

**Comhairle Cathrach  
& Contae Phort Láirge**  
Waterford City  
& County Council

**WATERFORD CITY & COUNTY COUNCIL**

**Quality Assurance Report 2016**

**Issued by**

**WATERFORD CITY & COUNTY COUNCIL**

**Submitted to the National Oversight Audit Commission (NOAC)  
in compliance with the Public Spending Code**

**MAY 2017**

## Certification

This Annual Quality Assurance Report reflects Waterford City & County Council's assessment of compliance with the Public Spending Code. It is based on financial, organisational and performance related information available across the various areas of responsibility.

Signature of Chief Executive:

A handwritten signature in black ink, appearing to read 'Michael Walsh', with a long, sweeping tail stroke extending to the right.

Michael Walsh

Dated: 31<sup>st</sup> May 2017

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## **1. Introduction**

Waterford City & County Council has completed the Quality Assurance (QA) report as part of its on-going compliance with the Public Spending Code (PSC).

The primary aim of the Quality Assurance process is to gauge the extent to which Departments within the Council are meeting the obligations outlined in the Public Spending Code. Details of the Public Spending Code can be found on the following website;

<http://publicspendingcode.per.gov.ie>

**The Quality Assurance Process contains five steps:**

- 1. Drawing up Inventories of all projects/programmes at different stages of the Project Life Cycle.**  
The Project Life Cycle includes appraisal, planning/design, implementation and post implementation review. The three sections to be completed are expenditure being considered, expenditure being incurred and expenditure that has recently ended. The inventory includes all projects/programmes with a value in excess of €0.5m.
- 2. Publish summary information on the Council website of all procurements in excess of €10m.** This applies to all projects whether new, in progress or completed.
- 3. Checklists to be completed in respect of the different stages.** These checklists allow the Council and its departments to self-assess their compliance with the code. The checklists templates are provided through the PSC document.
- 4. Carry out a more in-depth check on a small number of selected projects/programmes.** A number of projects or programmes (at least 5% of total spending) are selected to be reviewed more intensively. This includes a review of all projects from initial appraisal right through to post implementation review.
- 5. Complete a short report for the National Oversight and Audit Commission (NOAC)** which includes the inventory of all projects, the website reference for the publication of procurements above €10m, the completed checklists, the Council's judgement on the adequacy of processes given the findings from the in-depth checks and the Council's proposals to remedy any discovered inadequacies.

This report satisfies step 5 above for Waterford City & County Council. It is also important to note that this is the third year that the Quality Assurance process has been applied in Waterford City & County Council.

## **2. Inventory of Projects/Programmes**

This section contains an inventory list of all projects and programmes at various stages of the project life cycle where the total project value amounts to more than €0.5M. The inventory list (Appendix One on Pages 11-14) is divided between revenue expenditure and capital expenditure and between three stages:

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

### **Expenditure being considered**

Appendix one contains the details of 13 projects of a value greater than €0.5M that Waterford City & County Council was considering during 2016. The total value of all projects is €19.2m. The main area being considered is in respect of housing construction with a value of €16.m

### **Expenditure being incurred**

Appendix one also contains the details of all areas of expenditure with a value greater than €0.5M taken from the financial statements for 2016. Please note as of 31/05/2017 these financial statements were unaudited. The total value of all these items of expenditure is €201m of which €81m relates to capital expenditure and the balance being revenue expenditure. The revenue expenditure relates to the normal day to day activities of the Council.

### **Expenditure that has recently ended**

There are 3 items of expenditure which Waterford City & County Council deems as recently ended with a total value of 20.8m. The major part of this refers to our involvement in the procurement of de-icing salt on behalf of the NRA/TII.

## **3. Published Summary of Procurements**

The Quality Assurance process requires Waterford City & County Council to publish all procurements in excess of €10M on our website. There were no procurements in excess of €10M during 2016 in Waterford City & County Council, therefore no procurement details are published on our website.

## 4. Assessment of Compliance

### 4.1 Checklist Completion: Approach Taken and Results

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure. The high level checks in Step 3 of the QA process are based on self-assessment by the Department and its agencies/bodies, in respect of guidelines set out in the Public Spending Code.

There are seven checklists in total:

**Checklist 1:** General Obligations Not Specific to Individual Projects/Programmes

**Checklist 2:** Capital Projects or Capital Grant Schemes Being Considered

**Checklist 3:** Current Expenditure Being Considered

**Checklist 4:** Capital Expenditure Being Incurred

**Checklist 5:** Current Expenditure Being Incurred

**Checklist 6:** Capital Expenditure Completed

**Checklist 7:** Current Expenditure Completed

A full set of checklists 1-7 was completed by Waterford City & County Council. The compiled checklist for Waterford City & County Council is set out in Appendix 2. In addition to the self-assessed scoring, the vast majority of answers are accompanied by explanatory comments. Each question in the checklist is judged by a 3 point scale, where 1. Scope for significant improvement, 2. Compliant but with some improvement necessary, 3. Broadly compliant.

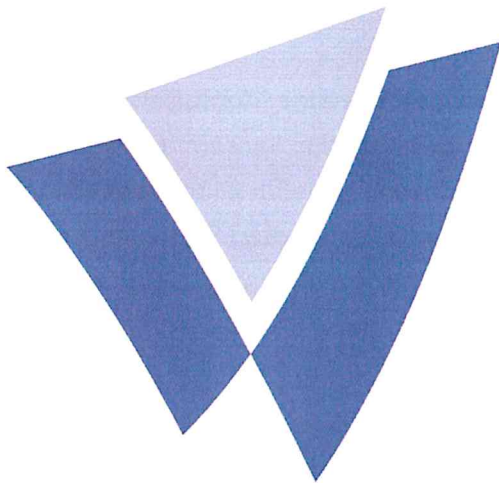
### 4.2 Main Issues Arising from Checklist Assessments

There are plans to increase revenue spending in two areas by amounts greater than €500K during 2017. A review of current expenditure being considered took place by analysing the adopted budget for 2017 versus the budget for 2016.

There are no items to report under checklist 7 for Waterford City & County Council. This checklist deals with current expenditure in excess of €500K incurred during 2016 but will not be incurred in future.

Overall the checklists show a good level of compliance with the code. However there are areas that will require improvement. A greater awareness of the Public Spending Code will need to be fostered by both the Council and the Department.

**5. In-Depth Checks**



**Comhairle Cathrach  
& Contae Phort Láirge**  
Waterford City  
& County Council

**WATERFORD CITY & COUNTY COUNCIL**

**Public Spending Code Section 4 Review**

**Issued by**

**INTERNAL AUDIT**

**WATERFORD CITY & COUNTY COUNCIL**

**MAY 2017**

## 1. Introduction

**1.1 Circular 13/13:** The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service - Standard Rules & Procedures was issued in September 2013 implementing a comprehensive set of expenditure appraisal, Value for Money requirements and related guidance covering all public expenditure. Having completed Section 3 involving high level checklists that capture various areas of compliance, a more in depth review was carried out in two areas to assess the level of compliance with the code.

The projects/areas chosen were as follows;

- 15 Housing Units at Ormond Cinema Site, Dungarvan (capital) **€1.9m**
- Provision of Public Lighting function - City & County wide (revenue-App 4) **€1.8m**

### 1.2 Purpose, Objectives & Scope

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

The scope of the audit included a review of compliance with the Public Spending code.

The total value of projects/expenditure included in the 2017 Report for Waterford City & County Council is €241m. The expenditure selected for review in this report is valued at €3.7m. The revenue project selected satisfies the minimum requirement of 1% of all Revenue Projects on the Project Inventory. On a cumulative basis i.e. 2015 to 2017 capital projects selected for review are of a value greater than 5% of the total value of all projects included in Project Inventories for the years 2015 to 2017 (12%-all projects only counted once).

### 1.3 Methodology

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

These include the following;

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



## 2. Background

### 2.1 Housing Situation in Waterford

The Housing Policy of Waterford City & County Council, rooted in the strategy document “Rebuilding Ireland – Action Plan for Housing and Homelessness” strives to facilitate the delivery of good quality accommodation for those who have the greatest need and to develop sustainable communities in Waterford City & County.

In Waterford there are currently **1,599** approved households on the housing waiting list (Housing Needs Assessment 2016).

The following is the breakdown for housing preference in the Dungarvan area:

Number of bedrooms	Number of applicants
1 bed	175
2 bed	97
3 bed	57
4 bed	8

These housing applications (337 in total) represent 21.0% of the total application for the county of Waterford and this proposed project at the Ormond Cinema Site, Dungarvan (15 Units) would satisfy almost 1% of the current outstanding need from a county wide perspective and almost 5% from an area perspective. More importantly it will provide one bedroom accommodation which accounts for the majority of needs in Dungarvan as can be seen from the table above.

#### **Project Details**

In 2007, Dungarvan Town Council appointed a Developer to construct a small housing scheme on the site of the old Ormond cinema in Dungarvan, Co. Waterford. Using its own Design Team the Developer produced a suitable layout for the scheme. The Part 8 planning process was successfully completed but due to the downturn in the economy nationally, the project was shelved. In 2013 the Department issued a Circular to each Local Authority seeking submissions on brown field sites within their functional area. As the Ormond cinema site project was ready for the tender process, a submission was made to the Department by Dungarvan Town Council to proceed with the project. Approval issued from the Department.

In 2013/2014 Waterford City Council and Waterford County Council became a merged authority. In the merged structure, Dungarvan Town Council was dissolved. The newly merged Council

(Waterford City & County Council) carried out a risk assessment of the project and a detailed submission was sent to the Department to retain the existing design team who held the intellectual property to the scheme. The original contractor had by this point in time ceased to exist. Permission was granted by the Department with a number of conditions. Contracts were signed with the design team and the tender process to appoint a contractor commenced. The successful tenderer was S & K Carey Ltd and the tender in the sum of €1,622,850.00 (excluding VAT) was approved by the Department.

### **3. Audit Opinion**

After reviewing available information it can be concluded that there is satisfactory compliance with the public spending code in relation to this project. Outlined below are the reasons as to why this conclusion can be drawn.

- The construction of social housing units at the Ormond Cinema Site, Dungarvan was in line with current Waterford City & County Council policy.
- There is currently chronic shortage of social housing in Ireland with Waterford and indeed Dungarvan being no exception. This project has, in a small way, helped to alleviate the issue.
- The tender procedure was in compliance with Waterford City & County Council's procurement process.
- The acceptance of tenders & opening process was in compliance with Waterford City & County Council's procurement process.
- A recommendation was made to the Department (and approval received) by Senior Staff in Waterford City & County Council on completion of the evaluation process prior to awarding the tender.
- Payments to the suppliers were made in a timely fashion and the draft final account is being considered.

### **4. Project Status & Recommendations**

#### **4.1 Project Status**

This project was completed in January 2017 and all units have been allocated in accordance with the Council's Scheme of Letting Priorities.

#### **4.2 Recommendations**

It does appear from the examination of relevant documentation and from meeting with Senior Housing officials that the project broadly complies with the spending code.

## Appendix One Inventory

Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
Local Authority Name			€0.5 - €5m	€5 - €20m	€20m plus	€m	€m	€m	€m	€m	€m	
<b>Waterford City &amp; County Council</b>	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
<b>Housing &amp; Building</b>												
Housing Energy Efficiency Scheme								€4.60				32% Local Funding
Housing Construction - Former Cinema Site Dungarvan								€2.20				
Purchase of Houses for People with Disabilities								€3.10				
Miscellaneous House Purchases Ardmore								€11.20				
Park/Priory Lawn, Waterford City (8 units)			€1.00									
Larchville, Waterford City (5 Units)			€0.70									
Alms House, Tallow (4 units)			€0.70									
Coolfinn Woods, Portlaw (12 units)			€1.40									
Ballinroad, Dungarvan (20 units)			€2.50									
Doyle Street, Waterford (4 units)			€0.70									
Kn GARRAN, Ramore (32 units)			€4.80									
Convent Hill Ramore (10 units)			€0.70									
Cappoquin (4 units)			€0.60									
Handon, Dungarvan (20 units)			€3.50									
05 Administration of Homeless Service	€0.60											
01 Maintenance/Improvement of LA								€7.10				
02 Housing Assessment, Allocation and Transfer								€1.20				
03 Housing Rent and Tenant Purchase Administration								€0.90				

Local Authority Local Authority Name	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes >€0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
			€0.5 - €5m	€5 - €20m	€20m plus							
€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m		
<b>Waterford City &amp; County Council</b>												
A05 Administration of Homeless Service						€3.20						
A06 Support to Housing Capital & Affordable Prog.						€1.80						
A07 RAS Programme						€6.20						
A08 Housing Loans						€2.70						
A09 Housing Grants						€1.90						
<b>Road Transportation and Safety</b>												
Sustainable Transport Projects								€11.10				
Greenway								€16.30				
Procurement National/Reg Winter Maint Rock Salt											€13.90	
City Centre Traffic Management												
Dungarvan Town Centre Public Realm								€3.00				
Tallow Link Road								€0.90				
Bord Gais Carp Park								€1.20				
B01 NP Road - Maintenance and Improvement						€2.80						
B02 NS Road - Maintenance and Improvement						€1.10						
B03 Regional Road - Maintenance and Improvement						€5.50						
B04 Local Road - Maintenance and Improvement						€18.70						
B05 Public Lighting						€1.80						
B09 Maintenance & Management of Car Parking						€1.10						
B11 Agency & Recoupable Services						€3.70						
<b>Water Services</b>												
Waterford City Flood Alleviation Scheme								€22.00				

Local Authority Local Authority Name	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes >€0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
		€0.5 - €5m	€5 - €20m	€20m plus								
Waterford City & County Council	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
C01 Operation and Maintenance of						€6.70						
C02 Operation and Maintenance of						€2.00						
C06 Support to Water Capital						€0.80						
C07 Agency & Recoupable Services						€0.50						
<b>Development Management</b>												
Viking Triangle Phase 2								€2.60				
Public Realm			€1.00									
Tramore Capital												
Infrastructure City												
D02 Development Management						€2.10						
D05 Tourism Development and Promotion						€0.50						
D06 Community and Enterprise Function						€2.60						
D09 Economic Development and Promotion	€1.00					€3.50						
D11 Heritage and Conservation						€1.00						
<b>Environmental Services</b>												
D01 Operation, Maintenance and Aftercare of Landfill						€1.00						
D02 Op & Mtce of recovery & recycling Facilities						€0.80						
D04 Provision of Waste to Collection Services						€1.10						
D06 Street Cleaning						€3.80						
D10 Safety of Structures and Spaces						€0.90						
D11 Operation of Fire Service						€8.60						
<b>Recreation and Amenity</b>												
Sports Hall/Library Complex at NW Suburbs											€6.20	

Local Authority Local Authority Name	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes >€0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
€0.5 - €5m			€5 - €20m	€20m plus								
Waterford City & County Council	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	
F01 Operation and Maintenance of						€0.50						
F02 Operation of Library and						€4.40						
F03 Op, Mtce & Imp of Outdoor						€2.80						
F04 Community Sport and						€1.00						
F05 Operation of Arts Programme						€2.90						
F06 Agency & Recoupable Services						€1.00						
<b>Agriculture, Education, Health and Welfare</b>												
G03 Coastal Protection						€1.70						
G04 - Veterinary Services						€0.60						
[Insert other category/s if required]												
<b>Miscellaneous Services</b>												
Holy Ghost Buildings Project								€2.80				
Airport CPO											€0.70	
H03 Administration of						€6.30						
H09 Local Representation/Civ						€1.20						
H10 Motor Taxation						€1.00						
H11 Agency & Recoupable						€0.90						
	€1.60	€0.00	€17.60	€0.00	€0.00	€119.90	€0.00	€81.00	€0.00	€0.00	€20.80	€240.90

## Appendix Two Completed Checklists 1 to 7

### CHECKLIST 1 General Obligations not specific to individual projects/programmes.

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements of the Public Spending Code (incl. through training)?	2	
1.2 Has training on the Public Spending Code been provided to relevant staff within the organisation?	2	Training to be provided by sector
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	
1.4 Has the organisation in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	2	
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	2	
1.6 Have recommendations from previous QA reports been acted upon?	2	
1.7 Has an annual Public Spending Code QA report been certified by the organisation Chief Executive, submitted to NOAC and published on the organisation's website?	3	
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	n/a	
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	2	
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	1	One review currently being carried out. Other reviews to be scheduled.
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	
1.12 How have the recommendations of previous evaluations/post project reviews informed resource allocation decisions?	2	

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

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	n/a	
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	2	
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	n/a	
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	2	
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	n/a	
2.7 Were the NDFA consulted for projects costing more than €20m?	n/a	
2.8 Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?	2	
2.9 Was approval granted to proceed to tender?	2	
2.10 Were procurement rules complied with?	2	
2.11 Were State Aid rules checked for all supports?	2	
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	2	
2.13 Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	2	
2.14 Have steps been put in place to gather performance indicator data?	2	



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

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	3	Clearly set out through annual service plan and annual budget
3.2 Are objectives measurable in quantitative terms?	3	
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	2	
3.4 Was an appropriate appraisal method used?	2	
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	n/a	
3.6 Did the business case include a section on piloting?	n/a	
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	
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	n/a	
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	n/a	
3.11 Was the required approval granted?	3	Yes, where applicable
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	3	Applied where applicable.
3.13 If outsourcing was involved were procurement rules complied with?	n/a	
3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	2	Yes, where applicable
3.15 Have steps been put in place to gather performance indicator data?	2	Yes, where applicable

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	
4.2 Did management boards/steering committees meet regularly as agreed?	2	Will improve monitoring on an ongoing basis
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	
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	
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	2	To be improved
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	In the majority of cases
4.7 Did budgets have to be adjusted?	2	With prior approval
4.8 Were decisions on changes to budgets / time schedules made promptly?	2	Will monitor
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	n/a	
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	n/a	
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Approval sought
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	n/a	

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	As part of Budget process
5.2 Are outputs well defined?	2	National KPIs are in place as well as Local Service Plan
5.3 Are outputs quantified on a regular basis?	2	National KPIs are in place as well as Local
5.4 Is there a method for monitoring efficiency on an ongoing basis?	2	Through periodic reports
5.5 Are outcomes well defined?	3	As in Annual service plan
5.6 Are outcomes quantified on a regular basis?	3	Through periodic reports
5.7 Are unit costings compiled for performance monitoring?	2	Where unit costs apply e.g Roads
5.8 Are other data compiled to monitor performance?	2	
5.9 Is there a method for monitoring effectiveness on an ongoing basis?	2	Team Development plans and other evaluation
5.10 Has the organisation engaged in any other 'evaluation proofing' <sup>1</sup> of programmes/projects?	2	

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

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

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	2	One currently being carried out. Other Review to be scheduled.
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	n/a	
6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	n/a	
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	3	See Quality Assurance Report
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	2	Reviews will be carried out
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	2	Recommendations made are taken into account for future projects
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	n/a	
6.8 Were project reviews carried out by staffing resources independent of project implementation?	1	Resources don't permit

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

Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
7.1 Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	n/a	
7.2 Did those reviews reach conclusions on whether the programmes were efficient?	n/a	
7.3 Did those reviews reach conclusions on whether the programmes were effective?	n/a	
7.4 Have the conclusions reached been taken into account in related areas of expenditure?	n/a	
7.5 Were any programmes discontinued following a review of a current expenditure programme?	n/a	
7.6 Were reviews carried out by staffing resources independent of project implementation?	n/a	
7.7 Were changes made to the organisation's practices in light of lessons learned from reviews?	n/a	

**Notes:**

- (a) The scoring mechanism for the above tables is set out below:
  - I. Scope for significant improvements = a score of 1
  - II. Compliant but with some improvement necessary = a score of 2
  - III. Broadly compliant = a score of 3
  
- (b) For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.
  
- (c) The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs for those questions which address compliance with appraisal / evaluation requirements i.e. the annual number of CBAs, VFMs/FPAs and post project reviews.

## Quality Assurance – In Depth Check

### Section A: Introduction

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

<b>Programme or Project Information</b>	
<b>Name</b>	Ormond Cinema Housing Scheme, Dungarvan (15 units)
<b>Detail</b>	Capital expenditure on Social Housing Scheme consisting of 15 units on the site of the former Ormond Cinema, Dungarvan, Co. Waterford
<b>Responsible Body</b>	Waterford City & County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	First Proposed in 2007
<b>End Date</b>	Completed in January 2017
<b>Overall Cost</b>	€1.9 million

### Project Description

In 2007, Dungarvan Town Council appointed a Developer to construct a small housing scheme on the site of the old Ormond cinema in Dungarvan, Co. Waterford. Using its own Design Team the Developer produced a suitable layout for the scheme.

The Part 8 planning process was successfully completed but due to the downturn in the economy nationally, the project was shelved. In 2013 the Department issued a Circular to each Local Authority seeking submissions on brown field sites within their functional area. As the Ormond cinema site project was ready for the tender process, a submission was made to the Department by Dungarvan Town Council to proceed with the project. Approval issued from the Department.

In 2013/2014 Waterford City Council and Waterford County Council became a merged authority. In the merged structure, Dungarvan Town Council was dissolved. The newly merged Council (Waterford City & County Council) carried out a risk assessment of the project and a detailed submission was sent to the Department to retain the existing design team who held the intellectual property to the scheme. The original contractor had by this point in time ceased to exist. Permission was granted by the Department with a number of conditions. Contracts were signed with the design team and the tender process to appoint a contractor commenced. The successful tenderer was S & K Carey Ltd and the tender in the sum of €1,622,850.00 (excluding VAT) was approved by the Department.

### Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit has completed a Programme Logic Model (PLM) for the 15 social housing units at former Ormond Cinema Site, Dungarvan, Co. Waterford.

<b>Objectives</b>	<b>Inputs</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>Waterford City &amp; County Council aims to provide safe and good quality accommodation for the people with the greatest need.</li> <li>Achieve value for money.</li> <li>Strive to prevent and eliminate homelessness.</li> <li>Dwellings satisfy the requirements of those on the waiting list.</li> </ul>	<ul style="list-style-type: none"> <li>Budget in place.</li> <li>Appropriate categories of personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Prepare costings.</li> <li>Get Department approval.</li> <li>Carry out compliant tender procedure.</li> <li>Manage project.</li> <li>Draw down funding as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>15 dwellings as agreed that meet needs of applicants and Council.</li> </ul>	<ul style="list-style-type: none"> <li>Provide housing in accordance with Council's housing policy.</li> </ul>



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

The following section tracks the Housing Project at Ormond Cinema Site, Dungarvan from inception to conclusion in terms of major project/programme milestones



2007	An original developer appointed as a turnkey developer
June 2013	Site at former Ormond Cinema, Dungarvan purchased by Dungarvan Town Council
March 2014	Approval from the Dept
October 2014	Works published on eTenders website
December 2014	Post-Tender budget submitted to Dept for approval
January 2015	Form HCA6 received from Dept approving post-tender budget
April 2015	Tender awarded
July 2015	Construction commences on site
September 2015	Chief Executive Order signed to award contract to successful tenderer
January 2017	Project completed

### Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Housing Project at Ormond Cinema Site, Dungarvan.

Project/Programme Key Documents	
Title	Details
Social Housing Strategy 2020 – Support Supply and Reform	Identified need to construct 35,000 new social housing units over a 6 year period to 2020
Progress Reports	Progress managed by Integrated Design Team – fortnightly meetings
Post-Project Review	Being prepared

#### **Key Document 1: Social Housing Strategy 2020 – Support, Supply and Reform**

The Social Housing Strategy 2020 was published by the Dept of Housing, Planning, Community and Local Government in November 2014. One of the core pillars of the strategy is to provide 35,000 new social housing units over a 6 year period to meet the social housing supply requirements as determined by the Housing Agency.

#### **Key Document 2: Progress Reports**

Fortnightly progress meetings to manage the project were held on site with the contractor. These meetings were minuted. In addition to these meetings, regular site inspections took place by technical staff of the Council.

#### **Key Document 3: Post-Project Review**

At the time of preparing this submission, the post-project review was in hand.

### Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Initial approval from Dept under 2014-2015 Construction Programme to deliver new permanent Social Housing	Assess if project was appraised	Yes
Funding applications to the Dept	Assess if funding was sanctioned	Yes
Report on tenders by Design Team	Assess procurement process	Yes
Details of Expenditure on Project	Assess if project was within budget	Yes. Details available from Agresso financial management system.
Progress reports and site inspections	Assess if works are being carried out as per the design plan and on schedule	Yes. Minutes of progress meetings and inspections carried out on file.
Number of households housed	Assess if housing needs met	Yes. On social housing waiting list.
Post project review	Assess if project objectives were met and if the project was properly managed throughout	Post project review is currently being prepared so not yet to hand

#### Data Availability and Proposed Next Steps

The main objective of this housing project is to provide good quality accommodation to households on the Council's housing waiting list. This has been achieved and it is only in the course of time that it may be deduced if these units have matched the need of these households. It would be beneficial if post project reviews going forward would also take cognisance of the social benefits gained by the tenants in addition to the quality and suitability of the units themselves.

All relevant financial and procurement related documents are held on file and the final account is currently being considered. Once this is agreed, the balance of recoups due will be received from the Dept.

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

The following section looks at the key evaluation questions for Housing Project at Ormond Cinema Site, Dungarvan based on the findings from the previous sections of this report.

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

The requirements of the Public Spending Code were complied with in all completed stages of the project. The post project review is currently being completed.

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

The Council's systems will enable a full evaluation to be made at a later date

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

Recommendations on procedures to be followed should be made by Department where a capital turnkey project becomes a standard grant aided project. The Public Lighting function within Waterford City and County Council complies in general with the Public Spending Code.

## **Section C: In-Depth Check Summary**

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

This project is broadly in compliance with the principles of the Public Spending Code.

The scheme has been constructed in accordance with national housing policy and addresses a housing need in the Dungarvan area. Once the land was in the ownership of the Council and the necessary funding approval was obtained from the Dept, the appointment of the contractor was carried out in accordance with the proper tendering and procurement procedures. The design team in conjunction with the Council's technical staff managed the project effectively and efficiently.

A post project review should be carried out soon after the tenants have been allocated the units and have moved in to evaluate if the project objectives have been met, if the project was managed well and if anything could be done differently or better in future housing schemes.

## Appendix Four Quality Assurance Public Lighting

### Quality Assurance – In Depth Check

#### Section A: Introduction

<b>Programme or Project Information</b>	
<b>Name</b>	Public Lighting
<b>Detail</b>	Revenue Expenditure on Public Lighting function throughout Waterford City and County
<b>Responsible Body</b>	Waterford City and County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	Ongoing
<b>End Date</b>	Ongoing
<b>Overall Cost</b>	€1.8million

#### Project Description

Waterford City and County Council is responsible for the operation, maintenance and provision of public lighting throughout the city and county including the road network and housing estates. There are 14,500 public lights in operation. The Council's public Lighting programme is carried out annually.

In 2016 the cost of providing public lighting was €1.8m against a budget of €2.0million. Below is a breakdown of the costs involved:

	€
Payroll	3,925
Remedial Works	36,296
Loan Repayments	23,184
Repairs & Maintenance	35,122
Overheads	84,728
IT Costs	12,629
Other	9,169
Energy Costs	<u>1,608,084</u>
<b>Total</b>	<b><u>1,813,137</u></b>

The energy costs comprise 89% of the total.

#### **Maintenance:**

In the year under review responsibility for the maintenance of the network was with SSE Airtricity. In 2017 Transport Infrastructure Ireland tendered on behalf of the Council for the provision of maintenance. The award is being finalised at time of writing.

Included in the work carried out under this heading:

- Inspection of lights both visual and physical
- Cleaning
- Replacement of lights
- Electrical maintenance
- Emergency call-outs
- Cable repairs
- Other

#### **Energy:**

The Office of Government Procurement tendered for the supply of electricity to the Waterford City & County Council's metered and unmetered electrical accounts.

SSE Airtricity is the preferred supplier re metered electrical supply. The contract is from the 1<sup>st</sup> July 2016 to 1<sup>st</sup> July 2019.

Energia is the preferred supplier re un-metered electrical supply. The tender is from 31<sup>st</sup> October 2015 to 31<sup>st</sup> October 2018.

A survey of all public lights is being conducted and is expected to lead to national LED Public Lighting Retro fit-programme in 2019/2020. This, in turn, will result in reduced costs.

**Section B: Logic Model Mapping**

<b>Objectives</b>	<b>Inputs</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>- Ensure all public areas are safe for all users</li> <li>- Encourage use of areas during darkness hours</li> </ul>	<ul style="list-style-type: none"> <li>- Establish contracts for maintenance and provision of energy.</li> <li>- Backing of Council through staff and financial resources</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of work programmes for maintenance and provision of lights.</li> <li>- Payments to all engaged in function</li> <li>- Monitoring of performance and defaults</li> </ul>	<ul style="list-style-type: none"> <li>- Effective and efficient public lighting function</li> </ul>	<ul style="list-style-type: none"> <li>- All areas are safe.</li> <li>- Increase use of areas during darkness hours.</li> </ul>



## **Section B (contd.) Key Evaluation Questions**

The following section looks at the key evaluation questions for Public Lighting.

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

The Public Lighting function within Waterford City and County Council complies in general with 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?**

Yes, the use of specific IT software enables the Public Lighting network to be efficiently monitored on an ongoing basis and at a later date.

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

Ensure that the systems used are constantly maintained and kept up to date and are utilised as required. It is noted that improved systems are soon to be installed. This will lead to improved monitoring and information.

### **Summary of In Depth Check:**

The public lighting programme as operated by Waterford City and County Council complies in general with Public Spending Code. It is achieving its objectives to a high level of success. The programme is broadly efficient and effective. This is aided by the fact that national and regional procurement frameworks are being utilised when tendering for services. It is proposed to update analysis software to improve data quality.

