the statutory requirements of the Local Government Act 2001 (as amended); and the Annual Financial Statement 2017 which was prepared in accordance with the Local Authority Accounting in Ireland Code of Practice, Accounting Regulations and the directions of the Minister for the Environment, Community and Local Government.

Expenditure being considered

Table 1 provides a summary of the inventory of expenditure above €0.5m being considered by Wicklow County Council. In total there were 24 projects listed as expenditure being considered. There are no projects over €20m currently being considered. These projects are listed as part of the Capital Investment Programme 2017-2019 which was adopted by Members of Wicklow County

Council at meeting of 8th May 2017. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure being incurred

Table 2 provides a summary of inventory of expenditures above €0.5m being incurred by Wicklow County Council. In total there are 70 projects or programmes which are currently incurring expenditure over €0.5m. Full details of this expenditure are included in the Annual Financial Statement for 2017 which was adopted by Members of Wicklow County Council at meeting of 14th May 2018. The primary area under capital expenditure is housing. These projects form part of the developed housing strategy “Rebuilding Ireland: Action Plan for Housing and Homelessness”. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Recently Ended

No projects ended in 2017 which incurred expenditure of over €0.5m.

Table 1: Expenditure Projects Being Considered by Category

| Local Authority | Expenditure being considered | | | | |
|--|------------------------------|-------------------------------|------------------|-----------|-----------|
| | Current | Capital | | | |
| | > €0.5m | Capital Grant Schemes > €0.5m | Capital Projects | | |
| | | | €0.5 - €5m | €5 - €20m | €20m plus |
| Wicklow County Council | | | | | |
| Housing & Building | 0 | 0 | 5 | 3 | 0 |
| Road Transportation and Safety | 0 | 0 | 2 | 0 | 0 |
| Water Services | 0 | 0 | 0 | 0 | 0 |
| Development Management | 0 | 0 | 8 | 0 | 0 |
| Environmental Services | 0 | 0 | 2 | 1 | 0 |
| Recreation and Amenity | 0 | 0 | 3 | 0 | 0 |
| Agriculture, Education, Health and Welfare | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous Services | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 20 | 4 | 0 |

Table 2 Expenditure being Incurred by Category

| Local Authority | Expenditure being incurred | | |
|--|----------------------------|-----------------------|------------------|
| | > €0.5m | | |
| | Current Expenditure | Capital Grant Schemes | Capital Projects |
| Wicklow County Council | | | |
| Housing & Building | 8 | 4 | 15 |
| Road Transportation and Safety | 8 | 0 | 5 |
| Water Services | 4 | 0 | 0 |
| Development Management | 4 | 0 | 0 |
| Environmental Services | 8 | 0 | 3 |
| Recreation and Amenity | 5 | 1 | 1 |
| Agriculture, Education, Health and Welfare | 0 | 0 | 0 |
| Miscellaneous Services | 4 | 0 | 0 |
| Total | 41 | 5 | 24 |

2.2 Published Summary of Procurements

As part of the Quality Assurance process Wicklow County Council has published summary information on our website of all procurements in excess of €10m. Listed below is the link to this publication page and an illustration of its location.

Link to procurement publications:

<https://www.wicklow.ie/Living/Your-Council/Finance/Procurement/Procurement-Over-10-million>



Finance

Living / Your Council / Finance / Procurement /

IN THIS SECTION

- About the Finance Section
- Whats New in Finance
- Finance Publications
- Commercial Rates
- Procurement
 - Introduction to Procurement
 - Procurement Over €10 million
 - Purchase Orders Over €20,000
- Prompt Payments
- Public Spending Code
- Local Property Tax (LPT)
- Mortgage Arrears Resolution Process (MARP)
- Non Principal Private Residence (NPPR)
- Accounts Payable
- Tenders

Procurement Over €10 million

Details of procurements in Wicklow County Council worth over €10 million.

Procurements in Wicklow County Council worth over €10 million will be published here, pursuant to the requirements of the Public Spending Code.

2017

No procurement contracts over €10million were awarded in 2017.


2016

No procurement contracts over €10 million were awarded in 2016.

 **Public Spending Code Report 2016**
File type .pdf


2015

No procurement contracts over €10 million were awarded in 2015.

 **Public Spending Code Report 2015**
File type .pdf

2014

No procurement contracts over €10 million were awarded in 2014.

 **Public Spending Code Report 2014**
File type .pdf



Source: www.wicklow.ie

3 Assessment of Compliance

3.1 Checklist Completion: Approach Taken and Results

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure. These high level checks in the QA process are based on self-assessment by Wicklow County Council and its Directorates, in respect of guidelines set out in the Public Spending Code. There are seven checklists in total:

- **Checklist 1:** General Obligations Not Specific to Individual Projects/Programmes
- **Checklist 2:** Capital Projects or Capital Grant Schemes being considered
- **Checklist 3:** Current Expenditure Being Considered
- **Checklist 4:** Capital Expenditure Being Incurred
- **Checklist 5:** Current Expenditure Being Incurred
- **Checklist 6:** Capital Expenditure Completed
- **Checklist 7:** Current Expenditure Completed

Each question in the checklist is judged by a 3 point scoring scale:

- Scope for significant improvements = score of 1
- Compliant but with some improvement necessary = score of 2
- Broadly compliant = score of 3

Wicklow County Council requested that its Directorates complete checklists 2-7. In addition to the self-assessed scoring, the vast majority of answers are accompanied by explanatory comments. The results from each Directorate were used to complete the final Wicklow County Council set of checklists. The set of checklists for Wicklow County Council is listed in Appendix 2 of this report.

3.2 Main Issues Arising from Checklist Assessment

The completed checklists show the extent to which Wicklow County Council believe it complies with the Public Spending Code. Overall, the checklists show a good level of compliance with the Code, where appropriate.

The checklists have been completed by individual Departments within Wicklow County Council, and have been consolidated into one return on behalf of the Authority.

Numerous questions contained within the checklists will need to be reviewed as they are not appropriate for the types of expenditure under review, particularly for the revenue expenditure. The checklists do not take the Statutory Budgetary Process into consideration; nor do the questions take into consideration that not all expenditure, particularly revenue, is procured spend. Further examination and amendment of these checklists for future years would facilitate more efficient and compliant monitoring under the Quality Assurance Process.

3.3 In-Depth Checks

The following section details the in-depth checks which were carried out in Wicklow County Council as part of the Public Spending Code. The in-depth analysis of Wicklow County Council's inventory represents 6.33% capital and 2.42% current expenditure (*excluding road schemes marked * on appendix 1 – these schemes were completed and opened prior to 2014. Expenditure in 2017 relates to outstanding CPO payments*).

3.3.1 Public Lighting – current expenditure

Quality Assurance – In Depth Check

Public Lighting – Energy Supply & Maintenance - 2017

Section A: Introduction

This introductory section details the headline information on the programme or project in question.

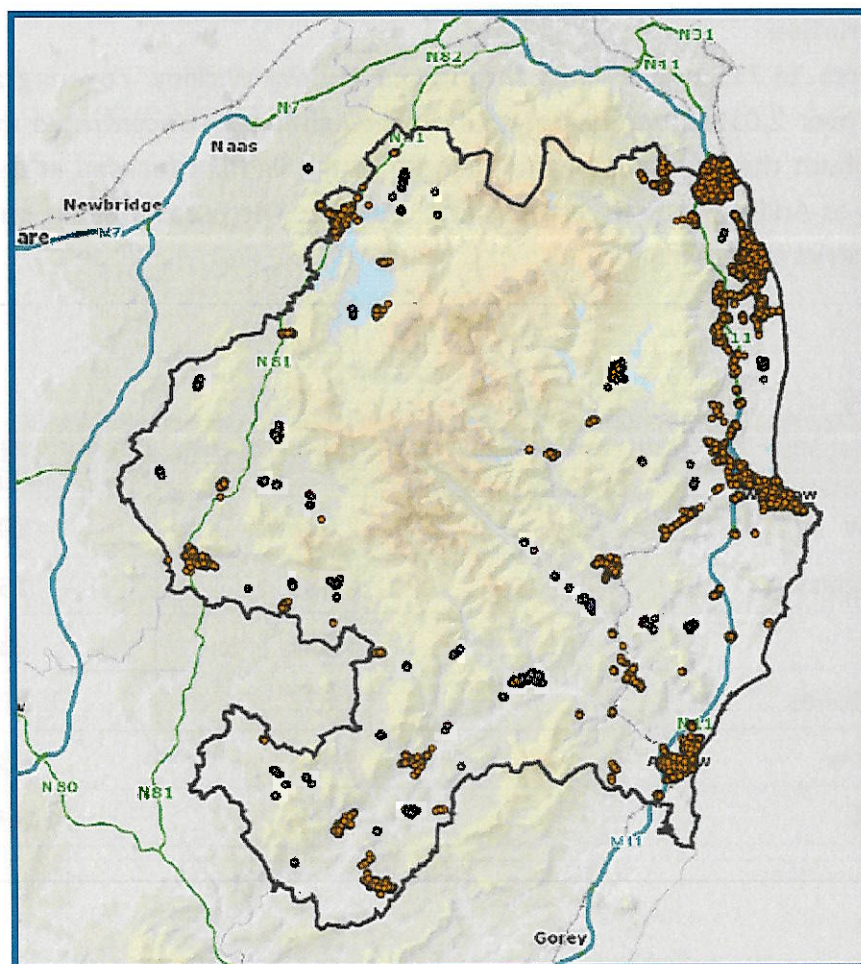
| Programme or Project Information | |
|---|--|
| Name | Public Lighting – Energy Supply & Maintenance 2017 |
| Detail | Wicklow County Council's Revenue Budget for 2017 made provision for expenditure of €1,984,186 including €150,000 for LED upgrades and income of €18,258 for this programme. Actual outturns were €2,169,971 and €177,686 for expenditure and income respectively for 2017. |
| Responsible Body | Wicklow County Council |
| Current Status | Current Revenue Expenditure – On going |
| Start Date | January 2017 |
| End Date | December 2017 |
| Overall Cost | €2,169,971 |

Project Description

There are circa 14,715 public lights throughout County Wicklow covering a geographical area of just over 2,018 square kilometres. Public lighting is concentrated mainly in urban areas throughout the county with the majority of the lighting focused in the major urban centres such as Arklow, Bray Greystones and Wicklow. The breakdown of public lighting by Municipal District is as follows:

| Municipal District | Number of Lanterns | Percentage of Overall Number |
|--------------------|--------------------|------------------------------|
| Arklow | 2,864 | 19.5% |
| Baltinglass | 2,339 | 15.9% |
| Bray | 3,391 | 23.0% |
| Greystones | 2,673 | 18.2% |
| Wicklow | 3,448 | 23.4% |
| TOTAL | 14,715 | 100.0% |

Public lighting is mainly located on the 2,350km long road network comprising of residential roads, urban and rural traffic routes, certain national routes and regional roads. Public lighting is also located some on designated cycle-ways and pedestrian routes. The figure below illustrates the distribution of public lighting throughout the county with the clustering around population centres in the east of the county clearly discernible.



Public Lighting Location in Co. Wicklow.

Of the 14,715 public lights that Wicklow County Council is responsible for, 946 public lights are TII (Transport Infrastructure Ireland) owned. However

- Wicklow County Council still pays the energy for these lights.
- Wicklow County Council still maintains 142 lights.
- TII (through the MMaRC contract) maintain 804 lights.
- Works on formally transferring ownership to TII is still ongoing.

The principal public lighting activities undertaken can be broken into a number of sections

- Maintenance of existing public lighting assets
- The payment of energy costs associated with the public lighting assets.
- Installation and improvement of public lighting assets, from Councillor discretionary funding to LED upgrade programmes etc.

Maintenance

Typically 4,000 lighting units are repaired each year and in 2017 about 4,255 lighting units were repaired. The number of lighting faults is increasing on an annual basis due to aging inventory.

Energy

Public lighting energy consumption for 2017 was 6,971,483Kwh which accounts for 67.8% of all electrical energy used by the Council.

The supply of energy for public lighting is supplied by two energy companies that were successful in a competitive tender process conducted by the Office of Government Procurement (OGP). They supply energy for both the "Unmetered" and "Metered" public lighting.

Unmetered Public Lighting accounts for the majority of all public lighting in the county (13,760 or 93.5% of all public lights) and in 2017 consumed 6,266,889Kwh. Unmetered public lighting is where ESB UMR estimate the energy usage for any given lantern type for any period.

Metered Energy only applies to 955 public lights on 29 separate metered accounts. In 2017 the energy consumed was 704,594Kwh.

Installation/Improvement Works

Some improvement and new works are undertaken as and when funding becomes available. Works undertaken in 2017 included the replacement of all lanterns in the Greystones Park & Ride facility with LED Lanterns as the existing ones were not fit for purpose.

Other discretionary works initiated by Councillors was undertaken in 2017 however funding for this did not come from the main public lighting expenditure codes.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Wicklow County Council's Internal Audit Unit have completed a Programme Logic Model (PLM) for the Public Lighting – Energy Supply & Maintenance 2017 programme. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

| Objectives | Inputs | Activities | Outputs | Outcomes |
|--|---|--|--|---|
| <ul style="list-style-type: none"> To maintain public lighting in an timely and efficient manner. To provide a public lighting programme, countywide, in an energy and cost efficient manner | <ul style="list-style-type: none"> Operational Costs €1.68M Maintenance & Improvement costs €171k LED Replacement Scheme – Capital provision of €150k Service Support Costs €168k | <ul style="list-style-type: none"> Provision of Public Lighting Maintenance of Public Lighting LED Replacement Scheme | <ul style="list-style-type: none"> Provision of a Public Lighting Service to the community. | <ul style="list-style-type: none"> Supply of public lighting service in County Wicklow The improvement of road and pedestrian safety. Energy and cost efficiency Maximise public dividend |

Description of Programme Logic Model

Objectives: Each Local Authority is responsible for the maintenance and provision (where applicable) of public lighting within their administrative area. This responsibility extends to the general operation and maintenance of the service including the associated electricity costs. The overarching objective is the provision of a reliable and cost efficient public lighting system.

Inputs: An overall financial provision of €1,984,186 in revenue expenditure was provided for in the adopted budget for 2017. The total provision comprises operating costs of €1,823,129 and service support costs of €161,057. The service support costs take account of the associated administration costs. The capital sum provided for the LED replacement programme amounts to €150,000. This is to provide for the phased retrofitting of lighting units with the objective of meeting the 2020 National Energy Reduction target.

Activities: The operation and ongoing maintenance of the public lighting system in County Wicklow.

Outputs: An effective and efficient public lighting system within the areas of operation within County Wicklow.

Outcomes: The anticipated outcome of the programme is to provide public lighting in the most cost and energy efficient manner in County Wicklow to the maximum public dividend possible having regard to the resources available.

Section B - Step 2: Summary Timeline of Project/Programme

The following section tracks the Public Lighting – Energy Supply & Maintenance 2017 from inception to conclusion in terms of major programme milestones:

There is no set timeline for the public lighting programme as the majority of the works to maintain the public lighting asset is reactive maintenance. Typically it is the intention to repair the majority of the faults within 10 working days. Any improvement works typically are undertaken circa 16 to 20 weeks of commitment to undertake such works as there is significant lead in times for the deliver any supply of the latest lanterns which are typically LEDs.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for Public Lighting Energy Supply & Maintenance 2017.

| Project/Programme Key Documents | |
|-----------------------------------|---|
| Title | Details |
| Annual Budget 2017 | Statutory Process as set out in the Local Government Acts and the Financial Procedures & Audit Regulations 2014. Budget 2017 adopted by Wicklow County Council in November 2016 |
| Chief Executive Orders | Chief Executive Orders which authorise the expenditure on public lighting energy and maintenance costs |
| Financial Reports | Extracts from the Financial Management System detailing expenditure incurred during fiscal 2017. |
| Expenditure Trend Analysis Graphs | Trend analysis graphs detailing comparative year on year expenditure. Analysis by expenditure heading. |

Key Document 1: Annual Budget 2017

The budget for 2017 was adopted by the members of Wicklow County Council on the 28th of November 2016. The Local Government Acts 2001 & 2014 (section 102 as amended) and the Local Government (Financial and Audit Procedures) Regulations 2014, Statutory Instrument No. 226 of 2014, set out the statutory requirements of the budget process. The budget adopted by the members of Wicklow County Council included the provision of €1,984,186 for the public lighting programme. This document is published on the Council's website.

Key Document 2: Chief Executive's Orders

The Chief Executives Orders authorising expenditure on the programmes are available. They are set out in the general accepted format of executive orders and contain all of the salient details.

Key Document 3: Financial Reports

Expenditure and Income reports were generated from the Financial Management system for the period under review. A sample of invoices was extracted and checked as part of the review.

Key Document 4: Expenditure Trend Analysis Graphs

Expenditure trend analysis graphs detailing comparative year on year expenditure were reviewed. These graphs illustrate the cumulative annual expenditure, month by month and on a multi-annual basis and identify any significant expenditure variances. An individual data set is available for overall expenditure, energy costs, maintenance costs, metered energy, unmetered energy and service support costs. The graphs are an extremely effective monitoring tool and provide quick and easily interpreted information for management decision making.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for Public Lighting Energy Supply & Maintenance 2017. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

| Data Required | Use | Availability |
|--|--|--------------|
| Chief Executive Orders | Ensures compliance with procurement regulations and procedures | Available |
| Financial Management Expenditure Reports | Expenditure and Budgetary Control monitoring | Available |

Data Availability and Proposed Next Steps

The above sources of information and expenditure data are available for inspection and review. Monthly monitoring of invoices and expenditure is conducted at Executive Engineering level. Energy usage and cost along with maintenance expenditure is closely monitored on an ongoing basis. A trend analysis of overall expenditure illustrates the costs incurred as follows:

| | 2014 (000) | 2015 (000) | 2016 (000) | 2017 (000) |
|----------|---------------|---------------|---------------|---------------|
| January | 215 | 205 | 190 | 225 |
| February | 163 | 177 | 179 | 149 |
| March | 128 | 175 | 144 | 138 |
| April | 136 | 161 | 149 | 134 |

| | | | | |
|------------------|--------------|--------------|--------------|--------------|
| May | 124 | 137 | 148 | 114 |
| June | 97 | 116 | 128 | 96 |
| July | 125 | 130 | 140 | 131 |
| August | 102 | 124 | 114 | 141 |
| September | 135 | 154 | 175 | 127 |
| October | 184 | 160 | 202 | 155 |
| November | 180 | 152 | 157 | 128 |
| December | 251 | 167 | 160 | 221 |
| Total | 1,840 | 1,861 | 1,886 | 1,759 |

Lantern Replacement Programme

Works are ongoing within Wicklow County Council to verify the public lighting assets and match the records to the ESB Network database to improve accuracy of energy usage and energy costs.

With the phasing out of Sodium Oxide (SOX) lanterns there is the intention to continue the replacement of these lanterns with LED lantern thus saving on energy and maintenance costs. In 2018 it is planned to replace 1,000 SOX lanterns.

The Road Management Office (RMO) in consultation with TII, the Department of transport, SEAI, CCMA etc are developing a business case for a national LED retrofit programme of 490,000 lights. It is envisaged that the first region will go out to tender by Q4 of 2018 or Q1 of 2019. It is envisaged that Wicklow County Council will fully participate in the retrofit programme.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Public Lighting – Energy Supply & Maintenance 2017 based on the findings from the previous sections of this report.

Does the delivery of the project/programme comply with the standards set out in the Public Spending Code? (Appraisal Stage, Implementation Stage and Post-Implementation Stage)

Having reviewed the documentation in relation to the expenditure incurred under this scheme Internal Audit are of the opinion that this scheme complies with the standards set out in the Public Spending Code

Is the necessary data and information available such that the project/programme can be subjected to a full evaluation at a later date?

The necessary data and information is available to facilitate a full evaluation on the scheme.

The Councils Agresso Financial Management System (FMS) is a source of information regarding income and expenditure pertinent to the scheme and provides the financial management reports necessary for oversight, control and management decision making. This information can be made available for any future evaluation.

What improvements are recommended such that future processes and management are enhanced?

The scheme operates within a strong control environment. Scheme oversight is directly monitored at Executive Engineer level and significant expertise and experience has accrued over time. Accordingly, It is recommended that a set of operational procedures be drafted by way of a user manual to ensure continuity of approach in situations of staff re-assignment.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Public Lighting Energy Supply & Maintenance 2017.

Summary of In-Depth Check

Public Spending Code Status: Revenue expenditure being incurred on an annual basis.

Project Description: The supply and maintenance of the public lighting service over the network consisting of 14,715 lighting units in the Wicklow County Council administrative area covering a geographical area of 2,018 square kilometres. The administrative area includes rural and urban communities and significant elements of national infrastructure such as the N11 and N81 national primary roads.

Audit Objective: To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the expenditure incurred is appropriately managed and correctly accounted for.

Findings:

Internal audit reviewed the scheme in conjunction with the Procurement Section. The scheme is closely monitored by an Executive Engineer who has extensive knowledge of the operation of the scheme. All relevant documentation was made available. Following the review Internal Audit is of the opinion that the scheme complies with the standards set out in the Public Spending Code.

Audit Opinion:

The opinion of Internal Audit following the review is that this scheme is closely and well monitored and managed. Accordingly the overall conclusion of the review is that management and oversight of the Public Lighting – Energy Supply & Maintenance scheme is such, so as to provide, substantial assurance (see Appendix 3) that there is compliance with the Public Spending Code.

3.3.2 Delaney Park, Emoclew Phase 1-3 – capital expenditure

Quality Assurance – In Depth Check

Section A: Introduction

This introductory section details the headline information on the programme or project in question.

| Programme or Project Information | |
|---|---|
| Name | Local Authority Housing Development at Delany Park (Emoclew) Arklow, County Wicklow. |
| Detail | 3 Phase Development of 64 Social Houses |
| Responsible Body | Wicklow County Council Housing and Corporate Estate |
| Current Status | Phase 1 (17 Houses) currently under construction. Phases 2 and 3 (47 Houses) is at detailed design and pre tender stage with the Department of Housing |
| Start Date | Phase 1 construction commenced November 2018. Phases 2 and 3 construction commencing quarter 1 2019 |
| End Date | Phase 1 scheduled completion date December 2018. Phases 2 and 3 are scheduled for completion in 2020. |
| Overall Cost | Total Overall Cost = €11,283,683 |

Project Description

The purpose of this development is to provide social housing to meet the demand for family and single person homes in the Arklow area. The houses are designed to comply with current Irish Building Regulations and A3 energy ratings. The houses will be highly insulated and airtight, with mechanical ventilation systems. They will be heated using heat-pump technology and economic control systems. The design of the houses uses similar complimentary external materials to that of the adjoining Meadowvale development.

Site Location and Development

The site is located on Wicklow County Council lands at Delany Park, Meadowvale, Arklow and is adjacent to the existing Meadowvale residential housing development.



Governance and Oversight

Wicklow County Council established a framework for an Architect Led Multi-disciplinary Design Team in 2016 by way of a compliant procurement process. Deaton Lysaght Architects were subsequently appointed as the architect led multi-disciplinary design team for this project by way of mini-competition in accordance with the framework rules. The contract was awarded on a fixed lump sum basis of €386,589.

Current Status

Phase 1 consisting of 17 units is under construction. Following a public procurement process, the main contractors Townmore Construction Ltd. were appointed by Chief Executive Order CA539/17.

Programme Phase 1

Phase 1 construction commenced in November 2017 and is scheduled for completion in December 2018.

Programme Phase 2 & 3

Phases 2 and 3 construction is on schedule to commence in October 2018 with a target completion date set for early 2020.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit Unit have completed a Programme Logic Model (PLM) for Delany Park, Emoclew, Arklow. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

| Objectives | Inputs | Activities | Outputs | Outcomes |
|--|---|---|--|--|
| Completion of the Meadowvale housing estate. | Overall cost for 64 housing units in 3 phases €11.2M. | Planning and development of existing Council land. | Construction of 64 housing units in compliance with current Building Regulations, Sustainable Communities and Local Area Plan. | Provision of 64 local authority housing units. |
| Construction of 64 local authority housing units to meet the current housing need in Arklow. | Phase 1 construction €2.93M. Enabling and temporary works. | Construction of two storey houses and ancillary development works. | Provision of linear link walk to connect existing and proposed housing developments. | Provision of 20 accessible units for elderly and disabled families. |
| Provision of accessible apartments and disabled person houses. | Cost of Site. Technical fees and salaries. | Site investigation works. Alternations to existing boundaries. | Construction of memorial in honour of Olympic athlete, Ronnie Delany. | A new linear park connecting the communities of Emoclew Road and Wexford Road, providing pedestrian access to local schools. |
| Creating an important pedestrian and public link between Emoclew and Wexford Roads. | Site investigation. Utilities. | Temporary traffic management procedures in consultation with local residents. Construction of temporary access road. | | |
| Extension of existing Arklow Sli na Slainte 3km town walk. | | | | |
| Provision of public art project. | | | | |

Description of Programme Logic Model

Objectives: The objectives of the project are to provide 64 social housing units at Delaney Park Arklow. The constructions of these houses will contribute towards addressing the housing waiting list in the area which currently comprises some 814 applicants.

Inputs: The principal input to the project is the overall capital funding of €11.3 million which will be provided by the Department of Housing, Planning & Local Government.

Activities: There are a number of key activities to be conducted throughout the project and these follow the Social Housing Approval Process as required by the Department of Housing, Planning & Local Government. The contract is project managed and administered during the construction phase. On completion a post project review should be carried out.

Outputs: The intended outputs from the project will be the provision of 64 high quality homes which will include 20 accessible units for the elderly and people with a disability. The provision of a linear park will form a new public amenity.

Outcomes: The provision of 64 social housing units which will contribute towards addressing the housing waiting list in the area. The provision of high quality housing is a cornerstone for building sustainable communities and provides a foundation for improved outcomes across the spectrum of social interaction and community life.

Section B - Step 2: Summary Timeline of Project/Programme

The following section tracks the Delany Park, Emoclew, Arklow project from inception to conclusion in terms of major project/programme milestones

Project Programme Phase 1

| | |
|----------------|--|
| July 2016 | Preliminary Stage 1 approval |
| August 2016 | Capital Works Management Framework (CWMF) Phase 1, Stage 2 approval |
| October 2016 | Mini competition for architect led multidisciplinary design team under existing framework |
| December 2016 | Consultation Brief for external consultants Contract signing for Design Team |
| January 2017 | Site surveys, design risk assessment, utilities review |
| February 2017 | Contract notice (construction) published (restricted procedure) |
| March 2017 | Preparation of tender documentation for stage 2 restricted procedure |
| April 2017 | CWMF stage 2 approval |
| June 2017 | CWMF stage 3 approval |
| September 2017 | CWMF stage 4 approval |
| October 2017 | Letter of Acceptance to contractor Appointment of Project Supervisor Construction Stage (PSCS) |
| November 2017 | Performance Bond in place Construction Contract signed Commencement notice submitted and BCMS process uploaded Contractor commenced on site |
| January 2018 | Design team cost report No. 1 |
| March 2018 | Design team cost report No. 2 |
| May 2018 | Design team report on the current status of Phase 1 works on site |
| November 2018 | Anticipated substantial completion Phase 1 works |
| January 2019 | Handover to prospective housing tenants |

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for Delany Park, Emoclew, Arklow.

| Project/Programme Key Documents | |
|---|--|
| Title | Details |
| Tender report for appointment of Architect led multi-disciplinary design team | Procurement and tender process documents |
| Construction estimate for Phase 1 (17 units) | Project estimates and costings |
| Tender report for appointment of Contractor | Procurement and tender process documents |

Key Document 1: Appointment of Architect led multi-disciplinary design team

Tender report dated 8th December 2016 recommended the appointment of the design team services for a fixed lump sum of €386,589. The contract was awarded to Deaton & Lysaght Architect:

Architect lead: Deaton & Lysaght Architects
Civil & Structural Engineers: Waterman Moylan
Mechanical & Electrical Engineers: Homan O'Brien
Quantity Surveyors: Tom McNamara & Partners

Documentation relating to the tender process and subsequent tender recommendation is available on file.

Key Document 2: Construction Estimate Phase 1

The consultants for the scheme prepared the cost estimates which were used for preparation of tender documentation for Phase 1 construction. A compliant tender was ran using the CWMF documents.

Documentation relating to the construction estimate is available on file.

Key Document 3: Tender report for appointment of Contractor

Contract notice for restricted procedure for contractor was published in February 2017. Stage 2 (Invitations to tender) issued in July 2017. The Tender Report recommended the appointment of contractors, subject to relevant contractual requirements.

Comprehensive documentation relating to the tender evaluation process and subsequent tender report and recommendation to appoint contractor is available on file.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for Delany Park, Emoclew, Arklow. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

| Data Required | Use | Availability |
|--|---|---------------------|
| Capital Works Management Framework (CWMF) Stage approval documents | Record of four stage approval process prior to commencing work onsite | Available |
| Sample of tender documentation | Analysis of tender process | Available |
| Chief Executive Order appointment of contractor | Full tabulated analysis on the appointment of the main contractor | Available |

Data Availability and Proposed Next Steps

It is confirmed that appropriate data and documents are available for any future evaluation of the project. The social dividend of the provision of social housing may be difficult to quantify as there are many intangible aspects to be considered. The provision of good quality social housing supports the achievement of many objectives and benefits across society and a financial analysis such as a cost benefit analysis may not capture or reflect the inherent value of the scheme in terms of its wider societal contribution. The availability of the above data can contribute to any future project evaluation review.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Delany Park, Emoclew, Arklow, based on the findings from the previous sections of this report.

Does the delivery of the project/programme comply with the standards set out in the Public Spending Code? (Appraisal Stage, Implementation Stage and Post-Implementation Stage)

Having reviewed the documentation in relation to Phase 1 of the project, Internal Audit is of the opinion that this phase complies with the standards set out in the Public Spending Code. The in-depth check confirms that the principles and tenets of the Public Spending Code are being adhered to in the on-going management and implementation of the scheme. The oversight, management and supervision of the scheme are in accordance with appropriate scheme governance.

Is the necessary data and information available such that the project/programme can be subjected to a full evaluation at a later date?

It is considered that the necessary data and information that would be required to conduct a full evaluation of Phase 1 of the scheme is available for any such undertaking. Key documentation such as tender documentation, progress reports along with minutes of meetings and correspondences are on file. Wicklow County Council's Financial Management system is the repository for the supporting financial data such as invoices pertinent to the scheme, supplier details and related taxation matters. Additionally any associated payroll expenses may be ascertained through the FMS and CorePay systems.

What improvements are recommended such that future processes and management are enhanced?

Housing Construction projects under capital funding operate within controlled parameters set by the Sanctioning Authority. Appointment of external design consultants and contractors also operate under the relevant public procurement directives and CWMF contracts. It is recommended that Phase 2 and 3 continue to operate in such parameters, and although consultancy work is outsourced, scheme oversight be strongly monitored by Wicklow County Council staff with the appropriate expertise. Having regard to the increased mobility of staff it is recommended that the principles and tenets of the Public Spending Code be re-emphasised to those staff dealing with projects and the importance of compliance with the Public Spending Code at every stage of the project life cycle be re-stated.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on Delany Park, Emolcew, Arklow.

Summary of In-Depth Check

Public Spending Code Status: Capital expenditure being incurred in the year under review.

Project Description: The provision of 64 social housing units to meet the demand for family, single person, specially adapted homes for elderly persons and persons with a disability.

Audit Objective: To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the expenditure incurred is appropriately managed and correctly accounted for.

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. Although the scheme is outsourced to external consultants, it is closely monitored by the Housing Department. All relevant documentation was made available and is accessible for any future evaluation of the scheme. It is noted however, that in 2018 staff changes have occurred or are due to occur in the Housing Directorate which may impact on the on-going monitoring and management of the project.

Audit Opinion: The opinion of Internal Audit following the review is that this scheme is satisfactorily monitored and managed. The processes and procedures employed on the scheme satisfy the requirements set out for the management of public expenditure. Accordingly this review concludes that the manner in which the scheme is being implemented provides substantial assurance (see Appendix 3) that there is compliance with the Public Spending Code.

4 Next Steps: Addressing Quality Assurance Issues

The compilation of both the inventory and checklists of this Quality Assurance process was a significant co-ordination task in terms of liaising with Directorates across Wicklow County Council. It would be more effective if the local government audit for the year under review was complete due to the inter-reliant nature of audit activity.

As indicated in Section 3, the questions contained within the checklist need to be re-assessed to tailor same to Local Authority needs, as not all spend is procured spend, particularly in the case of revenue (current) expenditure.

The in-depth checks show that in order to meet its requirements under the PSC for future years, Wicklow County Council needs to

1. Continue its rigorous scrutiny and oversight of projects and programmes.
2. Ensure that all necessary post project evaluations are undertaken as appropriate.
3. Ensure appropriate procurement practices continue to be followed.
4. Ensure that the necessary project management requirements are undertaken.

5 Conclusion

The inventory outlined in this report clearly lists the current (revenue) and capital expenditure that is being considered, being incurred, and that has recently ended. Wicklow County Council has published details of all procurement contracts in excess of €10 million in the year under review on its website. The checklists completed by Wicklow County Council Departments show a relatively high level of compliance with the Public Spending Code where appropriate. The in-depth checks carried out on a selection of programmes revealed no major issues which would cast doubt on Wicklow County Council's compliance with the Code. However, it is acknowledged that additional work is required in order to ensure that future in-depth checks are suitably detailed to allow an assessment to be made on compliance with the Code. The report concludes with recommendations to alter the internal Quality Assurance Process in future years such that Wicklow County Council can ensure high levels of compliance with the Public Spending Code.

All Government Departments, local authorities, the Health Service Executive, public bodies and all bodies in receipt of public funding must comply, as appropriate, with the relevant requirements of the Public Spending Code. However the Public Spending Code was written specifically with Government Departments in mind and some of the terminology and process is very specific to that sector. It would be beneficial to work in collaboration with our lead department, DECLG, to adapt the PSC to the Local Government sector and maximise its benefit and effectiveness.

Appendix 1

Wicklow County Council Inventory of Expenditure

| Local Authority | Expenditure being considered | | | Expenditure being incurred | | Expenditure recently ended | | Notes |
|--|------------------------------|------------------|------------|----------------------------|-------------------------------|----------------------------|-------------------------------|-------|
| | Current > €0.5m | Capital Projects | | Current Expenditure | > €0.5m Capital Grant Schemes | Current Expenditure | > €0.5m Capital Grant Schemes | |
| | | €0.5 - €5m | €5 - €20m | | | | | |
| Wicklow County Council | | | | | | | | |
| Housing & Building | | | | | | | | |
| Purchases/Part V Remedial Schemes | | 4,000,000 | 11,000,000 | | | | | |
| Special Projects & Travellers Accommodation Programme | | 3,000,000 | 6,000,000 | | | | | |
| Specials/Pilots/New Schemes Rebuilding Ireland Energy Efficiency Insulation Measures | | 2,100,000 | | | | | | |
| Relets | | 4,300,000 | | | | | | |
| Approved Housing Bodies (in partnership)/CAS Grants for Private housing | | 3,500,000 | 6,000,000 | | | | | |
| Maintenance/Improvement of LA Housing | | | | 5,870,207 | | | | |
| Housing Rent & Tenant Purchase Administration | | | | 1,053,670 | | | | |
| Housing Community Development Support | | | | 501,938 | | | | |
| Administration of Homeless Service | | | | 868,137 | | | | |
| Support to Housing Capital & Affordable Programme | | | | 1,918,332 | | | | |
| RAS Programme | | | | 7,292,234 | | | | |
| Housing Loans | | | | 1,194,721 | | | | |
| Housing Grants | | | | 1,447,660 | | 1,157,700 | | |
| Rathnew Meeting Part V Land Acquisition | | | | | | | 2,001,485 | |
| Acquisition & refurbishment Carrag Eden Marine Road | | | | | | | 4,000,000 | |
| Remedial works Glending Estate | | | | | | | 2,000,000 | |
| Hillview Wicklow remediation works | | | | | | 2,758,357 | | |
| HA 2017 Purchase of Houses | | | | | | 761,466 | | |
| Pre-letting repairs housing direct | | | | | | | 604,835 | |
| IWILS/Extensions/DPG Extensions | | | | | | | 4,200,000 | |
| (BTC) Oldcourt Energy Efficiency Works | | | | | | 676,190 | | |
| Pre-letting repairs Bray MD | | | | | | | 4,624,053 | |
| Avondale Heights, Brewery Straight | | | | | | | 1,327,178 | |
| FCA Hall, Wicklow | | | | | | | 980,135 | |
| Kilmanfin Place, Bray | | | | | | | | |

| | | | | | | | | | | | | |
|--|--|-----------|------------|--|--|--|--|------------|-------------|------------|--|-------------------|
| Kilbride Lane, Bray | | | | | | | | 17,044,764 | | | | |
| Delaney Park, Emociew Phase 1 | | | | | | | | 3,218,524 | | | | |
| Delaney Park, Emociew Phase 2 | | | | | | | | 4,245,159 | | | | |
| Delaney Park, Emociew, Phase 3 | | | | | | | | 3,800,000 | | | | |
| Old Library, St Marys Road, Arklow | | | | | | | | 1,169,495 | | | | |
| Farrenkelly, Greystones Phase 2 | | | | | | | | 5,965,606 | | | | |
| Seaview, Kilmacanogue | | | | | | | | 4,504,013 | | | | |
| Road Transportation and Safety | | | | | | | | | | | | |
| Knockroe Bend Realignment | | 2,800,000 | | | | | | | | | | |
| Minor Capital Works | | 1,000,000 | | | | | | | | | | |
| NS Road - Maintenance and Improvement | | | | | | | | | 1,072,268 | | | |
| Regional Road - Maintenance and Improvement | | | | | | | | | 5,500,312 | | | |
| Local Road - Maintenance and Improvement | | | | | | | | | 9,809,064 | | | |
| Public Lighting | | | | | | | | | 2,169,971 | | | |
| Traffic Management Improvement | | | | | | | | | 770,656 | | | |
| Road Safety Engineering Improvement | | | | | | | | | 529,657 | | | |
| Maintenance of Car Parks | | | | | | | | | 1,468,382 | | | |
| Profit/Loss Machinery Account | | | | | | | | | 3,634,271 | | | |
| Wicklow Port Access and Town Relief Road* | | | | | | | | | 65,000,000 | | | 30% local funding |
| Refurbishment of the Florentine Road Car Park | | | | | | | | | 800,000 | | | |
| Strand Road Cycle scheme | | | | | | | | | 2,500,000 | | | 30% local funding |
| N11 Ballinabarny/Arklow RIS* | | | | | | | | | 54,401,509 | | | |
| Newtownmountkenedy/Ballinabarny RIS* | | | | | | | | | 192,286,935 | | | |
| Water Services | | | | | | | | | | | | |
| Operation and Maintenance of Water Supply | | | | | | | | | 3,106,599 | | | |
| Operation and Maintenance of Waste Water Treatment | | | | | | | | | 2,235,733 | | | |
| Support to Water Capital Programme | | | | | | | | | 611,358 | | | |
| Local Authority Water & Sanitary Services | | | | | | | | | 536,143 | | | |
| Development Management | | | | | | | | | | | | |
| Op & Mice of industrial sites & commercial centres | | | | | | | | | 581,093 | | | |
| Economic Development & Promotion | | | | | | | | | 2,444,591 | | | |
| Avondale Business Park, Rathdrum | | 2,500,000 | | | | | | | | | | |
| Dunlavin Business Park | | 1,000,000 | | | | | | | | | | |
| Ballinglass Industrial Park | | 1,000,000 | | | | | | | | | | |
| Ashford Lands | | 500,000 | | | | | | | | | | |
| Enterprise Centres | | 800,000 | | | | | | | | | | |
| Blessington Lands | | 1,000,000 | | | | | | | | | | |
| Kish Lands Arklow | | 2,000,000 | | | | | | | | | | |
| Wicklow County Campus Infrastructural Works | | 3,700,000 | | | | | | | | | | |
| Development Management Enforcement | | | | | | | | | 2,300,952 | | | |
| | | | | | | | | | 924,346 | | | |
| Environmental Services | | | | | | | | | | | | |
| Avoca River (Arklow) Flood Relief Scheme | | | 14,500,000 | | | | | | | | | |
| Coastal Protection | | 750,000 | | | | | | | | | | |
| Storm Damage Repairs | | 2,100,000 | | | | | | | | | | |
| Harbours / Ports | | | | | | | | | | | | |
| River Dargle Flood Defence Scheme | | | | | | | | | | | | |
| | | | | | | | | | | 5,150,000 | | |
| | | | | | | | | | | 46,000,000 | | |

| | | | | | | | | |
|---|--|-----------|-----------|--|-----------|-----------|--|----------------------|
| Landfill Levy | | | | | | 9,541,154 | | |
| Operation, Maintenance & aftercare of landfill | | | 627,591 | | | | | |
| Op & Mice of recovery & recycling facilities | | | 1,496,504 | | | | | |
| Street Cleaning | | | 1,679,094 | | | | | |
| Waste Regulations, monitoring & enforcement | | | 963,701 | | | | | |
| Maintenance & upkeep of burial grounds | | | 666,355 | | | | | |
| Operation of Fire Service | | | 4,776,063 | | | | | |
| Water Quality, Air & Noise Pollution | | | 518,227 | | | | | |
| Operation & Maintenance of piers and harbours | | | 1,039,074 | | | | | |
| Recreation and Amenity | | | | | | | | |
| Aughrim Library | | 1,000,000 | | | | | | |
| Bray Library | | 2,000,000 | | | | | | |
| Swimming pool refurbishment | | 1,000,000 | | | | | | |
| Arklow Library | | | | | 5,800,000 | | | 17% government grant |
| Wicklow Library | | | 2,975,466 | | | | | |
| Community & Enterprise Function | | | 3,680,505 | | | 3,000,000 | | |
| Operation of library & archival service | | | 2,279,418 | | | | | |
| Op, Mtce & Imp of outdoor leisure facilities | | | 585,796 | | | | | |
| Community Sport & recreational development | | | 843,216 | | | | | |
| Operation of Arts Programme | | | | | | | | |
| Agriculture, Education, Health and Welfare | | | | | | | | |
| Miscellaneous Services | | | | | | | | |
| Local Representation/Civic Leadership | | | 2,568,593 | | | | | |
| Administration of Rates | | | 5,708,549 | | | | | |
| Motor Taxation | | | 790,254 | | | | | |
| Agency & Recoupable Services | | | 620,245 | | | | | |

Appendix 2

Wicklow County Council Checklists

Wicklow County Council

Checklist 1 – To be completed in respect of general obligations not specific to individual projects/programmes

| General Obligations not specific to individual projects/ programmes | Self-Assessed Compliance Rating: 1 - 3 | Discussion/Action Required |
|---|--|--|
| 1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)? | 2 | Senior Management, budget holders & project staff are aware of PSC requirements. Regular training / briefing sessions would be of benefit to the local authority. |
| 1.2 Has training on the Public Spending Code been provided to relevant staff within the authority? | 2 | Staff tasked with collating the Quality Assurance aspect have attended briefing sessions in 2017. Further training would be of benefit to all budget holders. |
| 1.3 Has the Public Spending Code been adapted for the type of project/programme that your local authority is responsible for? i.e., have adapted sectoral guidelines been developed? | 3 | Yes, the Heads of Finance working group developed guidelines for local authorities based on the QA aspect of the PSC which are adapted to local government structures & approach |
| 1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code? | NA | Not applicable for the year in question as no funding over €0.5m was granted to bodies by WCC in the role of sanctioning authority |
| 1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies? | 3 | Yes |
| 1.6 Have recommendations from previous QA reports been acted upon? | 3 | Yes |
| 1.7 Has an annual Public Spending Code QA report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website? | 3 | Yes |
| 1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP? | 3 | Yes Overall capital budget €177,730,114 6.33% assessed (€11,263,683) Overall current budget €89,660,946 2.24% assessed (€2,169,971) |
| 1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project. | 2 | Where appropriate ex post/post project/benefits realisation reviews are in place |
| 1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner? | NA | No post project reviews were conducted during the year under review as no projects ended |

| | | |
|--|----|--|
| 1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews? | 2 | Where applicable |
| 1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions? | NA | Not applicable for the year under review |

Checklist 2 – To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the past year

| Capital Expenditure being Considered – Appraisal and Approval | Self-Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|--|--|--|
| 2.1 Was a preliminary appraisal undertaken for all projects > €5m? | 3 | Yes preliminary appraisals have been carried out in accordance with the sanctioning authorities guidelines |
| 2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes? | 3 | Yes appropriate appraisals have been applied in co-ordination with the relevant sanctioning authorities |
| 2.3 Was a CBA/CEA completed for all projects exceeding €20m? | NA | No projects or programmes exceeding €20m were under consideration |
| 2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision) | 3 | Appraisals were carried out in accordance with the sanctioning authorities guidelines |
| 2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)? | 3 | Approval in principal was granted by the sanctioning authorities where appropriate |
| 2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views? | NA | Not applicable |
| 2.7 Were the NDFA consulted for projects costing more than €20m? | NA | No individual projects or programmes exceeding €20m were under consideration |
| 2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted? | 3 | Projects under consideration have not gone to tender. However, those that have reached tender preparation stage are in line with the approval in principle |
| 2.9 Was approval granted to proceed to tender? | 3 | Where appropriate approval to proceed to tender has been granted or requested |
| 2.10 Were procurement rules complied with? | 3 | Yes |
| 2.11 Were State Aid rules checked for all supports? | NA | Not applicable |
| 2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered? | NA | Tender processes not yet complete in the year under review |

| | | |
|--|---|---|
| 2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date? | 3 | Performance indicators will be included in contracts where appropriate to allow for robust evaluation |
| 2.14 Have steps been put in place to gather performance indicator data? | 3 | Procedures are in place to monitor and assess performance |

Checklist 3 – To be completed in respect of new current expenditure under consideration in the past year

| Current Expenditure being Considered – Appraisal and Approval | Self-Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|---|--|---------------------------------------|
| 3.1 Were objectives clearly set out? | NA | No programmes relevant to PSC in 2017 |
| 3.2 Are objectives measurable in quantitative terms? | NA | No programmes relevant to PSC in 2017 |
| 3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure? | NA | No programmes relevant to PSC in 2017 |
| 3.4 Was an appropriate appraisal method used? | NA | No programmes relevant to PSC in 2017 |
| 3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years? | NA | No programmes relevant to PSC in 2017 |
| 3.6 Did the business case include a section on piloting? | NA | No programmes relevant to PSC in 2017 |
| 3.7 Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m? | NA | No programmes relevant to PSC in 2017 |
| 3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme? | NA | No programmes relevant to PSC in 2017 |
| 3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department? | NA | No programmes relevant to PSC in 2017 |
| 3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence? | NA | No programmes relevant to PSC in 2017 |
| 3.11 Was the required approval granted? | NA | No programmes relevant to PSC in 2017 |
| 3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set? | NA | No programmes relevant to PSC in 2017 |
| 3.13 If outsourcing was involved were procurement rules complied with? | NA | No programmes relevant to PSC in 2017 |
| 3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date? | NA | No programmes relevant to PSC in 2017 |
| 3.15 Have steps been put in place to gather performance indicator data? | NA | No programmes relevant to PSC in 2017 |

Checklist 4 – To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review

| Incurring Capital Expenditure | Self-Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|--|--|--|
| 4.1 Was a contract signed and was it in line with the Approval in Principle? | 3 | Signed contracts are in line with the approval in principle where appropriate |
| 4.2 Did management boards/steering committees meet regularly as agreed? | 3 | Meetings took place in accordance with contract management agreements as appropriate |
| 4.3 Were programme co-ordinators appointed to co-ordinate implementation? | 3 | Programme co-ordinators were appointed where appropriate |
| 4.4 Were project managers, responsible for delivery, appointed and were the project managers at a suitable senior level for the scale of the project? | 3 | Project Managers are appointed at a suitable senior level where appropriate |
| 4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality? | 3 | Monitoring reports were prepared |
| 4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule? | 3 | In general |
| 4.7 Did budgets have to be adjusted? | 3 | Any adjustments required were carried out in a structured manner as appropriate |
| 4.8 Were decisions on changes to budgets / time schedules made promptly? | 3 | In general |
| 4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.) | 3 | One project was re-scoped where funding was an issue |
| 4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination? | 3 | Where appropriate |
| 4.11 If costs increased was approval received from the Sanctioning Authority? | 3 | Where appropriate |
| 4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment? | NA | No projects were terminated |

Checklist 5 – To be completed in respect of current expenditure programmes incurring expenditure in the year under review

| Incurring Current Expenditure | Self-Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|--|--|--|
| 5.1 Are there clear objectives for all areas of current expenditure? | 3 | Yes objectives are clearly defined as part of annual service plans |

| | | |
|---|---|--|
| 5.2 Are outputs well defined? | 3 | Outputs are quantified on a regular basis through the budgetary process, annual service plans and through national KPIs where appropriate |
| 5.3 Are outputs quantified on a regular basis? | 3 | Yes outputs are quantified on a regular basis where appropriate through management progress reports, annual reports, returns |
| 5.4 Is there a method for monitoring efficiency on an on-going basis? | 3 | Ongoing monitoring of annual service delivery plan and budgetary compliance |
| 5.5 Are outcomes well defined? | 3 | Outcomes are quantified particularly in relation to national performance indicators |
| 5.6 Are outcomes quantified on a regular basis? | 3 | Yes, continued development of the annual service plans will also enhance this measurement |
| 5.7 Are unit costings compiled for performance monitoring? | 3 | Unit costs are collated across a number of key performance indicators |
| 5.8 Are other data compiled to monitor performance? | 3 | Performance is monitored through annual service delivery plans, teams plans, PMDS and National Performance Indicators |
| 5.9 Is there a method for monitoring effectiveness on an on-going basis? | 3 | Performance is monitored through annual service delivery plans, teams plans, PMDS and National Performance Indicators |
| 5.10 Has the organisation engaged in any other 'evaluation proofing' ³ of programmes/projects? | 3 | The current expenditure is subject to an audit by the Local Government Auditor. Local internal audit reports also assist with evaluation proofing. |

Checklist 6 – To be completed in respect of capital projects/programmes & capital grant schemes discontinued and/or evaluated during the year under review

| Capital Expenditure Recently Completed | Self-Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|---|--|---------------------------------------|
| 6.1 How many post project reviews were completed in the year under review? | NA | No programmes relevant to PSC in 2017 |
| 6.2 Was a post project review completed for all projects/programmes exceeding €20m? | NA | No programmes relevant to PSC in 2017 |
| 6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more? | NA | No programmes relevant to PSC in 2017 |
| 6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to? | NA | No programmes relevant to PSC in 2017 |

³ Evaluation proofing involves checking to see if the required data is being collected so that when the time comes a programme/project can be subjected to a robust evaluation. If the data is not being collected, then a plan should be put in place to collect the appropriate indicators to allow for the completion of a robust evaluation down the line.

| | | |
|---|----|---------------------------------------|
| 6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date? | NA | No programmes relevant to PSC in 2017 |
| 6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies) | NA | No programmes relevant to PSC in 2017 |
| 6.7 Were changes made to practices in light of lessons learned from post-project reviews? | NA | No programmes relevant to PSC in 2017 |
| 6.8 Were project reviews carried out by staffing resources independent of project implementation? | NA | No programmes relevant to PSC in 2017 |

Checklist 7 – To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued

| Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued | Self- Assessed Compliance Rating: 1 - 3 | Comment/Action Required |
|---|---|---------------------------------------|
| 7.1 Were reviews carried out of current expenditure programmes that matured during the year or were discontinued? | NA | No programmes relevant to PSC in 2017 |
| 7.2 Did those reviews reach conclusions on whether the programmes were efficient? | NA | No programmes relevant to PSC in 2017 |
| 7.3 Did those reviews reach conclusions on whether the programmes were effective? | NA | No programmes relevant to PSC in 2017 |
| 7.4 Have the conclusions reached been taken into account in related areas of expenditure? | NA | No programmes relevant to PSC in 2017 |
| 7.5 Were any programmes discontinued following a review of a current expenditure programme? | NA | No programmes relevant to PSC in 2017 |
| 7.6 Were reviews carried out by staffing resources independent of project implementation? | NA | No programmes relevant to PSC in 2017 |
| 7.7 Were changes made to the organisation's practices in light of lessons learned from reviews? | NA | No programmes relevant to PSC in 2017 |

Notes:

The scoring mechanism for the above checklists is as follows: Scope for significant improvements = a score of 1, Compliant but with some improvement necessary = a score of 2, Broadly compliant = a score of 3

- For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.
- The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs covered in the sample for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of appraisals (e.g. Cost Benefit Analyses or Multi Criteria Analyses), evaluations (e.g. Post Project Reviews). Key analytical outputs undertaken but outside of the sample should also be noted in the report.

Appendix 3

Audit Assurance Categories and Criteria

| Assurance Category | Assurance Criteria |
|---------------------|--|
| Substantial | <p>Evaluation Opinion:</p> <p>There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.</p> |
| | <p>Testing Opinion:</p> <p>The Controls are being consistently applied.</p> |
| Satisfactory | <p>Evaluation Opinion:</p> <p>There is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and/or effectiveness of risk management, control and governance.</p> |
| | <p>Testing Opinion:</p> <p>There is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.</p> |
| Limited | <p>Evaluation Opinion:</p> <p>There is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.</p> |
| | <p>Testing Opinion:</p> <p>The level of non-compliance put the system objectives at risk.</p> |
| Unacceptable | <p>Evaluation Opinion:</p> <p>The system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance.</p> |
| | <p>Testing Opinion:</p> <p>Significant non-compliance with the basic controls leaves the system open to error or abuse.</p> |

