

## **CARLOW COUNTY COUNCIL**

### **IN- DEPTH CHECKS**

The Quality Assurance process requires that in-depth checks are completed by Carlow County Council. In respect of the 2022 return, a review of three projects was completed to assess the level of compliance with the PSC through a more detailed analysis.

The projects chosen were as follows: -

- Operation of the Library & Archival Service (current)
- N80 Leagh Bends Scheme (capital)
- Carlow Southern Relief Road (capital)

### **THE LIBRARY & ARCHIVAL SERVICE**

The Carlow County Library Service has a network of four branch libraries across the county of Carlow. The network consists of the Carlow Central Library & HQ, with branches located in Tullow, Bagenalstown and Borris. A revenue budget of €1,724,876.00 was provided to deliver this service in 2022. Each Local Authority is responsible for managing and delivering the public library service in its administrative area. Over the years, the library service has evolved in response to user needs, social economic, cultural and national strategies. Apart from delivering the traditional service, the following events and activities were organised during the year:-

- Ireland Reads
- Spring into Storytime
- Summer Stars Reading Festival
- Children's Book Festival
- Family Time at the Library
- Heritage Week

Extensive on-line services are also available, such as:-

- Borrowbox – eBook and eAudioBook service
- Pressreader – access to worldwide newspapers
- Transparent language – language learning courses
- WorldBook – research tool aimed at students
- Irish newspaper archive – access to historical newspapers
- Libby – e-magazines

- Universal class – on-line courses

## **AUDIT OPINION**

From review of this service, it is concluded there is satisfactory compliance with the requirements of the Public Spending Code.

- National Book Tender – contracts signed and services commenced in January, '21. Contract term four years.
- National Online Services Tender – services commenced in Q4 2019. Contract term four years.
- National Stock Distribution System Tender – current contract to expire in '23. New tender advertised and assessment commenced with a view to launching in April, '23. Contract term four years.
- National Library Management System Tender – contracts signed and services commenced in March, '22. Contract term four years.
- Local tender arrangements are in place regarding expenditure on cleaning and security services.
- The in-depth check has shown that there are controls in place in relation to monitoring of programme expenditure by means of reports and extracts from MS7 (financial management system).
- Reports are presented monthly, detailing library activities, to the Chief Executive and Management Team.
- Returns in respect of NOAC Performance Indicators are returned annually.

All national tenders, listed above, were developed by sub “Task & Finish” Groups of the Infrastructure Committee, which is made up of LGMA staff, a representation of County Librarians and Senior Executive Librarians. Carlow County Library was represented on all four “Task & Finish” Groups and have been involved in tender preparation and assessment in each case.

## **N80 Leagh Bends Scheme**

The N80 secondary road extends from Enniscorthy, Co Wexford, to Tullamore, Co. Offaly. This section of road, circa 6.2km south of Carlow town, between Castletown Crossroads at the northern end and Graiguenaspiddoge Crossroads to the south, is considered deficient in both width and adjustment. This is emphasised by the fact that the sections of the N80 to the north and south of these junctions are of an improved standard and have hard shoulders. Drivers of vehicles travelling from both the north and the south may have an expectation of a certain standard of road and may drive accordingly.

This substandard section of road has no hard shoulders, has a series of bends and has experienced several collisions. The distance between these junctions is circa 2.4km. There are no intermediate junctions on the existing road.

Carlow County Council requested the appointment of a consultant to prepare a feasibility report on options to improve safety on the N80 at Leagh (CEO 2018/14).

Two options were considered: -

Option 1 - This option would be an online upgrading of the existing N80.

Option 2 - Single carriageway realignment (online or offline) of approximately 2.4km in length.

The principal conclusion emerging from the high-level appraisal is that the realignment scheme performs well against the objectives of the scheme. This scheme commenced as a TII Safety Scheme. In the initial stages the scheme was not regarded as a Minor Scheme in relation to TII's Project Management Guidelines (PE-PMG-02041). When it was determined the required works would exceed €5m, the decision was made to treat the scheme as a minor scheme. The safety assessments carried out effectively defined the scope of the scheme and the scheme commenced at Phase 1.

Approval was received from Transport Infrastructure Ireland as follows:-

- Phase 1, Concept and Feasibility, to Phase 2, Options Selection, on the 13<sup>th</sup> April, '21.
- Phase 2 to Phase 3, Design and Environmental Evaluation, on the 14<sup>th</sup> December, '21.
- Application to TII seeking approval to proceed to Phase 4, Statutory Processes, Q1, '23 with a decision expected in Q3 '23.

The estimated cost of this project is €15m.

### **Carlow Southern Relief Road**

This project involves the construction of approximately 8km of relief road to the south and east of Carlow town. Associated junctions and some realignment of regional and county roads will be included in the scheme. The proposed new Southern Relief Road will provide an alternative route for traffic in the Carlow area, without accessing the town centre. The estimated cost of this project is €85m.

This proposed scheme will: -

- Alleviate existing traffic congestion at peak hours in Carlow town centre.

- Provide safer dedicated cycle routes, from residential areas of Carlow town and Graiguecullen to the South East Technological University.
- Provide suitable connectivity, for all modes of transport, remote from the town centre between housing, enterprise and employment zones.

It is assumed the route will be constructed in three phases: -

- Phase 1 – the southern section from the N80, west to the R448 (ie Bunclody Road to Kilkenny Road)
- Phase 2 – from the R448 (Kilkenny Road) to the L7917 at Graigue (including Barrow Bridge and approach roads)
- Phase 3 – from the N80, north to the R726 (Bunclody Road to Hacketstown Road)

The financial implications of the scheme are likely to be spread over ten years, with construction costs occurring in years six to ten.



# Cavan County Council

## In-Depth Checks

This section details the in-depth checks which were carried out by Cavan County Councils Internal Auditor as part of the Public Spending Code.

The Quality Assurance Guidelines – version 4 (as amended), required closer examination of projects / programmes identified in the Inventory List for the year under review to be undertaken. It stipulates that Capital projects / programmes selected must represent a minimum of 5% of the total value of all Capital projects / programmes identified in the Inventory list and Current projects / programmes selected must represent a minimum of 1% of the total value of all Current (revenue) projects / programmes identified in the Inventory list.

**Note: - This minimum can be an average over a three-year period.**

For 2022 - The Internal Auditor selected one Current (revenue) Programme and two Capital Projects / Programmes for further in-depth checks. A summary of each is detailed below and the full in-depth checks as laid out in the prescribed forms, are set out in **Appendix 4**.

### Current (revenue) Programme Selected –

1. **D06 - Community and Enterprise Function** - Total Current Expenditure Amount in 2022 = **€3,050,025.19**

This represents **4%** of the total value of all Current (revenue) projects / programmes identified in the Inventory list for **2022**.

### Capital Projects / Programmes Selected –

1. **R188 Safety Improvement Measures at Rathkenny** - Total Projected Lifetime Expenditure = **€20,000,000.00**

2. **45000012 - Abbeylands Project** - Total Projected Lifetime Expenditure = **€ 25,000,000.00**

The two Capital Projects together represent **6%** of the total value of all Capital projects / programmes identified in the Inventory list for **2022**. The Average % over a 3-year period of Capital Projects / Programmes selected for In-Depth Check(s) (based on value) is **5%**.

Year	% (rounded) of Capital Projects /Programmes selected for In-Depth Check(s) (based on value)
2020	7%
2021	3%
2022	6%
Total % over 3-year period	16%
<b>Average % over 3-year period</b>	<b>5%</b>

### 3.6.1 **D06 - Community and Enterprise Function – Current (revenue) Programme Expenditure Type – Expenditure Being Incurred**

The following section presents a summary of the findings of this In-Depth Check on the **D06 Community and Enterprise Function Revenue Expenditure Programme** as managed by Cavan County Council.

**Summary of the In-Depth Checks:** Under section 4 of the Quality Assurance provisions contained in the Public Spending Code Cavan County Council is required to carry out an in-depth review on a minimum of 1% of the total value of all Revenue Projects on the PSC inventory list, averaged over a three-year period. In line with this requirement an in-depth review of the Council’s D06 Community & Enterprise Function Revenue Expenditure Programme was undertaken. The value of this programme with expenditure incurred during 2022 was **€3,050,025.19** which represents approximately **4%** of the total value of the Council’s Revenue Expenditure Projects of **€77,622,189.44**. On this basis over the last 3 years an **average of 8%** of the Council’s Revenue Expenditure Programmes were selected for In-depth Reviews.

The Department of Community , Enterprise and Tourism is responsible for the Local Community Development Committee, SICAP, Leader Funding, the Clar Scheme, Town and Village Revitalisation, Social Inclusion Initiatives, Health Cavan Initiatives, Cavan Food Strategy, Cavan Sports Partnership, Bridge Street Resource House, Peace Programmes, Comhairle na Nog (Junior Council), Cathaoirleach’s Awards, the Tourism Office and other major events such as the Walking Festival, Bike Week and Pride of Place Awards. This Council Department also supports and funds the Public Partnership Network which is an independent network of Community and Voluntary Groups in County Cavan that has a remit for improving engagement with citizens. There were 304 voluntary groups registered with the PPN at 31/12/2022.

The LCDC remit covers oversight of various programmes and funding streams for the county including SICAP (Social Inclusion & Community Activation Programme) Leader and Peace Programmes. The LCDC is also responsible for the community elements of the Local Economic Community Plan while the Corporate Policy Group of the Council is responsible for the economic element of this plan. Implementation of the LECP actions is ongoing including the drafting of a new 6 year plan for 2023-2029.

The Social Inclusion Community Activation Programme (SICAP) 2018-2022 and the Leader Funding Programme are delivered via the Local Development Company, Breffni Integrate CLG on behalf of the LCDC. The relevant procurement / tender procedures were applied to the service contracts with the necessary SLA agreements put in place. During 2022 SICAP supported seven hundred Individuals and 47 local community groups exceeding targets for both KP1 and KP2 performance indicators.

In 2022 there were 13 projects approved for Leader Funding amounting to €888,779.70 with 43 verified claims totalling €2,214,219.09 paid to grant applicants facilitating social, economic and rural development projects throughout the County. Oversight of the Leader Funding grants applications is carried out by the Local Action Group (LAG) with Article 48 Checks undertaken by the Council. In general the Review Team

was satisfied that there are stringent internal and external governance controls processes applied to both SICAP and the Leader Funding Programme.

The prime role of the Social Inclusion Unit is to improve services for marginalised communities and to work on an interagency basis to address poverty and exclusion in the County. Over the years there has been significant support provided to social inclusion projects including the Age Friendly Programme, Cavan Older People's Council, Cavan Traveller Interagency Group, the Childrens and Young People's Services Committee, the Drug and Alcohol Forum, and Social Inclusion Initiatives covered under the LECP and SICAP which supports communities to take advantage of equal opportunities afforded to them by a modern society.

Over 50% of the D06 Revenue Expenditure Programme is government funded while the balance is funded from the Council's own revenue resources or budget. The relevant government funding agreements and allocations notices were available and management of the various elements of programmes appeared to be implemented in accordance with the various department circulars. The Local Economic & Community Plan 2017-2021 together with Local Development Strategy for Leader Programme 2016 and the Annual Business Service Plan for 2022 clearly identifies the core objectives, activities, proposed outputs and outcomes of the Community, Enterprise and Tourism Functions of the Council which are regularly monitored by all the relevant stakeholders.

In general all elements of this revenue programme were appraised, planned and implemented in accordance the annual budget processes, financial management procedures, procurement protocols and risk management procedures of the Council. Ongoing assessments of the key KPIs are undertaken by the Programme Implementor, the LCDC and the Senior Executive Team of Cavan County Council. On completing the review Internal Audit formed the opinion that the D06 Community & Enterprise Function Revenue Expenditure Programme of Cavan County Council appeared to be effectively managed in 2022.

Based on the findings of the In-depth Review Internal Audit is of the opinion that the D06 Revenue Expenditure Programme was **broadly / substantially compliant** with the relevant requirements of the Public Spending Code.

**3.6.2 R188 Safety Improvement Measures at Rathkenny – Capital Project**  
**Expenditure Type – Expenditure Being Considered**

The following section presents a summary of the findings of this In-Depth Check on **the R188 Safety Improvement Measures at Rathkenny Proposed Capital Project** as managed by Cavan County Council.

**Summary of In-Depth Checks:** Under Section 4 of the Quality Assurance Provisions contained in the Public Spending Code Cavan County Council is required to carry out an in-depth review on a minimum of 5% of the total value of all Capital Projects on the PSC inventory list averaged over a three-year period. The overall estimated lifetime value of Cavan County Council's Capital Projects in 2022 amounts to **€784,616,865.45**. In-depth Reviews were carried out on two capital projects with a combined value of **6%** of all Capital projects identified in the inventory list. The average % over a 3-year period of Capital Projects selected for In-Depth Check(s) (based on value) is **5%**.

An In-depth Review was undertaken on the **R188 Safety Improvement Measures at Rathkenny Road's Capital Project (Under Consideration)**. The estimated lifetime cost of this project is **€20 million** which represents approximately **2.5%** of the overall value of the Council's Capital Projects. A second In-depth Review was undertaken on **Abbeylands Capital Project with (Expenditure Incurred)** by the Council. The estimated lifetime value of this project was **€25 million** which represents approximately **3.2%** of the total value of the Capital Projects in 2022.

This project was derived from a strategic study into the development of an East-West Link Road between Dundalk and Sligo which was initially completed in December 2001 - Strategic Study of the Development of an East West Link Road – 2001 NRA, CCC, Kirk McClure Morton, Brady Shipman Martin, Fitzpatrick Associates. - 5211.00/Dec.2001. With a view of progressing this project a number of studies were subsequently undertaken by the appointed consultants Roughan & O'Donovan – AECOM Alliance JV in 2009 /2010.

A Preliminary Design was completed in 2012 but unfortunately at that time due to funding restrictions it was not possible to progress the Cavan to Dundalk project through to planning and implementation stages.

In 2018 the project was re-appraised by Cavan County Council in accordance with the Department of Transport Tourism and Sport, Common Appraisal Framework for Transport Projects. A draft Stage 1 Preliminary Appraisal was prepared in 2019 by Roughan & O'Donovan – AECOM Alliance JV and submitted to the DOT. Subsequent discussions between Cavan County Council, the Department and ROD-AECOM JV concluded that a risk-based analysis of the route should be carried out to identify high-risk priority sections of the proposed scheme. This was completed in 2022 with the publishing of the following report - Cavan to Dundalk Strategic Regional Route Risk Based Safety Improvement Measures Report on Recommendations – Volume 1 June 2022 RODAECOM JV. Concept safety improvement measures for 9 priority sections within Cavan were identified and assessed using the RibGeom model to assess their effectiveness.

The Council focused on the Rathkenny Bends on the R188 between Cavan Town and Cootehill Town as priority of the 3 locations outlined in the RibGeom analysis. This 3.7 km section of the R188 Regional Road has sub-standard geometry, stopping sight distance and unforgiving verges that has results in a high number of collisions, with six minor collisions, one serious collision and one fatal collision recorded in a 20-year period over. On this basis it is proposed to advance the necessary work for development as a safety improvement scheme.

The Safety Improvement Measures at Rathkenny is currently under consideration and the initial appraisal phases 0 - 2 (Gate 0) of the project lifecycle has just commenced with the appointment of the technical consultants to prepare the SAR (Strategic Assessment Report) which is required under the TII Project Management Guidelines and the PSC. An assessment of the tenders received for the Technical Consultancy Services for the Preparation of the SAR identified the winning tender with a recommendation to accept the most economically advantageous tender. Roughan & O'Donovan was awarded the contract. As required by the Public Spending Code and the Project Management Guidelines the initial project appraisals (Phase 0-2) appear to have been strategically managed to date with the view of achieving the prime objective of the scheme and maximising the proposed outputs and outcomes.

Based on findings of the In-depth Review on the Proposed R188 Safety Improvement Measures at Rathkenny Road's Capital Project the audit opinion is that Cavan County Council appears to be **broadly / substantially compliant** with the relevant requirements of the Public Spending Code.

**3.6.3 45000012 - Abbeylands Project – Capital Project**  
**Expenditure Type – Expenditure Being Incurred**

The following section presents a summary of the findings of this In-Depth Check on the **Abbeylands Capital Project** as managed by Cavan County Council.

**Summary of In-Depth Check:** Under Section 4 of the Quality Assurance Provisions contained in the Public Spending Code Cavan County Council is required to carry out an in-depth review on a minimum of 5% of the total value of all Capital Projects on the PSC inventory list averaged over a three-year period. The overall estimated lifetime value of Cavan County Council's Capital Projects in 2022 amounts to **€784,616,865.45**. In-depth Reviews were carried out on two capital projects with a combined value of **6%** of all Capital projects identified in the inventory list. The **average % over a 3-year period of Capital Projects** selected for In-Depth Check(s) (based on value) is **5%**.

An In-depth Review was undertaken on the proposed **Abbeylands Capital Project** with (**Expenditure Incurred**) with an estimated lifetime value of **€25 million** which represents approximately **3.2%** of the total value of the Capital Projects in 2022. A second In-depth Review was undertaken on **R188 Safety Improvement Measures at Rathkenny Road's Capital Project (Under Consideration)**. The estimated lifetime cost of this project is **€20 million** which represents approximately **2.5%** of the overall value of the Council's Capital Projects

This project relates to the regeneration of "Abbeylands", a site of rich historical significance in the heart of Cavan Town, which is under-utilised and under-developed and has the potential to act as a catalyst and an unlocking mechanism for private sector investment. It is proposed to develop and implement a scheme of works to create a public and civic space in the town core with the Abbeylands site as its core and to create the first pedestrianised area to rejuvenate the town centre.

Phase 1 of the Masterplan provides for the construction of a Remote Working Centre / Business Development Hub and a Community Services Centre, both of which are to be framed around a new central civic space and linked pedestrian streets. Cavan Town URDF town core brownfield regeneration project fully adheres to the fundamental principles of the NWR Regional Spatial and Economic Strategy such as Compact Growth, Climate Change, Quality of Life, Education, Job Creation, Community Needs, Housing, Heritage and Urban Regeneration. It provides synergy with Local Plans i.e. Cavan County Council Corporate Plan 2019-2024, Cavan Town and Environs Development Plan 2014-2020, Cavan County Council Climate Adaption Strategy 2019-2024 and the new County Development Plan - Cavan County Development Plan 2022-2028 including a Local Area Plan for Cavan Town area.

In Sept 2018 an application was submitted by CCC for funding under the URDF seeking 75% of the indicative costs of the proposed project with a commitment given that 25% of the overall costs would be funded directly by the local authority. Following the completion of the initial appraisal and planning phases of the project lifecycle CCC received Department approval to progress the Abbeylands Masterplan to Decision Gate 2 of the process. Moving forward CCC tendered for a suitably qualified and experienced consultant firm to provide an Architect led Multidisciplinary Integrated Design Team for the delivery of Phase 1 of the project in full, from Stage (ii) Design through to Stage (v) Handover as per the Construction Works Management Framework (CWMF) and a Project Brief and Procurement Strategy.

The Review found that the initial development assessments of the Abbeylands Project including the submissions to Department to be in accordance with the necessary project appraisals outlined in the Public Spending Code Regulations.

The proposed project appears to have been strategically managed to date with the view of achieving the prime objectives of the Abbeylands Development and maximising the proposed outputs and outcomes. Based on the findings of the In-depth Review of initial phases of the Abbeylands Project the audit opinion is that Cavan County Council appears to be **broadly / substantially compliant** with the relevant requirements of the Public Spending Code.



## Clare County Council

### In-Depth Checks

The PSC quality assurance requires this Council to carry out an in-depth check of projects amounting to a minimum 5% per annum for capital expenditure over a rolling three-year period, and 1% per annum for current expenditure, similarly. The report for 2022 marks the first year of a rolling three years (2022-2024) for the purposes of the in-depth quality assurance check. Two capital projects and one current programme were subject to an in-depth check for this report. The Internal Audit unit of the Council was tasked with carrying out this step.

**Required: in-depth check must average 5% per annum for capital expenditure over 3 years. 2022 is year 1.**

**Required: in-depth check must average 1% per annum for current expenditure over 3 years. 2022 is year 1**

	<b>Current - total on inventory in the year</b>	<b>value of project or programme reviewed in depth</b>	<b>% in depth reviewed in the year</b>	<b>Stage of expenditure in-depth checked</b>
2022	95,405,352.00	€2,324,065.00	2.43%	current being incurred
2023				
2024				
		total average % checked		
		average % over the three years	<b>2022 is year 1</b>	
	<b>Capital - total on inventory in the year</b>	<b>value of project or programme reviewed in depth</b>	<b>% in depth reviewed in the year</b>	
2022	347,017,437.00	€13,663,623.00	3.93%	capital being incurred, and capital being completed
2023				
2024				
		total average % checked		
		average % over the three years	<b>2022 is year 1</b>	

### In-Depth Checks – Summary

The in-depth checks were completed on a Housing Development in Ashline, Ennis recently completed, Vandeleur Walled Gardens (Phase I) under construction and the Civic Amenity Sites operations were checked for this report. Appendix B of this report sets out more detail.



### **5.1 - Housing Development in Ashline, Ennis – Capital Expenditure – completed**

This housing development comprised of the construction of 40 No. dwelling houses. The development was a €10 million development across a range of housing units.

A post project review has been completed and the findings were that that the PSC was complied with.

For further housing developments the following issues should be considered:

- Investigate if Inspection software programme could be used to keep track of Consultant inspection reports and dates for future housing developments
- In future dwelling design include wet rooms and adjustable space heating temperature controls
- A Ground Penetrating Radar Survey should be carried out in advance to identify unknown underground cables / ducting
- More Site Investigation to ensure a more Robust Requirement package
- Earlier agreement with utility providers including Irish Water and ESB to assess a connection application
- Final BER to be included in contract documents
- Internal heat pumps to be located on the ground floor

### **5.2 - Vandeleur Walled Gardens (Phase I) - under construction**

This project is for the refurbishment of a historic walled garden and stable block supported under the Rural Regeneration Development Fund.

Vandeleur Walled Gardens is situated approximately 2 kilometres from the town of Kilrush on the R473 Killimer Road (car ferry). The development of tourist accommodation is in line with the Clare County Development Plan 2017 – 2023 has a number of strategic aims including maximising the potential of tourism as a ‘pillar of economic growth’ thereby contributing to the balanced economic development of the County and the tourism industry of the region and working in partnership with Fáilte Ireland, Clare Tourism Forum and other agencies to define the tourist experience and to develop a clear tourism identity for County Clare and realises opportunity for Marine Tourism, Leisure and Recreation.

This project objective will increase the scale of the existing community and tourism product that Vandeleur Walled Gardens currently offers. This is Phase 1 of the development and will benefit from a Post Project Review when complete and lessons learned can be used in Phase 2 (Café relocation).

### **5.3 Civic Amenity Sites – Current Expenditure being incurred**

The Civic Amenity Sites is an annual ongoing expenditure programme for Clare County Council, a value in 2022 of €2,324,065. Clare County Council has five Civic Amenity Sites (CAS) in total across the county, Ballyduffbeg Inagh (BDB), Ennis, Lisdeen, Scariff & Shannon. Ennis and Shannon have recycling facilities only.

Following the in depth review, It is the opinion of Internal Audit that Clare County Council is in reasonable compliance with the standards of the Public Spending Code in respect of its responsibilities for the Civic Amenity Sites in 2022.

The budget for the Civic Amenity Sites is included in the overall Annual Budget and is part of the Council's overall budgetary process. The Budget is monitored and managed appropriately.

## **6. Conclusion**

Clare County Council notes that the Public Spending Code has been reviewed nationally and the revisions came into effect on 1 January 2020. The Quality Assurance process of the code has not substantially changed.

Across the types of expenditure and over the expenditure lifecycle, it is considered that the Council is broadly compliant with the code, as shown in the checklists. Three expenditure areas were subject to in-depth checks for this report: current expenditure on the Civic Amenity Sites and capital expenditure on the Housing Development in Ashline, Ennis and Vandelur Walled Gardens, Kilrush. All were found to be broadly compliant with the Public Spending Code.

The updates to the Public Spending Code present an opportunity and rationale for sectoral training roll out to Local Authority project managers. Clare County Council would welcome such refresher training.

# Cork City Council

## **In-Depth Checks**

The Council's Internal Audit function carried out the in-depth checks required under Step 4 of the Quality Assurance process. For 2022 review, five projects / programmes were selected, one from a Current Expenditure programme with Expenditure being Incurred and four Capital Projects also under

Expenditure Being Incurred on the Project Inventory. Details of the checks are as follows:

The set of completed In-Depth Check Reports are contained in **Appendix 3** of this report.

### **Current Expenditure Programme - Expenditure being Incurred Programme Selected: Rental Accommodation Scheme (RAS) Programme**

For the purpose of the in-depth checks' requirement, Internal Audit chose a sample of one current expenditure programme representing a percentage of 3%. The current expenditure Programme under

review is the Rental Accommodation Scheme (RAS) Programme. In 2022, the cost of the Operation of

the Rental Accommodation Scheme (RAS) Programme was €7,400,000 (overall programme expenditure was €24m). This Programme was categorised as current expenditure being incurred in the 2022 public spending code quality assurance inventory listing.

The Rental Accommodation Scheme (RAS) Programme is a scheme to cater for the accommodation needs of people who are in receipt of Rent Supplement for more than 18 months and who have longterm

housing needs. The scheme is administered by Local Authorities who enter contractual arrangements with accommodation providers to secure the medium to long-term availability of private rented accommodation. RAS provides a more structured, accommodation-based approach to the use of the private rented sector to meet long-term housing need reducing dependence on temporary income support payments.

### ***Revenue Programme – Expenditure being Incurred***

Rental Accommodation Scheme (RAS) Programme €7.4m

### **Total Value of Revenue Programme In-depth Reviews**

Total Revenue Programme Inventory 2022 €259.21m

**% Reviewed 3%**

### ***Capital Project – Expenditure Being Incurred***

Church Road Housing Development €11.25m

Killeens Housing Development €15.92m

Dominick Street Housing Development €3.18m

Glashaboy River Flood Relief Scheme €19.9m

### **Total Value of Capital Projects In-depth Reviews €50.25m**

Total Capital Project Inventory 2022 €326.13m

**% Reviewed 15%**

### **2022 Overall Percentage Reviewed 9%**

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There are several documents that define the objectives of the Programme, Cork City Council's Annual

Service Delivery Plan 2022, Annual Budget 2022, City Council's Corporate Plan to 2024. There is also evidence of planning and monitoring of the RAS Programme expenditure through the Annual Budget 2022, financial management system financial reports and monitoring reports.

The staff responsible for administering the RAS scheme perform a task with many elements, complexities,

and difficulties. A great deal of time and effort is directed to dealing with the more qualitative aspects of the scheme, i.e., tenants, landlords.

On completion of the in-depth review of the Cork City Council's Rental Accommodation Scheme (RAS)

Programme, Internal Audit has formed the opinion that that the financial and administrative procedures

offer satisfactory assurance of being in compliance with the public spending code.

**Capital Expenditure Projects Selected:**

**Church Road Housing Development**

The project involves the purchase of land situated at Church Road in the Blackrock area of Cork City and the development of thirty dwelling units with an approved overall budget of €11,253,600. The project is a result of Cork City Council launching a competitive dialogue procedure in June 2021 in order to identify suitable sites or housing projects/schemes that could help deliver the Council's Social

Housing Programme for Cork City. An application for capital funding for the project was made to the Department of Housing, Local Government and Heritage and progressed through stages of the Capital

Works Management Framework.

Overall, the capital expenditure project being incurred, Church Road Development Project is well managed, and it is reasonable to conclude that Cork City Council is, subject to the agreed format of the Competitive Dialogue process, in compliance with the Public Spending Code. To ensure that the project fully fulfils its obligations under the Public Spending Code, Internal Audit recommends that a post-project review should be completed within a reasonable timeframe once the project is complete.

**Killeens Housing Development**

The project involves the purchase of land situated in the Killeens area of Cork City and the development of forty-four units with an approved overall budget of €15,917,996. The project is a result of Cork City Council launching a competitive dialogue procedure in June 2021 in order to identify

suitable sites or housing projects/schemes that could help deliver the Council's Social Housing Programme for Cork City. An application for capital funding for the project was made to the Department of Housing, Local Government and Heritage and progressed through stages of the Capital

Works Management Framework.

Overall, the capital expenditure project being incurred, Church Road Development Project is well managed, and it is reasonable to conclude that Cork City Council is, subject to the agreed format of the Competitive Dialogue process, in compliance with the Public Spending Code. To ensure that the project fully fulfils its obligations under the Public Spending Code, Internal Audit recommends that a post-project review should be completed within a reasonable timeframe once the project is complete.

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**Dominick Street Housing Development**

The project involves the purchase of land situated at No. 21 and 22 Dominick Street, Cork, and the development of nine dwelling units, with an approved overall budget of €3,177,288. The project is a result of Cork City Council launching a competitive dialogue procedure in June 2021 in order to identify

suitable sites or housing projects/schemes that could help deliver the Council's Social Housing Programme for Cork City. An application for capital funding for the project was made to the Department of Housing, Local Government and Heritage and progressed through stages of the Capital

Works Management Framework.

Overall, the capital expenditure project being incurred, Church Road Development Project is well managed, and it is reasonable to conclude that Cork City Council is, subject to the agreed format of the Competitive Dialogue process, in compliance with the Public Spending Code. To ensure that the project fully fulfils its obligations under the Public Spending Code, Internal Audit recommends that a post-project review should be completed within a reasonable timeframe once the project is complete.

#### **Glashaboy River Flood Relief Scheme**

The Glashaboy River Flood Relief Scheme has the objective of being a technically, socially, environmentally, and economically acceptable alleviation of the risk of flooding to the Glanmire/Sallybrook areas and environs. The estimated construction cost of the scheme is in the region of €20m. The flood relief scheme is funded from within the allocated €1 billion for flood risk management over the period 2018-2027. Provision for the cost of the scheme is included in the Office of Public Works' multi annual capital allocation.

Appropriate appraisal of the scheme was conducted as evidenced by the Environmental Impact Statement addendum and a Cost Benefit Analysis. On-going monitoring and evaluation of the scheme's implementation is met through the comprehensive monthly management reports that are prepared. The main works construction contract is scheduled to commence in July 2023 and to be substantially completed in 32 months. There is strong project management in situ and a system of robust controls in place as the project progresses. The project has been impacted by delays at the appraisal stage because of new procedures introduced as a result of changes in EU legislation, and delays due to the original preferred works contractor requesting their removal from the tender process in 2022.

Overall, the capital expenditure project being incurred, Glashaboy River Flood Relief Scheme is well managed, and it is reasonable to conclude that Cork City Council is in substantial compliance with the

Public Spending Code. To ensure that the project fully fulfils its obligations under the Public Spending

Code, Internal Audit recommends that a post-project review should be completed within a reasonable timeframe once the project is complete.

#### **4. Next Steps: Quality Assurance Process**

The compilation of both the inventory and checklists for the quality assurance process was a significant

co-ordination task in terms of liaising with various sections, departments and directors. This process of

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engagement has meant further progress has been made in incorporating the PSC and its requirements

and ensuring a consistent level of compliance into all relevant activities throughout Cork City Council and among the relevant staff.

On the basis of the checklists completed by the project owners of capital projects, together with those

completed by the Finance Department on current expenditure and the In-depth checks undertaken by Internal Audit, Cork City Council have assurance that there are satisfactory levels of compliance with the requirements of the Public Spending Code.

Cork City Council will continue knowledge sharing and increasing awareness of the Public Spending Code throughout 2023 with an emphasis of embedding regular post project reviews. With a view to maintaining a strong awareness of the of the requirements of the Code, the Quality Assurance Report

will be circulated at Senior Management level.

## **5. Conclusion**

Cork City Council has completed the necessary steps in the Quality Assurance Process and has prepared the required inventory showing all the relevant expenditure. The inventory outlined in this report lists the revenue and capital expenditure that is being considered, being incurred, and that has

recently ended. The single procurement in excess of €10 million is published in Cork City Council website. The checklists completed by the organisation and in-depth checks show a substantial level of compliance with the Public Spending Code. Continuing progress is required by all sections within the Council to ensure that the level of substantial compliance with the Code is maintained.

# Cork County Council

## In-depth checks

Cork County Council has carried out In-Depth checks required under Step 4 of the Quality Assurance process. For 2022, the following projects/ programmes were selected.

Review Area	Current Expenditure	Capital Expenditure	Value
1. Wastewater Treatment	Yes (Under Progress)		€6,758,095
2. Carrigaline Western Relief Road		Capital Expenditure Being Incurred	€20,360,954
3. River Ilen (Skibbereen) Flood Relief Scheme		Capital Expenditure Being Incurred	€33,531,404
4. TSS Hazelbrook Spa Glen Housing Units		Capital Expenditure Completed	€16,244,199

These reviews cover approximately 5.16% of Cork County Council's total capital expenditure of €1,357,963,049 and 1.69% of current expenditure of €399,085,924 for 2022.

Cork County Council's Capital Project inventory has increased by €419,607,975 since the 2021 return (approx. 31% increase).

The set of completed In-depth check reports are contained in **Appendix 3** of this report.

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### 1. In-Depth Check Summary: Wastewater Treatment

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The following section presents a summary of the outcomes of the In-Depth Check on the **Wastewater Treatment** Service.

Internal Audit carried out an in-depth check on the **Wastewater Treatment** Service in Cork County Council. Internal Audit liaised with staff in the Water Services and Finance Directorate and received reports and details on operations, management, and financial aspects of the programme of operation.

The objective is to operate and maintain wastewater infrastructure to high environmental standards in accordance with EPA licences and regulations and to eliminate environmental pollution via discharges to receiving surface waters. This is accomplished by monitoring, regular testing and carrying out of required works at wastewater treatment plants and networks. It was noted that this element on the budget relates to wages and minimal Laboratory expenditure.

Overall, the actual expenditure was in line with budgeted expenditure and the service was managed effectively.

The in-depth review of **Wastewater Treatment** indicates that the management of this Revenue budget demonstrates broad compliance with the Public Spending Code.

Further detail can be found in Appendix 3

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## **2. In-Depth Check Summary: Carrigaline Western Relief Road**

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The following section presents a summary of the outcomes of the In-Depth Check on the **Carrigaline Western Relief Road**.

The project provides for a new 750m single carriageway road on the western side of Carrigaline town, connecting the R613 Ballea Road on the northern side of the town, with the R611 Kilmoney Road on the southern side of the town. The road also connects the Soccer Club Road. The CWRR encompasses a new bridge crossing to the Owenaboy river, and new signalised junctions at Ballea Road and Kilmoney Road. Two access points for future development of the area are provided, and a connection to the rear of Supervalu car park. A cycle track and wide footpaths are included in the project, along with two pump stations; a northern pump station and southern pump station.

This road development greatly reduces traffic flow through the Main Street of Carrigaline, especially heavy goods vehicles. The reduction in traffic volume provides significant relief to the town of Carrigaline and will allow for urban renewal of the urban area.

Changes in the works requirements as requested by the National Transport Authority resulted in significant extra claims and delay costs in the contract. In addition to these changes the Government introduced the ex-gratia inflation framework which resulted in extra costs to this scheme. The above items increased project costs in the order of €1.5m. Contractor claims made up the balance of the price differences.



The in-depth review of the **Carrigaline Western Relief Road** indicates that the project is broadly compliant with the requirements of the Public Spending Code.

Further detail can be found in Appendix 3

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### **3. River Ilen (Skibbereen) Flood Relief Scheme**

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The following section presents a summary of the outcomes of this In-Depth Check on the **River Ilen (Skibbereen) Flood Relief Scheme**.

The market town of Skibbereen in west County Cork had been the victim of significant flooding over many years. Most notably in recent years the flood events of November 2009 caused widespread damage and hardship, when flood waters damaged over 150 residential and commercial properties and impacted schools, emergency services, care homes and other key infrastructure.

In response to this risk the Office of Public Works and the project team led by Cork County Council delivered a €33.5m flood relief scheme including both structural and non-structural measures, 100% funded by the OPW. The scheme was designed to protect the town from flooding from the River Ilen and its tributaries. The watercourses in the town are also tidally influenced. The works included construction of approximately 7.5km of flood defences in the form of flood embankments with and without sheet piled cores, reinforced concrete walls, sheet piled walls, stormwater pumping stations, culverts and other ancillary drainage works.

The completion of this scheme in 2019 saw the implementation of the final phase of a comprehensive urban infrastructure strategy initially conceived in the 1980's. This ensures that the town now has the key transportation, wastewater and drainage infrastructure to facilitate sustainable growth, minimise environmental risk and promote investment in the town into the future.

It will reduce flood risk for inhabitants and businesses in line with best practice, facilitate future amenity walks and public spaces along the riverbanks and enhance the public realm in the town centre.

The in-depth review of the **River Ilen (Skibbereen) Flood Relief Scheme** indicates that the project is broadly compliant with the requirements of the Public Spending Code.

Further detail can be found in Appendix 3

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#### **4. TSS Hazelbrook Spa Glen Housing Units**

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The following section presents a summary of the outcomes from this In-Depth Check on the **TSS Hazelbrook Spa Glen Housing Units**.

The objective of this project at Hazelbrook, Ballyvinitier, Mallow was to acquire from a private developer houses that will accommodate applicants on the social housing list. There was an obvious housing need in this area as outlined in the Assessment of Housing Needs document. The acquisition includes 16 no. 2 bed ground floor apartments, 8 no. 2 bed mid terrace townhouses, 8 no. 3 bed end of terrace townhouses, 16 no. 3 bed duplex, 18 no. 3 bed semi-detached and 2 no. 4 bed semidetached houses.

There were two approvals from the Department of Housing, Planning and Local Government for this project. The reason for this was that An Bord Pleanála increased the site density of the development from 100 houses to 149 under the Strategic Housing Development Process. The developer then revised his proposal on the number of units from 50 to 68 units.

The delivery of these Units was delayed with 294 repair requests on these properties to date. A large number of these repair requests were duplicate requests and the majority related to the operation of the air to water heating system in the property. The delays in delivering the project were a result of the measures & restrictions arising from the Covid pandemic and associated supply chain issues and labour shortages. The in-depth review of the **TSS Hazelbrook Spa Glen Housing Units** indicates that the project is broadly compliant with the requirements of the Public Spending Code. However, although review discussions are a standing agenda item on Housing Management Team meetings, it is noted that no post-project reviews are published for Turnkey projects and should probably be considered further by Management.

#### **4. Summary Report & Conclusion**

Cork County Council considers that it broadly complies with Public Spending Code requirements.

In terms of future progress within Cork County Council: Cork County Council is currently commencing a project that will deliver a new Financial Management System. As part of this project processes will be reviewed with the objective of further development and integration of core components and principles of the PSC into revised processes.

The process of completing the Public Spending Code Return continues to lead to increased awareness of same across the organisation.

# Donegal County Council

## In-Depth Checks

Step 4 looks at a small subset of schemes reported on the Project Inventory, looking in more detail at the quality of the Appraisal, Planning and/or Implementation stages to make a judgement on whether the work was of an acceptable standard and that they are in compliance with the Public Spending Code.

The value of the projects selected for in depth review each year must follow the criteria set out below:

- . Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the Project Inventory.

- . Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the Project Inventory.

This minimum is an average over a **three-year period**. This requirement has been met.

There now follows a summary of the in-depth checks undertaken by Donegal County Council's Internal

Audit Unit in respect of the 2022 Public Spending Code Quality Assurance process.

### 6.1 Letterkenny Southern Network Project

**Value: €77,000,000 Percentage of Inventory: 3.26%**

#### 6.1.1. Summary & Conclusions

The primary objectives of the project are to improve the transport infrastructure around Letterkenny town, ultimately easing traffic congestion and improving access to the town and surrounding areas. Although the project is still at a relatively early phase of the overall works, the information and files provided by the relevant staff in the Roads Directorate as project managers, have provided substantial backup information on the project progress to date. This has ensured the data audit of this Quality Assurance check was completed in a timely manner and that the project would be suitable for further checks as it progresses in the future.

### 6.2 Ballyshannon Historic Towns Initiative

**Value: €683,870 Percentage of Inventory: 0.36%**

#### 6.2.1 Summary and Conclusions

The main aims of the Ballyshannon Historic Towns Initiative is to conserve historic buildings in the town centre and return them to use thus reversing years of neglect and dereliction. Completion of the project will, in turn, enhance the aesthetic of the town centre and improve the quality of life for local residents as well as attracting tourism to the town. The success of the project is evident from the national recognition from awards bodies and the approval of a new phase of works in the town. This Quality Assurance check found that there are generally adequate procedures and controls in place to ensure that the objectives of this project were achieved. Although accessibility to

information could be somewhat improved with a central depository, it is understood that issues such as confidentiality and resources prevent implementation of this measure at this stage of the project.

# Dublin City Council

## In-depth Check

The PSC – QA requirements state that the value of projects selected for in-depth review each year should be at least 1% of the total value of revenue and 5% of the total capital value on the project inventory and can be achieved over a 3 year period. It also states that over a 3-5 year period all stages of the project life cycle and every scale of project should have been included in the in-depth check. The Internal Audit Unit addressed these requirements for 2022 by conducting in-depth checks into three capital projects.

- In-depth check of North Inner City Concept Area **Capital**
- In-depth check of Part V **Capital**
- In-depth check of Liffey Corridor **Capital**

**North Inner City Concept Area** is a project at the Detailed Design stage. The project has a budgeted capital spend of €158m. NICCA preliminary business case approved by CPGB and submitted to DHLGH in November 2022.

**Part V Project** is a project at the Incurring stage. The project has a budgeted capital spend of €170m. The purpose of Part V is for the State to capture a portion of the increase in land value resulting from the granting of planning permission for residential development. The Housing for All Government Strategy was published in September 2021, which set a five-year target over a range of different delivery streams.

**Liffey Corridor** is a project at the Strategic Assessment stage. The project has a budgeted capital spend of €162m. The aim of the project is to transform the Liffey Quays in Dublin by developing a three kilometer long active travel and green corridor. This will link Chesterfield Avenue in Phoenix Park with the Matt Talbot Memorial Bridge at the edge of the Dublin Docklands.

The overall objective of the audits was to ascertain if the management of the spending was in compliance with the Public Spending Code (PSC). Formal reports on the in-depth reviews have been completed and submitted to the Chief Executive.

The overall finding for the **North Inner City Concept Area 1 Project** is that the structures and processes that the Council have put in place in respect of its management of the Parnell Square Project (PSP) project provide satisfactory assurance in relation to the achievement of system objectives. The rating of **Satisfactory** was given.

5 recommendations in total were made (one of high priority and four of medium priority. The Chief Executive has indicated that he agrees with the overall rating. He has accepted all 5 of the recommendations contained in the Internal Audit report as follows;

1. Key Performance Indicators and Data Audit should be defined in SMART terms. KPIs should be documented to ensure efficient and effective monitoring and reporting on the delivery of the PSP and NICCA. (*priority: High*);
2. Management enhance the current Programme Logic Model (PLM) for Phase 1 as soon as possible to include additional outcomes. Also recommend that an overall PLM for PSP or the PLM Model for

Phase 2 should also be documented in order to provide a complete overview with regards to the PSP project. *(priority: Medium)*

3. Recommend that management should fully populate the PSP Phase 1 Project Risk Register, and regularly review and monitor it as part of the ongoing governance process. A robust framework should be documented. Management should also ensure that details of relevant risks are captured from the PBC. Enhancements are required in Risk Assessment management and reporting at the individual project level to CPSO, in order to ensure that the NICCA Steering Committee puts in place an integrated risk system of the nature required to monitor and govern the overall delivery of NICCA. *(priority: Medium);*
4. Recommend enhancements to Progress Reports to ensure the NICCA Steering Committee receives information of appropriate scope and depth for documenting of monitoring reports to Sponsoring Agency. *(priority: Medium);*
5. Recommend that potential approaches to implementation and procurement be considered by management to ensure that details regarding project roll out on a phased basis are clearly captured, managed, and communicated. *(priority: Medium).*

The Chief Executive has indicated that he accepts all of the above recommendations.

The overall finding for the **Part V** project is that the structures and processes that the Council have put in place in respect of its management of the Part V project provide satisfactory assurance in relation to the achievement of system objectives. The rating of **Satisfactory** was given.

4 recommendations in total were made (three of medium priority and one of low priority. The Chief Executive has indicated that he agrees with the overall rating. He has accepted all 4 of the recommendations contained in the Internal Audit report as follows;

1. Recommend that management review and update the current PLM documented to include overall strategic objectives, which will also facilitate data audit. *(priority: Medium);*
2. Recommended that consideration for financial and non-financial details are documented. As the scheme progresses, there is an opportunity to review the formal mechanisms to monitor and evaluate progress regarding attainment of delivery time frames and milestones. *(priority: Medium);*
3. Recommend that the overall risks register be enhanced to allow for ease of review and understanding by the end user. *(priority: Medium);*
4. DCC Procedures Manual should be enhanced to ensure it provides a complete overview of the Part V process. Document should also identify which roles/individuals have signing authority and what quality assurance is in place internally with regards to costings and supporting terms and conditions documented. *(priority: Low)*

The Chief Executive has indicated that he accepts all the above recommendations.

The overall finding for the **Liffey Corridor** project is that the structures and processes that the Council has put in place in respect of its management of the Liffey Corridor project provide **Limited Assurance** in relation to the achievement of system objectives.

8 recommendations in total were made (six of high priority and two of medium priority. The Chief Executive has indicated that he agrees with the overall rating. He has accepted 7 of the 8 recommendations contained in the Internal Audit report as follows;

1. Recommended that gaps in the information presented for audit be provided. Gaps include SMART Framework and Risk Register. *(priority: High)*;
2. Recommend that a clear statement of objectives should be implemented as it is good practice in project management and as projects proceed would be a key input to the process of planning, delivering and reviewing the investment. *(priority: High)*;
3. Recommend as a matter of priority both financial and non-financial details to be documented. As the scheme progresses, there is an opportunity to review the formal mechanisms to monitor and evaluate progress regarding attainment of delivery time frames and milestones. *(priority: High)*
4. Recommend that the template for Quarterly Reporting be completed fully and contain sufficient detail to provide the reader with a clear view of the current position of the project. *(priority: High)*
5. Recommend for a risk register to be developed separately from the SAR that includes the likelihood of the risk, the severity of the impact, how this risk will be mitigated and the owner of the risk. *(priority: High)*
6. Recommend that the Programme Logic Model be completed by management as this is a key component for an in-depth check *(priority: Medium)*;
7. Recommend further analysis of costings and monitoring may be required. This should then be aligned to the Option chosen to deliver the project. *(priority: Medium)*

The other recommendations are as follows:

8. Recommend the appointment of a Project Steering Group. Whilst the SAR for the Liffey Corridor project articulates an overall Governance Structure and includes provision for the establishment of a Project Steering Group, review of CPSO Progress Reports did not yield evidence that a Project Steering Group has been established. *(priority: High)*;

The Chief Executive has indicated that he accepts recommendations 1 to 7 and he does not accept recommendation 8. His position in relation to the recommendation is as follows;

- While a Project Steering Group is not in place, a Programme Steering Board is, and meets quarterly. The Active Travel Programme Office can confirm that the board was set up in 2021.

## **1.0 Addressing Quality Assurance Issues**

Formal Capital Project Governance procedures were implemented in Dublin City Council in 2017.

A capital project governance structure is now in place where a Corporate Project Governance Board supported by a Corporate Project Support Office provide oversight of capital projects across the organisation. Improved capital project approval and monitoring processes are in place.

The Corporate Project Support Office provides support and guidance for capital projects and encourages compliance with the PSC.

The recommendations of the In-depth Checks have been incorporated into the Project Governance Guidelines within the City Council.

A training programme is delivered to Project Managers on an ongoing basis. "Project Manager Network" events take place two to three times a year which focus on compliance with the PSC, Capital Project Governance and sharing "lessons learned".

## **5.0 Conclusion**

The City Council has completed the necessary steps in the QA process and has prepared the required Inventory showing all relevant expenditure. There are six new procurements in excess of €10m requiring publishing for 2022, with one completed in 2021 therefore there are a total of 20 being published in 2022.

The PSC QA Report for 2021 has been published on the website.

The PSC QA Report for 2022 will also be published on the website in due course. The checklists and in-depth checks have demonstrated a satisfactory level of compliance with the Public Spending Code, with some issues or concerns being highlighted through the process. Areas for improvement identified in this report will be incorporated into the project governance within the organisation and progress monitored so as to ensure high compliance with the PSC within the City Council.





## Dún Laoghaire-Rathdown County Council

### In-Depth Check

dlr's Internal Audit Unit carried out an in-depth check of one project from the Project Inventory and one project from the current expenditure - Revenue Budget with a combined project budget of €37 million.

From the Expenditure Being Incurred - Blackglen Road Improvement Scheme was selected and from current expenditure - Revenue Budget, Heritage and Biodiversity (F0504) was selected.

The following presents a summary of the findings of these In-Depth Checks.

### Blackglen Road Improvement Scheme

The Blackglen Road Improvement Scheme is made up of seven interlinked sections of road with a total length of approximately 2 kilometres. The scheme commences at Lamb's Cross Junction (R117) and extends to the junction with Ticknock Road.

The scheme will provide a safer road with new footpaths and cycle tracks on both sides of Blackglen Road and includes new public lighting signage and lining. The scheme also includes the provision of a new set of pedestrian signals on Blackglen Road adjacent to the junction with Ticknock Road and an upgraded set of traffic signals at Lamb's Cross and at the junction of Harold's Grange Road/Kellystown Road/College Road/Grange Road. These traffic signals will control the revised layout for the junction which includes the provision of a right turn lane on Grange Road. The revised layout and upgraded traffic signals will alleviate the daily queuing on the approach roads. The scheme will upgrade the local road network, which joins Lamb's Cross to Enniskerry, Sandyford, Ticknock, the Dublin Mountains and onwards to Leopardstown Road (M50). The scheme will also provide suitable roads to facilitate new housing developments which may be constructed on lands zoned residential in the County Development Plan.

Internal audit recommends that dlr consider the following:

- Where there is an increase to a consultant's contract to provide services or carry out works that are associated with the original appointment of the consultant, the recommendation on the Chief Executive Order should clearly state that this is an increase to the original fee. This should also be stated in the order section of the Chief Executive Order.
- A Chief Executive Order is prepared and approved setting out the increase in project costs from May 2022.

- Review project compliance with modifications to contracts post award' as set out in the 2016 Regulations (S.I. No. 284/2016).

Internal audit has examined the controls in place for the Blackglan Road Improvement Scheme and can give reasonable assurance that there is compliance with the PSC.

## **Heritage and Biodiversity (F0504)**

### **Heritage:**

The DLR County Heritage Plan 2021-25 aligns with policy in the National Plan 'Heritage Ireland 2030' and supports the Council's corporate, departmental and County Development Plans. The dlr Heritage Team consists of a Heritage Officer, Heritage Properties Officer, Foreman and Craftworker supported by Parks administration staff. The Heritage Team is responsible for implementing the 57 actions of the County Heritage Plan and maintaining eight dlr heritage properties enabling public access and room hire; Marlay House, Cabinteely House, Fernhill House, the Oratory visitor experience, Seapoint Martello Tower, Williamstown Martello Tower and the Stillorgan Obelisk. The Heritage team also work in conjunction with the Parks section to maintain the Obelisk at Killiney Hill Park. The Revenue budget includes a contribution to a capital reserve for significant works to heritage buildings. It also includes an annual operational grant to Dalkey Castle and Heritage Centre. The dlr Heritage Office applies for and administers national heritage funding schemes and administers a county community heritage grant scheme.

### **Biodiversity:**

The DLR Biodiversity Officer and Team work with all sections of the County Council, the public and partners to restore and protect biodiversity in the county. The implementation of the 65 actions in the DLR Biodiversity Action Plan 2021-2025 is an important part of the Biodiversity Officer's role. This second plan for the county took account of the EU Biodiversity Strategy 2030, the UN Convention on Biological Diversity post 2020 Global Biodiversity Framework and the third National Biodiversity Action Plan 2017-2021 along with other plans and policies. Dlr's Biodiversity Officer represents local authorities on the National Biodiversity Forum which is currently providing input to the 4th National Biodiversity Action Plan.

The DLR Biodiversity Action Plan consists of many projects, some in collaboration with businesses, local communities, individuals, County Council staff, partners such as Birdwatch Ireland, An Taisce, Biosphere and many more. Examples of such collaborations include the Tern Project on Dalkey Island with Birdwatch Ireland, biodiversity studies of Booterstown Marsh with An Taisce and Local Authority Waters Programme (LAWPRO), tagging of Brent Geese with Fingal County Council and Dublin City Council, pollinator research with the universities, pollinator actions in the All-Ireland Pollinator Plan and projects with dlr Volunteers.

The following key documents were generally in place for Heritage and Biodiversity (F0504):

- Budget approved by the Council
- Chief Executive Orders

- Financial Reports
- Action Plans /Annual Plans

### **Audit Opinion**

Given the outcome of this review, it is the opinion of Internal Audit that there is overall reasonable assurance that there is compliance with the Public Spending Code by Heritage and Biodiversity.

### **Conclusion**

The inventory outlined in this report clearly lists the current and capital expenditure that is being considered, that is being incurred and that has recently ended.

dlr has no procurements in excess of €10 million for 2022 and thus no procurement details require publishing on the dlr website.

The checklists completed by dlr shows an adequate level of compliance with the PSC.

The in-depth checks carried out by Internal Audit revealed no major issues which would cast doubt on this Council's compliance with the Code and showed an overall level of compliance with the PSC. All recommendations arising from the in-depth check were accepted and will be implemented.

The compilation of both the inventory and checklists for the QA process was a significant co-ordination task in terms of liaising with various sections, departments and directors.

This process of engagement has meant progress has been made in incorporating the PSC and its requirements and ensuring a consistent level of compliance into all relevant activities throughout dlr and among the relevant staff.

The Capital Dashboard System continues to be used to centralise and streamline all areas of monitoring and reporting in respect of its capital projects onto a single system. This system contains a suite of PSC requirements, forms and checklists.

A Project Governance Board (PGB) established during 2018 provides a governance framework for capital projects in dlr. It has done considerable work at approval, monitoring and funding stages of projects and post project reviews are now an important focus of this board.

While dlr has complied with the requirements of the PSC in respect of 2022, any areas of improvement identified in this report will be incorporated to enhance its reporting and ensure high levels of compliance with the PSC in the future.

# Fingal County Council

## In-Depth Checks

### Churchfields Phase 2B social housing project

**PSC Status:** Expenditure Being Incurred

**Project Description:** Churchfields Phase 2B social housing project.

**Audit Objective:** To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the decision to progress with the project was soundly based and well managed.

**Findings:** The project aims to provide dwellings in accordance with target delivery set out in the Housing for All (capital programme) and with the actions identified in the Fingal County Council Housing Delivery Action

Plan 2022-2026. The necessary funding approval and tendering processes for the project were undertaken

in compliance with the requirements set out by the Department of Housing, Local Government and Heritage and the Council procurement procedures.

**Audit Opinion:** Having reviewed the documentation in relation to the project, Internal Audit is of the opinion that there is Substantial Assurance that the project complies with the standards set out in the Public Spending Code.

### Harry Reynolds Road Pedestrian & Cycle, PS1-005

**PSC Status:** Expenditure Being Incurred

**Project Description:** The provision of a high-quality walking and cycling route linking residential, commercial and school campuses along Harry Reynolds Road, Hamilton Road and Moylaragh in Balbriggan.

**Audit Objective:** To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the decision to progress with the project was soundly based and well managed.

**Findings:** The project provides the opportunity to increase the number of people walking and cycling along this route and in the wider Balbriggan area as set out in the Fingal Development Plan. The necessary funding approval and tendering processes for the project were undertaken in accordance with the parameters of the Public Spending Code.

**Audit Opinion:** Having reviewed the documentation in relation to the project, Internal Audit is of the opinion that there is Substantial Assurance that the project complies with the standards set out in the Public Spending Code

### Coastal Public Toilets Refurbishment/Replacement Project

**PSC Status:** Expenditure Being Incurred

**Project Description:** 13 discreet projects to refurbish/replace and provide wheelchair access and changing places facilities which are currently not available at the 13 coastal public toilet facilities in Fingal.

**Audit Objective:** To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the decision to progress with the project was soundly based and well managed.

**Findings:** This project to refurbish/replace Fingal's coastal public toilets is an important step to support the provision of fully accessible toilet facilities for all ages and abilities including changing places facilities.

**Audit Opinion:** Having reviewed the documentation in relation to the project, Internal Audit is of the opinion that there is Substantial Assurance that the project complies with the standards set out in the Public Spending Code.

### **Dunsink Landfill Restoration and Development**

**PSC Status:** Expenditure being incurred.

**Project Description:** Management and Maintenance of Dunsink Historic Landfill including the progressive restoration and specified engineering works to allow for the future provision of a Public Amenity at the site.

**Audit Objective:** To provide an independent opinion on compliance with the Public Spending Code and to provide assurance that the decision to progress with the project was soundly based and well managed.

**Findings:** Based on information provided during the in-depth check, the decision to progress the project was merited. The works are being carried out under a waste licence issued by the EPA and are subject to ongoing monitoring. Expenditure is subject to a system of internal controls which exist throughout the organisation and appears to be in compliance with procurement policies and procedures.

**Audit Opinion:** Having reviewed the documentation in relation to the project, Internal Audit is of the opinion that there is Satisfactory Assurance that the project complies with the standards set out in the Public Spending Code.

### **Community Sports and Recreational Development (F04)**

**PSC Status:** Expenditure being incurred.

**Project Description:** The Community Development and Sports Division works in partnership with voluntary community groups, agencies and service providers to strengthen and empower communities which improves the quality of life for the citizens of Fingal. These sustainable partnerships provide support to communities through the delivery of community, recreation and sports facilities, education programmes, grant funding schemes, support services and advice to develop strong, self-reliant and sustainable vibrant communities.

The Internal Audit Unit focused the in-depth check on job codes relating to the following schemes within the department - Active Cities, Age Friendly County, Public Participation Network and Community Grant Expenses.

**Audit Objective:** To provide an independent opinion that the operation of the Fingal Community Sports and Recreational Development project 2022 complied with the standards set out in the Public Spending Code.

**Findings:** Having reviewed the documentation in relation to the expenditure incurred under this project in 2022, Internal Audit is of the opinion that the project complies with the standards set out in the Public Spending Code.

**Audit Opinion:** It is the opinion of Internal Audit in Fingal County Council that there is substantial assurance that the project was implemented in compliance with the Public Spending Code.

# Galway City

## IN- Depth Checks

### Public Lighting – LED Replacement

Ireland is a party to the Paris Agreement, which sets out a global climate action plan. As part of this agreement The Department of Communications, Climate Action and the Environment has published a Climate Action Plan. The plan sets out actions over the coming years to address climate issues and to meet Ireland's 2030 targets. In playing its part, Galway City Council (GCC) began an accelerated energy upgrade programme for the public lighting network located across the city. The existing public lighting inventory consisted of high energy sodium lights. It was required to be upgraded to energy-efficient LED lamps

Except for gaps identified in Section A (Overall Cost) and Section B (Step 3: Analysis of Key Documents), Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the Public Lighting – LED Replacement Programme.

### Maintenance of Tennis Courts

The project involved the renovation of ten (10) tennis courts in four (4) different locations across Galway City: Westside, McGraths Field, Crestwood and Roscam. The project was adopted by elected members of Galway City Council (GCC) as part of the Three-Year Capital Programme 2020 – 2022. The facilities were identified as being in a poor state of disrepair and no longer fit for purpose. Furthermore, complaints had been received by GCC from local tennis clubs about the poor condition of the facilities.

Except for gaps identified in Section B (Step 3: Analysis of Key Documents) above, Internal Audit noted compliance with the provisions of the Public Spending Code for the Maintenance of Tennis Courts Programme.

### Maintenance of Burial Grounds

The overall objective of this programme is the maintenance of various burial grounds / cemeteries managed by Galway City Council (GCC).

Apart from the gaps identified in Section B (Step 3: Analysis of Key Documents, and Step 4: Data Audit) above, Internal Audit noted compliance with the provisions of the Public Spending Code for the Maintenance of Burial Grounds Programme.

# Galway County Council

## In-Depth Checks

### **Capital Project 1: Housing Development at Fána Bhui (Cloontooa Road), Tuam, Co. Galway.**

An in-depth review was undertaken on the Housing Development at Fána Bhuí (Cloontooa Road), Tuam Co. Galway as expenditure currently being incurred by Galway County Council. The project consists of the construction of 48 no. new dwelling houses, realignment and upgrade of existing Tir Boy estate access road and junction. Site clearance works, hard and soft landscaping, recreational areas, roads, footpaths, boundary treatments, relocation/alteration of existing recreational facilities, public lighting, car parking, pumping station, new connection to existing services and all associated site development works.

The project commenced in 2019 and proposed to the Department of Housing, Local Government & Heritage under the 'Rebuilding Ireland' and the Social Housing Strategy 2021. The Capital Work Management Framework (CWMF) comprises of a suite of guidance material, technical templates, procedures and the forms of Public Contracts. The CWMF sets out 7 main stages called 'Project Reviews', where the Sponsoring Authority (GCC) should report to the Approving Authority (DHLGH). For social housing construction projects, DHLGH has streamlined this process to focus on the 4 mandatory approvals.

#### **Stage 1 Capital Appraisal & Project Review 1**

Capital Appraisal submission for the development at Fána Bhuí has a prerequisite of information that must be included within it for consideration by the approving authority. GCC made this submission to the DHLGH on 24<sup>th</sup> April 2019 consisting of the capital appraisal report which outlines the social housing need in Tuam at the time of application with 564 applicants on the waiting list for a home in the area, with the majority of applicants seeking 1/2 bed units. The project brief which was initially for 40 no. units, with an approx. estimation of €8.3m. All required information under the DHLGH guidance document for submissions was included in the report accompanied by fully completed CWMF P.R.01 Form (Stage 1).

Stage 1 approval letter was received from DHLGH on 7<sup>th</sup> June 2019 with an initial budget approval of €8,093,629.

#### **Stage 2 Pre-Statutory Approval – Project Review 4**

Prior to submission of stage 2 documentation, informal consultation was carried with Department regarding site layout, proposed design, house types for preliminary review prior to stage 2 submission. This application proposed 51 no. units, a mix of single/two storey unit, of varying bed capacity from two to four bedrooms. Stage 2 submission was made on 9<sup>th</sup> September 2019 which included drawings, costs, 3D images and fully completed CWMF P.R. 04 Form (Stage 2) estimating a budget application for €10.8m.

All documentation was reviewed by the DHLGH, with Stage 2 approval being received from the Department on 14<sup>th</sup> October 2019 (5 weeks), with an approved budget of €11,006,495 for construction of 51 units.

#### **Stage 3 Pre-Tender Approval - Project Review 6**



Part VIII planning was approved in December 2019, whereby the elected members of the Tuam Municipal District, in line with the Chief Executives recommendation, approved the development for the construction of 49 units at the location. Stage 3 submission with supporting documentation – CWMF P.R. 06 Form, Cost Report, Procurement Report, Technical Report & drawings were submitted to the Department on 13<sup>th</sup> February 2020.

Stage 3 approval was received from the Department on 4<sup>th</sup> March 2020 (3 weeks) with an approved budget of €10,846,206 for 49 units.

#### **Stage 4 Tender Approval - Project Review 7**

Stage 4 documentation submission which consisted of Tender Report for construction works & endorsements, GCC report on procurement methodologies, accompanied with completed CWMF P.R. 7 Form was submitted on 24<sup>th</sup> August 2020, which was approved by the Department on the 9<sup>th</sup> September 2020.

The revised Stage 4 Approval was received from the Department on 5<sup>th</sup> October 2022 with an approved budget of €11,043,318. All expenditure incurred has been recouped up to 97.5% of budget allocation. The balance due on approved budget will be reviewed on submission of final account.

#### **Audit Opinion**

It is evident that there are good processes in place and records relating to the project are easily accessible. Correspondence issuing to generic email address for Capital which assists in keeping both technical and administration staff aware of status of project. The use of the internal document library ReposIT very useful for easy retrieval of documentation. The project, which is substantially complete, has been managed to date, in accordance the Department of Housing, Local Government and Heritage guidelines for Local Authority Housing Construction Projects and Internal Audit is of the opinion that Galway County Council appears to be **substantially compliant** with the relevant requirements of the Public Spending Code.

#### **Capital Project 2: Housing Development at Dunlo Hill, Ballinasloe, Co. Galway**

An in-depth review was undertaken on the Housing Development at Dunlo, Ballinasloe, Co. Galway as expenditure currently being incurred by Galway County Council. The project consists of the acquisition by Galway County Council of 40 units – 32 units by means of a Turnkey Development and 8 units under a Part V agreement.

Circular 31/2019 – Arrangements for the provision by local authorities of Social Housing through Turnkey Projects outlines the two-stage process to be adhered to in order to be compliant with the requirements of the public spending code.

Stage 1 – facilitates the LA casting the net wide to capture all potential turnkey development opportunities. This requires minimal input from potential vendor whereby a developer submits an Expression of Interest. An evaluation panel is established by the LA and each EOI is assessed against the pre-determined pass/fail criteria advertised. Only developments at locations deemed suitable by the evaluation panel move onto Stage 2.

Stage 2 – requires a more details submission by the developer submitting the proposal, Circular 31/2019 specifies the required documentation that must be submitted at stage 2. Following

assessment of the Stage 2 submission, only those proposals deemed suitable by the evaluation panel, advance for further discussion and possible agreement for purchase.

The Department's approval procedure for turnkeys is a single stage evaluation and approval. Submissions for approval are done by way of a Capital Appraisal Submission – details of required documentation are set out in Appendix B of Circular 31/2019

In June 2020, Galway County Council invited Expressions of Interest for the provision of 'Turnkey' Housing via Notice to Developers/Building advertised in regional newspapers and via Galway County Council's website. Interested parties were requested to read the briefing document and to complete an EOI application form for turnkey developments, which was made available on GCC website. The closing date for receipt of EOI submissions was 20<sup>th</sup> August 2020.

An application was received with respect a Turnkey development for 78 units however the developer also sought the interest of an Approved Housing Body. During the Stage 2 assessment, it concluded that the development would be split between the local authority and an AHB.

The proposed Housing Development at Dunlo submitted to the Department in February 2021 was for consideration to acquire 40 units within a proposed 78 no. unit residential development at Dunlo, Ballinasloe, Co. Galway.

It is proposed to acquire the units under two categories: -

- 1) Turnkey Development: 32 units (3 no./2 bed, 27 no./3 bed & 2 no./4 bed)
- 2) Part V Acquisition: 8 units (8no./2 bed)

Internal Audit carried out a visual inspection on the documents submitted to the Department of Housing, Local Government & Heritage in accordance with Circular 31/2019 Appendix B and can confirm that all required documents were submitted to the department as part of the capital appraisal proposal which was submitted on 12<sup>th</sup> February 2021. The capital appraisal proposal was for the full 40 units, 32 of which are being acquired under a Turnkey, Department Ref N7/2/335 and 8 as compliance with condition 23 of the grant of planning on Ref: 19/978 by means of Part V Agreement Department Ref N7/2/334. The acquisitions are being funding under two separate categories of funding and two separate departmental approval letters.

The review of documentation was carried electronically by accessing same on internal server and document library ReposIT. All documentation was readily available and easily accessible on receiving appropriate access via IT department.

### **Audit Opinion**

The units are currently under construction, expenditure incurred by Galway County Council relates to the 10% deposit that was paid to the developer. IA can confirm that at time of review, no staged payments have been made to the developer with respect to the project at Dunlo, Ballinasloe, and that the development has been managed to date, in accordance the Department of Housing, Local Government and Heritage guidelines for Turnkey developments.

The range of documentary evidence reviewed in this check enables Internal Audit to provide the opinion that Galway County Council appears to be **substantially compliant** with the relevant requirements of the Public Spending Code.

# Kerry County Council

## In-Depth Check

The PSC requires Kerry County Council to carry out an independent quality assurance procedure. Step 4 of the process entails the carrying out of in-depth checks on a small sub-set of projects to ensure compliance practices in place within the organisation are of a high standard.

Criteria have been outlined in the PSC that must be considered when selecting projects for in-depth review. These are: -

- Capital Projects: Selected projects must represent a minimum of 5% of the total value of all capital projects on the project inventory
- Revenue Projects: Selected projects must represent a minimum of 1% of the total value of all Revenue expenditure on the inventory.
- The minimum percentages are an average over a three-year period.

Kerry County Council has carried out in-depth checks on projects representing 3.89% of the total value of 2022 Capital Project Inventory. A review of the Jobs, Enterprise & Innovation (which comprises of LEO Admin and other income/exp) was also undertaken, this expenditure represents 1.06% of 2022 Revenue Inventory. On a 3-year rolling average basis, the full costs of projects subject to checks since 2021 represent 12.88% approx. of Capital Inventory and 1.15% approx. of Revenue Inventory.

The following projects were the subject of in-depth checks for the 2022 PSC return: -

Project reviewed	Inventory	Status	Value
Jobs, Enterprise & Innovation	Revenue	Expenditure being incurred	€1.7m
Housing units Croogorts Tralee	Capital	Expenditure Being Incurred	€6.9m
Glenbeigh to Caherciveen Greenway Ph2+3	Capital	Expenditure Being Incurred	€ 65m

Reports on the checks, in the required template format, have been completed and submitted to Senior Management. Below are the summary and conclusion sections for each project: -

### **Jobs, Enterprise & Innovation (comprising LEO)**

The mission of the Enterprise & Innovation unit comprising of Kerry Local Enterprise Office (LEO) – D0906 is to generate sustainable jobs by encouraging and supporting entrepreneurial activity in County Kerry. Kerry LEO helps viable small enterprises, primarily in the manufacturing and internationally traded service sectors, to set up and expand through various support programmes.

The services of LEO include Business Information & Advice, Enterprise Support, Entrepreneurship Support and Local Enterprise Development.

The operation of LEO is funded via the Department of Business, Enterprise & Innovation via Enterprise Ireland. This includes funding towards the administrative costs (pay and non-pay) of the LEO Office.

Kerry County Council is party to service level agreement with Enterprise Ireland which covers the operations and funding of the LEO.

The LEO provides financial support to new and expanding businesses with less than ten employees.

Financial supports include: -

1. Feasibility Grants to a maximum of €15,000 based on 50% matching funding
2. Business Priming Grants to a maximum of € 150,000 based on 50% matching funding. These are for businesses established for less than 18 months.
3. Business Expansion Grants to a maximum of €150,000 based on 50% matching funding
4. Technical Assistance for Micro-Exporters (TAME) grants to a maximum of €2,500 based on 50% matching funding. These grants cover up to 50% of the cost of exhibiting at trade shows.
5. Trading Online Vouchers are grants to the value of €2,500 to support on-line trading activities.

Non-Financial supports and activities (Measure 2) supports include

1. Business Training
2. Mentoring and Advice
3. Enterprise Promotion
4. Schools Enterprise

For sampling purposes as part of this audit the grants forming part of the Measure 1 Supports Business Expansion Grants and Trading online Voucher Scheme were examined.

Internal Audit is reasonably assured that the Jobs, Enterprise and Innovation programme being managed by the LEO office complies with the standards of the public spending code. There are suitable management structures and reporting requirements established to monitor activity and expenditure progress against budgets and plans. There is evidence of decision making and oversight/governance of the programme. In addition, there appears to be sufficient reporting to Enterprise Ireland in line with the conditions set out in the relevant service level agreement.

The review demonstrated a substantial level of compliance with the principles of the public spending code - appraisal, defined outcomes, implementation and review. Internal Audit carried out an examination of a sample of Grant files, reports, minutes of meetings, e-mail records, monitoring and progress reports.

### **Housing Development, Croogorts, Tralee**

The project is the development of 30 dwelling units in total, consisting of two, three and four bedroomed dwellings and all associated site works at Croogorts, Tralee, County Kerry. It includes access road, services parking, landscaping works. Croogorts is a suburban townland located 3 km to the north-west of Tralee Town centre.

The objective of the scheme is to provide 30 social housing units for 30 families in Croogorts, Tralee in line with the identified social housing need in the area. Construction of the units was substantially completed in September 2022 with a Defects Liability period which commenced 30 September 2022 for a period of 12 months. For Public Spending Code purposes, it is at expenditure being incurred stage.

As part of the check, Internal Audit liaised with key staff and reviewed documentation. Internal Audit considered management and governance arrangements, decision making, maintenance of documentation recording checks and controls, the level of checks and controls in place, adherence to policies and procedures and the implementation of best practice.

Internal Audit has concluded that there is evidence that Croogorts Housing Construction Project is actively managed with clear governance arrangements in place. There is evidence of Department oversight and there are control processes in place to support compliance with the Public Spending Code – segregation of duties, department oversight, management decision-making, performance review and maintenance of documentation.

### **South Kerry Greenway project**

Kerry County Council are currently commencing construction of the South Kerry Greenway project which involves the proposed construction of a greenway from a trail head carpark at Reenard (southwest of Caherciveen) to Glenbeigh in the north-east. The project includes the construction of a 32km greenway, with 3m wide paved surface and grass verges, securely fenced from adjoining landholdings. Trail head facilities include car parks, demountable toilets and signage.

The primary brief is to provide a high-quality walking and cycling route along the abandoned railway line in South Kerry. Within this primary objective the following objectives have been identified:

- 1) To increase the economic contribution of tourism to the local and Irish economy by increasing the value of tourism service exports, that is, by generating increased levels of overseas revenue.
- 2) Provide a catalyst for the economic regeneration of the local economy by:
  - Successfully delivering a world class visitor experience
  - Supporting a tourism sector that is profitable and will achieve a sustainable level of growth and delivers jobs.
  - Facilitating local communities to play an enhanced role in developing tourism in their area, thereby strengthening and enriching local communities.
  - Recognising, valuing, and enhancing the natural environment as the cornerstone of Irish tourism
- 3) Maximise the economic potential of the project by:
  - Attracting the maximum number of visitors
  - Optimising the amenity value of the route
  - Designing the route for all users including the elderly and disabled as well as families with children.
    - Maximising the safety of the route
- 4) Contribute to the health and well-being of the local community by providing a facility which encourages physical exercise and participation in outdoor activities.

While this project is at an early stage the review demonstrated a satisfactory level of compliance with the principles of the public spending code. Internal Audit carried out an examination of documentation including files, reports, minutes of meetings, email records, recommendations, Project Execution plans, Project Appraisal reports, monitoring and progress reports. There was evidence to show that decisions for this project were aligned with national and local policy objectives and had been informed by early consideration of options available.

Internal Audit recommends that arrangements are put in place to coordinate record keeping and ensure that key documents are uploaded to a central project management location on an ongoing basis as they arise. The Greenway's Unit should have all documentation pertaining to the delivery of the project readily available for future evaluations. Furthermore, Internal Audit recommends that any appointment of experts going forward should be as a result of a competitive procurement process.

## **Conclusion**

This report, which is published on the website of Kerry County Council and accessed through the following link <https://www.kerrycoco.ie/finance/financial-documents/>, has set out all the requirements of the Quality Assurance aspect of the Public Spending Code.

- A Project Inventory has been prepared outlining the various projects/programmes — capital and revenue that were being considered, being incurred or recently completed by Kerry County Council within the 2022 financial year.
- Kerry County Council undertook procurement for two projects – Lohercannon Housing Construction Project and N69 Listowel By-Pass Scheme, the details of the procurements and progress on the resultant contracts, which are being published on our website, are found at <https://www.kerrycoco.ie/finance/financial-documents/>
- The 7 checklists required to be completed under the terms the Public Spending Code Quality Assurance requirement have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code.
- An in-depth review of a sample of the projects contained in the Project inventory has been completed and further confirmed that there is, in general, compliance with the requirements of the Public Spending Code.
- The final step of the QA exercise, as required under the Public Spending Code, is the compilation and publication of a summary report outlining the Quality Assurance Exercise undertaken by Kerry County Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, Chief Executive.

Overall, the QA exercise has provided reasonable assurance to the management of Kerry County Council that the requirements of the Public Spending Code are being met.

It is acknowledged that continuous improvements are achievable in both the compliance at project level and in the QA exercise. The development of specific guidance in relation to the QA requirements from a local government perspective and the experience gained by staff completing the exercise from 2014 to 2022, inclusive, will provide guidance and further clarification for continuing future compliance with Public Spending Code requirements.



# Kildare County Council

## In-depth Check

The Internal Audit Unit of Kildare County Council was assigned the task of completing the in-depth check. The guidance document states Internal Audit is required to carry out an in-depth check of 5% of the total of all capital projects on the project inventory over the three-year period 2020-2022.

The Public Spending Code Capital projects reviewed over the three-year period were:

2020 – Prosperous Town Park - €830,000

2021 - Kerdiffstown Landfill Remediation - Kerdiffstown Park - €62.8M

2022 - M7 Naas Newbridge By-Pass Upgrade - €63M

On this basis, Internal Audit has covered the required 5% three-year quota.

The guidance also states that Internal Audit is required to carry out an in-depth check of 1% of the total of all revenue expenditure on the project inventory over the 3-year period 2020 - 2022.

The Public Spending Code Revenue projects reviewed over the 3-year period were:

2020 – Library Book Fund - €430,000

2021 - Homeless Services expenditure - €4,119,998

2022 - Kildare Sports Partnership - €626,746

On this basis Internal Audit has covered the required 1% three-year quota.

The total value of Kildare County Council's 2022 project inventory was €981,619,351 (capital and revenue) and the projects selected for an in-depth check were as follows:

<b>Capital Projects Selected for In-Depth Check</b>	
Project 1: M7 Naas Newbridge By-Pass Upgrade	
Value of Capital Project selected	€63,000,000
<b>Revenue Project Selected for In-Depth Check</b>	
Project 2: Kildare Sports Partnership	
Value of Revenue Project selected	€626,746



## **Project 1: M7 Naas Newbridge By-Pass Upgrade (Capital Expenditure)**

### **Summary of In-Depth Check**

The objective of this in-depth check was to evaluate if the M7 Naas Newbridge Bypass upgrade project was delivered in line with the standards set out in the Public Spending Code.

The objective of the Naas Newbridge Bypass upgrade project was to reduce congestion on the M7 and involved the widening of the existing M7 motorway between Junction 9 and the M7/M9 interchange at Junction 11, from two lanes to three lanes both eastbound and westbound for approximately 14km. Internal Audit reviewed the key documentation on hand, to identify if the project had been managed to date in line with Public Spending Code standards and that accurate information was available to establish if the objectives of the project are being achieved. Internal Audit confirmed that the project had been managed in line with Public Spending Code standards to date and both operational and financial information was being maintained. As a result it was possible to identify if the project objectives are being achieved and in line with expected costs.

Documents relating to the appraisal stages of the project such as Business Cases and a Project Brief were completed, and the procurement of services was carried out in line with procedures and approved by the relevant stakeholders. In addition, financial and operational information is maintained and regularly provided to the Committees established to govern and manage the implementation of the project. Minutes of the monthly Construction Stage Monitoring Committee and Project Finance Sanctioning Board meetings are maintained, and a monthly Project Financial Report is produced and reviewed.

### **Audit Opinion:**

It is the opinion of Internal Audit that the M7 Naas Newbridge Bypass upgrade project is in substantial compliance with the standards set out in the Public Spending Code to date.

## **Project 2: Kildare Sports Partnership (Revenue Expenditure)**

### **Summary of In-Depth Check**

The objective of this in-depth check was to evaluate if the Kildare Sports Partnership programme was delivered in line with the standards set out in the Public Spending Code in 2022.

The objective of the Kildare Sports Partnership initiative is to increase participation in sport and physical activity amongst designated hard to reach target groups - including older adults, youth, people with disabilities, women and girls, people from disadvantaged communities and ethnic minorities. This is done through the co-ordination and delivery of quality programmes, training and services and by developing partnerships and promoting inclusiveness. Internal Audit reviewed the key documentation on hand, to identify if accurate information was available to establish if the objectives of the programme are being achieved. Internal Audit confirmed that both operational and financial information was being maintained, and as a result it was possible to identify if the programmes objectives are being achieved, along with the related cost.

As funding for the programme is provided by external sources, a number of documents are required to be completed during the year including a Strategic Plan, an annual Budget, an annual Operational Plan, a Governance and Financial document (which is the basis of the annual funding application) and an Annual Report. The documents are provided to the core funding body, with mid and end point of year updates supplied in relation to the Budget and Operational Plan. In addition, financial and operational updates regarding the programme are provided to the Kildare County Council Management Team on a monthly basis. The Kildare Sports Partnership programme also has its own Management Committee, which meets on a quarterly basis. Financial and operational updates are provided at these quarterly meetings also.

**Audit Opinion:**

It is the opinion of Internal Audit that the Kildare Sports Partnership programme is in substantial compliance with the standards set out in the Public Spending Code.

# Kilkenny County Council

## In-Depth Checks

Kilkenny County Council has selected projects for in depth review that follows the criteria set out in the Guidelines and are detailed in Appendix C:

Capital Projects: Projects selected represent a minimum of 5% of the total value of all Capital projects on the Project Inventory.

Revenue Projects: Projects selected represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory.

This minimum is an average over a three-year period.

The same projects have not been selected more than once in a three-year period.

Over a 3-5-year period all stages of the project life cycle and every scale of project have been included in the in-depth check.

Step 4 has looked at a small subset of schemes reported on the Project Inventory, looking in more detail at the quality of the Appraisal, Planning and/or Implementation stages to make a judgement on whether the work was of an acceptable standard and that it was/is compliant with the Public Spending Code.

The approach/methodology for the In-depth checking exercise is informed by the template D provided for in the Guidelines.

The In-depth checks were carried out by the Internal Audit Section of Kilkenny County Council following the criteria listed above. Appendix C details the methodology and conclusions of the checks on 2 significant capital projects and 2 sub programmes of current expenditure – **Construction of Abbey Quarter Urban Street & Park, Kilkenny City and Acquisition of 58 Units at Pennefeather Green Kilkenny City** – satisfies the percentage requirement of the inventory for capital expenditure in 2022. The in-depth analysis of the sub programmes of current expenditure – **Operation of the Arts Programme & Operation of the Motor Taxation Office** - satisfy the percentage requirement of the inventory for current expenditure in 2022.

### **Construction of Abbey Quarter Urban Street and Park, Kilkenny City**

Overall, I find this project complies with the broad principles of the Public Spending Code. Currently the project has passed through Decision Gate 2 in the project lifecycle and has approval to proceed to the development of a Final Business Case for submission to the Department as part of the approval process for Decision Gate 3. The required data is available in the files in an orderly manner which will allow for evaluation at a later date if required.

When the project is finished a Project Completion Report should be completed to assess if the project was delivered in line with its intended scope and budget and in compliance with the Public Spending Code. This review stage is critical for identifying lessons learned and driving the process of continuous improvement.

The Ex Post Evaluation Stage is the last stage of the project lifecycle and is critical for identifying lessons learned and driving the process of continuous improvement in how public bodies manage public investment, particularly the identification, appraisal and development of capital projects.

### **58 Housing Units, Pennefeather Green, Hebron Road, Kilkenny**

Overall, I find this project complies with the broad principles of the Public Spending Code. The project is complete with the delivery of 58 Social Housing Units in compliance with the appraisal and implementation stage of the Public Spending Code. The required data is available in the files in an orderly manner which will allow for evaluation at a later date if required

I would recommend that future project appraisals should also include the identified risks and constraints for the project. The required CE orders should be available on file.

A Project Completion Report should be completed for the project to assess if the project was delivered in line with its intended scope and budget. This review stage is critical for identifying lessons learned and driving the process of continuous improvement.

The Ex-Post Evaluation Stage should be conducted once sufficient time has elapsed for the benefits and outcomes to materialise.

### **Operation of the Arts Programme**

Overall, I find the operation of the Arts Programme in County Kilkenny complies with the broad principles of the Public Spending Code.

Kilkenny County Council operate an Arts Programme that is committed to supporting continuous engagement with the Arts. It is beneficial for building creative capacities and enhancing wellbeing. Music, visual art and poetry contribute to societal creativity in such a way as to stimulate learning, good health and social cohesion, as well as job creation and economic prosperity.

### **Operation of Motor Tax Office**

Overall, I find the operation of the Motor Tax Office in Kilkenny County Council complies with the broad principles of the Public Spending Code.

The Motor Tax Office allows the general public to access Motor Tax Services in person or by submitting applications by post. It allows for services to be provided that are currently not available online.

## Laois County Council

### In-Depth Check

Section 4 of the Public Spending Code requires Internal Audit to carry out an in-depth review of a sample of projects to ascertain the quality of the appraisal, planning and/or implementation stages in order to assess overall compliance with the Public Spending Code.

The projects selected for in-depth review each year are based on the criteria set out below:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory **(based over a three-year average to achieve 15%)**
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory **(based over a three-year average to achieve 3%)**

The following table summarises the value of projects selected for in-depth review over the past three years:

Year	Total Project Inventory €mil	Total Capital Project Inventory €mil	Total Revenue Project Inventory €mil	Value of Capital Projects selected €mil	% of Projects selected of total Capital Inventory %	Value of Revenue Projects Selected €mil	% of Projects selected of total Revenue Inventory %
<b>2020</b>	328.53	239.63	88.90	21.95	9.16	2.33	2.62
<b>2021</b>	368.38	283.35	85.03	18.50	6.53	0.85	1.00
<b>2022</b>	398.95	307.52	91.43	5.88	1.91	4.61	5.04
<b>Total over 3 years</b>	<b>1,095.86</b>	<b>830.50</b>	<b>265.36</b>	<b>46.33</b>	<b>17.60</b>	<b>7.79</b>	<b>8.66</b>

The above figures show that Laois County Council has achieved the three-year average of 15% for Capital Projects (17.60%) and 3% for Revenue Projects (8.66%).

Projects/programmes that were selected for in-depth review in respect of 2022 are as follows:

### 5.1 Capital:

- Sean Doire, Durrow, Housing Construction €5,884,042

## 5.2 Revenue:

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- Operation of Fire Services €4,619,988

Full copy of the in-depth check can be found at Appendix C

## Summary of In-Depth Checks

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### 5.3.1 Sean Doire Housing Scheme, Durrow, Co. Laois

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In 2022, Laois County Council completed the construction of 22 Social Housing units in 2022 in Durrow, Co. Laois.

An In-Depth Review was carried out by Internal Audit on this Capital project in order to assess the level of compliance with the projects overall compliance of the Public Spending Code.

The project commenced in 2018 and was carried out under the Capital Works Management Framework. The 4 approval stages were as follows:

- Stage 1 – Capital Appraisal: a high-level project appraisal, the business case for the project was Submitted to the Department of Environment, Housing and Planning in November 2018.
- Stage 2 application was submitted to in May 2019 and approved in July 2019, followed with Part 8 approval in October 2019.
- Stage 3 –was submitted including Pre-Tender Design and was approved in March 2020
- Stage 4 – application was submitted to the Department including a Tender report and an updated Scheme Cost Details and approved September/October 2020.

The Contractor commenced on site in December 2020 with the project fully completed in November 2022.

Based on the examination of files, it is the opinion of Internal Audit that Laois County Council is in satisfactory compliance with CWMF and thus the Public Spending Code in relation to this project. The Council has followed the required procedures and ensured that Departmental approval was in place for each step of the process. There is a clear audit trail on file including:

- Project Appraisal
- Departmental Approvals at Stage-1, Stage-2, Stage-3 and Stage-4 of the process.
- Procurement requirements for the appointment of the Architect Led Design Team and subsequently for the awarding of the Construction contract.
- Payments to contractors and their required certifications.
- Agendas and minutes of site meetings held.
- Final Account and Change Orders submitted to the Department.

All units were tenanted with 57 people in December 2022 reducing the Social Housing Waiting List.

The final expenditure and the Stage 4 budget approval has a 10.9% variance which has been detailed in the Final Account and submitted to the Department.

The Housing Department should be in the position to complete an overall post-project review by June 2023 and this will ensure full compliance with the Public Spending Code.

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of the Construction of 22 houses in Durrow, Co. Laois.

### **5.3.2 The Operation of Fire Services Revenue Expenditure Code E11**

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Laois County Council manages the operation of the Fire Services for the administrative area of the County of Laois as per Section 9 of the Fire Services Act 1981 and 2003 annually. Laois County Fire and Rescue Service performs the functions for Laois Fire Authority. The annual Revenue cost is €4,619,988.

The responsibilities of the Laois's Fire and Rescue Service is as follows:

- Fire Brigade Operations  
To provide for the rescue or safeguarding of persons and the protection of property from fire & other emergencies
- Fire Services Infrastructure  
To provide satisfactory infrastructure for the fire service
- Fire Prevention  
To provide for the safeguarding of the public from the hazard of fire in the built environment
- Community Fire Safety  
To reduce the number of fires & other emergencies that put lives at risk.
- Major Emergency Management  
To prepare & maintain the Council's ability to carry out its functions in any Major Emergency, severe weather or other critical incident that might be declared.

National Directorate of Fire and Emergency Management - NDFEM, in 2013 published Keeping Communities Safe – A Framework for Fire Safety in Ireland and is a policy document which is the blueprint for the future direction of the fire service.

Under Section 26 of the Fire Services Acts 1981 and 2003 Laois County Council adopted its Fire and Emergency Operations Plan 2015.

#### **East Region Communications Centre (ERCC)**

ERCC is a regional control centre based in Dublin who receive emergency calls and mobilise resources for the Fire Service in all the counties in the eastern region. Laois County Council has a Section 85 agreement with Dublin City Council for the provision of these functions.

Laois County Council has Operational Agreements under Section 149a of the Local Government Acts 2001-2014 in place also with Carlow, Kildare, Offaly and Tipperary for the provision of firefighting and rescue services under the nearest available resources concept.

Laois County Council maintains eight fire stations in the County of Laois ; Portlaoise, Portarlinton, Rathdowney, Durrow, Mountmellick, Mountrath, Abbeyleix & Stradbally. Retained fire fighters are on-call 24/7 and must make themselves available for duty at all times unless they have received approval not to attend from their station officer. They must live and work within a reasonable distance of the fire station. Laois Fire Service is staffed by four full-time Senior Fire Officers and 65 (part-time) fire fighters and one administration personnel.

As well as Fire and Emergency call outs Laois County Council Fire and Rescue Service also

- Issue fire safety certificate applications
- Process Licensing application
  - Inspect premises under the Fire Services Acts 1981 and 2003
  - During performance inspections. (During Performance Inspections are fire safety assessments of public assembly type premises when they are open to the public and including large occupancy venues, bingo halls, public houses, night clubs, outdoor events etc
- Participate in fire safety consultations with members of the public
- Served Closure Notices under Section 20A of the Act on potentially dangerous buildings throughout the County,
- Serve Fire Safety Notice under Section 20 of the Act,
- Request Fire Safety Assessments, permitted under Section 18(6) of the Act, to be carried out on premises where fire safety deficiencies were observed but did not necessitate immediate action as per items a and b above,
- Fire Authority provided fire safety advice letters, permitted under Section 18 (4) and 18 (5) of the Act, on 57 premises throughout the County.
- Extensive planning, liaison meetings and site visits on licensed and unlicensed outdoor events including the Electric Picnic Music Festival and the National Ploughing Championships.
- The Fire Safety Primary Schools Programme
- National Fire Safety Week
- delivered fire safety messages to communities at Halloween.

In 2022, recruitment and more specifically retention were key challenges for Laois County Council. Despite 3 campaigns, maintaining a full 75 staff compliment of retained firefighters' long term is an ongoing challenge and cost for Laois. The cost of training per retained firefighter in Laois is approximately €46,200 per firefighter over a 5-year period, €26,000 of which is for Year 1 (not including the recruitment costs, medical, or PPE). Each fire-fighter must complete 1. initial fire-fighting skills, 2. breathing apparatus, compartment and 3. Fire Behaviour.

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of Operation of Fire Services Revenue Expenditure 2022.

### **Inadequacies Identified in QA Process**

The in-depth checks for 2022 did not highlight any substantial compliance issues in relation to the PSC. However continuing compliance will require ongoing monitoring and staff training.



# Leitrim County Council

## In-Depth Check

The Public Spending Code requires that at least 5% of the total value of all projects in the inventory is subject to closer examination and audit each year, when taken over 3-year average. The two projects reviewed represent 3% (5% exc Carrick Bypass) of total Project Inventory. On average, over the last 3 years, circa 14% of total Projects have been selected each year (2021- 2% , 2020 - 38%). The Revenue Project accounted for 1% of overall Revenue expenditure.

These checks were carried out by Gilroy Gannon –Internal Auditors for Leitrim County Council who selected 3 projects having regard to the value of the project and the various spending departments ensuring the review of a good range of project types and scales.

Their review looked at appraisal/planning and design/implementation in relation to two capital projects and one revenue project –

### Capital

- **BALLINAMORE – THE JUNCTION- RURAL REGENERATION DEVELOPMENT FUND**
- **CARRICK ON SHANNON FLOOD RELIEF SCHEME**

### Revenue

- **PUBLIC LIGHTING**

Overall they were satisfied that Leitrim County Council is in compliance with the requirements of the Public Spending Code. There is a recommendation that project managers and Heads of Departments are kept up to date with the revised PSC guidelines - This is to ensure maximum adherence to PSC guidelines on all major revenue and capital projects. All PSC projects going forward should incorporate the key elements such as key timelines/documents/data analytics /Programme logic model etc.

Detailed report attached – **Appendix C**

### Conclusion

The inventory outlined in this report clearly lists the capital and revenue expenditure that is being considered, being incurred and has recently ended.

**Leitrim County Council had no procurements in excess of €10 million in 2022** so consequently there was no requirement to publish same on our website. The requirement to publish relates specifically to procurement, and not the project, so where a project is reported at over €10m the interpretation is that the project is examined and only the elements of that project that were the subject of a procurement process for a contract in excess of €10m need to be reported.

The checklists that were completed show a satisfactory level of compliance with the Public Spending Code.

Training and guidance will be given to relevant staff in 2023 to ensure ongoing compliance in implementing the code and to ensure that staff have a greater awareness of the requirements of the PSC.

All projects being considered, ongoing or completed, which fall into the scope of the Public Spending Code should be prepared and managed with the requirements of the code in mind.

Part of the in-depth review focuses on key implementation dates/project lifecycle/analysis of key documents and key evaluation questions which are all part of project management.

The PSC requirements should always be reflected in the management of current and future capital and revenue expenditure areas, which are likely to be subject to the application of the PSC. Monitoring during implementation stages with regular team meetings to review progress is vital to ensure timeframes and budgets are met. Post project reviews are also vital in fulfilling our quality assurance requirements. They should be carried out within 2 years of the date of completion to confirm if initial proposed objectives have been achieved and, also if lessons were learned they should be documented and applied to future projects.

All recommendations that the internal auditors have raised will be implemented, as it is our objective to improve the internal quality assurance process in future years so that Leitrim County Council can ensure high levels of compliance with the PSC.

## Limerick City & Council

### In-Depth Check

Step 4 looks at a small subset of schemes reported on the Project Inventory, looking in more detail at the quality of the Appraisal, Planning and/ or Implementation stages to make a judgment on whether the work was of an acceptable standard and that they are in compliance with the Public Spending Code.

The value of the projects selected for in depth review each year must follow the criteria set out below:

- ❖ **Capital Projects:** Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory.
- ❖ **Revenue Projects:** Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory.

These minimums can be achieved over a three-year period which means that the value of the capital projects selected this year should bring the total over the period 2020 to 2022 to at least 15% of the total capital and to 3% of the total revenue project inventory value.

The same projects should not be selected more than once in a three-year period unless it is a follow up to a serious deficiency discovered previously.

Deloitte, who perform part of the Limerick City & County Councils internal audit function carried out an in-depth check of:

- Two capital projects from the Project Inventory with a combined project budget of €8,612,783.11 and can be found in **Appendix C**.
- One current project from the Project Inventory with a project budget of €24,880,720.18 and can be found in **Appendix C**.

QA Year under review	Total Project Inventory (a)	Total Capital Project Inventory (b)	Total Revenue Project Inventory (c)	Value of Capital Projects selected for In-depth review (d)	Value of Revenue Projects selected for In-depth review (e)	% of Projects Selected of Total Revenue Inventory (e/c)	% of Projects Selected of Total Capital Inventory (d/b)
	€	€	€	€	€	%	%
2020	1,092,355,247.00	210,409,639.00	881,945,608.00*	3,889,102.00	–	–	1.85
2021	1,242,890,038.00	234,804,653.00	1,008,085,385.00	46,176,312.00	6,260,283.37	0.62	19.67
2022	1,002,480,326.25	163,708,908.99	838,771,417.26	8,612,783.11	24,880,720.18	2.97	5.26
3-year total	3,337,725,611.25	608,923,200.99	2,728,802,410.26	58,678,197.11	31,141,003.55	1.14	9.64

\*Includes 604,000,000 HAP Shared Service for 31 Local Authorities

The following represents a summary of the findings of the In-Depth Checks:

	1. Cliona Park Phase 3	2. O'Connell Street Urban Renewal	3. Local Road – Maintenance and Improvement
Compliance with Procurement Process	?	?	?
Expenditure Corresponds with Plans and Progress	?	?	?

# Limerick City & Council

## In-Depth Check

Legislation and Statutory Requirements Complied with	?	?	?
Project team has maintained Extensive Documentation on all Aspects of the Project	?*	?	?
Satisfactory Compliance with the Public Spending Code	?	?	?

\* Refer to low risk area of improvement noted in conclusion.

This report sets out all the requirements of the Quality Assurance process of the Public Spending Code.  
In summary:

- ❖ A Project Inventory has been completed by Limerick City & County Council for 2022
- ❖ Limerick City & County Council has one project with a procurement value exceeding €10 million for the financial year 2022
- ❖ The 7 compliance checklists were compiled under the terms of the Public Spending Code. These checklists indicate that there is a satisfactory level of compliance with the Public Spending Code. As part of this process no serious concerns were raised of noncompliance with the Public Spending Code, however there are areas which need improvement
- ❖ An in-depth review of a sample of projects has been completed and can be found in Appendix C.
- ❖ This report has been prepared which sets out the Quality Assurance requirements of the Public Spending code and will be published on [www.Limerick.ie](http://www.Limerick.ie) on 31<sup>st</sup> May 2023.

Limerick City & County Council engaged with Deloitte to complete the in-depth review part of the Public Spending Code (PSC) Quality Assurance Review. Based on a review of the information supplied, with the exception of the improvement noted below, no further matters came to Deloitte's attention during the review that would suggest non-compliance with the standards set out in the Public Spending Code. All data appropriate to the project are available and on file. However, some improvements are required to the contents of this data.

Deloitte's in-depth review identified the following area for improvement and noted it as a low risk item:

## Limerick City & Council

### In-Depth Check

#### ❖ Capital - Cliona Park Phase 3

##### **Background:**

The Cliona Park Phase 3 is a construction of 18 no. new-build homes at Cliona Park, Moyross Road, Limerick, to create a permeable neighbourhood with links to the surrounding areas and a direct new road link to Cratloe Road via the LIT Campus.

##### **Recommendation:**

Limerick City & County Council (LCCC) should ensure that a comprehensive assessment of other viable options is conducted for each project appraisal. This consideration should be documented and maintained on file.

##### **Management Response:**

Management does not accept that a comprehensive analysis of this site has not been completed given the zoning, housing need, detailed analysis carried out as part of the Development Plan, the Limerick Regeneration Framework Implementation Plan and the business case for funding for the project. The Council notes the need to consider in the business case specifically the “do nothing do minimum” options and relevant staff in Regeneration and the Housing Directorates will be advised.

# Longford County Council

## **In-Depth Check**

Step 4 of the Quality Assurance Process involved examining two projects included on the Project Inventory to test the standard of practices in use and compliance with the Public Spending Code within the organisation.

### **Internal Audit In-Depth Checks**

The Internal Audit Unit of Longford County Council was assigned the task of completing the In-depth checks. The approach taken was to select one capital project and one revenue programme from the inventory.

The In-depth checks have been completed and the projects selected were 14 Housing units at St. Michael's Court, Longford (*see Appendix C*) and the Revenue Expenditure – B01 NP Roads – Maintenance and Improvement – N4 Garryandrew Pavement Rehabilitation Scheme (*see Appendix D*). In general, there is satisfactory compliance with the Public Spending Code. In some instances, there is scope for improvement and the in-depth checks are an opportunity to promote best practice and recommendations have been made. Listed below are the summaries from these in-depth checks.

### **Summary of Acquisition of 14 Housing units at St. Michael's Court, Longford In-Depth Check**

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of this project acquiring fourteen units for social housing as part of the Housing for All Plan 2022. The main objective of this project was the acquisition of social housing units in a cost-effective manner, to contribute to the targets set out and to reduce the number of approved applicants on the Council's housing list. In parallel to this, the Council also has achieved the regeneration of a derelict industrial site containing contaminated soil, located on an entry point to Longford town. There was no scope to develop the site without incurring the unavoidable costs outlined by Ciaran Leech, Chartered QS in his report in December 2020.

The developer's hyper inflation cost claim was unavoidable and having regard to the need to safeguard public projects under construction and to mitigate the risks of significant losses being sustained by contractors, the Minister for Public Expenditure and Reform and the Office of Government Procurement introduced measures for dealing with inflation/supply chain delays in 2022.

The project at St. Michael's Court commenced in April 2021. Considerable works had to be completed on-site before the construction phase could begin. The development was completed in November 2022 and the houses were available for immediate occupancy. Fourteen families (nineteen adults and five children) were appointed tenants and there is an additional €706 rental income per week for the Council. Fourteen families have been removed from the Council's housing list and they now live in homes that are energy efficient with a A2 BER, that are cheaper to heat and emit up to 70% less carbon dioxide.

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The delivery of this housing scheme has also had the additional benefit of urban regeneration, improving the environs for the community already residing there and enhancing the gateway location to the town.

### **Summary of the Revenue Expenditure – B01NP Roads Maintenance and Improvement – N4 Garryandrew Pavement Rehabilitation Scheme In-Depth Check**

The need for the scheme was established in 2018 by the TII in the PAMS annual survey. Completing this project meets local objectives in the Council's Corporate Plan 2019-2024 of improving connectivity and accessibility, both infrastructural and digital, to attract and support business community and our people. The project also satisfies national objectives as outlined in TII's Statement of Strategy 2019-2023.

The project was delivered on time.

The in-depth check involved reviewing the electronic project records held by the Roads Department for the N4 Garryandrew Pavement Rehabilitation Scheme. Meetings took place with Engineering and Administrative staff regarding the project. Expenditure on the Council's financial management system Agresso, was examined for payments charged to the job code. The recoupment of monies through the PRS was also confirmed. It is the opinion of Internal Audit that there is substantial compliance with the Public Spending Code in respect of this project.

### **Conclusion**

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

- An inventory of projects and programmes has been prepared outlining the various projects/programmes – capital and revenue that were being considered, being incurred or recently completed by Longford County Council within the 2020 financial year.
- The relevant publication in relation to procurements over €10m will be placed on Longford County Council's website if applicable.
- The 7 checklists required to be completed under the terms of the Public Spending Code Quality Assurance requirement have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code.
- An in-depth review of one capital projects and one revenue programme contained in the Project inventory has been completed and further confirmed that there is, in general, satisfactory compliance with the requirements of the Public Spending Code.
- The final step of the QA exercise, as required under the Public Spending Code, is the compilation and publication of a summary report outlining the Quality Assurance Exercise undertaken by Longford Co Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, Chief Executive.

Overall the QA exercise has provided satisfactory assurance to the management of Longford Co Council

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# Louth County Council

## In-Depth Check

Crowleys DFK were the appointed outsourced internal auditors to Louth County Council, tasked with step 4 of the Quality Assurance process of the Public Spending Code. Step 4 of the process involves carrying out a more in-depth check on a small number of selected projects. The audit period is for the 12-month calendar year from 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022. Full details of the in-depth analysis can be found in **Section 2** of this report.

The tables below summarise the samples selected for in-depth analysis

*Table 5 Samples Selected for Internal Audit – Capital Expenditure*

Capital Expenditure Selected for Review		
Project	Category	Project Expenditure
RSF Ardee 2040	Expenditure being incurred	€0.7m
Part V Listoke Housing Scheme	Expenditure completed	€1.8m
Fair Street Offices / Drogheda Civic Offices	Expenditure being incurred	€12m
Total Value of Selected Capital Expenditure		€14.5m

*Table 6 Samples Selected for Internal Audit – Revenue Expenditure*

Revenue Expenditure Selected for Review		
Project	Category	Total Amount Incurred
Fuel Service Charge	Expenditure being incurred	€0.47m
Total Value of Selected Revenue Expenditure		€0.47m

The value of projects selected for in-depth review each year should be at least 5% of the total value of all capital projects on the project inventory lists, and 1% of the total value of all revenue projects on



the project inventory lists - with this minimum value being calculated as an average over a three-year period.

The tables below summarise the samples selected for in-depth analysis based on inventory lists furnished by Louth County Council over the three-year average (2020-2022) period.

**Table 7 Capital Expenditure Percentage Selection 2020 to 2022**

Year	Sample Size	Population	% of Selection
2020	€36.05m	€617.51m	6%
2021	€104.89m	€696.72m	15%
2022	€14.5m	€694.79m	2%
<b>Total % Average Over 3 Years:</b>			<b>8%</b>

**Table 8 Revenue Expenditure Percentage Selection 2020 to 2022**

Year	Sample Size	Population	% of Selection
2020	€24.86m	€171.09m	15%
2021	€8.88m	€130.57m	7%
2022	€0.47m	€129.81m	0.4%
<b>Total % Average Over 3 Years:</b>			<b>7%</b>

The main findings for improvement are ranked as high, medium or low and are dealt with in order of priority. The rankings used are described in Table 9 below.

**Table 9 Internal Audit Classification**

Classification	Description
High	<p>Major Internal Control weakness or issue that has potential for:</p> <ul style="list-style-type: none"> <li>• Significant damage to the organisation’s reputation;</li> </ul> <p>and/or</p> <ul style="list-style-type: none"> <li>• Significant financial loss or loss of value for money;</li> </ul> <p>and/or</p> <ul style="list-style-type: none"> <li>• Significant operational disruption; and/or</li> <li>• Non-compliances with legislative and regulatory requirements; and/or</li> <li>• Significant inefficiency costing senior management time</li> </ul> <p>Remedial action must be taken urgently.</p>

Medium	<p>Internal Control weakness or issue that has potential for:</p> <ul style="list-style-type: none"> <li>• Adverse impact to reputation; and/or</li> <li>• Financial loss or loss of value for money; and/or</li> <li>• Operational disruption; and/or</li> <li>• Inefficiency costing senior management time</li> </ul> <p>Weakness identified should be of concern to senior management and requires prompt specific action.</p>
Low	<p>Minor control deficiency where Internal Control improvements or the strengthening of the areas risk management/ control culture is required. These mainly relate to matters such as systems enhancement, procedural</p>

A formal report on the in-depth review has been completed by Crowleys DFK and has been submitted to the Management Team at Louth Council and is included in **Section 2** of this report. The auditors review identified two non-compliances, classified as follows:

- 0 High
- 2 Medium
- 0 Low

Overall, internal audit has found satisfactory compliance with the Public Spending Code with minor areas identified for improvement. Two medium rated findings were identified during the independent in-depth review, indicating that reasonable assurance can be placed on the sufficiency and operation of internal procurement controls to mitigate and/or manage key inherent risks.

A brief summary of the specific recommendations identified by the auditors, and agreed with LCC Senior Management Team include:

- Compliance with Public Spending Code Guidelines (**Medium**)
  - o Strategic assessment and preliminary business case process to be reviewed
  - o Project funding process to be reviewed
  - o Project inventory submission process to be reviewed

- Compliance with Procurement Procedures (**Medium**)
  - o Procurement processes to be reviewed specifically concerning method of advertising and supporting documentation for same
  - o Evaluation processes to be reviewed specifically concerning the completion of conflicts of interest in a timely fashion and the appropriate signing and dating of evaluation score cards

### **Compilation of Report for NOAC – Step 5**

Step 5 the Quality Assurance process involves the completion of a short report for the National Oversight and Audit Commission (NOAC). The report should be submitted by the end of May in respect of the previous calendar year. The report will be published on the local authority website and can be found [here](#). The contents of this report meet the requirements of step 5 of the QA process in terms of the compilation of the report. Once approved by the Senior Management Team, the final step involves issuing this report to NOAC.

### **Conclusion**

This report sets out all the requirements of the Quality Assurance (QA) aspect of the Public Spending Code for Louth County Council.

- A Project Inventory has been prepared outlining the various projects/programmes from both capital and revenue expenditure, which were being considered, incurred or recently completed by Louth County Council within the 2022 financial year
- Louth County Council has one ongoing procurement project with a value in excess of €10m which has been documented on the appropriate template and has been published on the website
- The required checklists have been completed and provide assurance that there is satisfactory compliance with the Public Spending Code
- An in-depth review of the sample projects contained in the inventory lists has been completed. The review identified zero “High” priority rated findings. The review identified two medium rated findings in the following areas:
  - o Compliance with Public Spending Code Guidelines
  - o Compliance with Procurement Procedures

In this three-year cycle (2020-2022), an average of 8% of capital expenditure has been subjected to in-depth analysis and an average of 7% of revenue expenditure has been subjected to in-depth analysis, which is significantly greater than the 5% and 1% required.

The findings identified in this report will be highlighted to the teams involved and to the organisation as a whole to bring further focus and awareness to the Public Spending Code and the areas for improvement. Management will continue to drive compliance with the Public Spending Code so that the relevant directorates fully comprehend the requirements of the Public Spending Code. Areas for improvement identified in this report will be incorporated into the project governance within the organisation and progress will be monitored and reported via the procurement steering committee meetings and the quarterly procurement report issued to management.

In summary, with the exception of minor gaps identified, internal audit noted appropriate compliance with the provisions of the Public Spending Code. While there are no serious areas of non-compliance, Louth County Council will continue to implement actions to strengthen and improve the systems and processes in place.

# Mayo County Council

## In-Depth Check

The following section presents a summary of the findings of this In-Depth Check Report as prepared by the Internal Auditors:

### Projects Selected and findings of the In-depth Review:

#### A. Westport Library and Community Building:

**Project Description:** The project, which entails the development of a new, state-of-the-art Public Library, Community Facilities (exhibition and meeting spaces), and Public Realm/Civic Spaces, will be located entirely within the existing grounds of the historic former Sisters of Mercy Convent site on Altamont Street, in the centre of Westport town. The property is a highly visible and prominent gateway site, and this project will achieve the Council's long-term plans to provide Westport with much-needed community facilities, spaces, and amenities. The in-depth check report for this Project is included in Appendix 4.A.

A summary of the findings on the in-depth check for this project is as follows:

- Aside from the gaps identified in Section A (Project Name) and Section B (Evaluation: Step 3 Analysis of Key Documents) above, Internal Audit noted compliance with the provisions of the Public Spending Code with regard to the Westport Regeneration – Redevelopment of Convent Site Project.

Recommended improvements to enhance future processes and management:

- A COI declaration is completed and signed by all members of the evaluation team prior to the evaluation.
- A member of the Procurement Efficiency Review Team should be included in the evaluation process.
- Monitor concluded contracts. This is to ensure that the contract award notices are promptly published on the eTenders website.

#### B. Newport Public Realm and Enterprise Centre:

**Project Description** The Newport Regeneration Project encompasses the following:

- Redevelopment of Local Authority/community-owned derelict buildings at Barrack Hill to provide for a new Enterprise Hub workspace facility and a new Tourism Office.
- Public Realm works along Medlicott and Main Streets, the bridge, and Barrack Hill are to include the provision of paved public open spaces, wider footpaths, safe pedestrian crossings, improved disability access, off-road cycling routes, and general streetscape enhancements within the town centre.
- Creation of a new Greenway Cycling Hub and visitor parking facilities at Barrack Hill.
- Development of a new off-road greenway and walking route. This will be used as an alternative to Georges Street, a road safety blackspot.
- Provision of new "Dark Skies-friendly" public lighting within the town-centre project area.

The in-depth check report for this Project is included in Appendix 4.B.

A summary of the findings on the in-depth check for this project is as follows:

- Aside from the gaps identified in Section A (Project Name and Project Status) and Section B (Evaluation Step 3 Analysis of Key Documents) above, Internal Audit noted compliance with the provisions of the Public Spending Code with regard to the Newport Regeneration Project.

Recommended improvements to enhance future processes and management:

- The COI declaration is completed and signed by all members of the evaluation team prior to the evaluation.
- A member of the Procurement Efficiency Review Team should be included in the evaluation process.
- Evaluation scoresheets are signed by all evaluators and date stamped.
- The standstill period required by the public procurement guidelines is observed and indicated in the letters sent to successful and unsuccessful tenderers.
- Monitor concluded contracts to ensure that the contract award notices are published in a timely manner on the eTenders website.
- Contracts retained are signed by both MCC and supplier authorised personnel.
- All procurement-related documents are retained in a single repository and are easily accessible by relevant personnel.

### **C. N17/R320 Junction at Lisduff:**

**Project Description:** This road safety improvement scheme is highly necessary as the existing N17/R320 junction and its immediate vicinity have been the scene of many collisions, some fatal, in recent years. It has been identified as a high collision location by Transport Infrastructure Ireland (TII) in accordance with TII's HD 15 Safety Ranking Assessment. The Project comprises an upgrade of the existing at-grade junction of the N17 National Road with the R320 Regional Road to a compact grade-separated junction.

The in-depth check report for this Project is included in Appendix 4.C.

A summary of the findings on the in-depth check for this project is as follows:

- Except for minor gaps identified in Section B (Step 3: Analysis of Key Documents), Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the N17/R320 Junction at Lisduff Project.

Recommended improvements to enhance future processes and management:

- Ensure all evaluators complete and sign a declaration of COI prior to the evaluation. Additionally, evaluation scoresheets must be signed and date-stamped by all evaluators. A member of the Procurement and Efficiency Review Team should participate in the evaluation process.
- Ensure appropriate procurement methods (i.e., at least five (5) quotations obtained for procurement of goods and services with an estimated value of €10,001 to €25,000, procurements are conducted via the eTenders website for goods and services with an estimated value greater than €25,000, etc.) are used and compliance with the adopted procurement policy and the OGP's Public Procurement Guidelines is observed in all instances.

#### **D. Landfill Operation and Aftercare:**

**Project Description:** Mayo County Council is responsible for the maintenance and aftercare of landfill sites in the county. High environmental standards need to be met in accordance with Environmental Protection Agency (EPA) licences and regulations. In addition, the environmental risks of groundwater pollution and landfill gas must be eliminated through their careful management and treatment. The programme includes expenditure on the maintenance and aftercare costs of two landfill sites, the operation and maintenance of civic amenities, and loan charges on borrowings to fund the construction of the landfill and civic amenity facilities. The in-depth check report for this Project is included in Appendix 4.D.

A summary of the findings on the in-depth check for this project is as follows:

- Except for minor gaps identified in Section B (Step 3: Analysis of Key Documents and Step 4: Data Audit), Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the Landfill Operation and Aftercare Programme.

Recommended improvements to enhance future processes and management:

- Appropriate assessment of KPI's to ensure that established objectives are attained.
- Ensure all evaluators complete and sign a declaration of COI prior to the evaluation.
- Monitor concluded contracts to ensure that the contract award notices are published on the eTenders website in a timely manner.
- Ensure appropriate procurement methods (i.e., at least five (5) quotations obtained for procurement of goods and services valued €10,001 to €25,000, that procurements are conducted via the eTenders website for goods and services amounting to greater than €25,000, etc.) are used and compliance with the adopted procurement policy and the OGP's Public Procurement Guidelines is observed in all instances.
- All procurement-related documents for each of the projects/programmes should be stored in a single repository.
- Establish key performance indicators (KPIs) at the planning stage of the project.

#### **4.3. High level summary of the internal audit recommendations:**

- Update MCC's procurement policy (Procurement & Financial Procedures Manual for Goods, Services & Minor Works) to include the roles and responsibilities and specific procedures performed in relation to the 5-step reporting requirements for PSC Quality Assurance.
- Ensure that the project inventory is complete and accurate. The project name, project status, and cost reflected in the inventory should be reviewed and confirmed with the respective project owners. Guidance on the completion of the project inventory is outlined in Version 4 of the PSC QA Requirements, Guidance Note for Local Government Section.
- Establish key performance indicators (KPIs) at the planning stage of the project.
- Ensure training/refresher training on the Public Spending Code and Procurement are periodically provided to all relevant personnel (specifically those responsible for the management and operation of the projects).
- Update the EU threshold documented in the MCC's Corporate Procurement Plan 2022-2024 and published on the MCC website. Furthermore, quarterly reports related to

contracts awarded amounting to €20,000 and above should be promptly published on the MCC's website.

- Ensure appropriate procurement methods are used and that compliance with the adopted procurement policy and the OGP's Public Procurement Guidelines is observed in all instances. (For instance, that at least five (5) quotations are obtained for the procurement of goods and services valued from €10,001 to €25,000, that procurements are conducted via the eTenders website for goods and services amounting to greater than €25,000, etc.)
- Ensure all evaluators complete and sign a declaration of COI prior to the evaluation. Additionally, evaluation scoresheets must be signed and date-stamped by all evaluators. A member of the Procurement and Efficiency Review Team should participate in the evaluation process.
- Include the required standstill period (i.e., a minimum of 14 days for electronically sent notices and 16 days for those sent by other means) in the letters issued to the successful and unsuccessful tenderers.
- Monitor concluded contracts to ensure that the contract award notices are timely published on the eTenders website.
- Ensure contracts are signed by both MCC and supplier-authorized representatives and retained on file.
- All procurement-related documents for each of the projects/programmes should be stored in a single repository.
- Update MCC's procurement policy (Procurement & Financial Procedures Manual for Goods, Services & Minor Works) to reflect the requirements of Article 5k.

The above recommendations were broadly agreed with by management, with changes to processes to be implemented where considered appropriate.

## **5 NEXT STEPS: ADDRESSING QUALITY ASSURANCE ISSUES**

The inventory and checklists for this Quality Assurance Report were compiled based on the submissions received from Directors of Service and Heads of Function across Mayo County Council. The Quality Assurance process shows a reasonable level of compliance with the Code. It also highlighted areas where improvements in processes could be implemented to further enhance understanding and compliance. Any areas where systems could be improved to increase compliance will be reviewed at Management Team Level.

Arising from audit outcomes in 2022, Mayo County Council has delivered training to Budget/project managers. Procedures for Tender Evaluation have been enhanced to include requirement for members of the Evaluation team to sign Conflict of Interest Forms.

Mayo County Council will progress the recommendations arising out of the Indepth Review.

## **6. CONCLUSION**

The detailed inventory in this report outlines all current and capital expenditure that was being considered, being incurred, and recently ended in the year under review, 2022. There were three procurement in excess of €10 million during this period, N5 Westport to Turlough Road



and the N60 Balla to Claremorris Road Realignment at Heathlawn and Westport Housing (50 units), projects, the details of which are published on the Council's website.

The Checklists completed by Mayo County Council indicate a mostly satisfactory level of compliance, with some areas for improvement noted. The summary in-depth check findings of the projects reviewed noted that for:

- Two of the projects reviewed there was Compliance with the requirements of the Code
- Two of the projects reviewed, except for minor gaps identified, there was Substantial Compliance with the Code.

Overall, the Quality Assurance exercise has provided reasonable assurance to the management of the Council that the requirements of the Public Spending Code are largely being met.

## Meath County Council

### In-Depth Checks

The following section details the in-depth checks which were carried out by the Council as part of the Public Spending Code. The value of the projects selected for in depth review must follow the criteria set out below:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the project inventory.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the project inventory.

The minimum sample requirements can be achieved over a three-year period. The following table summarises the capital and revenue sample averages achieved over the period 2019 – 2021:

	Capital	Revenue
Inventory 2020	601,957,623	192,218,009
Inventory 2021	666,191,821	153,761,144
Inventory 2022	852,095,735	172,737,561
Total value of Inventory 2020 - 2022	2,120,245,179	518,716,714
Value of projects audited 2020 -2022	221,295,980	13,005,173
% achieved over period 2019 -2020	<b>10.44%</b>	<b>2.51%</b>

In selecting projects for audit each year an attempt is made to ensure that the sample is reflective of the broad range of activities that the Council carries out. Projects are selected for sample in such a way as to ensure that all the biggest spending service divisions are represented over a three to five-year period. This approach to sampling is in keeping with the requirements of the Public Spending Code.

The in-depth check methodology used in this report is based on the principals and guidance in the Public Spending Code and best practice evaluation tools. As part of this methodology an outline template must be completed by the evaluator when carrying out an in-depth check as part of the Quality Assurance Process. The templates once completed are the in-depth check and are attached as an appendix to the Quality Assurance Report. The two projects which were selected for in-depth check this year were as follows:

- **N2 Slane By Pass**- €130 million Project Lifetime Cost

- **Operation of Fire Service** - (Revenue Expenditure Code E11) - €4,711,507 expenditure in 2022

The in-depth checks were carried out by the Internal Audit Section of the Council in April and May 2023. Full copies of these in-depth checks can be found in Appendix 3, summaries of each are below.

### **3.3.1 N2 Slane By-pass & Public Realm Enhancement Scheme**

#### **Summary of In-Depth Check**

The following section presents a summary of the findings of this In-Depth Check on the N2 Slane By-pass & Public Realm Enhancement Scheme.

The proposed N2 bypass route corridor runs to the east of Slane Village and is approximately 3.5 km in length. The proposed route diverts from the existing N2, in a north-easterly direction, from a location approximately 400 m north of McGruder's crossroads in the townland of Johnstown. It continues in a north-north easterly direction, through Fennor and Crewbane townlands in a deep cutting. The route passes under the existing Rosnaree Road, crossing the River Boyne approximately 630 m east of the existing Slane Bridge.

On the southern side of the river, the proposed bridge will span over the Boyne Canal and towpath which forms part of the Boyne Navigation. The Inland Waterways Association of Ireland (IWA) – Boyne Navigation Branch have as a primary objective the restoration of the canal. A minimum vertical clearance for canal navigation is generally required to be a minimum of 3.6 m, a minimum vertical clearance of 5.1 m to the canal towpath is also required for maintenance of the canal.

At the proposed location of the crossing the river channel is approximately 50 m wide and the flood channel is approximately 120 m wide. Setback exclusion zones of minimum 10 m width are also required from the top of both the northern and southern banks of the river to avoid hydraulic effects on river flows, as well as any disturbance to the bed of this important fisheries habitat. The minimum 10 m set-backs ensure that construction works for the piers and foundations will have no adverse impact on the river, including the risk of pollution from construction materials.

The proposed new structure comprises a four-span steel plate girder bridge made composite with a reinforced concrete deck slab as illustrated in **Error! Reference source not found.** The span arrangements are approximately 53 m, 75 m, 77 m and 53 m and give a total bridge length of approximately 258 m. The depth of the steel plate girders varies from 4 m at the intermediate supports to 2.15 m at mid span and the abutments. The substructure consists of cast in-situ reinforced concrete bearing shelves and columns supported by bored pile capped foundations at the piers. The abutments consist of cast in-situ reinforced concrete walls supported by bored pile foundations.

This in-depth check has demonstrated that the appropriate project management guidelines have been adhered to at each project milestone, the project has been properly managed and is therefore in compliance with the standards as set out in the Public Spending Code.

### **Does the delivery of the project comply with the standards set out in the Public Spending Code?**

**Audit Opinion:** This opinion was formed by a review of records held on file by the Council's Transportation section and by discussions held with staff managing this project. It is considered that decisions to progress the project to this stage were soundly based and that the project has been well managed to date. The review provides **Satisfactory Assurance** (see Appendix 4) that this project is in compliance with the Public Spending Code.

### **3.3.2 Operation of Fire Service Revenue Expenditure Code E11**

#### **Summary of In-Depth Check**

The following section presents a summary of the findings of this In-Depth Check on the Operation of Fire Services 2022.

Delivery of the Operations of Fire Services does comply with the standards set out in the Public Spending Code.

This in-depth check has demonstrated that the appropriate project management guidelines have been adhered to, the programme has been properly managed and is therefore in compliance with the standards as set out in the Public Spending Code.

It is recommended that the Fire and Emergency Operations Plan 2015 – 2019 should be reviewed and updated plan adopted.

### **Does the delivery of the project comply with the standards set out in the Public Spending Code?**

**Audit Opinion:** This opinion was formed by a review of records held on file by the Council's Fire department and by discussions held with staff managing this project. The review provides **Satisfactory Assurance** (see Appendix 4) that this project is in compliance with the Public Spending Code.

#### **Summary of In-Depth Check**

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of Operation of Fire Services Revenue Expenditure 2022.

#### **4. Next Steps: Addressing Quality Assurance Issues**

The compilation of both the inventory and checklists for the ninth year of this Quality Assurance process involved liaison with all sections and directorates within the Council. The in-depth checks carried out over the past nine years were useful in setting out the controls which are in place to ensure compliance with the Public Spending Code and the in-depth checks which form part of the quality assurance process are part of the Internal Audit annual work programme. The Public Spending Code requires that the in-depth checks take a broader evaluation review of projects and programmes assessing such things as project management, project appraisal and post project reviews.

The in-depth reviews undertaken by Internal Audit this year cover the required sample percentages under Section 4 of the Quality Assurance Process. Although the results of the reviews this year indicate satisfactory compliance with the Public Spending Code in respect of both projects/programmes sampled this may or may not accurately reflect compliance across the entire organisation. An overview of general compliance levels is provided in the checklists completed under section 3.

A constant review of processes and procedures is carried out across all spending departments to ensure high compliance with the Public Spending Code on an ongoing basis. Capital project spending codes are only created in the Council's financial management system where it can be demonstrated by project owners that the requirements of the Public Spending Code will be met in full. Management will continue to ensure that Directorates comply fully with the requirements of the Public Spending Code.

#### **5. Conclusion**

The inventory outlined in this report clearly lists the capital and revenue expenditure that is being considered, being incurred and that which has recently ended. There were two procurements in excess of €10m in the year under review. The checklists completed by the Council show a satisfactory level of compliance with the Public Spending Code. The in-depth checks carried out on a small selection of projects/programmes showed a satisfactory level of compliance with the Public Spending Code overall. A constant review of processes and procedures is carried out across all spending departments in order to ensure high compliance with the Public Spending Code on an ongoing basis.



# Monaghan County Council

## In-Depth Check

Step 4 of the Quality Assurance Process involved examining a sample selection of projects included on the Project Inventory to test the standard of practices in use and compliance with the Public Spending Code within the organisation.

As part of the Quality Assurance provisions contained in the Public Spending Code, Monaghan County Council is required to carry out an in-depth review on a minimum of 1% of the total value of all Revenue Projects on the PSC Inventory. In relation to Capital Projects, Monaghan County Council must carry out a review on 5% of the Capital Projects listed on the PSC Inventory or 15% over a 3-year period.

In line with these requirements the Internal Audit Unit of Monaghan County Council was assigned the task of completing the in-depth check. For 2022 the Internal Auditor selected the following projects: -

- a) Ard An Radhairc Housing Acquisition Project Carrickmacross (Capital)
- b) Housing Adaptation Grants Scheme (Programme A09) (Revenue)
- c) N2 Clontibret to Border Road Scheme (Capital)

## 4.2 Findings

### 4.2.1 Housing Acquisition Project – Ard An Radhairc, Carrickmacross

The following section presents a summary of the findings of the In-Depth Check on the Ard An Radhairc Housing Acquisition Project in Carrickmacross

The Ard an Radhairc project involved the acquisition of 41 turnkey (new build) houses from a developer for the purpose of addressing assessed housing need in Carrickmacross. The cost of the project was € 10,422,633 incl. vat which comprised capital expenditure of € 10,383,132 in respect of the purchase of the houses with an additional € 39,501 expenditure on legal fees. This project was fully funded by the Department of Housing, Local Government and Heritage with the exception of a late legal fees invoice which is being referred to the Department. The project represents 2.4% of the total amount of the Inventory of Capital expenditure for the reference year.

The project complies with the standards set out in the Public Spending Code in regard to the appraisal and implementation stages of the development. The documents audited demonstrate that the project was carefully appraised in terms of need, potential benefit, cost and value for money and technical factors such as proximity of the proposed development to services. The project was appraised at its early stages in terms of justification and cost including by use of an assessment matrix and a business case was developed and submitted to the funder for approval. The business case was subsequently accepted by the Department of Housing, Local Government and Heritage and the requested funding amount approved.

Following audit of the documentation associated with this project as well as discussions with engineering staff, Internal Audit is of the opinion that the project was appraised, planned, monitored, and implemented in compliance with the Public Spending Code and the level of compliance is deemed to be Satisfactory.

#### **4.2.2 Housing Adaption Grants**

The following section presents a summary of the findings of the In-Depth Check on the operation of the Housing Adaption Grants Scheme (AFS Programme Code A09)

The purpose of the Housing Adaption Grants Scheme programme is to provide easily accessible funding, subject to clearly defined criteria, to assist older people or people with a disability to undertake adaptation works that will make their accommodation more suitable for their needs. The suite of grants available through the Scheme to private homeowners are 80% funded by the Department of Housing, Local Government and Heritage with a 20% contribution from Monaghan County Council.

The expenditure for the Housing Adaptation Grants Scheme (A09) as itemised on the Annual Financial Statement for reference year 2022 was € 2,253,704. This represents 3% of the total current expenditure amount on the Inventory of Current Expenditure for the reference year. The Scheme is administered by 1.5 WTE staff working under the supervision of a Senior Executive Officer. Engineering resources are provided by 5 Housing Engineers and where required; Housing Section engages the service of external Occupational Therapists (OT) to assist in the assessment of some of the grant applications where an OT has not been engaged by the applicant. The number of applications received under the Scheme for 2022 was 329 and 234 grant applications were paid out by the end of the year.



Internal Audit examined the workflow process and the key documentation pertinent to the Scheme and conducted meetings with Staff in Housing Section to explore and discuss the operation of the Grants Scheme. An examination of programme income and expenditure amounts for the reference year was undertaken through Agresso FMS. Internal Audit can confirm that the level of compliance of the Housing Adaptation Grants Scheme (AFS Programme Code A09) with the Public Spending Code is **Acceptable** in terms of the appraisal, implementation and ongoing review of the programme and having regard to the potential for current or future evaluation of the programme.

#### 4.2.3 N2 Clontibret to Border Road Scheme

Monaghan County Council in association with Transport Infrastructure Ireland (TII) undertook this project to upgrade a 28km section of the N2. Together with other improvements planned for the N2/A5 route, this project would significantly improve transport connectivity along the N2 and provide safer and more efficient access to other strategic national roads. The project is in County Monaghan between Clontibret and the Northern Ireland Border and is called the N2 Clontibret to Border Road Scheme. It is an important project to enhance key North/South and Regional connectivity and to improve road safety.

The current iteration of the N2 Clontibret to the Border Road Scheme commenced in 2018 and was suspended in 2022 as no funding was received to progress beyond TII phase 3 Design and Evaluation. The total expenditure on this Capital Project to date is € 2,636,863, with the spend in the reference year 2022 being € 388,786. The project which was funded by Transport Infrastructure Ireland represents just 0.6% of the overall expenditure on the Inventory of capital expenditure.

Internal audit conducted an examination of the documentation retained by Roads Section for this project and discussed the documentation pertaining to the various phases of the project with the Project Liaison Officer. The data available demonstrates that the project complies with the provisions of the public spending code in respect of the pre-appraisal and planning of the project and also with regard to the implementation of those stages of the project that were able to be undertaken before the project was suspended in 2022. Audit of the documentation itemised on the data audit tables included in this report confirms that the progress of the project and the levels of expenditure and other critical issues pertaining to the lifetime of the project were regularly monitored and recorded by Roads

Section Staff while the project was underway. It is noted also that steps have been undertaken to explore alternative means of funding for the purpose of resuming the N2 Clontibret to the Border Road Scheme.

Having completed the audit of the documentation associated with this project and communicated with the Project Liaison Officer in Roads Section, as well as having undertaken a check of income and expenditure for the project via Agresso FMS, Internal Audit is of the opinion that the project is in compliance with the Public Spending Code

### **Summary**

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

- A Project Inventory has been prepared outlining the various projects/programmes – capital and revenue that were being considered, being incurred, or recently completed by Monaghan County Council within the 2022 financial year. Details are included within Appendix A.
- Monaghan County Council conducted one procurement with a value in excess of €10m in 2020 for the ‘Peace Campus’ which is still under construction. Details are available on the Monaghan County Council Website at the following link:  
<https://monaghan.ie/wp-content/uploads/2023/05/2022-Procurements-in-Excess-of-E10m1-1.pdf>
- The 7 checklists required to be completed under the terms of the Public Spending Code Quality Assurance requirement have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code. While it is recognised that there are some areas for improvement, no serious concerns were raised as a result of the QA exercise. Details are included within Appendix B.
- An in-depth review of a sample of the projects contained in the Project inventory has been completed and the internal auditor has reported receiving satisfactory assurance that there is general compliance with the Public Spending Code. Details of the in-depth checks conducted, and subsequent recommendations are included in Appendix C.
- The final step of the QA exercise, as required under the Public Spending Code, is the compilation and publication of a summary report outlining the Quality Assurance Exercise undertaken by Monaghan Co Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, the Chief Executive and will be published on Monaghan Co. Council’s website.

Overall, the QA exercise has provided reasonable assurance to the management of Monaghan Co Council that the requirements of the Public Spending Code are being met.

## Offaly County Council

### In-Depth Checks

The following projects were selected by the Internal Audit Unit for In-depth Review:

Project Name	Project Category (2022)	Project Budget / Expenditure
Administration of Homeless Services	Current Expenditure – Being Incurred	€1,149,949
Clara Raheen Housing Development (38 units)	Capital Expenditure – Under Consideration	€15,192,355

The total value of Offaly County Council's Inventory listing for 2022 was €261,246,437 (includes Current (Revenue) and Capital Expenditure). Therefore, the two projects detailed within the table above represent a sample of approximately 6.21% of the total inventory.

The internal audit review of the projects covered the period up until the 31<sup>st</sup> of December 2022.

### Summary of Findings

Given the outcome of the reviews summarised individually below it is the opinion of the internal audit department that there is, overall, 'Satisfactory Assurance' (see Appendix 1) regarding compliance with the Public Spending Code within Offaly County Council.

### Project 1: Current (Revenue) Expenditure Programme €1,149,949

A Review at the 'Implementation Stage' of the Administration of Homelessness Services expenditure programme took place as part of this in – depth check. This programme was categorised as 'Current Expenditure Being Incurred' in the 2022 Public Spending Code Quality Assurance Inventory listing. Based on review of documentation/data this programme provides 'Satisfactory Assurance' that there is compliance with the Public Spending Code.

At the 'Implementation Stage' of the current expenditure the following is required:

- Assigned responsibility for delivery
- An appropriate structure to monitor and manage the implementation phase
- Regular meetings
- A means of measuring if the project/programme is delivering on its expectations.

Offaly County Council's Housing Department has a management structure in place for the programme delivery and co-ordination. The Director of Services for Housing has overall responsibility for the programme however the day to day operation of the service is the responsibility of the Senior Executive Officer in Housing. Online data base systems are utilised for monitoring expenditures and recoupments of grant funding, with hard copies of claims also kept within the Housing section. Homelessness Service Funding is provided to OCC on a Regional basis by Westmeath County Council, the regional leader of the Midlands Regional Homelessness Management Group. OCC submit quarterly homelessness expenditure returns to Westmeath County Council who administer the allocated Departmental funding for homelessness services for the region.

To enhance compliance and for future evaluation, some recommendations have been made in relation to, specialised staff training, introduction of a Homeless Prevention and Support Officer and

adopting a new Homeless Action Plan. The Internal Audit Department will complete a follow-up on recommendations at a later date.

**Project 2: Capital Expenditure Programme €15,192,355**

The following section presents a summary of the findings of this In-Depth Check on the Clara Raheen 38 Unit Development.

This project was categorised as Capital Expenditure 'Being Considered' in the 2022 PSC Inventory listing. The review of this project focused on the appraisal and planning elements.

At the 'Appraisal' Stage of the capital expenditure the following steps are required:

- i. Define the objective
- ii. Explore options taking account of constraints
- iii. Quantify the costs of viable options and specify sources of funding
- iv. Analyse the main options
- v. Identify the risks associated with each viable option
- vi. Decide on a preferred option
- vii. Make a recommendation to the Sanctioning Authority

Offaly County Council prepared a detailed Capital Appraisal Document supplemented with independent quantity surveyors report and submitted same to DHPLG. Each of the steps above were followed. A Senior Executive Engineer is assigned responsibility as project manager for each stage of the capital project however Walsh Associates & Project Managers were appointed through the OGP Framework to provide architectural, design, engineering and surveying assistance in relation to the 4 stage Departmental approval process.

Based on a review of documentation this project at 'appraisal stage' provides 'Satisfactory Assurance' that there is compliance with the Public Spending Code. The 4 stage Departmental approval process also ensures a high level of compliance with the Public Spending Code.

# Roscommon County Council

## In- Depth Check

### Operation of the Arts Programme

Roscommon County Council is responsible for the Operation of the Arts Programme, in respect of both Revenue and Capital expenditure and income. This in-depth review was undertaken in respect of the Revenue account, which sits in Division F: Recreation and Amenity FOS: Operation of the Arts Programme of the Revenue Budget. The Arts Programme is approved on an annual basis at the Councils Annual Budget Meeting and had expenditure in 2022 of €1,847,245 or 3% of the overall revenue budget.

The Arts Programme includes a diverse range of project, which are operated from locations throughout the county, including Roscommon Arts Centre, Roscommon Art Office, Dr Douglas Hyde Centre, King House and County Roscommon Heritage and Genealogy Centre. Projects and programmes include investment in the arts, job creation, creativity, participation, inclusion, engagement, promotion of historic and cultural landmarks, support to genealogy research. There are 9 full time and 7-part time/casual staff employed to implement the objectives of the programme. The Council also supports a number of IT systems in the Area.

The in-depth check looked at the various programmes, projects, plans and events carried out and facilitated through the programme in 2022. The programme offers significant benefits, to all target groups, through the provision of a diverse programme of events for all and this is to be highly commended. An analysis of expenditure on Agresso was carried out which included comparison between the Budgeted figure in the Annual Budget and actual expenditure as outlined in the Unaudited Annual Financial Statement 2022. The analysis included a review of supplier payments, invoices, contracts etc.

Overall based on the sample reviewed I am satisfied that the Operation of the Arts programme is compliant with the principles of the Public Spending Code.

### N5 Ballaghaderreen to Scramoge Road Project (Capital Project)

In Depth Check Summary (9% of Capital Project Inventory for 2022 and 6%-year average 2020-2022)

This capital investment project with expenditure being considered has an objective of upgrading the N5 Ballaghaderreen to Scramoge Road Project with an estimated project cost of €264,060,000. The project comprises the construction of 33.4km of new single carriageway national road between the tie-in of the N5 Ballaghaderreen Bypass at Rathkeery Td. (western extent) and Scramoge TCI. (eastern extent) in Co. Roscommon. The development of the NS Ballaghaderreen to Scramoge project commenced over twenty years ago circa 2003 but was suspended for several years due to the impact of the unprecedented economic crisis of 2008-2011. The project development recommenced in 2014 and received statutory planning consent from An Bord Pleanála in January

2019. Significant financial investment has been made in the project to date. Land acquisition commenced in 2019. Significant advanced fencing, hedgerow and forestry clearance and archaeological investigation & resolution was completed over the full 33.4km length of the project.

As required by the Public Spending Code the project works appear to be well managed. The overall process and documentation prepared for the N5 Ballaghaderreen to Scramoge is consistent with the prevailing guidelines set out in the Public Spending Code.

Based on findings of the in-depth review on the proposed upgrade of the N5 Ballaghaderreen to Scramoge Road Project, Capital Project the audit opinion is that Roscommon County Council is broadly compliant with the relevant requirements of the Public Spending Code.

## Sligo County Council

### In-Depth Checks

This section presents a summary of the findings of the In-Depth Check on the following areas of expenditure:

#### Current Project – Operation of the Arts Programme

Sligo Arts Service is a department of Sligo County Council, working in partnership with the Arts Council of Ireland and key stakeholders locally, regionally and nationally to deliver a high quality arts service for the people of County Sligo.

This review focused on:

Arts Programme	€192,834
Contribution to Other Bodies Arts Programmes	€300,992

The Arts Programme includes support for a number of programmes including Culture Night, Sligo International Chamber Music Festival, Bealtaine and Primary Colours.

Funding for Arts Venues and Organisations - The objective of this funding is to support the arts sector in Sligo to play a distinctive role in developing a vibrant and sustainable arts environment at a local, regional, national and international level in partnership with Sligo County Council

Funding for Arts Festivals and Events - The objective of the Scheme is to support Festivals and Events that promote public engagement with the arts as their core aim. A festival may represent one art form or may include a wide variety of different art forms. Festivals or events may also be programmed over a number of months (e.g. a concert series).

The in-depth check has demonstrated adherence with the broad principles of the Public Spending Code, in relation to current expenditure programmes. Overall, the Operation of the Arts Programme which was reviewed is broadly in compliance with the requirements of the Public Spending Code.

#### Capital Project – Capital Acquisition Scheme – Tuath Housing provision of units at Adelaide Street, Sligo

In September 2021 the government published its *Housing for All* Strategy (HfA) setting out its plans to increase the supply of housing to an average of 33,000 per year over the next decade. The

Government issued social housing targets for the term of the strategy to each Local Authority, a target of 517 dwellings in the case of Sligo County Council (SCC).

The Adelaide Street project is a development by Tuath Housing - Approved Housing Body - and the Housing Agency who are the owners of the site. The site, originally a brownfield site, is currently being leased by SCC who have developed the site as a public car park. The design provides 37 no. apartments and a communal amenity room for elderly & disabled residents. The lands are zoned C1 city centre uses which permits apartment development.

The development is designed around a courtyard accessed via an archway from Adelaide Street in three blocks, the taller addressing Joe Banks Road and the smaller two addressing the courtyard and Adelaide Street.

The Capital Assistance Scheme (CAS) is a capital funding scheme used by approved housing bodies (AHBs) to provide accommodation to specific groups.

In July 2022 Stage 1 approval was received from DHLGH with an all-in budget of €10,633,338.

It is expected that the project will be completed by Q4 2025.

The in-depth check has demonstrated that controls are in place to provide adequate assurance that there is substantial compliance with the Public Spending Code.

## **Conclusion**

The Public Spending Code Quality Assurance Report, inventories and checklists have been completed by the Authority for the year ended 31<sup>st</sup> December 2022. While there are no serious areas of non-compliance with the PSC noted in the report, the Authority has identified some areas where compliance with the PSC requirements could be strengthened and improved. The Authority will continue to review these areas and identify and implement improvements in its processes.



## South Dublin County Council

### In-Depth Checks

The following section details the in-depth checks which were carried out by South Dublin County Council's Internal Audit Unit as part of the Public Spending Code Quality Assurance process.

The purpose of the in-depth review is to provide an independent opinion on the level of assurance in relation to compliance with the Code. The objective is to review a subset of projects to assess if structures in place are operating at a high standard. The scope of the reviews was aligned with the criteria set out in the Code. The value of the projects selected for an in-depth review each year must follow these criteria:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory.
- This minimum is an average over a three-year period.
- The same projects should not be selected more than once in a three-year period unless it is a follow up to a serious deficiency discovered previously.
- Over a three-to-five-year period all stages of the project life cycle and every scale of project should have been included in the in-depth check.

The volume of the in-depth checks over the three years 2020 to 2022 is in keeping with this requirement. The in-depth checks carried out average 1% for revenue checks and 7% for the capital checks over a three-year period.

The projects subject to in-depth checks for 2022 are outlined in Table 1 and a summary of the indepth checks are detailed below.

*Table 1 Summary of Projects Subject to In-Depth Review*

		Total Value of In-Depth Checks	Total Value of Projects	% Analysed
Expenditure Being Considered				
Revenue	In Depth Check 3: Public Lighting Operating Costs	€4,994,300	€200,389,900	2.5%
Expenditure Being Incurred				
Capital	In Depth Check 1: Kilcarbery Mixed Tenure – Social Housing Project	€61,660,861	€750,805,400	8.2%

Capital	In Depth Check 2: Grand Canal to Lucan Urban Greenway	€12,000,000	€750,805,400	1.6%
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### **In Depth Check 1: Kilcarbery Mixed Tenure – Social Housing Project**

The proposed Social Housing Development on land situated at Kilcarbery Grange, Clondalkin, Dublin 22 was reviewed for compliance with the Public Spending Code at the stage of “Progressing – Construction Underway”.

During this review, Internal Audit identified a change in procedures dealing with how payments were made to the project contractor. This change was made in order to better comply with statutory guidelines and the HSCD directorate are currently assessing any issues that may have arisen from the older procedures.

Internal Audit is satisfied that the delivery of the project to date satisfactorily complies with the standards set out in the code; strong controls are in place to ensure compliance and these standards should be maintained throughout the remaining stages of the project.

### **In Depth Check 2: Grand Canal to Lucan Urban Greenway**

Grand Canal to Lucan Urban Greenway was reviewed for compliance with the Public Spending Code up to the stage of “expenditure under consideration”.

Internal Audit is satisfied that the delivery of the project to date complies substantially with the standards set out in the code; substantial satisfactory controls are in place to ensure compliance and these standards should be maintained throughout the remaining stages of the project.

### **In Depth Check 3: Public Lighting Operating Costs**

An in-depth check on the budget increase of €1,508,200.00 over the service area B0501 - Public Lighting Operating Costs was carried out to assess compliance with the standards set out in the Public Spending Code.

This net increase comprised a number of different expenditure elements.

The basis for the increase in the revenue budget was substantiated by: -

- *“Division B provides for total expenditure in 2023 of €39,087,700. This represents an increase of €4,287,200 over the 2022 adopted budget of which €3,755,700 is to address the increased cost of materials and energy caused by high inflation.”*

The objective and expected outcomes for the increased budget across the service areas were clearly documented.

An overall satisfactory rating has been assigned to this review.

## **1. Next Steps: Addressing Quality Assurance Issues**

Both the Checklists and the In-Depth checks identified strong compliance by the Council in 2022 with the standards set out in the Public Spending Code. A very good level of compliance with the Code was reported by the sample of Departments who completed the Checklists. The in-depth checks give additional assurances that the standards required by the Code are applied in projects carried out by South Dublin County Council.

The Quality Assurance Report will be circulated at Management level to maintain a strong awareness of the requirements of the Code. Training sessions were delivered to relevant staff in May 2021 on the Public Spending Code requirements, and these should prove to be a practical support to staff responsible for applying and delivering on the requirements of the Code at the level of individual projects and programmes.

## **2. Conclusion**

The inventory outlined in this report details the current and capital expenditure that is being considered, being incurred, and that has recently ended. The Council has published a notice on [www.sdcc.ie](http://www.sdcc.ie) with summary information for procurements in excess of €10 million for 2022.

Both the Checklists and In-Depth Checks completed by Council show a good level of compliance with the Public Spending Code. The Quality Assurance Report will be raised at Management level to share learnings and ensure ongoing high compliance with the Public Spending Code across the Council on an ongoing basis.

# Tipperary County Council

## **In-Depth Check**

Step 4 of the QA process requires the Internal Audit unit to carry out an indepth review of a sample of projects to ascertain the quality of the appraisal, planning and/or implementation stages to make a judgement on whether the work was of an acceptable standard and in compliance with the Public Spending Code.

The value of the projects selected for in-depth review each year must follow the criteria set out below:

- **Capital Projects:** Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory.
  
- **Revenue Projects:** Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory.

The above minimums are an average over a three-year period. 2021 marked the end of the second three-year period (2019-2021) and 2022 marks the beginning of the next three-year period 2022-2024.

The following table summarises the projects selected for in-depth review over the last 3 years as a % of the capital and revenue project inventories and the table also shows the 2022 projects forming part of the next 3 year review (20222024):

QA Year under review	Total Capital Project Inventory	Total Revenue Project Inventory	Value of Capital Projects selected for In-depth review	Value of Revenue Projects selected for In-depth review	% of Projects Selected of Total Capital Inventory	% of Projects Selected of Total Revenue Inventory
	€m	€m	€m	€m	%	%
2019	301.86	179.79	18.28	1.07	6%	0.6%
2020	397.52	230.70	24.9	3.6	6.3%	1.6%
2021	416.99	208.12	27.5	13.46	6.6%	6.5%
<b>Total over 3 years</b>	<b>1,116.37</b>	<b>618.61</b>	<b>70.68</b>	<b>18.13</b>	<b>6.33%</b>	<b>2.93%</b>
2022	645.83	208.4	67.1	4.6	10.4%	2.2%

The Public Spending Code states that over a 3-5 year period all stages of the project life cycle and every scale of project should have been included in the in-depth check. The table below sets out the programme groups that have been sampled over the period 2016 – 2022:

QA: Year under review	Value of Capital Projects selected for Indepth review	Programme Group
	€m	
2016	2.3	Housing & Environment
2017	6.0	Economic Development
2018	19.03	Municipal District, Library Service & Roads
2019	18.28	Recreation and Amenity & Emergency Services
2020	24.9	Recreation and Amenity & Economic Development
2021	27.5	Development Incentives & Control, Housing
2022	71.7	Municipal District, Development Incentives & Control, Library Service.
<b>Total</b>	<b>169.71</b>	<b>Total over 7 Year Period</b>

Internal Audit independently selected three projects, two capital and one revenue, from the Project Inventory (**Appendix 1**) having regard to the value of the projects, the spending department within the Local Authority and the stage which the project was at during 2022 in order to have a good range of project types and scale to review. The projects selected for in-depth review were as follows:

- **Capital Project- Clonmel 2030 Transformational Regeneration - €65,100,000.**
- **Capital Project- Newport Town Park - €2,000,000**

- **Revenue Programme- Operation of Library Service - € 4,649,965** The in-depth checks were carried out by the Internal Audit unit of Tipperary County Council in May 2023. Full copies of these in-depth checks are included in **Appendix 3**. The following summaries the in-depth checks, including internal audit opinion, any recommendations made and managements response to these recommendations:

**1. Capital Project: Clonmel 2030 Transformational Regeneration - €65,100,000 .**

Clonmel 2030 Transformational Regeneration seeks to develop a multi-dimensional, public/private/community partnership proposal for Clonmel, which will re-imagine how civic, cultural, educational, enterprise and tourism uses can work together to regenerate and create a new role for the town.

The project includes a number of intrinsically linked and integrated pillars, namely: Kickham Barracks Phase 2, Clonmel Flights of Discovery and Clonmel Public Realm Enhancement.

Clonmel 2030 Transformational Regeneration has been in development for a number of years as part of overall Clonmel Borough District activity and the individual elements of the project are at different stages (draft design, final design, Part 8 granted). This is a project of significant magnitude and this should be reflected in project implementation. The project will be the subject of a revised application under Call 4 of the URDF later in 2023. Tipperary County Council is required to provide a matched element to the funding and this has been provided for.

Following in-depth review of available information to date on the project, Internal Audit has made some recommendations (As per Appendix3) and these recommendations are agreeable with management.

**2. Capital Project: Newport Town Park - €2,000,000**

Tipperary County Council developed a Town Park in Newport. The park consists of a children's play area, specifically designed play equipment for use by people with a disability, zip wire, outdoor gym equipment, a recreational walkway, seating, interpretative panels, MUGA, pump track, landscaping and carparking

This project presents a clear audit trail of the project from inception to its current status. It is Internal Audits opinion that the documentation provides satisfactory assurance that there is broad compliance with the Public Spending Code. The recommendations for improvement are outlined in the report, along with learnings for future projects and completing of the post project review. Management are agreeable to these recommendations made for the project and future projects.

### **3. Revenue Programme: Operation of Library Service - €4,649,965**

Each local authority is responsible for managing and delivering the public library service in its administrative area. Tipperary County Council Library Service offers a welcoming democratic space which is a cornerstone of family, cultural, and civic life. The Library Service has an essential role in the community as a trusted resource preserving the values of the past and enriching the quality of life for all.

The library service aims to foster a culture of reading, literacy and lifelong learning in Tipperary by providing a range of services to schools, families and community groups, and promote the library as a place of culture and knowledge.

The service is responsible for the collection development, preservation and accessibility of all records of historic interest for County Tipperary.

Internal Audit carried out an in-depth check of the operation of the Library service in Tipperary County Council.

All relevant documentation in relation to this programme was available and filed as appropriate for audit trail purposes. There are clear objectives for the library service set out both annually and multi annually within the Annual Service Plans, Annual Budget and the Corporate Plan. The five-year strategy for the service is set out in the Library Development Plan 2017 – 2022. There is continuous monitoring and assessment of the programme – both financial, nonfinancial, internally and externally with regular reporting requirements.

This programme complies with the principles of the Public Spending Code.



## Conclusion

This report sets out all the requirements of the QA process of the PSC.

In summary,

- A Project Inventory has been completed by Tipperary County Council for 2022;
- Any disclosures of procurements in excess of €10m have been published on Tipperary County Councils website, in the case of 2022 there were no procurements in excess of €10m.;
- The 7 compliance checklists were compiled under the terms of the PSC. These checklists indicate that there is a satisfactory level of compliance with the Public Spending Code. As part of this process no serious concerns were raised of non-compliance with the PSC, however there are areas which need improvement;
  
- An in-depth review of a sample of projects has been completed. Where issues were noted, recommendations were made to address these issues as outlined in Appendix 3; and
- The contents of this report provide details of the Quality Assurance exercise completed as required by the Public Spending code and will be published on Tipperary County Councils website on 31st May 2023.

Overall the QA process has provided Management of Tipperary County Council with reasonable assurance that the requirements of the Public Spending Code are being broadly complied with.

Management will need to ensure that Directorates continue to have an appreciation of the requirements of the Public Spending Code, particularly in light of staff changes throughout the organisation.

Extensive training was carried out throughout the organisation in 2022 on the Public Spending Code. External training was delivered by a Senior Finance Specialist from the Institute of Public Administration allowing staff from all sections to participate in the training and enhance their knowledge of the Public Spending Code. Management will continue to monitor training requirements in 2023.

# Waterford City and County Council

## In-Depth Check

### Introduction

Circular 13/13: The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service - Standard Rules & Procedures was issued in September 2013 implementing a comprehensive set of expenditure appraisal, Value for Money requirements and related guidance covering all public expenditure. On the 25th of July 2019, Circular 18/2019 was issued regarding updates on the Central Technical References and Economic Appraisal Parameters. On the 11th of December 2019, Circular 24/2019 provided an update on the code in particular to Capital expenditure, Public Private Partnership's and consolidation of related guidance material and rules. The PSC requirements for Capital expenditure as notified by DPER Circulars 12/12 and 06/2018 have been updated and replaced with "Public Spending Code: A Guide to Evaluating, Planning and Managing Public Investment" (Dec 2019) and "Guidelines for the Use of Public-Private Partnerships (PPPs)" (Dec 2019).

In November 2021, circular 25/2021 updated the Public Spending Code as it applies to guidelines for the External Assurance Process for Major Public Investment Projects. In March 2023, the Minister for Public Expenditure, National Development Plan Delivery and Reform informed Government of changes to the capital appraisal guidelines as part of package of significant actions aimed at enhancing delivery of the NDP. Circular 06/2023 outlines key changes to the Public Spending Code including an increase to thresholds for major projects and the requirements for major projects at different stages in the project lifecycle.

Having completed the high level checklists that capture various areas of compliance, a more in depth review was carried out in the following area to assess the level of compliance with the Code. The project/areas chosen were as follows:

#### Current:

- €8,534,647 Operation of the Fire Service

#### Capital:

- €24,000,000 Active Travel
- €14,451,666 CALF Acquisition of 57 no. dwellings at Mount Neil, Waterford City

### Purpose, Objectives & Scope

The purpose of the review was to provide an opinion on compliance with the Public Spending Code. The expenditure was examined in order to assess if the practices implemented are of a high standard and compliant with the Public Spending Code.

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The total value of projects/expenditure included in the 2022 Report for Waterford City & County Council is **€584,139,929**.

The current expenditure project selected value of **€8,534,647** represents **6.04%** of the total current expenditure projects value of **€141,323,443** on the inventory.

The capital projects selected value of **€38,451,666** represents **8.68%** of the total capital projects value of **€442,816,486** on the inventory.

## **Methodology**

No methodology for the completion of the in depth review/check is prescribed in the Circular. As a result, the decision has been taken to apply methodology used in the preparation of Internal Audit reports within the Council.

These include the following;

- Expenditure data to date was extracted from the Financial Management system Agresso.
- Communication with Senior Staff within the relevant departments.
- The examination of any procedures and policies that are currently in place.
- Supporting files and documentation were examined.
- Relevant departmental circulars and legislation were also examined.

## **Summary of In-depth checks**

The following section presents a summary of the findings of the In-Depth Checks completed on (a) Current expenditure programme – ***Operation of the Fire Service*** and (b) Capital Projects - ***CALF Acquisition of 57 no. dwellings at Mount Neil, Waterford City*** and the ***Active Travel project***. The full in-depth reports are attached in Appendix 3.

### **1. Operation of the Fire Service** – (Current Expenditure - Being Incurred)

Waterford Fire Service maintains round the clock emergency cover to protect life and property. The Fire Service covers the administrative areas of Waterford City & County Council. Agreements are in place with Cork County Council and Tipperary County Council to provide additional cover within County Waterford, as required. Waterford Fire Service reciprocates by covering areas of Cork and Kilkenny. Waterford Fire Service attends an average of 1,500 incidents per year. These include fires, road traffic collisions, automatic alarms, non-fire rescues and other special services.

## **Audit Opinion**

The Fire service is administered nationwide by local authorities. Objectives and goals are outlined in key documents such as the Fire Operations Plan, WCCC's Annual Service Plan, Annual Budget and WCCC's Corporate Plan 2019-2024. Ongoing review of the programme and its objectives are provided for through monitoring of financial reports extracted from MS7 (financial management system), monthly reports to the Plenary council, reporting to the Transport, Infrastructure and Fire Strategic Policy Committee. Performance indicators are returned to NOAC for inclusion in the annual Performance Indicators report

From review of the programme documentation and through communication with those involved in the programme Internal Audit is satisfied that the programme objectives are clearly defined. All relevant documentation in relation to this programme was available and filed as appropriate for audit trail purposes to allow a full evaluation of the programme at a later date. There is continuous monitoring and assessment of the programme – both financial, non-financially, externally and internally. This programme complies with the principles of the Public Spending Code.

**2. CALF Acquisition of 57 Dwellings at Mount Neil, Waterford City under the Accelerated Capital Advance Programme by Circle Voluntary Housing Association** – (Capital Expenditure – Recently Ended)

Capital Advance Leasing Facility or CALF is a scheme operated by housing authorities as a support to Approved Housing Bodies (AHB's) in the delivery of units to be made available for social housing purposes under the Social Housing Current Expenditure Programme (SHCEP).

Funding for this project is 100% by the DHLGH under the capital advance programme. A capital advance payment, in the amount of €4,190,983, which represents 29% of the total CALF eligible capital outlay proposed of €14,451,666. The units provided under this scheme consist of 57 dwellings in total delivered in two phases. This consists of 1 x 2-bed dwelling (85m<sup>2</sup>), 50 x 3-bed dwellings (109-122.5m<sup>2</sup>) and 6 x 4-bed dwellings (131m<sup>2</sup>). The development provides a good mix of dwellings in accordance with the need identified on the Council's waiting list.

**Audit Opinion**

The scheme is in accordance with national housing policy and addresses a social housing need in Waterford. Discussions between the approved housing body and the local authority around the requirement for this type of project took place. The project application was assessed by the Department and funding approval was given. All necessary forms were submitted to the Department as required. Evidence of ongoing communication between the key stakeholders i.e. DHLGH, Circle Voluntary Housing Association and Waterford City & County Council was present. Key data was available to review that pertains to each of the stages of this project. This project is in compliance with the principles of the Public Spending Code

### **3. Active Travel Project** – (Capital Expenditure – Being Incurred)

The Department of Transport defines Active Travel as ‘travelling with a purpose, using your own energy’. Walking, cycling, wheeling and using a non-motorised scooter to make journeys to work, school or the shops, for example, are all considered forms of Active Travel. Policies relating to recreational walking and cycling fall under the remit of other Government Departments, including the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, the Department of Health and the Department of Rural and Community Development (DRCD)<sup>2</sup>.

Active travel infrastructure is infrastructure that enables commuters to travel under their own physical energy on their daily commute etc. It includes amongst other things footpaths, on and off road cycling routes, pedestrian and cycle friendly junctions and roundabouts. Some examples of what Active Travel looks like are:

- walking as part of a commute to work,
- cycling to the shop,
- scooting/roller skates to school etc

Walking or cycling for purely leisure purposes is not considered Active Travel. This is an important definition in respect to the funding model and the type of scheme that qualifies for funding. Active Travel is about changing the nature of our transport system to a sustainable model. Active Travel investment promotes cycling and walking over the use of the private car and programmes need to integrate with our public transport system for greater accessibility to services.

#### **Audit Opinion**

The Active Travel project is in the Expenditure Being Incurred category (Capital). From review of the programme documentation and through communication with those involved in the programme Internal Audit is satisfied that the programme objectives are clearly defined. All relevant documentation in relation to this programme was available and filed as appropriate for audit trail purposes to allow a full evaluation of the programme at a later date. There is continuous monitoring and assessment of the programme – both financial, non-financial, internally and externally. Based on the review carried out by Internal Audit, this programme complies with the principles of the Public Spending Code.

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# Westmeath County Council

## In-Depth Check

Step 4 of the QA process provides for in-depth checks to be carried out by the Council. The value of the projects selected for in-depth review each year must follow the criteria set out below:

- **Capital Projects:** Projects selected must represent a minimum of 5% of the total value of all capital projects on the Project Inventory.
- **Revenue Projects:** Projects selected must represent a minimum of 1% of the total value of current projects on the Project Inventory.

This minimum is an average over a three-year period.

### Revenue Projects:

Based on the work completed in recent years (*as set out in the table below*), an in-depth review was not carried out on a revenue project for the purposes of this report.

**Table 2:**

Year	% (Year)	% (Average)
2016	6%	6%
2017	2%	4%
2018	3%	4%
2019	1%	2%
2020	13%	6%
2021	0%	5%
2022	<1%	5%

### Capital Projects:

Set out in the table below is the percentage of the project inventory on which a detailed in-depth review has been completed from 2014 – 2021 for each relevant year and on a rolling basis.

**Table 3:**

Year	% (Year)	% (Average)
2014	3%	3%
2015	29%	16%
2016	0%	11%
2017	3%	11%
2018	16%	6%
2019	2%	7%
2020	2%	7%
2021	3%	2%
2022	10%	5%

Westmeath County Council put arrangements in place in 2022 to ensure the requirement of carrying out in-depth reviews on capital projects to the value of a rolling 5% was restored following a temporary lapse in 2021.

The projects chosen for in-depth review, to assess the level of compliance with the PSC, are set out below:

**Table 4(a)**

Expenditure being Considered - Greater than €0.5m (Capital and Current)						
Project/Scheme/Programme Name	Current Expenditure Amount in Reference	Capital Expenditure Amount in Reference	Capital Expenditure Amount in Reference	Project/Programme Anticipated	Projected Lifetime Expenditure	Explanatory Notes
	Year 2022	Year 2022 (Non Grant)	Year 2022 (Grant)	Timeline		
Kinnegad Library & Community Park				2023-2024	€ 9,000,000.00	90% Government funding

**Table 4(b)**

Expenditure being Incurred - Greater than €0.5m (Capital and Current)						
Project/Scheme/Programme Name	Current Expenditure Amount in Reference	Capital Expenditure Amount in Reference	Capital Expenditure Amount in Reference	Project/Programme Anticipated	Cumulative Expenditure to date	Projected Lifetime Expenditure (Capital Only)
	Year 2022	Year 2022 (Non Grant)	Year 2022 (Grant)	Timeline		
Housing Development at Cornamaddy, Athlone		€ -		2021 - 2026	€ 883,228.08	€ 28,400,000.00
Agile Grant (LEO)	€ 244,854.00			2022 - 2022	€ 244,854.00	

### Kinnegad Library & Community Park

Westmeath County Council working in partnership with the Longford Westmeath Education & Training Board (LWETB) and local voluntary and community groups has developed an ambitious and realistic strategic plan for the town of Kinnegad that is premised on strengthening the town's local economy and community.

This is a multi-faceted regeneration project for the core area of Kinnegad, including a Community Library, Education and Training Centre and Town Park and Community Facilities which are subject to Rural Regeneration and Development (RRDF) Category 2 Funding. The council has acquired the lands necessary, procured the technical assistance required and are now 'shovel-ready' for both projects which are being delivered in tandem.

#### Summary of In-Depth Check

I have examined the Kinnegad Regeneration Project, which is being progressed in two separate phases, the first of which is the Community Library and Education and Training Centre, currently in the early construction stage. Construction procurement for this phase was completed using a restricted procurement procedure under the Capital Works Management Framework (CWMF) and all documentation, including WCC approvals, are recorded on file.

Rural Regeneration and Development (RRDF) funding requires Department of Rural & Community Development (DRCD) decision gate 1-3 approvals, and all approvals for this element of the project are available in the relevant project folder. Project monitoring reports are required by the DRCD and are returned on a quarterly basis.

The Town Park and Community Facilities element of the project is currently progressing through Part 8 planning approval, and this element will be delivered by the Mullingar Kinnegad Municipal District in collaboration with the Rural Regeneration Project Team. The

Project Advisor Group provides a governance structure for the project and the project management folders are also robust.

Following my in-depth review, I am satisfied that Westmeath County Council is in substantial compliance with the Public Spending Code in relation to this project.

### **Housing Development at Cornamaddy, Athlone**

The proposed development is for a 108 Unit Housing Scheme to consist of 76 houses and 32 apartments on a 6.5ha greenfield site at Cornamaddy, Athlone, Co Westmeath. The total construction cost for the scheme is **€28,400,000** including ancillary works such as boundary walls and fencing, roadways, footpaths, site services, attenuation, public lighting and landscaping.

#### **Summary of In-Depth Check**

I have examined the Cornamaddy Housing Capital project documentation in detail. This scheme is being progressed under the Capital Works Management Framework (CWMF) four stage process and the Department of Housing, Local Government and Heritage (DHLGH) issued Stage 1 Approval in December 2021. The purchase of the lands for the project has been finalised and the costs recouped from the Department.

Procurement competitions have been run and are being finalised to appoint project consultants. The stage two Appraisal report is currently being drafted and will be submitted to the department. Continuous liaison between the council and the Department will occur throughout the process and the Housing Capital Design Team is responsible for managing the project. The key documentation relating to the project includes the DHLGH approvals stage 1-4 guidance document, the Stage 1 appraisal report, and Department stage 1 approval. The data audit verified the existence of all project data and the filing structure applied by the Capital Design team facilitates satisfactory data storage for the entirety of the project.

Following my in-depth review, I am satisfied that Westmeath County Council is in substantial compliance with the Public Spending Code in relation to this project.

### **Agile Grant (LEO) - D09 Economic Development & Promotion**

Research, Development and Innovation (RDI) coupled with the application of knowledge are critical drivers for the future success of Irish industry. It is therefore imperative that Ireland focuses on promoting the level, quality and commercial applicability of the RDI undertaken, ensuring that industry leads the response to rapid changes in customer needs.

The Agile Innovation Fund is targeted at companies with short product life cycles who need to develop products rapidly and need a rapid response on support. This grant is available to clients who are engaging in first time RDI projects or who are working in sectors that require rapid product design cycles. The grant is limited to projects with total eligible expenditure up to **€300,000** and does not include support for capital expenditure, technology acquisition, patenting or IP costs.

#### **Summary of In-Depth Check**

This in-depth check focused on the activities involved in the delivery of the LEO Agile Grant scheme. The focus of my in-depth review was on Westmeath County Council's (WCC) Local Enterprise Office (LEO) administration of the programme and their role in a joint process



between WCC and Enterprise Ireland (EI). Budgetary control and monitoring are strong, and the Unit 4 ERP (Agresso) system retains claim documentation and payment approval documentation. The income and expenditure relating to the programme is contained under one Agresso job code. The in-depth check included a compliance check on 2022 applications which incorporated claims.

The Technical assessment by an EI industry expert provides the required expertise to assess what is a complex application. LEO made mentors available to applicants that require expert assistance in developing their grant application and project plan. Projects are evaluated by the LEO Evaluation Approvals Committee (EVAC) and Enterprise Ireland's Management Approval Committee (MAC) providing a good governance and evaluation structure for the grant scheme.

The project files were checked for compliance with Circular 4/2018 and the LEO Procedures Manual - Section 6. The letter of offer template provided by EI included publicity requirements for the client which has been confirmed as not being required for RDI funding. EI have confirmed this and letter of offer templates to be updated.

Following my in-depth review, I am satisfied that Westmeath County Council is substantially in compliance with the provisions of the Public Spending Code.

#### Management Team Input

This annual process receives the support of the Management Team.

Directors of Services engaged with the Financial Accountant, as co-ordinator, in the preparation on the inventory and with the Internal Auditor, as part of the in-depth review process.

As a result of the ongoing in-depth reviews and the completion of the respective inventory categories, detailed valuable insight and progress of the projects was gained and recorded in this report.

Furthermore, this report was reviewed and approved at its meeting held on Tuesday 30 May 2023.

#### Conclusion

The inventory outlined in Appendix 1 of this report lists the current and capital expenditure in accordance with the instructions contained in the letter from NOAC on 10 March 2023:

- Expenditure being considered,
- Expenditure being incurred,
- Expenditure that had recently ended.

Summary information relating to procurement in excess of €10 million for the year 2022 has been published on our website.

Although the checklists outlined in Appendix 2 of this report show an overall satisfactory level of compliance with the Public Spending Code, issues which have been identified previously remain to be fully addressed:

- While formal Post Project Review evaluations continue to be completed, we need to place more emphasis on this aspect of our operations.
- It is clear from our work in completion of the check lists that there is a need for project managers to incorporate the completion of relevant check lists into their day-to-day project management activities.

Furthermore, some aspects of the check lists are not applicable to the Local Government Sector and require refinement in this regard.

The in-depth checks, outlined in Appendix 3, revealed no major issues which would cast doubt on Westmeath County Council's compliance with the Public Spending Code.

However, we record any pertinent issues arising from the in-depth checks. We have a process in place which enables monitoring of the implementation of recommendations arising from the in-depth checks. This process, inter alia, includes ongoing monitoring and review by the Audit Committee.

Finally, we believe that the compilation of this report is a helpful step in the continuous process of addressing the requirements of the Public Spending Code in Westmeath County Council.

## **Wexford County Council**

### **In-Depth Checks**

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

#### **Wexfordia Heritage Park Development Project.**

The Wexfordia Heritage Park Development Project is shown on the 2022 inventory as a capital project that is under consideration. The tourism and environmental design teams for the Vykingar Village development at the INHP have commenced work on a preliminary design and environmental assessments. It is planned to submit a planning application for the project to An Bord Pleanála towards the end of 2023.

The documentation on file for this stage of the project provides satisfactory assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed include:

- Funding Application
- Funding Approval & Letter of Offer
- Project Execution Plan
- Tender documents & assessments
- Executive Orders
- Project reviews
- Funding claims & reports
- Payments & receipts on the Council's Accounts System (Centros)

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

#### **Forth Mountain Activity Centre Project.**

The Forth Mountain Activity Centre Project is shown on the 2022 inventory as a capital project that is under consideration. This proposed development is in addition to the development of a series of walking trails around the site, a new access road, car park and utility services including water, wastewater and power. These works are now substantially complete and open to the public. A process to procure a consulting team to prepare an EIAR and prepare a planning submission to ABP for the Outdoor Activity Centre Building is now required. The

tender for works for the Boathouse was advertised in April 2023 and it is expected that a contract award will be made by August 2023 with commencement on site by September 2023.

The documentation on file for this stage of the project provides satisfactory assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed include:

- Business Plan Analysis & Project Appraisal
- Cost estimates
- Tender Reports
- Executive Orders
- Part XI planning applications & assessments
- Environmental Reports
- Minutes of progress meetings

The following section presents a summary of the findings of this In-Depth Check on the acquisition of 13 no.

#### **Turnkey properties at Roxborough Manor, Mulgannon, Wexford.**

The project documentation for all stages of this project provides satisfactory assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed are included in the following documentation:

- Advertisement calling for Expressions of Interest
- Proposal from Colm Neville Construction
- Evaluation and Agreement of Proposal
- Independent Valuation Report
- Application to the DHLGH for funding
- Approval from the DHLGH for funding
- Project Execution Plan
- Contracts for Sale/Building Agreements
- Executive Order 468/2021
- HCA 4 Capital Grant Claim Forms
- HCA3 Acquisition of Private Dwellings Forms
- Turnkey Admin Claim Form
- Payments & grant draw-down

The following section presents a summary of the findings of this In-Depth Check on the acquisition of 20 no.

#### **Turnkey properties at Cluain Beag, Clonard, Wexford.**

The project documentation for all stages of this project provides satisfactory assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed are included in the following documentation:

- Advertisement calling for Expressions of Interest
- Proposal from William Neville & Sons Construction
- Evaluation and Agreement of Proposal
- Independent Valuation Report
- Application to the DHLGH for funding
- Approval from the DHLGH for funding
- Project Execution Plan
- Contracts for Sale/Building Agreements
- Executive Order 827/2020
- HCA 4 Capital Grant Claim Forms
- HCA3 Acquisition of Private Dwellings Forms
- Turnkey Admin Claim Form
- Payments & grant draw-down

The following section presents a summary of the findings of this In-Depth Check on the acquisition of 43 no.

**Turnkey properties at Ard an Bhile, Healysland, New Ross.**

The project documentation for all stages of this project provides satisfactory assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed are included in the following documentation:

- Advertisement calling for Expressions of Interest
- Proposal from Liam Neville Developments Ltd
- Evaluation and Agreement of Proposal
- Independent Valuation Report
- Application to the DHLGH for funding
- Approval from the DHLGH for funding
- Project Execution Plan
- Executive Order 315/2021
- Combined Contract and Building Agreement
- HCA 4 Capital Grant Claim Forms
- HCA3 Acquisition of Private Dwellings Forms
- Turnkey Admin Claim Form
- Payments & grant draw-down

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

**Maintenance of LA Housing Units Programme.**

The programme documentation provides limited assurance that there is compliance with the Public Spending Code. Controls upon which reliance can be placed include:

- Home Maintenance Handbook for tenants
- Adopted Annual Budget 2022
- Framework Agreements
- Tender documents & assessments
- iHouse System & Geopal
- Council's Accounts System (Centros)

## Wicklow County Council

### In-Depth Checks

The following section details the in-depth checks which were carried out in Wicklow County Council as part of the Public Spending Code. The value of the projects selected for in depth review each year must follow the following

Criteria:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory and

- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory.

This minimum is an average over a three year period.

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>
<b>2020</b>	€1,252,482,494	€1,131,992,719	€120,489,775	€38,700,000	€2,509,250	3.42%	2.08%
<b>2021</b>	€1,245,809,517	1,107,452,527	€138,356,990	€92,383,589	€1,932,953	8.34%	1.40%
<b>2022</b>	€955,597,623	€826,396,070	€129,201,553	€37,550,760	€2,423,854	4.54%	1.88%
<b>3 Years</b>	€3,453,889,634	€3,065,841,316	€388,048,318	€168,634,349	€6,866,057	5.50%	1.77%

Year	Spend	Project	Status
<b>2020</b>	<b>Current</b>	Payment & Availability Agreement	Expenditure being incurred
	<b>Capital</b>	Blessington Greenway	Expenditure being incurred
	<b>Capital</b>	Part V 284 ,Bollarney Woods, Wicklow	Expenditure recently ended
	<b>Capital</b>	Merrymeeting Rathnew Housing Scheme	Expenditure being incurred
<b>2021</b>	<b>Current</b>	Street Cleaning	Expenditure being incurred
	<b>Capital</b>	Southern Cross Bray - CALF Element Only	Expenditure being considered
	<b>Capital</b>	Kilcoole Lott Lane Housing Scheme	Expenditure being incurred
	<b>Capital</b>	Three Trouts Greystones	Expenditure being incurred
	<b>Capital</b>	Ashtown Lane	Expenditure being incurred
	<b>Capital</b>	Merrymeeting Phase II	Expenditure being incurred
<b>2022</b>	<b>Capital</b>	CAS - AHB Tuath Housing Assoc 1-90 Aldborough Manor, Greystones	Expenditure being incurred
	<b>Current</b>	Public Lighting	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 and level of compliance are summarized below in the following table:

Compliance Levels
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	Project Reviewed	Compliance
1	CAS - AHB Tuath Housing Assoc 1-90 Aldborough Manor, Greystones	Substantial Compliance
2	Public Lighting	Satisfactory Compliance

**CAS project – AHB Túath Housing Association.**

**Acquisition of 90 units 1-90 Aldborough Manor, Hawkins Wood, Greystones, Co Wicklow**

Capital expenditure being incurred in the year under review.

It is of the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of this project acquiring ninety units for social housing under the Housing for All plan 2022. The main objective of this project was the acquisition of social housing units in a cost-effective manner, to contribute to the targets set out and to reduce the number of approved applicants on the Council's housing list.

The council complied with Circular 29/2019 Payment of Development Allowance for Capital Assistance Scheme Projects and Circular 15/2019 Social Housing Investment Programme - Acquisition of properties for Social Housing use and there is a clear audit trail on file.

**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 in line with Department guidelines and regulations provides substantial assurance that there is compliance with the Public Spending Code.

**Public Lighting**

Revenue expenditure being incurred on an annual basis.

**Project Description:** The supply and maintenance of the public lighting service over the network consisting of 15,243 lighting units in the Wicklow County Council administrative area covering a geographical area of 2,018 square kilometres. The administrative area includes rural and urban communities and significant elements of national infrastructure such as the N11 and N81 national primary roads.

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

**Findings:**

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



**Audit Opinion:**

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