



Comhairle Contae **Lú**
Louth County Council

Public Spending Code Quality Assurance Report for 2022

**To be submitted to the National Oversight and
Audit Commission in compliance with the Public
Spending Code**

Certification

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 Officer, Louth County Council

29th May 2023

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Section 1

Section 1

Introduction

Louth County Council has completed this Quality Assurance (QA) report as part of the compliance with the Public Spending Code¹ (PSC). The purpose of this report is to present the results of each of the five steps in the QA exercise and to report on compliance with the requirements of the Public Spending Code. The Public Spending Code sets out the value for money requirements for the evaluation, planning and management of public investment projects in Ireland.

This report fulfils the fifth step of the QA process for Louth County Council for 2022 and has been compiled following the National Oversight and Audit Commission (NOAC) guidelines and templates.

2022 is the ninth 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 (DPER).

¹ Public Spending Code, DPER <https://www.gov.ie/en/publication/public-spending-code/>

Requirements of the Quality Assurance Aspect of the Public Spending Code

The five steps of the Quality Assurance process include:

1. **Inventory Compilation** - drawing up inventories of all projects/programmes greater than €0.5m at different stages of the project life cycle. The inventories cover:
 - Expenditure being considered
 - Expenditure being incurred
 - Expenditure that has been completed or discontinued

The project life cycle refers to the series of steps and activities which are necessary to take the proposal from concept to completion and evaluation. Projects vary in size and complexity, but all projects can be mapped to the following six-stage project life cycle structure:

- (i) Strategic Assessment
- (ii) Preliminary Business Case
- (iii) Final Business Case (including design, procurement strategy and tendering)
- (iv) Implementation
- (v) Review
- (vi) Ex-Post Evaluation

2. **Procurements in Excess of €10million** - publish summary information on the local authority website of all procurements in excess of €10m, whether new, in progress or completed for the year under review. A new project may become a “project-in-progress” if the procurement process is completed, and a contract signed.
3. **Compilation of Checklists** – seven checklists to be completed as contained in the PSC. Only one of each checklist per department/agency/local authority is required. The QA process for verifying the accuracy of responses on the checklist is based on a sample of projects / programmes and is step four (in-depth analysis) of the process.
4. **In-depth Analysis** - carry out a more in-depth check on a small number of selected projects/programmes.

5. **Compilation of Report for NOAC** - complete a short report for the National Oversight and Audit Commission (NOAC). The report, which will be generated as a matter of course through compliance with the previous four steps, should be submitted by the end of May in respect of the previous calendar year.

Expenditure Analysis

This section details the inventory compiled by Louth County Council in accordance with the current guidance on the Quality Assurance process for the reference year of 2022.

Inventory Compilation – Step 1

The inventory lists identify Louth County Council’s projects and programmes at various stages of the project life cycle which amount to more than €0.5 million. This inventory is divided between capital and current (revenue) projects across three stages as outlined in the table below.

Table 1 Expenditure Type and Category

No.	Expend Type	Category / Band
1.	Expenditure Being Considered	Capital Projects between €0.5m - €5m
		Capital Projects between €5m - €20m
		Capital Projects over €20m
		Current Expenditure – new or increases over €0.5m
2.	Expenditure Being Incurred	Capital Projects greater than €0.5m
		Current Expenditure greater than €0.5m
3.	Expenditure Recently Ended	Capital Projects greater than €0.5m
		Current Expenditure greater than €0.5m

The project inventory lists are included in **Appendices A to C** for projects and programmes with a value over €0.5m for 2022.

For consistency and accuracy, the inventories were informed by the:

- Annual Budget 2022 (adopted 08th Nov 2021), which was prepared as part of the statutory requirements of the Local Government Act, 2001 (as amended)
- Annual Financial Statements 2022 which was noted in the Chief Executive's Monthly Management Report, dated 06th April 2023, and was prepared under Section 136 (2) of the Local Government Act, 2001, as inserted by Section 51 of the Local Government (Reform) Act, 2014.

The inventory lists contain both capital and revenue projects over the three expenditure types and comprise a total value of c. €304 million for the categories/bands outlined in Table 1. The following tables provide details on the value and number of projects at the various categories/bands for each of the expenditure types.

Table 2 Value of Projects and Range of Expenditure

Expend Type	Revenue Expenditure			Capital Expenditure			
Range of Expenditure	€0.5m - €5m	>€5m - €20m	> €20m	€0.5m - €5m	>€5m - €20m	> €20m	TOTAL
Expenditure Being Considered	€ -	€ -	€ -	€ 62,113,798.00	€ 49,266,250.00	€ -	€ 111,380,048.00
Expenditure Being Incurred	€ 61,993,132.00	€ 67,813,656.00	€ -	€ 19,569,889.00	€ 23,600,034.00	€ -	€ 172,976,711.00
Expenditure Recently Ended	0	0	€ -	€ 10,510,051.00	€ 8,873,279.00	€ -	€ 19,383,330.00
TOTAL	€ 61,993,132.00	€ 67,813,656.00	€ -	€ 92,193,738.00	€ 81,739,563.00	€ -	€303,740,089.00

Table 3 Number of Projects and Range of Expenditure

Expend Type	Revenue Expenditure			Capital Expenditure			
Range of Expenditure	€0.5m - €5m	>€5m - €20m	> €20m	€0.5m - €5m	>€5m - €20m	> €20m	TOTAL
Expenditure Being Considered	0	0	0	37	7	0	44
Expenditure Being Incurred	36	6	0	10	3	0	55
Expenditure Recently Ended	0	0	0	5	1	0	6
TOTAL	36	6	0	52	11	0	105

Procurements in Excess of €10million – Step 2

Step 2 of the Quality Assurance process requires the publication on the website of summary information of all procurements in excess of €10m, whether new, in progress or completed for the year under review.

There was one procurement in excess of €10m conducted in 2022. The competition related to the refurbishment of the existing former council chamber building in Drogheda. Full details have been published on the local authority website and are available [here](#).

The requirement to publish relates specifically to procurement and not the project so where a project is reported at over €10m the interpretation here is that the project is examined and only the elements of that project that were the subject of a procurement process for a contract in excess of €10m needs to be reported. Therefore, if a project with a total expenditure in excess of €10m is made up of procurements assigning more than one contractor and none of these contracts exceed the €10m threshold then there is no requirement to include them in the list for publication.

Compilation of Checklists – Step 3

Step 3 of the Quality Assurance process for the Public Spending Code involves the compilation of a number of checklists. There are seven checklists in total covering different aspects as outlined below:

- **Checklist 1:** General Obligations Not Specific to Individual Projects/Programmes
- **Checklist 2:** Capital Expenditure Being Considered
- **Checklist 3:** Current Expenditure Being Considered
- **Checklist 4:** Incurring Capital Expenditure
- **Checklist 5:** Incurring Current Expenditure
- **Checklist 6:** Capital Expenditure recently completed / discontinued
- **Checklist 7:** Current Expenditure recently completed / discontinued

A 3-point scoring system is used to indicate compliance with each criterion in the QA checklists as outlined below.

Table 4 QA Checklists Scoring System

Score	Score Meaning
1	Scope for significant improvements
2	Compliant but with some improvement necessary
3	Broadly compliant

The evaluation of the checklists highlights areas where action is required. All checklists have been completed and can be found in **Appendix D** of this report.

Findings from Checklist Assessment

The completed checklists show the extent to which Louth County Council deems itself compliant with the Public Spending Code. Overall, the checklists show a satisfactory level of compliance. While there are indications that there is some room for improvement in certain aspects of the requirements, no specific serious non-compliances or concerns were evident during the completion of this element of the Quality Assurance process.

In-Depth Analysis – Step 4

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

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

Table 5 Samples Selected for Internal Audit – Capital Expenditure

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

Table 6 Samples Selected for Internal Audit – Revenue Expenditure

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

The value of projects selected for in-depth review each year should be at least 5% of the total value of all capital projects on the project inventory lists, and 1% of the total value of all revenue projects on the project inventory lists - with this minimum value being calculated as an average over a three-year period.

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

Table 7 Capital Expenditure Percentage Selection 2020 to 2022

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

Table 8 Revenue Expenditure Percentage Selection 2020 to 2022

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

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

Table 9 Internal Audit Classification

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

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

- 0 High
- 2 Medium
- 0 Low

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

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

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

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

Compilation of Report for NOAC – Step 5

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

Conclusion

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

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

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

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

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

Appendix A

Appendix A: Inventory Lists - Expenditure Being Considered

Expenditure being Considered - Greater than €0.5m (Capital and Current)							
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Anticipated Timeline	Projected Lifetime Expenditure	Explanatory Notes
APPROVED SOCIAL HOUSING PROJECTS							
Boice Court Phase II - 72 Units			€ 6,000,000.00		2024	€ 19,625,000.00	Stage 2 Approval
Fr. Finn Park, Louth Village, Phase II 17 Units			€ 370,000.00		2021	€ 3,570,000.00	COMPLETED 2021
Acquisitions (2021 - 2022 Programme) - 8 units 2021			€ 1,071,000.00		2022	€ 2,305,200.00	
CPO - Bundles 1-7ns on 42 Units			€ 1,092,003.00		2022	€ 22,097,938.00	Budget not yet confirmed from Dept.
Part V Units Acquisitions - 44 units			€ 5,500,000.00		2024	€ 11,000,000.00	
Rathmullen Infill, Drogheda - 6 Units			€ 100,000.00		2023	€ 1,700,000.00	
Doire Beag, Collon - 6 Units			€ 1,000,000.00		2023	€ 1,500,000.00	
Muirhevnamore Infill, Dundalk - 11 Units			€ 1,000,000.00		2023	€ 3,100,000.00	
Riverside Crescent, Dundalk - 14 Units			€ 250,000.00		2024	€ 3,500,000.00	
Mount Avenue, Dundalk - 93 Units			€ 9,500,000.00		2024	€ 22,227,000.00	
Willowbrook, Dromiskin - 6 units			€ 100,000.00		2024	€ 1,500,000.00	
O'Reillys Yard, Drogheda - 50 units			€ 500,000.00		2025	€ 15,000,000.00	
Point Road, Dundalk - 49 units			€ 2,000,000.00		2025	€ 16,200,000.00	
Ballymakenny Land - East (2.00Ha portion) - 80 units			€ 8,000,000.00		2025	€ 27,000,000.00	
64/65 Anne Street, Dundalk - 13 units			€ 300,000.00		2024	€ 4,300,000.00	
Ellwood, Ballymakenny Road, Drogheda - Turnkey 45 units			€ 8,600,000.00		2023	€ 12,250,000.00	Dept Approved
Turnkey Units (assume units received following EOJ)			€ 2,800,000.00		2024	€ 7,280,000.00	Ongoing DHLGH Approval
OTHER SOCIAL HOUSING CAPITAL PROJECTS							
Liscorrie Drogheda -12 units	CAS AHB Contract		€ 2,532,140.00		2021	€ 2,532,140.00	Costs are a matter for the AHB - dept. funding element only
Tierney St - 7 units	CAS AHB Contract		€ -		2024	€ 778,609.00	Costs are a matter for the AHB - dept. funding element only
Coulter Park Dundalk- 7 Units	CAS AHB Contract		€ -		2024	€ 1,423,571.00	Costs are a matter for the AHB - dept. funding element only
Four Winds, Mullacapple, Collon- 1 unit	CAS AHB Contract		€ 261,946.00		2023	€ 523,892.00	Costs are a matter for the AHB - dept. funding element only
10-16 Thee Alleyways Stage 1-14 units	CAS AHB Contract		€ -		2024	€ 2,265,000.00	Costs are a matter for the AHB - dept. funding element only
St John Home, Peter Hill- 4 UNITS	CAS AHB Contract		€ -		2024	€ 584,600.00	Costs are a matter for the AHB - dept. funding element only
Womens Aid, Newry Road Dundalk 12 Units	CAS AHB Contract		€ -		2024	€ 3,200,000.00	Costs are a matter for the AHB - dept. funding element only
Barrack St Dundalk- 21 units	CAS AHB Contract		€ -		2023	€ 4,113,038.00	Costs are a matter for the AHB - dept. funding element only
AHB Connolly's Field, Hill Street, Dundalk - 20 units	CALF AHB Contract		€ -		2024	€ 5,007,500.00	Costs are a matter for the AHB
AHB Mary Street, Drogheda - 20 Units	CALF AHB Contract		€ -		2024	€ 1,500,000.00	Costs are a matter for the AHB
AHB Rathmullen Road, Drogheda - 54 Units	CALF AHB Contract		€ 2,000,000.00		2023	€ 3,435,000.00	Costs are a matter for the AHB

AHB Avourwen Meadows, Drogheda - 50 Units	CALF AHB Contract	€	-	2024	€	3,300,000.00
AHB Donore Road, Drogheda - 20 Units	CALF AHB Contract	€	-	2024	€	1,500,000.00
AHB 47 North Road, Drogheda -12 Units	CALF AHB Contract	€	450,000.00	2023	€	900,000.00
AHB Racecourse Meadows, Dundalk Phases 1 to 4 -46 units TUATH	CALF AHB Contract	€	500,000.00	2023	€	1,902,880.00
AHB Racecourse Meadows, Dundalk Phases 1 to 1-45 units CLANMIL	CALF AHB Contract	€	-	2024	€	1,053,349.00
AHB - The Demense Road, Dundalk - 133 units	CALF AHB Contract	€	3,141,145.00	2023	€	11,115,260.00
AHB-Clonmore, Ardee- 55 units	CALF AHB Contract	€	669,375.00	2022	€	2,668,604.00
Newtown View, Marsh Road, Drogheda-133 units	CALF AHB Contract	€	2,747,955.00	2023	€	8,682,058.00
Tullybrook, Slane Road, Drogheda- 85 units	CALF AHB Contract	€	242,749.00	2022	€	4,854,984.00
Dublin Road, Dundalk Respond - 65 units	CALF AHB Contract	€	1,346,149.00	2022	€	4,957,050.00
Glenview Dublin Road Dundalk, Co. Louth	CALF AHB Contract	€	217,890.00	2022	€	2,152,710.00
Cathedral View, Dundalk, Co Louth 67 units	CALF AHB Contract	€	1,441,700.00	2022	€	4,046,576.00
Donore Road 66 Units	BLANK	€	202,274.00	2022	€	4,045,483.00
Newfoundwell Road Drogheda- 94 units	CALF AHB Contract	€	4,407,785.00	2023	€	8,094,090.00
Scotch Hall 21 units Respond	CALF AHB Contract	€	1,587,600.00	2022	€	1,587,600.00
Traveller Group Housing	Contract	€	350,000.00	2023	€	730,000.00
INFRASTRUCTURE & THE MARINE						
N52 Ardee By Pass		€	1,730,000.00	2025	€	42,983,000.00
N53 HBX to Rasan		€	930,000.00	2024	€	12,000,000.00
Road works program (Rolling Program)		€	500,000.00	2024	€	2,500,000.00
Newtown Access Road		€	3,688,000.00	2024	€	4,527,564.00
Mount Avenue		€	6,500,000.00	2024	€	8,107,276.00
Ardee Castle		€	2,903,639.00	2023	€	4,294,000.00
Townsparks Flood Alleviation Works (Balmers Bog)		€	263,775.00	2021	€	816,230.00
Greenore Coastal Protection		€	-	2030	€	2,500,000.00
Clanbrassil Street & St. Nicholas Quarter		€	271,657.00	2020	€	8,007,713.00
URDF Application Form Call 2 2020 St Nicholas Quarter& Backlands		€	4,765,781.00	2024	€	9,983,695.00
Drogheda Westgate (Design Phase)		€	170,500.00	2022	€	660,000.00
Long Walk (Design Phase)		€	653,000.00	2022	€	710,000.00
Clogherhead Cois Ferraige RRDF		€	678,912.00	2023	€	1,357,824.00
Carlingford RRDF		€	600,000.00	2022	€	943,173.00
Omeath RRDF		€	1,000,000.00	2024	€	3,182,000.00
St. Laurences Gate Plaza		€	400,000.00	2023	€	600,000.00
Port Access Northern Cross Route (URDF Funding 2020)		€	5,166,250.00	2024	€	30,000,000.00
Obleisk Bridge		€	1,383,486.00	2023	€	1,624,195.00

St. Dominick Bridge		€	2,055,452.00		2023	€	2,770,162.00
NTA Active Travel Programme		€	2,960,370.00		2023	€	3,449,370.00
Public Lighting National Efficiency Project		€	1,370,000.00		2024	€	6,500,000.00
Colaiste Chu Chulainn		€	260,562.00		2022	€	19,119,925.00
Ardee Educate Together School		€	2,763,227.00		2024	€	5,299,640.00
OPERATIONS & LOCAL SERVICES							
Pay Parking Upgrades		€	75,000.00		2022	€	1,326,741.00
Car Park Programme		€	150,000.00		2024	€	815,000.00
Traffic Lights Replacement Programme Phase 1		€	250,000.00		2024	€	1,010,000.00
Footpath Replacement Programme		€	300,000.00		2024	€	1,510,000.00
Bridges		€	350,000.00		2024	€	1,050,000.00
FASTER Project - Facilitating a Sustainable Transition to Electric Vehicles in the Region		€	1,363,222.00		2023	€	1,910,768.00
Decarbonising Fleet		€	200,000.00		2027	€	1,500,000.00
ENVIRONMENT & FIRE SERVICES							
Whiteriver Landfill		€	326,915.00		2044	€	11,190,328.00
Dundalk Landfill Work		€	166,062.00		2032	€	3,211,582.00
Drogheda Landfill Work		€	632,000.00		2022	€	1,903,000.00
Dunleer Fire Station		€	600,000.00		2023	€	1,225,000.00
RECREATION & AMENITY							
Swimming Pools Upgrades - Dundalk		€	503,500.00		2023	€	530,000.00
Local Authority Parks Improvements & Development		€	250,000.00		2024	€	500,000.00
Omeath to Newry Greenway		€	1,196,357.00		2023	€	5,846,069.00
Navy Bank / Point Road Project		€	150,000.00		2022	€	750,000.00
Carlingford Library		€	250,000.00		2024	€	600,000.00
Drogheda Destination Towns Project		€	53,325.00		2022	€	666,565.00
Drogheda Municipal Pitches		€	300,000.00		2022	€	500,000.00
		€	-	€	-	€	-
TOTALS		€	-	€	-	€	-
		€	118,412,703.00	€	-	€	469,089,952.00

Appendix B

Appendix B: Inventory Lists - Expenditure Being Incurred

Expenditure being Incurred - Greater than €0.5m (Capital and Current)								
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Anticipated Timeline	Cumulative Expenditure to-date	Projected Lifetime Expenditure (Capital Only)	Explanatory Notes
A01 Maintenance & Improvement of LA Housing Units	Housing & Building	€ 12,396,082.00				€ 12,396,082.00		
A02 Housing Assessment, Allocation & Transfer	Housing & Building	€ 1,018,696.00				€ 1,018,696.00		
A03 Housing Rent & Tenant Purchase Administration	Housing & Building	€ 993,070.00				€ 993,070.00		
A04 Housing Community Development Support	Housing & Building	€ 826,561.00				€ 826,561.00		
A05 Administration of Homeless Service	Housing & Building	€ 3,749,253.00				€ 3,749,253.00		
A06 Support to Housing Capital Programme	Housing & Building	€ 2,382,802.00				€ 2,382,802.00		
A07 RAS & Leasing Programme	Housing & Building	€ 18,920,294.00				€ 18,920,294.00		
A08 Housing Loans	Housing & Building	€ 3,084,158.00				€ 3,084,158.00		
A09 Housing Grants	Housing & Building	€ 2,001,813.00				€ 2,001,813.00		
CAF Turnkey Acquisitions	LA Housing		€ 13,189,087.00		2022	€ 17,724,752.00	€ 13,189,087.00	115479
RSV Capital Assistance Schemes	Other Housing - Estate Management		€ 1,633,852.00		2022	€ 9,784,830.00	€ 1,633,852.00	115488
CWF Mount Avenue Residential Development	Other Housing - Estate Management		€ 1,221,551.00		2022	€ 1,469,259.00	€ 1,221,551.00	115515
RSB Gort na Glaise (Phase 3 - Affordable (6))	Other Housing - Estate Management		€ 1,083,558.00		2022	€ 2,311,694.00	€ 1,083,558.00	115146
CAF Part V Social (2018 Onwards)	Other Housing - Estate Management		€ 3,559,423.00		2022	€ 4,373,731.00	€ 3,559,423.00	115176
RSB Tierney Street Ardee Affordable Housing	Other Housing - Estate Management		€ 1,140,000.00		2024	€ 2,435,623.00	€ 1,140,000.00	1181081
RSB Greenore Rd Carlingford Affordable Housing (12)	Loan Charge House Purchase Loans		€ 636,230.00		2022	€ 10,776,997.00	€ 636,230.00	115122
CAF Purchase of Social Housing (Not Part V Affordables)	Private Sites		€ 5,011,358.00		2022	€ 13,633,058.00	€ 5,011,358.00	115005
RSV CALF Payment	Rehabilitation		€ 5,399,589.00		2022	€ 86,467,685.00	€ 5,399,589.00	115508
B01 NP Road - Maintenance & Improvement	Road Transport & Safety	€ 556,836.00				€ 556,836.00		
B02 NS Road - Maintenance & Improvement	Road Transport & Safety	€ 541,693.00				€ 541,693.00		
B03 Regional Road - Maintenance & Improvement	Road Transport & Safety	€ 5,534,556.00				€ 5,534,556.00		
B04 Local Road - Maintenance & Improvement	Road Transport & Safety	€ 12,040,086.00				€ 12,040,086.00		
B05 Public Lighting	Road Transport & Safety	€ 2,124,480.00				€ 2,124,480.00		
B09 Car Parking	Road Transport & Safety	€ 1,025,048.00				€ 1,025,048.00		
B10 Support to Roads Capital Programme	Road Transport & Safety	€ 642,675.00				€ 642,675.00		
Ardee 2040	Road Transport & Safety		€ 390,487.00		2022	€ 469,905	€ 702,300.00	
RSF Active Travel Projects 2021	National Secondary Roads		€ 4,364,117.00		2022	€ 5,641,419.00	€ 4,364,117.00	214510
CPF Narrow Water Bridge Project	Other Main Roads		€ 2,680,463.00		2026	€ 5,022,936.00	€ 65,000,000.00	22232

C01 Water Supply	Water Services	€ 4,095,283.00			€ 4,095,283.00		
C02 Waste Water Treatment	Water Services	€ 1,838,496.00			€ 1,838,496.00		
D01 Forward Planning	Development Management	€ 892,481.00			€ 892,481.00		
D02 Development Management	Development Management	€ 2,302,955.00			€ 2,302,955.00		
D03 Enforcement	Development Management	€ 933,081.00			€ 933,081.00		
D04 Industrial and Commercial Facilities	Development Management	€ 536,203.00			€ 536,203.00		
D05 Tourism, Development & Promotion	Development Management	€ 582,209.00			€ 582,209.00		
D06 Community & Enterprise Function	Development Management	€ 9,387,082.00			€ 9,387,082.00		
D09 Economic Development & Promotion	Development Management	€ 4,141,010.00			€ 4,141,010.00		
D11 Heritage & Conservation Services	Development Management	€ 658,070.00			€ 658,070.00		
E01 Landfill Operation & Aftercare	Environmental Services	€ 1,599,253.00			€ 1,599,253.00		
E05 Litter Management	Environmental Services	€ 1,120,807.00			€ 1,120,807.00		
E06 Street Cleaning	Environmental Services	€ 3,186,291.00			€ 3,186,291.00		
E07 Waste Regulations, Monitoring & Enforcement	Environmental Services	€ 899,872.00			€ 899,872.00		
E09 Maintenance of Burial Grounds	Environmental Services	€ 558,433.00			€ 558,433.00		
E11 Operation of Fire Service	Environmental Services	€ 9,535,556.00			€ 9,535,556.00		
E13 Water Quality, Air and Noise Pollution	Environmental Services	€ 574,959.00			€ 574,959.00		
F02 Operation of Library & Archival Service	Recreation & Amenity	€ 3,576,806.00			€ 3,576,806.00		
F03 Outdoor Leisure Area Operations	Recreation & Amenity	€ 1,915,434.00			€ 1,915,434.00		
F04 Community Sport & Recreational Development	Recreation & Amenity	€ 2,112,315.00			€ 2,112,315.00		
F05 Operation of Arts Programme	Recreation & Amenity	€ 2,244,746.00			€ 2,244,746.00		
G04 Veterinary Service	Agriculture, Education, Health & Welfare	€ 727,361.00			€ 727,361.00		
RSF Louth Flood Defence Project (CFRAM Flood Relief)	Agriculture		€ 1,178,537.00		2030 € 3,106,311.00	€ 83,000,000.00	71585
H03 Administration of Rates	Miscellaneous Services	€ 4,938,138.00			€ 4,938,138.00		
H09 Local Representation & Civic Leadership	Miscellaneous Services	€ 1,317,026.00			€ 1,317,026.00		
H10 Motor Taxation	Miscellaneous Services	€ 997,346.00			€ 997,346.00		
CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office	Admin & Misc		€ 2,072,158.00		2024 € 2,916,928.00	€ 12,000,000.00	85513
RS Rates Appeals Reserve - G Factor	Information Technology	€ 1,297,472.00			€ 1,297,472.00	€ 1,297,472.00	
		€ -	€ -	€ -	€ -	€ -	
		€ -	€ -	€ -	€ -	€ -	
TOTALS		€ 129,806,788.00	€ 43,560,410.00	€ -	€ 295,941,916.00	€ 199,238,537.00	

Appendix C

Appendix C: Inventory Lists - Expenditure Completed / Discontinued

Projects/Programmes Completed or discontinued in the reference year - Greater than €0.5m (Capital and Current)							
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Completion Date	Final Outturn Expenditure	Explanatory Notes
Dunleer Town Centre Rejuvenation	Town Centre Public Realm Works - Discontinued		0		N/A	N/A	Project discontinued as did not receive RRDF funding
Park & Share Facility NS2	Park & Share Car Park, TII Safety Project - Completed		€ 39,872.00		30/11/2022	€ 1,469,278.00	TII funded project, Close out of Safty File and Retention paid in 2022
Coxs Demesne Phase 2B, Dundalk	Construction of 22 no. new social housing units - Completed		€ 2,079,065.00		30/09/2022	€ 6,281,940.00	Retention, Inflation Ex gratia payment & Final Account to be finalised in 2023.
Linenfield Crescent, Ballymakenny Road, Drogheda - Phase 1 - Part V	1no. Part V unit in Phase 2 - this Phase Completed		€ 232,897.00		04/11/2022	€ 1,407,600.00	Phase 1 - 5 no. units delivered in 2021. Phase 2 - 1no. unit delivered in 2022. The overall DHLGH Approval €1,407,600 is shown in the 'Final Outturn Expenditure'.
Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V	6no. Part V units in Phase 1 - Completed		€ 1,838,863.00		30/09/2022	€ 1,838,863.00	Completed Dec 2022
Balfeddock Manor, Termonfeckin - Part V	8no. Part V units - Completed		€ 2,258,328.00		25/11/2022	€ 2,258,328.00	Completed
Tullybrook, Slane Road, Drogheda - Turnkey	3no. Turnkey units - Completed		€ 747,476.00		28/11/2022	€ 747,476.00	Completed
Cuirt Na Gcloch, Stoneylane, Ardee - Turnkey	14no. Turnkey units - Completed		€ 3,586,319.00		29/11/2022	€ 3,586,319.00	Completed
Park Green, Coulter Place, Dundalk - Turnkey	24no. Turnkey units - Completed		€ 8,873,279.00		02/12/2022	€ 8,873,279.00	Completed
TOTALS		€ -	€ 19,656,099.00	€ -		€ 26,463,083.00	

Appendix D

Appendix D: Self-Assessment Checklists

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	3.0	Relevant staff and seniors are made aware of the requirements of Public Spending Code through (i) training, where relevant (ii) de-briefing sessions (iii) procurement steering committee meetings (iv) policy and procedures and addendums (v) dedicated time points i.e. before, during and after the PSC audit conducted by third-party auditors
Q 1.2	Has internal training on the Public Spending Code been provided to relevant staff?	2.5	Public Spending Code Guides are available to all staff on the procurement portal. The Policy and Procedures document captures the PSC, and a recent addendum has been compiled and issued on the “5-Step QA Reporting Requirements for the PSC”, dated 05 th January 2023. The PSC and its’ requirements are captured in the Procurement Steering Meetings and findings from audits are communicated and discussed and have been found to be an excellent form of learning
Q 1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	3.0	Yes – adapted sectoral guidelines have been developed
Q 1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3.0	Yes – where in the position of Approving Authority
Q 1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3.0	Recommendations have been relayed to relevant staff with action plans put in place. 2022 is the 9 th year of the exercise in the Local Government Sector
Q 1.6	Have recommendations from previous QA reports been acted upon?	3.0	Recommendations have been relayed to relevant staff and action plans are at various stages
Q 1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Chief Executive Officer, submitted to NOAC, and published on the Local Authority’s website?	3.0	Available on Louth County Council Website and certified by CEO, located at: https://www.louthcoco.ie/en/publications/finance-reports/public-spending-code/ Report submitted to NOAC
Q 1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3.0	Required sample reviewed
Q 1.9	Is there a process in place to plan for ex post evaluations? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	3.0	Process in place and discussed in Steering Meeting in detail in October 2022 capturing (i) Review / Project Completion Report (ii) Ex-Post Evaluation (iii) Post Project Review (iv) Project Review / Project Review on Completion / End of Project Report

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	2.0	Projects at different stages and representative sample viewed
Q 1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	3.0	All projects are reviewed in line with original submission to the relevant department / agency to ensure they meet the targets
Q 1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	N/A	Relevant staff aware and factored into similar type projects

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	3.0	One project >€10m
Q 2.2	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date? Have steps been put in place to gather performance indicator data?	3.0	Yes, where applicable and in line with the requirements of the relevant government body/agency
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	2.0	Yes, where applicable
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	3.0	Yes, where applicable and in line with the requirements of the relevant government body/agency e.g. TII/NTA templates
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	2.0	Yes, where applicable
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	3.0	Yes, where applicable and confirmed with relevant department
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3.0	Yes, where applicable
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	3.0	Yes, where applicable
Q 2.9	Was the evidence base for the estimated cost set out in each business case? Was an appropriate methodology used to estimate the cost? Were appropriate budget contingencies put in place?	3.0	Yes, where applicable
Q 2.10	Was risk considered and a risk mitigation strategy commenced? Was appropriate consideration given to governance and deliverability?	2.0	Yes, where applicable
Q 2.11	Were the Strategic Assessment Report, Preliminary and Final Business Case submitted to DPER for technical review for projects estimated to cost over €100m?	N/A	
Q 2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	3.0	Completed in line with the requirements of the relevant government body/agency
Q 2.13	Were procurement rules (both National and EU) complied with?	3.0	Yes
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	3.0	Yes

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 2.15	Were State Aid rules checked for all support?	3.0	Yes
Q 2.16	Was approval sought from the Approving Authority at all decision gates?	3.0	Yes
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	3.0	Yes
Q 2.18	Was approval sought from Government through a Memorandum for Government at the appropriate decision gates for projects estimated to cost over €100m?	N/A	No projects >€100m

See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 3.1	Were objectives clearly set out?	3.0	Outlined to Members of Council as part of the budget process
Q 3.2	Are objectives measurable in quantitative terms?	N/A	
Q 3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	N/A	
Q 3.4	Was an appropriate appraisal method used?	N/A	
Q 3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	N/A	
Q 3.6	Did the business case include a section on piloting?	N/A	
Q 3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	
Q 3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	
Q 3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	
Q 3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	
Q 3.11	Was the required approval granted?	N/A	
Q 3.12	Has a sunset clause been set?	N/A	
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	N/A	
Q 3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	N/A	
Q 3.15	Have steps been put in place to gather performance indicator data?	2.0	

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3.0	Yes, where appropriate
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3.0	Yes, where appropriate
Q 4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3.0	Internal co-ordinating team in place in the majority of cases
Q 4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3.0	Internal co-ordinating team in place in the majority of cases
Q 4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3.0	Progress reports for the department and quarterly for CE
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2.0	In the majority of cases
Q 4.7	Did budgets have to be adjusted?	2.0	In some cases, budgets had to be adjusted
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3.0	Yes
Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?	3.0	Yes, one project was discontinued as it did not receive RRDF funding
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3.0	Yes, as above
Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3.0	Yes, as above
Q 4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3.0	Yes, as above

See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 5.1	Are there clear objectives for all areas of current expenditure?	3.0	Spending program defined as part of the annual budget process
Q 5.2	Are outputs well defined?	3.0	National KPIs are in place for Local Government
Q 5.3	Are outputs quantified on a regular basis?	3.0	KPIs are established each year for specific services
Q 5.4	Is there a method for monitoring efficiency on an ongoing basis?	3.0	Budget and monthly team meetings
Q 5.5	Are outcomes well defined?	3.0	The Annual Service Delivery Plan enhances this measurement
Q 5.6	Are outcomes quantified on a regular basis?	3.0	Project/Function-specific
Q 5.7	Are unit costings compiled for performance monitoring?	N/A	
Q 5.8	Are other data compiled to monitor performance?	3.0	
Q 5.9	Is there a method for monitoring effectiveness on an ongoing basis?	2.0	The Annual Service Delivery Plan enhances this measurement
Q 5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	2.0	Ongoing audits from sponsoring bodies

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 6.1	How many Project Completion Reports were completed in the year under review?	3.0	Project Completion Reports are undertaken where relevant, and four completed in 2022 were reviewed as part of this assessment
Q 6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3.0	Yes
Q 6.3	How many Project Completion Reports were published in the year under review?	N/A	
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	3.0	Ex-Post Evaluations are undertaken where relevant, and two completed in 2022 were reviewed as part of this assessment
Q 6.5	How many Ex-Post Evaluations were published in the year under review?	N/A	
Q 6.6	Were lessons learned from Ex-Post Evaluation reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3.0	
Q 6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	2.0	Completed by internal design team
Q 6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	N/A	

See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	No programme relevant to PSC in 2022
Q 7.2	Did those reviews reach conclusions on whether the programmes were efficient?	N/A	No programme relevant to PSC in 2022
Q 7.3	Did those reviews reach conclusions on whether the programmes were effective?	N/A	No programme relevant to PSC in 2022
Q 7.4	Have the conclusions reached been taken into account in related areas of expenditure?	N/A	No programme relevant to PSC in 2022
Q 7.5	Were any programmes discontinued following a review of a current expenditure programme?	N/A	No programme relevant to PSC in 2022
Q 7.6	Were reviews carried out by staffing resources independent of project implementation?	N/A	No programme relevant to PSC in 2022
Q 7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	No programme relevant to PSC in 2022

Section 2

Section 2

This section of the report contains the details and findings from the in-depth analysis as required by step 4 of the quality assurance process. Section 2 of this report has been conducted by independent third-party auditors.



Louth County Council

Review of Compliance - Public Spending Code 2022

FINAL REPORT May 2023

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1. Overview

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.

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 process 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 process 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 2023 Internal Audit Plan – Crowleys DFK performed an external review of LCC’s compliance with the Public Spending Code for the period from 1st January 2022 to 31st December 2022. Our audit commenced in February 2023. 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**, 2 **Medium** and 0 **Low** priority rated findings which require action from management. These are in the areas of:

High	Medium	Low
None	<ol style="list-style-type: none">1. Compliance with Public Spending Code Guidelines2. Compliance with Procurement Procedures	None

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

Our review performed a follow up of the findings and recommendations from the 2018-2021 internal audit review of the Public Spending Code. This was to ascertain if the agreed audit recommendations had been appropriately implemented. Our review reported a total of **6** previously agreed recommendations that remained open at the time of the 2022 review. 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. 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 and Evaluation in the Irish Public Service – Standard Rules and 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, 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 process involving annual reporting on how organisations are meeting their Public Spending Code obligations. This is best achieved by carrying out the quality assurance procedures outlined in the Public Spending Code.

Step four of the quality assurance process 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 carried out by the Local Authority.

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

- a) the adequacy and effectiveness of LCC’s policies and procedures for the quality assurance reporting process;
- 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 effectiveness of LCC’s policies and procedures for the quality assurance reporting process.	<ul style="list-style-type: none"> • Review relevant policies and procedures in relation to quality assurance reporting. • Identify and evaluate the procedures in place and verify if the key controls are documented and working as intended. • As part of the in-depth check for the quality assurance reporting process, review a selection of projects/programmes undertaken by the Council and assess compliance with internal controls policies and procedures.
Assess 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.	<ul style="list-style-type: none"> • Benchmark controls adopted against the Public Spending Code. • Review value-for-money considerations for selected projects/programmes. • Review the tender evaluation and the contract awarding process. Assess if the methodology used represents a balanced approach. • Assess procedures in place for the evaluation of expenditures incurred.

3. Approach and Methodology

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 for in-depth review based on LCC's supplied project inventory over the three-year average 2020-2022 period.

Capital Expenditures:

Year	Sample Size	Population	% of selected for detailed testing
2020	€36.05m	€617.51m	6%
2021	€104.89m	€696.72m	15%
2022	€14.5m	€694.79m	2%
Total average over 3 years			8%

Current Expenditures:

Year	Sample Size	Population	% of selected for detailed testing
2020	€24.86m	€171.09m	15%
2021	€8.88m	€130.57m	7%
2022	€0.47m	€129.81m	0.4%
Total average over 3 years			7%

Sampling

Our review covered the period from 1st January 2022 to 31st December 2022.

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

Samples selected for review consisted of 3 capital projects amounting to €14.5 million and 1 revenue expenditure amounting to €0.47 million. These are equivalent to an average of 8% and 7% of the total value of capital projects and revenue expenditure over a three-year period, respectively:

Projects selected for review (based on the Project Inventory)		
Project	Category	Total Value of the Project
Ardee 2040	Expenditure being incurred	€0.7m
CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office	Expenditure being incurred	€12m
Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V	Completed	€1.8m
Total value of selected Capital Expenditures		€14.5
Fuel Service Charge	Expenditure being Incurred	€0.47m
Total value of selected Revenue Expenditures		€0.47m

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;
- Walkthrough 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:

Personnel
Accountant
Procurement Officer
Senior Executive Engineer, Housing Capital
SEO Public Realm

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
Substantial	There is a sound framework of control in place and the controls are being consistently applied to ensure risks are managed effectively, which should ensure that objectives can be fully achieved.
Reasonable	There is a good framework of control in place and the majority of controls are being consistently applied to ensure risks are effectively managed. Some control weaknesses or gaps were identified however this should not significantly impact on the achievement of objectives.
Limited	There is an inadequate and/or ineffective system of control in place which could impair the achievement of the objectives of the system, function, or process. Prompt management action is required to improve controls, to ensure controls are being consistently applied and to ensure risks are managed effectively.
Minimal	The system of control has failed or 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
High	Major Internal Control weakness or issue that has potential for: <ul style="list-style-type: none"> Significant damage to the organisation's reputation; and/or Significant financial loss or loss of value for money; and/or Significant operational disruption; and/or Non-compliances with legislative and regulatory requirements; and/or Significant inefficiency costing senior management time. Remedial action must be taken urgently.
Medium	Internal Control weakness or issue that has potential for: <ul style="list-style-type: none"> Adverse impact to reputation; and/or Financial loss or loss of value for money; and/or Operational disruption; and/or Inefficiency costing senior management time. Weakness identified should be of concern to senior management and requires prompt specific action.
Low	Minor control deficiency where Internal Control improvements or the strengthening of the area's risk management/ control culture is required. These 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.

5. Assessment

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

Apart from 2 **Medium priority rated findings, controls put in place by Louth County Council to comply with the Public Spending Code tested satisfactory during the review period.**

Results from our tests indicate that **reasonable assurance** can be placed on the sufficiency and operation of controls put in place by Louth County Council to comply with the Public Spending Code and internal procurement controls to mitigate and/or manage key inherent risks.

We arrived at our assessment by taking into consideration the following:

1. At the time of the review, LCC was in the process of finalising its project inventory and self-assessment checklists. As a result, the values reported in Population may vary from those in the year-end financial statements.
2. Our review identified a total of **6** recommendations from the prior years' Public Spending Code compliance review that remained **open** at the time of the 2022 review. Details of the follow-up are included in Section 7 of this report. Internal Audit noted that management is currently working on implementing the recommendations identified. We encourage management to continuously monitor and prioritise the implementation of the recommendations raised.
3. Based on work performed in 2023, our review identified 2 **Medium** 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. **The absence of high priority rated findings means that normal on-going management supervision, together with the resolution of any findings raised in this report, should ensure that the control risk remains low.**

6. Detailed Findings

1 Compliance with Public Spending Code Guidelines

Findings

Louth County Council is obliged to comply with the requirements of the Public Spending Code (PSC). Based on the review performed by Internal Audit on four (4) projects, the following gaps and areas for improvement were identified:

1. Strategic Assessment and Preliminary Business Case

For one (1) project reviewed (CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project), Internal Audit noted that the tender for the construction service was published in 2020. However, the Strategic Assessment and Preliminary Business Case documents were not prepared until Q1 2022.

As per the Public Spending Code, the Strategic Assessment Report and Preliminary Business Case must be prepared prior to the preparation of tender documents and the awarding of the contract.

2. Approval of Project Cost

For two (2) projects reviewed (CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project and Fuel Service Charge Programme), there were no documents available during the review evidencing approval of the project funding.

3. Project Inventory

Internal Audit reviewed LCC's project inventory and noted the following:

- a. The Fuel Service Charge programme was not included in LCC's project inventory.
- b. For two (2) projects reviewed (Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project and Ardee 2040 Project), the total project costs recorded in the project inventory do not match the total approved or actual project costs. According to management, the final version of the project inventory was not yet accessible during the review period. They stated that they are currently in the process of scrutinizing and concluding the project inventory.

Risk

- Risk of non-compliance with the Public Spending Code.
- Risk that value for money may not have been achieved.
- Risk of an inadequate audit trail.

Recommendation	<p>Internal Audit recommends that:</p> <ol style="list-style-type: none"> 1. The Strategic Assessment and Preliminary Business Case are completed prior to the preparation of tender documents and the awarding of the contract. 2. The project inventory is complete and accurate. The cost reflected in the inventory should be reviewed and confirmed with the respective project owners. Guidance on the completion of the project inventory is outlined in Version 4 of the PSC QA Requirements, Guidance Note for Local Government Section.
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Classification	Medium
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Management Comments	<ol style="list-style-type: none"> 1. Process to be put in place on strategic process. 2. Fuel service costs are incorporated in the Adopted Budget every year – it is not project funded. 3. (a) Fuel is not a stand-alone item/procurement on the Inventory Listings as it is an expenditure incurred across several sections. A separate file was provided at the time of the audit showing the breakdown of fuel expenditure. The appropriate Guidance Note was referenced in compiling the Inventory Listings. As per the “Guidance Note for Expenditure being Incurred”, current expenditure greater than €0.5m is taken from the AFS for the year under review. The AFS does not specifically call out/categorise fuel, so this non-compliance is not 'fixable'. <p>(b) Figures were accurate at the time of the audit based on provisional AFS figures provided - at a point in time. The Final Inventory Listings were furnished on 25th April 2023.</p>
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Responsible Person	Timeframe for Action
Seniors and Procurement Officer	Q4, 2023

2 Compliance with Procurement Procedures

Findings

Louth County Council, as a statutory body, is governed by Public Procurement Guidelines, Regulations and Directives. Based on Internal Audit's review, the following gaps and areas for improvement were identified:

1. Procurement Process

Internal Audit tested a total of fourteen (14) procurement transactions across four (4) projects reviewed. Our tests noted the following:

- a. For one (1) procurement transaction tested (related to the Ardee 2040 Project and valued at over €25,000), the tenders were sought via email instead of through public advertisement on the eTenders website.

LCC management explained that for the Ardee 2040 Project, the estimated value of the contract was initially less than €25,000. However, the cost increased during the tender process.

- b. The supplier involved in the preparation of the strategic assessment report and the business case (which amounted to less than €25,000) for the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project was not procured through a competitive process.

LCC management explained that they decided that it would be more efficient and cost effective to hire the supplier since they were already working with the project's outsourced consultant.

2. Evaluation Process

For six (6) of the procurement transactions reviewed (related to the Ardee 2040 Project and CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project), the following was noted:

- a. For two (2) procurements reviewed, the evaluation team did not sign a declaration of conflicts of interest prior to the evaluation of the tenders received.
- b. For three (3) procurements reviewed, the evaluation team signed the declaration of conflicts of interest after the evaluation of the tenders.
- c. For one (1) procurement reviewed, the evaluation scoresheet was signed but not date stamped by the evaluators.

Risk

- Risk of non-compliance with public procurement guidelines.
- Risk of bias and impropriety if conflict-of-interest consideration are not given proper attention.
- Risk that value for money may not have been achieved.

Recommendation	<p>Internal Audit recommends that Management ensure:</p> <ol style="list-style-type: none"> 1. Appropriate procurement methods are used and compliance with OGP’s Public Procurement Guidelines is observed in all instances. 2. The reason for procuring goods and services through a non-competitive process is properly documented and approved. This is in line with the newly implemented procurement policy and procedures issued in 2022. 3. All evaluators are required to complete and sign a declaration of Conflict-of-Interest prior to the evaluation. Additionally, evaluation scoresheets must be signed and date-stamped by all evaluators.
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Classification	Medium
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Management Comments	<ol style="list-style-type: none"> 1. (a) LCC management explained that for the Ardee 2040 Project, the estimated value of the contract was initially less than €25,000. However, the cost increased during the tender process. (b) New process / procedure on “Alternative Procurement Process / Sole Source Supplier” has since been implemented to capture scenarios of this nature 2. Internal processes will be updated to capture these situations, although it must be noted that ad hoc occurrences do take place e.g., in one instance (Ardee 2040) a third-party evaluator was deployed by LCC for this specific project and on receipt of documentation from the third-party operator, it was observed by LCC that a COI had not been furnished. LCC took action & then received the signed COI, which was dated in line with recommendation rather than evaluation. The third-party evaluator has clearly stated that there was no COI during the process and so LCC has no reason to suspect a conflict in this instance. In this instance LCC acted swiftly upon identifying the discrepancy
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Lead Responsible Person	Timeframe for Action
Seniors for applicable projects	Q4, 2023

7. Previously Reported Findings

Internal Audit performed a follow-up review of the status of audit recommendations from the 2018 to 2021 Public Spending Code Reviews. There are eight (8) recommendations that have not been implemented at the time of this report. Two (2) of these open recommendations are reiterations of previous findings and thus are no longer included in the total open recommendations as of the time of the follow-up review. A total of six (6) open recommendations remain as of December 2022. **We urge that management commit to undertaking a firm action plan to address issues identified.**

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

Audit Report	Open as of January 2022	Reiteration of Previous Findings	Implemented	Partially Implemented	Not Implemented	Open as of December 2022
Quality Assurance Review of Public Spending Code 2018	0	0	0	0	0	0
Review of Compliance with the Public Spending Code 2019	4	0	1	3	0	3
Review of Compliance with the Public Spending Code 2020	4	1	1	2	0	2
Review of Compliance with the Public Spending Code 2021	3	1	1	1	0	1
Total	11	2	3	6	0	6

Partially Implemented Recommendations

The table below details previously agreed-upon recommendations that were partially implemented at the time of the 2022 review.

No.	Ref. Year	Previous Recommendation	Priority Rating	Management Progress as of February 2023
1	Review of Compliance with the Public Spending Code 2019	<p>Procurement Procedures</p> <p>Internal Audit recommends that:</p> <ol style="list-style-type: none"> 1. 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"> a) Objectives b) Scope c) Feasibility d) Options Appraisal: Economic, Financial, Risk Analysis <ul style="list-style-type: none"> • Define the objective that LCC wants to achieve. • Explore options taking into account constraints. • Quantify the costs of viable options and specify sources of funding. • Analysis of the main options. • Identify the risks associated with each viable option. • Decide on the preferred option. e) Planning and Design Issues f) Evaluation Plan 2. All tender evaluation scoresheets (MEAT analysis) are signed and date stamped by all tender evaluation 	Medium	<p>Partially Implemented</p> <p>Internal Audit tested a sample of procurement transactions related to the sample projects reviewed. While all contracts are signed, dated and retained on file, compliance with public procurement guidelines remains sporadic across the Local Authority.</p> <p>Results from tests carried out during the 2022 review confirmed that:</p> <ol style="list-style-type: none"> 1. The Preliminary Business Case for one of the projects reviewed was not prepared in a timely manner. 2. For one (1) procurement transaction reviewed, the evaluation scoresheet was signed but not date stamped by the evaluators. <p>Please refer to Section 6 above for results from the 2022 review.</p>

No.	Ref. Year	Previous Recommendation	Priority Rating	Management Progress as of February 2023
		<p>panel members and retained in the procurement files. The date of evaluation should be indicated either in the evaluation scoresheet or tender report.</p> <p>3. All contracts, including any extensions / renewals, must be signed and retained on file prior to the delivery of goods / services.</p>		
2	Review of Compliance with the Public Spending Code 2019	<p>Internal Audit recommends that:</p> <ul style="list-style-type: none"> 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. <p>Declarations by all members of the evaluation panel, whether a conflict exists or not, should be properly documented and filed. The same requirement should apply to any third-party contractor engaged to conduct tender evaluations for the LCC.</p> <ul style="list-style-type: none"> 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. 	Medium	<p>Partially Implemented</p> <p>Gaps remain in the procurement procedures. Results from the 2022 testing observed the following:</p> <ol style="list-style-type: none"> For two (2) procurement transactions reviewed, the evaluation team did not sign a declaration of conflicts of interest prior to the evaluation of the tenders received. For three (3) procurement transactions reviewed, the evaluation team signed the declaration of conflicts of interest after the evaluation of the tenders. <p>Management explained that the formal process of requiring evaluators to sign COI declarations was only implemented in 2021.</p> <p>Please refer to Section 6 above for results from the 2022 review.</p>
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>	Medium	<p>Partially Implemented</p> <p>Based on the review performed by Internal Audit and confirmation from Management, it was noted that the LCC's Corporate Procurement Plan is still in draft form.</p>

No.	Ref. Year	Previous Recommendation	Priority Rating	Management Progress as of February 2023
		<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 the 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>		
4	Review of Compliance with the Public Spending Code 2020	<p>Audit recommends the following:</p> <ol style="list-style-type: none"> a. Request for Tender documents must clearly indicate if a Tender is an Open Tender, Mini Competition or Restricted Tender. b. For mini competitions where Tender submissions are evaluated solely on cost, a scoresheet on costs must be prepared and signed by all evaluation panel members and retained in the procurement files. c. All contracts, including any extensions / renewals, must be signed and retained on file prior to the delivery of goods / services. d. Evidence of approvals from an appropriate level of management should be sought prior to the contract award. This must be retained on file. 	Low	<p>Partially Implemented</p> <p>Internal Audit tested a sample of procurement transactions related to the sample projects reviewed. While all contracts are signed, dated and retained on file, compliance with the public procurement guidelines remains sporadic across the Local Authority.</p> <p>Results from tests carried out in the 2022 review confirmed that:</p> <ol style="list-style-type: none"> 1. The Preliminary Business Case for one of the projects reviewed was not prepared in a timely manner. 2. For one (1) procurement transaction reviewed, the evaluation scoresheet was signed but not date stamped by the evaluators. <p>Please refer to Section 6 above for results from the 2022 review.</p>

No.	Ref. Year	Previous Recommendation	Priority Rating	Management Progress as of February 2023
5	Review of Compliance with the Public Spending Code 2020	<p>Internal Audit recommends that:</p> <ol style="list-style-type: none"> KPIs for each project are set at the planning stage. Achievement of KPIs should be regularly reviewed at all stages of a project's life cycle. Regular progress reviews are performed to ensure that the project's quality and cost are monitored. Any significant variance should be immediately investigated and followed-up. 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 nearing its completion and not after. The review should also include the following analysis: <ul style="list-style-type: none"> The basis on which the project was undertaken proved to be correct; The business case and management procedures were satisfactory; Operational performance and initial benefits have been realised, and Conclusions that can be drawn that are applicable to other projects, to the ongoing use of the asset, or to associated projects. 	Medium	<p>Partially Implemented</p> <p>While Internal Audit noted that while the post-project review was appropriately performed by LCC and KPIs were set for each project reviewed, compliance with the requirements of the Public Spending Code remains sporadic across the Local Authority. For two (2) of the projects reviewed, no documents were provided at the time of the review regarding the approval of the project funding. In addition, a management report to track the expenditure related to fuel service charge was not provided.</p> <p>Please refer to Section 6 above for results from 2022 review.</p>
6	Review of Compliance with the Public Spending Code 2021	<p>Internal Audit recommends that Management:</p> <ul style="list-style-type: none"> Ensure the project inventory is complete and accurate, and that projects are properly categorised. The costs in 	Medium	<p>Partially Implemented</p> <p>While Internal Audit noted that post project review was appropriately performed by LCC, compliance</p>

No.	Ref. Year	Previous Recommendation	Priority Rating	Management Progress as of February 2023
		<p>the inventory should be reviewed and approved by the respective project owners. Guidance on the completion of the project inventory is outlined in Version 4 of the PSC QA Requirements, Guidance Note for Local Government Section.</p> <ul style="list-style-type: none"> • Obtain from OPW a formal approval for the €83.55 million project funding allocated to LCC. • Ensure a copy of the approved Business Case is retained on file to track project KPIs and provide an audit trail. • Ensure key performance indicators are established during planning to appropriately assess the achievement of the project objectives. Continuous monitoring and assessment should be performed to ensure that the set KPIs are met. • Ensure that the date when the post project review is performed is documented in the report. Completed post project review reports should be submitted to the approving department in a timely fashion. 		<p>with the requirements of the Public Spending Code remains sporadic across the Local Authority. Results from tests carried out during the 2022 review noted the following:</p> <ol style="list-style-type: none"> 1. The Fuel Service Charge was not included in LCC's project inventory. Furthermore, the following documents were not provided at the time of the review: a document demonstrating approval of the funding and a management report to track—expenditure on fuel card services. 2. For two (2) projects reviewed, the total approved or actual project cost does not match the total amount recorded in the project inventory. 3. For two (2) projects reviewed, there was no evidence on file regarding the approval of the capital funding. In addition, for one (1) of these projects, it was noted that the strategic assessment and preliminary business case were not completed in a timely manner. <p>Please refer to Section 6 above for results from 2022 review.</p>

8. Acknowledgements and Limitations

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.

Appendix

Appendix 1: In-Depth Check – Quality Assurance

A. Ardee 2040

Section A: Introduction

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

Programme or Project Information	
Name	Ardee 2040
Detail	Improve the townscape and amenities of Ardee with a focus on four key opportunity sites: Main Street, Ash Walk, The Old Railway and amenity lands to the east of the town.
Responsible Body	Louth County Council
Current Status	Expenditure being incurred
Start Date	2020
End Date	On-going
Overall Cost	At the time of the review, the total cost indicated in the project inventory was €702,300. However, the total amount approved was €632,093.

Project Description

The overall objective of this regeneration project is to transform Ardee Town into a thriving local development, promoting multi-functional uses and innovation, in an integrated and sustainable way. The vision for Ardee encourages the growth of this rural hub for the mid Louth and bordering areas where the principles of environmental, economic and social growth and sustainability including the protection of the town's heritage, and its natural and built environment are enshrined. LCC in partnership with key stakeholders, will build on the varied assets that are currently identified in Ardee.

Section B: Evaluation

Step 1: Logical Model Mapping

As part of this In-Depth Check, Crowleys DFK completed a Programme Logic Model (PLM) for the Ardee 2040 Project. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objectives	Inputs	Activities	Outputs	Outcomes
<p>Ardee 2040 is an ambitious and holistic project to improve the townscape and amenities of Ardee with a focus on four key opportunity sites: Main Street, Ash Walk, The Old Railway and amenity lands to the east of the town.</p>	<p>The primary input for this project was the capital funding of €632,093 from the Department of Rural and Community Development.</p>	<p>The following activities were undertaken for the project:</p> <ul style="list-style-type: none"> • A preliminary business case was prepared. • A tendering process and the appointment of an Integrated Urban Design Team to deliver urban design solutions for Ardee. • The preliminary design stage i: site visits, mapping, stakeholder engagement, design development options, a feasibility report including a cost report, a presentation to councilors and a non-statutory public consultation. • The planning process stage ii: preparation of planning applications, public consultation process, and council part 8 meeting (presentation). 	<p>The vision for the Ardee 2040 project is to transform Ardee from a traditional manufacturing town to a prosperous and thriving 21st century centre that is multi-functional and innovative in an integrated and sustainable way. The types of infrastructure expected at the end of the project are:</p> <ul style="list-style-type: none"> • new streetscapes and public spaces • junction upgrades linking public facilities and town centre services. • walkways connecting existing and new sports, amenities and recreational areas. 	<ul style="list-style-type: none"> • New and better-quality streetscapes and public spaces. • Improved accessibility for pedestrians and cyclists with associated infrastructure. • Junction upgrades linking public facilities and town centre services. • Walkways connecting existing and new sports, amenities and recreational areas.

Section B: Evaluation

Description of Programme Logic Model


- *Objective* : The primary vision is to an ambitious and holistic project to improve the townscape and amenities of Ardee with a focus on four key opportunity sites: Main Street, Ash Walk, The Old Railway and amenity lands to the east of the town.
- *Input* : The primary input for the project is a budget allocation of €632,093.
- *Activities* : There were a number of key activities undertaken for the project including the conducting of various surveys, the awarding of contracts to engineering consultants, stakeholder engagement, and the submission of planning applications.
- *Outputs* : Having carried out the identified activities using the inputs, the output of the project is the transformation of the town from a traditional manufacturing town to a prosperous and thriving 21st century centre that is multi-functional and innovative in an integrated and sustainable way.
- *Outcomes* : New and better-quality streetscapes and public spaces, improved accessibility for pedestrians and cyclists with associated infrastructure, junction upgrades linking public facilities and town centre services, and walkways connecting existing and new sports, amenities and recreational areas.

Step 2: Summary Timeline of Project/Programme

The following section tracks the Ardee 2040 Project from inception to conclusion in terms of major project/programme milestones:



September 2018	Application for funding was submitted.
September 2019	Submission of the Rural Regeneration and Development Fund Verification Form
December 2019	Submission of the signed Acceptance Form
June 2020	Publication of a tender to carry out feasibility studies, preliminary designs, land assembly, preparation of necessary designs, planning documentation etc. (eTenders Ref 20/023)
November 2020	Approval to proceed with the Ardee Regeneration project from the Rural Regeneration and Development Fund and the Department of Rural and Community Development
2020	Awarding of contract to Turley Consultants to carry out feasibility studies, preliminary designs, land assembly, preparation of necessary designs, planning documentation etc. (eTenders Ref 20/023)

Section B: Evaluation


January 2021	Preliminary Business Case Report
July 2021	Publication of tender for Topographical Survey Sending of RFQ for Tree Survey
September 2021	Awarding of contract for Topographical Survey to Murphy Geospatial Ltd Awarding of contract for Tree Survey to John Morris Arboricultural Consultancy
January 2022	Sending of RFQ for Utilities Survey Sending of RFQ for CCTV Survey Sending of RFQ for Traffic Survey Submission of Scope Change
February 2022	Approval of the Scope Change by the Chief Executive
March 2022	Awarding of contract for Utilities Survey to TST Engineering Ltd Awarding of contract for Traffic Survey to 360 TSL (Paul Castle)
May 2022	Awarding of contract for CCTV Survey to Precision Utility Mapping Sending of RFQ for RSA Stage 1
July 2022	Awarding of contract for RSA Stage 1 to Road Safety Matters
August 2022	The amount of funding was increased by €105,348.83 as approved by the Principal Officer of the DRCD. The adjusted full RRDF funding for the project is now €632,093.
December 2022	On-going

Section B: Evaluation**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation of the Ardee 2040 Project.

Project/Programme Key Documents	
Title	Evidence of compliance
Rural Regeneration and Development Fund Application Form	Request for funding from the Department of Rural Community and Development for Ardee Project 2040
Approval to Proceed	Approval by the Rural Regeneration and Development Fund, and the Department of Rural and Community Development, for the full funding amount of €526,743.75 for project RF0064 to proceed to project implementation.
Business Case	The business case was submitted in accordance with the requirements of Section 4 of the Public Spending Code and the letter of approval dated October 30, 2020, issued by the Department of Rural and Community Development (DRCD) for the approval of funding to support the Ardee 2040 Vision, a rural regeneration project. It contains the strategic relevance of the project, potential options to deliver, risk assessment, proposed approaches to procurement, implementation, monitoring and evaluation.
Scope change	The original tender envisaged a Part 8 planning process, but this was upgraded to a Stage 2 AA/NIS and sub-threshold EIAR. The additional cost amounted to €135,752.75 (plus VAT). This was approved by the Chief Executive.
Full Approval of Funding	The Department reviewed Form 2.4 and the request for additional funding to complete the project. Additional funding of €105,348.83 was approved by the Department. The adjusted full RRDF funding for the project is €632,093.
Procurement Documents	These documents include the publication of the tender, the evaluation undertaken, queries and clarifications, tender reports, letters, and evidence of review and approval.
Progress Reports	Project reports 2020 – 2022 which outline Project Milestones/Deliverables for each of the years.

Section B: Evaluation

- **Key Document 1: Rural Regeneration and Development Fund Application Form**

Request for funding from the Department of Rural Community and Development Ardee project 2040.

- **Key Document 2: Approval to Proceed**

Approval by Rural Regeneration and Development Fund, Department of Rural and Community Development for the full funding amount of €526,743.75 for project RF0064 to proceed to project implementation.

- **Key Document 3: Business Case**

The business case is submitted in accordance with the requirements of Section 4 of the Public Spending Code and the letter of approval dated October 30th, 2020, issued by the Department of Rural and Community Development (DRCD) for the approval of funding to support the Ardee 2040 Vision, a rural regeneration project. It contains the strategic relevance of the project, potential options to deliver, risk assessment, proposed approaches to procurement, implementation, monitoring and evaluation.

- **Key Document 4: Scope Change**

The original tender envisaged a Part 8 planning process, but this was upgraded to a Stage 2 AA/NIS and sub-threshold EIAR. The additional cost is €135,752.75 (plus VAT). This was approved by the Chief Executive.

- **Key Document 5: Full Approval of Funding**

The Department reviewed Form 2.4 and the request for additional funding to complete the project. Additional funding of €105,348.83 was approved by the Department. The adjusted full RRDF funding for the project is €632,093. However, Internal Audit identified at the time of the review that the total cost indicated in the project inventory was €702,300.

- **Key Document 6: Procurement Documents**

These documents include the publication of the tender, the evaluation undertaken, queries and clarifications, tender reports, letters, and evidence of review and approval. Our observations upon the review of procurement files in relation to the programme are detailed in [Step 5: Key Evaluation Questions](#).

- **Key Document 7: Progress Reports**

Project reports 2020 – 2022 which outline Project Milestones/Deliverables for each of the years.

Section B: Evaluation**Step 4: Data Audit**

The following section details the data audit that was carried out for the Ardee 2040 Project. It evaluates whether appropriate data is available for future evaluation of the project/programme.

Data Required	Use	Availability
Level of improved use of public spaces, amenities and town centre areas	Evaluate the effectiveness of the project	Not yet applicable (Project is currently in Stage 2 – Design Stage)
Rates revenue generated	Evaluate the effectiveness of the project	Not yet applicable (Project is currently in Stage 2 – Design Stage)

Data Availability and Proposed Next Steps

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

Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the Ardee 2040 Project 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. Internal Audit noted the following gaps and areas for improvement regarding the procurement testing performed by Internal Audit:

1. No COI declaration was signed by the evaluators for the procurement of the Urban Design Team, where Turley Consultant was awarded the contract.
2. COI declarations by the evaluators for the procurement of RSA Stage 1, where Road Safety Matters was awarded, were signed after the evaluation of the tenders.
3. Procurement for the Topographical Survey (€29,300) was done via email instead of eTenders.

Section B: Evaluation

4. The evaluation scoresheet, where Precision Utility Mapping was awarded the contract, was signed but not date stamped by the evaluators.

- **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. This project is still ongoing.

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

Based on the substantive testing performed, it is recommended that management ensure that:

1. The cost of the project in the project inventory file matches the funding approved. All evidence of approval should be retained on file for audit purposes.
2. Address the gaps identified above to ensure compliance with procurement policy and procedures. The recommendations for these findings are discussed in detail in [Sections 6 and 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 2040 Project.

Summary of the In-Depth Check

Aside from the gaps identified in Section A (Overall Cost) and Section B (Steps 3 and 5) above related to Project Funding and Procurement, Internal Audit noted compliance with the provisions of the Public Spending Code for the Ardee 2040 Project.

B. CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office**Section A: Introduction**

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

Programme or Project Information	
Name	CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office
Detail	Redevelopment and refurbishment of the Drogheda Civic Offices (removal and disposal of pigeon guano, removal, and disposal of furniture. The removal and disposal of materials containing asbestos from the offices at Fair Street, Drogheda)
Responsible Body	Louth County Council
Current Status	Expenditure being incurred
Start Date	July 2016
End Date	Ongoing
Overall Cost	The total project cost indicated in the project inventory is €12,000,000. However, there were no documents available during the review evidencing approval of the capital funding.

Project Description

The main overarching objective of the Drogheda Civic Offices development is the refurbishment and readaptation of Louth County Council's civic offices on Fair Street, Drogheda, to support the administrative functions of the local authority.

Section B: Evaluation

Step 1: Logical Model Mapping

As part of this In-Depth Check, Crowleys DFK completed a Programme Logic Model (PLM) for the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objectives	Inputs	Activities	Outputs	Outcomes
<p>The main overarching objective of the Drogheda Civic Offices development is the refurbishment and readaptation of Louth County Council’s civic offices on Fair Street, Drogheda, to support the administrative functions of the local authority. To achieve this, more specific objectives were identified:</p> <ul style="list-style-type: none"> • The addition of high-quality office space in the town • Enrichment of cultural heritage <p>Sustainability</p>	<p>The primary input for this project is the capital budget allocation of €12m. Moreover, council land and administrative support are also needed for the project.</p>	<p>Following activities were undertaken for the project: the development of a business case; the conducting of various surveys for the site area; the appointment of architects, civil, structural, mechanical, and electrical engineers; and the main contractor. Furthermore, the services of estimators, quantity surveyors, ducters, archaeologists, and solicitors were also used as part of a competitive procurement process.</p>	<p>The expected outputs of this project are as follows:</p> <ul style="list-style-type: none"> • Additional space at the Drogheda Civic Offices • Increase in the public realm area and public facilities provided on site 	<ul style="list-style-type: none"> • Reduced amount spent on renting a satellite office for Louth County Council. • Increased attractiveness of Drogheda town centre as a place to live and invest. • Increased support for community groups via the use of facilities.

Description of Programme Logic Model

- **Objective** : The main overarching objective of the Drogheda Civic Offices development is the refurbishment and readaptation of Louth County Council’s civic offices on Fair Street, Drogheda, to support the administrative functions of the local authority.
- **Input** : The primary input to the programme was the capital funding of €12m.

Section B: Evaluation

- *Activities* : There were a number of key activities carried out through the scheme including the development of business case; the conducting of various surveys for the site area; the appointment of architects, civil, structural, mechanical, and electrical engineers; and the main contractor. Furthermore, the services of estimators, quantity surveyors, ducters, archaeologists, and solicitors were also used as part of a competitive procurement process.
- *Outputs* : The expected outputs of this project are as follows: Additional space at the Drogheda Civic Offices, and an increase in the public realm area and the public facilities provided on site.
- *Outcomes* : Benefits include (1) Reduced amount spent on renting a satellite office for Louth County Council. (2) Increased attractiveness of Drogheda town centre as a place to live and invest (3) Increased support for community groups via the use of facilities.

Step 2: Summary Timeline of the Project/Programme

The following section tracks the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project from inception to conclusion in terms of major project/programme milestones:



July 2016	Publication of RFT for an Architectural Lead Design Team (ADT) to deliver an approved Part 8 scheme for the refurbishment and redevelopment of Drogheda Civic Offices. (eTenders Ref 16/0008)
Jan 2017	Awarding of the contract to Building Design Partnership Limited (BDP) as Architects, Civil & Structural Engineers, and Mechanical & Electrical Engineers to deliver an approved Part 8 scheme for the refurbishment and redevelopment of Drogheda Civic Offices. (eTenders Ref 16/0008)
September 2020	Publication of Tender (Stage 1 of Restricted Procedure) for the Contract for the redevelopment and refurbishment of Drogheda Civic Offices. (eTenders Ref 20/030)
January 2021	Shortlisting of the tenders for Stage 1 of the Restricted Procedure for the Contract for redevelopment and refurbishment of Drogheda Civic Offices. (eTenders Ref 20/030)
August 2021	Sending of an RFQ to potential tenderers for the services of an archaeologist to monitor demolition and ground works at Drogheda Civic Offices, Fair Street, Drogheda, Co. Louth.
September 2021	Publication of the tender (Stage 2 of Restricted Procedure) to the shortlisted tenderers for the contract for the redevelopment and refurbishment of Drogheda Civic Offices. (eTenders Ref 20/030)

Section B: Evaluation



January 2022	Strategic Assessment Report submitted by AECOM Limited, which is required by projects with an estimated business cost exceeding 10 million euro.
March 2022	Awarding of the contract to Archaeologist Consultancy Services Unit to archaeologically monitor the Civic Offices site.
March 2022	Awarding of the contract for the tender published in 2020 to Townlink Construction Limited for the redevelopment and refurbishment of Drogheda Civic Offices (initial contract sum of €11,841,324.32). (eTenders Ref 20/030)
March 2022	Preliminary business case and payment certificates for the Drogheda Civic Offices submitted by AECOM Ireland Limited.
June 2022	Publication of RFT via email and post for a "Minor Ducting Contract."
July 2022	Awarding of the contract to James Oliver Hearty & Sons in respect of the 'Minor Ducting Contract Drogheda Civil Offices' for ESB and Eir ducting works at the Civic Offices.
December 2022	On-going

Section B: Evaluation**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation of the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project.

Project/Programme Key Documents	
Title	Evidence of compliance
Strategic Assessment Report	The Strategic Assessment Report, submitted by AECOM Limited, is required by projects with an estimated business cost exceeding 10 million euro. Its purpose is to establish the rationale for the project, its alignment with national and local policy, its objectives, and to consider options, costs, and implementation.
Preliminary Business Case	The preliminary business case, submitted by AECOM Limited, provides the background to the project. Furthermore, it provides the consideration of different alternatives together with the evaluation of the preliminary costs, scheme appraisal and the initial risk analysis.
Procurement Documents	Documents include the publication of the tender, the evaluation undertaken, queries and clarifications, tender reports, letters, and evidence of review and approval.
Payment Certificates	Payment certificates submitted by Building Design Partnership (BDP) to the employer, Louth County Council, on the completion of various milestones.
Cost Report	The Cost Report shows the current financial status of the project, project risks, and construction contingencies for each month from May 2022 to January 2023.

- **Key Document 1: Strategic Assessment Report**

The Strategic Assessment Report, submitted by AECOM Limited, is required by projects with an estimated business cost exceeding 10 million euro. Its purpose is to establish the rationale for the project, its alignment with national and local policy, its objectives, and to consider options, costs, and implementation. The Strategic Assessment and Preliminary Business Case were prepared in 2022. However, the tender for the main contract had already been published in 2020.

Section B: Evaluation

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

The preliminary business case, submitted by AECOM Limited, provides the background to the project. Furthermore, it provides the consideration of different alternatives together with the evaluation of the preliminary costs, scheme appraisal and the initial risk analysis.

- **Key Document 3: Procurement Documents**

Documents include the publication of the tender, the evaluation undertaken, queries and clarifications, tender reports, letters, and evidence of review and approval.

Our noted observations upon the review of procurement files in relation to the programme are detailed in Sections 6 and 7 of this report.

- **Key Document 4: Payment Certificates**

Payment certificates submitted by Building Design Partnership (BDP) to their employer, Louth County Council, on the completion of various milestones.

- **Key Document 5: Cost Report**

The Cost Report shows the current financial status of the project, project risks, and construction contingencies for each month from May 2022 to January 2023.

Step 4: Data Audit

The following section details the data audit that was carried out for the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project. It evaluates whether appropriate data is available for future evaluation of the project/programme.

Data Required	Use	Availability
No. of office spaces	To assess the success of the project	Not yet applicable as project is still ongoing construction
No. of facilities available to public and community groups	To assess the success of the project	Not yet applicable as project is still ongoing construction
Costs incurred	To assess whether the project is in line with the approved budget	Yes – via cost reports available

Data Availability and Proposed Next Steps

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

Section B: Evaluation**Step 5: Key Evaluation Questions**

The following section looks at the key evaluation questions for the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project 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.

Internal Audit noted the following gaps and areas for improvement:

1. The Strategic Assessment and Preliminary Business Case were prepared in 2022. However, the tender for the main contract had already been published in 2020.
2. No COI declaration was signed by the evaluators for the procurement of Architectural lead Design Team (ADT) Consultants, where BDP was awarded the contract.
3. COI declarations by the evaluators for the procurement of services, where Townlink Construction Limited and James Oliver Hearty and Sons were awarded the contracts, were signed after the evaluation period.
4. No separate procurement was conducted for the payment to AECOM for the services they rendered in the preparation of the Strategic Assessment Report and the Business Case.

- **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. This project is still ongoing.

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

Based on the substantive testing performed, it is recommended that management address the gaps identified above. This is to ensure timeliness in the preparation of the Strategic Assessment and the Business Case and in conducting the procurement process according to policy. The evidence of approval for the capital funding should also be documented and retained on file.

The recommendations for these findings are discussed in detail on Sections 6 and 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 CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project.

Summary of the In-Depth Check

Aside from the gaps identified in Section A (Overall Cost) and Section B (Steps 3 and 5) above, Internal Audit noted compliance with the provisions of the Public Spending Code for the CPF Redevelopment of Drogheda Municipal Building /Fair Street Offices / Civic Office Project.

C. Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V**Section A: Introduction**

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

Programme or Project Information	
Name	Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V
Detail	Acquisition of 6 new housing units at Listoke Avenue, Ballymakenny Road, Drogheda, Co. Louth
Responsible Body	Louth County Council
Current Status	Completed
Start Date	2021
End Date	September 2022
Overall Cost	The overall final cost was €1,728,746. However, at the time of the review, the total cost indicated in the Project Inventory was €1,721,046.09.

Project Description

This project is for the acquisition of 6 (six) new 3-bed, 2-story terraced housing units at Listoke Avenue. This project is directed by the Planning and Development Act of 2000. The act requires that where a residential development is undertaken, the developer must provide a percentage of social housing. In this scheme, the developer is providing 6 (six) new housing units for social housing tenants in compliance with Part V of the Act.

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

As part of this In-Depth Check, Crowleys DFK completed a Programme Logic Model (PLM) for the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objectives	Inputs	Activities	Outputs	Outcomes
The objective of the project is the acquisition of 6 new 3-bed, 2-story terraced housing units at Listoke Avenue. In addition, the developer's requirement to comply with Part V of the Planning and Development Act 2000 also needs to be considered.	The primary input for this project was the capital budget allocation of €1,728,746. This was provided by the Department of Housing, Local Government and Heritage (DHLGH).	The following activities were undertaken for the project: <ul style="list-style-type: none"> The appointment of property valuers and surveyors needed to build the Business Case. The submission of a proposal in response to the DHLGH's social housing targets for individual local authorities, which include Louth County Council. Receipt of approval for funding from the DHLGH. Execution of the sale and transfer of titles. 	The acquisition of 6 new 3-bed, 2-story terraced housing units at Listoke Avenue.	To increase the delivery of social housing units in LCC, eradicate homelessness, and meet the government's strategic plan, Housing for All.

Description of Programme Logic Model


- *Objective* : The primary objective is the acquisition of 6 new 3-bed, 2-story terraced housing units at Listoke Avenue. These units will be used for social housing.
- *Input* : The primary input to the programme was the capital funding of €1,728,746.
- *Activities* : There were a number of key activities carried out through the scheme. These included the submission of the County Council's Housing Target, the submission of the proposal for approval and conducting various surveys of the site area.

Section B: Evaluation

- *Outputs* : The expected output of this project is the acquisition of 6 new 3-bed, 2-story terraced housing units at Listoke Avenue.
- *Outcomes* : The envisaged outcome of this project is to eradicate homelessness by increasing social housing delivery and supporting social inclusion. This is part of the new housing plan for Ireland wherein everyone in the state should have access to a home to purchase or rent at an affordable price, built to a high standard and in the right place, offering a high quality of life.

Step 2: Summary Timeline of Project/Programme

The following section tracks the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project from inception to conclusion in terms of major project/programme milestones:



February 2021	Initial correspondence with the developer and LCC regarding the availability of 6 housing units for social housing tenants.
July 2021	LCC initiated a procurement for a land valuation service via Request for Quotation. Robert B. Daly was selected as the successful supplier.
August 2021	LCC initiated a procurement for the service of a quantity surveyor via Request for Quotation. McGahon Surveyors was selected as the successful supplier.
September 2021	LCC received a memo from the DHLGH detailing the LCC's social housing delivery targets.
April 2022	Submission of the project proposal and budget request to DHLGH.
April 2022	LCC initiated a procurement for the service of Building Surveyor via Request for Quotation. ABL Surveyors was selected as the successful supplier.
May 2022	Received DHLGH's approval for-the proposal, including the budget.
August 2022	Completion of the acquisition for housing units 22, 28, and 30.
September 2022	Completion of the acquisition for housing units 35, 37, and 43.
September 2022	Completion and Issuance of Project Completion Report.

Section B: Evaluation**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to the appraisal, analysis and evaluation of the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project.

Project/Programme Key Documents	
Title	Evidence of compliance
'Housing for All' Plan	This document outlines the government's 'Housing for All' programme
Letter from the Minister for Housing, Local Government and Heritage	A letter that sets out the Social Housing Delivery Targets for Louth County Council for the period 2022 – 2026.
Housing Delivery Action Plan 2022-2026	This report shows Louth County Council's plan for meeting the targets set out in the letter from the Minister for Housing, Local Government and Heritage for the Housing for All programme by the government.
KPIs	This document shows the project's KPIs, which will be evaluated upon completion.
Project Appraisal (Business Case)	This document explains why the project is needed. In addition, it contains the proposal drawings, an independent valuation, a cost and value for money evaluation, and a programme delivery plan.
Business Case and Budget Approval	A document showing the DHLGH's approval of the proposal.
Procurement Documents	All documents related to the procurement of services needed for the acquisition (e.g., building surveyors, quantity surveyors, valuation services etc.). The documents include quotation emails, queries and clarifications etc.
Legal Documents	These documents comprise all the legal documents for the project such as the Contract of Sale etc. They are signed by the County Council and the developer.
Project completion report	This document contains the project title, description, approving authority, sponsoring agency, contract type, developer, contract price, governance and reporting requirements and the KPI review.

Section B: Evaluation

- **Key Document 1: ‘Housing for All’ Plan**

This document shows the government’s ‘Housing for All’ programme.

- **Key Document 2: Letter from the Minister for Housing, Local Government and Heritage**

Signed by the Minister for Housing, Local Government and Heritage and addressed to the Chief Executive of Louth County Council. This letter sets out the Social Housing Delivery Targets for Louth County Council for the period 2022–2026.

- **Key Document 3: Housing Delivery Action Plan 2022-2026**

This report shows the Louth County Council’s plan for meeting the targets set out in the letter from the Minister for Housing, Local Government and Heritage for the Housing for All programme by the government.

- **Key Document 4: KPI**

This document shows the project’s KPIs, which will be evaluated upon completion.

- **Key Document 5: Project Appraisal (Business Case)**

This document explains the need for the project. In addition, it contains the proposal drawings, an independent valuation, a cost and value for money evaluation, and a programme delivery plan.

- **Key Document 6: Business Case and Budget Approval**

This document shows the DHLGH’s approval of the proposal.

- **Key Document 7: Procurement Documents**

All documents related to the procurement of services needed for the acquisition (e.g., building surveyors, quantity surveyors, valuation services etc.). The documents include quotation emails, queries and clarifications etc.

- **Key Document 8: Legal Documents**

All legal documents such as the Contract of Sale etc. They are signed by the County Council and the Developer.

- **Key Document 9: Project Completion Report**

This report was prepared by the project manager, the Senior Executive Engineer of the Housing Capital Section of Louth County Council on September 19, 2022. This document is a report on the conclusion of the project, including a KPI review and Value for Money Assessment.

Section B: Evaluation**Step 4: Data Audit**

The following section details the data audit that was carried out for the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project. It evaluates whether appropriate data is available for future evaluation of the project/programme.

Data Required	Use	Availability
No. of houses acquired through Part V acquisition	To determine whether the project has been successfully completed	Available on Project File
Valuation of each of the houses	To determine if the properties were correctly assessed at market value. Assess whether value for money was attained.	Available on Project File
Timing of delivery	To determine if the required units were delivered within the target timeframe	Available on Project File

Data Availability and Proposed Next Steps

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

Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project 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.

Section B: Evaluation

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

Based on the substantive testing performed for the project, it is recommended that management ensure that the project inventory is periodically reviewed and updated. This is to ensure that the actual cost of the project is accurately reflected in the project inventory.

The recommendations for the finding identified are discussed in detail on **Section 6** of this report.

Section C: Summary and Conclusions

The following section presents a summary of the findings from this in-depth check performed on the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project.

Summary of In-Depth Check

Aside from the minor gaps identified in Section A (Overall Cost) above, Internal Audit noted compliance with the provisions of the Public Spending Code with regard to the Listoke, Ballymakenny Road, Drogheda - Phase 1 - Part V Project.

D. Fuel Service Charge**Section A: Introduction**

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

Programme or Project Information	
Name	Fuel Service Charge
Detail	Provision of Fuel Service Charge Cards for Louth County Council
Responsible Body	Louth County Council
Current Status	Expenditure being incurred
Start Date	Started in 2014
End Date	On-going (Cost is incurred annually)
Overall Cost	As per Louth County Council, the total fuel expenditure for 2022 was €466,119.93. However, this was not included in the Project Inventory at the time of the review.

Project Description

The overall objective of this expenditure was the acquisition of fuel service charge cards for the use of different departments across Louth County Council.

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

As part of this In-Depth Check, Crowleys DFK completed a Programme Logic Model (PLM) for the Fuel Service Charge. 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 overall objective of this expenditure is the acquisition of fuel service charge cards for the use of different departments within Louth County Council.	The primary input for this project is the budget allocation. As per Louth County Council, the total spend for 2022 was €466,119.93.	The activation of the Notification to Activate Services Form for the single-supplier Fuel Service Charge Card Services Framework Agreement was the main activity conducted for this expenditure in 2022.	The output of this expenditure is the issuance of fuel service charge cards that can be used to purchase automotive fuel products, car washing facilities and air/water facilities.	<ul style="list-style-type: none"> Continued operation of different departments within Louth County Council (e.g., fire stations etc.) Increased control over the monitoring of fuel card charges.

Description of Programme Logic Model

- **Objective** : The overall objective of this expenditure is the acquisition of fuel charge cards.
- **Input** : The primary input for this project is the budget allocation. As per Louth County Council, the total spend for 2022 was €466,119.93.
- **Activities** : The activation of the Notification to Activate Services Form for the single-supplier Fuel Service Charge Card Services Framework Agreement was the main activity conducted for this expenditure in 2022.
- **Outputs** : The output of this expenditure are the Fuel Service Charge cards that will be provided by the supplier.
- **Outcomes** : The envisaged outcome of this expenditure is the simplified monitoring of fuel charges within the council and the continuous mobility and operation of different departments within Louth County Council (e.g., fire stations etc.).

Section B: Evaluation

Step 2: Summary Timeline of Project/Programme

The following section tracks the Fuel Service Charge from inception to conclusion in terms of major project/programme milestones:



2014	<p>OGP awarded the contract to Topaz Energy Limited (the brand was replaced by Circle K in 2018) to provide fuel charge card services and fuel products.</p> <p>LCC completed a notification to activate service form to appoint the supplier. The contract period was from February 2014 to January 2017.</p>
2017 – 2019	<p>There were two contract extensions made to the contract with Circle K (formerly Topaz Energy Limited). The first extension was made in 2018 and this was further extended in 2019.</p>
2019	<p>OGP established a Single Supplier Framework Agreement for the Provision of Supply of Fuel Charge Card Services. The tender was awarded to Petrogas Group Ltd. (Applegreen PLC).</p> <p>LCC held a meeting with Applegreen representatives regarding the fuel card service.</p>
2022	<p>OGP awarded the contract to Circle K Ireland Energy Limited for the fuel charge card services.</p> <p>LCC completed a notification to activate service form for the appointment of the supplier.</p>
December 2022	<p><i>Ongoing</i></p>

Section B: Evaluation**Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to the appraisal, analysis and evaluation of the Fuel Service Charge expenditure.

Project/Programme Key Documents	
Title	Evidence of compliance
Annual Budget for the Fuel Service Charge Expenditure	<i>Not available for review.</i>
Notification to Activate Services Form	This is the Notification to Activate Services Form for the single-supplier Fuel Charge Card Services Framework Agreement, signed by Louth County Council and the Contractor (Circle K), effective 16 December 2022.
Fuel Analysis	This document contains a breakdown of each of the fuel expenses incurred during the period.
Management Report	<i>Not available for review.</i>

- **Key Document 1: Annual Budget for the Fuel Service Charge Expenditure**

The annual budget for fuel card charges was not available for review. Management confirmed that the spending program is defined as part of the annual budget process.

- **Key Document 2: Notification to Activate Services Form**

This is the Notification to Activate Services Form for the single-supplier Fuel Charge Card Services Framework Agreement, signed by Louth County Council and the Contractor (Circle K), effective 16 December 2022. Completion of the activation form (NASF) provides LCC with the legal protections set out in the contract. The contract was signed by OGP on behalf of the Minister for Public Expenditure and Reform and the Supplier.

- **Key Document 3: Fuel Analysis**

This document details all the LCC's fuel card charges for 2022.

Section B: Evaluation

- **Key Document 4: Management Report**

A management report to track the expenditure on fuel card services was not available for review.

Step 4: Data Audit

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

Data Required	Use	Availability
The Cost of Fuels Consumed	To calculate the cost of the Fuel Service Charge	Available on Project File

Data Availability and Proposed Next Steps

Management provided a Fuel Analysis file that contains a breakdown of the amounts spent on the Fuel Service Charge.

Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the Fuel Service Charge 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 except for those identified in Section 3 (Analysis of Key Documents).

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

Based on the substantive testing performed, it is recommended that management update the Project Inventory to reflect the fuel service charge and ensure all documents (i.e., budget, reports, etc.) are kept on file.

The recommendations for the findings identified are discussed in detail on Section 6 of this report.

Section B: Evaluation

Section C: Summary and Conclusions

The following section presents a summary of the findings of this in-depth check on the Fuel Service Charge spend.

Summary of In-Depth Check

Aside from the gaps identified in Section A (Overall Cost) and Section B (Step 3 and 5) above, Internal Audit noted compliance with the provisions of the Public Spending Code for the Fuel Service Charge.

Contacts

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