



Wicklow County Council
Comhairle Contae Chill Mhantáin

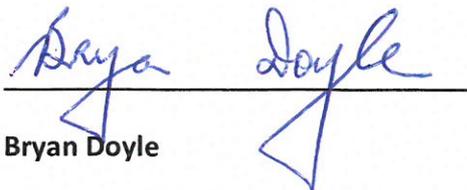
Public Spending Code
Quality Assurance Report
in respect of the financial year 2014

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

Certification

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:



A handwritten signature in blue ink, reading "Bryan Doyle", is written over a horizontal line. The signature is cursive and includes a large, stylized initial 'D'.

Bryan Doyle

Chief Executive, Wicklow County Council

Date: 30/9/2015

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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/prgrammes are selected to be reviewed more intensively.
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

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

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 2015. It is important to note that 2014 is the first year in which the QA process has applied. Projects and Programmes which predate Circular 13/13² were subject to prevailing guidance covering public expenditure. It is also important to note that consideration of all current (revenue) expenditure is carried out as part of the statutory Budget process as set out in the Local Government Act 2001 (as amended).

1.1 Application of PSC principles in a local government context³

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:

- All local government expenditure is funded by public money whether this is by way of grant funding, rates, local property tax or service charges.
- Current expenditure can be defined as Revenue Expenditure which is formally adopted by Council Members each year in the statutory budget process.
- Capital Expenditure is project based and largely funded through capital grants, development levies and borrowing.
- Local Authorities can be both the Sanctioning and Sponsoring Agency under the terms of the PSC.
- 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 Circular 13/13: The Public Spending Code: Expenditure Planning, Appraisal and Evaluation in the Irish Public Services-Standard Rules & Procedures

³ 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, 2 and 3 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 with the same heading format as the statutory Budget. 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 2015-2017 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 2014 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. It should be noted that this does not include current (revenue) expenditure as consideration of all current (revenue) expenditure is carried out as part of the statutory Budget process as set out in the Local Government Act 2001 (as amended). Any current (revenue) expenditure being considered has not yet been approved by Members of Wicklow County Council under this statutory process.

In total there were 26 projects listed as expenditure being considered. The primary area is Housing Construction with 8 projects listed between €0.5m and €5m and 7 projects between €5m and €20m.

There are no projects over €20m currently being considered. These projects were listed as part of the Capital Investment Programme 2015-2017 which was adopted by Members of Wicklow County Council at meeting of 13th April 2015, and form part of the Social Housing Strategy 2020. 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 48 projects or programmes which are currently incurring expenditure over €0.5m. Full details of this expenditure is also included in the Annual Financial Statement for 2014 which was adopted by the Members of Wicklow County Council at meeting 6th July 2015. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Recently Ended

Table 3 provides a summary of the inventory of expenditure above €0.5m recently ended by Wicklow County Council. There is 1 project that has recently ended which incurred expenditure of over €0.5m. The full breakdown and description of the projects is listed in Appendix 1.

Table 1: Expenditure Projects Being Considered by Category

Programme Group & Description	Current Expenditure			Capital Expenditure		
	A €0.5m- €5m	B €5m- €20m	C >€20m	A €0.5m- €5m	B €5m- €20m	C >€20m
Number of Projects/Programmes						
Economic Development						
Industrial Development CIP 2015-2017				5		
Other Development & Promotion CIP 2015-2017				1		
Housing & Building						
Housing Construction CIP 2015-2017				8	7	
Housing Acquisition CIP 2015-2017				1		
Road Transport & Safety						
Road Improvement Programme CIP 2015-2017				1		
Recreation & Amenity						
Recreation & Community CIP 2015-2017				2		
Agriculture, Education, Health & Welfare						
Operation/Maintenance Piers & Harbours					1	
Total				18	8	

Table 2 Expenditure being Incurred by Category

Programme Group & Description	Current Expenditure			Capital Expenditure		
	A €0.5m- €5m	B €5m- €20m	C >€20m	A €0.5m- €5m	B €5m- €20m	C >€20m
Number of Projects/Programmes						
<i>Agriculture, Education, Health & Welfare</i>						
G04 Veterinary Service	1					
G05 Educational Support Services	1					
<i>Miscellaneous Services</i>						
H03 Administration of Rates		1				
H09 Local Representation/Civic Leadership	1					
H10 Motor Taxation	1					
H11 Agency & Recoupment Services		1				
H01 Machinery Yard	1					
<i>Operation/Maintenance Piers & Harbours</i>						
River Dargle Flood Defence Scheme						1
<i>Environmental Services</i>						
E01 Operation, Maintenance & Aftercare of Landfill		1				
E02 Operation & Maintenance of Recovery & Recycling facilities	1					
E06 Street Cleaning	1					
E07 Waste Regulations, Monitoring and Enforcement	1					
E09 Maintenance & upkeep of burial grounds	1					
E11 Operation of Fire Service		1				
<i>Water Services</i>						
C01 Operation & Maintenance of Water Supply	1					
C02 Operation & Maintenance of Waste Water Treatment	1					
C06 Support to Water Capital Programme	1					
<i>Development Management</i>						
D01 Forward Planning	1					
D02 Development Management	1					
D03 Enforcement	1					
<i>Housing & Building</i>						
Glending Remediation Scheme				1		
Energy Efficiency - Fabric Upgrade Works				1		
Pre-letting repairs				1		
Housing Adaptation Grant Scheme				1		

Cedar Court, Bray				1		
Oldcourt Energy Efficiency Works Bray (Phase 1)				1		
A01 Maintenance & Improvement of LA Housing Units		1				
A02 Housing Assessment, Allocation & Transfer	1					
A03 Housing Rent, Tenant Purchase Administration	1					
A06 Support to Housing Capital & Affordable Housing	1					
A07 RAS Programme		1				
A08 Housing Loans	1					
Roads Transport & Safetey						
Newtownmountkennedy/Ballinabarny RIS*						1
N11 Ballynabarny/Arklow RIS*						1
Wicklow Town Port Relief Road & Port Access*						1
B02 NS Road - Maintenance and Improvement	1					
B03 Regional Road - Maintenance and Improvement		1				
B04 Local Road - Maintenance and Improvement		1				
B05 Public Lighting	1					
B06 Traffic Management Improvement	1					
B09 Maintenance & Management of Car Parking	1					
B10 Support to Roads Capital Prog.	1					
Recreation & Community						
Arklow Library					1	
F02 Operation of Library & Archival Service	1					
F03 Operation, Maintenance & Improvement of Outdoor Leisure Areas	1					
F04 Community Sport & Recreational Development	1					
F05 Operation of Arts Programme	1					
Industrial Development						
94224492 Industrial Sites at Rathdrum				1		
Total	28	8	0	7	1	4

* Denotes schemes which opened pre-2014, expenditure incurred in 2014 are CPO payments

Table 3 Expenditure recently Ended by Category

Programme Group & Description	Current Expenditure			Capital Expenditure		
	A €0.5m- €5m	B €5m- €20m	C >€20m	A €0.5m- €5m	B €5m- €20m	C >€20m
	<i>Number of Projects/Programmes</i>					
Housing & Building						
Energy Upgrade Works Sycamore Drive				1		
Total				1		

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:

<http://www.wicklow.ie/procurement-over-%E2%82%AC10-million>

The screenshot shows the Wicklow County Council website. At the top, there is a navigation menu with links for Home, Housing, Planning, Roads, Motoring, Environment, and Other Services. A search bar is present with the text "What are you searching for?". Below the navigation, there is a "Related Content" sidebar with links to various services like Budgets, Delivery of Service, Finance, Local Property Tax, etc. The main content area features a heading "Procurement over €10 million" with a sub-heading "2014" and a paragraph stating "No procurement contracts over €10million were awarded in 2014." The Wicklow County Council logo and name are visible at the top left of the page.

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 Programmes being considered
- **Checklist 3:** Current Expenditure Being Considered – All consideration of current (revenue) expenditure is carried out as part of the statutory Budget process as set out in the Local Government Act 2001 (as amended); and as such this checklist is not applicable to local authorities as all items are captured in checklists 5 & 7
- **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 5 point scale:

0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant

Wicklow County Council requested that its Directorates complete checklists 2-7 (excluding 3). 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.

The Head of Finance Working Group reviewed the checklists in order to have a standardised approach to reporting and assessment under the self-evaluation process. 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 checks analyses represent over 6% of Wicklow County Council's overall inventory (excluding road schemes marked * on appendix 1 – these schemes were completed and opened prior to 2014. Expenditure in 2014 relates to outstanding CPO payments).

3.3.1 Oldcourt Energy Efficiency Scheme (Phase 1)

Introduction

Oldcourt Estate is situated off the Boghall Road in the Municipal District of Bray, County Wicklow. The estate was constructed in 1972 in accordance with the building regulations in force at that time. The estate comprises some 240 dwellings of which 166 are in the ownership of the Council and are used to meet social housing needs with the remainder, at this stage, being privately owned. A major estate refurbishment programme, involving substantial works, was undertaken by Wicklow County Council and completed in 1988.

A number of fatal fires have occurred in the Oldcourt Estate over the years. Consultants reports failed to attribute cause to the conditions of the houses, however various reports recommended that certain improvement works were required.

The Department of the Environment, Community and Local Government gave approval in July of 2012 for a range of improvement and retrofitting works to proceed to local authority owned houses in the estate. This range of works was to include energy enhancements, electrical, and fire safety improvements. This work was to be overseen by the then Bray Town Council and funded out of own resources from the proceeds of Internal Capital Receipts to a total of €1 million. A contribution of €15,000 per completed unit was made available to the Council from the Department.

This major scheme of works was universally welcomed and approved of by both the residents of the estate and local elected representatives alike. To date some 66 houses have been completed under Phase 1 at a cost of €4.8M.

Process

The scheme of works commenced in January 2013. Hayes Higgins Consulting Engineers were appointed as project engineers with input and oversight from Bray Town Council staff in the form of the Town Engineer, the Administrative Officer responsible for Housing and the Clerk of Works. The scheme is complex in its implementation in that it requires the temporary re-location of tenants from their own homes whilst the works are undertaken. The standard time-frame budgeted is an eight week period. In order to accommodate tenants Bray Town Council arranged for a number of “decanting” properties on the estate. Tenants are temporarily re-located to these “decanting” properties for the duration of the works. This facilitates minimum disruption to the tenants by way of family and community life. Bray Town Council’s Clerk of Works acts as “de facto” project manager on the ground dealing with tenants concerns and queries. Bray Town Council’s Estate Development Officer is also active in this role.

A tender process for the appointment of competent contractors was held with the lowest two tenders being accepted for appointment following an evaluation process.

Objectives

The objectives of this scheme are to provide upgraded facilities to Council owned properties in respect of energy efficiency measures, electrical upgrades and address fire safety measures. The works comprise additional insulation, re-wiring, replacement of windows where necessary, works to soil and vent pipes and upgrades to the heating system if deemed necessary. The scheme is unique in its purpose and located on a single site.

Outcomes

To date 66 houses have been remediated at an average cost of €50,000 per unit. The works have been inspected by a representative of the Department of the Environment. An extensive and fatal fire occurred in a privately owned property on the estate relatively recently. Adjoining Council owned property, on which works had been completed and which heretofore would have been expected to have been extensively damaged by the fire, was examined and found to be unaffected by the effects of the fire thus proving the benefit of the retrofitted remediation works.

Moreover the units which have been upgraded have had their BER certification raised, on average, from D2 to B3 status thus indicating the positive effect of the remediation works.

An intangible measure is the reported positive impact this investment has had with the wider Oldcourt community. The Council has been seen to invest resources in the fabric of the physical buildings and this has resulted in a degree of goodwill being generated with the tenants and improving their sense community and place.

Assessment / Audit Opinion

The controls in place over the governance of the Oldcourt Energy Efficiency Works Bray (Phase 1) provide **Satisfactory Assurance** that there is compliance with the Public Spending Code.

The controls upon which reliance can be placed include:

- A contract is in place between the Council and Hayes Higgins Consulting Engineers

- Departmental sanction approving of the scheme and its proposed financial contribution towards and advising of a cap on the value of Internal Capital Receipts to be utilised by the Council on the scheme.
- Responsibilities and duties in connection with the management of the project are clearly defined
- A competitive tender competition was used to select the contractors to carry out the works
- Regular project update meetings take place with attendance from key stakeholders
- Regular returns are submitted to the Department of the Environment, Community and Local Government
- All payments in respect of the Scheme are processed through the Council's Agresso Financial Management System. This FMS encompasses all of the regulatory requirements when seeking payment from a Public Body e.g., valid Tax Clearance Certificate, deduction of Professional Services Withholding Tax where payment for professional services arise, reverse charge VAT etc.
- Any payments in respect of the scheme are made in accordance with the Council's procedures manual which have been the subject of annual audit review and found to be satisfactory

Recommendations

This is an ongoing project which is at an advanced level of completion. There is a risk that the funding for the second phase, a most critical element for the completion of all qualifying units in the estate, may be difficult to secure given that the majority of the funding on phase 1 was from Internal Capital Receipts. It is recommended that an application for the funding of Phase II of the project is proceeded with.

It is recommended

1. That Bray Municipal District continues its rigorous scrutiny and oversight of the project.
2. That all necessary post project evaluations are undertaken as appropriate.
3. Appropriate procurement practices for the appointment of consultants are followed

3.3.2 Housing Construction Programme – Murphy Lands, Kilbride, Bray

Introduction

The Department of the Environment, Community & Local Government launched the Social Housing Strategy 2020 in November 2014. The Social Housing Strategy aims to provide 35,000 new social housing units, over a 6 year period, to meet the additional social housing supply requirements as determined by the Housing Agency; support up to 75,000 households through an enhanced private rental sector; and reform social housing supports to create a more flexible and responsive system.

Under Pillar 1 (Supply) Wicklow County Council’s aim is to provide 438 units during 2015-2017.

Murphy Lands, Kilbride Lane, Bray has been identified as priority 1 for construction of social dwellings by Wicklow County Council. Estimated project expenditure for same (€14,700,000) is listed as “under consideration” on Wicklow County Council’s inventory for 2014.

Process

A high level review of the proposed scheme for Murphy Lands Bray was undertaken as part of the quality assurance check. This consisted of a meeting with the Senior Engineer for Housing who responsible for the Housing Construction Programme.

A checklist of “Audit Tests” was gone through and the details of the results are attached by way of appendix 2.

The scheme is proposed under Wicklow County Council’s obligations under the Social Housing Strategy 2020. The land is currently owned by Wicklow County Council. The land consists of 0.76ha and has been deemed suitable by Wicklow County Council as suitable for the provision of housing. Part 8 will be required, but the land is currently zoned residential. 971 housing applicants have a first preference for Bray (4 wards). The breakdown of need in the South Ward where the land is situated is as follows:

1 bed	2 bed	3 bed	4 bed	Total
334	323	105	6	768 units

Objectives

The objectives of this scheme is to provide 42 mixed units at this location with an estimated costs of €14,700,000, in order to meet housing demand in the area under the Social Housing Strategy 2020.

Outcomes

To date Stage 1 Project Appraisal has been completed in accordance with the Capital Works Management Framework and project approval has been received from the Sanctioning Authority (Department of Environment, Community & Local Government). Preparation for Stage 2 has commenced.

A Procurement Competition to create a framework for an Architect Led Design Team has been conducted under the restricted procedure in accordance with European Procurement Directives. The

first competition under the framework will be for the engagement of consultants to this particular scheme in order to deliver stages 2-4 in accordance with the Sanctioning Authorities approval.

Assessment / Audit Opinion

The controls in place over the governance of the Housing Construction Programme - Murphy Lands, Bray provide **Substantial Assurance** that there is compliance with the Public Spending Code.

The controls upon which reliance can be placed include:

- Council owned land zoned for residential housing identified
- Housing Need for the area clearly identified
- All other options to provide social housing in the area exhausted
- Capital Project Appraisal conducted in accordance with the Capital Management Works Framework process document
- Risks to the delivery of the project, including lack of technical inhouse staff to deliver same identified in the project appraisal stage
- Procurement process to engage consultants to deliver the programme conducted in accordance with European Procurement Directives
- Sanctioning Authority approval for Stage 1 and approval to proceed to next stage has been received

Recommendations

This is an ongoing project at an early level of completion. There is a risk that compliance with the Public Spending Code may decrease when consultants & contractors are engaged to deliver the project.

It is recommended that the Housing Directorate continue its rigorous oversight of the project and ensure that the necessary project management requirements are undertaken as appropriate.

4 Next Steps: Addressing Quality Assurance Issues

The compilation of both the inventory and checklists for the first year of this Quality Assurance process was a significant co-ordination task in terms of liaising with Directorates across Wicklow County Council, particularly as the year under review saw unification of four Town Councils and one County Council into one organisation mid year. It is envisaged that the administrative burden of the Quality Assurance Process will ease as the process becomes embedded over time with the budgetary areas of the organisation.

However, concerns are raised in relation to the timing of future reports. The Quality Assurance Process is scheduled to commence prior to the completion of the Annual Financial Statement (31st March) . The QA process would benefit firstly if the AFS for the year in question was completed. Secondly, it would be more effective if the local government audit process 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 need 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. Appropriate procurement practices are 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 Projects and Programmes above €0.5m

<p>Listed below is the full detailed inventory of expenditure being considered, incurred and ended as referenced to in Section 2. Headings are taken from Wicklow County Council's Annual Financial Statement for 2014 and the Capital Investment Programme 2015-2017. Where a section heading is omitted, there are no programmes or projects above €0.5m pertaining to the section.</p>		
Complete Inventory - Expenditure being considered		
Description	Revenue	Capital
Industrial Development		
Avondale Business Park		2,500,000
Dunlavin Industrial Park		2,000,000
Baltinglass Industrial Park		1,000,000
Blessington Lands		1,000,000
Kish Lands Arklow		2,000,000
Other Development & Promotion		
Wicklow County Campus - Infrastructural Work		3,200,000
Housing Construction/Acquisition Programme		
Housing Construction - Brewery Bends, Rathdrum		3,200,000
Housing Construction - Mountain View, Blessington		900,000
Housing Construction - Sutton Villas		900,000
Housing Construction - Scouts Den, Blessington		3,900,000
Housing Construction - Farrankelly, Greystones		2,700,000
Housing Construction - Ballinahinch, Ashford		2,800,000
Housing Construction - Three Trouts, Greystones		4,000,000
Housing Construction - Emoclew Road, Arklow		2,800,000
Housing Acquisition Programme		4,000,000
Housing Construction - Whitehall Baltinglass		8,500,000
Housing Construction - Carrigoona, Bray		5,000,000
Housing Construction - Dunlavin		5,000,000

Housing Construction - Murphys Site Bray		14,700,000
Housing Construction - Sheepshouse, Arklow		8,600,000
Housing Construction - Lott Lane, Kilcoole		9,200,000
Housing Construction - Convent Lands, Wicklow		13,600,000
Road Improvement Programme		
Knockroe Bed Realignment		800,000
Recreation & Community		
Ballynagran Environmental Fund		1,055,000
Wicklow Library		5,000,000
Operation/Maintenance Piers & Harbours		
Avoca River (Arklow) Flood Relief Scheme		14,400,000
Complete Inventory - Expenditure being incurred		
Description	Revenue	Capital
Agriculture, Education, Health & Welfare		
G04 Veterinary Service	767,681	
G05 Educational Support Services	1,280,184	
Miscellaneous Services		
H03 Administration of Rates	7,220,313	
H09 Local Representation/Civic Leadership	1,485,820	
H10 Motor Taxation	1,087,052	
H11 Agency & Recoupment Services	5,269,071	
H01 Machinery Yard	3,291,081	
Operation/Maintenance Piers & Harbours		
River Dargle Flood Defence Scheme		46,000,000
Environmental Services		
E01 Operation, Maintenance & Aftercare of Landfill	7,876,605	
E02 Operation & Maintenance of Recovery & Recycling facilities	1,444,885	
E06 Street Cleaning	1,152,507	
E07 Waste Regulations, Monitoring and Enforcement	1,013,266	
E09 Maintenance & upkeep of burial grounds	623,708	
E11 Operation of Fire Service	5,200,855	
Water Services		

C01 Operation & Maintenance of Water Supply	4,294,659	
C02 Operation & Maintenance of Waste Water Treatment	2,922,602	
C06 Support to Water Capital Programme	664,981	
Development Management		
D01 Forward Planning	517,189	
D02 Development Management	2,283,175	
D03 Enforcement	1,197,379	
Housing & Building		
Glending Remediation Scheme		4,950,000
Energy Efficiency - Fabric Upgrade Works		2,900,000
Pre-letting repairs		1,021,084
Housing Adaptation Grant Scheme		756,041
Cedar Court, Bray		4,802,927
Oldcourt Energy Efficiency Works Bray (Phase 1)		4,853,539
A01 Maintenance & Improvement of LA Housing Units	5,020,922	
A02 Housing Assessment, Allocation & Transfer	583,343	
A03 Housing Rent, Tenant Purchase Administration	861,397	
A06 Support to Housing Capital & Affordable Housing	1,170,945	
A07 RAS Programme	5,635,979	
A08 Housing Loans	961,530	
Roads Transport & Safety		
Newtownmountkenedy/Ballinabarny*		192,286,935.00
N11 Ballynabarny/Arklow RIS*		54,403,509.00
Wicklow Town Port Relief Road & Port Access*		65,000,000.00
B02 NS Road - Maintenance and Improvement	1,086,448	
B03 Regional Road - Maintenance and Improvement	6,042,780	
B04 Local Road - Maintenance and Improvement	9,320,266	
B05 Public Lighting	1,881,989	
B06 Traffic Management Improvement	2,431,247	
B09 Maintenance & Management of Car Parking	1,118,710	
B10 Support to Roads Capital Prog.	648,972	

Recreation & Community		
Arklow Library		5,800,000
F02 Operation of Library & Archival Service	2,840,445	
F03 Operation, Maintenance & Improvement of Outdoor Leisure Areas	1,950,995	
F04 Community Sport & Recreational Development	582,404	
F05 Operation of Arts Programme	675,184	
Industrial Development		
Industrial Sites at Rathdrum		2,600,469
Complete Inventory - Expenditure completed		
Description	Revenue	Capital
Housing & Building		
Engergy Upgrade Works Sycamore Drive		537,322

** Denotes schemes which opened pre-2014, expenditure incurred in 2014 are legacy CPO payments*

Appendix 2

Wicklow County Council Checklists

Checklist 1 – to be completed by all Local Authorities		
General Obligations not specific to individual projects / programmes	Self-Assessed Compliance Rating 0-4	Comment / Action Required
Does the Local Authority ensure, on an ongoing basis that appropriate people within the Local Authority and in its agencies are aware of the requirements of the Public Spending Code?	1	This is the first year of reporting under the PSC
Has there been participation by relevant staff in external training on the Public Spending Code (i.e. DPER)	1	It was requested nationally through the Heads of Finance Group but training was not made available by external groups. This is being pursued.
Has Internal training on the Public Spending Code been provided to relevant staff?	2	Those staff tasked with collating the Quality Assurance aspect attended a briefing session ran by Head of Finance Group. Further training is required for all budget holders.
Has the Public Spending Code been adapted for the type of project / programme that your Local Authority is responsible for? i.e. have adapted guidelines been developed?	3	Heads of Finance Working Group developed guidelines for Local Authorities on the Quality Assurance Aspect of the PSC. A further body of work is required on PSC in conjunction with Department of Environment, Community & Local Government as the lead Department.
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 in WCC role as Sanctioning Authority

Have recommendations from previous Quality Assurance exercises (incl. old spot-checks) been disseminated, where appropriate, within the Local Authority and to your agencies?	NA	This is the first year of reporting under PSC
Have recommendations from previous Quality Assurance exercises been acted upon?	NA	This is the first year of reporting under PSC
Has an annual Public Spending Code Quality Assurance Report been submitted to the National Oversight and Audit Commission (NOAC)?	4	Yes submitted
Was the required sample subjected to a more in-depth review, i.e., as per Step 4 of the QA process?	4	Sample of approx. 6.7%
Has the Accounting Officer signed off on the information to be published on the website?	4	Signed by Chief Executive
Self Assessment Ratings:		
0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		
Checklist 2 – to be completed in respect of Capital projects or capital programme/grant scheme that is under consideration for the years 2015/2016/2017.		
Capital Expenditure being considered – appraisal & approval	Self-Assessed Compliance Rating 0-4	Comment / Action Required
Was a Preliminary Appraisal undertaken for all projects >€5m	3	This is the first year the PSC came into effect and therefore projects/approvals preceding this date are in accordance with the relevant Departmental guidelines
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	Appropriate appraisal methods have been applied to project/schemes. It is important to note that projects/approvals preceding this date are in accordance with the relevant Sanctioning Authority guidelines
Was a CBA/CEA completed for all projects exceeding €20m?	NA	2014 is the first year of the QA process and no projects or

		programmes exceeding €20m are under consideration. It is important to note that appraisal is carried out on those projects below €20m in accordance with Sanctioning Authority guidelines.
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Preliminary appraisals are carried out in accordance with the Sanctioning Authorities guidelines where appropriate
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 for funding was granted by Sanctioning Authorities where appropriate
If a CBA/CEA was required was it submitted to the CEEU for their view?	NA	NA
Were the NDFA consulted for projects costing more than €20m?	NA	No contracts over €20m under consideration
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 for the year under review have not yet gone to tender. However, those projects that have reached preparation for tender stage are in line with the approval in principle
Was approval granted to proceed to tender?	3	Where appropriate, approval to proceed to tender has been granted or has been requested by sponsoring agency
Were procurement rules complied with?	3	Where appropriate, procurement rules have been complied with. As projects are under consideration, not all have reached tender stage.
Were State Aid rules checked for all supports?	NA	NA
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	NA	Projects are under consideration and the tender process has not yet been completed

Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	2	Standard performance indicators are included in contracts where appropriate. Functional performance models should also be developed.
Have steps been put in place to gather the Performance Indicator data?	3	Procedures are in place to monitor and assess performance indicators where appropriate
Self Assessment Ratings:		
0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		
Checklist 4 – Complete if your Directorate had capital projects/programmes that were incurring expenditure in 2014		
Capital Expenditure Incurred 2014	Self-Assessed Compliance Rating 0-4	Comment / Action Required
Was a contract signed and was it in line with the approval in principle?	3	Signed contracts are in line with the approval in principles where appropriate.
Did management boards/steering committees meet regularly as agreed?	3	Meetings took place in accordance with contract management and performance as appropriate
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	Programme co-ordinators where appointed where appropriate
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 in accordance with the scale of the projects
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Monitoring reports are prepared
Did the project keep within its financial budget and its time schedule?	3	In general

Did budgets have to be adjusted?	3	Any adjustments carried out were done in a structured manner
Were decisions on changes to budgets / time schedules made promptly?	3	Yes responses to changes in budget and time schedules are made in a timely manner
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, change in the environment, new evidence)	Yes	In some circumstances where funding was an issue, projects were re-scoped
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	Yes	Re-scoping and revised feasibility studys were examined
If costs increased was approval received from the Sanctioning Authority?	Yes	Where appropriate revised approval was received / has been requested
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	No	
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?	NA	
Self Assessment Ratings:		
0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		
Checklist 5 – Current (Revenue) Expenditure 2014		
Current (Revenue) Expenditure Incurred 2014	Self-Assessed Compliance Rating 0-4	Comment / Action Required
Are there clear objectives for all areas of current (revenue) expenditure?	4	Yes there are clear objectives for all areas of revenue expenditure
Are outputs well defined?	3	Outputs are generally well defined
Are outputs quantified on a regular basis?	3	Yes outputs are quantified on a regular basis where appropriate

Is there a method for monitoring efficiency on an ongoing basis?	3	Yes there are performance indicators for measuring efficiency where appropriate
Are outcomes well defined?	3	Outcomes are generally well defined
Are outcomes quantified on a regular basis?	3	Outcomes are quantified on a regular basis, particularly in cases where there are national performance indicators set
Is there a method for monitoring effectiveness on an ongoing basis?	3	Effectiveness is monitored on a regular basis, particularly in cases where there are national performance indicators set
How many formal VFMs/FPAs or other evaluations have been completed in 2014?	NA	Revenue expenditure is subject to an audit by the Local Government Auditor. The Audit on the Annual Financial Statement for 2014 is not yet complete
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	NA	Revenue expenditure is subject to an audit by the Local Government Auditor. The Audit on the Annual Financial Statement for 2014 is not yet complete
Have all VFMs/FPAs been published in a timely manner?	NA	Once the Local Government Auditor has finalised their review, the Annual Financial Statement is presented to the Councillors in a timely manner.
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	Yes	Recommendations by the Auditor are taken into consideration
How have the recommendations of VFMs/FPAs and other evaluations informed resource allocation decisions?	NA	Revenue expenditure is subject to an audit by the Local Government Auditor. The Audit on the Annual Financial Statement for 2014 is not yet complete

Self Assessment Ratings: 0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		
Checklist 6 – to be completed if capital projects were completed during 2014 or if capital programmes/grant schemes matured or were discontinued during 2014		
Capital Expenditure Completed 2014	Self-Assessed Compliance Rating 0-4	Comment / Action Required
How many post-project reviews were completed in 2014?	NA	One capital scheme was completed and the post-project review is not yet complete
Was a post project review completed for all projects / programmes exceeding €20m?	NA	The capital scheme completed did not exceed €20m
If sufficient time has not elapsed to allow a proper assessment of benefits has a post project review been scheduled for a future date?	Yes	Yes scheme included – scheme requires a minimum of one year after complete date to assess the benefit of the improvement works
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	NA	Not yet complete
Were changes made to the Sponsoring Agencies in light of lessons learned from post-project reviews?	3	While the formal post project review is not yet complete, lessons learned from this project have resulted in improvements in grant application process for future projects.
Was project review carried out by staffing resources independent of project implementation?	3	Project implementation carried out by Contractor. Evaluation of works by SEAI. Post project review is being conducted by WCC staff.
Self Assessment Ratings: 0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		

Checklist 7 – to be completed if current (revenue) expenditure programmes that reached the end of their planned timeframe during 2014 or were discontinued		
Current (revenue) expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating 0-4	Comment / Action Required
Were reviews carried out of, current (revenue) expenditure programmes that matured during 2014 or were discontinued?	NA	None ended in 2014
Did those reviews reach conclusions on whether the programmes were effective?	NA	None ended in 2014
Did those reviews reach conclusions on whether the programmes were efficient?	NA	None ended in 2014
Have the conclusions reached been taken into account in related areas of expenditure?	NA	None ended in 2014
Were any programmes discontinued following a review of a current (revenue) expenditure programme?	NA	None ended in 2014
Was the review commenced and completed within a period of 6 months?	NA	None ended in 2014
Self Assessment Ratings:		
0 – Not Done, 1 - <50% compliant, 2 – 50-75% Compliant, 3 - >75% Compliant, 4 – 100% Compliant		

Notes:

- a) The scoring mechanism for the above tables is set out below:
 - a. Scope for significant improvements = score of 1
 - b. Compliant but with some improvement necessary = score of 2
 - c. Broadly compliant = score of 3
- b) For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to make N/A and provide the required information in the commentary box as appropriate
- c) 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 for those questions which address compliance with appraisal/evaluation requirements, i.e., the annual numbers of CBAs, VFMs/FPAs and post project reviews.