Comhairle Chontae Chill Chainnigh

Halla an Chontae, Sráid Eoin, Cill Chainnigh, R95 A39T.

Fónamh don Phobal · Caomhnú don Oidhreacht

Kilkenny County Council

County Hall, John Street, Kilkenny, R95 A39T.

Serving People – Preserving Heritage

Certification

This Quality Assurance Report reflects Kilkenny County Council's Assessment of compliance with the Public Spending Code.

It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

Colette Byrne

Signature of Accounting Officer

Date: 30 - 5 - 18

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Date:

Contents

1.   Introduction

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

The Quality Assurance procedure aims to gauge the extent to which Public Sector Bodies are meeting the obligations set out in the Public Spending code.   The Public Spending code ensures that the state achieves value for money in the use of all public funds.

The Quality Assurance Process contains five steps:

1. Drawing up Inventories of all projects/programmes at different stages of the Project Life Cycle (appraisal, planning/design, implementation, post implementation).   The three Sections are expenditure being considered, expenditure being incurred and expenditure that has recently ended and the inventory includes all projects/programmes above €0.5m.

2. Publish summary information on website of all procurements in excess of €10m, whether new, in progress or completed.

3. Checklists to be completed in respect of the different stages.   These checklists allow Kilkenny County Council to self-assess its compliance with the code in respect of the checklists which are provided through the PSC document.

4. Carry out a more in-depth check on a small number of selected projects/programmes.
   A number of projects or programmes (averaging at least 5% of total capital spending over 3 years and over 1% of current)) are selected to be reviewed more intensively. This includes a review of all projects from ex-post to ex-ante.

5. Complete a short report which includes the inventory of all projects, the website reference for the publication of procurements above 10m, the completed checklists, the Council's judgement on the adequacy of processes given the findings from the in-depth checks and the Council's proposal to remedy any discovered inadequacies.

This report fulfils the requirement of the QA Process for Kilkenny County Council for 2017. This is the fourth year in which the QA process has applied.   Projects and programmes which predate Circular 13/13 were subject to prevailing guidance covering public expenditure, e.g. the Capital Appraisal Guidelines 2005.

2. Expenditure Analysis

2.1 Inventory of Project/Programmes

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

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

Appendix 1 list Kilkenny County Councils compiled inventory for the year 2017.

Expenditure Being Considered

As the spreadsheet identifies, there are a total of 41 projects being considered across the various spending and price categories. The primary area where projects are listed as being considered is between €0.5 and €5 million with 35 projects listed. There are 6 projects between €5 and €20 million and none over €20 million. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Being Incurred

The spreadsheet also provides a summary of the inventory of expenditures above €0.5m being incurred by Kilkenny County Council. In total there are 42 projects or programmes which are currently incurring expenditure of over €0.5m. The majority of items are current expenditure in the lower value category. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Recently Ended

The final section of the spreadsheet provides a summary of the inventory of expenditures above €0.5m recently ended by Kilkenny County Council. There are 13 projects that have recently ended which incurred expenditure of over €0.5m

2.2   *Published Summary of Procurements*

As part of the Quality Assurance process Kilkenny County Council has to publish summary information on our website on our procurements over €10 million.   No single item comes within that category for 2017.

3.   Assessment of Compliance

3.1   *Checklist Completion: Approach Taken and Results*

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure.   The high level checks in Step 3 of the QA process are based on self-assessment by relevant budget holders, in respect of guidelines set out in the Public Spending Code. There are seven checklists in total:

Checklist 1: General Obligations not specific to individual projects/programmes
Checklist 2: Capital Projects or Capital Grant Schemes being considered
Checklist 3: Current expenditure being considered
Checklist 4: Capital Expenditure being incurred
Checklist 5: Current Expenditure being incurred
Checklist 6: Capital Expenditure completed
Checklist 7: Current expenditure completed

(a)   The scoring mechanism for the above tables is set out below

      (i)   Scope for significant improvements = a score of 1

      (ii)   Compliant but with some improvement necessary = a score of 2

      (iii)   Broadly compliant = a score of 3

(b)   For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.

(c)   The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question.   It is also important to provide summary details of key analytical outputs for those questions which address compliance with appraisal/evaluation requirements, i.e. the annual number of CBAs, VFMs/FPAs and post project reviews.

3.2   Main Issues Arising from Checklist Assessment

The completed check lists show the extent to which Kilkenny County Council believe they comply with the Public Spending Code.

With regard to expenditure being considered, no new current expenditure programmes were under consideration in 2017. The checklist for capital expenditure under consideration suggests good levels of compliance with PSC in general with regard to areas such as appraisal, procurement and compliance with tendering procedures.   For expenditure being incurred, again good levels of compliance are evident in checklist responses.   With regard to checklists for expenditure completed in 2017, current expenditure programmes are primarily ongoing, year-to-year programmes as agreed by elected members at budget time and are subject to ongoing monthly/quarterly budgetary reviews and annual audit rather than once off reviews.

3.3   In-Depth Checks

This section details the in-depth checks which were carried out by the Internal Auditor of Kilkenny County Council as part of the Public Spending Code.   Appendix 3 details the methodology and conclusions of the checks on 1 significant capital project and 1 sub program of current expenditure.   The checks analysed here represent just over 4% of the Council's overall capital inventory for 2017. However, when in depth checks from the last three years submissions are averaged, these checks represent almost 7% of the capital budget for the years 2015-2017, thus fulfilling the requirements under the PSC. The in-depth analysis of a sub program of current expenditure represents over 2 per cent of the current inventory.   Between the 2 in depth checks undertaken in 2017, a significant analysis has been undertaken of Kilkenny County Councils Housing Programme.

4.   Next Steps: Addressing Quality Assurance Issues

As stated in previous reports, organisations like Kilkenny County Council operate in a highly regulated environment and the process of identifying projects, seeking funding and engaging in public consultation for same requires them to adhere to the principles of the PSC before they can proceed with any significant project.

Training and further information sessions have taken place with relevant project leaders and budget holders to raise awareness and embed the requirements under the PSC within the organisation. As this is the fourth year that local authorities are required to complete these

reports, there is greater familiarity with the requirements of the PSC, particularly in those Departments where the in-depth assessment of projects happen.

The practice of compiling an inventory of projects and programmes is in place, thus enabling the Internal Audit function to select an appropriate sample of programmes for further assessment via the in-depth check process. This is reflected by the fact that over different years the internal auditor has been able to select projects from different program groups and at different stages in the project cycle.

The in-depth report on the selected projects will also assist the local government auditor in his work programme.

5.   Conclusion

The inventory outlined in this report clearly lists the current and capital expenditure that is being considered, being incurred, and that has recently ended.   Kilkenny County Council is aware of its requirement to publish details of procurements of over €10 million on its website. For 2017, there is no procurement which comes under this category. The checklists completed in this report following input from the relevant sections show a generally high level of compliance with the Public Spending Code.   The in-depth checks carried out on a selection of programmes revealed no major issues which would cast doubt on Kilkenny County Council's compliance with the Code.   Kilkenny County Council will focus on VFM at all stages of projects and as part of the budgetary process can ensure high levels of compliance with the Public Spending Code.

Local Authority										
KILKENNY										
Local Authority Name										Notes
KILKENNY COUNTY COUNCIL										

	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		Notes
	Current	Capital				Current	€0.5m	Capital Projects	€0.5	Capital Projects	
	>€0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant		Curre/Capital		
		€0.5m	€0.5 - €5m	€5 - €20m	plus						
Council											
Housing & Building											
A01 - Maintenance & Improvement of LA Housing Units						4,276,792					
A03 - Housing Rent and Tenant Purchase Administration						629,607					
A04 - Housing Community Development Support						531,656					
A05 - Administration of Homeless Service						1,041,730					
A06 - Support to Housing Capital Prog.						769,625					
A07 - RAS and Leasing Programme						7,323,762					
A08 - Housing Loans						999,356					
A09 - Housing Grants						2,072,693					
CAS2015 VH81 Focus Ireland – Purchases										595,000	
Turnkey - Ballybough St. Newpark & units										1,598,625	
115H930C HC 14/5/6Houses at Rosehill Kells Road										1,043,000	
HC 15/12 PURCH OF 1 TO 6 JORDANS HOUSE										728,474	
HC 17/47 THE BROGUEMAKER INN PURCHASE										862,254	
CAS Project at Brooke House,										1,328,338	
CAS 2015 VH79 SOS Cashel Downs										552,000	
VH94 CAS Logan Street Thomastown										801,591	
115H689C St. Catherine's HS Phase 2 (4 units)								995,000			
Abbeygate Ferrybank								€ 3,600,000			
PURCHASE OF 23 UNITS @TOGHER WAY								4,368,000			
CAS Project at Friary Walk Callan 12 units								1,488,000			
Acquisitions Buy and Renew			€ 3,800,000								
GSC Wing 1952 KK			€ 1,205,000								
Main Street, Goresbridge			1,620,000								
Main St, Slieverue			1,200,000								
Broguemaker, Castlecomer Road, KK			3,165,000								
Blackstaff, Callan			3,360,000								

Item					
Kilmacow					3,120,000
Bolton, Callan				6,991,000	
Donaguile, Castlecomer				6,500,000	
Main Street ,Piltown					3,418,000
Station Road, Ballyraggett					4,565,000
Road Transportation and Safety					
B01 - NP Road - Maintenance and Improvement			941,637		
B03 - Regional Road - Maintenance and Improvement			2,617,295		
B04 - Local Road - Maintenance and Improvement			12,878,784		
B05 - Public Lighting			1,250,000		
B09 - Car Parking			998,720		
B11 - Agency & Recoupable Services			1,365,773		
N76 Callan Road Realignment	8,500,000				
Granny Pavement Improvement Scheme	623,000				
N78 Ballycomey Castlecomer	639,000				
Thomastown Leader Urban Renewal	542,000				
Kilkenny Central Access Scheme		17,000,000			
Western Environs Road Infrastructure Scheme				9,528,000	
Breagagh Valley Park Phase 1					710,000
Breagagh Valley Park Infrastructure &					
Loughnmacask Link Road 2018/2020					500,000
Kilkenny City - Mobility Management /Smarter Travel/Parki					1,000,000
Medieval Mile / High Street/Link areas					1,060,000
Greensbridge Refurbishment (to include link to Bishopsmea					900,000
Ormonde Street					800,000
N24 Tower Road Pavement Improvement Scheme.					4,800,000
N24 Carrick Raod Improvement Scheme.					3,474,000
N77 Ballyragget to Ballynaslee					4,000,000
N25 Graiguenakill to Gaulstown /Luffany to Rhu Glenn Pave					2,000,000
N78 Castlecomer Bridge to Coolbaun South / Coolbaun Nor					2,015,000
N76 Ballymack to Castletobin Pavement Improvement Sche					1,135,000
N76 Callan Bypass Pavement Improvement Scheme					1,520,000
N76 Brownstown to Ballybur Pavement Improvement Sche					550,000

	Col 1	Col 2	Col 3	Col 4	Col 5
Thomastown Culvert Rehabiliation Contract					900,000
Abbey Road to Belmount Road - Link Road 1 & 2 (LIHAF 2),First phase					2,000,000
Public Lighting National Project					4,000,000
Water Services					
C01 - Water Supply			3,183,207		
C02 - Waste Water Treatment			1,835,134		
C05 - Admin of Group and Private Installations			871,273		
Development Management					
D01 - Forward Planning			568,078		
D02 - Development Management			1,491,500		
D05 - Tourism Development and Promotion			1,447,534		
D06 - Community and Enterprise Function			1,759,003		
D09 - Economic Development and Promotion			2,568,215		
D11 - Heritage and Conservation Services			764,355		
St. Mary's Church Complex	7,000,000				
Abbey Creative Quarter Phase 1		7,700,000			500,000
Abbey Creative Quarter Phase 2 2018-2020					2,230,000
City Hall Upgrade				7,000,000	
South Kilkenny Greenway (New Ross / Waterford).					
N29 Belview - Roundabout & Road 1st phase					2,000,000
Woodstock					1,000,000
Environmental Services					
E02 - Recovery & Recycling Facilities Operations			914,194		
E06 - Street Cleaning			1,677,803		
E11 - Operation of Fire Service			4,165,492		
E13 - Water Quality, Air and Noise Pollution			678,102		
Fire Services Graiguenamanagh Fire Station		1,300,000			
Urlingford FS					1,500,000
Recreation and Amenity					
F02 - Operation of Library and Archival Service			3,023,572		
F03 - Outdoor Leisure Areas Operations			2,379,033		
F05 - Operation of Arts Programme			719,075		

New Library Development			5,000,000		
Community & Cultural Facilities Capital Grant Sche	######				
Community Park - Ferrybank		620,000			
Butler Gallery - Evans Home			5,500,000		
Watersports Hub - Kilkenny City		600,000			
G04 - Veterinary Service				563,662	
[Insert other category/s if required]					
Software Licenses		950,000			
Miscellaneous Services					
H03 - Adminstration of Rates				3,882,650	
H09 - Local Representation & Civic Leadership				945,422	
H10 - Motor Taxation				705,917	
H11 - Agency & Recoupable Services				1,654,352	
-	######	66,217,000	40,519,000	-	73,495,002	-	36,451,000	-	-	24,813,282	-

242,245,284
73,495,002
168,750,282

Kilkenny County Council

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

General Obligations not specific to individual projects/ programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)?	2	As the requirements of the code are raised at various Management Team Meetings, the management team are familiar with the content and aims of the code. Through contact and information sharing between the coordinator and project leaders, budget holders are aware of the requirements of the public spending code. The PSC informs the decision making process at all stages of a new or planned project.
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	2	Yes
1.3 Has the Public Spending Code been adapted for the type of project/programme that your local authority is responsible for? i.e., have adapted sectoral guidelines been developed?	3	Yes from the Head of Finance subcommittee of the CCMA
1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	2	Yes
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	2	Yes
1.6 Have recommendations from previous QA reports been acted upon?	2	Yes
1.7 Has an annual Public Spending Code QA report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website?	3	Yes

1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	3	Yes. Review of Annual Workforce Plan. Ongoing internal, local government and 3rd party audits.Familarisation with the process as the requirements become established
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	2	None in 2017.However,as recommended by the then internal auditor,an evaluation of a significant project which was the subject of an in depth check in the 2015 report and has recently completed will take place in 2018
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	NOAC Report Coordinator has recommended to the internal auditor to include follow ups to previous reports as part of their Annual Work Programme
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	1	See above

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

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No project is this category
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	All projects are subject to a period of public consultation before a formal decision is made
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	3	Yes
2.7 Were the NDFA consulted for projects costing more than €20m?		N/A
2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	3	Yes
2.9 Was approval granted to proceed to tender?	3	Yes
2.10 Were procurement rules complied with?	3	Yes
2.11 Were State Aid rules checked for all supports?	N/A	Not Applicable to Local Government
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	2	Yes, each project that has progressed to Tender stage would have a detailed specification including

		objectives with expected timescale
2.14 Have steps been put in place to gather performance indicator data?	2	Yes

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

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	3	Yes,as part of the annual budget and annual work programme
3.2 Are objectives measurable in quantitative terms?	2	Objectives can be measured by performance indicators and review of annual work programme
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	n/a	No item in the inventory comes under this category
3.4 Was an appropriate appraisal method used?	N/A	No item in the inventory comes under this category
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	No	The items falling into this category are either an ongoing essential function of the local authority e.g. Road Maintenance /Improvement or a national scheme whose functionality is carried out at local level ,e.g RAS Scheme
3.6 Did the business case include a section on piloting?	N/A	See above
3.7 Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	See above
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	See above
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	No item in the inventory comes under this category
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on	3	Yes – RAS housing units

empirical evidence?		
3.11 Was the required approval granted?	3	Yes
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?		N/A
3.13 If outsourcing was involved were procurement rules complied with?	3	Yes
3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	2	National KPI's
3.15 Have steps been put in place to gather performance indicator data?	3	Yes

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes
4.2 Did management boards/steering committees meet regularly as agreed?	3	Relevant teams within sections meet on regular basis
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Project coordinator appointed for projects >€5M and for many other projects. Internal coordination teams,with an identified staff member taking ownership of the project in place in other instances.
4.4 Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Staff at appropriate level are given responsibility for specific projects
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Management Accounts are produced monthly. Progress reports are produced for all significant

		projects. Elected members appraised regularly through the CE's monthly report.
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	One project has incurred significant extra cost due to 3rd party actions
4.7 Did budgets have to be adjusted?	3	Yes
4.8 Were decisions on changes to budgets / time schedules made promptly?	3	Yes
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	3	No
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?		n/a
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	n/a	The three year capital budget is reviewed on an annual basis having regard to changing circumstances. Should the budgeted funding not meet projections or local or national priorities change,projects may be adjusted or postponed accordingly

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes annual spending programme reflects core objectives and team plans of each section
5.2 Are outputs well defined?	3	Yes
5.3 Are outputs quantified on a regular basis?	3	Yes.Annual KPIs for each specific service
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Service indicators, Department Returns, returns to DPER, annual team plans & Internal Review
5.5 Are outcomes well defined?	3	Yes
5.6 Are outcomes quantified on a regular basis?	3	Yes. Review of Annual Service Plans, monthly reports from the CE to the elected members.
5.7 Are unit costings compiled for performance monitoring?	3	Yes
5.8 Are other data compiled to monitor performance?	2	Monthly management accounts,individual reports on jobs through the Agresso financial system.
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	Team meetings. Management meetings,feedback from members and through engaging with the public.
5.10 Has the organisation engaged in any other 'evaluation proofing'[1] of programmes/projects?	2	Internal audit

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

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

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	1	N/A
6.2 Was a post project review completed for all projects/programmes exceeding €20m?		N/A
6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?		N/A
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	3	Yes
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	2	NOAC Report Coordinator has advised new internal auditor to include follow ups to previous reports as part of their Annual Work Programme
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)		N/A
6.7 Were changes made to practices in light of lessons learned from post-project reviews?		N/A
6.8 Were project reviews carried out by staffing resources independent of project implementation?	2	N/A

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

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

Notes:

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

❖ For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.

❖ The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs covered in the sample for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of appraisals (e.g. Cost Benefit Analyses or Multi Criteria Analyses), evaluations (e.g. Post Project Reviews). Key analytical outputs undertaken but outside of the sample should also be noted in the report.

Quality Assurance – In Depth Check

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

Programme or Project Information	
Name	38 Social Housing Units at Bolton, Callan, Co. Kilkenny
Detail	Capital project to construct 38 Social Housing Units at Bolton, Callan, Co. Kilkenny
Responsible Body	Kilkenny County Council
Current Status	Expenditure Being Considered
Start Date	2015
End Date	Currently at tender stage
Overall Cost	€6.99million

Project Description

The project involves the construction of 38 residential units in Bolton, Callan, Co. Kilkenny. The estimated cost of the project is €6.99million.

Kilkenny County Council purchased 13.14 acres of land at Bolton, Callan in 1974. 1.22 acres of this land is being used for the proposed development. Funding for 30 units at an estimated cost of €4.2million was originally approved by the Department of Housing, Planning and Local Government in 2015. Revised approval has subsequently been received for the construction of 38 units at an estimated cost of €6.99million. A Part VIII planning application was also approved by Kilkenny County Council.

An Architect led design team was appointed in February 2016 after a restricted tender procedure was carried out.

A contractor was appointed in April 2018. The proposed start date is currently 11th June and estimated completion date is currently February 2020.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for the Housing Project at Bolton, Callan. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objectives	Inputs	Activities	Outputs	Outcomes
• To provide good quality houses for approved housing applicants on housing waiting list. • To ensure value for money is achieved. • To ensure houses are suitable for the needs of people on waiting list.	• A budget of approx. €6.99m. • An in-house project team managing the project.	• Preparing funding applications to the Department for approval. • Procuring an Architect led Design Team. • Payment of invoices and recoupment of funds from Department. • Monitoring spend and ensure budget adherence.	• 38 No. houses of good quality and suitable to needs of potential tenants.	• Providing good quality social houses for people of Kilkenny who are not in a position to provide their own accommodation. • Assist in creating a positive community spirit.

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

The following section tracks the Housing Project at Bolton, Callan from inception to conclusion in terms of major project/programme milestones

1974	13.14 acres of Land Purchased by Kilkenny County Council at Bolton, Callan.
April 2015	SHIP 01 Form submitted to Department for approval.
February 2016	Appointment of Architect led Design Team
February 2017	Stage 2 Approval received for 39 units at an estimated cost of €6.2m
October 2017	Stage 3 Approval received for 38 units at an estimated cost of €6.9m
April 2018	Appointment of Contractor
April 2018	Stage 4 Approval received for 38 units at an estimated cost of €6.9m

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Housing Project at Bolton, Callan.

Project/Programme Key Documents

Title	Details
Rebuilding Ireland – Action Plan for Housing and Homelessness	Target to provide 50,000 new social housing units 2021
Stage 1 Approval Letter	Approval for 30 units at an estimated cost of €4.2million
CE Order appointing architect led design team.	Tender assessment report and order from CE appointing successful tender.
Stage 2 Approval Letter	Approval for 39 units with a budget of €6.2million.
Stage 3 Approval Letter	Approval of 38 units with a budget of €6.9million.
Stage 4 Approval Letter	Approval to proceed to construction of 38 units with a budget of 6.9million.
CE Order accepting tender for contractor.	CE Order accepting tender for the contractor based on the tender assessment report prepared.

Key Document 1: Rebuilding Ireland – Action Plan for Housing and Homelessness

Rebuilding Ireland – Action Plan for Housing and Homelessness was published by the Dept. of Housing, Planning, Community and Local Government in 2016. One of the core pillars of the plan is to provide 50,000 new social housing units by 2021 to meet the social housing supply requirements.

Key Document 2: Stage 1 Approval Letter (May 2015)

Approval was received from the Department for 30 units at Bolton, Callan at an estimated cost of €4.2million. The approval letter outlined that the four critical stages for evaluation and approval:

Stage 1:   Confirm approval for design expenditure.

Stage 2:   Assess project prior to statutory approval.

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

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

Key Document 3: CE Order appointing architect led design team.

In July 2015, a contract Notice was published on the European Journal inviting architect led design teams to submit Suitability Assessment Questionnaires for the design of a 20-30 unit housing scheme in Bolton, Callan. The appointment covers all stages of the project from preliminary design and planning to tendering, supervision of the building contract and final account handover.

On 5th October 2015, an assessment board appointed by Kilkenny County Council examined the SAQs received and 9 candidates were invited to proceed to Stage 2 of the competition. In November 2015, Stage 2 tender documents were circulated to the final candidates via eTenders. Following an assessment of the tenders received the contract was awarded to the most economically advantageous tender.

Key Document 4: Stage 2 Approval Letter (February 2017)

CWMF PR04 Form is submitted to the department detailing all in costs of €6.39 million for 40 units. Preliminary Design Report and preliminary drawings were also included. Stage 2 approval was received on 13th February 2017.

Key Document 5: Stage 3 Approval Letter (October 2017)

CWMF PR06 Form submitted detailing costs of approved design option of 38 units. Approval letter dated 23rd October was received from the Department approving revised budget of €6.92 million.

Key Document 6: Stage 4 Approval Letter (April 2018)

CWMF PR07 Form submitted detailing costs of €6.99 million after review of tender documents. Report on tenders received was also submitted. Approval letter dated 19th April was received from the Department approving revised budget of €6.99 million. This approval is subject to the acceptance of the recommended tender.

Key Document 7: CE Order accepting tender for contractor

CE Order 141X is signed on the 25th April awarding the contract for the construction of 387 units in Bolton Call based on the recommendation in the tender report.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Project Brief	Assess if project was appraised.	No
Funding applications to the Dept.	Assess it funding was sanctioned.	Yes
Report on tenders by QS	Assess procurement process.	Yes
Details of Expenditure on Project	Assess if project was within budget	Yes. Available from agresso financial management system
No. of people housed.	Assess if housing needs are met.	Yes. On housing waiting list.
Post project review	Assess if project objectives were met and if the project was managed successfully.	Should be prepared after project is complete.

Data Availability and Proposed Next Steps

There was no project brief prepared to appraise this development. The main objective of this project is to provide accommodation to people on the housing list. This will be achieved when the houses have been completed. An assessment on the suitability of the houses can only be assessed over a longer period of time. I would recommend that future post project reviews would include a process that will help to evaluate the suitability of the houses and the social benefits gained such as improvement in the tenant's quality of life and a positive community atmosphere.

The necessary data is available on file to assess the financial assessment and the procurement process. On completion of the project, a Final Account detailing the total expenditure will be sent to the Department of Housing, Planning, Community and Local Government to enable a final draw down of funding.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Housing Project at Bolton, Callan based on the findings from the previous sections of this report.

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

The construction of social housing is in line with national policy. It is one of the key pillars of the policy document Rebuilding Ireland. As is the case nationally, the demand for social housing in Kilkenny is high with over 2,100 applicants on the housing waiting list.

There was no formal project appraisal prepared for this development. The project appraisal should outline the need for the development. It should explore the options available and the overall objectives. Risks and constraints should also be identified along with how the development would be managed. It seems that a project appraisal was not prepared as there was an urgency to meet the targets set out in national and local housing plans. A project appraisal is a vital element of any project and should be prepared in all cases.

In this case, there is a viable need for housing in this area. There are 150 approved housing applicants with a housing preference for this area. Financial sanction was sought and approved from the Department of Housing, Planning, Community and Local Government. Proper procurement procedures were used when tendering for an architect design led design team and a main contractor.

The proposed start date is June 2018. There is a plan to manage the development of the project with a clerk of works due to be hired and a Housing Capital Engineer to attend regular site meetings.

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

The data to carry out a financial evaluation of the project is available on the agresso financial management system. It is difficult to calculate the social benefits of providing housing accommodation to people. Kilkenny County Council will provide ongoing assistance to residents to allow a community spirit to foster. This will have a positive impact on the lives of the residents. A post project review should try to calculate these social benefits.

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

There was no formal project appraisal prepared for this development. The project appraisal should outline the need for the development. It should explore the options available and the objectives of the development. Risks and constraints should also be identified along with how the development would be managed. It seems that a project appraisal was not prepared as there was an urgency to meet the targets set out in national and local housing plans. A project appraisal is a vital element of any project and should be prepared in all cases.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Housing Project at Bolton, Callan.

Summary of In-Depth Check

Overall, I find this project complies with the broad principals of the Public Spending Code.

The construction of social housing is in line with national and local housing policy. While a formal project appraisal was not prepared, there is a clear audit trail on file providing details in relation to the design brief, site selection, project management arrangements and cost estimates. There is an obvious housing need in the area. The houses are to be built on land already in the ownership of Kilkenny County Council and zoned for residential development. Procurement and planning guidelines were all complied with and authorisation was received from the Department at the four approval stages.

As work has not started on this project, Internal Audit cannot evaluate compliance with implementation or post implementation stages of the Public Spending Code. However, there are procedures in place to manage the project and I would recommend that an evaluation be carried out within a specific time frame after the tenants have moved in to the houses. Its purpose should evaluate whether project objectives were met, to determine how effectively the project was run, to learn lessons for the future, and to ensure that the organization gets the greatest possible benefit from the project.

Quality Assurance – In Depth Check

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

Programme or Project Information	
Name	Housing Grants Programme
Detail	Kilkenny County Council administers three housing grant schemes on behalf of the Department of Housing, Planning and Local Government.
Responsible Body	Kilkenny County Council
Current Status	Expenditure Being Incurred
Start Date	Ongoing
End Date	Ongoing
Overall Cost	€1.9million p.a.

Project Description

Kilkenny County Council administers grants to assist persons in carrying out works for the purposes of rendering a house more suitable for their needs. There are three types of Housing Grant Schemes:

- Housing Adaption Grant for People with a Disability
- Mobility Aids Housing Grant Scheme
- Housing Aid for Older People

The Housing Grant Schemes were introduced under the Housing (Adaption Grants for Older People and People with a disability) Regulations 2007. Housing Authorities administer the grant schemes on behalf of the Department. Further Administrative Guidance documents were issued to Local Authorities in February 2014. The Department of Housing, Planning and Local Government fund up to 80% of the approved cost of the works carried out under the schemes subject to maximum limits on each scheme. The local authority funds the balance. All three schemes are means tested. The percentage grant allocated is dependent on the household income of the applicant.

Section B - Step 1: Logic Model Mapping

Objectives	Inputs	Activities	Outputs	Outcomes
• To assist older people living in poor housing conditions to have neccesary repairs or improvements carried out. • To make a housie more suitable for people living with a disability. • To address mobility problems in people's homes.	• Staff of 2.5fte from Kilkenny County Council work in the Housing Grants dept. Payroll costs in 2017 amounted to €97k. This cannot be recouped from the Department. • Funding from Department of Housing, Planning and Local Government. • Funding from Kilkenny County Council.	• Advertising the schemes on website and local media. • Providing information and answering queries on schemes. • Processing and assessing all applications. • Examining and inspecting by councils technical staff. • Paying grants to successful applicants. • Recouping percentage of costs from Department of Housing, Planning and Local Government.	• No. of grants received and assessed. • No. of grants paid.	• Improving living conditions of the elderly, people with a disability and people with mobility issues. • Enabling people to remain living in their own homes. • Reduces financial cost of the state to fund long term residential accommodation.

Description of Programme Logic Model

Objectives: the main objective of the schemes is to improve the living conditions of the elderly, people with a disability and people with mobility issues.

Inputs: The primary input to the programme is the funding provided by the Dept. of Housing Planning and Local Government which amounted to €1.47m of the €1.9m grants paid in 2017. Kilkenny County Council provided the balance of the funding amounting to €400k. Kilkenny County Council staff administers the schemes with payroll costs and overhead costs amounting to €97k and €76k in 2017. This brings a total annual cost to Kilkenny County Council in 2017 to €573k.

Activities: There were a number of key activities carried out through the project including:

1. Checking and processing application forms.
2. Referring applications to Occupational Therapist.
3. Requesting quotations for works required and arranging technical inspection.
4. Calculating grant assistance based on income details submitted.
5. Decision made to approve or refuse.
6. Inspection by technical staff when works have been complete.
7. Payment of grant to applicant.
8. Recoupment of monies from Department of Housing, Planning and Local Government.
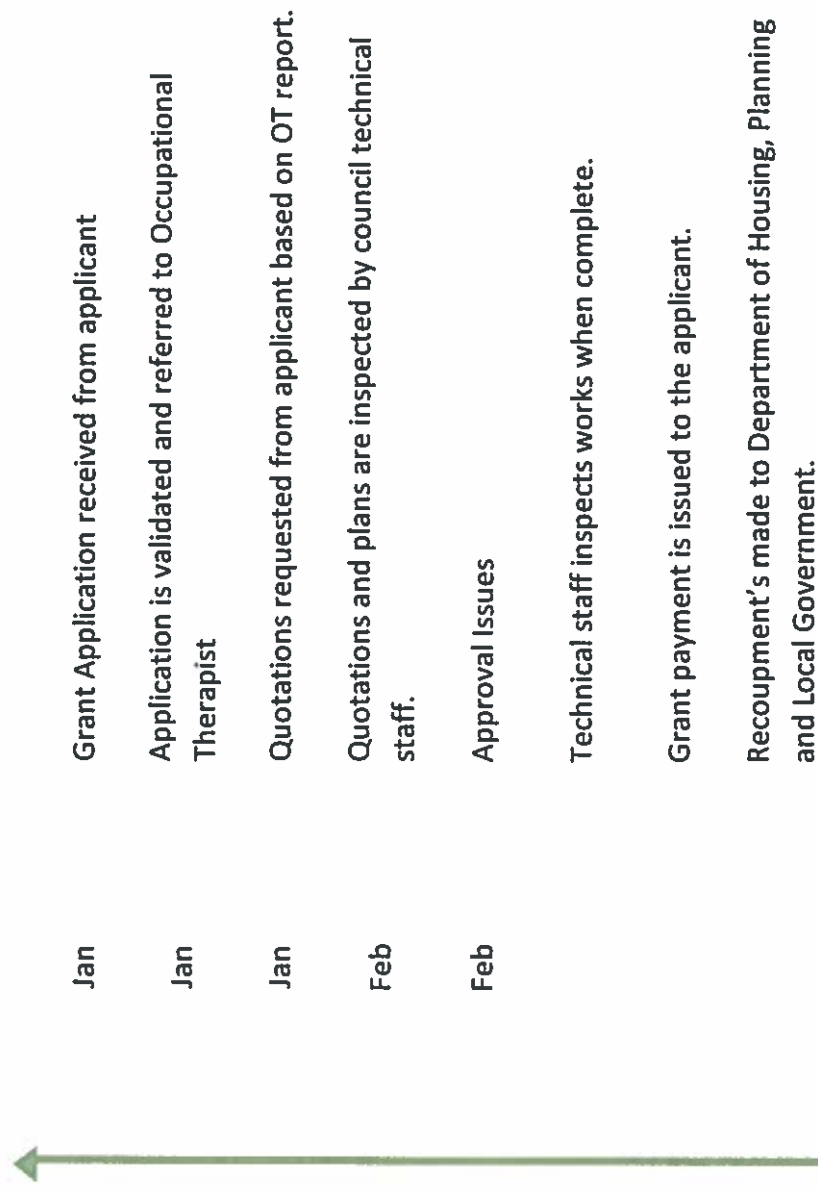
Outputs:

2017	No. of Grants Paid	Grant Amount
		€'000
Adaption Grantsfor Disabled Persons	74	860
Mobility Grants	28	135
Aid for Elderly Grants	162	870
Total	**264**	**1,865**

Outcomes: The envisaged outcomes of the grant schemes are to

a) Make the accommodation more suitable for a person with a physical, sensory or intellectual disability or a mental health difficulty.

b) Improve the homes of older people so that they can stay in their own homes for as long as possible.

c) To address mobility problems in the home.

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

The following section tracks a typical housing grant application from inception to conclusion in terms of major project/programme milestones

Jan	Grant Application received from applicant
Jan	Application is validated and referred to Occupational Therapist
Jan	Quotations requested from applicant based on OT report.
Feb	Quotations and plans are inspected by council technical staff.
Feb	Approval Issues
	Technical staff inspects works when complete.
	Grant payment is issued to the applicant.
	Recoupment's made to Department of Housing, Planning and Local Government.

Section B - Step 3: Analysis of Key Documents

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

Project/Programme Key Documents

Title	Details
Application Forms	The application forms for the grant schemes are standard forms produced by the Department of Housing, Planning and Local Government. The forms include details of the applicant including accommodation type and income details. It also asks for a description of the works required. A certificate from the applicants doctor is also included which details the nature of the applicant's disability.
Information Leaflet	Information leaflet is issued as part of the application form. It is also a standard template and outlines the conditions of the scheme and gives a checklist of the documentation required to accompany a completed application form.
Administrative Guidance Document	This document provides helpful guidance to local authorities in relation to processing and assessing grant applications. This should ensure that local authorities are applying the conditions of the scheme consistently.
Recoupment Forms	These are National recoupment forms issued the Department. The forms include all data required by the department. However, there is no place on the form to include costs of Occupational Therapist. These should be shown separately rather than being included in the overall cost of the grant.
Agresso Financial Reports	Reports from agresso are used to verify the amounts paid out to grant application which can be reconciled with the recoupment to the Department.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
No. of Applications Received	Measure the demand for the schemes.	Yes
No. of applications approved and paid.	Measure number of successful applications.	Yes
Recoupment Forms	Assess funds recouped from the Department.	Yes
Documentation on grant files	Review backup documentation submitted and technical reports etc.	Yes
CE Orders	Ensure appropriate approval procedures are in place.	Yes
Financial Reports from FMS - Agresso	Measure level of expenditure being charged to relevant job codes.	Yes
Follow up meeting with applicant	Assess outcome/impact of the scheme	No

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Housing Grants Schemes based on the findings from the previous sections of this report.

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

The Housing Grants Schemes were introduced by the Department of Housing, Planning and Local Government. They are administered nationwide by local authorities. These schemes would have been appraised by the Department.

Kilkenny County Council administers the scheme in Kilkenny. There are good procedures in place for processing grant application in Kilkenny. Our audit found that Kilkenny County Council is adhering to the legislation and guidelines in relation to housing grants. There are checks and authorisation procedures in place.

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

Kilkenny County Council provides details to the Department of the numbers of applications received and grants paid etc. There is sufficient information to evaluate the scheme.

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

A system could be put in place to measure the outcomes of the grant schemes on the applicants. This could be done by way of a follow up meeting with the applicants. A questionnaire or customer survey could also be used. Applicants could also be asked of ways to improve the application process.

There were three recoupments from the department in 2017. I recommend that recoupments should be carried out monthly. This will improve the councils cashflow.

Section: In-Depth Check Summary

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

Summary of In-Depth Check

Internal Audit carried out an in-depth check of the Housing Grants Scheme process in Kilkenny County Council. Internal audit spoke with staff that works in this area. A random sample of files was checked and Internal Audit is satisfied that Kilkenny County Council is complying with the legislation and guidelines of the grants schemes.

The housing grants section has a staff structure with clear lines of responsibility. There are strong internal controls in place. A Chief Executive order is signed for all grant approvals. A manager also signs off on all recoupment's to the Department of Housing, Planning and Local Government. As this is a national scheme, the Department had responsibility for appraising the scheme. I would recommend that the outcomes of the scheme should be measured to ensure that the scheme is meeting its objectives.

Internal Audit is satisfied that Kilkenny County Council is compliant with the Public Spending Code in the administration of the Housing Grants Scheme.