

**Public Spending Code  
Quality Assurance Report for 2020  
Louth County Council**

**To be submitted to  
National Oversight and Audit Commission (NOAC)**

**June 2021**

## Certificate

This Annual Quality Assurance Report sets out Louth County Council's approach to completing the Quality Assurance requirements as set out in the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

**Signature of Accounting Officer:**



Joan Martin  
Chief Executive  
Louth County Council

**Date: 18<sup>th</sup> June 2021**

# Louth County Council PSC Quality Assurance Report for 2020

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# Louth County Council PSC Quality Assurance Report for 2020

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## Introduction

Louth County Council has completed the Quality Assurance (QA) requirements as set out in the Public Spending Code, and the purpose of this report is to present the results of each of the 5 Steps in the QA exercise and to report on compliance with the requirements of the Public Spending Code as established during this exercise.

2020 is the seventh year that the Local Government Sector has been required to meet the QA requirements within the Public Spending Code as required by the Department of Public Expenditure and Reform.

The Public Spending Code was written specifically with Government Departments in mind and some of the terminology is very specific to that sector. In order to inform the QA exercise for the Local Government Sector a Guidance Note (Version 4) was developed for the sector to assist in providing interpretations from a Local Government perspective

## Requirements of the Quality Assurance Aspect of the Public Spending Code

The Quality Assurance obligation involves a **5 step** process as follows:

- **Step 1** - Drawing up inventories of projects/programmes at the different stages of the Project Life Cycle. The person responsible for the Quality Assurance process should be satisfied that they have a full and complete inventory.
- **Step 2** - The Organisation should publish summary information on its website of all procurements in excess of €10m, related to projects in progress or completed in the year under review. (The PSC originally required projects in excess of €2m to be published under this requirement but this has now been changed to €10m) A new project may become a "project in progress" during the year under review if the procurement process is completed and a contract is signed.
- **Step 3** - Completing the 7 checklists contained in the PSC. Only one of each checklist per Department/ Agency / Local Authority is required. Checklists are not required for each project/programme. The QA process for verifying the accuracy of responses on the checklist is based on a sample of projects / programmes and is Step 4 of the process.
- **Step 4** - Carry out a more in-depth check on a small number of selected projects/programmes.
- **Step 5** - Complete a short summary report for the National Oversight and Audit Commission (NOAC). The report, which will be generated as a matter of course through compliance with steps 1-4, is normally submitted by the end of May.

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## STEP 1 - Project Inventory

The project inventory presents a list of all projects/programmes with 2020 activity and which have a total project life cost of €500,000 or more. The inventory is presented in three stages as set out in the attached table which also outlines the Expenditure Category/Band relevant for inclusion in each stage:

Project/Programme Stage		Category/Band
1	Expenditure being considered	Capital Projects between €0.5m - €5m
		Capital Projects between €5m - €20m
		Capital Projects over €20m
		Current Expenditure programme - Increases over €0.5m
		Capital Grant Schemes Greater than €0.5m
2	Expenditure being incurred	Capital Projects greater than €0.5m
		Current Expenditure greater than €0.5m
		Capital Grant Schemes greater than €0.5m
3	Expenditure that has recently ended	Capital Projects greater than €0.5m
		Current Expenditure greater than €0.5m
		Capital Grant Schemes greater than €0.5m

The Project inventory as set out in the format described above, is included in **Appendix C** for Projects and Programmes with a value over €0.5m for 2020.

The Inventory contains both Capital & Revenue Projects under the three stages and comprise a total value of c. €784Million. The following table provides an overview of the number of projects under each Project/Programme stage and under each of the categories/bands in each of these stages. It also provides an overview of the Project Costs under each category.

Project Numbers	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
Range of expenditure							
Expenditure Being considered	0	0	0	40	19	5	64
Expenditure Being Incurred	36	4	2	10	4	0	56
Expenditure recently ended	0	0	0	1	1	0	2
<b>Totals</b>	<b>36</b>	<b>4</b>	<b>2</b>	<b>51</b>	<b>24</b>	<b>5</b>	<b>122</b>

Total Values	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5 - €5m	€5m- €20m	Over €20m	
Range of expenditure							
	€	€	€	€	€	€	€M
Expenditure Being considered	0	0	0	67,070,311	246,576,629	219,590,490	533,237,430
Expenditure Being Incurred	68,121,600	42,579,320	48,009,716	16,062,160	54,124,916	0	228,897,702
Expenditure recently ended	0	0	0	0	22,421,972	0	22,421,972
<b>TOTALS</b>	<b>68,121,600</b>	<b>42,579,320</b>	<b>48,009,716</b>	<b>83,132,471</b>	<b>323,123,517</b>	<b>219,590,490</b>	<b>784,557,114</b>

## STEP 2 - Summary of Procurements in excess of €10m

Louth Co. Council has no procurement projects ongoing or being procured with a procurement value of €10m or more during the 2020 financial year, and so there is no requirement to publish details of any such projects on our website for the financial year under review.

## STEP 3 - Checklists

Step three of the Quality Assurance procedure for the Public Spending Code involves the compilation of a number of checklists. There are 7 checklists in all. Checklist 1 captures general information while Checklists 2, 4 and 6 related to capital projects and checklists 3, 5 and 7 are Revenue Expenditure related.

The Checklists are informed by the Project Inventory and the following table outlines the approach taken for the completion of the Checklists

Checklist Completion aligned with Project Inventory	
Expenditure Type	Checklist to be completed
General Obligations	General Obligations - Checklist 1
A Expenditure being considered	Capital Projects/Programmes - Checklist 2 Current Expenditure – Checklist 3
B. Expenditure being incurred	Capital Projects/Programmes - Checklist 4 Current Expenditure - Checklist 5
C. Expenditure that has recently ended	Capital Projects/Programmes - Checklist 6 Current Expenditure - Checklist 7

All checklists as outlined below have been completed and can be found in **Appendix A** of this document

1. General obligations not specific to individual projects/programmes.
2. Capital Projects or Capital Grant Schemes under consideration in the past year.
3. Current Expenditure under consideration in the past year
4. Capital Projects or Capital Grant Schemes incurring expenditure in the year under review
5. Current Expenditure programmes incurring expenditure in the year under review
6. Capital Projects & Capital Grant Schemes discontinued.
7. Current Expenditure that reached the end of their planned timeframe or were discontinued.

# Louth County Council PSC Quality Assurance Report for 2020

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## Findings on Completion of Checklists

The responses included in the Checklist indicate a satisfactory level of compliance. There are indications that there is some room for improvement in certain aspects of the requirements. However, no specific serious issues/concerns were evident during the completion of this element of the QA exercise.

## STEP 4 - In-Depth review of a sample number of projects

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

## Internal Audit In-Depth Checks

Our internal auditors CrowleysDFK Chartered Accountants, were assigned the task of completing the In-depth check. The approach taken was to select capital projects having a value greater than or equal to 5% of total value of Capital Project inventory, and Revenue Projects having a total value greater than or equal to 1% of revenue expenditure. For the 2020 audit a sample size of 6% was chosen from Capital Expenditure and 15% from revenue expenditure. The main findings, control weaknesses noted, or suggested areas for improvement are ranked as **high, medium** or **low** and are dealt with in order of priority. The rankings used are described below:

Classification	Description
<b>High</b>	Major Internal Control Weakness or issue that has potential for: significant damage to the organisation's reputation; significant financial loss or loss of value for money; significant operational disruption; non-compliance with legislative and regulatory requirements; and significant inefficiency costing senior management time. Remedial action must be taken urgently.
<b>Medium</b>	Internal Control weaknesses or issue that has potential for: adverse impact to reputation; financial loss or loss of value for money; operational disruption; and inefficiency costing senior management time. Weaknesses identified should be of concern to senior management and requires prompt specific action
<b>Low</b>	Minor control deficiency where Internal Control Improvements or the strengthening of the areas risk management/control culture is required

# Louth County Council PSC Quality Assurance Report for 2020

The In-depth review has been completed and the projects selected were as follows:

Projects selected for review		
Project	Category & Department	Total Amount Incurred
CAF Wadman Park (62 Units)	Expenditure being incurred > €0.5m Capital Projects	€17.33m
N53 HBX to Rassan	Expenditure being considered > €0.5M Capital Projects	€12m
HD17 Park & Share		€1.8m
Ardee Educate Together		€4.92m
<b>Total value of selected Capital Expenditure</b>		<b>€36.05m</b>
A01 Maintenance & Improvement of LA Housing Units	Expenditure being incurred > €0.5M Revenue Projects	€7.43m
A05 Administration of Homeless Service		€3.81m
B04 Local Road Maintenance & Improvement		€14.13m
<b>Total Value of selected Revenue Expenditure</b>		<b>€25.36m</b>

A formal report on the In-depth review has been completed and submitted to the Management Team within Louth Council and is included as **Appendix B** to this report. The auditors review identified no **HIGH** priority rated findings, 3 **Medium** and 2 **Low** priority rated findings. Results from the tests indicate that a *“reasonable assurance can be placed on the sufficiency and operation of internal procurement controls to mitigate and/or manage key inherent risks”*

There is a general sense of satisfactory compliance with the Public Spending Code and internal audit have made specific recommendations, and those that have been agreed with Senior Management Team are listed below:

- **Provision of Business Case** – The Council will undertake a full debrief of findings.
- **Procurement Procedures** – The Council accepts the recommendations and existing procedural documentation will be reviewed.
- **Conflict of interests’ declaration** – The Council accepts the finding and recommendations have been incorporated into the revised Policies and Procedures Document.
- **Monitoring and Reporting** – The Council accepts the recommendations and a debrief will be held with all senior staff prior to putting processes in place, were relevant.
- **Procurement Policies and Procedures** – Recommendations are accepted and a revised Policies and Procurement document is currently under review by senior management.

## Conclusion

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

- A Project Inventory has been prepared outlining the various projects/programmes from both capital and revenue, that were being considered, incurred or recently completed by Louth County Council within the 2020 financial year.
- There is **no** requirement to publish details of projects in relation to procurements over €10m on Louth County Council's website.
- 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. The level of compliance reported would suggest there are elements of the expenditure life cycle that could be improved but nothing of a serious nature was highlighted during this compliance exercise.
- An in-depth review of the sample projects contained in the Project inventory has been completed. The review identified **no** “**High**” priority rated findings. The review identified **3 Medium** and **2 Low** risk findings in the following areas:
  - Business Case - **Medium**
  - Procurement Procedures - **Low**
  - Conflict of Interest Declaration - **Medium**
  - Monitoring and Reporting - **Medium**
  - Procurement Policies and Procedures - **Low**
- 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 Louth Co Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, The Chief Executive.

In summary, the QA exercise has provided reasonable assurance to the management of Louth County Council that the requirements of the Public Spending Code are being met and the results of the 2020 QA are satisfactory.

It is recommended that all relevant staff will review on a regular basis relevant publications on DPER website, on the requirements of the Public Spending Code and will attend future workshops organised on the Public Spending Code requirements when these information sessions arise.

It has been noted that the ongoing development of specific guidance in relation to the QA requirements from a local government perspective and the experience gained by staff completing the exercise for the 2020 projects will enhance the process for future years.

# **APPENDIX      A**

## **Checklists of compliance**



## **Appendix B**

### **Report from Internal Auditors**



## Louth County Council

### Review of Compliance - Public Spending Code 2020

Final Report May 2021

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## 1. Overview

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Louth County Council (“LCC” / “Council”) is a local authority consisting of 29 elected members, serving a population of 128,884 approx. It is divided into 4 Municipal District Areas and has 5 electoral areas. Its two main towns are Dundalk and Drogheda.

Louth County Council is obliged to apply DPER Circular 13/13 - The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service – Standard Rules & Procedures.

An obligation of the Public Spending Code is that all bodies in receipt of public funding are to put in place an internal, independent quality assurance procedure involving annual reporting on how organisations are meeting their Public Spending Code obligations. This is best achieved through carrying out the quality assurance procedure outlined in the Public Spending Code.

Step four of the quality assurance procedure requires organisations (through their internal audit function) to “carry out a more in-depth check on a small number of selected projects and programmes”. Step four looks in more detail at the quality of the appraisal, planning or implementation work done by the Local Authority.

Crowleys DFK are appointed outsourced Internal Auditors to Louth County Council.

In accordance with the 2021 Internal Audit Plan agreed and approved by LCC’s Audit Committee – Crowleys DFK in our capacity as internal auditors to LCC, performed an external review of LCC’s compliance to the Public Spending Code for the period from 1<sup>st</sup> January 2020 to 31<sup>st</sup> December 2020.

Our audit commenced in April 2021. This report presents the results of our review. The scope of our work and the approach adopted are detailed in Sections 2 and 3 of our report.

### Summary of Findings

Our review identified 0 **High**, 3 **Medium** and 2 **Low** priority rated findings which require action from management. These are in the areas of: -

- **Preparation of Business Case**
- **Conflict of Interest Declaration**
- **Monitoring and Reporting**
- **Procurement Procedures**
- **Procurement Policies and Procedures**

We have set out these matters in detail in **Section 6** of our report together with our recommendations for addressing same.

### Current status of issues identified in previous reports

During our review, we completed a follow up of the findings and recommendations from the 2019 internal audit review of the Public Spending Code in order to ascertain whether or not they had been appropriately implemented. A total of 8 previously agreed recommendations remained open at the time of the 2020 review. We urge that management commits to undertake a firm action plan to address issues identified. Details of the follow-up are included in **Section 7** of this report.

### In-Depth Check – Quality Assurance

We provide details of our in-depth quality assurance tests across all projects sampled, and the results reported from our tests in **Appendix 1** of this report.

## 2. Objectives and Scope

DPER Circular 13/13 The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service – Standard Rules & Procedures was issued by the Department of Public Expenditure and Reform in September 2013.

The Public Spending Code brings together in one place, details of the obligations that those responsible for spending public money are obliged to adhere to, as well as guidance material on how to comply with the obligations outlined. The Public Spending Code applies to both current and capital expenditure and explains what is required of public service managers at different points of the expenditure lifecycle and offers advice on how to fulfil those requirements.

All Government Departments, public bodies and all bodies in receipt of public funding must comply, as appropriate, with the relevant requirements of the Public Spending Code. An obligation of the Public Spending Code is that all bodies in receipt of public funding are to put in place an internal, independent quality assurance procedure involving annual reporting on how organisations are meeting their Public Spending Code obligations. This is best achieved through carrying out the quality assurance procedure outlined in the Public Spending Code.

Step four of the quality assurance procedure requires organisations (through their internal audit function) to “carry out a more in-depth check on a small number of selected projects and programmes”. Step four looks in more detail at the quality of the appraisal, planning or implementation work done by the Local Authority.

Crowleys DFK in our capacity as internal auditors to LCC, performed an external review of LCC’s compliance to the Public Spending Code. The objectives of the Internal Audit are to provide assurance on: -

- a) the adequacy and the effectiveness of LCC’s policies and procedure for the quality assurance reporting process; and
- b) the extent to which the adopted policies and working practices are in line with the Public Spending Code in terms of revenue and capital expenditure.

The review focused on the following areas:

Audit Objective	Overview of Review Programme
Assess the adequacy and the effectiveness of LCC’s policies and procedures for the quality assurance reporting process.	<ul style="list-style-type: none"> <li>• Review relevant policies and procedures in relation to quality assurance reporting.</li> <li>• Identify and evaluate the procedures in place and verify if the key controls are documented and working as intended.</li> <li>• As part of the in-depth check for the quality assurance reporting process, review a selected projects/programs undertaken by Council and assess compliance to internal controls policies and procedures.</li> </ul>
Assess the extent to which the adopted policies and working practices are in line with the Public Spending Code in terms of the revenue and capital expenditure	<ul style="list-style-type: none"> <li>• Benchmark controls adopted to the Public Spending Code.</li> <li>• Review value for money consideration on selected projects/programs.</li> <li>• Review tender evaluation and awards process and assess if the methodology represents a balanced approach.</li> <li>• Assess procedures in place for the evaluation of expenditures incurred.</li> </ul>

### 3. Approach and Methodology

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The quality assurance process requires that the value of the 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 and 1% of the total value of all revenue projects on the Project Inventory, with this minimum value being calculated as an average over a three-year period.

Below is a summary of the samples selected by Internal audit for in-depth review based on LCC supplied project inventory over the three-year average (2018-2020) period.

#### Capital Expenditures:

Year	Sample Size	Population	% of selected for detailed testing
2018	€33.52m	€537.51m	6%
2019	€5.41m	€38.55m	14%
2020	€36.05	€617.51m	6%
<b>Total average over 3 years</b>			<b>9%</b>

#### Current Expenditures:

Year	Sample Size	Population	% of selected for detailed testing
2018	€1.23m	€109.18m	1%
2019	€1.28m	€97.82m	1%
2020	€24.86m	€171.09m	15%
<b>Total average over 3 years</b>			<b>6%</b>

### Sampling

Our audit period is for the 12-month calendar year from 1st January 2020 – 31st December 2020.

The Public Spending Code provides that the sample projects should not be selected more than once in a three-year period unless it is a follow-up to serious deficiencies discovered previously.

Samples selected for review by Internal Audit consisted of 4 capital projects amounted to €36.05m and 3 revenue expenditure amounted to €25.36m, which are equivalent to 6% and 15% of the total value of capital projects and revenue expenditure, respectively:

Projects selected for review		
Project	Category	Total Amount Incurred
CAF Wadman Park (62 Units)	Expenditure being incurred > €0.5m Capital Projects	€17.33m
N53 HBX to Rasan	Expenditure being considered > €0.5m Capital Projects	€12m
HD17 Park & Share		€1.8m
Ardee Educate Together		€4.92m
<b>Total value of selected Capital Expenditures</b>		<b>€36.05</b>
A01 Maintenance & Improvement of LA Housing Units	Expenditure being incurred > €0.5m Revenue Projects	€7.43
A05 Administration of Homeless Service		€3.81
B04 Local Road Maintenance & Improvement		€14.13
<b>Total value of selected Revenue Expenditures</b>		<b>€25.36</b>

### Approach

In performing this review, Internal Audit used the following information-gathering and analytical techniques:-

- Desktop research and critical evaluation of documented and adopted policies;
- Benchmarking of the documented and adopted policies against sector best practice;
- Focused fact finding meetings and verification discussions with key employees; and
- Walk through of selected procurement policies and procedures.

The following table provides the personnel with whom we met, spoke to or received information from, during the course of our review:

<b>Personnel</b>
Accountant
Executive Engineer and Acting Procurement Officer
Administrative Officer Infrastructure
Senior Executive Engineer
Housing Engineer

## 4. Ratings Classifications

The **overall opinion level**, based upon our assessment of controls and our findings has been derived using the assurance levels as described below:

Assurance Level	Description
<b>Full</b>	Key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.
<b>Significant</b>	There are minor weaknesses in the design and/or operation of controls. However, either their impact would be minimal, or they would be unlikely to occur. Findings mainly relate to matters such as system enhancements, procedural changes or minor control deficiencies that do not expose the organisation to significant risk but can result in improved efficiency.
<b>Reasonable</b>	There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, weaknesses noted do not expose the organisation to significant risk or result in a material financial loss. These findings should not have a significant impact on the achievement of organisational objectives.
<b>Limited</b>	There are material weaknesses in the design and operation of controls which could have a significant impact on the achievement of organisation objectives; or may result in a financial loss.

The **main findings, control weaknesses noted or suggested areas for improvement** are ranked as high, medium or low and are dealt with in order of priority. The rankings used are described below:

Classification	Description
<b>High</b>	<p>Major Internal Control weakness or issue that has potential for:</p> <ul style="list-style-type: none"> <li>• Significant damage to the organisation's reputation;</li> <li>• Significant financial loss or loss of value for money;</li> <li>• Significant operational disruption;</li> <li>• Non-compliances with legislative and regulatory requirements; and</li> <li>• Significant inefficiency costing senior management time</li> </ul> <p>Remedial action must be taken urgently.</p>
<b>Medium</b>	<p>Internal Control weakness or issue that has potential for:</p> <ul style="list-style-type: none"> <li>• Adverse impact to reputation;</li> <li>• Financial loss or loss of value for money;</li> <li>• Operational disruption; and</li> <li>• Inefficiency costing senior management time.</li> </ul> <p>Weakness identified should be of concern to senior management and requires prompt specific action.</p>
<b>Low</b>	Minor control deficiency where Internal Control improvements or the strengthening of the areas risk management/ control culture is required.

## 5. Assessment

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Our review reported no **High** priority rated findings

Based on work performed, our review identified 3 **Medium** and 2 **Low** priority rated findings.

We set out our detailed findings on these matters together with our recommendations for addressing same in [Section 6](#) of this report.

We urge that management commits to undertake a firm action plan to address issues identified.

Results from our tests indicate that **reasonable assurance** can be placed on the sufficiency and operation of internal procurement controls to mitigate and/or manage key inherent risks.

We arrived at our assessment taking into consideration the following key control strengths\* identified during our review.

Strengths	Description
<b>Procurement Methodology</b>	Louth County Council has established and documented policies and procedures for procurement. Roles and responsibilities for all staff involved in procurement are properly established. Walk-through tests performed by Internal Audit with a sample of staff involved in procurement observed an adequate awareness of established policies and procedures and staff delegated procurement duties.
<b>PSC Reporting Compliance</b>	In line with requirements of the Public Spending Code (PSC), LCC prepares and submits an Annual Quality Assurance Report. To support this process, responsible individuals complete 7 self-assessment checklists to assess the Council's compliance with the PSC.
<b>Segregation of Duties</b>	Based on information presented during the review and walk-through tests performed by Internal Audit on control cycles, the Council has adequate and clear segregation of duties in place.
<b>Oversight and Accountability</b>	The organisational structure of LCC enables adequate monitoring of activities and ensures effective flow of information. The Council has further delegated the responsibility for the development and monitoring of the list of inventories of projects/programmes at different stages of the project life cycle to dedicated personnel

*\*As the review is based on an independent limited testing of controls, it should not be relied upon to identify all control strengths in which a more exhaustive review might develop.*

## 6. Detailed Findings

### 1 Business Case

<b>Findings</b>	<p>The Sponsoring Agency is primarily responsible for evaluating, planning and managing public investment projects within the parameters of the Public Spending Code.</p> <p>As such, the development of a project’s preliminary business case is the responsibility of the Sponsoring Agency.</p> <p>The Public Spending Code provides that the Sponsoring Agency should conduct appropriate financial, economic and sensitivity appraisal when developing a business case. Business case prepared must then be submitted to the Approving Authority for approval in principle at a “decision gate”.</p> <p>Internal Audit sample tested seven (7) projects and reported the following gaps:</p> <ol style="list-style-type: none"> <li>a. Business case for two (2) projects sampled were not available for review. See Appendix 1 for details. Management is of the opinion that the preliminary business case for both projects was prepared by the Sanctioning Agency – in this instance, the Department of Education and Skills and Transport Infrastructure Ireland.</li> <li>b. A Final Business Case Report must be completed and forwarded to the Approving Authority after the project’s tendering process, but before the award of the main construction contracts. For one (1) of the projects sampled, a Final Business Case Report has not been prepared. At the time of our review, the project is already at construction stage.</li> </ol>
<b>Risk</b>	<ul style="list-style-type: none"> <li>• Risk of non-compliance to the Public Spending Code.</li> <li>• Risk of ineffective project planning due to absence of business case.</li> </ul>
<b>Recommendation</b>	<p>Internal Audit recommends that LCC, as a Sponsoring Agency on projects should:</p> <ol style="list-style-type: none"> <li>a. Seek clarification and confirmation from the the Sanctioning Agency that they have developed a Preliminary Business Case and had obtained approval for same.</li> <li>b. Obtain a copy of the approved Business Case developed to track project KPIs. A copy of the business case should be retained on file for audit trail.</li> <li>c. Ensure that Final Business Case Report are completed and forwarded to the Approving Authority after the project’s tendering process. At a minimum, this document should include the following: <ul style="list-style-type: none"> <li>• The Detailed Project Brief as set out in the Planning and Design Phase and as confirmed by the tendering process.</li> <li>• Economic and financial appraisal using updated information from the</li> </ul> </li> </ol>

	<p>tendering process as necessary.</p> <ul style="list-style-type: none"> <li>• Re-examination of affordability within existing resources and with particular reference to the Medium-Term Exchequer Capital Envelope for projects funded from Voted expenditure.</li> <li>• Full risk assessment and consideration of remaining optimism bias.</li> <li>• Detailed delivery schedule.</li> <li>• Benefits Realisation Plan.</li> </ul>
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<b>Classification</b>	<b>Medium</b>
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<b>Management Comments</b>	<p>ouncil is strongly of the view that the provision of the Business Case is a matter for the Sanctioning Authority as exemplified in the files chosen for review. Notwithstanding that, the Council propose undertaking a full de-brief of these findings in order to put measures in place to ensure ongoing compliance as recommended.</p>
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Responsible Person	Timeframe for Action
Head of Finance	Quarter 3 2021

## 2 | Procurement Procedures

<p><b>Findings</b></p>	<p>Internal Audit performed detailed compliance tests against public procurement guidelines on a sample of thirty-four (34) procurement performed by LCC across seven (7) projects.</p> <p>Results of our tests reported the following gaps: -</p> <ol style="list-style-type: none"> <li>Tender scoresheets (MEAT analysis) for two (2) Tender awards were not on file. Management explained that these were mini competitions ran on a framework of suppliers who had passed pre-qualifications. As such, the panel can base their award decision solely on one criteria, cost. However, the Request for Tender presented to Internal Audit did not indicate that these Tenders were mini competitions. In addition, score sheets on costs were not maintained.</li> <li>A contract expired with a supplier in 2019. LCC continued their engagement with the supplier in 2020. There was no evidence of contract extension on file.</li> <li>No evidence to support approval prior to the award of a contract to a preferred supplier. Our tests reported one (1) exception. LCC's internal policies provides that approval should be obtained from a Senior Executive Officer or a Senior Engineer.</li> </ol>
<p><b>Risk</b></p>	<ul style="list-style-type: none"> <li>Risk of non-compliance to public procurement guidelines.</li> <li>Risk that terms and conditions of a contract may not have been properly communicated and agreed with the service provider, in the absence of a signed renewal of contract on file.</li> <li>Risk of unauthorised changes on tender response received.</li> <li>Risk of reputational damage due to a lack of reliable and complete audit trail in the event of a tender competition challenge / dispute.</li> </ul>
<p><b>Recommendation</b></p>	<p>Audit recommends the following:</p> <ol style="list-style-type: none"> <li>Request for Tender documents must clearly indicate if a Tender is an Open Tender, Mini Competition or Restricted Tender.</li> <li>For mini competitions where Tender submissions are evaluated based solely on cost, a scoresheet on costs must be prepared and signed by all evaluation panel members and retained on procurement files.</li> <li>All contracts, including any extensions / renewals, must be signed and retained on file prior to the delivery of goods / services.</li> <li>Evidence of approvals from appropriate level of Management should be sought prior to contract award. This must be retained on file.</li> </ol>
<p><b>Classification</b></p>	<p><b>Low</b></p>

<b>Management Comments</b>	County Council are of the view that there is general compliance in this area but not withstanding that, all recommendations are accepted, and the Procurement Officer will be directed to prepare template documents that will address, recommendations, a-d above.
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Responsible Person	Timeframe for Action
Procurement Officer	Quarter Two 2021

### 3 | Conflict of Interest Declaration

<b>Findings</b>	<p>Public Procurement Guidelines 2019 states that contracting authorities should carry out conflict checks throughout the procurement process, to include :-</p> <ol style="list-style-type: none"> <li>a. Conflict checks at the Selection Stage,</li> <li>b. Conflict checks when the identities of the candidates become known, and</li> <li>c. Conflict checks at the tender Evaluation Stage.</li> </ol> <p>separate to and different from the statutory obligation to furnish an Annual Statement of Interests by public officials who occupy “designated positions” for the purposes of the Ethics in Public Office Acts 1995 and 2001.</p> <p>Audit noted that for all seven (7) projects reviewed, there were no evidence to support the consideration of conflict from personnel involved in the procurement evaluation process.</p> <p>tion, confidentiality agreements were also not sought or maintained on file.</p>
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<b>Risk</b>	<ul style="list-style-type: none"> <li>• Risk of bias that may prejudice a procurement process.</li> <li>• Risk of reputational damage in the event of a tender competition challenge / dispute.</li> <li>• Risk of non-compliance with Public Procurement Guidelines.</li> </ul>
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<b>Recommendation</b>	<p>Audit recommends that LCC should ensure that all participants in every tender evaluation must be required to declare any conflict of interest before they can be considered for the evaluation panel and be given access to tender documentation.</p> <p>tions by all members of the evaluation panel, whether conflict exist or not, should be properly documented and filed.</p>
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<b>Classification</b>	<b>Medium</b>
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<b>Management Comments</b>	<p>urement Officer will be tasked with reviewing policies and procedures and updating templates and processes. The Procurement Officer will then communicate these matters to all sections and will carry out quarterly audits for compliance and report back to Management team</p>
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Responsible Person	Timeframe for Action
Head of Finance	Quarter 3 2021

## 4 | Monitoring and Reporting

<p><b>Findings</b></p>	<p>Public Spending Code requires all projects to be monitored on an on-going basis to ensure that they are being completed to the required cost, quality and time profiles. The monitoring and reporting of the projects should cover costs, delivery programme, benefits and all other relevant metrics.</p> <p>Audit tested seven (7) projects and noted the following gaps:</p> <ol style="list-style-type: none"> <li>There were no key performance indicators (KPI) set for the evaluation of the project during its life cycle for four (4) of the seven (7) projects tested. All four (4) exceptions noted are capital projects.</li> <li>There were no financial reports prepared to monitor cost variance analysis (budget vs actual costs) for one (1) capital project of the seven (7) projects tested.</li> <li>There was no evidence to suggest that regular progress report has been provided to the Sanctioning Authority for one (1) capital project of the seven (7) projects tested.</li> <li>Out of the seven (7) projects tested, one (1) was completed at the time of our review. Internal Audit tested procedures applied on post project and observed that Post Project Review was conducted <b>after</b> the completion of the project.</li> </ol>
<p><b>Risk</b></p>	<ul style="list-style-type: none"> <li>• Risk of non-compliance with Public Spending Code</li> <li>• Risk of ineffective project monitoring due to absence of relevant data and reports.</li> <li>• Risk of ineffective post project review due to incomplete analysis.</li> <li>• Risk that Value for Money may not be achieved.</li> </ul>
<p><b>Recommendation</b></p>	<p>Internal Audit recommends that:</p> <ol style="list-style-type: none"> <li>KPIs for each project are set at planning stage. Achievement of KPIs should be regularly reviewed at all stages of a project life cycle.</li> <li>Regular progress reviews are performed to ensure that the project quality and cost are monitored. Any significant variance should be immediately investigated and followed-up.</li> <li>LCC should ensure that post project review is performed in accordance with Public Spending Code requirements. The Public Spending Code requires Project Completion Report to be prepared when the project is at near its completion and not after. The review should also include the following analysis: <ul style="list-style-type: none"> <li>• Basis on which the project was undertaken proved to be correct;</li> <li>• Business case and management procedures were satisfactory;</li> <li>• Operational performance and initial benefits have been realised; and</li> <li>• Conclusions that can be drawn which are applicable to other projects, to the ongoing use of the asset, or to associated projects.</li> </ul> </li> </ol>


<b>Classification</b>	<b>Medium</b>
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<b>Management Comments</b>	<p>Recommendations are accepted for Capital expenditure and a debrief will be held with all Seniors in the organisation with a view to putting an enhanced process for all project monitoring and financial reporting, where relevant.</p> <p>Revenue expenditure it is not accepted that Business case and Post project evaluation is required under the PSC for the thresholds of 25k and 50k as stated by the auditor. The Procurement Officer will be tasked with reviewing best practice within the Local Authority sector for Revenue expenditure and appropriate thresholds for compliance with the PSC. The policies and procedures will be reviewed to reflect the findings. This may already be addressed within the provisions of the Service Delivery Plan adopted each year for Revenue Projects.</p> <p>Procurement Officer will then communicate these matters to all sections and will carry out quarterly audits for compliance and report back to Management team</p>
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<b>Responsible Person</b>	<b>Timeframe for Action</b>
Head of Finance	Quarter 4 2021

## 5 | Procurement Policies and Procedures

<b>Findings</b>	<p>County Council has developed a draft Procurement Policies and Procedures which was presented to the Senior Management in Q4 of 2020 for their consideration.</p> <p>Audit benchmarked LCC’s procurement policies and procedures drafted against public procurement guidelines and performed a high-level review of the policies and procedures for completeness and segregation of duties.</p> <p>of our tests observed the following:</p> <ol style="list-style-type: none"> <li>a. The policy does not provide clear guidelines as to how LCC will comply with the requirement of Public Spending Code: A Guide to Evaluating, Planning and Managing Public Investment.</li> </ol> <p>Guidance issued by the 2019 Public Spending Code (published December 2019) which provides a detailed tasks list for each Project Lifecycle and the required output/reports at each phase have not been include in LCC’s procurement policies and procedures.</p> <ol style="list-style-type: none"> <li>b. Appendix 7 of the policy does not detail the supporting documentation required for a Project Lifecycle.</li> <li>c. The policy refers to the superseded procurement thresholds of 2018. These thresholds were updated in 2021.</li> </ol>
<b>Risk</b>	<ul style="list-style-type: none"> <li>• Risk of reputational damage due to non-compliance with Public Spending Code and OGP Guidelines.</li> <li>• Risk that adopted policies and procedures do not reflect current practices which may result to inconsistencies on the procedures applied for project management.</li> <li>• Risk of reduced accountability.</li> </ul>
<b>Recommendation</b>	<p>Internal Audit recommends that Management should:</p> <ol style="list-style-type: none"> <li>a. Update procurement policies and procedures to address the gaps identified.</li> <li>b. Obtain approval from senior management on the updates and changes to the procurement policies and procedures.</li> <li>c. Circulate approved procurement policies and procedures to all relevant staff for noting and compliance. Ensure that the policies and procedures are accessible and understood by all relevant staff. Provide training as required.</li> <li>d. Ensure that the documented manual is reviewed periodically for continued relevance, accuracy, completeness and appropriateness.</li> </ol>
<b>Classification</b>	<b>Low</b>
<b>Management Comments</b>	<p>Recommendations are accepted, and updated procedures and policies are already</p>

 completed and awaiting approval at Senior Management Team.

Responsible Person	Timeframe for Action
Head of Finance	Quarter 2 2021

## 7. Follow-Up

Internal Audit performed follow-up review of the status of audit recommendations from the 2018 and 2019 Public Spending Code Reviews.

Below is a summary of the progress made by the management in the implementation of the audit recommendations.

Audit Report	Implemented	Partially Implemented	Work in Progress	Not Implemented	Total
Quality Assurance Review of Public Spending Code 2018	0	0	0	1	1
Review of Compliance with the Public Spending Code 2019	0	3	1	3	7
<b>Total</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>8</b>

**A total of 8 previously agreed recommendations remained open at the time of the 2020 review. We urge that management commits to undertake a firm action plan to address issues identified.**

### A. Partially Implemented Recommendations

The table below details previously agreed recommendations that were partially implemented at the time of the 2020 review.

No.	Report Ref	Previous Recommendation	Priority Rating	Management Progress as of May 2021
1	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that:</p> <ol style="list-style-type: none"> <li>A business case outlining an analysis of LCC's needs should be prepared for all contracts exceeding €25,000 (ex. VAT) in value. The business case should include the following categories:               <ol style="list-style-type: none"> <li>Objectives</li> <li>Scope</li> <li>Feasibility</li> <li>Options Appraisal – Economic, Financial, Risk Analysis</li> </ol> </li> </ol>	Medium	<p><b>Partially Implemented</b></p> <p>Compliance with the requirement to develop a business case for all contracts exceeding €25,000 (ex. VAT) in value, remains sporadic across the Local Authority.</p> <p>Results from tests carried out in the 2020</p>

No.	Report Ref	Previous Recommendation	Priority Rating	Management Progress as of May 2021
		<ul style="list-style-type: none"> <li>• Define the objective that BIM wants to achieve</li> <li>• Explore options taking account of constraints</li> <li>• Quantify the costs of viable options and specify sources of funding</li> <li>• Analysis on the main options</li> <li>• Identify the risks associated with each viable option</li> <li>• Decide on the preferred option</li> </ul> <p>e) Planning and Design Issues f) Evaluation Plan g) Recommendation</p>		<p>review confirmed same.</p> <p>Please refer to <b>Section 6</b> for results from 2020's review.</p>
2	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that the Council:</p> <ul style="list-style-type: none"> <li>• Review results of the self-assessments conducted and develop an action plan to address weaknesses identified.</li> <li>• Ensure that the self-assessment checklists are complete prior to making an assessment.</li> </ul>	Medium	<p><b>Partially Implemented</b></p> <p>Management has completed the 2020 PSC self-assessment checklists however, there was no evidence that an action plan to address weaknesses identified has been developed.</p>
3	Review of Compliance with the Public Spending Code 2019	<p>For all contracts exceeding €25,000 (ex. VAT) in value, Internal Audit recommends that a post project completion review should be undertaken and documented.</p> <p>The review should report on:</p> <ul style="list-style-type: none"> <li>• A review of final costings, delivery deadlines and achievement of original objectives outlined in the business case</li> <li>• Approach to 'lessons learnt' from projects (positive and negative) to ensure projects / consultants can be managed more effectively and efficiently</li> <li>• Confirmation that internal knowledge gaps have been filled by the consultants and that knowledge transfer methodology has been</li> </ul>	Medium	<p><b>Partially Implemented</b></p> <p>There remain gaps identified on the completeness of post project reviews.</p> <p>Results from tests carried out in the 2020 review confirmed same.</p> <p>Please refer to <b>Section 6</b> for detailed findings.</p>

No.	Report Ref	Previous Recommendation	Priority Rating	Management Progress as of May 2021
		<p>successfully applied</p> <ul style="list-style-type: none"> <li>Feedback from end users on completed projects (if any).</li> </ul> <p>Dependent of the size of the project, reviews can be conducted at: -</p> <ul style="list-style-type: none"> <li>each project cycle;</li> <li>during the lifetime of the project; and/or</li> <li>following project completion.</li> </ul> <p>The end users should be involved in the overall assessment.</p> <p>Completed reviews should be submitted to the Procurement Office for noting.</p>		

## B. Work in Progress Recommendations

No.	Report Ref	Previous Recommendation	Priority Rating	Management Progress as of May 2021
1	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that the Council update the Procurement Policies and Procedures manual to include:</p> <ul style="list-style-type: none"> <li>Complete version control to track relevant information such as details of the policy approver, version number, effective date of the policy and next policy review date.</li> <li>Procedures to be undertaken if there is requirement to change/modify an agreed project plan.</li> </ul>	Low	<p><b>Work in Progress</b></p> <p>LCC has established and documented procurement policies and procedures.</p> <p>Results from tests carried out in the 2020 review identified further gaps for updates.</p> <p>Please refer to <b>Section 6</b> for detailed findings.</p>

### C. Recommendations not implemented

The table below details previously agreed recommendations that have not been actioned by management at the time of the 2020 review.

No.	Report Ref	Previous Recommendation	Priority Rating
1	Quality Assurance Review of Public Spending Code 2018	We recommend that the Council review those area of the self-assessment checklists where a score of “1” indicated a need for improvement and ensure positive corrective action is taken.	2
2	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that:</p> <ul style="list-style-type: none"> <li>All participants in every tender evaluation should be required to declare if a conflict of interest exists before they are given access to the tender documents.</li> </ul> <p>Declarations by all members of the evaluation panel, whether conflict exist or not, should be properly documented and filed. The same requirement should apply to the third-party contractor engaged to conduct tenders’ evaluation for the LCC.</p> <ul style="list-style-type: none"> <li>The third-party contractor engaged to conduct tendering procedures on behalf of the LCC should be required to sign a Confidentiality Agreement for every tender run. A signed copy should be retained on file.</li> </ul>	Medium
3	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that LCC develop and publish a Corporate Procurement Plan that supports the delivery of their Strategy.</p> <p>The Corporate Procurement Plan should detail essential elements such as procurement objectives, procurement role, measurement of results, governance and approval.</p> <p>The Corporate Procurement Plan should also identify risks associated with procurement and the relevant mitigating actions put in place by LCC.</p> <p>Once approved and adopted, the Corporate Procurement Plan should be published on LCC’s website.</p>	Medium
4	Review of Compliance with the Public Spending Code 2019	Internal Audit recommends that the Council should provide training on the Public Spending Code to all relevant staff involved in the procurement, delivery of projects and contract management.	Low

## **8. Acknowledgements and Limitations**

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We would like to thank all personnel at Louth County Council who assisted us during our audit.

We take responsibility for this report, which is prepared on the basis of the limitations set out below.

Our review has been completed in accordance with the work plan presented and approved by the Audit and Risk Committee. The scope and objectives of the review are set out in Section 2 of this report. The issues raised in this report are those that came to our attention during our review and are not necessarily a comprehensive statement of all weaknesses that exist, or all improvements that might be made. Recommendations for improvement should be assessed by management for their full commercial implications before they are implemented.

This report is intended solely for the information and use of Louth County Council only and is not intended to be and should not be used by anyone other than Louth County Council. We accept no duty of care and deny all liability to any third party that places reliance on this report.

As this audit is based on an independent limited testing of controls, it should not be relied upon to identify all improvements in controls which a more exhaustive review might develop.

## **Appendices**

## Appendix 1: In-Depth Check – Quality Assurance

### A. Wadman Park Scheme

#### Section A: Introduction

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

Programme or Project Information	
<b>Name</b>	Housing Capital Project Wadman Park - Turnkey Acquisition
<b>Detail</b>	Turnkey Acquisition of Residential development at Wadman Park, Dundalk, Co. Louth
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Completed
<b>Start Date</b>	January 2018
<b>End Date</b>	December 2020
<b>Overall Cost</b>	€17,417,040

#### Project Description

The scheme relates to the Rebuilding Ireland Action Plan for Housing & Homelessness - National Plan for the delivery social housing. This project aims to acquire residential housing units for the social housing tenants via turnkey acquisition. The proposal submitted by LCC to the Department of Housing, Planning and Local Government is for a complete residential development of 62 units.

The proposed development was named as "Wadman Park" and is located at Haynestown, Dundalk, Co. Louth.

**Section B: Evaluation**
**Step 1: Logical Model Mapping**

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the Wadman Park Scheme. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objective	Input	Activities	Outputs	Outcomes
<p>The objective of the Wadman Park Scheme is to provide 62 number new housing units for social housing tenants via the Turnkey acquisition.</p> <p>The scheme is comprised of 45 units of 3 bedroomed house and 17 units of 4 bedroomed house at Wadman Park, Haynestown, Dundalk, Co. Louth</p>	<p>The primary input to the programme was the capital funding of €17,417,040.00 provided for by the Department of Housing, Planning and Local Government.</p>	<p>The following activities were undertaken for the project:</p> <ul style="list-style-type: none"> <li>• Advertisement of the expression of interest and evaluation of turnkey proposals received for the Wadman Park, Haynestown, Dundalk, Co. Louth.</li> <li>• Discussions and negotiations between LCC and Developers</li> <li>• Submission of the capital appraisal - turnkey proposal to DHPLG</li> <li>• Building surveyor inspections</li> <li>• Acquisition of the 62 number houses</li> <li>• Performance of the post project review</li> </ul>	<p>Acquisition of 62 housing units at Wadman Park, Haynestown, Dundalk, Co. Louth for social housing tenants.</p>	<p>To accelerate the provision of social housing units to the social housing tenants under the Rebuilding Ireland Action Plan for Housing &amp; Homelessness - National Plan.</p>

**Description of Programme Logic Model**

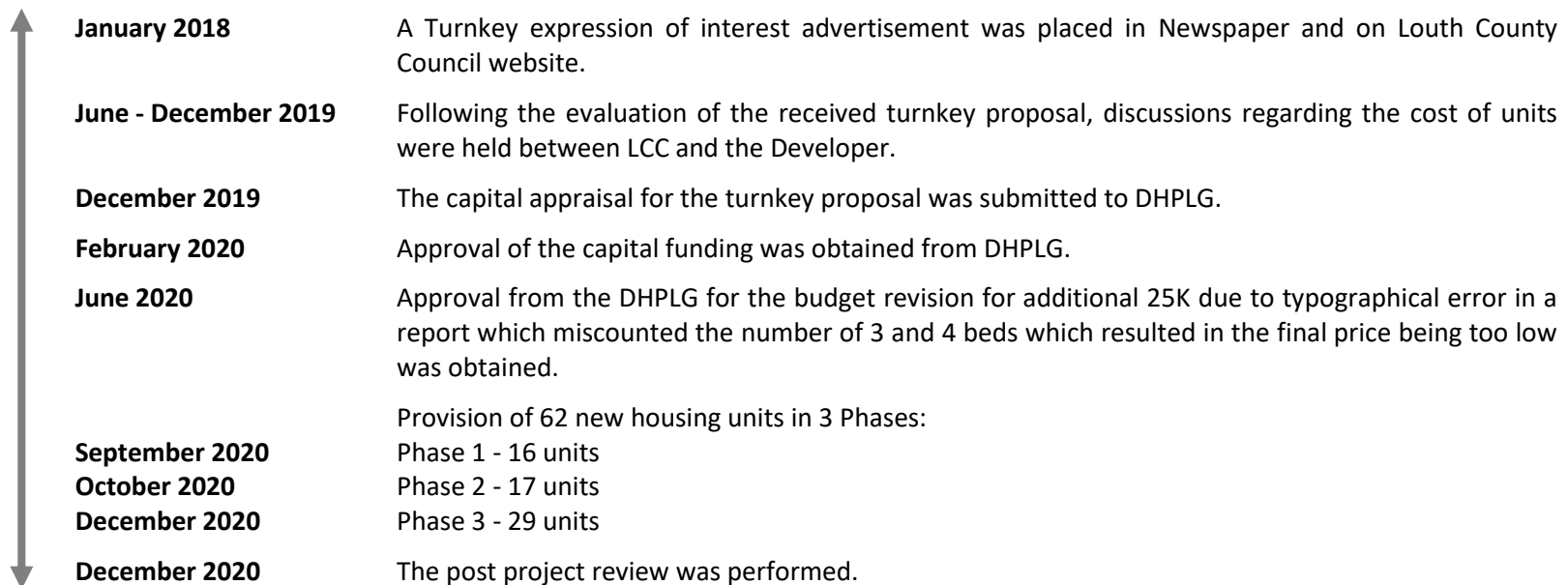
- *Objective:* The objective of the scheme is to acquire 62 new housing units with a mix of 3 and 4 bedrooms for the social housing tenants.
- *Input:* The primary input to the programme was the capital funding of €17,417,040.00 which was provided for by the Department of Housing, Planning and Local Government.
- *Activities:* There were a number of key activities carried out through the scheme including the advertisement of a turnkey expression of interest

and subsequent evaluation of the received proposals, discussions and negotiations with the developer for the unit cost, submission of the business case to the DHPLG for approval, inspection survey of the housing units before the execution of turnover, and performance of the post project review.

- *Outputs:* The output of the scheme is the acquisition of the 62 housing units via the turnkey acquisition.
- *Outcomes:* The envisaged outcome of the scheme was to accelerate the provision of social housing to the social housing tenants to address the needs of homeless people and families under the Rebuilding Ireland Action Plan for Housing & Homelessness - National Plan.

### Step 2: Summary Timeline of Project/Programme

The following section tracks the Wadman Park Scheme from inception to conclusion in terms of major project/programme milestones



**Step 3: Analysis of Key Documents**

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

Project/Programme Key Documents	
Title	Evidence of compliance
DHPLG Circular 31/2019 - Social Housing Capital Investment	Evidence of arrangements for the Provision by Local Authorities of Social Housing through Turnkey Projects.
Cost Report on Turnkey Acquisition Costs	An Assessment Report from Murtagh Surveyors for building costs following negotiation with the Developer was provided.
Capital Appraisal Turnkey Proposal to DHPLG	A Business Plan has been developed by the Louth County Council and submitted to the DHPLG for approval. The proposal includes evidence of social housing need in the area, details of notice and evaluation of turnkey proposals received, plans and site layout, independent valuation, cost & VFM valuation, indicative programme delivery & phasing, and local authority recommendation.
Internal Memorandum - Re: Wadman Park, Haynestown, Dundalk	A memo issued by LCC's Senior Executive Engineer detailing the payment, outstanding balances and status update of each phase was provided.
Progress Review Reports	Progress reports and reviews for the following areas were provided: <ul style="list-style-type: none"> <li>• Housing Capital Projects Programme Meeting - reporting progress/updates</li> <li>• Housing Section Heads Meeting - reporting progress/updates</li> <li>• Chief Executive Monthly Management Reports - for Council</li> <li>• Quarterly LCC &amp; DHLGH Housing Delivery Meetings - review of Rebuilding Ireland Targets and reporting progress / updates of projects</li> <li>• Presentation by the LCC at Quarterly Meetings with DHLGH</li> </ul>
Snag List Reports	Reports on the result of inspections conducted by the building surveyor prior to turnover of housing units' keys and execution of the building agreement and payment were provided.
Post Project Review Report	Report on the result of post project review conducted after the completion of the scheme was provided.

- **Key Document 1: DHPLG Circular 31/2019 - Social Housing Capital Investment**

The Circular provides guidance on the provision of social housing via Turnkeys and the requirements in respect of a Capital Funding Application to the DHPLG which served as the strategic assessment for the scheme.

- **Key Document 2: Cost Report on Turnkey Acquisition Costs**

The Cost Reports provide details of discussions and negotiations with the Developer. It also includes necessary details for the evaluation of the unit cost.

- **Key Document 3: Capital Appraisal Turnkey Proposal to DHPLG**

The Business Case submitted to the DHPLG did not include KPIs that will be used as performance measure for the project at its completion stage.

- **Key Document 4: Internal Memorandum - Re: Wadman Park, Haynestown, Dundalk**

The Memo circulated for each Phase of the project provides clear summary of the project status, details of payments made and outstanding balances.

- **Key Document 5: Progress Review Reports**

Progress reports reviewed includes clear updates and status of the project

- **Key Document 6: Snag List Reports**

The Snag List Report for each project phase include itemised works to be addressed / completed by the Developer. These reports were checked by the building surveyor prior to turnover of the housing units.

- **Key Document 7: Post Project Review Report**

The Post Project Review Report included the summary of the project, performance measures (i.e. Quality, Programme, Budget, Contract Management, Health & Safety, Communications), issues occurred, and governance & reporting requirements for the project. However, gaps were noted on the performed review. Refer to Section 7 for the detailed findings.

**Step 4: Data Audit**

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

Data Required	Use	Availability
Cost Report	To verify the consideration of value for money on the proposed cost per house unit	Available on Project File
Survey reports	To evaluate the assessment performed for the checking of the building quality	Available on Project File
Progress Reports	To monitor and assess programme delivery and contracts management	Available on Project File
Financial Reports	To analyse and monitor project budget	Available on Project File

**Data Availability and Proposed Next Steps**

All data appropriate to the stage of the project are available on file.

**Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for Wadman Park Scheme 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

All data appropriate to the current stage of this project is available on file.

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

Based on the substantive testing and walkthroughs performed for Wadman Park Scheme, Internal Audit identified the following gaps:

- a) There was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation

process.

b) Absence of KPIs set at the initial stage of the project which should be used for evaluation at the completion stage.

c) Post Project Review was conducted after the completion of the project.

The recommendations for these findings are discussed in detail on **Section 7** of this report.

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the Wadman Park Scheme.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the Wadman Park Scheme.

**B. N53 HBX to Rassan****Section A: Introduction**

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

Programme or Project Information	
<b>Name</b>	N53 HBX to Rassan
<b>Detail</b>	Planning, design, and realignment of approximately 3.0 km of the N53 national secondary road
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	2018
<b>End Date</b>	On-going
<b>Overall Cost</b>	€12,000,000

**Project Description**

The project aims to deliver a new single carriageway road to realign N53 national secondary road between the townlands of Hackballscross and Rassan in Co. Louth. The proposed section will link the most recently completed section at Hackballscross (2015) to a previously improved section at Rassan (1980s). This section of the N53 is identified each year as having an accident rate over twice the national average by TII.

## Section B: Evaluation

## Step 1: Logical Model Mapping

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the N53 HBX to Rassin. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objective	Input	Activities	Outputs	Outcomes
The objective of the programme is to re-aligned the N53 national secondary road between the townlands of Hackballscross and Rassin in Co. Louth.	The primary input to the programme was the capital funding of €12m from the Transport Infrastructure Ireland (TII).	<ul style="list-style-type: none"> <li>• Competition and awarding of Tenders to consultants and contractors to carry out the various works of the project.</li> <li>• Performance of various surveys and assessments for the route options and preferred route for the project.</li> </ul>	A new single carriageway road in the N53 national secondary road.	<ul style="list-style-type: none"> <li>• Minimise the severity of accidents through the route consistency between Dundalk and Castleblaney.</li> <li>• Remove traffic conflict and collisions through the provision of a junction strategy that separate local traffic movements from higher speed strategic traffic.</li> <li>• Reduce the number of direct accesses on the route, when compared with the existing N53.</li> </ul>

## Description of Programme Logic Model

- **Objective:** The objective of the programme is to provide a single carriageway road thru the realignment of the N53 national secondary road between the townlands of Hackballscross and Rassin in Co. Louth.
- **Input:** The primary input for this project is the budget allocation amounting to €12m.
- **Activities:** To date, various tender competitions have been performed for the appointment of consultants and contractors for the project. Also, several surveys and assessments were conducted for the project appraisal.
- **Outputs:** The output of the project is a new single carriageway road in the N53 national secondary road.
- **Outcomes:** The envisage outcome of the programme is to reduce the accident rate in this section of the N53 route by providing a new single road.

**Step 2: Summary Timeline of Project/Programme**

The following section tracks the N53 HBX to Rassan from inception to conclusion in terms of major project/programme milestones:

↑	November 2018	Topographical Proof Survey was conducted by Murphy Surveys.
	January 2019	Idaso Ltd. designed and implemented a series of discrete consecutive detailed temporary traffic management scheme for the works which includes the installation of traffic counters.
	February 2019	Appointment of WS Atkins as the Engineering consultants for the project to provide environmental assessment of route options and the preferred route including Project Appraisal and expert witness services at Oral Hearing for TII Phase 2-4.
	June 2020	Geophysical Survey was conducted by Earthsound Ltd.
↓	September 2020	Appointment of IGSL Ltd. For the ground investigation works of the project.

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the N53 HBX to Rassan.

Project/Programme Key Documents	
Title	Details
Business Case	<i>Not available for Review</i>
Progress Review Reports	Minutes of the meetings and Progress Report provided to TII

- **Key Document 1: Business Case**

The business case for the project was not available for review. *Refer to Section 7 for the detailed findings.*

- **Key Document 2: Progress Review Reports**

Since the project is under TII’s Project Management Guidelines, progress reviews are performed thru several meetings such as Management Advisory Committee Meeting, Steering Meetings, and Westmeath County Council – National Roads Office Co-Ordination Meetings. These meetings were attended by LCC, TII, and WNRO representatives. In addition, progress of the project with the related registers are documented.

**Step 4: Data Audit**

The following section details the data audit that was carried out for the N53 HBX to Rassan. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Key performance indicators or metrics	To evaluate and assess that project objectives are met	Not Available

**Data Availability and Proposed Next Steps**

There are no key performance indicators established at the start of the project which can be used for future evaluation of the scheme. LCC should immediately develop KPI metrics and use it to monitor and evaluate the progress of the project up to its completion.

**Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for N53 HBX to Rassan 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

No. Full evaluation will not be possible without an established KPI.

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

Based on the substantive testing and walkthroughs performed for N53 HBX to Rassan, Internal audit identified the following gaps:

- There was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.
- There was no business case maintained on file.
- There was no KPI developed as part of the planning stage of the project.

The recommendations for these findings are discussed in detail on **Section 7** of this report

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the N53 HBX to Rasan.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the N53 HBX to Rasan.

## C. HD17 Park & Share

### Section A: Introduction

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

Programme or Project Information	
<b>Name</b>	M1 Louth, Park and Share Pilot Scheme
<b>Detail</b>	Development of a Park and Ride & Park and Share facility adjacent to M1 junction 16
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	February 2018
<b>End Date</b>	September 2021
<b>Overall Cost</b>	€1,800,000

### Project Description

This project aims to develop a combined facility which will allow for Park and Ride & Park and Share adjacent to M1 junction 16.

## Section B: Evaluation

## Step 1: Logical Model Mapping

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the HD17 Park & Share. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objective	Input	Activities	Outputs	Outcomes
The objective of the M1 Louth, Park and Share Pilot Scheme is to improve road safety by providing an off-road 'park & share' facility to cater for the existing parking demand near Junction on the M1.	The primary input to the programme was the capital funding of €1.8m from the Transport Infrastructure Ireland (TII).	The following activities were undertaken for the project: <ul style="list-style-type: none"> <li>• Submission of the feasibility report to the National Transport Authority for approval</li> <li>• Assessment of the preliminary design of the facility</li> <li>• Competition for Tenders to contractors to carry out topographical surveys and site investigations</li> <li>• Land acquisition for the site of the facility</li> </ul>	A Park and Ride & Park and Share facility adjacent to M1 junction 16	<ul style="list-style-type: none"> <li>• Reduce road and parking accidents in the M1 Junction.</li> <li>• Provide an off-road facility for commuters sharing lifts to Dublin.</li> </ul>

## Description of Programme Logic Model

- *Objective:* The objective of the scheme is to develop a dedicated facility adjacent to M1 junction 16 to ensure adequate parking capacity and provide a safe pick-up and drop-off area for those who are sharing lifts to Dublin.
- *Input:* The primary input for this project is the budget allocation amounting to €1.8m.
- *Activities:* At the time of this review, the preliminary works for the approval of the funding and acquisition of site for the facility has been completed.
- *Outputs:* The output of the scheme is the developed Park and Ride & Park and Share facility adjacent to M1 junction 16.
- *Outcomes:* The envisage outcome of the programme is to reduce road and parking accidents by providing an off-road facility to the commuters

along the M1 Junction.

**Step 2: Summary Timeline of Project/Programme**

The following section tracks the HD17 Park & Share from inception to conclusion in terms of major project/programme milestones



- February 2018** Letter submission to National Transport Authority of the feasibility report for the proposal of the Scheme
- March 2019** Appointment of Project Consultant - PMCE
- October 2019** HD17 Park and Share Pilot at M1 Junction 16 (Dundalk South) Preliminary Design Report was submitted by PMCE.
- April 2019** Topographical Survey for the Park and Share Pilot at M1 Junction 16 was conducted by Apex Surveys Ltd.
- December 2019** Site Investigation Tender- P&S at M1 Junction to carry out slit trenching, trail pitting and dynamic probing in the land adjacent to and along the hard shoulder of the R215 adjacent to M1 Junction 16.
- January 2021** Site Acquisition - Transfer of land from Gerard & Cheryl Mulholland to LCC.
- February 2021** Appointment of Project Supervisor - ACS Civils Ltd.

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the HD17 Park & Share.

Project/Programme Key Documents	
Title	Details
M1 Louth, Park and Share Pilot Scheme Feasibility Report	Report on the survey conducted with those who car-pool and recommendation for the development of a dedicated park and share and possibly park and ride facility.
HD17 Park and Share Pilot at M1 Junction 16 (Dundalk South) Preliminary Design Report	Preliminary Design Report which includes option analysis to achieve the objectives of the Scheme, preferred design option, project constraints, and cost estimates.
Final Business Case	<i>Not available for review</i>
Progress Review Reports	<i>No documented progress reports</i>

- **Key Document 1: M1 Louth, Park and Share Pilot Scheme Feasibility Report**

The feasibility report documented the various surveys performed, recommendation, and cost estimates for the proposed scheme.

- **Key Document 2: HD17 Park and Share Pilot at M1 Junction 16 (Dundalk South) Preliminary Design Report**

The preliminary design report provided by PMCE is based on the feasibility study conducted for the scheme. This clearly presented the options for the development of the facility and identifies the recommended design. Other factors or risks that may affect the project were also identified and related proposals were provided.

- **Key Document 3: Final Business Case**

Final business case for the project was not available for review.

- **Key Document 4: Progress Review Reports**

LCC did not provide regular progress report to TII. Any change order notifications are made via emails or phone calls with TII, whenever it arise.

**Step 4: Data Audit**

The following section details the data audit that was carried out for the HD17 Park & Share. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Key performance indicators or metrics	To evaluate and assess that project objectives are met	Not Available

**Data Availability and Proposed Next Steps**

There are no key performance indicators established at the start of the project which can be used for future evaluation of the scheme. LCC should immediately develop KPI metrics and use it to monitor and evaluate the progress of the project up to its completion.

**Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for HD17 Park & Share 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

No. Full evaluation will not be possible without an established KPI.

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

Based on the substantive testing and walkthroughs performed for HD17 Park & Share, Internal audit identified the following gaps:

- There was no KPI developed as part of the planning stage of the project.
- There was no final business case maintained on file.
- There were no financial reports and progress reports available for review.
- There was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.

The recommendations for these findings are discussed in detail on **Section 7** of this report

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the HD17 Park & Share.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the HD17 Park & Share.

## D. Ardee Educate Together

Section A: Introduction	
This introductory section details the headline information on the programme or project in question.	
Programme or Project Information	
<b>Name</b>	Ardee Educate Together
<b>Detail</b>	The provision for the construction of a single storey primary school building, Ardee Educate Together National School, (1923 sq.m. gross floor area); with associated external signage.
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	First Proposed in 2013
<b>End Date</b>	On-going
<b>Overall Cost</b>	€4.92 million
<b>Project Description</b>	
This project aims to deliver a single storey primary building. Budget for this project were approved by the Department of Education and Skills (DoES). LCC engaged a consulting agency for the development of the project design and quantifying surveyor for the detailed cost plan. Considering the site location, various surveys were also performed to assess the site area.	

**Section B: Evaluation**

**Step 1: Logical Model Mapping**

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the Ardee Educate Together. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.


Objective	Input	Activities	Outputs	Outcomes
<p>The development will consist a construction of New Build 8 class Primary School with 2 class Special Educational Needs Suite and associated site works to include hard and soft play areas, SEN garden, car parking and soft landscaping</p>	<p>The primary input for this project is the capital budget approved by Department of Education and Skills amounting to €4,919,640.</p>	<p>The following activities were performed through-out the lifetime of the projects:</p> <ul style="list-style-type: none"> <li>• Feasibility study was performed by Department of Education and Skills.</li> <li>• Project brief was developed. This is followed by request for tender for the appointment of Lead Design Team and Quantifying Surveyor.</li> <li>• Various surveys were conducted to assess the site area.</li> <li>• Another archaeological survey was performed as a follow-up for the Archaeological Survey done in 2015.</li> <li>• Another tender was performed for the advance works to divert ESB and GNI infrastructure.</li> <li>• Request for Tender is made for the Main Contractor.</li> </ul>	<p>Construction of a single storey primary school building with associated external signage.</p>	<p>The envisage outcome of this project is to provide fit for purpose school in line with the emerging educational needs of young individuals of Ardee.</p>

### **Description of Programme Logic Model**

- *Objective:* The objective of this project is the construction of a single storey primary building.
- *Input:* The primary input for this project is the basic building cost with the maximum cost of €1,050 per m2.
- *Activities:* To date the activities performed are as follows:
  - Competitions for the Lead Design Team and Quantifying Surveyor
  - Performance of various surveys for site area assessment
  - Competition for the contractors of advance works
  - Competition for the main contractor
- *Outputs:* The output of the project is the completion of the construction of primary school.
- *Outcomes:* The envisage outcome of the project is to provide fit for purpose school to meet the educational needs of young individuals.

**Step 2: Summary Timeline of Project/Programme**

The following section tracks the Ardee Educate Together from inception to conclusion in terms of major project/programme milestones



<b>2013</b>	DES and LCC sign Service Level Agreement
<b>October 2014</b>	Request for Tender was published in E-tender for Lead Design Team
<b>December 2014</b>	Request for Tender was published in E-tender for Quantifying Surveyor
<b>January 2015</b>	Contract was awarded for the winning tenderer of the Lead Design Team. A meeting was held between the Lead Design Team and LCC to present the proposal for future development on the proposed site at the Town Hall of Louth County Council. The meeting was followed by a proposed site visit.
<b>February 2015</b>	Contracts were awarded for surveyors to perform various surveys such as Appropriate Assessment Screening, Topographical Survey, Archaeological Survey, GPR Survey, and Site Inspection Survey.
<b>March 2015</b>	Reports were received for Appropriate Assessment Screening, Topographical Survey, Archaeological Survey
<b>May 2015</b>	Reports were received for GPR and Site Inspection Survey
<b>June 2017</b>	Based in the initial Archaeological Survey, an additional survey will be required to assess the impact of the proposed development on archaeological remain. Request for tender were published.
<b>December 2017</b>	Contracts were awarded for another Archaeological Survey
<b>2018</b>	Geophysical (Archaeological) Report was submitted to LCC
<b>March 2019</b>	Preliminary Design was completed.
<b>December 2019</b>	Request for Tender were made for advance works for ESB & Bord Gáis.
<b>March 2020</b>	Contract was awarded for the winning tenderer for advanced works.
<b>June 2020</b>	Approval to go tender for Main Contractor was received from Department of Education. Request for Tender was published in e-Tenders and OJEU.

**December 2020** Expressions of interest have now been reviewed and a shortlist of contractors has been finalised. This shortlist is being sent to the Department for approval. Advanced works for ESB & Bord Gais was completed.

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Ardee Educate Together:

Project/Programme Key Documents	
Title	Details
Project Brief	This report provides brief description of the project, requirement to progress in the project (i.e. tendering of lead design team and quantifying surveyor) and initial budget.
Preliminary Business Case	<i>LCC failed to provide a copy of business case for the project.</i>
Monthly Management Reports	The report provides the current status of the project, design team and details whether the project were in line with the schedule.
Archaeological Impact Assessment	This report has been carried out to assess the impact of the proposed development on archaeological remain which may be present and to resent a proposal for the mitigation of possible impact. Based on the report it is suggested that following should be made: Geophysical survey, Test trenching of geophysical anomalies and representative testing, and Full written, photographic and measured survey of stone culvert.
Site Investigation	A ground investigation was undertaken to provide geotechnical information for input to design and construction of proposed school. This work includes boreholes, trial pits, soil sampling, in-situ and laboratory testing.
Geophysical Survey	This report has been carried out to assess the archaeological features present with the current proposed development. A pre-survey examination of aerial photographs and cartographic evidence shows no change in field boundaries since at least the middle of the nineteenth century.

- **Key Document 1: Project Brief**

Project Brief provides a general overview of the project as a starting point to progress in the project.

- **Key Document 2: Preliminary Business Case**

LCC failed to provide a copy of business case for the project.

- **Key Document 3: Monthly Management Reports**

Progress Report provides an overview of the current status as well as rationale in case of delays.

- **Key Document 4: Archaeological Impact Assessment**

Report recommended a 2nd archaeological assessment.

- **Key Document 5: Site Investigation**

The report provides recommendation for the construction.

- **Key Document 6: Geophysical Survey**

This report complied all the requirement of the initial archaeological assessment and considered the suggested next steps.

**Step 4: Data Audit**

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

Data Required	Use	Availability
Key performance indicators or metrics	To evaluate and assess that project objectives are met	Not Available

**Data Availability and Proposed Next Steps**

There are no key performance indicators established at the start of the project which can be used for future evaluation of the scheme. LCC should immediately develop KPI metrics and use it to monitor and evaluate the progress of the project up to its completion.

### **Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for Ardee Educate Together 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

No. Full evaluation will not be possible without an established KPI.

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

Based on the substantive testing and walkthroughs performed for Ardee Educate Together, Internal audit identified the following gaps:

- a. There was no KPI developed as part of the planning stage of the project.
- b. There was no final business case maintained on file.
- c. There was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.

The recommendations for these findings are discussed in detail on **Section 7** of this report.

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the Ardee Educate Together.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the Ardee Educate Together

## **E. A01 Maintenance & Improvement of LA Housing Units**

**Section A: Introduction**

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

<b>Programme or Project Information</b>	
<b>Name</b>	The A01 Maintenance & Improvement of LA Housing Units
<b>Detail</b>	Expenditure incurred under this project is related to reactive maintenance and improvement services provided by LCC to its existing social.
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	N/A
<b>End Date</b>	On-going
<b>Overall Cost</b>	€7.43 million

**Project Description**

Programmes under 01 Maintenance & Improvement of LA Housing Units provides a reactive maintenance and improvement services to an inventory of existing social housing held by Louth County Council.

**Section B: Evaluation****Step 1: Logical Model Mapping**

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the A01 Maintenance & Improvement. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.


Objective	Input	Activities	Outputs	Outcomes
The objective of the A01 Maintenance & Improvement of LA Housing Units, is providing reactive maintenance and improvement services to an inventory of existing social housing held by Louth County Council.	At the start of the year, LCC was allotted a budget allocation amounting to €7,427,569.	The main activities carried out in this project is the competition for tenders for tradespersons to carry out improvement and routine maintenance works to existing housing units on an ad-hoc basis as the need for maintenance and improvements to buildings may arise	Deliver high-quality repairs and maintenance service to Local Authority Housing.	<ul style="list-style-type: none"> <li>• Meet statutory obligations in relation to the maintenance of local authority housing</li> <li>• Maximise the physical life of each local authority housing</li> <li>• Secure the well-being of its tenant</li> </ul>

**Description of Programme Logic Model**

- *Objective:* The objective of the project is to provide reactive maintenance and improvement services to an inventory of existing social housing held by Louth County Council.
- *Input:* The primary input for this project is the budget allocation amounting to €7,427,569.
- *Activities:* Various competitions for the service provider on maintenance and improvement works.
- *Outputs:* The outputs of this project is delivery of repair and maintenance works to Local Authority Housing.
- *Outcomes:* The envisage outcome of the project is to ensure that social housing are maintained in high standard and secure the well-being of tenants.

**Step 2: Summary Timeline of Project/Programme**

The following section tracks the A01 Maintenance & Improvement from inception to conclusion in terms of major project/programme milestones

	<b>May 2017</b>	A request for tender was published in relation to the reactive repairs to Louth County Council social housing stock and routine maintenance to Louth County Council Municipal buildings.
	<b>September 2017</b>	Decision for the awarding of contract on reactive repairs was obtained
	<b>October 2017</b>	Contract is awarded to the winning tenderer for reactive repairs
	<b>February and March 2019</b>	A request for tender was made for reactive repairs in Dundalk
	<b>June 2019</b>	Decision for the awarding of contract on reactive repairs in Dundalk was obtained
	<b>August 2019</b>	Contract is awarded to the winning tenderer for reactive repairs in Dundalk
	<b>2020</b>	Another contract was awarded for long term voids services
<b>On-going</b>	The provision of services was performed and LCC Housing Department manage these provisions.	

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the A01 Maintenance & Improvement.

Project/Programme Key Documents	
Title	Details
Housing Revenue Service Reports (Financial Reports)	The spreadsheet provides the budget to actual analysis performed by the Housing Division. This is reviewed during Bi-Weekly Budget Monitoring meeting with the Finance Team & Area Engineers to monitor budgets, PO, (Open & Closed), large POs generate to ensure that Area Engineers are following correct procurement rules.
KPI submitted to NOAC	Data submitted to NOAC provides the statics used to assess the performance of the Department of Housing. Statistics captured are as follows: <ul style="list-style-type: none"> <li>• H1: Social Housing Stock</li> <li>• H2: Housing Vacancies</li> <li>• H3: Average Re-letting Time and Direct Costs</li> <li>• H4: Housing Maintenance Direct Costs</li> <li>• H5: Private Rented Sector Inspections</li> <li>• H6: Long-term Homeless Adult</li> </ul>

- **Key Document 2: Housing Revenue Service Reports (Financial Reports)**

This report provides variance analysis of budget against actual cost of procured services under the housing area.

- **Key Document 3: KPI submitted to NOAC**

Data submitted to NOAC provides the required statistics to assess the housing projects within the region.

**Step 4: Data Audit**

The following section details the data audit that was carried out for the A01 Maintenance & Improvement. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
A. No. of dwellings in the ownership of the LA at 01/01/2020 B. No. of dwellings added to the LA owned stock during 2020 (whether constructed or acquired) C. No. of LA owned dwellings sold in 2020 D. No. of LA owned dwellings demolished in 2020 E. No. of dwellings in the ownership of the LA at 31/12/2020 F. No. of LA owned dwellings planned for demolition under a D/HPLG approved scheme.	To verify the number of housing owned by local authority	Available on programme file
The percentage of the total number of LA owned dwellings that were vacant on 31/12/2020	To verify the number of housing vacancies	Available on programme file
A. The time taken from the date of vacation of a dwelling to the date in 2020 when the dwelling is re-tenanted, averaged across all dwellings re-let during 2020. B. The cost expended on getting the dwellings re-tenanted in 2020, averaged across all dwellings re-let in 2020.	To calculate the average re-letting time and direct cost for re-letting the property	Available on programme file
Expenditure during 2020 on the maintenance of LA housing compiled from 1 January 2020 to 31 December 2020, divided by the no. of dwellings in the LA stock at 31/12	To identify the average maintenance cost for local authority housing	Available on programme file
A. Total number of registered tenancies in the LA area at end June 2020 B. Number of rented dwellings inspected in 2020 C. Percentage of inspected dwellings in 2020 that were found not to be compliant with the Standards Regulations D. Number of dwellings deemed compliant in 2020 (including those originally deemed non-compliant).	To identify the number of inspected dwellings	Available on programme file
Number of adult individuals in emergency accommodation that are long-term (i.e. 6 months or more within the previous year) homeless as a % of the total number of homeless adult individuals in emergency accommodation at the end of 2020.	To identify the number of long-term homeless individuals.	Available on programme file

**Data Availability and Proposed Next Steps**

All data appropriate to the project are available on file.

### Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for A01 Maintenance & Improvement 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

All data, appropriate to the current stage of this project is available on file.

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

Based on the substantive testing and walkthroughs performed for A01 Maintenance & Improvement, Internal audit identified the following gaps:

- On two (2) procurement samples tested, the **tender scoresheets** (MEAT analysis) were not on file.
- On one (1) procurement sample tested, the original contract with the supplier expired in 2019. LCC continued to engage the supplier during 2020 however, there was no evidence of contract extension on file.
- On one (1) procurement sample tested, there was no evidence that prior approval was obtained prior to awarding of contract to selected supplier.
- There was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.

The recommendations for these findings are discussed in detail on **Section 7** of this report.

### Section C: Summary and Conclusions

The following section presents a summary of the findings of this In-Depth Check on the A01 Maintenance & Improvement.

#### Summary of In-Depth Check

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the A01 Maintenance & Improvement.

## F. A05 Administration of Homeless Service

**Section A: Introduction**

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

<b>Programme or Project Information</b>	
<b>Name</b>	A05 Administration of Homeless Service
<b>Detail</b>	This programme is part of the National Initiative to address the homelessness matters within the County.
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	May 2010
<b>End Date</b>	N/A
<b>Overall Cost</b>	€3.8 million

**Project Description**

Chapter 6 of the Housing (Miscellaneous Provisions) Act, 2009 is the statutory authority for the provision and of management of homelessness matters, designating housing authorities in the State as the responsible statutory providers of housing provision while also acknowledging the role of the Health Service Executive (HSE) in its statutory role of providing social and care support services.

Section 37 of the Act govern this project wherein it requires housing authorities (now local authorities since the rationalisation/merging of the 81 housing authorities into 31 local authorities) to adopt action plans to address homelessness.

**Section B: Evaluation****Step 1: Logical Model Mapping**

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the A05 Administration of Homeless Service. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.


Objective	Input	Activities	Outputs	Outcomes
To address the homelessness in the North East Region. In doing this, LCC established various programmes to address this such as Housing First, providing emergency accommodation and providing tenancy support.	At the start of the year, LCC was allotted a budget allocation from Section 10 Exchequer funding allocation which is incurred for the expenditures on the homeless service housing.  Initial budget for the programme was €4,416,955. Total incurred at the time of review was €3,803,488.	The following key activities were performed by the management to address the project: <ul style="list-style-type: none"> <li>Housing First: Creation of 35 new tenancies over the next 3 years, with 23 of these earmarked for Louth, 9 for Cavan and 3 for Monaghan.</li> <li>Establish various SLAs for service providers to support Emergency Accommodation for Singles.</li> <li>Establish various SLAs for service providers to support Provision of Family Hub Services.</li> <li>Tender out tenancy support and sustainment services.</li> </ul>	<ul style="list-style-type: none"> <li>Construction of permanent housing to homeless person.</li> <li>Provide emergency accommodation to single individual and families.</li> <li>Provide tenancy support and sustainment service to homeless individual.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce number of households who become homeless through the development of enhanced preventative measures.</li> <li>Eliminate the need for people to sleep rough.</li> <li>Eliminate long term homelessness and reduce the length of time people spend homeless.</li> <li>Meet the long-term housing needs through an increase in housing options and constant flow of housing through acquisition and other procurement means.</li> </ul>

### Description of Programme Logic Model

- **Objective:** The objective of this project is to address the homelessness in the North East Region
- **Input:** The input for this project was the allotted budget allocation from Section 10 Exchequer funding allocation which is incurred for the expenditures on the homeless service housing.
- **Activities:** Competitions were performed for the main contractor on housing first and for service providers on the various programmes with the projects.
- **Outputs:** Outputs of this project are development of permanent housing, providing emergency accommodation and providing tenancy support & sustainment service.
- **Outcomes:** The envisage outcome of the project is to reduce the homeless individual and family within the North East Region.

### Step 2: Summary Timeline of Project/Programme

The following section tracks the A05 Administration of Homeless Service from inception to conclusion in terms of major project/programme milestones



<b>May 2010</b>	An initial Plan was adopted by the three authorities following a statutory consultation phase.
<b>2014</b>	On adoption of 2014-2017 homelessness action plan were implemented
<b>2017</b>	In this planning exercise for 2018-2020, the North-East Region has reviewed its performance in the 2015-17 planning cycle and identified the work that it intends to continue and develop for the 2018-20 cycle.
<b>March 2017</b>	Request for Tender was published in E-tender for Tenancy Support & Sustainment Services.
<b>June 2017</b>	Contract was awarded for the winning tenderer for Tenancy Support & Sustainment Services
<b>May 2018</b>	Request for Tender was made for Provision of Family Hub Services.
<b>October 2018</b>	Contract was awarded for the winning tenderer for Provision of Family Hub Services
<b>July 2019</b>	Request for Tender was published in E-tender for Housing First
<b>September 2019</b>	Contract was awarded for the winning tenderer for Housing First
<b>Throughout 2019, 2020 and 2021</b>	Extensions were made for the various SLA for Housing Programme Provisions: Tenancy Support & Sustainment Services Provision of Family Hub Services Emergency Accommodation for Singles

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the A05 Administration of Homeless Service.

Project/Programme Key Documents	
Title	Details
Preliminary Business Case	<p><b>Not applicable.</b> Internal Audit reviewed the Homelessness Action Plan from 2017 to 2020 and noted that there were no new or extended programme for this project.</p> <p>The PSC provides that, 'With regard to current expenditure the PSC confirms that the appraisal requirements do not apply to routine administrative budgets already in place and that the focus of the code will be on new or extending programme expenditure. Therefore, only new or extended current expenditure to the value of €0.5m or greater will be subject to the application of the code from the date of implementation of the PSC within Local Authorities.'</p>
Monthly KPI Reports submitted by Peter McVerry Trust for Housing First	Provides an overview to assess if the service provider was in line with the target for the year. Total number of active Housing First Tenancies
Case Notes submitted by Peter McVerry Trust for Housing First	Provide details of cases for each individual served by the organisation
Quarterly KPI Reports for the following programs: <ul style="list-style-type: none"> <li>• Tenancy Support &amp; Sustainment Services</li> <li>• Provision of Family Hub Services</li> <li>• Emergency Accommodation for Singles</li> </ul>	This provides various KPI required by the Council.
Annual SLA review for the following programs: <ul style="list-style-type: none"> <li>• Tenancy Support &amp; Sustainment Services</li> <li>• Provision of Family Hub Services</li> <li>• Emergency Accommodation for Singles</li> </ul>	This report provides the details of service rendered by the organisation as well as to identify if the service provider meets the required KPI per SLA
KPI submitted to NOAC	Provides a general overview on % of Homeless for more than 6 months in the last 12 months

- **Key Document 2: Monthly KPI Reports**

The report provides necessary details to assess if the organisation meets the set targets.

- **Key Document 3: Case Notes**

The case notes provides a summary for each individual served by the provider.

- **Key Document 4: Quarterly KPI Reports**

The quarterly reports submitted by the service providers assist the project manager on the annual review for the SLA.

- **Key Document 5: Post Project Review**

This report provides a summary of the service provided by the service provider. It also highlight if KPIs were met and provide next steps, if needed.

- **Key Document 6: Post Project Review**

Data submitted to NOAC provides the required statistics to assess the homelessness project within the region.

#### **Step 4: Data Audit**

The following section details the data audit that was carried out for the A05 Administration of Homeless Service. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Number of active housing	To be verify if the organisation meets the target for the year. For 2020, LCC was able to meet the target.	Available on programme file
Number of active care plan for families and tenancy	To verify the number of single and families under the active care programme	Available on programme file
Number of families move-on	To verify the number of families, move to long-term accommodations	Available on programme file
Number of accommodation available	To assess the number of accommodation available for homeless people.	Available on programme file
Number of single move-on	To verify the number of single moves to long-term accommodations	Available on programme file

#### **Data Availability and Proposed Next Steps**

All data appropriate to the project are available on file.

### **Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for A05 Administration of Homeless Service 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

All data, appropriate to the current stage of this project is available on file.

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

Based on the substantive testing and walkthroughs performed for A05 Administration of Homeless Service Project, Internal audit identified that there was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.

The recommendations for these findings are discussed in detail on **Section 7** of this report.

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the A05 Administration of Homeless Service.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the A05 Administration of Homeless Service.

**G. B04 Local Road Maintenance & Improvement****Section A: Introduction**

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

<b>Programme or Project Information</b>	
<b>Name</b>	B04 Local Road Maintenance & Improvement
<b>Detail</b>	Expenditure incurred under this project is related to rehabilitation of pavement structure within the county.
<b>Responsible Body</b>	Louth County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	N/A
<b>End Date</b>	N/A
<b>Overall Cost</b>	€14.13 million

**Project Description**

Expenditures incurred under this project relates to works for road maintenance, improvements and reconstruction.

## Section B: Evaluation

### Step 1: Logical Model Mapping

As part of this In-Depth Check, CrowleysDFK have completed a Programme Logic Model (PLM) for the B04 Local Road Maintenance & Improvement. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objective	Input	Activities	Outputs	Outcomes
<p>The underlying objective of the project is to provide a safe network of roads within the county. Specifically for N2 Collon Pavement Rehabilitation Scheme is to provide a minor works contract for a road resurfacing project in the council area.</p>	<p>The primary input to the programme was the budget allocation amounting to €14,126,278</p>	<p>The main activities carried out in this project are:</p> <ul style="list-style-type: none"> <li>• Competition for tenders for tradespersons to carry out improvement and maintenance works to existing pavements and road in the local authority area.</li> <li>• Milling existing Carriageway and reinstating with overlay.</li> <li>• Excavating / planning predetermined sections of pavement</li> <li>• Ensuring lighting, signalling and guarding is carried out</li> <li>• Ensuring the safe unloading / loading and storage of construction materials.</li> </ul>	<p>Performance of maintenance and improvement works to roads within the Local Authority.</p>	<ul style="list-style-type: none"> <li>• Maximise the life of roads within the Local Authority.</li> <li>• Increase safe and efficient mobility for the users.</li> </ul>

### Description of Programme Logic Model

- **Objective:** The overall objective of this scheme is maintaining the integrity and value of the road structure over its life cycle.
- **Input:** The primary input for this project is the budget allocation amounting to €14,126,278
- **Activities:** Competitions are held to select contractors that will perform the maintenance activities for the road.
- **Outputs:** The outputs are the performance of maintenance and improvement works to roads.
- **Outcomes:** The envisage outcome of the project is to provide a safe and efficient local roads within the county.

**Step 2: Summary Timeline of Project/Programme**

The following section tracks the B04 Local Road Maintenance & Improvement from inception to conclusion in terms of major project/programme milestones



**June 2020**

Pavement Assessment and Renewal Report was prepared by LCC for TII.

**July 2020**

Request for tender have been issued for rehabilitation of Collon Infrastructure.

**August 2020**

Decision for the awarding of contract has been made for the contractor.

**October 2020**

Work has commenced on resurfacing.

**February 2021**

Pavement Assessment and Renewal Report has been carried out for N2 Collon Village.

**Ongoing**

Tender documents are expected to commence shortly with a view to tender at Q2 of 2021. To note, there were other on-going infrastructure

Programmes under this project.

**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the B04 Local Road Maintenance & Improvement.

Project/Programme Key Documents	
Title	Details
PARR (Pavement Assessment and Renewal Report)	This report provides a summary of the underlying cause of the deterioration, setting the scheme specific objectives and proposing the detailed scope of works to be undertaken.
Site Diary	This document provides a daily summary of the tasks performed by the contractor as well as the number of ground works and supervising personnel present at the site.

- **Key Document 1: PARR**

The report provides detailed information to support the pavement proposal.

- **Key Document 2: Monthly Management Reports**

The reports provide key details such as task performed for the day, time of work, personnel in the site and other relevant information for the construction.

**Step 4: Data Audit**

The following section details the data audit that was carried out for the B04 Local Road Maintenance & Improvement. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Key performance indicators or metrics	To evaluate and assess that project objectives are met	Not Applicable.

**Data Availability and Proposed Next Steps**

There are no key performance indicators established at the start of the project which can be used for future evaluation of the scheme. LCC should immediately develop KPI metrics and use it to monitor and evaluate the progress of the project up to its completion.

### **Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for B04 Local Road Maintenance & Improvement 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)**

Based on a review of the information supplied, with the exception of the improvements noted below, the delivery of this project complies with the standards set out in the Public Spending Code.

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

No. Full evaluation will not be possible without an established KPI.

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

Based on the substantive testing and walkthroughs performed for B04 Local Road Maintenance & Improvement, Internal audit identified that there was no evidence of declaration of conflict of interest and/or confidentiality agreement from the personnel involved in the procurement evaluation process.

The recommendations for these findings are discussed in detail on Section 7 of this report

### **Section C: Summary and Conclusions**

The following section presents a summary of the findings of this In-Depth Check on the B04 Local Road Maintenance & Improvement.

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

Except for minor gaps identified in Section B - Step 5 above, Internal Audit noted substantial compliance with the provisions of the Public Spending Code for the B04 Local Road Maintenance & Improvement.

## Contacts

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# **Appendix C**

## **Project Inventory Tables**