

CARLOW COUNTY COUNCIL

The Quality Assurance process provides for in-depth checks to be carried out by Internal Audit.

In respect of the 2021 return, a review of two projects was completed to assess the level of compliance with the Code through a more detailed analysis.

The projects chosen were as follows:-

- Turnkey Housing Development (capital)
- Rental Accommodation Scheme (current)

HOUSING TURNKEY DEVELOPMENT

Circular 31/2019 provides guidance to Local Authorities on the provision of new build housing through Turnkey acquisition and supersedes arrangements set out in Department Circular N16/227 of 2007.

Carlow County Council advertised an Expression of Interest for the provision of Turnkey housing with a closing date of 20th March, 2017. Proposals were invited for the provision of housing units throughout County Carlow.

Submissions were received from ten possible providers. The successful applicant was Milltown New Homes Ltd for the provision of sixty-three number housing units at Carrigbrook, Tullow Road, Carlow.

The total cost of the project approved by the DHPLG was €13,242,091.00. In addition, an amount of €24,000.00 was allowed for administration costs. Phase 5 and 6 of this scheme are outlined in the “expenditure being incurred” section of the inventory.

The contract for the Turnkey acquisition was signed on the 24th June, '19

The contract was for acquisition of the units and payment was made on completion and delivery of the certified units.

AUDIT OPINION

After reviewing the available information and liaising with staff in the Housing Department, it can be concluded the project complies with the broad principles of the Public Spending Code.

The reasons for this conclusion include the following: -

- Delivery of sixty-three housing units to alleviate the need for social housing in the area.
- Units delivered in accordance with mixed tenure and sustainable communities' requirements.
- Details of income and expenditure are available from Agresso.
- Reconciliation of expenditure and recoupment is evident.
- Expenditure was recouped promptly from the DHPLG.
- In accordance with Circular 06/2018 a post project review should be carried out and published. This would allow for lessons to be learned in respect of the Turnkey process for the acquisition of houses in the future. It would also allow for the replication of good practice and procedures.

Rental Accommodation Scheme

The Rental Accommodation Scheme (RAS) is a scheme to cater for the accommodation needs of people who are in receipt of rent supplement for more than eighteen months and have been assessed as having a long-term housing need.

The RAS involves a three way relationship between:-

- The Local Authority and the landlord
- The landlord and the tenant
- The tenant and the Local Authority

The programme provides private rented properties as a source of rental accommodation for those who qualify under the terms of the scheme. The scheme is operated by Local Authorities and the Local Authority makes the final decision regarding eligibility under the scheme.

At the end of 2021 there were a total of 360 RAS properties on the system. The total expenditure incurred by Carlow County Council during 2021 was €8,369,624.00.

AUDIT OPINION:-

In Carlow County Council the Rental Accommodation Scheme is implemented and monitored by staff in the Finance and Housing Departments. The Finance Department is responsible for tenant payments

and monitoring arrears; and the Housing Department liaise with tenants, landlords and the DHPLG regarding the sourcing of houses, tenancies and recoupments.

From the processes and procedures reviewed in relation to the Scheme, it can be concluded there is satisfactory compliance with the Public Spending Code.

- Payments are issued monthly, in advance, to landlords.
- Recoupments are forwarded to the DHPLG on a monthly, in arrears, basis.
- Tenant payments and arrears are monitored.
- Properties are inspected before tenancies are signed.
- Internal Audit recommends procedures are put in place to ensure the necessary backup documentation is consistent and present in respect of each application.
- Strict adherence to the policy of early intervention in relation to the non-payment of rents and the monitoring of arrears is also recommended.

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 2021 - The Internal Auditor selected one Current (revenue) programme and two Capital Projects / Programmes for further in-depth checks.

Current (revenue) Programme Selected –

1. Admin of Group and Private Installations - Total Current Expenditure Amount in 2021 = **€4,324,749.24**

This represents **6%** of the total value of all Current (revenue) projects / programmes identified in the Inventory list for **2021**.

Capital Projects / Programmes Selected –

1. Multi-Annual Rural Water Programme 2019 – 2021 - Total Projected Lifetime Expenditure = **€1,726,471.00**

2. Cavan Railway Greenway Project -

Total Projected Lifetime Expenditure = **€ 20,000,000.00**

The two Capital Projects together represent **3.2%** of the total value of all Capital projects / programmes identified in the Inventory list for **2021**. The Average % over a 3-year period of Capital Projects / Programmes selected for In-Depth Check(s) (based on value) is **18%**.

Year	% (rounded) of Capital Projects /Programmes selected for In-Depth Check(s) (based on value)
2019	44%
2020	7%
2021	3%
Total % over 3-year period	54%
Average % over 3-year period	18%

Admin of Group and Private Installations – Current (revenue) Programme Expenditure Type – Expenditure Being Incurred

The following section presents a summary of the findings of this In-Depth Check on the **Admin of Group & Private Installations - Service Division C05 Revenue Expenditure Programme (Rural Group Water Subsidy Scheme & Private Well Grant Scheme)** as operated and managed by Cavan County Council.

Summary of the 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 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 – Revenue Expenditure Code C05 was undertaken. The current expenditure value of this programme for 2021 was **€4,324,749.24** which represents approximately **6%** of the total value of Cavan County Councils Revenue Projects (for 2021) of **€72,641,113.98**.

The Department's Rural Water Programme as administrated by the Local Authority provides an annual subsidy payable by Local Authorities to Group Water Schemes towards their operational and management costs of supplying water for domestic use. Well grants are also payable for the installation and upgrading of private well domestic water supplies. While the day-to-day administration of the Rural Water Programme is devolved to Local Authorities the Department is committed to the successful operation of the Rural Water Programme.

On this basis during 2021 Cavan County Council on behalf of the Rural Water Unit Department of Housing, Local Government and Heritage administrated **Water Subsidies totalling €4,133,641.59 to 26 Group Water Schemes** in County Cavan which accounts for approximately 96% of this programme expenditure. In addition to this the Council processed **20 Private Well Grants applications totalling**

€46,451.92. The yearly direct **administration costs and central admin programme charges** of the Council amounted to **€144,655.73.**

This process requires well grant applicants to complete detailed application forms attaching the necessary supporting information for verification by the personnel of the Water Services Department. Group Water Schemes must submit standard subsidy applications containing certified accounts that were passed at the Group Schemes AGM. The operational/ management costs contained in same is used to calculate the subsidy entitlement of each scheme. The Water Services Department of Cavan County Council has ensured that the appropriate organisational management structure, budget procedures, financial systems, verification control processes, and relevant grant approvals are in place to allow for the effective processing, payment and recoupment of both the Private Well Grant Scheme and Group Water Subsidy Scheme.

Based on the findings of the review the opinion formed is that the administration processes applied to this revenue expenditure programme broadly complies with the GWS Subsidy Terms & Conditions towards Operational Costs of Group Water Schemes- Version dated August 2018. 2) and the Private Well Grant Scheme Terms & Conditions Department of the Environment Circular L8/97 (30 April 1997) including the Explanatory Memorandum & Department of Housing, Planning & Local Government Circular L4/20 (V2.). While this is the case some minor enhancements to the current administration procedures were proposed and agreed with the Water Services Section of the Council including:

- Drafting internal guidance measures for processing Subsidy payments to Group Schemes and the related recoupment claims.
- The ongoing reconciliations of the Council's Government Debtor's Account is also advised in relation to the quarterly GWS subsidy scheme charges and the relevant recoupment claims from the Department.
- Consideration to be given to the completion and submission of separate recoups returns to the Department for Subsidy types A, B and C payments.
- Site inspections to validate completed well grant works and compliance spots checks on Group Water Schemes should be undertaken as required under the terms of the schemes.

On completion of this In-depth Review of the Admin of Group & Private Installations - Service Division C05 Revenue Expenditure Programme (Rural Group Water Subsidy Scheme & Private Well Grant Scheme) as operated and managed by Cavan County Council Internal Audit has formed the opinion that this Revenue Expenditure Programme appears to be **Broadly/Substantially compliant** with the relevant requirements of the Public Spending Code.

Expenditure Type – Expenditure Being Incurred

The following section presents a summary of the findings of this In-Depth Check on the Cavan Railway Greenway 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 2021 was **€683,090,268.94**. In-depth Reviews were carried out on two Capital Projects which together represent **3.2%** of the total value of all Capital projects / programmes identified in the Inventory list for 2021. The Average % over a 3-year period of Capital Projects /Programmes selected for In-Depth Check(s) (based on value) is **18%**.

An In-depth Review was undertaken on the proposed **Cavan Railway Greenway Capital Project** listed under expenditure being incurred by the Council. The estimated lifetime cost of this project is **€20 million** which represents approximately **2.9%** of the overall value of the Council's Capital Projects in the Inventory list for 2021. A second In-depth Review was undertaken on the **Multi-Annual Rural Water Programme 2019 – 2021** listed under expenditure being incurred by the Council. The estimated lifetime value of this project was **€1,726,471.00** which represents approximately **0.3%** of the overall value of the Council's Capital Projects in the Inventory list for 2021.

The success of Greenway projects in Waterford and the Great Western Greenway in Mayo which were opened in 2010, exemplifies the potential for such projects to become huge economic contributors through increased tourism. The Strategy for the Future Development of National and Regional Greenways prepared by the Department of Tourism, Transport and Sport (DTTAS, 2018) ensures that future investments in Greenways will maximise benefits not only within the locality but also on a much wider scale, on a regional level. The Strategy focuses on the delivery of Greenways that are of strategic significance on a regional or national level which could facilitate the development of linked and complementary local developments from other strategies. Cavan County Council has included in its Development Plan objectives the development of an integrated and connected network of sustainable greenways and green routes within Cavan and to adjoining counties.

This Proposed Cavan Railway Greenway will form part of a regionally significant Greenway in so far as it will link up with other proposed Greenways that will traverse Counties, Armagh, Monaghan, Fermanagh, Leitrim and Cavan, as shown in Figure below. Its total length will be approximately 40km.

In January 2020 a funding application was submitted to Department of Transport for Carbon Tax Funding to progress the proposed Greenway. The application was successful receiving an allocation €175,000 from DOT. The current commission is to progress the scheme through Phases 0 - 2 of the Project Management Guidelines. At this stage the overall completion date is difficult to predict - approximately 2026 as it is very much funding dependant. At present the proposed scheme has expenditure incurred with the Consultants appointed in accordance with procurement regulations to progress project from Phase 0 to Phase 2 (Route Selection) of TII. A SAR (Strategic Assessment Report) was prepared and submitted to Dept as required under the PSC and the Project Management Guidelines. This was approved by DOT in Nov 2021. The consultants are currently preparing Route Options for 1st Public Consultation which is due to take place in first half of 2022 with additional funding of €150,000 to be approved by TII to progress scheme.

As the various phases are sanctioned by the Approving Authority (TII) all necessary stages of the Proposed Cavan Railway Greenway Capital Project will be undertaken in accordance with the Public Spending Code Regulations and the Capital Management Framework Guidelines. To date all necessary project assessments/ reports and sanctions by Approving Authority on the proposed project 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.

On completion of the In-depth review of the Proposed **Cavan Railway Greenway Capital Project** as managed by Cavan County Council Internal Audit has formed the opinion that this Capital Expenditure Project appears to be **Broadly/Substantially compliant** with the relevant requirements of the Public Spending Code.

Multi-Annual Rural Water Programme 2019-2021-Capital Programme

Expenditure Type – Expenditure Being Incurred

The following section presents a summary of the findings of this In-Depth Check on the Multi Annual Rural Water Programme 2019-2021 as administrated 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 2021 was **€683,090,268.94**. In-depth Reviews were carried out on two Capital Projects which together represent **3.2%** of the total value of all Capital projects / programmes identified in the Inventory list for 2021. The

average % over a 3-year period of Capital Projects / Programmes selected for In-Depth Check(s) (based on value) is **18%**.

An In-depth Review was undertaken on the **Multi Annual Rural Water Programme 2019-2021** listed under expenditure being incurred by the Council. The estimated lifetime value of this project is **€1,726,471.00** which represents approximately **0.3%** of the overall value of the Council's Capital Projects in the Inventory list for 2021. A second In-depth review examined the proposed **Cavan Railway Greenway Capital Project** listed under expenditure being incurred by the Council. The estimated lifetime project cost of this project is **€20 million** which represents approximately **2.9%** of the overall value of the Council's Capital Projects in the Inventory list for 2021.

The Rural Water Programme, through Exchequer funding, delivers improvements to private domestic water and wastewater services in areas of rural Ireland where there are no public (Irish Water) water/wastewater services. The objective is to provide enhanced funding certainty for priority investment needs to support the implementation of proper planning and sustainable development in rural areas.

Under the Multi Annual Rural Water Programme 2019-2021 grant assistance was made available through Local Authorities to the Group Water Schemes. The framework as circulated in Feb 2019 together with Circular L1/19 provided guidance on the criteria for the completion of Bids for this capital funding. In response a bids submission was made on 13th March 2019 by the Council on behalf of 27 Group Water Schemes with project works prioritised as advised. Circular L2/19 on 14th Oct 2019 provided confirmation of the national funding allocations to the various Schemes as approved by the Minister. As part of this **17** GWSs within County Cavan received a total allocation of **€1,686,471.00** towards 23 projects under 5 different measures. In addition to this on 27th August 2021 a further two schemes received funding allocations under Measure 1 amounting to **€40,000.00**. Overall, the Group Water Schemes within Cavan received a total allocation of **€ 1,726,471.00** under this programme.

Based on the review findings assurance could be primarily provided that the necessary criteria applicable to the programme was applied by the Local Authority. The Review Team was broadly satisfied that all completed works to date were certified by the Group Scheme's Technical Experts with the relevant supporting documentation provided to the Council. The financial / governance control procedures of the Local Authority provide the necessary oversight of the funded projects. The in-house technical engineers ensures recommendations for the project payments for completed works are clearly documented with the supporting Chief Executive Orders / approvals retained on files. Evidence of project expenditure and contractor's invoices were also available on the sample files

examined. The corresponding recoupment funding claims were processed accordingly, and the related payment transactions / government debtor activities were appropriately accounted for in the Council's financial statements.

During the In-depth checks no major procedure issues were identified however the impact of COVID 19 was noticeable given the level of outstanding / incomplete projects with approved funding still awaiting drawdown. As at the 31st December 2021 there were 10 Group Water Schemes in Cavan with project works commenced / completed to the value of **€532,054.53**. The Council was advised by the Department in early 2022 on the most appropriate way to progress the completion of the remaining scheme projects. As part of this the relevant control measures were established with the completion of projects now closely monitored. Quarterly programme completion tracker stats inclusive of work commitment timeframes are submitted to the Department to ensure the overall objectives of the scheme will be met before December 2022. While this is the case it is important to highlight that it is ultimately the responsibility of the Group Water Schemes to ensure the timely progression and completion of their approved projects.

The Review Team advised that it is vital that all outstanding scheme projects continue to be vigorously monitored by the relevant stakeholders including Cavan County Council to ensure the commitment as outlined in the Programme Completion Tracker is fully achieved.

To maximise the opportunities for schemes to meet the water quality standards of the Drinking Water Regulations on a consistent long-term basis Cavan County Council in consultation with the Department must continue to encourage schemes to bring quickly executable, low cost works forward as much as possible in the programme

Cavan County Council must also continue to proactively advise, encourage and focus schemes, particularly smaller schemes, on what are their most sustainable long-term options which are either interconnect to Irish Water where this is the more appropriate solution or rationalise and/or amalgamate with other schemes or standalone where none of the other options are viable.

Based on the findings of this In-depth Review on the **Multi-Annual Rural Water Programme 2019-2021**, Internal Audit is of the 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 requirement is 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 2021 marks the third year of a rolling three years for the purposes of the in-depth quality assurance check. Three 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 the in-depth checks.

Required: in-depth check must average 5% per annum for capital expenditure over 3 years.

2021 is year 3.

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

2021 is year 3

	Current - total on inventory in the year	value of project or programme reviewed in depth	% in depth reviewed in the year	Stage of expenditure in-depth checked
2019	€104,245,442	€3,171,339	3%	current being incurred
2020	€126,216,493	€2,166,181	1.71%	current being incurred
2021	€127,462,513	€2,810,256	2.2%	current being incurred
		total average % checked	2.3%	
		average % over the three years	2021 is year 3	
	Capital - total on inventory in the year	value of project or programme reviewed in depth	% in depth reviewed in the year	
2019	€599,311,434	€20,000,000	3.33%	capital being incurred
2020	€567,470,825	€8,271,108	1.46%	Capital being incurred and capital completed
2021	€336,240,589	€37,817,050	11.2%	capital being considered capital being incurred,

				and capital being completed
		total average % checked	5.33%	
		average % over the three years	2021 is year 3	

In-Depth Checks

Turnkey Housing Development in Lifford, Ennis – Capital Expenditure being considered

This project involves the acquisition of 61 turnkey houses at Cluain Greine, Lifford, Ennis on a 3-hectare site following a public advertisement (newspaper and website) seeking expressions of interest for the supply of social housing in Ennis where current demand was prioritised following the Housing Needs Assessment. The acquisition comprises of 10 different house types and a mix of duplex, terraced, semi-detached and detached houses at a total cost of €18,535,328. The agreement for the acquisition of houses between Clare County Council and Bellerin 4 Limited (builder) have been prepared but no paperwork has been signed at the time of the audit.

Sanction has already been received from the Department of Housing, Local Government and Heritage in December 2021 along with approval from the Chief Executive to progress this project further. A post project review should be completed. This will allow an evaluation of achieving the project objectives, if the project was managed well and if anything could be done differently or better that would benefit future similar schemes.

Ennis South Flood Relief Scheme - under construction

This project stems from the National Catchment Flood Risk Assessment and Management (CFRAM) study, which identified Ennis and Environs as vulnerable to significant fluvial flooding and in need of a flood relief scheme.

The methodology for advancing a Flood Relief Scheme funded by the Office of Public Works (OPW) is documented and clear. The OPW sets out requirements and conditions when responding to payments to the local authority. The methodology supports the requirements of the public spending code and

enables systematic adherence to the elements of the code as the project advances from appraisal through implementation.

The range of documentary evidence reviewed in this check over for this scheme enables internal audit to provide the opinion that there is satisfactory assurance of compliance with the PSC in relation to the Ennis South Flood Relief Scheme.

Fire Maintenance Service Building – Capital Expenditure Completed

This project is completed, so it is at post-implementation stage. A project completion report was done in respect of the Fire Maintenance Service Building, Central Fire Station, Ennis project, which complies with the National Directorate for Fire Services and Emergency Planning in the Department of Housing, Local Government and Heritage Department's requirement in terms of format and content.

The range of documentation reviewed enables internal audit to provide the opinion that there is satisfactory assurance of compliance with the PSC in relation to the Fire Maintenance Service Building, Central Fire Station, Ennis.

Rental Accommodation Scheme (RAS) Programme – Current Expenditure being incurred

The Rental Accommodation Scheme (RAS) programme is an annual ongoing expenditure programme for Clare County Council, a value in 2021 of €2.8m. The provision of housing for long-term rent supplement recipients (of 18 months+) through the sourcing by housing authorities of accommodation from the private rented market or through other social housing measure. The administration of the Rental Accommodation Scheme (RAS) programme is based on government regulation and Department guidance.

Recoupment is based on the number of active RAS tenancies and quarterly payments from the Department of Housing, Local Government and Heritage which are monitored by Clare County Council's Finance Department and all recoupments are up to date. Tenant referrals for the Rental Accommodation Scheme come from staff in Allocations in the Housing Department. In 2021, RAS were responsible for the ongoing management of 189 tenancies.

The review completed for this report showed that there are adequate office procedures for RAS and a separate RAS Rents Recoupment Process to handle Department claims which ensures business continuity and there is assigned management responsibility. There is monitoring of the dates of the landlord's rent reviews (every two years) as the current RAS contracts are rolling month-to-month contracts, based on the tenants remaining in the property.

While the administration of the scheme complies with Public Spending Code principles, Internal Audit has recommended an enhancement of existing controls. For the Annual Revenue return for the Department of Housing, Local Government and Heritage it is recommended that the RAS unit capture the Local Property Tax number of all of its RAS properties. Since January 2016, landlords who rent residential property for 3 years to tenants getting any form of social housing supports (called qualifying tenants) can deduct all of the interest that accrues during that 3-year period. Social housing supports includes the Rental Accommodation Scheme (RAS) programme.

This check enables the provision of satisfactory assurance that there is broad compliance with the PSC in relation to Rental Accommodation Scheme (RAS) programme.

Conclusion

Clare County Council notes that the Public Spending Code has been reviewed 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. Four expenditure areas were subject to in-depth checks for this report: current expenditure on the Rental Accommodation Scheme (RAS) Programme and capital expenditure on the Turnkey Housing Development in Lifford, Ennis, Ennis South Flood Relief Scheme, and Fire Maintenance Service Building, Central Fire Station, Ennis. All were found to be broadly compliant with the Public Spending.

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 2021 two projects / programmes were selected, one from a Current Expenditure programme with Expenditure being Incurred and one Capital Projects also under Expenditure Being Incurred on the Project Inventory. Details of the checks are as follows:

In- Depth Checks 2021	€ millions
<i>Revenue Programme – Expenditure being Incurred</i>	
Arts programme	€2.56m
Total Value of Revenue Programme In-depth Reviews	
Total Revenue Programme Inventory 2021	€235.7m
% Reviewed	1.1%
<i>Capital Project – Expenditure Being Incurred</i>	
Douglas Flood Relief scheme including Togher Culvert	€15.28m
Total Value of Capital Projects In-depth Reviews	
Total Capital Project Inventory 2021	€279m
% Reviewed	5.5%
2021 Overall Percentage Reviewed	
	3.5%

Current Expenditure Programme - Expenditure being Incurred Programme Selected:

Arts Programme

For the purpose of the in-depth checks' requirement, Internal Audit chose a sample of one current expenditure programme representing a percentage of 1%. The current expenditure Programme under review is the Arts Programme. In 2021, the cost of the Operation of the Arts Programme was €2,553,819. This Programme was categorised as current expenditure being incurred in the 2021 public spending code quality assurance inventory listing. The objective of the programme is the promotion

and support of Arts in Cork City. There are several documents that define the objectives of the Programme: Cork City Council's Annual Service Delivery Plan 2021, Annual Budget 2021, City Council's Corporate Plan to 2024, Cork City Partnership framework agreement 2018 – 2025 and Creative Cork Strategy 2017 – 2022. There is also evidence of planning and monitoring of the arts programme expenditure through the Annual Budget 2021, JD Edwards financial reports and monitoring reports.

The Covid-19 pandemic impacted the Arts Programme during 2021, however financial budgets and operational plans were adjusted and amended to ensure the continuation of service to the communities through outdoor events and online platforms. Despite the need to reimagine and adjust modes of delivery and programme content, the Art and Events Section continued to serve the public within schedule and avoided unforeseen budget overruns.

On completion of the in-depth review of the Cork City Council's Arts Programme, Internal Audit has formed the opinion that this Revenue Expenditure Programme appears to be substantially compliant with the relevant requirements of the public spending code.

Capital Expenditure Projects Selected:

Douglas Flood Relief Scheme including Togher Culvert

The Douglas Flood Relief Scheme including Togher Culvert has the objective of being a technically, socially, environmentally and economically acceptable alleviation of the risk of flooding to the Douglas/ Togher areas and environs. The project stems from the Lee Catchment Flood Risk Assessment and Management Study (and the South-West CFRAM Study) which identified both Togher and Douglas as vulnerable to significant flooding.

Appropriate appraisal of the scheme was conducted as evidenced by the Environmental Impact Statement. In addition, the Cost Benefit Analysis provides an economic assessment of the costs and benefits of the scheme and in so doing highlights the economic justification for the scheme. On-going monitoring and evaluation of the scheme's implementation is met through the comprehensive monthly management reports that are prepared. The appropriate documentation and data is available for any future evaluation of the Scheme.

Appropriate procurement procedures were undertaken at all stages The Douglas Works Construction Contract was completed in February 2021 and the Togher Services Diversions contract was completed in September 2020. The Togher main works construction contract is scheduled for substantial

completion in September 2022. There is strong project management in situ and a system of robust controls in place as the project moves to its final stage.

The thresholds and methodologies for appraisal set out in the PSC indicate that projects between €5 million and €20 million should be subject to preliminary and detailed appraisal, which includes, at a minimum a Multi-Criteria Analysis (MCA). On this project an MCA was documented for the preferred option. An economic assessment of the costs and benefits highlights the economic justification of the scheme.

Overall, the capital expenditure project being incurred, Douglas FRS (Including Togher Culvert) is well managed, and the In-depth review concluded that Cork City Council is in compliance with the Public Spending Code and recommends that the total project cost should be re-evaluated to ensure additional costs already incurred and potential other delay or overrun costs are identified.

Finally, 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.

CORK COUNTY COUNCIL

In-depth checks Summary

Cork County Council has carried out In-Depth Reviews required under Step 4 of the Quality Assurance process. For 2021, the following projects/ programmes were selected.

Review Area	Current Expenditure	Capital Expenditure	Value
1. Landfill Operation and Aftercare	Yes (Under Progress)		€4,909,622
2. Affordable Housing Cost Rental Scheme Kilnagleary, Carrigaline		Capital Expenditure being considered	€40,250,000

These

reviews cover approx 4.15% of CCC's total capital expenditure and 1.34% of current expenditure for 2022. Projects initially selected for indepth review were based on 2020 project inventory. On receipt of confirmed project inventory lists for 2021 it was found that the projects selected did not meet the Capital % threshold. It is our aim to meet the required 5% of the total value of all Capital projects on the Project Inventory over the three year period.

Cork County Council's Capital Project inventory has increased by € 286,015,452.67 since the 2020 return (approx. 30% increase).

Landfill Operation and Aftercare

Internal Audit carried out an in-depth check on the **Landfill Operation and Aftercare** service in Cork County Council. Internal Audit spoke with staff in the Environment 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 landfills to high environmental standards in accordance with EPA licences and regulations and to eliminate the risk of ground water pollution through the management and treatment of leachate. This is accomplished by monitoring, regular testing and carrying out of required works on site. It was noted the budget was attributed to both operation and aftercare of landfill sites and loan charges.

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

Affordable Housing Cost Rental Scheme Kilnagleary Carragaline

The following section presents a summary of the findings of this In-Depth Check on **the Affordable Housing Cost Rental Scheme Kilnagleary - Carrigaline**

The objective of the the Affordable Housing Cost Rental Scheme Kilnagleary - Carrigaline, construction of 60. No. Affordable housing units for purchase by qualifying applicants. There is a need for an affordable housing scheme demonstrated in the area. The construction of affordable housing is in line with national and local housing policy. The houses are to be constructed on land owned by Cork County Council and zoned for residential development. In the current climate with construction costs continually on the increase it is more important than ever that budgetary provision is regularly reviewed and adjusted appropriately as necessary.

The scheme will enhance social inclusion and multi tenure availability in the area.

Internal Audit cannot evaluate further compliance of the project with the approval, implementation, or post implementation stages of the Public Spending Code as approval for the project to proceed to the next step from the Department is awaited.

There are procedures in place to manage the project and the Housing Department have expertise in managing and delivering housing projects to a high standard.

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 2021 Public Spending Code Quality Assurance process.

Donegal Flood Relief Schemes

Value: €18,000,000

Percentage of Inventory: 0.89%

Summary & Conclusions

The primary objective of the Donegal Flood Relief Scheme was flood risk prevention and putting in place various measures aimed at reducing the impacts of flooding in river basin areas throughout the County. The individual schemes must be technically, socially, environmentally, and economically acceptable, to alleviate the risk of flooding to the various communities involved.

The Flood Relief Team, as the project team for the scheme have kept good records for every stage of the project process as well as in-depth files for the individual schemes throughout the County. The staff have provided good access to same which has ensured the data audit of this Quality Assurance check was completed in a timely manner.

The team have also identified particular areas where efficiencies could be achieved during the lifetime of the overall project, these include bundling schemes by catchment area, partial funding drawdown and high-level engagement in relation to procurement.

Internal Audit found that the processes and controls in place as well as the detailed record keeping undertaken by the Flood Relief team as the project coordinators for Donegal County Council have ensured that the project is in adherence to Public Spending Code guidelines.

Covid-19 Commercial Rates Waiver 2021

Value: €11,967,683 Percentage of Inventory: 6.53

Summary and Conclusion

The aim of the Commercial Rates Waiver scheme was to provide financial aid to businesses/ratepayers impacted by Covid-19 by enabling them to avail of a credit on their commercial rates thus helping alleviating cash flow issues they experienced. There are generally adequate procedures and controls in place to ensure that the objectives of the Commercial Rates Waiver are achieved.

As highlighted previously, staff in the Income Collection Unit were reliant on the quarterly circulars issued by the Department of Housing, Local Government & Heritage to clarify the criteria for each tranche of funding for the Rates Waiver. Clearer, more detailed guidance issued in advance of any funding will help expedite the payment process.

This Quality Assurance check found there to be adequate processes and controls in place in order for the Commercial Rates Waiver to be applied to Rates Customer accounts in an effective manner. However, a lack of written legislation meant that Donegal County Council staff were reliant on quarterly circulars and FAQs to provide details on the Waiver.

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 2021 by conducting in-depth checks into two capital projects and one Revenue project.

- In-depth check of O' Devaney Gardens Housing Project **Capital**
- In-depth check of Dublin District Heating System **Capital**
- In-depth check of Administration of Homeless Services **Revenue**

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

O'Devaney Gardens Housing Project is a project at the *incurring* stage. The project has a budgeted capital spend in 2021 of €125.5m. (Overall Cost of the Social and Affordable Housing €206,468,146)

the overall finding for the **O'Devaney Gardens Housing Project** is that the system of controls established for the management of the O'Devaney Gardens project provide limited assurance that the objectives associated with sound project management will be achieved. The rating of **Limited Assurance** was given.

13 recommendations in total were made (six of High priority and seven of Medium priority. The Chief Executive has indicated that he does not agree with the overall rating. He has accepted 8 of the 13 recommendations contained in the Internal Audit report as follows;

1. Management should identify the phases for the remainder of the project in line with the classification set out in the Public Spending Code, and manage the remaining phases in line with the provisions of the Code (*priority: Medium*)

2. The Final Business Case is updated and re-appraised so that it re-evaluates the project based on the current scope of work. The updated Business Case should include a Benefits Realisation Plan and Shadow Pricing evaluation as laid down in the 2019 PSC. *(priority: High)*;
3. Management should develop and document a Programme Logic Model for the O'Devaney Gardens project. *(priority: Medium)*;
4. Management should prepare a Project Brief, as required by the 2019 Code. *(priority: Medium)*.
5. Management should prepare an appropriately detailed Project Execution Plan, in line with the Public Spending Code. *(priority: Medium)*.
6. Project expenditure should be tracked against a budget and KPIs measured. The capital budget should also be up to date in terms of funding applied for/received and spent, stored centrally and summarised and updated regularly when changes occur. Currently this information is stored in different documents. *(priority: High)*;
7. Changes to scope, budget or schedule should be tracked in a change log and the issues and risks should be captured within the plan and the logs updated regularly and include mitigation and who on the team is responsible or accountable. Project reports should include an update on the status of key issues and risks. *(priority: High)*
8. All recommendations (excluding the recoupment of contracting authority initial costs) should be applied to all DCC Housing Schemes where applicable. *(priority: High)*

The other recommendations are as follows:

1. Utilise a central repository for project documentation. *(priority: Medium)*;
2. Management should update the project governance document and the governance of the project accordingly: Project phasing should be included and listing of the documents and guidelines needed to meet the 2019 PSC standard. *(priority: High)*;

3. Project KPIs should be included in the Execution Project Plan. These should include metrics of project performance that will be regularly checked and reported on in the project reports e.g., metrics in relation to meeting the schedule and metrics in relation to expenditure and capital spending. The plan should outline how the metrics will work and how they will be implemented. This will enable performance measurement of the execution of this project and similar projects in the future (*priority: Medium*);
4. Project reports should report on the execution of the plan, and the agreed metrics or KPIS. Risks and issues monitoring should be included in the project reports and significant changes to budget, schedule or scope also reported upon. All projects must be monitored on an on-going basis to ensure that they are completed to the required cost, quality and time/schedules and progress is on track. Ongoing monitoring and reporting should be considered essential during the Implementation Stage and would require a greater level of detail than what is currently provided. The frequency of reporting should be at least monthly. Reporting should include budget and costs, delivery programme, and tracking of benefits. Reporting should highlight the overall status of the project and provide on-going evaluation and monitoring information based on appropriate measurements adopted. (*priority: High*);
5. Evidence of recoupment of the Contracting Authority initial costs. The recoupment of Contracting Authority initial costs including site costs should be evidenced in the project documents to show the net transfer of funds between DCC and the Developer. These amounts are not clearly tracked. The fact that the Developer will pay the site costs is in a lengthy development agreement, and the funding amounts that DCC will pay the Developer are also stored in multiple changing documents. (*priority: Medium*);

The Chief Executive has indicated that he does not accept these recommendations. His position is that;

- DCC Housing & Community Services Department have established filing procedures in place. This project followed these. A dedicated Housing Land Initiative shared drive was set up for the purposes of storing files and relevant project documentation.

- The project was not subject to the Public Spending Code (2019) compliance stages, as the project pre dated the PSC. In 2015 DCC established a multi-disciplinary working group for the purposes of progressing this project (and two others) through DCC's Housing Land Initiative (HLI) structure that followed its own established compliance structure in compliance with relevant procurement strategy. An extensive Corporate Governance Structure was adopted and the Housing Land Initiative (HLI) Project Board was set up in 2017 with agreed terms of reference. A Process Auditor is appointed to the Project in accordance with the Department of Finance Guidelines.
- Board meetings occurred at the relevant milestones to record progress and inform direction in line with project goals and objectives. There are also fortnightly HLI Implementation Team meetings. The HLI Implementation Team meet fortnightly with the Developer's project team and a smaller Risk Register workshopping meeting occurs fortnightly between DCC and the contractor for purposes of reviewing and updating the Risk Register for the Construction stage of the project.
- As outlined above the Project Board is convened at relevant milestones to report on progress, to outline future actions and to obtain 'sign-off' for same. Meetings are minuted and circulated. The relevant stakeholders are reported to up to four times per month. Ongoing close monitoring of issues is reviewed in these meetings and reported on.
- The Development Agreement is a legally binding contact between DCC and the Developer. The Developer's *Consideration* is defined and outlined as €7,000,000 + VAT therein. The terms of payment are set out under Clause 6.1.1. a., b. and c. The Housing Department cannot alter this agreement.

Dublin District Heating System is a project at the *incurring* stage. The project has a budgeted capital spend of €73m.

The overall finding for the **Dublin District Heating System** the structures and processes which the Council has put in place in respect of its management of the DDHS project provide limited assurance in relation to the achievement of system objectives. The rating of **Limited Assurance** was given.

11 recommendations in total were made; of which six are of High priority, four of Medium priority and one of Low priority. The Chief Executive has indicated that he does not agree with the overall rating. He has accepted 6 of the 11 recommendations contained in the Internal Audit report as follows:

1. Management complete a Programme Logic Model as soon as possible. (priority: Medium);
2. Management develop a suite of SMART objectives for the proposed project, and establish a framework for gathering sufficient information to allow for ongoing monitoring and management of the project's performance against the objectives identified. (priority: Medium);
3. That a suitable suite of both financial and non-financial performance should be documented for the DDHS. As the scheme progresses, there will be opportunities to review the formal mechanisms to monitor and evaluate progress regarding attainment of delivery timeframes and milestones. (priority: High);
4. Management review the anticipated costs for the DDHS and update these where necessary, to ensure that they remain appropriate in an inflationary and volatile economic environment. (priority: High);
5. The reporting framework for the DDHS should be enhanced to include (for example) checking for conflicts of interest, overall status and progress indicators, programme risks/issues, status of financials, forward plan and progress against timetables. (priority: Medium);
6. Management should implement an improved system of version control for the project governance framework, incorporating an audit trail of: what changes have been made who made the changes; who approved the changes and when the changes were implemented. (priority: Low);

The other recommendations are as follows:

1. The SAR should be enhanced to ensure it complies with the format and content specified in the Public Spending Code. These details (updated where necessary) will also be required for population of the Preliminary Business Case. (priority: Medium);
2. The project governance framework should be enhanced to provide greater detail on interaction between the Project Board and Project Team, and on communication with the sponsoring agency. The various DCC roles on the Project Team should be listed and allocated in the Project Governance Arrangement/Resource Structure details. (priority: Medium);
3. The project governance arrangements documented for the DDHS should be enhanced to prescribe the continuing responsibilities of DCC in any future collaboration with a joint venture partner for the development. (priority: Medium);
4. Management should fully populate the DDHS Project Risk Register as soon as possible, and regularly review and monitor it as part of the on-going governance process. As stated above, a robust framework should be documented. Management should also ensure that details of relevant risks are captured in the Preliminary Business Case. (priority: High);
5. Management responsible for the DDHS should ensure full compliance with CPSO reporting requirements as a matter of urgency. (priority: High);

The Chief Executive has indicated that he partially accepts recommendation 1 and he does not accept recommendations 2, 3, 4, and 5. His position is that the project was not subject to the Public Spending Code (2019) compliance stages, as it pre dated the PSC (2019). It was initiated approximately 15 years ago when the Dublin Waste to Energy plant was first proposed. His position in relation to the recommendations is as follows:

- While he accepts certain points in the recommendations are valid he considers that these changes are more appropriately reflected elsewhere. He also feels that there are a limited number of options available to Dublin City Council in respect of the stated objectives, namely Dublin City Council is not a traditional utility provider and the realisation of our objectives is predicated on the higher level policy analysis, which has been undertaken by the DECC, SEAI and our energy partner Codema.

- The Governance document for the project, sets out the roles and responsibilities of the Approving Authority, the Sponsoring Agency, the Project Board and Project Team, including the associated members of the respective governance teams. In addition the document sets out the associated meeting and communications protocols. The governance document can be updated to reflect the meeting schedules of the Project Board and Team.
- The governance framework already considers this requirement via the Shareholder Agreement and the associated approvals process for this key document.
- The auditor has noted that: *'from our review that the Risk Register presented to us for the DDHS is in draft template form, and has not been formally implemented or approved.'* The Risk Register is already in place and is monitored by the Project Team and reported to the Project Board. The management team accepts the recommendation to capture these issues in the PBC.
- The Project Team is currently issuing the appropriate reports to the CPSO.

Administration of Homeless Services is current or revenue expenditure with a total budgeted direct cost of €212,986,990 in 2021. The Inventory amount for A05 are actual expenditure figures inclusive of service support costs.

The overall finding for **Administration of Homeless Services** that the system of controls established by DCC for the programme provide limited assurance that the objectives associated with sound programme management and PSC compliance will be achieved. The rating of **Limited Assurance** was given.

8 recommendations in total were made, of which three are of High priority and 5 are of Medium priority. The Chief Executive has indicated that he agrees with the overall rating. He has also accepted 7 of the 8 recommendations contained in the Internal Audit report as follows;

1. Management should perform formal periodic evaluations of the Programme as specified in the Code. *(priority: High);*

2. All information pertaining to individual services, their funding application documents, SLAs, and expenditure tracking is stored centrally. *(priority: Medium);*
3. Management update the PLM and include the SMART objectives. *(priority: Medium);*
4. That all contracts with service providers are stored and made available for future audit within a contract register. *(priority: Medium);*
5. That the service reviews should be available, including details of remediation steps takes. Similarly, we recommend that management undertake an annual programme review outlining findings and improvement steps to be taken at the programme level. The annual review can inform the annual planning process and inform the action plan. *(priority: Medium);*
6. The 2021 Homelessness Protocol recommends the introduction of a Memorandum of Understanding (MOU) to be used to define the relationships between DCC as lead and the other three housing authorities in the Dublin region. This document was not provided to us during the course of our work, and we recommend that it should be put in place going forward, in line with the 2021 Protocol. *(priority: High);*
7. The funding checklists should be incorporated into the SLAs with signed agreement from service providers to complete the actions on the list and service providers should agree to submitting a checklist sign off upon completion. This document was not provided to us during the course of our work, and we recommend that it should be put in place going forward, in line with the 2021 Protocol. *(priority: Medium);*

The other recommendation is as follows:

8. There is a lack of SMART objectives evident in the PLM or elsewhere. The Principles outlined in the 2021 Protocol should be modified and used in the Action Plan and PLM. Objectives should have associated key actions that need to be undertaken to achieve the objective in a particular timeframe, with a measurement target built into the objective; These SMART

objectives should be used and outcomes measured and reported on within the Action plan and PLM. (*priority: High*);

The Chief Executive has indicated that he does not accept this recommendation. His position is that;

- The priority rating seems high given the detail in the Homeless Action Plan, which is the statutory plan that local authorities must use for Section 10 funding. It contains detailed objectives, owners, target outcome and timelines that accord with the principles for funding as set out in Housing for all and the Protocol letter. The principles suggested are clearly evidenced in the Homeless Action Plan. He cannot see the analysis of the Homeless Action Plan that underpins this finding.

DÚN LAOGHAIRE-RATHDOWN

In-Depth Check

DLR's Internal Audit Unit carried out an in-depth check of two projects from the Project Inventory with a combined project budget of €78.8 million

From the Expenditure Being Considered - Glenamuck District Roads Scheme was selected and, from Harbours from the Current Expenditure Being Incurred - Operation and Maintenance of Piers and Harbours (G02), (Costs associated with Dún Laoghaire Harbour) on the Revenue project inventory was selected.

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

Glenamuck District Roads Scheme

The Kiltiernan/Glenamuck Local Area Plan (LAP) was adopted by Dún Laoghaire-Rathdown County Council in 2007. The LAP included for the introduction of the Glenamuck District Distributor Road Scheme, in order to improve the capacity of the local road network and to promote the economic development within the area as identified in the County Development Plan. The road scheme was included and further refined in the subsequent Kiltiernan/Glenamuck LAP 2013- 2019 (extended to 2023), and the implementation of the LAP is included as an objective in the current Dún Laoghaire-Rathdown County Development Plan 2016-2023. The scheme was subsequently renamed as the Glenamuck District Roads Scheme (GDRS).

The Glenamuck District Road Scheme will improve the overall capacity of the local road network and will improve the road safety on the existing Glenamuck and Enniskerry Roads. The new roads will operate as distributor roads to the South Eastern Motorway while facilitating the economic development within the area as identified in the Dún Laoghaire- Rathdown County Development Plan. The scheme will also support and facilitate the development of Kiltiernan Village as a pedestrian-friendly area free from through traffic. The scheme is to be funded from Section 49 development contributions

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

Internal audit recommends that dlr consider the following:

- For projects which are the responsibility of the Capital Projects Office, that where there is an increase to a consultant's contract to provide services or carry out works for another entity

such as Irish Water and where such costs are recoupable from the entity, that a separate purchase order be raised for these works and that these works should be invoiced for by the consultant separately in order to maintain separate and accurate record of the final cost of the works for recoupment purposes.

- Minor/housekeeping grade findings were identified
- Having reviewed the available documentation in relation to the expenditure incurred under this capital project, Internal Audit is of the opinion there is compliance with the standards set out in the PSC.
- 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 PSC within dlr.

Operation and Maintenance of Piers and Harbours (G02)

(Costs associated with Dún Laoghaire Harbour)

Dún Laoghaire Harbour transferred to the Council on 3rd October 2018 by Statutory Instrument No. 391 of 2018. The DLR Harbour Section currently has 13 direct staff within management, administration, maintenance and security, including a harbour master. Harbour staff are responsible for the management of vessels within or on approach to Dún Laoghaire Harbour, aids to navigation, port security requirements, enforcement of the Harbour Byelaws, along with boat storage and swing moorings. Harbour staff are also responsible for the management of the Dún Laoghaire Harbour car parks, management and upkeep of harbour properties, liaison with harbour tenants, cleansing and general maintenance within the harbour, as well as the management of all events and filming within the harbour estate.

Internal audit recommends that dlr consider the following:

- That staff in the DLR Harbour Section involved in the raising of requisitions/purchase orders are made aware of the DLR Procurement Process document, which is available on the Council's intranet, and
- advised to attach the relevant documentation in relation to the requisition at requisition stage, as outlined in the Procurement Process document.
- Minor housekeeping detail which staff in the Harbour Section agreed to implement.

Having reviewed the documentation in relation to the expenditure incurred under this programme in 2021, Internal Audit is of the opinion there is compliance with standards set out in the PSC.

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 PSC within dlr.

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 2021 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 2021, 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

The QA process provides for in-depth checks to be carried out by the Internal Audit Unit of the Council. According to the guidance document issued by DPER in February 2017, 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.

Since the revised arrangements which came into effect from 2016, the minimum is an average over a rolling three-year period. Accordingly, the required minimums will be achieved over the three years 2019, 2020 and 2021 as per the table below:

Year	Capital Projects	Revenue Programmes
2019	6.1%	2.6%
2020	4.5%	2.4%
2021	6.1%	0
Rolling average	5.6%	1.6%

In 2021, 6.1% of the inventory was subject to in-depth checks in respect of Capital Projects. With regard to Revenue as the 1% rolling average requirement has been covered on the three-year average percentage there is no Revenue in-depth check this year.

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

The Capital Projects subject to in-depth checks are listed in the following table:

Project name	Value €m	PSC Status
Church Road, Mulhuddart, D.15	5.20	Recently ended.
Cappagh, Phase 3, Liscappagh	18.69	Expenditure being incurred.
Bremore Castle & Regional Park	10.00	Expenditure being incurred.
Development Works at Argillan Castle.	6.10	Expenditure being incurred.

LED Energy Reduction Project	6.80	Expenditure being incurred.
Total Value of in-depth checks.	46.79	
Total Value of capital inventory	765.36	
% of Inventory Value Analysed	6.1%	

Church Road, Mulhuddart, Dublin 15

PSC Status: Expenditure Recently Ended.

Project Description: Construction of 22 no. houses at Church Road, Mulhuddart, Dublin 15.

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 provided the opportunity to provide dwellings in accordance with the target delivery set out in the Social Housing Strategy (capital programme) and with the actions identified in the Action Plan for Housing and Homelessness – Rebuilding Ireland. The necessary funding approval and tendering processes for the project were undertaken in compliance with the requirements set out by the Department of Housing Planning and Local Government and the Council’s 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.

Cappagh Phase 3 Liscappagh

PSC Status: Expenditure Being Incurred

Project Description: Cappagh Phase 3 Liscappagh 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 provided the opportunity to provide dwellings in accordance with the target delivery set out in the Social Housing Strategy (capital programme) and with the actions identified in the Action Plan for Housing and Homelessness – Rebuilding Ireland. The necessary funding approval and tendering processes for the project were undertaken in compliance with the requirements set out by the Department of Housing Planning and Local Government and the Council’s 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.

Bremore Castle & Regional Park

PSC Status: Expenditure Being Incurred

Project Description: Bremore Castle & Regional Park 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 provides for the development of a New Regional Park for Balbriggan with the restored Bremore Castle as a major feature within the new park. The project is in alignment with Fingal County Development Plan Objectives, the required statutory approval process has been undertaken and procurement checks on expenditure to date show compliance with procurement requirements.

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.

Development works at Ardgillan Castle

PSC Status: Expenditure Being Incurred

Project Description: Refurbishment works at Ardgillan Castle to address deficiencies in building fabric primarily related to the roof and services.

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 for the safeguarding of this important heritage property. In doing so, the development works will enhance the overall visitor experience, make greater use of vacant areas and reinforce the position of the castle as a key heritage and tourism driver.

The project will also see the improvement of facilities to provide comfort and improved safety levels within the building for staff and visitors. The need for reactive maintenance within the buildings will be reduced and the planning of facilities management will be improved.

Audit Opinion: Project expenditure is at an early stage and based on the review of documentation on the project to date, 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.

LED Energy Reduction Project

PSC Status: Expenditure Being Incurred

Project Description: Replacement of energy inefficient public lighting with advanced LED lights throughout the county public lighting network.

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

Findings: This project to replace Fingal's public lighting to energy efficient LED's is a positive step in reducing the Council's energy demand. The project is nearing completion with 92.8% of all lights switched to LEDs.

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.

Next Steps: Addressing Quality Assurance Issues

The compilation of both the Inventory and Checklists for 2021 built upon the significant work undertaken in regard to previous year's reports. The experience gained is valuable and will continue to guide future Quality Assurance Process activities.

Fingal County Council is committed to providing ongoing internal training in relation to areas such as procurement etc. The Quality Assurance Report will be circulated at Management level to maintain a strong awareness of the requirements of the Code

Conclusion

The Inventory outlined in this report lists the Capital and Revenue expenditure that is being considered, being incurred and that has recently ended. There were three procurements in excess of €10m in the year under review. The Council has published a notice on www.fingal.ie with summary information for procurements in excess of €10 million for 2021. <https://www.fingal.ie/council/service/public-spending-code>

The Checklists completed by the Council and in-depth checks show a substantial level of compliance with the Public Spending Code. Ongoing work is required by all sections within the Council to ensure that the level of substantial compliance with the Code is maintained.

GALWAY CITY COUNCIL

Rates Waiver 2021 Schemes.

In-Depth Check

The processes in place in the Debt Management Unit (DMU) to apply the DHLG&H rules on credits-in-lieu of Commercial Rates, along with the required supporting evidence, appeared to work well in practice. A recommendation was made to have Operating Procedure to provide confidence that a consistent approach was being taken whenever credit in lieu were applied to customer rates accounts. Appeal Procedures were compiled. The development of response Templates was adopted, in order to confirm that all relevant data is included with every appeal decision notified.

The Rates Waiver 2021 Schemes were nationwide Business Supports applied to assist Commercial Rates Customers adversely affected by the ongoing Covid-19 pandemic on specific business categories, and provide direct financial supports to local government similarly affected. The original Circular Fin 01 of 2021 introduced this scheme for the first three months of 2021. Subsequently, the advancement of the Covid-19 pandemic, resulted in extensions to the Rates Waiver 2021 Scheme ultimately to the nine-months of Jan-Sep 2021. A further Rates Waiver 2021 Scheme was introduced by Circular Fin 20 of 2021, for Oct-Dec with targeted criteria.

All the business categories that were identified as requiring revision in the current Rate Book, should be listed for update during the Revaluation Project (ReVal21) by the Valuation Office, which has been postponed until 2023. The Appeal Procedures, and Response Templates were compiled and applied during 2021.

Shop Street and Pedestrianised Area Resurfacing Works Project

In-Depth Check

This Project has proceeded through the Appraisal, and Implementation Phases of Project Management, in accordance with the Public Spending Code. It has clear identified and measurable Key Performance Indicators to allow the assessment of Project success levels. Ongoing works will

address the needs for Procedure Documents, Administrative Support, Decision Making process, Contract Payments, etc.

*The annual Internal Audit Work Programme includes the requirement to conduct in-depth checks on sample projects and programmes, as part of the annual **PSC Report** to NOAC. The recurring themes arising from in-depth reviews and from the Local Government Auditor's reports remain the ongoing need for robust enforcement of regulatory compliance, especially in Procurement, Authorisations, and Archiving.*

From the reviews conducted by Internal Audit during 2021, there was an ongoing identified need to complete Post Project Reviews, to record the lessons learned both positive and negative, as a means of influencing future decision making. The PSC Training, especially with regards to new staff, was commenced during 2021.

The Modular Housing Capital Project

In-Depth Check

Following the in-depth check of the Modular Housing Capital Project, there is a need for robust enforcement of regulatory compliance, especially in Procurement and Budgeting. Such adopted procedures should be adhered to at all times. There was also an ongoing need identified to complete Post Project Reviews in line with the Purchasing Guidelines 2016. This includes recording the lessons learned both positive and negative, as a means of influencing future decision making.

*The annual Internal Audit Work Programme includes the requirement to conduct in-depth checks on sample projects and programmes, as part of the annual **PSC Report** to NOAC. The recurring themes arising from in-depth reviews and from the Local Government Auditor's reports remain the ongoing need for robust enforcement of regulatory compliance, especially in Procurement, Authorisations, and Archiving.*

From the reviews conducted by Internal Audit during 2021, there was an ongoing identified need to complete Completed Project Reports / Post Project Reviews, to record the lessons learned both positive and negative, as a means of influencing future decision making. The PSC Training, especially with regards to new staff, was commenced during 2021.

GALWAY COUNTY COUNCIL

In-Depth Checks

The PSC – QA requirements states that the value of the projects selected for in depth review each year must follow the criteria set out below:

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

The completed in-depth checks for Galway County Council are contained in

The following is a summary of the findings of the in-depth check of one Current (revenue) Programme and one Capital Project:

Current (Revenue) Programme – Local Enterprise Office

Expenditure Type – Being Incurred

Under Section 4 of the Quality Assurance provisions contained in the Public Spending Code Galway County Council is required to carry out an in-depth review of a minimum of 1% of the total value of all Revenue Projects on the PSC inventory list, averaged over a three-year period.

Calculation of Audit Sample - QA Report 2021	2021
In-Depth Check - Revenue	
Total Value of Revenue Projects	148,233,290
Total value of REVENUE Projects Audited	1,519,261
Relevant % (Cap Projects Audited / REVENUE Projects Value)	1.02%
% Review 3 year Average	4.32%

The Local Enterprise Offices (LEO) aim to promote entrepreneurship, foster business start-ups and develop existing micro and small businesses to drive job creation and to provide accessible high quality supports for all business ideas.

Key services include financial supports, advise on a range of alternative funding options, business information, advisory services, enterprise support.

In line with this requirement an in-depth review of LEO Galway Office with respect to financial supports, specifically – Revenue Expenditure programme for B0906 - Trading Online Vouchers Scheme was reviewed in the line with the PSC.

The scheme was originally piloted in 2013 with a national rollout from 2014. The Scheme makes available vouchers valued at up to €2,500 which can be redeemed against the cost of establishing an online trading presence. Policy and funding of the scheme transferred from the Department of Environment, Climate and Communications (DECC) to the Department of Enterprise, Trade & Employment (DETE) in 2020.

With the onset of COVID19 pandemic in 2020, there has been huge demand for businesses to trade online and this increase can clearly be seen in the increased demand for the TOV scheme in recent years.

Topic	Indicator	01/01/2017 - 31/12/2017	01/01/2018 - 31/12/2018	01/01/2019 - 31/12/2019	01/01/2020 - 31/12/2020	01/01/2021 - 31/12/2021
Economic Development: J1 to J5	The number of trading online voucher applications approved by the Local Enterprise Office in 2021	44	53	70	636	307
	The number of those trading online vouchers that were drawn down in 2021	25	22	31	227	201

Performance Indicator Comparison 2017 - 2021

The TOV administration process is clearly set out in Circular no. 1/2021, with full procedure for administering same in Section 7 of the LEO Procedures Manual.

The LEO Galway who are the administrators of the scheme have kept good records for every stage of the application process and have provided access to same, which has ensured that data audit of this Quality Assurance check was completed in a timely manner. The G.M.I.S. is used to manage the application process from start to finish and includes a reporting facility for regular monitoring and progress reporting to E.I.

Enterprise Ireland completed an evaluation (nationally) of the TOV scheme for the period 2018-2020 in 2021. The report is expected to be published in the coming months by EI.

AUDIT OPINION: Having reviewed the documentation in relation to the expenditure incurred under this programme in 2021, Internal Audit is of the opinion there is substantial assurance that the scheme complies with the standards set out in the PSC.

Capital Project Galway to Curraghmore

Expenditure Type: Being Considered

Under Section 4 of the Quality Assurance provisions contained in the Public Spending Code Galway County Council is required to carry out an in-depth review of 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 Galway County Council’s Capital Projects in 2021 was € 1,499,210,492. In-depth review was carried out on 8% of the value of these projects.

Calculation of Audit Sample - QA Report 2021	2021
In-Depth Check - Capital	
Total Value of Projects - Capital	1,499,210,492
Total value of CAPITAL Projects Audited	120,000,000
Relevant % (Cap Projects Audited / CAPITAL Projects Value)	8%
% Review 3 year Average	5%

An in-depth review was undertaken on the proposed national road upgrade of the N84 Galway to Curraghmore as expenditure being considered by the Council. The proposed project - N84 Galway to Curraghmore - consists of upgrading of existing sub-standard single carriageway on N84 between the proposed Galway City Ring Road (GCRR) junction at Ballindooley and Cloonboo approaching the Curraghmore Bridge. The project would consist of realignment of approx. 12Km, including road raising (5Km) to appropriate levels for flood prevention protection. The proposed project is considered a major project with an estimated cost of €120m. The progression of the project is dependent of TII approval of each phase of the project from phase 0-7 inclusive. The project commenced in 2019, however Covid 19 pandemic delayed initial studies required to progress the completion of the strategic assessment report. The project was essentially on hold in 2020 but recommenced in 2021

with Flood Risk Assessment Report being carried out and Traffic modelling survey being undertaken in Q4 2021. These studies were required to prepare the Strategic Assessment Report (SAR) for consideration and approval by the TII to move to Phase 1. Request for Tender for appointment of consultants to carry out the SAR is currently underway. The proposed project on the N84 Galway to Curraghmore is expected to link in with the proposed Galway City Ring Road and its progression through the various phases may be affected by the progress of the GCRR.

Audit Opinion: The proposed project, while very much in its infancy, is being managed to date, in accordance with TII Project Management Guidelines 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.

KERRY COUNTY COUNCIL

In-Depth Checks

The Quality Assurance Process involved the examining of 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.

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 26.93% of the total value of 2021 Capital Project Inventory. A review of the 2021 Landfill Operation and Aftercare was also undertaken; this expenditure represents 1.47% of 2021 Revenue Inventory. On a 3-year rolling average basis, the full costs of projects subject to checks since 2020 represent 12.34% approx. of Capital Inventory and 1.14% approx. of Revenue Inventory.

The following projects were the subject of in-depth checks for the 2021 PSC return: -

Project reviewed	Inventory	Status	Value
Farranfore - Killarney Improvement Scheme	Capital	Expenditure Being Incurred	€ 420.0m
Land Operation and Aftercare	Revenue	Expenditure Being Incurred	€2.810m

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: -

Farranfore to Killarney Improvement Scheme

The objective of the Farranfore to Killarney Road Improvement Scheme is to alleviate current capacity constraints, to address road safety issues, to reduce congestion and improve journey times, while also facilitating economic and tourism development in the area. It will enhance regional, national and international connectivity.

The primary input to the programme is capital funding provided by TII. Other inputs include Kerry County Council staff time, TII staff time, expert advice, consultants, technology, project brief.

Internal Audit carried out an examination of documentation including files, reports, minutes of meetings, e-mail records, tendering and procurement documentation, monitoring and progress reports. Consideration was also given to project management structures and processes including the clarity of roles and responsibilities.

Internal Audit noted that the risk register in place has recorded the area of financial risks associated with the project and highlighted the impact of the cost of importing materials. With such large-scale projects, there is always a risk of overspends and this is particularly prevalent in the current climate, with Covid 19 and the impact of the war in Ukraine. In this regard, Internal Audit recommends that the expenditure continues to be prudently and forensically monitored and managed to ensure the best possible value for money is obtained.

Internal Audit would also recommend within the risk register that there is a strong recognition that in the area of corporate governance there is a need to manage new risks “such as Covid-19” and to adapt “quickly to changes, including unexpected issues and pandemics.”

The review demonstrated a satisfactory level of compliance with the principles of the public spending code - appraisal, planning/design, implementation and review. There was evidence to show that investment decisions for this project were aligned with national and local policy objectives and had been informed by early consideration of the options available.

It was found that there is a management structure in place within the Kerry NRO; there is strong evidence of management and oversight by both Kerry NRO and TII; there is detailed guidance documentation, procedures and systems in place for the management of the project; there are detailed records of decisions and actions from the time of the conception of the project to its current phase.

Landfill Operation and Aftercare

The objective of the audit of Landfill Operations and aftercare Project are to assess the management of the North Kerry landfill and Civic Amenity Sites in terms of compliance with EPA Licences and Waste Management Regulations and to assess compliance with the requirements of the Public Spending Code.

Internal Audit carried out an extensive examination of documentation including Department EPA standards & Guidelines, Closure Remediation & Aftercare Management plan, Register of procedures, Leachate Management Plan, Environmental Service Operational Plan 2021 and Service Review meeting minutes. In addition to this, financial records from the Agresso Financial Management System were also examined. Consideration was also given to the management structures and processes in place.

Internal Audit noted that there is a minor information gap in relation to the level of some procurement documentation availability on the Agresso site and its clear identification in the electronic files on the network. However, on request to the Environment section this was readily available. It is recommended that procedures on procurement are evaluated and strengthened to ensure the information is available on the Agresso Financial Management System going forward.

It is further recommended by Internal Audit that the current excel register of contract documents utilised by Environment for Civic Amenity Site RFT's be further developed to capture all live contract engagements for the full suite of Waste Management activities and RFQ's. This will ensure timely procurement of new contracts where required and lessen the need to extend current contract arrangements. This would ensure Value for money continues to be realised through the procurement processes. It is also recommended that procedures on procurement are reviewed and re-emphasised to all staff to ensure complete procurement information

The review demonstrated a satisfactory level of compliance with the principles of the public spending code - appraisal, planning/design, implementation and review. It is beyond the scope of this review to

set out all the detailed current expenditure appraisal issues for all facets of this programme however based on a random sample of expenditure undertaken Internal Audit is satisfied that there is compliance with the PSC in terms of standard appraisal and planning required per DPER guidelines i.e.

- (ii) Exploring options taking account of constraints
- (iii) Quantifying the costs of viable options and specifying sources of funding
- (iv) Analysing the main options
- (v) Identifying the risks associated with each viable option
- (vi) Deciding on a preferred option
- (vii) Making a recommendation to the Approving Authority

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.

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 2018-2020.

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

2019 – Social Housing Acquisitions – €83M

2020 – Prosperous Town Park - €830,000

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

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 2018 - 2020.

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

2019 – Procurement & Management of Pay Parking Enforcement Contract - €2,534,896

2020 – Library Book Fund - €430,000

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

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

The total value of Kildare County Council's 2021 project inventory was €909,787,873 and the projects selected for an in-depth check were as follows:

Revenue Project Selected for In-Depth Check	
Project 1: Homeless Services Expenditure	
Value of Revenue Project selected	€4,119,998

Capital Projects Selected for In-Depth Check	
Project 2: Kerdiffstown Landfill Remediation - Kerdiffstown Park	
Value of Capital Project selected	€62,825,000

Homeless Services Expenditure

In-Depth Check

The objective of this In-Depth check was to carry out an evaluation of the 2021 current expenditure on Homeless Services.

In response to the number of families and individuals seeking assistance in relation to homelessness, Kildare County Council has developed a partnership approach with key homeless agencies to improve co-ordination and increase supports available to those at risk of homelessness. The Housing Department works closely with several organisations who provide services to homeless people, in particular Peter McVerry Trust, Teach Íosa, Tiglin, Simon, Focus and Threshold, in an effort to secure emergency accommodation and transition units throughout the county.

Kildare County Council employs a Homeless Team comprising of three Homeless Outreach Workers, three Tenancy Support Officers, two Homeless Support Officers, and one Homeless HAP Place finder, together with administrative support staff, to aid and assist the families and individuals presenting as homeless.

Internal audit examined written procedures, recoupments and Service Level Agreements. It was found that written procedures were in place and being followed and recoupments were claimed promptly from the Department and all documents are filed and easily found. There is documentary evidence that Service Level Agreements are in place with relevant service providers.

Audit Opinion: In so far as the Kildare County Council's compliance with the Homelessness Revenue Expenditure, it is considered that the programme is in substantial compliance with the Public Spending Code.

Kerdiffstown Landfill Remediation - Kerdiffstown Park

(Capital Expenditure)

In-Depth Check

The objective of this In-Depth check was to carry out an evaluation of the 2021 capital expenditure on Kerdiffstown Landfill Remediation - Kerdiffstown Park.

This Project involves the remediation of a former landfill site at Kerdiffstown, in a socially, economically and environmentally sustainable manner that will manage and reduce environmental risk including the removal of risks to public health and safety including a reduction in the environmental risk of the site to an acceptable level. It will deliver of a public amenity, Kerdiffstown Park, following the remediation of the site.

From a review of records held on file and communication with those involved in the project, Internal Audit is satisfied that the project objective was clearly defined and that the needs that were to be met were outlined.

Procedural requirements involved in the tendering process have been complied with in respect of the appointment of contractors for this project. There is documentary evidence to verify that the tenders were advertised and assessed in accordance with relevant legislation.

Internal audit agree that suitably experienced staff were assigned responsibility for managing and monitoring the contracts. Regular monitoring of the contracts ensured that objectives were met. There is evidence of meetings that were held throughout the duration of the project. The minutes provide a record of those present, matters discussed, outcomes agreed, and actions required along with assigned responsibilities, issues, progress, etc. were discussed.

Audit Opinion: It is the opinion of Internal Audit that the appraisal and planning of this project and the procurement and management of the contractors involved in Kerdiffstown Remediation Project - Kerdiffstown Park was in substantial compliance with the Public Spending Code. There is a robust system of risk management, control and governance in place throughout the project and key milestones and objectives have been met on an ongoing basis. There is a clear audit trail and documentary back-up on file. The project is run efficiently and effectively, and the objectives of the Project are on schedule to be realised.

KILKENNY COUNTY COUNCIL

In-Depth Check

Kilkenny County Council has selected projects for in depth review that follows the criteria set out in the Guidelines .

- 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. Checks on 2 significant capital projects and 1 sub program of current expenditure - **Construction of 33 Units, Donaguile, Castlecomer, Co. Kilkenny and Construction of 25 Units at Ladywell, Thomastown, Co. Kilkenny** – satisfies the percentage requirement of the inventory for capital expenditure in 2021. The in-depth analysis of a sub program of current expenditure – **Operation of Library Services** - satisfies the percentage requirement of the inventory for current expenditure in 2021.

Conclusion

This report details the tasks undertaken and the information provided to meet the requirements of the Quality Assurance element of the Public Spending Code.

- An in-depth review of two capital projects and one revenue project have been completed. This exercise provides satisfactory assurance that projects are compliant with the Public Spending Code.

LAOIS COUNTY COUNCIL

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 %
2019	245.51	179.35	66.16	5.60	3.12	-	-
2020	328.53	239.63	88.90	21.95	9.16	2.33	2.62
2021	368.38	283.35	85.03	18.50	6.53	0.85	1.00
Total over 3 years	942.42	702.33	240.09	46.05	18.81	3.18	3.62

The above figures show that Laois County Council has achieved the three-year average of 15% for Capital Projects (18.81%) and 3% for Revenue Projects (3.62%).

Projects/programmes that were selected for in-depth review in respect of 2021 are as follows:

Capital:

▪ J17 National Enterprise Park, Togher, Portlaoise	€10,000,000
▪ N80 Maidenhead Realignment Scheme	€ <u>8,500,000</u>
Total	€<u>18,500,000</u>

Revenue:

▪ Landfill Operation, Maintenance & Aftercare	€ 854,236
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In-Depth Checks

J17 National Enterprise Park, Togher, Portlaoise

J17 emanated originally from The National Spatial Strategy 2002-2020 where it identified “Portlaoise as having strong national development potential as a transport hub and distribution center or inland port given its location on several national road and rail routes”.

Laois County Council amended its Development Plan 2017 – 2023 to support this National Spatial Strategy’s objective. The Council then decided to purchase 79.3 acres of lands at Togher, Portlaoise to develop an Enterprise Park for inward investment and job creation. A Master Plan was prepared and was included in the Portlaoise Local Area Plan 2018 -2024. The Plan aims to achieve the following goals and objectives,

- To secure the town’s role as the regional location for economic growth in the Midlands Area;
- To contribute to the prosperity of Portlaoise by facilitating the provision of adequate land for enterprise, including sites at suitable locations for industrial, enterprise, commercial and where appropriate small business uses having regard to spatial planning, infrastructural, environmental and transportation requirements and compatibility with adjoining land uses;

- To maximise the beneficial return of public investment in the National road network by protecting the safety, carrying capacity and efficiency of such routes;
- To support and protect the existing economic base and seek to diversify the economy through inward investments at key growth areas within the town and the environs; Introduction Togher Area Masterplan 2018
- To support the provision of complementary facilities and land uses to support the sustainable development potential of the Togher Area;
- To promote developments of high-quality that incorporates a sensitive approach to design while protecting and enhancing the surroundings;
- To ensure that the area is developed in an orderly and sustainable manner;
- To promote energy efficient and sustainable development patterns, land uses and buildings that incorporate LEED standards;
- To facilitate potential synergies in terms of energy, materials and logistics between the present and future uses in the area with a long-term aspiration to become an Eco Enterprise Park;
- To seek an integrated transport approach linked to land use objectives which encourages a reduction in the need for travel, tackling traffic congestion and promoting public transport, cycling, walking as alternative means of travel to the use of car;
- To provide for and promote multi-modal transportation for the delivery of goods, services and overall access to the area;
- To provide a positive gateway into the National Enterprise Park and Portlaoise. Finally, the Masterplan is structured to provide direction and a framework for future development patterns on each area but flexible enough to allow Laois County Council to respond to market conditions and developer interest

A contractor was appointed in November 2019. The works were monitored, and regular meetings were held by the Project Board and Management was informed regularly on progress. The Members confirmed funding, executed Statutory decisions and internal approvals as required and were updated by the Chief Executive in May 2021 and by the Head of Finance in February 2022 on the project.

The works were substantially completed in October 2020 with an agreed final account being settled through a combination of conciliation and local negotiations.

Phases 1-3 are substantially completed. The Final Account with the Contractor has been agreed and paid.

The Project has been progressed and monitored by the Capital Projects Office, with regular reports and updates being provided to Management and Council. While Phases 1-3 are substantially completed there are minor works to be completed by other contractors. Once these are completed the Capital Project's office will carry out a Post Project Evaluation.

This was a Laois County Council funded project under adopted J17 National Enterprise Park Masterplan Document 2018.

To date, 7 disposals of lands at J17 National Enterprise Park had been agreed in accordance with Sec. 183 of the Local Government Act 2001. Phase 4 will now proceed earlier than anticipated due to demand for more land sales.

The cost for Phase 4 was estimated in 2019. Acknowledging current market forces Phase 4 is now being appraised again by the Capital Project's office to progress the final Phase of this project in accordance with best Value for Money

Overall, the process and procedures carried out in respect of the J17 Enterprise Park is in broad compliance with the Principles of the Public Spending Code.

N80 Maidenhead Realignment Scheme

The N80 Maidenhead Realignment Scheme upgraded 2km of the N80 National Secondary Road. This project involved carrying out realignment for a series of bends on a section of the route at Maidenhead and Coolanowle, Co. Laois. These bends are located circa 3km south-east of Simmon's Crossroads (N78/N80 junction) and circa 1km north-west of the village of Arles. The bends are located between two sections of relatively good alignment and have been the scene of numerous collisions, some fatal, in recent years. The primary objective of carrying out a road improvement scheme at the location of the N80 at the Maidenhead to Coolanowle section was to improve the road safety performance.

The Project Appraisal Report was published in March 2016 and subsequently approved by TII to proceed. Tenders were sought and a contract was awarded in summer 2020 when works began.

The project was expected to be completed within a timescale of 72 weeks. Due to Covid restrictions works stopped on 27th March 2020 and recommenced on 18th May 2020. The works were substantially completed in December 2020 and the defect period ended December 2021.

A Steering Group was appointed to ensure that there was a systematic co-ordinated monitoring and management of the projects. The Steering Group met 8 times over the project.

The project was monitored by in-house Resident Engineers, a Project Team and the Kildare National Roads Office.

The Project Team monitored and reviewed progress on the project and there is documentary evidence of regular monitoring reports showing implementation against plans, budgets, timescales and quality. All expenditure was managed, and payments were certified by the Resident Engineers.

The initial Sanctioning contract sum for construction only was €4,898,040.48 excluding VAT. All Variations were subject to TII approval. There were 5 No. Change orders, inclusive of agreed claims. These were, as required approved by TII. The Final Account for Construction works was €5,200,000 (excluding VAT)

A detailed report, documenting the entire project was submitted to TII in May 2022.

Following approval from TII on the Final account and resolution of the Arbitration process, this project can move to Stage 7 of the Common Appraisal Framework. Kildare National Roads Office, as Project Manager, will prepare a close out report.

Overall, the process and procedures carried out in respect of the N80 Maidenhead Realignment Scheme comply with the relevant guidelines and frameworks and thus are in compliance with the Public Spending Code.

Landfill Operation, Maintenance & Aftercare

Laois County Council owns, operates and manages a landfill facility at Kyletalesha, Clonsoughy, Kyleclonhobert, Portlaoise, Co. Laois. The landfill covers an area of 73 hectares including Civic Amenity Site, Weighbridge, Domestic Transfer Station and Active C & D Waste Cell (Cell 15)

The landfill operates under a Waste Licence (Licence Ref. No: W0026-03) issued by the Environmental Protection Agency (EPA) issued under Section 48(8)(a) of the Waste Management Acts 1996 to 2010 as amended 2016. The Licence sets out the waste categories quantities to be accepted at the facility totaling an annual tonnage of 47,100 for Laois.

The operational activities carried out at the landfill are:

- The acceptance and landfilling of construction and demolition (C&D) waste and inert soil and stone material in Cell 15.
- The acceptance of household municipal (black bag) waste, household bulky goods, domestic green garden waste and timber in containers/skips which is transferred off-site for disposal/recovery to authorised licensed facilities. This acceptance area of the landfill is called the Portlaoise Tipping Head/Transfer Station.
- The on-going monitoring and reporting to the EPA of landfill gas, surface water and groundwater in accordance with the Waste Licence for the facility. This monitoring is part of the Council's landfill aftercare responsibilities.
- The on-site collection and transport off-site of landfill leachate for treatment. The landfill leachate is transported to the Timahoe Road wastewater treatment plant for disposal. This landfill collection and disposal is part of the Council's landfill aftercare responsibilities.
- Facilitating consumers to use an authorised waste collection service and provide documentary proof of how they dispose of their waste in accordance with Waste Management Regulations. It also facilitates and encourages greater segregation of waste to reduce volumes of residual waste collected.

In accordance with Waste Legislation and the Waste Licence, Laois County Council operates a key log system to record waste type and origin as required above.

A Budget for the Operation and Aftercare is approved by Council annually and the Financial Management System is used to record all income and expenditure and is used for monitoring same.

The landfill staff consists of the following full-time staff:

- Qualified Landfill Manager – Executive Technician
- Weighbridge Operator – Acting General Services Supervisor
- 3 No. Site Staff – 1 Ganger & 2 General Operatives

Administrative support is provided by 1 full-time staff. Additional support is also provided by 1 Senior Executive Engineer, 1 Assistant Engineer and on occasion by the Litter Wardens.

The Landfill is in compliance with Conditions 1.6.1 of the Waste Licence regarding hours of operation.

Laois County Council is in compliance with its Waste Licence regarding facility security, facility information on display, a facility office, a quarantine area, telemetry and security fence protecting the site.

In accordance with the Waste License Laois County Council operate a weighbridge at the facility.

This cell is the only active cell in the landfill. Under the Waste Licence, Laois County Council can accept Construction and Demolition Waste and inert soil and stone into this cell. The landfill operates a telemetry system and is aware of the Cell's capacity. Approval for this was given by the EPA in 2016 to increase the cell's capacity. This cell is an unlined cell.

In accordance with the Waste License Laois County Council monitors Landfill Gas, Leachate, Surface and Ground Water and reports to the EPA regularly.

In accordance with the Waste Licence the following are actively monitored and reported to the EPA: -

- Annual Leachate report
- Quarterly Groundwater and Surface Water Reports
- Emissions report for 2021 in compliance with Sec 40(4) of WMA 1996/2010 -This report consists of the quarterly and annual reports submitted to the EPA under the Waste Licence for Landfill Gas, Leachate, Noise, Dust & Odour.
- Annual Environmental Report 2021 -This report consists of the quarterly and annual reports submitted to the EPA under the Waste Licence for Landfill Gas, Leachate, Noise, Dust, Odour, Groundwater & Surface Water.
- Dust and Noise – Nuisance Control
- Odour control AER report

In accordance with its Waste Licence Condition 10 – Records - Laois County Council holds the waste licence and AER and all written procedures on site. It also has an EMS system.

To ensure the facility's activities do not cause environmental pollution it is required to have detailed documentation systems in place to help manage and track environmental performance. These systems are referred to as Environmental Management Systems (EMS). We review our EMS every year and set up-to-date environmental goals to continually improve our environmental performance

It is Laois County Council's responsibility as an EPA licensed facility to ensure there are systems in place to prevent incidents that have the potential to cause environmental pollution. If an incident occurs, Laois County Council is required to report it to the EPA, investigate the cause and fix the problem.

In accordance with the Waste Licence a Landfill and Emergency Plan written procedure is in place.

It is the opinion of Internal Audit that Laois County Council is in substantial compliance with the Public Spending Code in respect of its responsibilities for the Landfill Operation & Aftercare in 2022. The management, operation and aftercare maintenance work at the landfill is being carried out substantially in accordance with the requirements of the Waste Licence (Ref. No: W0026-03) for the facility.

LEITRIM COUNTY COUNCIL

In Depth Checks

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 circa 2% of total Project Inventory. On average, over the last 3 years, circa 14% of Projects have been selected each year (2021 - 2%, 2020 - 38%, 2019 – 3.2%)

These checks were carried out by Gilroy Gannon –Internal Auditors for Leitrim County Council who selected 2 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.

The value of projects examined represented **2%** of the total project inventory value which satisfied the 5% requirement, when taken over a 3-year average.

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

- **Construction Project – 9 Turnkey Units at Clos Eaglaise, Ballinamore, Co Leitrim**
- **SLNCR Greenway Design/Planning/Construction Sligo to Enniskillen**

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.

LIMERICK CITY AND 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 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 2019 to 2021 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 three projects from the Project Inventory with a combined project budget of **€46,176,312**

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

	1. Limerick Greenway	2. Coonagh Knockalisheen Distributor	3. Maintenance / Improvement of LA Housing Units
Compliance with Procurement Process	√	√	X
Expenditure Corresponds with Plans and Progress	√	√	√
Legislation and Statutory Requirements Complied with	√	√	√
Project team has maintained Extensive Documentation on all Aspects of the Project	X	√	X
Satisfactory Compliance with the Public Spending Code	√	√	√

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 2021
- ❖ Limerick City & County Council have two projects with a procurement value exceeding €10 million for the financial year 2021
- ❖ 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 non-compliance with the Public Spending Code, however there are areas which need improvement

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 improvements 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 areas for improvement:

❖ **Non-compliance with Public Procurement Guidelines**

During the course of Deloitte's review, it was noted that one instance, from a sample of four, where management were unable to evidence that goods and services were procured in line with Public Procurement Guidelines. Details of this instance are set out hereunder:

- A01 Maintenance / Improvement of LA Housing Units - Amount procured €68,366.00

Limerick City & County Council (LCCC) should ensure that all goods and services are procured in line with the provisions of the Public Procurement Guidelines.

❖ **Consideration of Other Options not Documented**

During the course of Deloitte's review, it was noted that LCCC management were unable to provide evidence that a comprehensive analysis of the alternative options available for the site was conducted as part of the evaluation of the following project:

- Capital - **Coonagh Knockalisheen Distributor Road**

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.

❖ **Project Steering Group Not Established**

During the course of Deloitte's review, it was noted that two instances, from a sample of four, where LCCC were unable to provide evidence that project steering groups were established for capital projects. Details of these instances are set out hereunder:

- Capital - **Limerick Greenway**
- Capital - Coonagh Knockalisheen Distributor Road

LCCC should ensure that steering groups are established for capital projects in line with the requirements of the Public Spending Code.

❖ **Project Briefs Not Completed in Full**

During the course of Deloitte's review, it was noted that one instance, from a sample of four, where a project briefing did not set out cost limits / targets. Details of this instance are set out hereunder:

- Capital - Limerick Greenway

LCCC should ensure that project briefs are completed in full.

❖ **Maintaining minutes and tracking actions arising from project meetings**

During the course of Deloitte's review, it was noted that one instance, from a sample of four, where LCCC were unable to provide evidence that project meetings were held. Details of this instance are set out hereunder:

- Capital - Limerick Greenway

LCCC should ensure that:

- Project meetings should be held at an agreed (e.g. monthly) basis for all on-going capital projects.
- Meeting minutes should be taken at all meetings with stakeholders on a project.

❖ **Sensitivity Analysis not performed as part of Cost Benefit Analysis**

During the course of Deloitte's review, it was noted that one instance, from a sample of four, where a Cost Benefit Analysis did not include a sensitivity analysis. Details of this instance are set out hereunder:

- Capital - Limerick Greenway

It is recommended that LCCC ensure that sensitivity analysis is performed in all instances where a Cost Benefit Analysis is performed

LONGFORD COUNTY COUNCIL

IN-DEPTH CHECKS

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.

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

- **23 Houses Alder Field, Longford**
- **The Revenue Expenditure F02 Operation of Library and Archival Service**

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.

23 Houses Alder Field, 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 twenty-three units for social housing as part of the Social Housing Targets 2018-2021 under the Rebuilding Ireland programme and the one-bed bungalow 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 31/2019 - Arrangements for the Provision by local authorities of Social Housing through Turnkey Projects and there was a clear audit trail on file.

It was forward thinking of the Housing department to have the additional dwelling designed with a dual-purpose use so that it can be a two-bedroom extension to the existing semi-detached dwelling

or a stand-alone one bed bungalow offering greater flexibility to the housing department in meeting the needs of future housing applicants.

The project will be 79 weeks in duration when the final unit, the one-bed bungalow is completed in July 2022. The houses were delivered in the agreed phases and available for immediate occupancy. Nineteen families (twenty-eight adults and twenty-six children) were appointed tenants on a gradual basis and four more families are currently being appointed (6 adults and two children). This will result in an additional €1,862 rental income per week for the Council. Twenty-three families are now taken off the Council's housing list and they now live in homes that are energy efficient with a near zero (A2) BER, that are cheaper to heat and emit up to 70% less carbon dioxide. The Council are also meeting Greener County strategic objectives in the Corporate Plan, by reducing environmental impacts and increasing the county's resilience to the impacts of climate change by implementing this programme of energy efficiency.

Library and Archival Service Revenue Expenditure F02 Programme 2021

In-Depth Check

From the analysis and examination of the Library and Archival service, it is the opinion of Internal Audit that operations are carried out in satisfactory compliance with the Public Spending Code.

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 that the requirements of the Public Spending Code are being met.

LOUTH COUNTY COUNCIL

IN-DEPTH CHECKS

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 1st January 2021 to 31st December 2021. 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

Capital Expenditure Selected for Review		
Project	Category	Project Expenditure
Regen Works Cox's Demesne 2B	Expenditure being incurred	€ 6m
CFRAM Louth Flood Relief	Expenditure being considered	€ 83m
St. Dominick Bridge	Expenditure being considered	€ 1.64m
CAF 50 Turnkey Units at Gort Bui Ballymakenny Road	Expenditure completed	€ 14.25m
Total Value of Selected Capital Expenditure		€104.89m

Revenue Expenditure Selected for Review		
Project	Category	Total Amount Incurred
E11 - Operation of Fire Service	Expenditure being incurred	€8.88m
Total Value of Selected Revenue Expenditure		€8.88m

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 (2019-2021) period.

Table 7 Capital Expenditure Percentage Selection 2019 to 2021

Year	Sample Size	Population	% of Selection
2019	€5.41m	€38.55m	14%
2020	€36.05m	€617.51m	6%
2021	€104.89m	€696.72m	15%
Total % Average Over 3 Years:			12%

Table 8 Revenue Expenditure Percentage Selection 2019 to 2021

Year	Sample Size	Population	% of Selection
2019	€1.28m	€97.82m	1%
2020	€24.86m	€171.09m	15%
2021	€8.88m	€130.57m	7%
Total % Average Over 3 Years:			8%

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"> • Significant damage to the organisation’s reputation; and/or • Significant financial loss or loss of value for money; and/or • Significant operational disruption; and/or • Non-compliances with legislative and regulatory requirements; and/or • Significant inefficiency costing senior management time <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"> • Adverse impact to reputation; and/or • Financial loss or loss of value for money; and/or • Operational disruption; and/or • Inefficiency costing senior management time <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 three non-compliances, classified as follows:

- 0 High
- 2 Medium
- 1 Low

Overall, internal audit has found satisfactory compliance with the Public Spending Code with minor gaps identified for improvement. Two medium and one low priority 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.

Specific recommendations made and agreed with Senior Management Team include:

- **Compliance with Public Spending Code Guidelines (Medium)**
 - Project inventory to be reviewed and confirmed with the respective project owners
 - Retention of Business Case on file to track project KPIs and to provide an audit trail
 - Key Performance Indicators to be established during planning to appropriately assess the achievement of the project objectives
 - Post Project Reviews – to be completed and submitted to the approving department in a timely fashion

- **Compliance with Procurement Procedures (Medium)**
 - Conflict of interests' declaration to be completed before participants can be considered for the evaluation panel and before they are given access to tender documentation
 - Signing and dating – all contracts entered into by LCC should be appropriately signed and dated; evaluation documents and other relevant documents

involved in the procurement process should be appropriately signed and dated

- Negotiation procedure without prior publication and non-competitive procurement to be elaborated on
 - Availability of documents for audits
-
- **Policies and Procedures (Low)**
 - Procurement Policies and Procedures to be reviewed and updated to capture the minor gaps identified and training to be rolled out

MAYO COUNTY COUNCIL

IN-DEPTH CHECKS

Step 4 of the Quality Assurance Process involves selecting a sample of projects from the Inventory Listing and undertaking a more detailed review of the sample to assess the level of compliance with the Public Spending Code, within the organisation.

Five projects were randomly selected by the Internal Auditors from the inventory prepared for the Public Spending Code Report 2021.

	Category of Expenditure	Project / Programme	Current / Capital Expenditure	Value of project €
A	Capital Being Considered	Castlebar Historic Core	Capital	€11,370,000
B	Capital Being Considered	Lough Carra Environmental	Capital	€4,977,097
C	Expenditure being incurred	Castlebar Urban greenway Link	Capital	€2,500,000
D	Current Account Being Incurred	Operation of Arts Programme	Current	€1,648,998
E	Capital Recently Ended	R312 Glenisland Realignment	Capital	€2,276,442
		TOTAL		€22,772,537
		Overall total value of all projects in inventory listing 2021 (Capital & Current		€1,011,418,414
		Inventory	Capital	€827,528,457
		Inventory	Current	€183,889,957

		% Selected and Reviewed 2021	Capital	2.55%
		as a percentage of 2021 inventory	Current	0.9%
		% Selected and Reviewed over 3 year	Capital	12%
		Period 2019-2021	Current	2.12%

The Public Spending Code recommends that a minimum of 5% of the total value of all capital projects and 1% of the total value of all revenue services in the inventory listing be selected for review by internal audit, on average over a three-year rolling period. For the year ended 31st December 2021, 2.6% of capital expenditures and 0.9% of revenue (current) expenditures were selected for review. This brings the three-year rolling average to 12% of Capital and 2.12% of Revenue, thus meeting the sampling requirements for the Quality Assurance process.

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:

Castlebar Historic Core

IN-DEPTH CHECK

Project Description: The project relates to a redevelopment of a significant area of vacant buildings and back lands in the town core of Castlebar, with the purpose of rejuvenating the town centre, to stimulate social, cultural, economic, amenity and regenerative leverage at a local, regional, and national level.

A summary of the findings on the in-depth check for this project is as follows. Based on a review of the information supplied and the current stage of this project, the delivery of Castlebar Historic Core project complies with the standards set out in the Public Spending Code.

Lough Carra Environmental Project:

IN-DEPTH CHECK

Project Description: Improving ecosystem resilience & reducing nutrient pollution in Lough Carra, one of Europe's premier SAC Marl Lakes and aims to restore the habitat and improve the conservation status of the following habitats and species: 6210 (Orchid-Rich Grasslands), 8240 (Limestone Pavement), 7210 (Cladium fen), A182 (Common Gull), 1303 (Lesser Horseshoe Bat), 1355 (Otter).

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

Based on a review of the information supplied and the current stage of this project, the delivery of the Lough Carra Environmental Project complies with the standards set out in the Public Spending Code.

Castlebar Urban Greenway Link:

IN-DEPTH CHECK

Project Description: Castlebar Urban Greenway Link safely connects the Castlebar to Turlough Greenway with Lough Lannagh (which in turn will eventually link to Westport). It is a key piece of cycling/ walking infrastructure, providing safe town centre travel options for education, work and business.

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

Except for minor gaps identified Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the Castlebar Urban Greenway Link Project.

- 1) Recommended improvements to enhance future processes and management:
- 2) Project documentation to be retained including funding approval records.
- 3) Declarations of conflicts of interest to be signed.

Operation of Arts Programme:

IN-DEPTH CHECK

Project Description: Mayo Arts Service is responsible for the development and implementation of services which supports the arts in Mayo. The service aims to ensure that the arts and associated areas are open, enjoyable, accessible and provide challenging events for all to experience, regardless of their background or previous experience of the arts.

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

Except for minor gaps identified relating to the assessment of the key performance indicators, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for Operation of Arts Programme Project.

Recommended improvements to enhance future processes and management:

- Appropriate assessment of KPI's to ensure that established objectives are attained.

R312 Glenisland Realignment:

IN-DEPTH CHECK

Project Description: The project includes the realignment and road works improvement on the existing R312 in Glenisland, County Mayo, the construction of a new bridge to span the Glenisland river, as well as upgrades to a number of bends, road surfaces and road width following the identification of substandard bends and poor condition road pavement which is prone to flooding.

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

Except for minor gaps identified Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the R312 Glenisland Realignment Project.

Recommended improvements to enhance future processes and management:

- Project documentation to be retained including funding approval records and procurement documentation.
- Declarations of conflicts of interest to be signed.
- Management ensure procurement is conducted in line with established standard operating procedures detailed in Mayo County Council's Procurement & Financial Procedures Manual.

- Key performance indicators are established during planning to appropriately assess the achievement of the project objectives. Continuous monitoring and assessment should be performed to ensure that the set KPIs are met.
- A Final Business Case Report is prepared after the completion of the tender process and is continuously monitored and updated to ensure that critical issues of the projects, including costs, benefits, risks, delivery, and affordability are considered.

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, 2021. There was only one procurement in excess of €10 million during this period, N5 Westport to Turlough Road Project, 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
- Three 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 2019	608,328,496	138,118,065
Inventory 2020	601,957,623	192,218,009
Inventory 2021	666,191,821	153,761,144
Total value of Inventory 2019 - 2021	1,876,477,940	484,097,218
Value of projects audited 2019 -2021	122,375,674	13,904,122
% achieved over period 2019 -2020	6.52%	2.87%

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. The four projects which were selected for in-depth check this year were as follows:

- **Construction of 84 social units at Farganstown, Navan** - €29.23 million Project Lifetime Cost
- **R156 Jenkinstown to Mullagh Cross Improvement Scheme** - €15 million Project Lifetime Cost

- **Boyne Valley to Lakelands County Greenway (BVLCG)**- €7.27 million Project Lifetime Cost
- **Waste Regulations, Monitoring and Enforcement** - €3.87 million Revenue spend 2021

The in-depth checks were carried out by the Internal Audit Section of the Council in April and May 2022.

Construction of 84 social units at Farganstown, Navan

In-Depth Check

The construction of social units at Farganstown, Navan is shown on the 2021 inventory as a capital project that is being considered and has Stage 3 approval from the DHLGH.

As part of the Housing for All Action Plan for Housing , Meath County Council, in conjunction with Approved Housing Bodies has been asked to provide 1,525 new social units through construction, acquisition (including Part V agreements) and leasing in the period 2022 - 2026. In an effort to meet this target Meath County Council has engaged in several construction projects, one of which is the provision of 84 social units at Farganstown, Navan, Co. Meath.

Meath County Council purchased 11.6 hectare site in Farganstown, Navan. Permission was granted by the Dept of Housing, Local Government and Heritage to proceed with the Planning process and approval by An Bord Pleanala for 84 Social Housing units issued on 22nd July 2021, which are to be built on 1.68 ha of the site.

A capital appraisal document was prepared for this project. The appraisal considered the housing need in the Navan area including the number and types of accommodation that were required. The appraisal also highlighted the ongoing difficulties in identifying alternative means to meet the housing need. The provision of sustainable communities is reviewed which includes the proximity of the site to local services and amenities as well as the tenure mix within the locality. The document sets out the timeframe for delivery of the project. It is noted that there has been some slippage in the timeframe which was outside of the control of the local authority. It is recommended that a revised project schedule be prepared for this project.

Tender documents for the procurement of the Design Team were sent out to all Consultants on Meath County Council's Architect led Design Team Framework. Tenders were reviewed and assessed in accordance with the advised marking scheme. The award of tender was approved by CE Order 2112/2018 in the amount of €519,695.21. However, following the review of site densities and the increase in housing units a revised price was agreed on a pro-rata basis. This was further approved by CE Order 2498/2019 in the amount of €1,064,137.81 to reflect the increase of Housing from 44 to 84

Units. The total sum of €4,400,780 has been paid to date and fully recouped to the Council by the DHLGH.

The Planning process is now complete, and the Project has received stage 3 approval from DHLGH. Projects with a Lifetime Cost in excess of €20M require a Cost Effectiveness Analysis to be carried out. It is noted that the Department of Housing, Local Government and Heritage require a multi-criteria analysis appraisal should be undertaken for all social housing projects with a cost estimated to be greater than €30m. Given that the Projected Lifetime Costs of this Project are in excess of €29M it is recommended that consideration be given to carrying out a CEA.

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 Housing Section and by discussions held with staff that managed this project. It is considered that the decision to proceed with the project was soundly based and that the project has been well managed to date. The project provides Satisfactory Assurance that there is compliance with the Public Spending Code.

Jeninstown to Mullagh Cross Improvement Scheme

In-Depth Check

The Jeninstown to Mullagh Cross Improvement scheme is currently still 'under consideration' in terms of assessing under the Public Spending Code. A Part 8 was sought and approved in 2012 in relation to planning permission for the scheme. A preliminary appraisal form was submitted to the Department of Transport in 2019. This document outlined the importance of the route strategically and highlighted the dangerous aspects of the current route namely a serve bend over the Jeninstown Bridge and a substandard junction with the R125 at Mullagh. In speaking to the Transportation personnel, they had mentioned that this scheme may have to go before the National Investment Framework for Transport in Ireland (NIFTI) which sets out the Department of Transport's strategy for the development and management of Ireland's land transport network (roads, public transport, walking and cycling) over the next two decades. If this is the case a new Business Case will have to be presented to the Department for this scheme. It was also noted that the objectives of this scheme were aligned with the Meath County Development Plan 2021-2027 (see above)

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** that this project is in compliance with the Public Spending Code

Boyne Valley to Lakelands County Greenway (BVLCG)

In-Depth Check

The Boyne Valley to Lakelands County Greenway scheme is shown on the 2021 inventory as expenditure being Incurred. The expected costs are €7,265,980 with the cumulative spend in 2021 being €91,316.66. The BVLCG is approximately 30km in overall length and will extend the major tourist and amenity area of the Boyne Valley from Navan to Kingscourt. The scheme is being funded by ORIS Funding, Meath County Council's own resources and the TII. Due to funding requirements the project was split into several phases. At present the tender documents are being finalised for the Wilkinstown to Castletown, Nobber to Kilmainhamwood and Kilmainhamwood to Kingscourt sections of the Greenway. As noted in the key evaluation documents the tender process has been transparent for the Navan to Wilkinstown phase and Castletown to Nobber phase and a tender report is available for both sections. As part of the in-depth check the Part 8 Planning File was reviewed. All requirements of the Part 8 process were complied with.

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.

We recommend that metrics should be established once the greenway is up and running to measure the economic, recreational and tourism objectives of the project. Similar statistics have been recorded for other Greenways within the county.

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 Transport Section and by discussions held with staff that managed this project. It is considered that the decision to proceed with the project was soundly based and that the project has been well managed to date. The project provides **Satisfactory Assurance** that there is compliance with the Public Spending Code.

Waste Regulations, Monitoring and Enforcement

In-Depth Check

The following section presents a summary of the findings of this in-depth check on the Waste Management, Monitoring and Environment Revenue expenditure.

Under section 4 of the Quality Assurance provisions contained in the Public Spending Code, Meath 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 Public Spending Code inventory list, averaged over a three-year period. In line with this requirement an in-depth review of the Council's Waste Regulations, Monitoring and Enforcement - Revenue Code E07 was undertaken. The current expenditure value of this programme in 2021 was €3,867,672.42.

Upon review the RMCEI plan which is submitted to the EPA each February, details the inspection and compliance plan for the year. This plan contains planned inspections and activities for the year ahead whilst also reviewing achievements of previous years inspection targets. Any reason for significant variance +/- 25% in completed figures versus planned figures must be detailed in the report thus holding the council accountable for targets to be achieved.

The key services, initiatives, and highlights of 2021 also show the continuous work that is being done throughout the year in the area of Waste Regulations, Monitoring and Enforcement. Covid 19 increased the number of complaints from members of the public as they became more active in their local area.

The County Development Plan, Corporate Plan and Annual Service Delivery Plan all detail the objectives and policies that relate to section E07 Waste Regulations, Monitoring and Enforcement.

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 and by discussions held with staff that managed this programme. The provision of the Council's Waste Regulations, Monitoring and Enforcement provides Satisfactory Assurance that there is compliance with the Public Spending Code

MONAGHAN COUNTY COUNCIL

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 2021 the Internal Auditor selected the following projects:-

- a) New Civic Offices (Capital)
- b) Operation of the Library service – F02 (Revenue)

New Civic Offices

The following section presents a summary of the findings of this In-Depth Check on the Civic Office Accommodation.

The value of this Capital Project on the inventory is €28,000,000 which represents 7.48% of the overall Capital total. It is listed in the inventory as “being incurred”.

The project involves the Design, Construction and Supervision of a proposed new building and associated works to accommodate Monaghan County Council staff in a new headquarter building on Lands at Rooskey Monaghan town. The building is expected to be approximately 6000m² (subject to Design Proposals) and associated Parking and siteworks.

While it is at the early stages of this project, i.e. at the stage of Procuring the Design Team and only minimal spend to date, Internal Audit can confirm as a result of this review, that there is substantial compliance with the PSC. It was evident from the sampling and from discussions with Senior Staff dealing with this project, that they were aware of the requirements of the Code.

Operation of the Library service – F02

The following section presents a summary of the findings of this In-Depth Check on the operation of the Public Library Services. (Service Level F02).

The value of this revenue service in 2021 as per the AFS was €2,643,326 which represents 3.55% of the overall Revenue Inventory total. It is listed in the inventory as “current expenditure”. The Library consists of the Headquarters offices, 5 branch libraries and 1 mobile library van.

The aim of Monaghan County Library is to support the development of the people and communities of the County, Socially, culturally and economically through access to resources, facilities, events and activities. Approximately 75% of the above spend relates to fixed costs e.g. Staff costs, and Central Management Charges while 25% relates to variable costs which includes the purchase of books and material costs etc. The procurement of new books is undertaken utilising established national frameworks.

The majority of the funding is raised via Monaghan County Councils Revenue Budget with some small grant aid received for specific projects/events on occasions. The library like many departments was impacted by Covid-19 and the Government restrictions in place. While the library had to close its doors, the Staff continued to provide the service to the public in other ways, such as a home delivery service (and other ways mentioned in the “PLM Activities” in this report). Taking all this into account, and having examined documents and the finances on Agresso, together with discussions with the County Librarian, Internal

Is of the opinion that the library service operated in accordance with the PSC.

OFFALY COUNTY COUNCIL

In-Depth Checks

The following section details the in-depth checks, which were carried out in OCC as part of the Public Spending Code. The Internal Audit Unit of OCC undertook these reviews.

The following projects were selected for in-depth review:

- Current Expenditure Programme: 'Being Incurred' **'Local Roads Maintenance and Improvement** € 8,310,261
- Capital Project: 'Under consideration' **Bog Road Portarlinton** € 7,106,861

An overall 'Satisfactory Assurance' rating of compliance with the Public Spending Code was assigned following the reviews.

The Guidance Document issued for the Local Government Sector sets out the criteria for in-depth checks as follows:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the project inventory over the previous 3-year period.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the project inventory for the year 2021.

This minimum is an average over the three-year period (2019-2021).

Table 2 below outlines the percentage requirement for Capital and Revenue Checks for 2021. As per the table Offaly County Council is compliant with the rolling percentage requirements.

Table 2: OCC In-depth Checks 2019 – 2021		
Capital 2019	€ 69,070,366	
Capital 2020	€ 120,527,914	
Capital 2021	€ 192,815,455	5% Average of total capital inventories 2019- 2021
Capital Average Over 3 Years 2019- 2021	€ 127,471,245	€ 6,373,562
		1% of total revenue inventory 2021

Revenue 2021	€81,208,665	€ 812,086
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ROSCOMMON COUNTY COUNCIL

Putting Spokes back into the Hub Project

In-Depth Check

The Urban Regeneration and Development Fund (URDF) was established by Government in 2018, to support more compact and sustainable development, through the regeneration and rejuvenation of Ireland's five cities and other large towns, in line with the objectives of the National Planning Framework and National Development Plan. The purpose of the fund, was to enable a greater proportion of housing and commercial development to be delivered within the existing built-up footprints of our cities and towns and to ensure that more parts of our urban areas are accommodated to become attractive and vibrant places where people choose to live and work, as well as to invest and to visit. The aim of the URDF is to stimulate new residential and commercial development in our larger cities and towns. These new developments will be supported by new services and amenities, and will help to achieve the 'compact growth' that was set out in Project Ireland 2040.

Roscommon town centre has since the mid-20th century lost many of its traditional 'market town'; functions and has experienced sharp decline driven by acute hollowing out of its resident population accompanied by retrenchment of investment in this area and leakage of expenditure to the periphery of the town. This has led to one of the highest commercial vacancy levels in the region as outlined in the North and West Regional Assembly, Regional Spatial and Economic Strategy 2020(NWRA RSES 2020).

The Strategic Vision for "Putting Spokes back into the Hub" is to create a vibrant and liveable town centre that sustains and consolidates the historic core of Roscommon Town. The objective is to create a strong framework, around which new residential communities can be created within the very heart of the town centre. For this to succeed, transformational change is required. The focus must be on significantly enhancing the quality of life so that living within the town centre is regarded as a positive choice. The enhancement of the public realm and the creation of improved social and recreational amenities lies at the heart of the project.

A comprehensive Report, was developed by Bluett & O'Donoghue, which outlines the strategic vision for the development and enhancement of Roscommon Town. The overarching concept of the Report sees the town centre as the hub of a wheel with the spokes (backlands and brownfield sites) reimagined to support the town centre as an economically viable and a lively place to live, eat, meet and work. The wheel rim involves the creation of a contiguous pedestrian and cycle friendly route

around the town. This would connect all aspects of life within the town – schools, church, recreational facilities, housing, in addition to key retail, tourism and heritage assets – and encourage pedestrian and cycle movement as a safe alternative to the car. The four projects involved are:

Spoke 1: A new Linear Park on Circular Road with enhanced connectivity to the Market Square and Main Street Commercial Hub. This will involve transforming a grey parking area/underused roadway into a green recreational route along the Circular Road linking the civic buildings to the town centre through a currently derelict garage site. It will create opportunities for high quality architecturally led housing and remote working options as well as ground floor retail and the enticement of the passer-by into the town through enhanced pedestrian routes. It also includes enhancing existing approaches to the town centre and upgrading the existing supermarket car park as an enhanced public space linking into Main Street.

Spoke 2: Activating backlands of Main Street by creating safe cycling and pedestrian access from the main tourist attractions and recreational facilities as well as schools and church to the town centre. This will motivate a modal shift to cycling for school, work and tourism.

Spoke 3: Development of new housing and educational infrastructure in brownfield sites of Henry Street and Church Street.

Wheel Rim: Creation of pedestrian and cycle routes to create a low carbon transport county town. This has involved identifying a complete circular route around the town which links the town's key tourism assets of Roscommon Castle to Roscommon Abbey and onto Mote Park Forest Park as well as housing, schools, church, recreation and civic buildings and into the town centre. The cycle route will be created in phases and where it dovetails with Spoke 1-3 above it will be done in tandem with those works while the remaining elements will be completed separately

The overall concept of this project "Putting Spokes back into the Hub" envisaged the Market Square and Main Street as the commercial, vibrant wheel hub, which was re-connected to its wheel spokes. Roscommon town has been identified as a "3-minute town" - everything you need is within a three-minute drive radius.

The intervention aimed to change Roscommon from "a 3- minute driving" town to a "5 – 10 minute walking and cycling town" with each of the main spokes of the wheel supporting the development and sustainability of a strong, vibrant commercial heart which can support a population within its immediate environs of 8,000 people (currently 5,900) and provide opportunities for sustainable job creation. Roscommon town is identified within the NWRA RSES as a key town within the radius of

influence of both Galway Metropolitan Area Strategic Plan (MASP) and Athlone Regional Growth Centre.

This project forms part of a larger project, which is already in train under the approved URDF B scheme. The project has received Department of Housing, Local Government and Heritage Gate 1 Approval in Principal. The next phase is to develop the preliminary design documentation. As part of that process, Design Consultants have been engaged and they in turn have appointed a Project Supervisor Design Process (PSDP). Prior to the design development, the Regeneration Team invited local businesses to attend a meeting with the design team in order to engage them in the process, and encourage active participation and buy-in to the process. The consultants are currently working on developing a number of proposals which when compete will be submitted to the DHLGH for Gate 2 approval. The total cost of the project is projected is estimated at €12,264,646m.

The objectives of this projects is to:

- To create a strong framework, around which new residential communities can be created within the very heart of the town centre
- To strategically create a vibrant, liveable town which maximises its place making potential in order to attract people to live in the town
- Increase the attractiveness of the town for investment purposes due to the presence of local talent (people) and all aspects of a high quality of life
- To build on the town centre first initiative
- To reduce reliance on cars and provide more sustainable modes of transport through providing safe walking and cycling infrastructure
- To enhance compact urban growth
- Promote higher levels of pedestrian of interaction and disrupt the pattern of car dependency

While this project is at the being considered phase currently, an amount of work has gone into the development of a vision and getting buy-in from the business community. The public will be consulted through the Part VIII process. To date the following works has been carried out to process the project.

- A strategic vision document has been developed, to critically appraise where Roscommon Town is now and provide a pathway for its social, economic, cultural development, in an environmentally sustainable way.
- Fund has been secured at national and local level to drive the project

- An Application for funding has been submitted to the DHLGH under the URDF and Gate 1 Approval received
- Design consultant's services have been procured

This project is at the being considered phase, as minimal expenditure has been incurred. To date the tendering, procurement process has been in line with legislative requirements. Chief Executive Orders have been drawn up as required. Match funding has been secured and approval received from the Elected Representatives to borrow money from the HFA. The DHLGH has approved the initial application for the project to Gate 1 stage. The design team will now proceed to develop preliminary designs and costs, which will be presented for Gate 2 approval, prior to Part VIII planning. Based on the stage of the project and the data which was made available as part of the In-depth review of the **Putting Spokes back into the Hub Project**, I am satisfied that the correct process has been followed to date and therefore the project is **broadly compliant** with the Public Spending Code.

SLIGO COUNTY COUNCIL

Current Project – Housing Adaptation Grant Schemes

Sligo County Council currently operates three types of Housing Adaptation Grant Schemes:-

- Housing Aid for Older People
- Housing Adaptation for Disabled Persons
- Mobility Grants

The Department of Housing, Local Government and Heritage funds up to 80% of the approved cost of the works carried out under the schemes subject to maximum limits on each scheme. Sligo County Council funds the balance.

Applications received in 2021

Applications in 2021	No.
Housing Adaptation Grant for People with a Disability	170
Housing Aid for Older People	194
Mobility Aids Grant	14
Total	378

Grants paid in 2021

Grants paid in 2021	€	No.
Housing Adaptation Grant for People with a Disability	€1,092,465	103
Housing Aid for Older People	€717,920	128
Mobility Aids Grant	€58,786	14
	€1,869,171	245

Grants paid in 2021 include approvals from previous years claimed in 2021.

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

Capital Project – National Surf Centre of Excellence Strandhill

The project involves construction of a National Centre of Excellence for Surfing in Sligo. Located on the Wild Atlantic Way, Strandhill is one of Ireland's popular surfing destinations.

The centre will consist of a total over 500 sq. meters of space over two floors and 107 sq. meters of outdoor covered space. The building will accommodate a retail unit on the ground floor and meeting rooms /exhibition space on the first floor. To the rear a single storey wing with 4 no. changing rooms with shower and toilet facilities, an office and an external covered space is planned. The public amenity space adjacent to the building, including the Peace Park will be enhanced as part of the works. The centre will provide facilities for the surfing community of Strandhill and visitors who come for surfing or other tourist activities.

Funding has been received from Fáilte Ireland under the Grants Scheme for Large Tourism Projects and from the Department of Rural and Community Development under the Rural Regeneration and Development Fund (RRDF).

The expected date for hand over to client is September 2022 with the Surf Centre operational from October 2022.

The in-depth check has demonstrated adherence with the broad principles of the Public Spending Code in relation to capital expenditure programmes. Overall, the National Surf Centre of Excellence Strandhill project which was reviewed is substantially in compliance with the requirements of the Public Spending Code.

SOUTH DUBLIN COUNTY COUNCIL

The projects subject to in-depth checks for 2021 are outlined in Table 1 and a summary of the in-depth checks are detailed below.

		Total Value of In-Depth Checks	Total Value of Projects	% Analysed
Expenditure Being Considered				
Revenue	In Depth Check 2: Revenue Increase Review Jobs, Enterprise and Innovation (D0906)	€647,200	€320,231,467	0.2%
Expenditure Being Incurred				
Capital	In Depth Check 1: Corkagh Park Study Implementation	€5,000,000	€740,826,043	0.7%
Capital	In Depth Check 3: Balgaddy F, Social Housing Build Programme	€19,019,217	€740,826,043	2.6%
Capital	In Depth Check 4: Tallaght to Knocklyon Cycle Scheme	€14,000,000	€740,826,043	1.9%

Corkagh Park

In Depth Check

Corkagh Park was reviewed for compliance with the Public Spending Code up to the stage and including “Planning and design”.

Internal Audit is satisfied that the delivery of the project to date substantially 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.

Revenue Increase Review Jobs, Enterprise and Innovation

In Depth Check

An in-depth check on the budget increase of €647,200 over the service area D0906 (Jobs, Enterprise & Innovation) 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: -

The increases in payroll and grants supported the increase in expenditure.

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

An overall substantial rating has been assigned to this review

Balgaddy F, Social Housing Build Programme

In Depth Check

The Proposed Social Housing Development on currently undeveloped lands at Griffeen Avenue, situated between Foxborough Lawn and Tor an Rí Walk, Balgaddy, Lucan, Co. Dublin was reviewed for compliance with the Public Spending Code. Balgaddy F, Social Housing Build Programme was at “Stage 1 & 2 Approval Received – Tender process underway for main works Contractor”

Internal Audit is satisfied that the delivery of the project to date substantially 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.

Tallaght to Knocklyon Cycle Scheme

In Depth Check

Tallaght to Knocklyon Cycle Scheme 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 with the standards set out in the code; satisfactory controls are in place to ensure compliance and these standards should be maintained throughout the remaining stages of the project.

TIPPERARY COUNTY COUNCIL

The Regeneration of Cahir Town Centre.

IN-DEPTH CHECK

The aim of the project is the revitalising of the town centre in Cahir with a focus on pedestrian priority and civic space. The re-development will be focused around Market House Business Development Centre based in one of the most historic buildings on the Square with a direct connection to a new car park development.

The appraisal stage of 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 compliance with the Public Spending Code.

Carrick on Suir Regeneration

IN-DEPTH CHECK

The Carrick on Suir Regeneration Plan – ‘A Journey from the Suir Blueway to the Ormond Castle Quarter’ is a Plan for the town, through investment in orientation and public realm enhancement actions, to build on its synergies with the Suir Blueway and the historic Ormond Castle Quarter and thereby regenerate the town centre as an attractive visitor destination.

This project presents a clear audit trail of the project from inception to its current status. It is compliance with the Public Spending Code.

Rental Accommodation Scheme

IN-DEPTH CHECK

The Rental Accommodation Scheme (RAS) is a social housing support introduced to cater for the accommodation needs of persons who are in receipt of long-term rent supplement. The scheme was introduced in 2006 to be included in the scheme a person must be receipt of rent supplement for a minimum of 18 months.

It is Internal Audit's opinion that the documentation provides satisfactory assurance that there is compliance with the Public Spending Code.

WATERFORD CITY & COUNTY COUNCIL

Operation of the Library Service

IN- DEPTH CHECK

Within Waterford City and County Council, the Library Service is part of the Corporate, Culture, HR and IS Directorate and reports to the Director of Services. The City and County Librarian is on the Housing, Community, Culture, Recreation & Sport Strategic Policy Committee and is the Senior Executive with responsibility for Libraries, Culture and the Arts.

Returns in respect of the NOAC Performance Indicators (L1 and L2) are made annually. Monitoring of expenditure versus budget is provided for by way of reports and extracts from MS4 (Financial Management System).

The library service procures online resources through a national framework. This is managed by the LGMA (Local Government Management Agency). This relates to Online Resources such as E-Books: E-Audio Books: E-Magazines: Online Languages: E-Learning Courses: Online Newspapers

Internal Audit carried out an in-depth check of the operation of the Library service in Waterford City & County Council. All necessary data is available. The Council's systems will enable a full evaluation to be made at a later date.

All relevant documentation in relation to this programme was available and filed as appropriate for audit trail purposes. There are clear objectives 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, non-financial, internally and externally with regular reporting to Director of Services, monthly Plenary reports, quarterly District area meetings and to the Strategic Policy Committee on a bimonthly basis. The service is also subject to review by NOAC through the annual Performance Indicators process.

This programme complies with the principles of the Public Spending Code

Mount Congreve Redevelopment project

The purpose of this project is “to raise the profile of Mount Congreve, Waterford City and County Council wish to open the gardens to the public on a permanent basis and to improve the facilities at the House so that it can be opened to the public for tours, exhibitions and special events.

From Internal Audits review of the project documentation and through communication with those involved in the project Internal Audit is satisfied that the objective was clearly defined and that the objectives to be met are outlined. Internal Audit recommends that the original business case proposal should be revisited and updated to reflect changes to the budget and/or objectives of the project. All relevant documentation in relation to this project was available and filed as appropriate for audit trail purposes.

As construction work had not commenced on this project in 2021 (review period for this in-depth check), Internal Audit cannot evaluate compliance with implementation or post implementation stages of the Public Spending Code. It is important that procedures are in place to manage the project such as reporting procedures on milestones being met and budgets being adhered to referred to in the monitoring and oversight section of this review. I would recommend that a post project evaluation be carried out within a specific time to evaluate whether project objectives were met, to determine how effectively the project was run and to learn lessons for the future to see if anything could have been done differently for future projects.

Based on Internal Audits review it appears that this project complies with the principles of the Public Spending Code.

WESTMEATH COUNTY COUNCIL

The N4 Mullingar to Longford (Roosky) Planning & Design.

IN-DEPTH CHECK

The in-depth check of the planning and design phase of the project revealed that the relevant guidance issued by Transport Infrastructure Ireland and thus the principles of the Public Spending Code (PSC) were adhered to. There was appropriate reporting between Westmeath County Council and Transport Infrastructure Ireland. The management of the project was in line with the ethos of the PSC and as required by the guidance, a post-project review will be carried out which will serve to highlight where the project has performed well and also areas which could be strengthened in the roll out of other similar projects.

Delays in notification of funding could have an adverse effect on the progress of the project and project continuity is dependent on its inclusion in the National Development Plan.

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

WEXFORD COUNTY COUNCIL

The 18 House Scheme at Grahormack, Tagoat, Co. Wexford

IN-DEPTH CHECK

The construction of 18 no. social housing units at Grahormack, Tagoat, Co. Wexford is shown on the 2021 inventory as a capital project that is under consideration. To date a topographical survey has been completed, a Knotweed Management Company appointed, and pre-planning is complete with approval in principle. It is envisaged that a Stage 1 submission will be made to the DHLGH in Q2 2022.

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:

- Pre-Planning Applications for Part XI approval
- Planning Assessment Report
- Pre-Planning Meeting minutes
- Capital Appraisal Document (Draft)

Crescent Quay Area Public Realm Improvement Works

IN-DEPTH CHECK

The project documentation 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:

- Grant Agreement confirming funding for the project
- Executive Orders appointing various consultants and contractors and the associated tender processes
- Planning Application and approval
- Regular Progress reports

39 no. Turnkey Properties at Tobar Muire, Creagh, Gorey, Co. Wexford

IN- DEPTH CHECK

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 include:

- Advertisement calling for Expressions of Interest
- Proposal from Blue Sky Real Estate One Limited
- Evaluation and Agreement of Proposal
- Application to the DHLGH for funding
- Approval of the DHLGH
- Project Execution Plan
- Combined Contract and Building Agreement
- Executive Order 255/2021
- Form HCA 4

N11/N25 Oilgate to Rosslare Harbour (Design)

IN-DEPTH CHECK

The Phase 0 process confirmed the project is aligned with current strategic programmes, plans and policies at national, regional, and local levels. The Phase 1 process identified the need for the project and the key objectives to be delivered by the project and established the proposed structures and methodologies for the management and appraisal of the project.

The Phase 2 process examined reasonable options and alternatives which are relevant to the proposed development and its specific characteristics to identify and confirmed the preferred option.

TII approved the scheme to proceed to the next phases: Phase 3, Design & Environmental Evaluation and Phase 4 Statutory Processes, which will be progressed in 2022 and are outside the scope of this check.

The project documentation for the stages completed to date 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:

- Project Appraisal Plan
- Project Execution Plan Phase 1 & updated for Phase 2
- Tender Assessment & Recommendation Report

- Executive Orders appointing various consultants and contractors and the associated tender processes
- Project Briefs Phase 1 & updated for Phase 2
- Phase 0, Phase 1 & Phase 2 Gate Review Statements
- Feasibility Working Cost
- Option Selection Report
- Option Appraisal Report
- Progress Reports

Housing Grants Programme (Service division A09 expenditure)

IN-DEPTH CHECKS

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

- Statutory Instruments & Guidance Documents
- Complete & up to date paper & electronic files maintained
- Centros Grants System
- Sales Ledger on Councils Accounts System (Centros)

WICKLOW COUNTY COUNCIL

Street Cleaning Costs

IN-DEPTH CHECK

The requirement for Street Cleaning is an enduring societal need.

All costs sampled were in keeping with the organisations policies and procedures and were properly vouched and certified. The service operates within a strong administrative control environment.

Audit Opinion

The opinion of Internal Audit following this review is that this service is operating in compliance with policies and procedures. Accordingly the overall conclusion of the review is that the management and oversight of the Street Cleaning service is such, so as to provide, substantial assurance that there is compliance with the Public Spending Code.

Ashtown Lane, Wicklow - Social Housing Scheme

IN-DEPTH CHECK

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

Project Description: The provision of 40 social housing units to meet the demand for social housing in the area.

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

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

Recommendation: It is recommended that a post project review be conducted.

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

Blessington Swimming Pool

IN-DEPTH CHECK

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

Audit Opinion

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

Social Housing Development – Southern Cross Bray

IN-DEPTH CHECK

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

Project Description: Construction of a mixed development of 208 housing units as previously described. This is a CALF funded project with Wicklow County Council retaining allocation rights to the units with Co-Operative Housing, and APPROVED Housing Body, managing the properties thereafter.

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

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. The scheme is being closely monitored and overseen by Wicklow County Council's Housing and Corporate Estate Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

Recommendation: It is recommended that a post project review be conducted.

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

Lott Lane, Kilcoole - Social Housing Scheme

IN-DEPTH CHECK

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

Project Description: The provision of 75 social housing units to meet the demand for social housing in the area.

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

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

Recommendation: It is recommended that a post project review be conducted.

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

Merrymeeting Rathnew – Phase II – Social Housing Scheme

IN-DEPTH CHECKS

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

Project Description: The provision of 21 social housing units to meet the demand for social housing in the area.

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

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

Recommendation: It is recommended that a post project review be conducted.

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

Three Trouts, Greystones - Social Housing Scheme

IN-DEPTH CHECK

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

Project Description: The provision of 41 social housing units to meet the demand for social housing in the area.

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

Findings: Internal Audit reviewed the project in conjunction with the Procurement Section. The scheme is closely monitored by the Housing Directorate. All relevant documentation was made available and is accessible for any future evaluation of the scheme.

Recommendation: It is recommended that a post project review be conducted.

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