



**Wicklow County Council**  
**Comhairle Contae Chill Mhantáin**

**Public Spending Code**  
**Quality Assurance Report**  
**in respect of the financial year 2019**

*To be submitted to the National Oversight and Audit Commission (NOAC) in  
Compliance with the Public Spending Code*





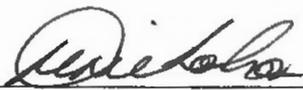
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## Certification

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:**



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Michael Nicholson

A/Chief Executive, Wicklow County Council

Date: *28<sup>th</sup> August 2020*

# 1 Introduction

Wicklow County Council has completed this Quality Assurance (QA) Report as part of its compliance with the Public Spending Code (PSC). The purpose of this report is to present the results of each of the five steps in the QA exercise and to report on compliance with the requirements of the Public Spending Code as established during this exercise.

The Public Spending Code was written specifically with Government Departments in mind and some of the terminology is very specific to that sector. In order to inform the QA exercise for the Local Government Sector, a Guidance Note was developed for the sector to assist in providing interpretations from a Local Government perspective. This guidance note was further updated for the 2015 and 2016 reporting periods and the latest updated guidance note (version 3) has informed the completion of the 2017, 2018 and 2019 reports.

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 in 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.
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 2019, and has been prepared following NOACs review & comments from the 2017 and 2018 QA reports.

## 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:

Project/Programme Stage		Category/Band
1	<i>Expenditure Being Considered</i>	Capital Projects between €0.5m - €5m
		Capital Projects between €5m - €20m
		Capital Projects over €20m
		Capital Grant Schemes greater than €0.5m
		Current Expenditure – increases over €0.5m
2	<i>Expenditure Being Incurred</i>	Capital Projects greater than €0.5m
		Capital Grant Schemes great than €0.5m
		Current Expenditure greater than €0.5m
3	<i>Expenditure that has recently ended</i>	Capital Projects greater than €0.5m
		Capital Grant Schemes great than €0.5m
		Current Expenditure greater than €0.5m

The Inventory contains 128 projects under the three stages and comprises of a value of €890,617,723. The tables below provide a summary of the number of projects under each stage, along with a summary of project costs. Full tables including details of each programme/project are listed in Appendix 1.

For consistency and accuracy these inventories were informed by the Capital Investment Programme 2019-2021 adopted at Council Meeting 4<sup>th</sup> March 2019 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 2019 which was noted by Members of Wicklow County Council at their meeting of 15<sup>th</sup> June 2020, and 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.

	Current Expenditure >€0.5m	Capital Grant Expenditure >€0.5m	Capital Expenditure >€0.5m	Totals
<i>Expenditure Being Considered</i>	0	0	32	32
<i>Expenditure Being</i>	37	2	43	82

<i>Incurred</i>				
<i>Expenditure Recently Ended</i>	0	0	14	14
<b>Totals</b>	39	2	89	128
	<b>Current Expenditure</b>	<b>Capital Grant Expenditure</b>	<b>Capital Expenditure</b>	
<b>Project Total Values</b>	<b>&gt;€0.5m</b>	<b>&gt;€0.5m</b>	<b>&gt;€0.5m</b>	<b>Totals</b>
<i>Expenditure Being Considered</i>	€0	€0	€223,723,755	€223,723,755
<i>Expenditure Being Incurred</i>	€93,332,154	€8,875,000	€519,603,860	€621,811,014
<i>Expenditure Recently Ended</i>	€0	€0	€45,082,954	€45,082,954
<b>Totals</b>	€93,332,154	€8,875,000	€788,410,569	€890,617,723

## 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. Wicklow County Council has no projects in this category reported for 2019. The requirement relates to procurements over €10m rather than total project costs. While the project inventory reports of projects over €10m, there is no single procurement within these projects that meets this requirement under Step 2 of the QA process.

### Link to procurement publications:

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

## Finance

### 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.

#### 2019

No procurement contracts over €10 million were awarded in 2019.

## **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 Findings from Checklist Assessment**

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 completed checklists show the extent to which Wicklow County Council believes it complies with the Public Spending Code. Overall, the checklists show a satisfactory level of compliance with the Code, where appropriate. While there is room for improvement in certain aspects of the requirements, no specific serious issues or concerns were evident during the completion of this element of the QA report.

### 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. As recommended by NOAC in their Local Authority Quality Assurance Report 2017 (NOAC Report No. 20 – October 2018), inventory totals and percentages have been adjusted for 2017, 2018 and 2019 to include legacy road schemes which were previously included in the Inventory but not included for calculation purposes in the in-depth checks. The in-depth analysis of Wicklow County Council's inventory is detailed below:

Year	Inventory Value	Inventory Value	Inventory Value	Selected Projects Value	Selected Projects Value	% Selected	% Selected
	<b>Total</b>	<b>Capital</b>	<b>Current</b>	<b>Capital</b>	<b>Current</b>	<b>Capital</b>	<b>Current</b>
2017	€579,079,504	€489,418,558	€89,660,946	€11,263,683	€2,169,971	2.30%	2.42%
2018	€759,620,055	€663,803,344	€95,816,711	€66,386,529	€1,473,113	10.00%	1.53%
2019	€890,617,723	€797,285,569	€93,332,154	€27,634,774	€1,387,214	3.5%	1.49%
<i>3 Years</i>	€2,229,317,282	€1,950,507,471	€278,809,811	€105,284,986	€5,030,298	<i>5.4%</i>	<i>1.80%</i>

Year	Spend	Project	Status
2017	<i>Capital</i>	Emoclew Road Housing Scheme	Expenditure being incurred
	<i>Current</i>	Public Lighting	Expenditure being incurred
2018	<i>Capital</i>	Wicklow Port Access & Town Relief Road	Expenditure being incurred
	<i>Capital</i>	Coastal Erosion Protection Works	Expenditure being considered
	<i>Capital</i>	Part V Turnkey Housing	Expenditure recently ended
	<i>Current</i>	Housing Grants	Expenditure being incurred
2019	<i>Capital</i>	Kilbride Lane Housing Scheme	Expenditure being incurred
	<i>Capital</i>	Baltinglass Fire Station	Expenditure being considered
	<i>Current</i>	Administration of Homeless Service	Expenditure being incurred
	<i>Capital</i>	Turnkey acquisition At Vale Road, Arklow	Expenditure being incurred

Wicklow County Council's Internal Audit Unit was assigned the task of completing the in-depth checks. Projects were selected from the inventory having regard to the various stages of the life cycle and the values of the projects listed. The selected projects, levels of compliance and number of recommendations per project are summarised in the following table:

Compliance Levels			
	Project Reviewed	Compliance	Total Recommendations
1	<i>Kilbride Lane Housing Scheme</i>	Substantial Assurance	2
2	<i>Baltinglass Fire Station</i>	N/A : Too early to rate compliance	0
3	<i>Administration of Homeless Service</i>	Substantial Assurance	2

4	Turnkey acquisition At Vale Road, Arklow	Substantial Assurance	2
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Appendix 3 contains the QA In-Depth Check templates for each of the projects listed, while Appendix 4 details the Audit Assurance Categories and Criteria.

## 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. This year, due to Covid-19, this report was due at the end of August, rather than May, and required figures were available as the Annual Financial Statement was available. This resulted in information gathered being accurate initially and prevented extra checks/amendments having to be made.

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

This report has set out all the requirements of the Quality Assurance aspect of the Public Spending Code. 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.

## Appendix 1 –

### Wicklow County Council Inventory of Expenditure

Local Authority: Wicklow County Council	Expenditure being considered				Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital	Capital		> €0.5m			Current	> €0.5m	Capital Projects	
	>€0.5m	Capital Grant Schemes > €0.5m	€0.5 - €5m	€5 - €20m	€20m plus	Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	
<b>Housing &amp; Building</b>											
Maintenance & Improvement of LA Housing Units						8,860,487					
RAS & Leasing Programme						9,787,883					
Stock management incl Energy improvement works and conditional survey			500,000								
Special Projects homeless & Travellers Accommodation Programme				5,078,550							
Affordable Housing Scheme				13,500,000							
Approved Housing Bodies (in partnership)				19,416,752							
Purchases/Part V (LA)					26,858,675						
LA Housing Schemes (incl. CALF)					84,677,797						
Housing Assessment, Allocation and Transfer						516,853					
Housing Loans						970,539					
Housing Assistance Programme						1,004,863					
Housing Rent and Tenant Purchase Administration						1,121,458					
Administration of Homeless Service						1,387,214					
Support to Housing Capital & Affordable Prog.						1,921,618					
Housing Grants						1,958,977					
COUNTY BUILDINGS REFURBISHMENT (CRM & Chamber)							975,000				No government grant funding
ALL PRE LETTING REPAIRS (DIRECT LABOUR AND MD CONTRACTED)							7,900,000				2.96% government grant funding
BLACKHILLS GLENEALY HOUSING SCHEME										522,922	
CAS - 96 HOLLYBROOK BRAY - ST JOHN OF GODS										560,500	
FABRIC UPGRADES - ENERGY WORKS PHASE 2										588,732	
PART V 211 - VIEWMOUNT RATHDRUM (3 units 56, 57 & 58)										638,295	
PART V BALLINAHINCH ASHFORD - ARDSTONE (CONVERTED TO CALF SCHEME)										678,119	
PART V 234A - SEAGREEN GREYSTONES (42 UNITS)										1,013,460	
PART V UNITS BOGHALL RD - RE PART V COMMIT APT STRAND RD										1,213,985	
KILMANTIN PLACE BRAY HSG SCH 4 UNITS										1,374,236	
N27/2/354 SHEEHANS COURT (OLD FIRE STATION) HSG SCH RAPID DELIVERY										1,836,547	
IWILS/EXTENSIONS/DPG EXTENSIONS										1,985,336	
FCA MURROUGH HOUSING INFILL SCHEME										2,128,556	
PART V UNITS FAIRGREEN MANOR POUND ROAD DUNLAVIN (NOW A CALF SCHEME)										2,730,000	
REBUILDING IRELAND HOMELOANS										3,000,000	
EMOCLEW ROAD ARKLOW HOUSING SCHEME PHASE 1										3,826,347	
N27/2/354 AVONDALE HEIGHTS HOUSING SCHEME PHASE 2										4,776,360	

N27/2/351 SHILLELAGH PHASE4 RAPID DELIVERY HOUSING SCHEME						4,921,654			
SUGARLOAF VIEW KILMACANOGUE HOUSING SCHEME 20 UNIT						5,001,702			
ACQ & REFURBISH CARRAIG EDEN MARINE RD						5,413,390			
N27/2/356 MOUNTAIN VIEW MONEYCARROLL HSG SCH RAPID DELIVERY						5,634,159			
FARRANKELLY GREYSTONES HSG SCH PHASE 2 - 24 UNITS						6,521,806			
MODULAR HOUSING SCHEME WHITEHALL BALTINGLASS						8,188,549			
CARNEW HSG SCH (SOLDIERS FIELD) PH4 RAPID DELIVERY N27/2/341						8,218,151			
TURNKEY ACQ AT VALE ROAD ARKLOW						9,090,010			
PROPOSED SCHEME - GREENHILL ROAD WICKLOW						9,303,097			
N27/2/358 ARD NA GREINE HOUSING SCH RAPID DELIVERY						9,533,847			
REMEDIAL WORKS GLENDING ESTATE						10,000,000			
EMOCLEW HSG SCH DELANEY PK PH 2&3 COMBINED N27-2-319-322						10,912,939			
PART V 284 BOLLARNEY WOODS WICKLOW						11,621,313			
MERRYMEETING RATHNEW HOUSING SCH (BROOM EST PART V LAND)						11,816,942			
N27/2/355 ASHTOWN LANE WICKLOW HOUSING SCH RAPID DELIVERY						13,028,659			
KILBRIDE LANE HOUSING SCHEME						17,044,764			
PART V 117B - WICKLOW HILLS NEWTOWNMTKDY (45 Units)								672,807	
2 NO. TURNKEY UNITS MERRYMEETINGS RATHNEW								684,316	
FABRIC UPGRADES - ENERGY WORKS PHASE 1								750,378	
PART V AGREE 271 BROOMHALL EST KIRVIN HALL - 5 HSES								921,465	
TURNKEY ACQ AT MILL COURT TINAHELY								1,123,511	
OLD LIBRARY SITE ARKLOW HSG SCH 7 UNITS								1,335,282	
CONVENT LAND HOUSING SCHEME (REDEMPTION OF HFA LOAN)								2,404,137	
AVONDALE HTS (BREWERY STRAIGHT) PHASE1 (20 HOUSES)								4,624,053	
(BTC) OLD COURT ENERGY EFFICIENCY WORKS								5,692,375	
HA 2018 - PURCHASE OF HOUSES								6,216,969	
HA 2019 - PURCHASE OF HOUSES								6,735,282	
CALF HAZELBROOK RATHNEW								11,980,529	
<b>Roads Transportation and Safety</b>									
Blessington Inner Relief Road		900,000							
Baltinglass Public Realm		1,317,000							
Baltinglass Fire Station		1,500,000							
Upper Dargle Road Bus Priority Scheme		2,100,000							
N11 Pedestrian and Cycle Bridge (Fassaroe)		2,544,000							
LED upgrade - national programme					8,000,000				
Dublin / Bray Road Project - Road Widening					15,200,000				
Traffic Management Improvement							625,403		
Maintenance & Management of Car Parking							1,650,610		
Public Lighting							2,449,019		
Regional Road - Maintenance and Improvement							6,454,810		
Local Road - Maintenance and Improvement							12,605,271		

Balinahinch Ashford R763 & R764								1,102,888			
N11/M11 J4 to J14								3,569,640			
NS Knockroe Bend Realignment Scheme								4,582,731			
WICKLOW TOWN PORT RELIEF ROAD AND PORT ACCESS								65,000,000			30% local funding. Legacy scheme opened prior to 2014
N11 Ballinabarny/Arklow RIS								54,401,509			Legacy scheme opened prior to 2014
NEWTOWNMOUNTKDY/BALLINABARNYR.I.S. WW/07/965								192,286,935			Legacy scheme opened prior to 2014
N81 RESURFACING CO BOUNDARY DUBLIN & TINODE										1,073,209	
<b>Water Services</b>											
Local Authority Water & Sanitary Services							753,223				
Operation and Maintenance of Waste Water Treatment							2,318,164				
Operation and Maintenance of Water Supply							3,379,311				
<b>Development Management</b>											
Ashford Lands			500,000								
Enterprise Centres			600,000								
Blessington Lands			800,000								
Avondale Business Park, Rathdrum			1,500,000								
Wicklow County Campus - Infrastructural works			3,310,981								
Op & Mtce of Industrial Sites & Commercial Facilities							635,487				
Enforcement							1,146,202				
Development Management							2,250,425				
Economic Development and Promotion							2,519,847				
<b>Environmental Services</b>											
Coastal Protection			700,000								
Avoca River (Avoca) Flood Relief Scheme			1,000,000								
Storm Damage Repairs			1,300,000								
Bray Harbour Redevelopment Masterplan			1,300,000								
Arklow / Wicklow Harbours / Ports			2,500,000								
Operation, Maintenance and Aftercare of Landfill							624,361				
Water Quality, Air and Noise Pollution							625,981				
Maintenance and Upkeep of Burial Grounds							714,464				
Operation and Maintenance of Piers and Harbours							907,186				
Waste Regulations, Monitoring and Enforcement							1,074,799				
Street Cleaning							1,760,907				
Op & Mtce of Recovery & Recycling Facilities							1,834,801				
Operation of Fire Service							5,331,055				
Landfill Levy								2,678,781			
Whitestown Remediation								3,500,000			
Avoca River (Arklow) Flood Relief Scheme								13,500,000			
Wicklow County Communities Better Energy Communities (BEC) 947										868,639	

<b>Recreation and Amenity</b>											
Newtownmountkennedy Wicklow Hills			500,000								
Rathdrum Library			620,000								
Aughrim Library			1,000,000								
Bray (Eglinton Road) Library			1,000,000								
Swimming Pool Refurbishment - Arklow & Wicklow			1,000,000								
Abbey Quarter Arklow			2,900,000								
Blessington Greenway				8,500,000							
Blessington Swimming Pool - Feasibility Study & Build				10,100,000							
Community Sport and Recreational Development						782,311					
Operation of Arts Programme						939,377					
Op, Mtce & Imp of Outdoor Leisure Areas						2,365,711					
Operation of Library and Archival Service						3,894,679					
Town and Village Scheme 2018								648,000			
Outdoor Recreational Infrastructure Scheme								1,084,000			
Wicklow Library								4,125,000			
Community and Enterprise Function						3,710,420					
<b>Agriculture, Education, Health and Welfare</b>											
<b>N/A</b>											
<b>Miscellaneous Services</b>											
Local Representation/Civic Leadership						2,787,212					
Agency & Recoupable Services						920,757					
Motor Taxation						740,471					
Energy Saving Project			3,000,000								
<b>TOTALS</b>			<b>32,391,981</b>	<b>79,795,302</b>	<b>111,536,472</b>	<b>93,332,155</b>	<b>8,875,000</b>	<b>519,603,860</b>		<b>45,082,954</b>	

## Appendix 2

### Wicklow County Council Checklists

In completing the checklists, the following approach was applied:

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.

#### ***Local Authority Guidance Notes (Version 3):***

Capital Grant Schemes relate to Projects (recorded in the capital account) where expenditure relates to payments on the foot of grant applications from individuals/groups to the local authority e.g. Housing Aids for the elderly. It has been agreed with DPER that the Capital Grant Scheme element of the Project Inventory will only be used in exceptional circumstances where a LA commences its own grant scheme or primarily funds such a scheme as all other grant schemes are related to schemes commenced at Departmental level and are to be accounted for in the 'capital programmes' column of the QA inventory. The treatment of Capital Grant Schemes within the Project Inventory can therefore be clarified as follows:

- a) Where a Capital Grant Scheme is 100% funded by Government Grant – Project Cost to be included under Capital Programme
  - b) Where a Capital Grant Scheme is 100% funded by the Local Authority – Project Cost to be included under Capital Grant Scheme
  - c) Where a Capital Grant Scheme is primarily funded by Government Grant with an element of local funding – Project Cost to be included under Capital Programme with a note made for each element funded by own resources e.g. Includes 20% local funding; and
  - d) Where a Capital Grant Scheme is primarily funded by Local Funding with an element of government grant funding – Project Cost is to be recorded under Capital Grant Scheme with a note made for each element funded by government grant, e.g. Includes 40% government grant funding.
1. As noted in the general guidance above, there may be questions where the scoring mechanisms or indeed the question itself are not relevant to some or all local authorities. In such cases, it is acceptable to mark the answer N/A and include a commentary, where appropriate.

**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 and project staff are aware of PSC Requirements. However, a training/briefing session would be advantageous for all, especially new staff.
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	2	Those staff tasked with collating the Quality Assurance aspect have attended briefing sessions in the past.
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. A guidance document has been developed for the QA adapting the PSC to Local Government structures and 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?	N/A	Not applicable
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
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	If and where appropriate
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?	2	If and where appropriate
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	If and where appropriate
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	N/A	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, where appropriate
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes, where appropriate
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No single, individual project/programme exceeding €20 million were under consideration in the 2 collective headings.
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes
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	Yes, where appropriate
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	3	Yes
2.7 Were the NDFA consulted for projects costing more than €20m?	N/A	No single, individual project/programme exceeding €20 million were under consideration in the 2 collective headings.
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	Yes
2.9 Was approval granted to proceed to tender?	3	Yes
2.10 Were procurement rules complied with?	3	Yes
2.11 Were State Aid rules checked for all supports?	2	If and where appropriate
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	2	Yes, in the most part
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	3	They will be included in contracts
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**

<b>Current Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
3.1 Were objectives clearly set out?	N/A	Not applicable
3.2 Are objectives measurable in quantitative terms?	N/A	Not applicable
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	Not applicable
3.4 Was an appropriate appraisal method used?	N/A	Not applicable
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	Not applicable
3.6 Did the business case include a section on piloting?	N/A	Not applicable
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?	N/A	Not applicable
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	Not applicable
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	Not applicable
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	Not applicable
3.11 Was the required approval granted?	N/A	Not applicable
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	Not applicable
3.13 If outsourcing was involved were procurement rules complied with?	N/A	Not applicable
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?	N/A	Not applicable
3.15 Have steps been put in place to gather performance indicator data?	N/A	Not applicable

**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	For projects where the tender phase is complete, signed contracts are in line with the Approval in Principle
4.2 Did management boards/steering committees meet regularly as agreed?	3	In accordance with the contract management agreements particular to each contract/project
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes
4.4 Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Yes
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes
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	Those adjusted were done in a structured and agreed manner
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	As appropriate
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	3	As appropriate
4.11 If costs increased was approval received from the Sanctioning Authority?	3	As 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?	N/A	Not applicable – none 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	As per Annual Service Plans
5.2 Are outputs well defined?	3	Yes, through budgetary process, Annual Service Plans and national KPIs where appropriate.
5.3 Are outputs quantified on a regular basis?	3	Yes, through management and annual reports and departmental returns.
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes, through budgetary compliance and monitoring of Annual Service Delivery Plan.
5.5 Are outcomes well defined?	3	Yes, especially so in areas that include national performance indicators.
5.6 Are outcomes quantified on a regular basis?	3	Yes and as annual service plans evolve this will be further improved.
5.7 Are unit costings compiled for performance monitoring?	3	Yes, through KPIs.
5.8 Are other data compiled to monitor performance?	3	Annual Service Delivery Plans, PMDS, national performance indicators.
5.9 Is there a method for monitoring effectiveness on an on-going basis?	3	Annual Service Delivery Plans, PMDS, national performance indicators.
5.10 Has the organisation engaged in any other 'evaluation proofing' <sup>1</sup> of programmes/projects?	3	Local Government Auditor and Internal Audit.

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<sup>1</sup> 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.

**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?	2	Post project reviews commenced but not completed
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	Not applicable
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?	N/A	Not applicable
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?	2	Yes, ongoing.
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?	2	Yes, ongoing
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	N/A	Not applicable
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	N/A	Not applicable
6.8 Were project reviews carried out by staffing resources independent of project implementation?	N/A	Not applicable

**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?	N/A	Not applicable
7.2 Did those reviews reach conclusions on whether the programmes were efficient?	N/A	Not applicable
7.3 Did those reviews reach conclusions on whether the programmes were effective?	N/A	Not applicable
7.4 Have the conclusions reached been taken into account in related areas of expenditure?	N/A	Not applicable
7.5 Were any programmes discontinued following a review of a current expenditure programme?	N/A	Not applicable
7.6 Were reviews carried out by staffing resources independent of project implementation?	N/A	Not applicable
7.7 Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	Not applicable

## Appendix 3

### Quality Assurance – In Depth Check

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#### Section A: Introduction

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

<b>Programme or Project Information</b>	
<b>Name</b>	Baltinglass Fire Station
<b>Detail</b>	Capital investment to replace the existing Fire Station at Baltinglass
<b>Responsible Body</b>	Wicklow County Council
<b>Current Status</b>	Expenditure Being Considered
<b>Start Date</b>	N/A – Project under consideration in 2019
<b>End Date</b>	Not yet commenced
<b>Overall Cost</b>	€1.5 Million

#### **Project Description**

Baltinglass Fire Station is located in the Town Centre of Baltinglass. The building is in need of upgrade and modernisation to support the delivery and demands of a growing town and modern Fire Service. A capital investment of €1.5M is under consideration to construct a new fire station on a green-field site. This project is at discussion stage. A formal application for funding has yet to be made and the project will require further review in terms of options and design.

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## Section B - Step 1: Logic Model Mapping

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As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for Baltinglass Fire Station. 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
To replace the existing Fire Station with a modern building which will assist in the provision of Emergency Services to the town of Baltinglass and its environs.	N/A	N/A	N/A	N/A

### Description of Programme Logic Model

*Objectives:* The current objective being considered is to replace the existing Fire Station with a modern purpose built building which will serve the Town of Baltinglass and the larger parts of west and south Wicklow.

*Inputs:* Not yet fully defined

*Activities:* Not yet fully defined

*Outputs:* Not yet fully defined

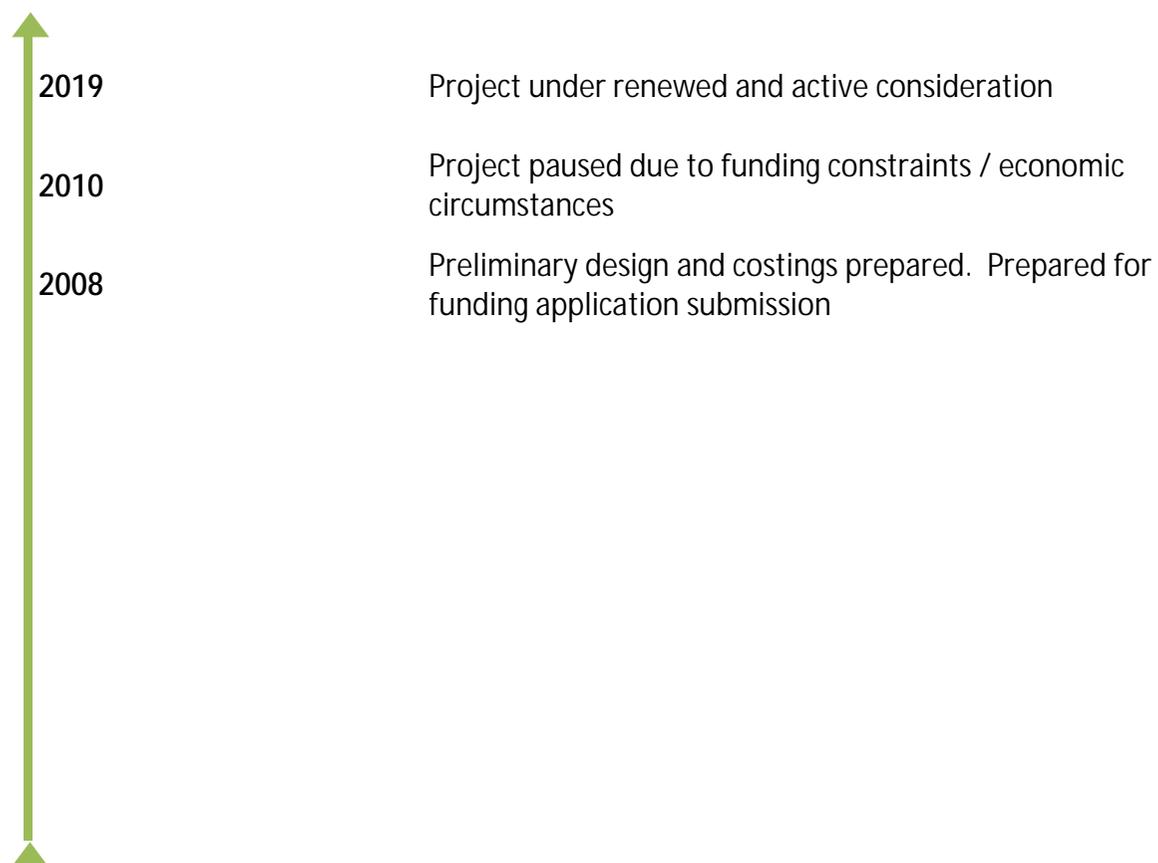
*Outcomes:* Not yet fully defined

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

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The following section tracks the proposals for Baltinglass Fire Station from inception to conclusion in terms of major project/programme milestones



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### Section B - Step 3: Analysis of Key Documents

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Baltinglass Fire Station.

Project/Programme Key Documents	
Title	Details
Draft Preliminary Costings	Preparation of draft costings for the project
Director of Services Order 2008	Approving that design and project costs be submitted for funding approval

#### Key Document 1:

This document lists the then estimated costs. The costings have not been updated to reflect current costs or building cost inflation. The document is of value only in an historical context as a basis for comparison with current costings when prepared and variance analysis.

#### Key Document 2:

This document's relevance is as evidence of the intention to proceed with the project at that time. The project was subsequently paused due to the economic downturn. The paucity of capital funds available for investment at that time and subsequently necessitated a re-prioritisation of projects.

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### Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the Baltinglass Fire Station. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
N/A	N/A	N/A

#### Data Availability and Proposed Next Steps

Other than the documents outlined above there was no project documentation available at the time of review as the project is still at a very early stage and under consideration.

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### Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for Baltinglass Fire Station 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)**

There was no project documentation available at the time of the audit as the proposal is at a very early stage, and, accordingly, it was not possible to rate compliance with 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?

N/A

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

N/A

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### Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on Baltinglass Fire Station

#### Summary of In-Depth Check

#### Summary of In-Depth Check

There was no project documentation available at the time of the audit as the proposal is at a very early stage, and, accordingly, it was not possible to rate compliance with the public spending code. Having met with the Project Owner, he is aware of the appropriate project appraisal methods under the public spending code and the need for compliance with same prior to proceeding with this project.

#### Audit Opinion

The project is at too early a stage to rate compliance with the public spending code.

## Quality Assurance – In Depth Check

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### Section A: Introduction

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

Programme or Project Information	
<b>Name</b>	Construction of 42 Social Housing Units at Kilbride Lane Bray
<b>Detail</b>	Capital project to construct 42 housing units at Kilbride Lane, Bray, Co. Wicklow
<b>Responsible Body</b>	Wicklow County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	May 2018
<b>End Date</b>	Currently in Construction Completion date October 2020
<b>Overall Cost</b>	€17.045 million

#### Project Description

This project involves the construction of 42 housing units at Kilbride Lane, Bray, Co. Wicklow. The site is an L-shaped infill site situated to the south-west of Kilbride Lane and is surrounded by a long established mix of both private and social housing estates. The

project is currently under construction with an anticipated completion date of October 2020. The units being constructed are designated as follows

Number	Description
7	1 Bed Apartments
5	1 Bed Accessible Units for persons with disabilities
4	2 Bed Apartments
20	2 Bed Two Storey Houses
5	3 Bed Two Storey Houses
1	4 Bed Three Storey House

This project is targeted at accommodating a mix of tenancies including purpose designed accommodation for people with disabilities.

All publicly funded construction projects must follow the Capital Works Management Framework (CWMF) as required by the Department of Finance. The project has received approval from the Department of Housing, Planning and Local Government for the four critical stages as follows

Stage 1: Confirm approval for design expenditure

Stage 2: Assess project prior to statutory approval

Stage 3: Approve detailed design; review pre-tender cost check

Stage 4: Review tender returns in advance of awarding the contract

The Stage 4 approval letter dated 9<sup>th</sup> March 2018 gave budget cost approval in the sum of €17.044 million and construction commenced on site on the 21<sup>st</sup> of May 2018.

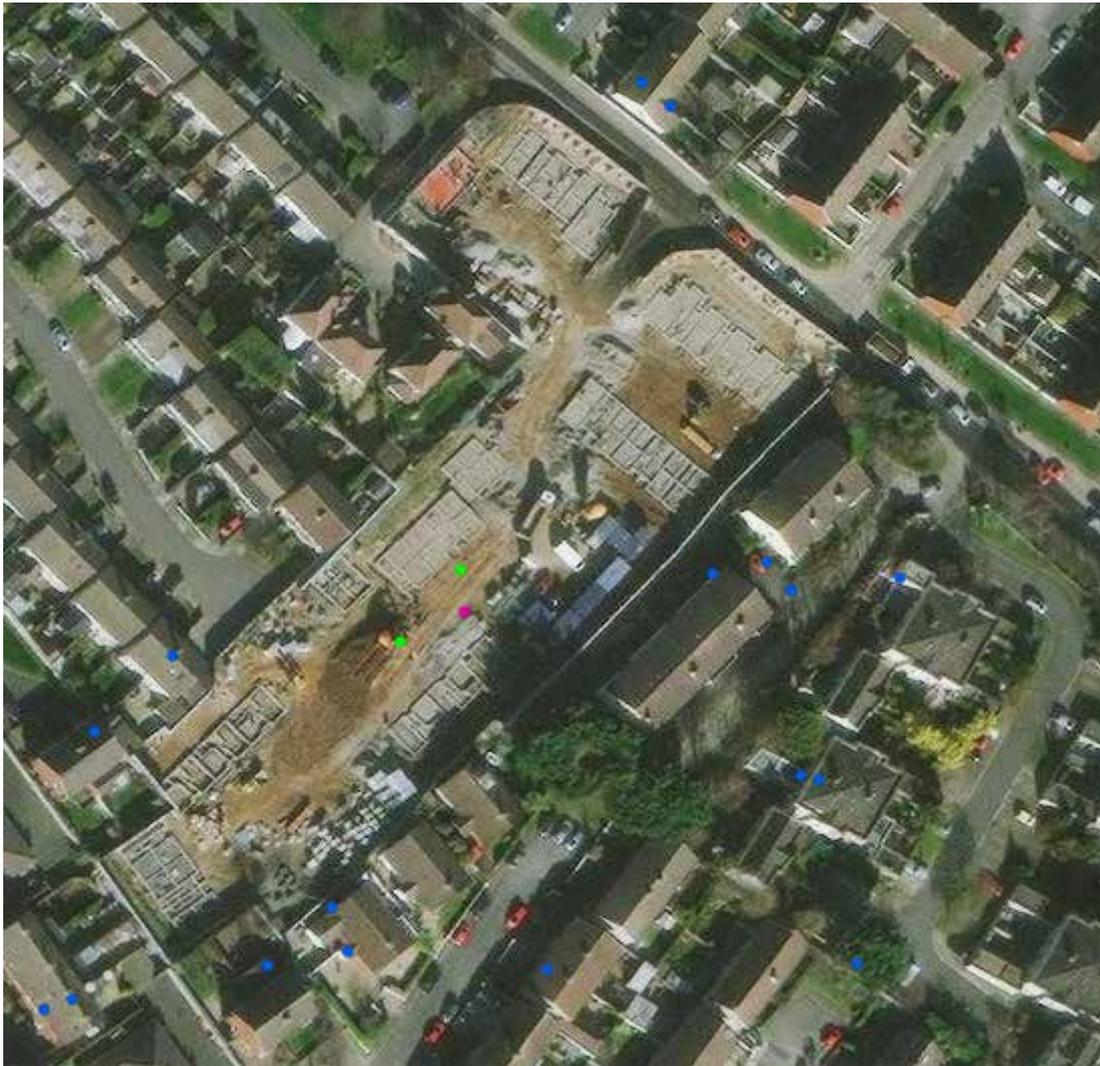
The contract was awarded to M.D.Y. Construction Ltd in April 2018. In September 2018 work on site was paused as M. D. Y. sought the protection of the Courts under an examinership arrangement and an Examiner was appointed by the High Court.

Having regard to the urgency and consequences of this unforeseen development, Wicklow County Council immediately engaged with the Department of Housing, Planning and Local Government and the Office of Government Procurement. Following discussions it was agreed that Wicklow County Council would engage expert legal advice through the period of the Examinership. This extended to Senior Counsel representation in Court to represent and protect the Council's interests throughout the process.

The Scheme of Arrangements prepared by the Examiner was approved by the High Court mid November 2018. This allowed M.D.Y. Construction Ltd to exit the examinership process and recommence work on the Kilbride Lane site.

The Kilbride Lane project is rapidly coming to a conclusion with an estimated completion and handover date of October 2020. Recent Project Reports indicate that progress is improving and the updated programme confirms the completion date at the end of October.

Significant experience has been gained by staff directing and overseeing this project. It is clear that the oversight, management and overall governance of the project are being conducted within a strong control environment.



(Aerial view of site at Killarney Lane, Bray, Co. Wicklow)

The scheme is acknowledged as having presented certain unique challenges to the Housing Directorate in terms of oversight and management. Notwithstanding these challenges the overarching objective of providing 42 homes for people on the social housing list is shortly to be achieved. In discussions with relevant staff and, again, despite the difficulties encountered, it is estimated that any cost overruns will be limited to one to two percent of the total budget.

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for the Housing Construction at Kilbride Lane. 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
<p>To provide modern quality housing for approved applicants on the hosing waiting list.</p> <p>The achievement of quality and value for money</p> <p>To ensure that the houses under construction meet the housing needs of applicants</p>	<p>Funding of €17.045 Million</p> <p>In-house project management and oversight</p> <p>Enabling and temporary works.</p> <p>Cost of Site.</p> <p>Technical fees and salaries.</p> <p>Site investigation.</p> <p>Utilities.</p>	<p>Preparation of costings and design plans as part of funding submission.</p> <p>Procurement process for Construction and ancillary services</p> <p>Financial Management of project re payments and recoupments</p> <p>Budgetary Control activities regarding expenditure and variance analysis</p> <p>Project oversight and governance</p>	<p>42 modern, high quality housing units to address housing need.</p>	<p>The provision of good quality social housing</p> <p>The enhancement of community within an existing residential area</p> <p>Providing people with a home</p>

## Description of Programme Logic Model

*Objectives:* The objective of the Kilbride Lane construction project is to provide 42 social houses which will be utilised to accommodate applicants on the social housing list. The project aims to ensure that value for money is achieved though it must be acknowledged that the exceptionally high initial land acquisition costs have inflated the final per unit cost.

*Inputs:* An overall budget of €17.044 million has been allocated to the project. In-house oversight by Wicklow County Council staff ensures that the principles of quality control and value for money are adhered to

*Activities:* Preparation of design and costings plan. Liaison with the Department of Housing, Planning and Local Government on application for funding and Capital Works management Framework process. Procurement and tendering processes. Project implementation and oversight activities. Ongoing monitoring of expenditure and budgetary control. Recoupment of expenditure from the Department.

*Outputs:* The construction of 42 modern, high quality homes to meet the needs of people on the social housing list

*Outcomes:* The provision of homes. The enhancement of the local community. Organisational achievement in fulfilling its objectives and responsibilities.

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

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The following section tracks the Housing Construction at Kilbride Lane from inception to conclusion in terms of major project/programme milestones



October 2020	Current estimated completion date
November 2018	Scheme of arrangements approved by High Court. Work on site recommences.
September 2018	Construction Co M.D.Y. enters examinership. Work on site pauses.
May 2018	Construction on site commences
April 2018	Contract with M.D.Y. Construction signed
March 2018	Stage 4 Departmental Approval
August 2017	Stage 3 Departmental Approval
February 2017	Stage 2 Departmental Approval
March 2016	Part 8 Granted by Wicklow County Council
July 2015	Stage 1 Departmental Approval

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### Section B - Step 3: Analysis of Key Documents

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Housing Construction at Kilbride Lane.

Project/Programme Key Documents	
Title	Details
Project Appraisal	Project Capital Appraisal analysis was conducted having regard to the assessment of housing need in Bray.
Monthly Project Progress Reports	These monthly reports give a detailed analysis of the project at a point in time.
Agresso Financial Management System	Financial Reports. Expenditure and supplier details are recorded and maintained in the Financial Management System.

#### Key Document 1:

The Housing Needs for Bray Municipal District were assessed. The units to be provided were calculated on land available at location (0.76 ha) and the identified housing need.

#### Key Document 2: Monthly Project Progress Reports

The monthly reporting framework facilitates ongoing and current analysis of project progression. Any variances from scheduled progress are further analysed and investigated.

### Key Document 3: Financial Recording and Reporting - Agresso Financial Management System

Expenditure and income details are available through the Agresso Financial Management System. Detailed analysis can be generated and reported on. This functionality is of particular value to the management accounting function for monthly management reporting and variance analysis. It is also a central requirement to any recoupment process. A sample of invoices from the principal contractor M.D.Y. Construction, totalling €1.77 million, was extracted and sampled. The processing of the invoices was in accordance with Wicklow County Councils financial procedures.

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#### Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the Housing Construction at Kilbride Lane. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Agresso Financial Management System – Financial Reports	Expenditure and Income details for the project	Available
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
Monthly Progress Reports	Detail progress on the project	Available

## Data Availability and Proposed Next Steps

The primary and overarching objective of this project is to provide modern and good quality housing for people on the housing list. This objective will be attained on completion of the works and the allocation of tenancies. 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.

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### Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for the Housing Construction at Kilbride Lane 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 Internal Audit is of the opinion that the management of this project 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 ongoing 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 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?**

This is an ongoing project at an advanced level of completion. The difficulties which were encountered with the main contractor through the examinership process were unforeseeable at the time the contract was awarded. 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 the Housing Directorate continue its rigorous and detailed oversight of the project. 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.

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## Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Housing Construction at Kilbride Lane.

### Summary of In-Depth Check

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

**Project Description:** The provision of 42 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. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

**Recommendations:** It is recommended

- (i) That a post project review be conducted.
- (ii) That the principles and tenets of the Public Spending Code be re-emphasised to staff dealing with projects.

**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 4) that there is compliance with the Public Spending Code.

## Quality Assurance – In Depth Check

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### Section A: Introduction

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

Programme or Project Information	
<b>Name</b>	Administration of Homeless Service
<b>Detail</b>	Prevention of Homelessness
<b>Responsible Body</b>	Wicklow County Council
<b>Current Status</b>	Current Expenditure Being Incurred
<b>Start Date</b>	1 <sup>st</sup> January 2019
<b>End Date</b>	31 <sup>st</sup> December 2019
<b>Overall Cost</b>	€1,387,114

### Project Description

The following Programme Description provides context on where the programme sits in Wicklow County Council's wider policy response to the issue of Homelessness.

Homelessness among vulnerable individuals has remained an enduring societal problem despite the enormous resources deployed and the enlightened policy initiatives developed and implemented. Studies have shown that Homelessness is a complex phenomenon which is usually the result of a number of contemporaneous and intricately interrelated issues, including mental health issues, addictions, anti social behaviour and family breakdown.

Tackling this type of homelessness requires an interagency response in order to provide a holistic response and ensure a successful outcome.

Wicklow County Council's response to homelessness is contained in its Action Plan for Homelessness for the Mid East Region. This Action Plan is informed primarily by:

- The Way Home (2008-2013) A Strategy to Address Adult Homelessness in Ireland
- Homelessness Policy Statement (February 2013)
- Implementation Plan on the State's response to Homelessness (May 2014)
- Action Plan to Address Homelessness (December 2014)
- Rebuilding Ireland – Action Plan for Housing and Homelessness (July 2016)
- Housing First National Implementation Plan 2018-2021

Whilst the overarching objective is to move from emergency accommodation to housing led, long term accommodation solutions, it is not possible to prevent homelessness in all cases and consequently the provision of emergency accommodation becomes a necessary intervention.

Significant challenges are being faced by Wicklow County Council in dealing with the increasing numbers of people and families presenting as homeless. The impact of this demand for services, coupled with the lack of housing supply and high rents, and the withdrawal of many properties from RAS by landlords, has led to many people and families finding themselves in a homeless situation.

The following tables highlight the number of emergency accommodation placements at two comparative points in time.

Number of Emergency Homeless Accommodation Placements & Duration at 31<sup>st</sup> January 2019

Description	No of Households	No of Adults	No of Children	< 3 Months	3 – 6 Months	6 – 9 Months	9 – 12 Months	>12 Months
Household Breakdown	10	16	22	7	1	0	1	1
Children Only				17	1	0	1	3

Number of Emergency Homeless Accommodation Placements & Duration at 31<sup>st</sup> January 2020

Description	No of Households	No of Adults	No of Children	< 3 Months	3 – 6 Months	6 – 9 Months	9 – 12 Months	>12 Months
Household Breakdown	6	11	12	3	1	0	0	2
Children Only				5	3	0	0	4

Supported accommodation has been acknowledged as best practice across the sector in these cases. Wicklow County Council has continued to develop relationships with the homeless service providers in the region and this collaboration has been critical in dealing with these many and complex issues that have arisen. Wicklow County Council has entered into Service Level Agreements with these Approved Housing Bodies to provide a collaborative approach to supported accommodation (emergency and long term). This successful approach is both structured and practical in transitioning from a shelter-led to a sustainable housing-led response to homelessness.

It is clear that the approach to tackling long term homelessness is multi-faceted and requires intra-agency cooperation. This is the approach that Wicklow County Council has adopted and endeavouring to consistently adapt and improve.

At time of writing it is noted that the numbers of individuals with complex needs, presenting as homeless is increasing. Statistics from April 2020 show 54 individuals presenting in comparison to 29 at the same time last year.

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## Section B - Step 1: Logic Model Mapping

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As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for the Housing of the Homeless. 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
To prevent homelessness by providing appropriate supports.	Wicklow County Council annual revenue budget provision. Departmental funding. Staff salary and overhead costs.	Service Level Agreements. Agreements with Service Providers. Client assessments. Client referrals. Client advocacy.	Alleviation of immediate crisis need for accommodation. Initiation of client based service supports. Appropriate availability of emergency accommodation consistent with need.	Move from emergency accommodation to housing-led, long term accommodation solutions. Inter-agency referral and support around health and welfare services. Secure permanent accommodation and independent living.

## Description of Programme Logic Model

*Objectives:* The primary objective of the Housing of the Homeless programme is to prevent homelessness by providing appropriate supports.

*Inputs:* Significant funding resources are required to provide and maintain the service. In addition, specialist staff resources are required to engage with the client base who are presenting with varying degrees of issues, some of which are more complex than others.

*Activities:* In order to maintain stability of supply and access to emergency accommodation a number of service level agreements have been entered into. This provides a degree of certainty in terms of the availability of emergency accommodation which is crucial in attempting to assist those in need. Other activities include client assessments and advocacy in certain instances.

*Outputs:* The primary outputs from this service are, in the first instance, the alleviation of the immediate crisis need for accommodation. Furthermore this can result in the initiation of client based service supports focused on the broader spectrum of identified needs and supports in the wider treatment milieu. The central and intended output from this programme is the appropriate availability of emergency accommodation consistent with need at the appropriate point in time.

*Outcomes:* The envisaged outcome of this programme is to help enable the service user to migrate to a situation where they can evolve from emergency accommodation to housing-led, long term accommodation solutions.

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

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The following section tracks the Housing of the Homeless from inception to conclusion in terms of major project/programme milestones



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## Section B - Step 3: Analysis of Key Documents

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Housing of the Homeless.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Mid-East Region Homeless Action Plan	Each Housing Authority must prepare an Action Plan to address homelessness. The Plan must specify the measures proposed to be undertaken to address homelessness in the administrative area(s) concerned by the Housing Authorities, the Health Service Executive and other bodies providing services to address homelessness.
Wicklow County Council – Addressing Homelessness in Individuals Policy Context	Policy document setting out objectives and planned approach to addressing housing needs in Wicklow.
Agresso Financial Management System	Financial Reports. Expenditure and supplier details are recorded and maintained in the Financial Management System.

### **Key Document 1: Mid-East Region Homeless Action Plan**

Each Housing Authority must prepare an Action Plan to address homelessness. The Plan must specify the measures proposed to be undertaken to address homelessness in the administrative area concerned by the Housing Authorities, the Health Service Executive and other bodies providing services to address homelessness. The Plan must include the following objectives:

- The prevention of homelessness
- The reduction of homelessness in its extent or duration
- The provision of services, including accommodation, to address the needs of homeless households
- The provision of assistance under Section 10(b)(i), as necessary, to persons who were formerly homeless
- The promotion of effective co-ordination of activities proposed to be undertaken by the bodies referred to in this subsection for the purposes of addressing homelessness in the administrative area or areas concerned

### **Key Document 2: Wicklow County Council – Addressing Homelessness in Individuals - Policy Context**

Wicklow County Council's response to homelessness, contained in its Action Plan for Homelessness for the Mid East Region, is informed primarily by:

- The Way Home (2008-2013) A Strategy to Address Adult Homelessness in Ireland
- Homelessness Policy Statement (February 2013)
- Implementation Plan on the State's response to Homelessness (May 2014)
- Action Plan to Address Homelessness (December 2014)
- Rebuilding Ireland – Action Plan for Housing and Homelessness (July 2016)
- Housing First National Implementation Plan 2018-2021

The document identifies a number of priority actions and highlights the requirement and indeed necessity of providing a coordinated interagency response. This will ensure a more holistic service to the client and contribute to successful outcomes. The need to further develop and enhance supported accommodation is identified and Service Level Agreements have been entered into with Approved Housing Bodies to provide a collaborative approach to both emergency and long term supported accommodation.

### **Key Document 3: Financial Recording and Reporting - Agresso Financial Management System**

Expenditure and income details are available through the Agresso Financial Management System. Detailed analysis can be generated and reported on. This functionality is of particular value to the management accounting function for monthly management reporting and variance analysis. It is also a central requirement to any recoupment process.

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### Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the Housing of the Homeless. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Agresso Financial Management System – Financial Reports	Expenditure and Income details for the relevant cost centre	Yes
Applications Received / Number of Clients Assisted under Scheme	Estimate demand / trend analysis / cost inflation analysis	Yes – files maintained by Housing Directorate
The key documents generated by the process ,e.g., Application Forms	To assess compliance with the terms of the scheme	Yes – files maintained by Housing Directorate with appropriate GDPR controls in place
Completed Recoupment Claims	To assess compliance with the terms of the scheme. Maintenance of Audit Trail	Yes – Files maintained
Reconciliation Process	To reconcile the payments made and recoupments claimed	Yes – details availability. Strong control environment noted.

## Data Availability and Proposed Next Steps

Sufficient data is readily available to conduct an evaluation of the Housing of the Homeless Service. The reconciliation process is identified as operating in a strong control environment with timely reporting and oversight activity.

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### Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for Housing of the Homeless 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)**

As previously stated Homelessness can arise from a complex integration of both personal and societal issues. Clients can present with an array of difficulties and an initial step in assisting them can be the provision of emergency accommodation.

This review examined a sample set of payments to suppliers and found them to be in order.

The appraisal stage may be considered to be at time of client presentation. Each application is thoroughly assessed by staff who are trained and very experienced in this area.

The implementation stage may be viewed as the provision of emergency accommodation. A number of Service Level Agreements have been entered into with service providers.

The post –implementation stage may be considered to be objective of transitioning clients from a shelter-led to a sustainable housing-led response to homelessness.

Having regard to the above it is considered that the programme provides Substantial Assurance that there is compliance with 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?**

Yes. Comprehensive data and information on the Housing of the Homeless Service is available which would provide the basis for any future evaluation or review. The detailed financial and contextual information available could be used to identify particular areas or aspects of needs, or emerging needs, which might inform future policy direction.

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

#### **Policy Level**

Having reviewed the operation of the scheme it is concluded that Wicklow County Council is in step with national policy in this area. Further developments particularly in the area of Supported Emergency Accommodation are currently in train. These developments emanate directly from efforts to implement policy and will significantly improve the Council's capacity to respond to client need and result in a much enhanced service to the client. There are justifiable expectations that the improved service provision will yield improved outcomes for the service user. Accordingly, no direct recommendations are made other than to continue on the current trajectory.

#### **Implementation Level**

It is acknowledged that the Housing of the Homeless service can be a challenging work environment with additional pressures experienced through the nature of the work. It is further acknowledged that the staff are well trained and have strong empathetic skills. Accordingly it is recommended that staffing levels be reviewed and in particular the issue of succession planning where appropriate.

#### **Administrative Level**

It is noted that the scheme operates within a strong administrative and control environment. It is recommended that a procedure manual be drafted and that it be reviewed and updated as appropriate to ensure continuity of approach in situations of staff re-assignment.

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## Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Housing of the Homeless.

### Summary of In-Depth Check

The requirement for the provision of social housing is an enduring societal need. The provision of emergency accommodation is an essential service in some instances. A number of Service Level Agreements have been entered into by Wicklow County Council with service providers.

This review ascertained that written procedures were in place. All payments sampled were in keeping with procedures. The Housing of the Homeless operates within a strong administrative control environment. Scheme oversight is enhanced at Senior Executive Officer level and significant expertise and experience has been accrued over time.

**Recommendations:** It is recommended

- (i) That staffing levels be reviewed and in particular the issue of succession planning
- (ii) That a procedure manual be drafted

### Audit Opinion

The opinion of Internal Audit following this review is that this scheme is operating in compliance with the criteria set down by the Department of Housing, Planning, Community & Local Government. Accordingly the overall conclusion of the review is that management and oversight of the Housing of the Homeless scheme is such, so as to provide, substantial assurance (see Appendix 4) that there is compliance with the Public Spending Code.

## Quality Assurance – In Depth Check

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### Section A: Introduction

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

Programme or Project Information	
<b>Name</b>	Housing (Turnkey) Acquisition – Vale Road, Arklow
<b>Detail</b>	Acquisition of 38 Houses
<b>Responsible Body</b>	Wicklow County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	2018
<b>End Date</b>	2020
<b>Overall Cost</b>	€9.09 Million

## Project Description

Wicklow County Council is mandated to deliver 1,327 housing units by 2021. The strategy to achieving this target comprises a range of measures including direct Local Authority construction, turnkey acquisitions from developers, and partnerships with Approved Housing Bodies (AHB).

Wicklow County Council's Social Housing Delivery Programme anticipates that 13% (164 units) would be delivered by turnkey acquisition.

The Capital Appraisal for the development identifies the housing need in the area in excess of 900 units, 200 of which are identified demand for 3 bed houses. Significant difficulties have been encountered by the Housing Directorate in meeting the housing need in the area. Development, generally, in the area, has been constrained and curtailed due to Wastewater capacity issues.

The development at Vale Road, Arklow was originally proposed as a Capital Asset Leasing Finance (CALF) in partnership with an Approved Housing Body however due to a number of issues including the construction method, uncertainty with design and timing issues, the AHB was not in a position to proceed.

The original proposal was to acquire 34, 3 bed houses and this was approved by the Department of Housing, Planning and Local Government in August 2018 with an approved total all in cost of €8 million. Subsequently a further 4 housing units (2 x 4 bed and 2 x 3 bed) were offered as part of the overall acquisitions. The acquisition of these additional units was further approved by the Department in July 2019 at a total all in cost of €1.09 million bringing the total approved budget to €9.09 million.

The scheme satisfies all the conditions set out by the Department in their letters of approval and furthermore is consistent with the Sustainable Community Principles.

This project is vital to providing much needed housing in the Arklow area where demand is exceptionally high.



## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Wicklow County Council's Internal Audit Unit has completed a Programme Logic Model (PLM) for the Turnkey Acquisition at Vale Road Arklow in Wicklow County Council. 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
Acquire houses for social housing in accordance with national policy.	Capital Funding from Department  Staff salary and overhead costs. Staff expertise and specialist QS skills	Engagement with Developer. Obtain independent valuation. Negotiations with Developer throughout. Approval process commenced with Department. Engagement with Legal Advisors re contracts. House Inspections. Submission of recoupment to Department.	Housing units available for Social Housing programme	Families from the Council's housing waiting list housed in modern housing within a sustainable community.

## **Description of Programme Logic Model**

### **Objectives:**

The main objective of this agreement was the acquisition of 38 housing units to house applicants on the Council's waiting list.

### **Inputs:**

#### **Financial Inputs:**

The primary input to the process was capital funding of €9.09 million provided by the Department of Housing, Planning & Local Government

#### **Staff Resources:**

From a review of the relevant files it is evident that a significant input in terms of staff resources is required throughout the process from inception to completion. There is significant time committed from both the administrative and technical staffs. Specialist professional skills such as quantity surveying or experienced negotiating skills are a distinct advantage. Ancillary support functions such as the Council's Legal and Finance sections also commit time and resources in a supporting and functional management capacity.

#### **System Inputs:**

A number of systems are utilised as part of the process most notably the iHouse system and the Agresso Financial Management System.

#### **Activities:**

A number of key activities are carried out as part of the acquisition process.

- (i) Engagement with the Developer
- (ii) Ongoing negotiations and contact with various relevant parties
- (iii) Obtaining appropriate independent valuation
- (iv) Liaise with Department as part of the approval process
- (v) Interaction with legal advisers regarding contracts and conveyance
- (vi) Preparation of accounts for payment
- (vii) Instigating and overseeing the recoupment process

**Outputs:**

38 Housing units acquired during 2019

**Outcomes:**

The outcome of the process was the acquisition of 38 No. houses and their being made available for allocation to applicants on the Council's housing list.

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

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May 2018	Negotiations with Development Company
July 2018	Capital Appraisal Report
August 2018	Approved Budget Funding from Department (34 Units)
September 2018	Chief Executive's Order Approving Scheme
April 2019	DoS Recommendation to acquire a further 4 Units
July 2019	Approved Budget Funding from Department (4 Units)
December 2019	Construction Completed and Units Delivered

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### Section B - Step 3: Analysis of Key Documents

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Turnkey Acquisition at Vale Road Arklow.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Capital Appraisal Report	Detailed document analysing the scheme
Capital Grant Approval Correspondence	Formal approvals from the Department for funding. Sets out conditions.
Correspondences, descriptions, calculations	Reports, emails and assorted papers giving detailed information at the various stages of the process
Completed Claim Form & Notification of Payment	Detailed form to claim recoupment monies and notification of receipt
Agresso Financial Management System	Financial Reports. Expenditure and Income details are recorded and maintained in the Financial Management System

#### **Key Document 1:**

The Capital Appraisal Report comprises 10 different headings and gives a detailed examination of the proposal. The scheme is examined in the context of the following areas.

- 1) Analysis of Housing Need
- 2) Alternative means to meet Need

- 3) Recommendation
- 4) Design Brief
- 5) Sustainable Community Proofing
- 6) Site Constraints/Abnormals & Optimisation
- 7) Programme
- 8) Project management Arrangements
- 9) Cost & Value for Money
- 10) Conclusion

**Key Document 2:**

Capital Grant Approval Correspondence. These documents convey the Departmental sanction to proceed and the conditions which are to be complied with on foot of that sanction

**Key Document 3:**

The file is well maintained and includes copies of various reports and correspondences between the Housing Directorate and the developer. These include details of costings, quantity surveyor reports, emails, copies of contracts and other relevant material. These chart the progress of the acquisition in detail and they assist in establishing and understanding the chronology of the acquisition agreement from inception to completion.

**Key Document 4:**

Completed Department of Housing, Planning & Local Government form being the Capital Grant Claim Form to draw down and recoup the capital costs associated with the delivery of the project.

### Key Document 5:

Detailed financial accounts recording the various transactions throughout the process supported by the appropriate documentation. This demonstrates that a robust audit trail is in place.

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### Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the Turnkey Acquisition at Vale Road, Arklow. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Independent Valuation	Independently assess the market value of the properties	Available on file
Contract Documents	Assessment of nature of agreement and compliance with best practice	Available on file
Supporting Records	Measure inputs costs and assess financial control environment	Available on file and on Agresso Financial Management System
Application to Department for Funding	To assess compliance with the terms of the schemes. Maintenance of Audit Trail	Yes – Files maintained
Agresso Financial Management System – Financial Reports	Expenditure and Income details for the relevant cost centres	Yes – Reports and records available
Recoupment process documentation and evidence of receipt	To determine the accuracy and timing of the recoupment process and to confirm Bank Reconciliation records.	Available on file and on Agresso Financial Management System

## Data Availability and Proposed Next Steps

Sufficient and comprehensive data is readily available to conduct an in-depth evaluation of the acquisition of 38 No. houses at Vale Road, Arklow. A full analysis of the financial transactions is available on the Agresso Financial Management System and other required information is available on file.

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### Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for the Turnkey Acquisition at Vale Road 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)**

The in-depth check concludes that the Turnkey Acquisition at Vale Road, Arklow complies substantially with the standards set out in the Public Spending Code.

At the appraisal stage appropriate assessments and valuations were conducted

At the implementation stage on-going contact and discussions were maintained to ensure the realisation of the process

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

Yes. Comprehensive data and information on the Turnkey Acquisition at Vale Road, Arklow is available which could provide the basis for any future evaluation or review. The detailed financial and contextual information available could be used to identify particular areas or aspects of the process where issues arose and further discussion around these matters might inform future approaches and methodologies.

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

The file presented a clear audit trail documenting the progression of the project from its inception to its completion. Whilst the project followed a general generic process it is acknowledged that each project represents a unique undertaking and will have particular issues that are bespoke to that particular project. It is therefore of invaluable assistance to have staff resources who are familiar with, and who have experience of, previous and similar projects. Particular professional skill sets, e.g., quantity surveying, confer significant capabilities and improve the capacity of the local authority in any such undertakings. Accordingly it is recommended that staff retention in this area be of particular priority. However where this is not feasible, succession planning should be employed at an early juncture to attain and retain best capability and advantage.

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## Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Turnkey Acquisition at Vale Road Arklow

### Summary of In-Depth Check

This in-depth check reviewed the file and financial transactions on this agreement. As previously stated there is a clear audit trail and each project milestone can be discerned. The appropriate Departmental approval was sought and obtained and the project is in compliance with the conditions set out as part of that process. Sufficient and comprehensive data is readily available to conduct an in-depth evaluation of the acquisition. This scheme operates within a strong control environment. Appropriate management oversight and control is evident from the file and all income and expenditure records associated with the process are held within the Agresso Financial Management System which itself adheres to the accounting code of practice and the standard operating and control procedures for the purchase to pay cycle.

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

**Project Description:** The provision of 38 social housing units to meet the demand in the area.

**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. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

**Recommendations:** It is recommended

- (i) that a post project review be conducted
- (ii) that staff retention and succession planning be a particular priority

**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 4) that there is compliance with the Public Spending Code.

## Appendix 4

### Audit Assurance Categories and Criteria

Assurance Category	Assurance Criteria
<b>Substantial</b>	<p><b>Evaluation Opinion:</b></p> <p>There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.</p>
	<p><b>Testing Opinion:</b></p> <p>The Controls are being consistently applied.</p>
<b>Satisfactory</b>	<p><b>Evaluation Opinion:</b></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><b>Testing Opinion:</b></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>
<b>Limited</b>	<p><b>Evaluation Opinion:</b></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><b>Testing Opinion:</b></p> <p>The level of non-compliance put the system objectives at risk.</p>
<b>Unacceptable</b>	<p><b>Evaluation Opinion:</b></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><b>Testing Opinion:</b></p> <p>Significant non-compliance with the basic controls leaves the system open to error or abuse.</p>