

Public Spending Code:
Quality Assurance Report for 2022
Offaly County Council



Submitted to the National Oversight and Audit Commission (NOAC) in
Compliance with the Public Spending Code

Certification

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



Anna Marie Delaney
Chief Executive
Offaly County Council

Date: 23rd May 2023

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1. Introduction

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

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

The Quality Assurance Process contains five steps:

1. Drawing up Inventories of all projects/programmes at different stages of the Project Life Cycle (appraisal, planning/design, implementation, post implementation).

The three sections are expenditure being considered, expenditure being incurred and expenditure that has recently ended and the inventory includes all projects/programmes above €0.5m.

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

3. Checklists to be completed in respect of the different stages.

These checklists allow the organisation to self-assess their compliance with the code in respect of the checklists, which are provided through the PSC document.

4. Carry out a more in-depth check on a small number of selected projects/programmes.

Revenue Projects selected must represent a minimum of 1% of the total value of all Revenue Projects reported on the Project Inventory.

Capital Projects selected must represent a minimum of 5% of the total value of all Capital Projects reported on the Project Inventory.

These minimums are an average over a rolling three-year period.

5. Complete a short report for the National Oversight and Audit Commission

This report should include the inventory of all projects, the website reference for the publication of procurements above €10m, the completed checklists, the organisation's judgment on the adequacy of processes given the findings from the in-depth checks and the organisation's proposals to remedy any discovered inadequacies.

This report fulfils the fifth requirement of the QA Process for Offaly County Council for 2022. This is the 7th year in which the QA process has been completed by Local Authorities.

2. Expenditure Analysis

2.1 Inventory of Projects/Programmes

This section details the inventory drawn up by Offaly County Council in accordance with the guidance on the Quality Assurance process. The inventory lists all of the Council’s projects and programmes at various stages of the project life cycle that amount to more than €0.5m. This inventory is divided between current (revenue) and capital expenditure (capital grant schemes and capital projects) and between three stages:

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

Table 1 lists a summary of the Council’s compiled inventory.

Table 1: Summary of Number of Projects/Services and Expenditure by Category			
	Current Expenditure	Capital Expenditure	
Projects of total value	>€0.5m	€0.5m - €5m	€5m - €20m
Expenditure Being Considered	1	19	4
Expenditure Being Incurred	36	13	5
Expenditure Recently Ended	0	11	1
€263,190,236	€81,458,397	€82,426,563	€99,305,276

Expenditure Being Considered

Table 1 provides a summary of the inventory of expenditures above €0.5m being considered by OCC. As the table identifies, there is 1 programme/service area where expansion of existing current expenditure of over €0.5M was being considered in 2022.

There were 23 capital projects under the category of ‘Expenditure Being Considered’ in 2022, 4 of which are in the €5 - €20M category.

Expenditure Being Incurred

Table 1 provides a summary of the inventory of expenditures above €0.5m being incurred by OCC. There are 36 projects or services, which are currently incurring current (revenue) expenditure of over €0.5m. The majority of these services are routine annual expenditure e.g. Housing and Road Maintenance programmes. There are 13 capital projects incurring expenditure of €0.5m - €5M, with a further 5 incurring expenditure of between €5m - €20m.

Expenditure Recently Ended

Table 1 provides a summary of the inventory of expenditures above €0.5m recently ended by OCC. There are 12 expenditure projects under this category and no current expenditure projects within this category. One of the capital expenditure projects recently ended falls into the €5 - €20M category, with the other 11 between €0.5 - €5M.

The inventory of projects/programmes for OCC is set out in Appendix 1.

2.2 Published Summary of Procurements

As part of the Quality Assurance process Offaly County Council was required to publish summary information on its website of all procurements in excess of €10m.

In accordance with OCC's Procurement Officer OCC did not engage in any procurements in excess of €10m in 2022. OCC did however engage in one procurement in excess of €10m in 2023, this was in relation to Clara Raheen Housing Development as confirmed by the Procurement office. The publication and details below were uploaded to OCC's website www.offaly.ie in May 2023 as required by the PSC.

PROCUREMENT/PROJECT PROGRESS

PROJECT DETAILS	
YEAR:	2023
PARENT DEPARTMENT:	HOUSING
NAME OF CONTRACTING BODY:	OFFALY COUNTY COUNCIL
NAME OF PROJECT/DESCRIPTION:	38 No. HOUSES AT RAHEEN, CLARA, OFFALY
PROCUREMENT DETAILS	
ADVERTISEMENT DATE:	19 th MAY 2022
TENDER ADVERTISED IN:	WWW.ETENDERS.IE RFT214387 & TENDERS ELECTRONIC DAILY (TED) REF: 2023/S 041-120677
AWARDED TO:	BRETLAND CONSTRUCTION LTD.
EU CONTRACT AWARD NOTICE DATE:	24 th FEBRUARY 2023
CONTRACT PRICE:	€10,997,780.51 EXCLUDING VAT
PROGRESS:	
START DATE:	16 th MARCH 2023
EXPECTED DATE OF COMPLETION PER CONTRACT:	16 th SEPTEMBER 2024
SPEND IN YEAR UNDER REVIEW:	2022: €0.00; 2023: €251,878.17 ex. Vat
CUMULATIVE SPEND TO END OF YEAR (2023):	NOT KNOWN YET CIRCA €6,000,000.00
PROJECTED FINAL COST:	Circa €11,5000,00.00
VALUE OF CONTRACT VARIATIONS:	Circa €500,000.00 owing to ground conditions – final amount to be confirmed
DATE OF COMPLETION:	16 th SEPTEMBER 2024
OUTPUTS	
EXPECTED OUTPUT ON COMPLETION (e.g. XXkms of road, no of units etc)	38 No. HOUSING UNITS & ASSOCIATED SITE WORKS
OUTPUT ACHIEVED TO DATE (e.g. x kms of road, no of units etc)	GROUNDWORKS IN PROGRESS

3. Assessment of Compliance

3.1 Checklist Completion: Approach Taken and Results

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure. The Council, in respect of guidelines set out in the Public Spending Code, bases the high level checks in Step 3 of the QA process on self-assessment.

There are seven checklists in total:

Checklist 1: General obligations not specific to individual projects/programmes.

Checklist 2: Capital projects/programmes & capital grant schemes under consideration.

Checklist 3: New current expenditure under consideration.

Checklist 4: Capital projects/programmes & capital grants schemes incurring expenditure.

Checklist 5: Current expenditure programmes incurring expenditure.

Checklist 6: Capital projects/programmes & capital grant schemes discontinued and / or evaluated.

Checklist 7: Current expenditure programmes that reached the end of their planned timeframe or were discontinued.

Checklists 1 – 6 were completed by Offaly County Council (OCC) for 2022. OCC did not record any expenditure under the category of checklist 7 during 2022; therefore, all responses to that checklist are recorded as non-applicable.

The set of checklists completed by OCC is set out in Appendix 2.

Checklists completed are representative of an 11% sample of the Inventory. The following Departments completed checklists: Housing, Roads, Community & Culture, Special Projects, Environment, Finance, Corporate Services and Management.

Each question in the checklists is assessed by a 3-point scale 1-3:

a score of 1 = Scope for significant improvements

a score of 2 = Compliant but with some improvement necessary

a score of 3 = Broadly compliant

3.2 Main Issues Arising from Checklist Assessment

The completed checklists show the extent to which Offaly County Council believe they comply with the Public Spending Code. Overall, the checklists show a good level of compliance with the Code.

Checklist 1 demonstrates that the Council has been proactive in implementing the QA process by ensuring that an independent unit (Internal Audit) oversees the process in line

with Public Spending Code recommendations. Process guidelines were prepared and circulated to Offaly County Council's Senior Management.

With regard to post project reviews, all revenue expenditure is continually reviewed to highlight areas for improvement. This is a key feature of all team meetings, and Management Reports.

In keeping with the requirements of the Public Spending Code organisations are required to undertake an in depth check of at least one project from each of the following expenditure categories; 1. Under Consideration 2. Incurring Expenditure and 3. Recently Ended. In order for OCC to meet these requirements it was necessary to conduct an in-depth check of a project or programme from the Under Consideration Category for 2022. This provided an opportunity for OCC to examine how a sample of projects had adhered to the Public Spending Code guidelines through a full project life cycle process. The Council are satisfied that the sample examined had fully adhered to the PSC guidelines.

Evidence was prevalent among the sample that Post Project Reviews were being undertaken and the process of implementing the findings into planning for future projects and programmes had already commenced. OCC will also continue to regularly review capital spend for improvements in unison to developing a formal process to conduct post project reviews of significant capital projects.

Checklist 2 for revenue and capital expenditure under consideration suggests good levels of compliance with the PSC in general with regard to areas such as appraisal and planning and the setting of clear objectives.

Checklists 4 & 5; for expenditure being incurred, highlights good levels of compliance are evident in checklists responses. Current expenditure programmes are primarily rolling, year-to-year programmes such as the Active Travel and Road Maintenance Programmes and are subject to ongoing performance monitoring, rather than once off reviews.

Checklist 6 & 7; for expenditure discontinued, there were 12 capital projects that ended in 2022 and no current (revenue) expenditure under this category at year end. Checklist 6 was completed for a recently ended capital project, with a high level of compliance to guidelines evident.

Of all the responses recorded through the checklists, the majority indicated a compliance level of 3 '*broadly compliant*' with the requirements of the PSC. Trends in responses to checklists will be monitored from year to year and responses indicating compliance levels of 2 '*compliant but with some improvement necessary*' and under will be followed-up and monitored as part of the quality assurance process in future years.

3.3 In-Depth Checks

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

The following projects were selected for in-depth review:

- Current Expenditure Programme: 'Being Incurred' 'Homelessness Services' €1,149,949
- Capital Project: 'Under consideration' Clara Raheen Housing Development €15,192,355

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

The report from the in-depth reviews is set out in Appendix 3.

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

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the project inventory over the previous 3-year period.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the project inventory for the year 2022.

This minimum is an average over the three-year period (2020-2022).

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

Table 2: OCC In-depth Checks 2020 – 2022		
Capital 2020	€ 120,527,914	
Capital 2021	€ 192,815,455	
Capital 2022	€ 181,731,839	5% Average of total capital inventories 2020- 2022
Capital Average Over 3 Years 2020- 2022	€ 165,025,069	€ 8,251,253
		1% of total revenue inventory 2022
Revenue 2022	€87,674,339	€ 876,743

4. Next Steps: Addressing Quality Assurance Issues

The compilation of both the inventory and checklists for the 7th year of this QA process was a significant co-ordinated task in terms of liaising with divisions within the Council and collation of relevant information for the inventories and the checklists.

As discussed in Section 3, in-depth checks carried out for one Current Programme 'Being Incurred' and one Capital Project 'Under Consideration' was useful in terms of setting out the controls, which are place to ensure compliance with the PSC.

However, the PSC also requires that in-depth checks take a broader evaluation of project/programmes assessing project management, project appraisal and post project reviews.

Now that an inventory of projects and programmes is in place, the Internal Audit Unit is better positioned to select an appropriate sample of programmes for further assessment via the in-depth check process.

5. Conclusion

The inventory outlined in this report clearly lists the current and capital expenditure being considered, incurred and recently ended in 2022. The Council had one procurement in excess of €10 million in 2022 and this was published on Offaly County Councils website. This information was confirmed by the OCC Procurement Officer during the 2022 PSC process and evidence of the contract notice was provided to Internal Audit.

The checklists completed by the Council shows a high level of compliance with the Public Spending Code.

The in-depth checks carried out on the selected projects indicated a 'satisfactory assurance' rating on the Council's compliance with the Code. Recommendations from the in-depth reviews will be addressed and implemented.

This Public Spending Code Quality Assurance Report for 2022 will be published on Offaly County Council's website www.offaly.ie.

Appendix 1: Inventory of Projects and Programmes over €0.5M

The following contains an inventory of Expenditure on Projects/Programmes with a value above €0.5m, categorised by Expenditure being considered, Expenditure being incurred and Expenditure recently ended. Only projects with Total Project Expenditure matching these criteria are included in the Inventory table.

Expenditure being Considered in 2022 - 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
A06 Support to Housing Capital & Affordable Programme	Increased amount from 2022	€ 514,413	N/A	N/A	Increased budget amount	N/A	Budget increase
Circular Rd Housing Scheme Daingean (10 Houses)	Housing Provision	€ -	€ -	€ -	2024	€ 2,570,223	Per Rolling Capital Programme
Circular Rd II Housing Scheme Daingean (9 Houses)	Housing Provision	€ 11,316	€ -	€ 11,316	2024	€ 2,770,420	Per Rolling Capital Programme
Clara Raheen Lands (38 units)	Housing Provision	€ 453,755	€ -	€ 453,755	2023	€ 15,192,355	Per Rolling Capital Programme
Ballycumber 8 units	Housing Provision	€ -	€ -	€ -	2024	€ 1,944,154	Per Rolling Capital Programme
Convent Portarlinton CAS funding (AHB - taut) - 39 Units	Housing Provision	€ -	€ -	€ -	2025	€ 10,326,539	Per Rolling Capital Programme
Part V - Silverbrook, tullamore (16 Units Being considered)	Housing Provision	€ -	€ -	€ -	2023	€ 4,320,000	Per Rolling Capital Programme
Part V: Ard na Carraige, Edenderry (2 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 516,857	Per Rolling Capital Programme
Part V: Birchfields Portarlinton (5 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 1,083,707	Per Rolling Capital Programme

Expenditure being Considered in 2022 - 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
Part V: Redwood Tullamore (11 Units to be delivered in 2023/2024)	Housing Provision	€ -	€ -	€ -	2023	€ 2,970,000	Per Rolling Capital Programme
Part V: Bell Lane Daingean (2 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 701,368	Per Rolling Capital Programme
Part V: Tyrells Lane Edenderry (8 Units)	Housing Provision	€ -	€ -	€ -	2024	€ 2,160,000	Per Rolling Capital Programme
Part V: Riverpoint Ardan Lane (7 Units)	Housing Provision	€ -	€ -	€ -	2024	€ 1,890,000	Per Rolling Capital Programme
Non National Roads Public Lighting	Capital Programme	€ 103,519	€ -	€ 103,519	Ongoing	€ 2,000,000	Per Rolling Capital Programme
Clara Fire Station	Capital Programme	€ -	€ -	€ -	2023	€ 1,200,000	Per Rolling Capital Programme
Tullamore Fire Station	Capital Programme	€ 60,394	€ -	€ 60,394	2023	€ 3,200,000	Per Rolling Capital Programme
Edenderry Community Library	Capital Programme	€ -	€ -	€ -	2023	€ 11,000,000	Per Rolling Capital Programme
Tullamore URDF Call 3 Application	Capital Programme	€ -	€ -	€ -	2030	€6,000,000	Per Rolling Capital Programme
Harbour Street & Store Street	Capital Programme	€ -	€ -	€ -	2024 - 2027	€1,920,672	Detailed Design Stage
ORIS - Kinnitty "Route to Trail"+	Capital Programme	€ -	€ -	€ -	2023	€775,330	Per Rolling Capital Programme
URDF1 Urban Greenway Tullamore MD	Capital Programme	€ 10,398	€ 2,599	€ 7,798	2024	€2,800,000	Per Rolling Capital Programme

Expenditure being Considered in 2022 - 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
Minor Flooding Work & CFRAM	Capital Programme	€ -	€ -	€ -	2023	€600,000	Per Rolling Capital Programme
Surface Water Network	Capital Programme	€ -	€ -	€ -	2026	€600,000	Per Rolling Capital Programme
Site Clearance - Tullamore MD Machinery Yard	Site Clearance - Machinery Year	€ -	€ -	€ -	2023	€500,000	Per Rolling Capital Programme
Totals		€ 1,153,795	€ 2,599	€ 636,782		€ 77,041,625	

Expenditure being Incurred in 2022 - 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		€ 3,652,360	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
A03 Housing Rent & Tenant Purchase Administration		€ 902,004	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
A05 Administration of Homeless Services		€ 1,149,949	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
A06 Support to Housing Capital & Affordable Programme		€ 2,016,074	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
A07 RAS Programme		€ 6,042,995	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
A09 Housing Grants		€ 1,819,453	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B02 NS Road - Maintenance & Improvement		€ 5,150,952	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B03 Regional Road - Maintenance & Improvement		€ 7,794,103	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B04 Local Road - Maintenance & Improvement		€ 8,989,892	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B05 Public Lighting		€ 1,067,378	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B07 Road Safety Engineering Improvement		€ 1,444,060	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS

Expenditure being Incurred in 2022 - 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
B010 Support to Roads Capital Programme		€ 588,949	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
B11 Agency & Recoupable Services		€ 2,441,357	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
C01 Operation & Maintenance of Water Supply		€ 2,291,217	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
C02 Operation & Maintenance of Waste Water Treatment		€ 1,625,884	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
C05 Admin of Group & Private Installations		€ 1,373,440	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D01 Forward Planning		€ 855,129	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D02 Development Management		€ 1,886,687	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D05 Tourism Development and Promotion		€ 533,537	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D06 Community & Enterprise Function		€ 4,217,927	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D09 Economic Development & Promotion		€ 3,008,464	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
D11 Heritage and Conservation Promotion		€ 1,116,791	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E01 Operation, Maintenance and Aftercare of Landfill		€ 997,700	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS

Expenditure being Incurred in 2022 - 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
E02 OP & Mtce Recovery & Recycling Facilities		€ 602,472	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E04 Provision of Waste to Collection Services		€ 989,481	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E05 Litter Management		€ 619,581	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E06 Street cleaning		€ 566,659	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E07 Waste Regulations, Monitoring and Enforcement		€ 774,824	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
E11 Operation of Fire Service		€ 3,189,196	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
F02 Operation of Library & Archival Service	Delivery of Library & Archival Services across 9 libraries	€ 2,964,023	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
F05 Operation of Arts Programme		€ 1,432,056	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
H01 Profit & Loss Machinery Account		€ 1,169,562	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
H03 Administration of Rates		€ 4,116,461	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS

Expenditure being Incurred in 2022 - 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
H09 Local Representation & Civic Leadership		€ 1,720,391	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
H10 Motor Taxation		€ 783,282	€ -	€ -	On-going current expenditure	N/A	N/A	Draft 2022 AFS
H11 Agency & Recoupable Services		€ 1,049,694	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2022 AFS
Kylebeg, Banagher Phase II (18 Houses)	Housing	€ 2,351,741	€ -	€ 2,351,741	Completed 2024	€ 3,221,284	€ 4,500,116	On-site complete Q1 2023
Sr. Senan Avenue, Edenderry (4 no OPDs)	Housing	€ 106,558	€ -	€ 106,558	Completed 2024	€ 343,436	€ 1,097,591	Stage 4 Approved due to start in Q4 2022 and finish Q3 2023
Elderberry Drive, Moneygall (4 Houses)	Housing	€ 1,065,353	€ -	€ 1,065,353	Completed 2024	€ 1,089,649	€ 1,067,541	On-site - completion November 2022
Beechgrove Belmont (7 Houses)	Housing	€ 1,063,404	€ -	€ 1,063,404	Completed 2024	€ 1,555,981	€ 2,427,088	On-site - completion Q1 2023
Dargan Drive Tullamore (20 Units)	Housing	€ 3,964	€ -	€ 3,964	Completed 2024	€ 189,679	€ 5,108,254	Stage 1 Approved
Midlands Retrofit Project		€ 894,775	€ -	€ 894,775	Completed 2024	€ 1,328,177	€ 5,000,000	50 units complete; 82 Units currently @ tender

Expenditure being Incurred in 2022 - 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
Bog Rd Portarlinton Turnkey	Housing	€ 692,829	€ -	€ 692,829	Completed 2023	€ 696,571	€ 7,106,861	Complete in Q3 2023
Clonminch CAS funding (AHB - Oaklee) - 19 Units	Housing	€ -	€ -	€ -	Completed 2023	€ 3,814,992	€ 4,125,151	On-site, complete in Q4 2022
Kearney's Field CALF funding (AHB - Oaklee) - 41 Units	Housing	€ 2,488,893	€ -	€ 2,488,893	Completed 2026	€ 2,025,659	€ 9,359,021	Completion 2023
Clonmore - Sophia	Homelessness	€ 617,058	€ -	€ 617,058	Completed 2023	€ 3,729,963	€ 3,782,597	Works due to commence 2022
Edenderry Regen Phase I - Link Street infrastructure	Regeneration	€ 280,460	€ -	€ 280,460	Completed 2023	€ 890,975	€ 696,276	Town and Village Renewal
Edenderry Regen Phase II - Library design and demolition of Old Tesco Site	Regeneration	€ 1,535,391	€ -	€ 1,535,391	Completed 2025	€ 1,610,611	€ 2,686,760	Rural Regeneration Development Fund Edenderry Regen Phase II - Library design and demolition of Old Tesco Site
Banagher Regen Project - incl. Master Plan for Marina, purchase & redevelopment of Shannon Royal Hotel	Regeneration	€ 236,603	€ -	€ 236,603	Completed 2023	€ 249,701	€ 527,000	Rural Regeneration Development Fund Banagher

Expenditure being Incurred in 2022 - 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
Ferbane Regeneration - key building redevelopment incl. purchase & design of St Joseph's Convent	Regeneration	€ 234,890	€ -	€ 234,890	Completed 2024	€ 266,134	€ 683,000	Ferbane Regen Project
Offaly Active Travel: 2022 Allocations	Active Travel	€ 1,822,322	€ -	€ 1,822,322	On - going	€ 3,681,908	€ 3,681,908	
URDF2 Tullamore MD	Regeneration	€ -	€ -	€ -	Completed 2024	€ -	€ 3,210,871	Tullamore Regen Project
Burial Ground Development Fund	Provision of Burial Grounds	€ 261,610	€ -	€ 261,610	Completed in 2026	€ 261,610	€ 842,500	
Esker Arts Centre	Arts & Culture	€ 3,948,983	€ 951,513	€ 2,997,470	Completed 2023	€ 6,197,566	€ 6,823,458	Community & Cultural Services - OCC are currently in negotiations with The Department in relation to ascertaining additional funding for rising building costs due to inflation.
Totals		€ 98,548,818	€ 951,513	€ 16,653,321		€ 31,153,895	€ 62,725,993	

Projects/Programmes Completed or discontinued in 2022 - 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
Blundell Wood Housing Scheme, Edenderry (33 Houses)	Housing Provision	€ -	€ -	€ -	2022	€ 8,060,948	Project Complete - Retention on hold/Final Claim required and in progress
Chancery Lane Housing Scheme, Tullamore (18 Houses)	Housing Provision	€ 1,749	€ -	€ 1,749	2022	€ 4,748,113	Ongoing issues with contractor not finishing snags. Difficult to make final claim until this is resolved
Birr MacGregol Turnkey	Housing Provision	€ -	€ -	€ -	2022	€ 2,195,000	Completed 2022
Daingean Main Street Turnkey	Housing Provision	€ 52,891	€ -	€ 52,891	2022	€ 2,194,083	Completed 2022
Mucklagh Turnkey	Housing Provision	€ 1,970,800	€ -	€ 1,970,800	2022	€ 2,209,000	Completed 2022
Walsh Island Turnkey	Housing Provision	€ 1,010,000	€ -	€ 1,010,000	2022	€ 1,047,000	Completed 2022
Woodfield Birr Turnkey	Housing Provision	€ 6,588,776	€ -	€ 6,588,776	2022	€ 8,453,384	Completed 2022
Part V - Hawthorns, tullamore (5 Units Completed 2022)	Housing Provision	€ 1,117,130	€ -	€ 1,117,130	2022	€ 1,148,196	Completed 2022

Projects/Programmes Completed or discontinued in 2022 - 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
Jacksons Hill Cluid CALF project (26 Units)	Housing Provision	€ -	€ -	€ -	2022	€ 6,874,457	Completed 2022
Killane Drive CALF funding (AHB - Tuath) - 25 Units	Housing Provision	€ 33,565	€ -	€ 33,565	2022	€ 3,947,041	Completed 2022
Mountbolus CAS funding (AHB - Mid Offaly housing) - 4 Units	Housing Provision	€ -	€ -	€ -	2022	€ 820,000	Completed 2022
Meath Lane (Phase 1)	Regeneration	€ 267,000	€ 66,750	€ 200,250	2022	€ 267,000	Completed 2022
Totals		€ 11,041,911	€ 66,750	€ 10,975,161		€ 41,964,222	

Appendix 2: Self-Assessment Checklists

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

Completed by Corporate Department:

	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)?	2	While the Management Team and Senior Management Group ensure that the appropriate people are aware of the requirements of the PSC, an external training program would be very much welcomed to assist.
Q 1.2	Has internal training on the Public Spending Code been provided to relevant staff?	2	Internal Audit Section underwent training on updated PSC in 2021. A National Training Programme for the Local Authority Sector is required. Briefing Sessions for Project Managers in Offaly County Council are planned.
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	QA Process adapted for LAs. PSC applied as per guidelines.
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	Compliance with procurement monitored, regular meetings, transparency. Templates are in use and specific required documentation is requested from applicants for funding.

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	2	Project brief now a requirement for all capital projects. Internal Audit completes follow-ups on implementation of recommendations.
Q 1.6	Have recommendations from previous QA reports been acted upon?	2	As Above.
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	Yes. Compliant in years 2015-2021.
Q 1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes.
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	All revenue expenditure is subject to ongoing review. Issues are highlighted, reviewed and addressed at team meetings. A process is being put in place for evaluations / post-project reviews.
Q 1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	3	Evidence from Department interviews during In Depth Checks and checklist process indicate PPR are issued to relevant stakeholders.
Q 1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	3	Lessons learned noted and implemented across all departments.

	General Obligations not specific to individual projects/programmes.	Self- Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	3	<p>Projects managed more efficiently as a result of reviews.</p> <p>Decision gates process more thorough at commencement of project as would previously have been reported.</p>

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

Completed by Regeneration Team:

	Capital Expenditure being Considered – Appraisal and Approval	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?	N/A	
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	If approved evaluation is property sold/occupied
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	3	Individual properties cost estimates were carried out prior to application with a very short turn over time allowed. If URDF app approved each property will be assessed/inspected/costs analysed and quantified
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	N/A	
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	N/A	<500,000
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	N/A	
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	N/A	
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	N/A	Can happen on each individual property if app successful
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?	N/A	On each property
Q 2.10	Was risk considered and a risk mitigation strategy commenced? Was appropriate consideration given to governance and deliverability?	N/A	

	Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
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?	N/A	
Q 2.13	Were procurement rules (both National and EU) complied with?	N/A	
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	N/A	
Q 2.15	Were State Aid rules checked for all support?	N/A	
Q 2.16	Was approval sought from the Approving Authority at all decision gates?	N/A	
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	N/A	App not approved
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	

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

Completed by Housing:

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 3.1	Were objectives clearly set out?	3	Housing Delivery Action Plan (HDAP) used to set objectives
Q 3.2	Are objectives measurable in quantitative terms?	3	Housing Delivery Targets are set out by the department and contained in the HDAP
Q 3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	2	Business case prepared to justify additional staff based on full funding from the department
Q 3.4	Was an appropriate appraisal method used?	2	Resources required are consistent with the needs in the HDAP
Q 3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	3	Capital appraisals as part of the 4 stage process are carried out in order to be compliant with public spending code
Q 3.6	Did the business case include a section on piloting?	N/A	Not relevant for housing schemes
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	Not relevant for housing schemes
Q 3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	Not relevant for housing schemes
Q 3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	Not relevant for housing schemes
Q 3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	Not relevant for housing schemes

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 3.11	Was the required approval granted?	N/A	Not relevant for housing schemes
Q 3.12	Has a sunset clause been set?	2	Housing schemes operate on the basis of approved department budgets. There are no sunset clauses
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	E-tenders used to procure contractors & consultants on housing schemes
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?	2	The attainment of the housing targets can be used as a measure of success/failure
Q 3.15	Have steps been put in place to gather performance indicator data?	2	Annual targets and an activity tracking spreadsheet are in place to track housing delivery

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

Completed by Roads - Active Travel Team:

	Incurring Capital Expenditure	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?	N/A	NTA Funding – OCC Liaison w/ NTA re: when moving through stages of projects/payments
Q 4.2	Did management boards/steering committees meet regularly as agreed?	N/A	Regular Liaison Between OCC & NTA Upon All Projects
Q 4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	OCC Staff Managing Projects in Liaison w/ NTA Team. See Appointed 04/10/2021.
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	OCC / MD Engineers were delivering various projects funded by NTA under the management of A/SE Roads & the Area/MD SEE Engineers
Q 4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Regular OCC Liaison w/ NTA through correspondence and progress meetings to review all aspects of NTA projects.
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Some projects completed & some carried over into 2022. Projects within 2021 budgets.
Q 4.7	Did budgets have to be adjusted?	N/A	No – All expenditure within 2021 was in line with budgets assigned to NTA projects.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	N/A	
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	Some projects were carried over into 2022 due to delays as a result of Covid restrictions and contractor availability.
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	3	OCC Liaison w/ NTA as key benefits & objectives of schemes still achievable, just carried forward into 2022
Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3	Yes. OCC Liaison w/ NTA to inform them of increased costs or any other changes and approval sought / given before proceeding with work
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?	N/A	No projects were terminated, only funding / projects carried over into 2022, further to NTA agreement / approval.

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

Completed by Roads:

	Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Q 5.1	Are there clear objectives for all areas of current expenditure?	3	All works are programmed as part of the Organisations Annual Roads Program in accordance with the Memorandum on Grants for Regional and Local Roads.
Q 5.2	Are outputs well defined?	2	Outputs are well defined as the roads expenditure is predominantly Grant Funding which can only be discharged in accordance/compliance with the Memorandum on Grants for Regional and Local Roads and the associated Circulars issued from the Department of Transport.
Q 5.3	Are outputs quantified on a regular basis?	2	Outputs are monitored at Municipal District Level and Centrally on a weekly/monthly basis. Final outputs are quantified as part of the NOAC KPI's by the Road Management Office in Donegal via the Asset Management System.
Q 5.4	Is there a method for monitoring efficiency on an ongoing basis?	2	Ongoing Monitoring and efficiency is a core function of each individual Municipal District Office and is a constantly monitored aspect of the Municipal District service delivery program.
Q 5.5	Are outcomes well defined?	2	Outcomes are well defined as the roads expenditure is predominantly Grant Funding which can only be discharged in accordance/compliance with the Memorandum on Grants for Regional and Local Roads. The Asset Management System managed by the Road Management Office in Donegal requires detailed annual returns so as to generate NOAC KPI'S

	Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Q 5.6	Are outcomes quantified on a regular basis?	2	Outputs are monitored at Municipal District Level and Centrally on a weekly/monthly basis.
Q 5.7	Are unit costings compiled for performance monitoring?	3	The Asset Management System managed by the Road Management Office in Donegal requires detailed annual returns so as to generate NOAC KPI'S which are based on unit costs/m2
Q 5.8	Are other data compiled to monitor performance?	2	Programs are monitored and managed by each respective Municipal District and Roads provide oversight centrally.
Q 5.9	Is there a method for monitoring effectiveness on an ongoing basis?	2	Budget reporting and program project management is ongoing.
Q 5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	2	Yes where required we engage outside specialist to assess tender submission and ensure robust appointments.

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

Completed by Housing Department:

	Capital Expenditure Recently Completed	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	No building contract involved as houses were acquired as finished units as Turnkey/Acquisition
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	All Project completion reports are sent to department but none required for Turnkey Projects
Q 6.3	How many Project Completion Reports were published in the year under review?	3	No LA project reports were required in 2022
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	N/A	Ex-post evaluation n/a for housing projects
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?	N/A	
Q 6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	N/A	
Q 6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	N/A	

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

Completed by Corporate Department:

	Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	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	
Q 7.2	Did those reviews reach conclusions on whether the programmes were efficient?	N/A	
Q 7.3	Did those reviews reach conclusions on whether the programmes were effective?	N/A	
Q 7.4	Have the conclusions reached been taken into account in related areas of expenditure?	N/A	
Q 7.5	Were any programmes discontinued following a review of a current expenditure programme?	N/A	
Q 7.6	Were reviews carried out by staffing resources independent of project implementation?	N/A	
Q 7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	

Notes:

The scoring mechanism for the above checklists is as follows:

Scope for significant improvements = a score of 1

Compliant but with some improvement necessary = a score of 2

- Broadly compliant = a score of 3

For some questions, the scoring mechanism is not always strictly relevant. In these cases, N/A is marked and appropriate comments are provided.

**Appendix 3: Summary Report Arising from In-depth Check of Two
Projects**

Public Spending Code

**Quality Assurance 2022: Step 4 In-depth Check,
completed by Internal Audit,
Offaly County Council.**



May 2023

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Introduction and Summary of Findings

Step 4 of the Public Spending Code QA process requires all Local Authorities to ‘Carry out more in-depth checks on a small number of selected projects/programmes’.

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

- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the project inventory.
- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the project inventory.

This minimum is an average over a three-year period.

Internal Audit was appointed by the Chief Executive of Offaly County Council to complete step 4.

The purpose of the review was to provide an independent professional opinion on compliance regarding the Public Spending Code and, more specifically, the quality of the appraisal, planning, and implementation of work done within each programme. The projects were examined in order to assess if the practices implemented are of a high standard.

The following projects were selected by the Internal Audit Unit for In-depth Review:

Project Name	Project Category (2022)	Project Budget / Expenditure
Administration of Homeless Services	Current Expenditure – Being Incurred	€1,149,949
Clara Raheen Housing Development (38 units)	Capital Expenditure – Under Consideration	€15,192,355

The total value of Offaly County Council’s Inventory listing for 2022 was €261,246,437 (includes Current (Revenue) and Capital Expenditure). Therefore,

the two projects detailed within the table above represent a sample of approximately 6.21% of the total inventory.

The internal audit review of the projects covered the period up until the 31st of December 2022.

Summary of Findings

Given the outcome of the reviews summarised individually below it is the opinion of the internal audit department that there is, overall, 'Satisfactory Assurance' (see Appendix 1) regarding compliance with the Public Spending Code within Offaly County Council.

Project 1: Current (Revenue) Expenditure Programme €1,149,949

A Review at the 'Implementation Stage' of the Administration of Homelessness Services expenditure programme took place as part of this in – depth check. This programme was categorised as 'Current Expenditure Being Incurred' in the 2022 Public Spending Code Quality Assurance Inventory listing.

Based on review of documentation/data this programme provides 'Satisfactory Assurance' that there is compliance with the Public Spending Code.

At the 'Implementation Stage' of the current expenditure the following is required:

- Assigned responsibility for delivery
- An appropriate structure to monitor and manage the implementation phase
- Regular meetings
- A means of measuring if the project/programme is delivering on its expectations.

Offaly County Council's Housing Department has a management structure in place for the programme delivery and co-ordination. The Director of Services for Housing has overall responsibility for the programme however the day to day operation of the service is the responsibility of the Senior Executive Officer in Housing. Online data base systems are utilised for monitoring expenditures and recoupments of grant funding, with hard copies of claims also kept within the Housing section. Homelessness Service Funding is provided to OCC on a Regional basis by Westmeath County Council, the regional leader of the Midlands Regional Homelessness Management Group. OCC submit quarterly homelessness expenditure returns to Westmeath County Council who

administer the allocated Departmental funding for homelessness services for the region.

To enhance compliance and for future evaluation, some recommendations have been made in relation to, specialised staff training, introduction of a Homeless Prevention and Support Officer and adopting a new Homeless Action Plan. The Internal Audit Department will complete a follow-up on recommendations at a later date.

Project 2: Capital Expenditure Programme €15,192,355

The following section presents a summary of the findings of this In-Depth Check on the Clara Raheen 38 Unit Development.

This project was categorised as Capital Expenditure ‘Being Considered’ in the 2022 PSC Inventory listing. The review of this project focused on the appraisal and planning elements.

At the ‘Appraisal’ Stage of the capital expenditure the following steps are required:

- i. Define the objective
- ii. Explore options taking account of constraints
- iii. Quantify the costs of viable options and specify sources of funding
- iv. Analyse the main options
- v. Identify the risks associated with each viable option
- vi. Decide on a preferred option
- vii. Make a recommendation to the Sanctioning Authority

Offaly County Council prepared a detailed Capital Appraisal Document supplemented with independent quantity surveyors report and submitted same to DHPLG. Each of the steps above were followed. A Senior Executive Engineer is assigned responsibility as project manager for each stage of the capital project however Walsh Associates & Project Managers were appointed through the OGP Framework to provide architectural, design, engineering and surveying assistance in relation to the 4 stage Departmental approval process.

Based on a review of documentation this project at ‘appraisal stage’ provides ‘Satisfactory Assurance’ that there is compliance with the Public Spending Code. The 4 stage Departmental approval process also ensures a high level of compliance with the Public Spending Code.

Appendix 4: In-depth Check Reports

Public Spending Code Quality Assurance – In Depth Check

Quality Assurance – In Depth Check

Section A: Introduction

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

Programme or Project Information	
Name	Administration of Homeless Services
Detail	Prevention of Homelessness and reduce the need for emergency homeless accommodation.
Responsible Body	Offaly County Council
Current Status	Revenue Expenditure Being Incurred
Start Date	Ongoing annual budget
End Date	Ongoing annual budget
Overall Cost	€1,149,949

Project Description

The administration of the Homeless Service is managed by the Housing Department of Offaly County Council. The main function of the service is to provide emergency accommodation to individuals and families who present as being homeless. The total expenditure for the service in 2022 amounted to €1,149,949, this included accommodation costs, payroll costs, Midland Simon payments and overhead allocation and support costs. The overall aim of the service is to reduce the requirement for emergency accommodation and provide long term housing solutions.

Offaly County Council face significant challenges in dealing with individuals and families presenting as homeless. Lack of housing supply, rising construction costs, private landlords leaving the rental market and increasing rents are resulting in people finding themselves in a homeless situations. Most cases presented as homeless are also further complicated due to issues such as mental health, addictions, anti-social behavior and family breakdown.

Offaly County Council is included within the Midlands Region Homeless Action Team which provides a co-ordinated, inter agency response to the support needs and case management of homeless people and individuals at risk of becoming homeless.

Offaly County Council has entered into several agreements with service providers to provide supported emergency and long-term accommodation. Offaly County Council also enter into agreements annually for the holding of rooms as part of the winter initiative. The holding of rooms ensures that OCC can accommodate and provide shelter to families/individuals in what is generally a difficult time of year to source accommodation and a time of adverse weather conditions. During the period 23rd December 2022 to the 3rd January 2023 OCC held 12 rooms as part of the Winter Initiative.

Resources have led to the recent recruitment of a HAP's Placefinder Officer however Offaly County Council would welcome additional resources to put in place a Homeless Prevention and Support Officer. While the introduction of a HAP's Placefinder Officer has assisted OCC's Housing Department in finding long

term accommodation for individuals/families who present as homeless, the task is becoming more difficult as so many private landlords have left the rental market and the current HAP rent ceilings are deemed no longer competitive.

Midlands Simon Community have a strong partnership with Offaly County Council and the HSE. The Midlands Simon Community has a contract with the Regional Leader Westmeath County Council to provide and run an out of hour's and regional support service. The Midlands region with the assistance of the Midlands Simon Community and the Peter McVerry Trust tackling homelessness. The provision of this service is of great assistance to Offaly County Council and ensures that individuals/families presenting as homeless can avail of the accommodation outside Offaly County Council office hours.

Clonamore House is being developed by Midlands Simon, with funding through CAS, and with the support of the Midland's Regional Homelessness Statutory Management Steering Group, for the purposes of providing a regional emergency accommodation facility. It is intended that the facility will be completed and operational during 2023 and will provide a much needed facility and service to those who require emergency accommodation.

The Midland Region Housing Action Team (HAT) meet regularly to co-ordinate responses to address the difficulties and challenges facing homelessness.

The cost of facilitating Homelessness services has increased drastically in the last 2 years and accessing emergency accommodation is proving rather difficult for Offaly County Council. Unfortunately OCC has less limited access to emergency accommodation solutions and our ability to provide long term housing solutions to match demand is proving extremely difficult.

Below is a table outlining a summary of the costs in 2022 that make up the total Homelessness service's expense of €1,149,949 as detailed within the Annual Financial Statements of Offaly County Council:

2022

Expenditure - Administration of Homeless Services

Description	€
Payroll	106,378
Midland Simon – Out of Hours Service	234,947
Accommodation	770,375
Overhead Allocation Corporate Buildings / Support Costs	38,249
Total	1,149,949

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for the Administration of Homeless Service. 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
<ul style="list-style-type: none"> • To reduce the requirement for emergency accommodation and provide long term housing solutions. • To prevent homelessness by providing appropriate supports 	<ul style="list-style-type: none"> • Expenditure of €1,149,949 • 2.25 FTE staff members • Clonmore House – Regional Emergency Accommodation Facility 	<ul style="list-style-type: none"> • Operation of the Housing Action Team (HAT) to provide an interagency approach to source appropriate supports for homeless families in emergency accommodation and to avoid long term dependency on B&B/hotel and hostel accommodation. • Implement a regional approach to the provision of homeless services. • Manage the provision of emergency accommodation in Offaly with the assistance of the Midland Regional Forum and the Midlands Simon Community. • Implement an effective early intervention homeless prevention service to reduce the need for emergency accommodation solutions. 	<ul style="list-style-type: none"> • Reduction in people rough sleeping and in hotel/b&b and hostel accommodation • Increase number of people in more sustainable long-term accommodation 	<ul style="list-style-type: none"> • Reduction in people living in temporary emergency accommodation. • Secure permanent and independent accommodation

Description of Programme Logic Model

Objectives: The objectives of the Homeless Service are to prevent homeless by early intervention, providing temporary emergency accommodation and delivering a long-term housing solution.

Inputs: The main inputs are the salaries of Homeless Services Team staff and funding to support emergency accommodation providers. The opening of Clonmore House Emergency Accommodation in 2023 will be of great assistance to Offaly County Council and its regional partners. The facility when open should help ease difficulties in obtaining emergency accommodation within the midlands region.

Activities: Homeless services staff preventing homelessness in the first instance by early intervention. Providing emergency accommodation for those eligible for the service. Monitoring budgets and recoupment of funds. Working with other agencies through the Homeless Action Team (HAT) to provide a structured solution to each homeless case. Aftercare services provided to help tenancy sustainment.

Outputs: Reduction in people rough sleeping or in hotel/B&B and hostel accommodation. Through support services OCC can adopt an exit strategy for those in emergency accommodation and provide alternative long term accommodation solutions where feasible.

Outcomes: Reduction in number of homeless presentations to due to early intervention. Providing a long-term housing solution and less reliance for temporary emergency accommodation.

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

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

- ▲ 2022 - The Homeless Services is an ongoing service provided by Offaly County Council. Funding for providing the service is included in the Annual Budget.

Section B - Step 3: Analysis of Key Documents

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

Project/Programme Key Documents	
Title	Details
Midlands Region Homeless Action Plan	Regional Plan includes the strategic aims and objectives and outlines the regional implementation framework
Homeless Services Standard Operating Procedure Manual	OCC's Standard Operating Procedure Manual includes
Agresso FMS	Annual budget and expenditure on homeless services is available.
Quarterly Returns	Expenditure returns made to Midland Region Co-ordinator (Westmeath County Council) for funding reimbursement.

Key Document 1: Midland Region Homeless Action Plan

The Regional Homelessness Management Group, in consultation with the Regional Homeless Forum, prepared a Regional Homelessness Action Plan. The development of this Midlands Region Homelessness Action Plan is in accordance with Part 2, Chapter 6, Section 40 (10) of the Housing (Miscellaneous Provisions) Act 2009. The overall aim of this plan is to ensure that people are diverted from homeless accommodation in the first instance and where this is unavoidable that the period spent in emergency accommodation is as short and as successful as it can be. The outlines the long-term vision for homelessness in the Midland region and the regional structures in place to achieve it.

Key Document 2: Offaly County Council Homeless Services Standard Operating Procedure Manual

The procedure manual details the legislation and the National Policy Framework for providing homeless services. It sets out the criteria for being eligible for a homeless service and the assessment process. It includes the emergency accommodation options and the conditions of stay in this accommodation. It sets out the support services available to exit emergency accommodation. The SOPS also includes staff training requirements, payment process and recoument of accommodation expenditure.

Key Document 3: Agresso FMS

Reports can be generated from agresso detailing the level of expenditure paid in relation to payroll costs and accommodation costs. This allows management to monitor budget adherence during the year.

Key Document 4: Quarterly Returns

Quarterly returns are filed with the Midland Region Coordinator (Westmeath County Council) in order to claim reimbursement on expenses incurred facilitating homelessness. The Department of Housing, Local Government and Heritage reimburse 90% of homelessness expenditure incurred in relation to accommodation costs.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Homelessness Data	The Pathway Accommodation and Support System (PASS) is an online shared system utilised by every homeless service provider and all local authorities in Ireland. The system provides 'real-time' information in terms of homeless presentation and bed occupancy	Yes- PASS system
Homelessness Presentations	Personal details of homeless presentations including background history and reasons for homelessness	Yes – files in Housing Dept.
Finance Reports	Reports available on Agresso in relation to budgets and spend on homeless services. Also shows income from recoupment claims. Quarterly accommodation expense reports were available, these are submitted to Westmeath County Council who administer departmental funding.	Yes – Agresso FMS

Data Availability and Proposed Next Steps

Data is available on the PASS System, the housing files and Agresso to carry out a full evaluation on the Administration of the Homeless Service.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Administration of the Homeless Service based on the findings from the previous sections of this report.

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

The Administration of Homeless Services complies with the standards set out in the Public Spending Code. Internal Audit have however detailed a number of recommendations within the in-depth summary check below which they feel could assist with provision of Homelessness Services. Homelessness services are administered and managed within the Housing Directorate. There is a detailed standard operating procedure manual in place regarding assessing homeless presentations and the provision of emergency accommodation. It was noted that the homeless team hold regular meetings to monitor their performance. Regional meetings also take place with the Midlands Regional Management group in relation to policy, department circulars, funding allocations and the preparation of a detailed Homeless Action Plan for the region.

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

Information is captured on the PASS system and is made available to Central Government through the Regional Homeless Group. Financial reports are available on Agresso to monitor expenditure against the budgets provided. These reports also show the income from recoupment claims.

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

Offaly County Council offer a comprehensive homeless service in line with national and regional policies. A greater emphasis is now placed on prevention and intervention of homelessness and the recruitment of a Homeless Prevention and Support Officer would be of great benefit to Offaly County Council in this regard. The Homeless Prevention and Support Officer Job specification should

ensure that the individual has an acceptable level of qualification specifically within a Social Care discipline. The Homeless Prevention and Support Officer should work closely with the HAP's Placefinder Officer to ensure they can achieve exit goals for homeless individuals/families in emergency accommodation.

Homeless services should continue to review its staffing structure. There are growing number of complex homeless cases where addiction, prisoner release and mental health are major factors. The council should ensure that staff have adequate training and skills to deal with these complex cases.

Section: In-Depth Check Summary

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

Summary of In-Depth Check

Offaly County Council provide a responsive and effective emergency homeless service to those in need of supports. I recommend that they continue the operation of the Housing Action Team (HAT) to provide an interagency approach to source appropriate supports for homeless families in emergency accommodation and to avoid long term dependency on B&B/hotel and hostel accommodation.

Offaly County Council adopt a regional approach to the provision of homeless services through the Midlands Regional Homeless Forum which is administered by Westmeath County Council. A greater emphasis is now placed on prevention and intervention of homelessness. The appointment of a HAP's Placefinder Officer has enabled Offaly County Council to assist in finding long term accommodation for individuals and families on the housing list. Unfortunately due to private landlords leaving the rental market and the rising costs of rents Offaly County Council's housing list still remains a significant challenge.

Internal Audit would recommend that Offaly County Council implement the following in relation to Homelessness Services:

- Regularly review the staff structure of the homeless service to ensure that staff have sufficient training and skills to deal with the increasing number of complex cases presenting as homeless.

- Consider the appointment of a Homeless Prevention and Support Officer. This support service will help people who are having problems with their tenancy, or who are at risk of becoming homeless, the aim of this visiting service is to assist tenants to keep their home and support them in managing their tenancy. Internal Audit would also advise that the any appointee would have a qualification in a Social Care discipline to help deal with complex cases.
- Through the Regional Partnership adopt the Draft Homeless Action Plan 2022-2025 to replace the outdated Homelessness Action Plan 2010-2013.
- Offaly County Council should request a breakdown of the expenditure reimbursed through quarterly funding received from Westmeath County Council.
- Offaly County Council should implement a household budget form where possible as the rent card system leads to significant issues in recovering the emergency accommodation charge.

Quality Assurance – In Depth Check

Section A: Introduction

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

Programme or Project Information	
Name	Clara Raheen 38 Units (Co Offaly) Social Housing Scheme
Detail	The Development of 38 Housing Units in Clara Raheen, Co Offaly.
Responsible Body	Offaly County Council
Current Status	Capital Expenditure Under Consideration
Start Date	Construction Contract Signed 24 th February 2023
End Date	End of Construction Period 16 th September 2024
Overall Cost	€15,192,355

Project Description

Local Authorities have the key central role in the identification of social housing need within their areas and developing and nurturing projects for new social housing construction to meet that need.

Offaly County Council as one of its many objectives, strives to implement national housing policy to ensure that every household that needs it has access to quality, affordable housing in an acceptable environment. Individual housing needs are met through a number of different schemes and initiatives.

Offaly's target under the 'Housing for All - a New Housing Plan for Ireland to 2030' is to build, acquire and lease some 463 units by 2026.

In an effort to meet its housing objectives Offaly County Council have proposed to develop 38 housing units on a residential site in Clara/Raheen in effort to address the social housing needs of the town of Clara and surrounding areas. The total construction cost of the development is budgeted to amount to €12.423m with the total overall cost amounting to €15.192m (incl. site costs, site development, landscaping, bonds etc.). Construction onsite commenced in March and construction timelines puts September 2024 as the completion date. Given that the construction timelines are reached Offaly County Council hope to be a position to allocate the housing units in October 2024.

Location of Social Housing Development

Clara is located 11 kilometres northwest of Tullamore in County Offaly. It is situated on the Dublin to Galway and Dublin to Ballina/Westport railway line and the Regional Road R420 (formerly the National Secondary Route N80) links the town to Tullamore to the southeast and the M6 Dublin/Galway motorway to the north. The results of the national census, carried out in April 2011, show that the population of Clara has grown by 8.6% in the inter-census period between 2006 and 2011 from 3,587 to 3,894 people. The 1.88Hectare/4.65-acre site is in the ownership of Offaly County Council and was acquired in June 2007 for €1,377,427. The pro rata site costs associated with the 1.46Hectares/3.6 Acres of land proposed for housing is €1,069,704.



Figure 3: 2 Hectare Site

Potential developments are required to be close to services within an urban settlement/town/village, and within walking distance of shops, schools and local amenities. The development at Clara/Raheen meets these requirements as it is located approximately 750m to the center of the town of Clara making local amenities, shops and schools easily accessible.

At stage 1 (July 2019) OCC's Capital Appraisal of the Clara, Raheen development detailed that the housing waiting list for social housing in Clara to be 208 applicants. The Capital Appraisal also noted the lack of available private rental accommodation and social housing within close proximity to the townlands of Clara. The breakdown of 208 applicants and dependents is detailed below:

No of Applicants	No of Dependents
80	0
43	1
36	2
23	3
15	4
7	5
4	6

In considering the existing requirement for housing in Clara, Offaly County Council must consider that the existing need cannot be met at alternative

locations, by the acquisition of existing dwellings or by any means other than the construction of dwellings by Offaly County Council. It is noted that this development will provide much needed housing in the town in a timely fashion in the absence of any private developments in the area and a significant lack of available social housing units.

On the 18th August 2022, OCC made a revised stage 4 application to the Department of Housing, Local Government and Heritage for funding to develop the 38 units in Clara/Raheen. As part of the re-vised stage 4 application OCC submitted a Capital Appraisal Document along with a CWMF P.R07 form and a Tender Report to the DHPLG. On the 18th October 2022 OCC received an approval letter from the Department of Housing, Local Government and Heritage in relation to the revised stage 4 application. The approval letter detailed a current budget allocation of €15,505,535 (incl. VAT) with a recommended budget of €15,192,355 (incl. VAT), the breakdown of approved departmental funding is detailed within the cost/VFM paragraph below.

The Design

In relation to obtaining the services for architectural design, engineering and surveying Offaly County Council advertised on the Framework for the provision of full, integrated design team services to support the ‘Social Housing Strategy 2015-2020: Support, Supply and Reform’. Walsh Associates & Project Managers won the tender and proposed the following design team be appointed in relation to the development:

Architect/Lead Applicant	<i>Walsh Associates & Project Manager</i>
Civil & Structural Engineer	<i>Hayes Higgins Partnership</i>
Mechanical & Electrical Engineer	<i>Hayes Higgins Partnership</i>
Quantity Surveyor	<i>John J. Casey & Company</i>
PSDP	<i>Hayes Higgins Partnership</i>

The proposed development in Clara/Raheen will consist of 38 units with 8 different house designs. Internal Audit noted that copies of design details including architect drawings, surveyor reports, engineering reports etc. were all available on file. Below is a breakdown of the housing unit designs, size and unit numbers submitted to the Department as part of the Stage 4 approval process:

No. Bedrooms	House Type	Size of Unit Per M2	Number
1 Bed	Bungalow	48.11	2
1 Bed	Bungalow	124.89	4
2 Bed	Bungalow	102.76	2
2 Bed	Two Storey	89.38	12
3 Bed	Bungalow	51.38	1
3 Bed	Two Storey	91.31	14
4 Bed	Two Storey	123.09	2
4 Bed	Bungalow	76.28	1



Cost /VFM

Internal Audit note that Offaly County Council had to revise and re-submit for stage 4 approval as due to inflation and the rising cost of materials the original tender winner Bretland Construction Ltd could no longer feasible construct the 38 units at the original tender price of €9,493,235 inclusive of VAT. The construction contract was re-tendered by OCC on 19th May 2022 with Offaly County Council placing an advertisement on E- Tenders seeking expressions of interest in securing the construction contract for 38 units in Clara Raheen, Offaly. Following a detailed review of the SAQ responses, 6 applicants were deemed suitable and advanced to Stage 2 while 1 applicant was deemed unsuitable as over the previous 7 years they had not completed a construction project with a capital value greater than €6,000,000 (excluding VAT). The 6

returned tenders were then marked based on the award criterion of 80% Price and 20% Technical Merit which was as per the particulars of the instructions to the tenderers.

On the 11 August 2022 a Tendering Report was completed by John J. Casey & Co Chartered Surveyors which detailed that Bretland Construction Ltd again had the winning tender. The winning tender bid would see total construction costs of the development amount to €10,997,781 exclusive of VAT. This would bring the total cost of the development including site costs, architect and engineering fees, utilities, provision of a playground and administration costs to €15,192,355 inclusive of VAT as detailed in the table below.

38 New Social Homes @ Raheen, Clara, Co-Offaly – Revised Stage 4 Approval

	Prior Approved Budget	Current Budget Application	Recommended Budget
	€	€	€
Construction Budget (excl. abnormals)	7,936,831.00	10,752,441.23	10,752,441
Abnormal Costs	1,601,208.84	1,721,534.65	1,671,508
Total Construction Budget	9,538,039.84	12,473,975.88	12,423,949
Cost of Site	1,358,879.00	1,448,993.31	1,358,879
<u>Technical Fees/Salaries</u>			
External - Architect-led Design Team	772,017.00	982,155.00	772,017
Contract Monitoring & Management	83,149.00	109,977.80	109,011
Site investigation surveys	19,861.00	19,861.33	19,861
Utilities	250,616.00	250,616.00	250,616
<u>Other Costs</u>			
Per Cent for Art	83,149.00	109,977.80	109,011
SUBTOTAL €	12,105,710.84	15,395,557.12	15,043,344
LA Administration	83,149.00	109,977.80	109,011
Playground & Equipment	40,000.00	Included in Abnormals (€50,027)	40,000
TOTAL ALL IN COST €	12,228,859.84	15,505,534.92	15,192,355

OCC have ensured to prepare the house designs in accordance with the departments minimum size guidelines, employers specifications and the relevant planning acts and guidelines. In relation to value for money it is noted that cost ceilings for new builds are not sufficient on their own and therefore a proposed design is “vetted” by the departments Quantity Surveyors and Architectural advisers at every stage and in particular before planning (stage 2)

and before tender publishing (stage 3). The resultant tender is also assessed at stage 4 where it is compared to similar tenders received by the department in the same or other Local Authorities'. This process is inherently compliant with the PSC.

All of these checks are carried out to ensure value for money where it applies to the cost of a new build if available in the market. Where a social housing scheme is proposed it is offered up as a solution where no other option exists. As is outlined in the Stage 1 submission and detailed within the Capital Appraisal, there was little or no opportunity for OCC to avail of nearby schemes, turnkeys or Part V acquisitions within the proximity of Clara. Given the social housing need in the town and lack of viable options to address the need OCC proposed the development Clara Raheen to DHLGH.

Approval to proceed

Clara/Raheen Housing Capital Project was agreed in principle to be included in the DHPLG's / OCC capital work programme for the construction of 38 Units to house persons from Offaly County Council's housing list. The construction contract with the contractor (Bretland Construction Ltd) was signed on the 24th February 2023.

The Clara/Raheen capital housing project commenced in March 2023 and the proposed completion date is September 2024 with housing allocations to be issued in October 2024.

The main focus of this review relates to 'Appraisal Stage' of the project in 2019.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for the **Clara Raheen, Social Housing Construction 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
<ul style="list-style-type: none"> - The provision of Housing in accordance with the Government's objective under "Housing for All". - Achieve value for money in the provision of the accommodation. - The provision of dwelling types that best satisfies the requirements of those requiring housing in the area. - Reduction in the number of individuals/families on 	<ul style="list-style-type: none"> - Funding / Capital Assistance of approx. €15m from DHPLG. - Staff Resources for application process and assessment of legal documentation for contract purposes. - Technical staff resources for assessment of final units for snag lists and assessment of initial proposals compliance with Building Control Management System requirements. 	<ul style="list-style-type: none"> - Design and layout of Housing Units. Consultation with service providers DHLGH, Irish Water, ESB, Eircom etc. - Tendering and screening process / signing of construction contract with successful applicant. - Appropriate Assessment Screening Report for Part 8 Applications - Drafting of Project Documents / Briefings / Costings Submissions of Proposals (submission of funding application including appraisal document to the 	<ul style="list-style-type: none"> - Appraisal Document Prepared. - Funding Applications submitted to DHPLG. - Confirmation of Planning requirements / compliance. - Legal / Professionals Engaged and contracts for purchase agreed subject to conditions. - Presentation of Development made to elected members during council meeting – proposal to enact "Part 8" Planning 	<ul style="list-style-type: none"> - Funding Approval from DHPLG. - Contractor engaged. - Construction of houses. - Reduction of numbers on housing list seeking accommodation. - Potential for a number of families and individuals to be provided with secure housing. - Secure housing provides opportunity for tenants to become more involved in

<p>Offaly County Councils current housing list.</p>		<p>Department of Housing, Planning & Local Government).</p> <ul style="list-style-type: none"> - Liaising with Solicitor over the development of a construction contract for the construction of 38 Units at Clara Raheen, Co. Offaly. - Ensure adequate performance bond is in place with Contractor. - Approval by CE for the development of 38 units. 	<p>and Development Regulations 2001</p> <ul style="list-style-type: none"> - Approval through construction process and prior to handover by project manager and Council Technical staff during development and delivery stages of the project. - Offaly County Council submits claims and recoups payment from the Department in respect of the drawdown monies advanced 	<p>community & social environment in local area.</p> <ul style="list-style-type: none"> - Economic boost for local businesses due to potential increase in spending from new community members.
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Description of Programme Logic Model

Objectives: The objective of this project was the provision of housing in accordance with the Government's objectives under "Housing for All": An Action Plan for Housing and Homelessness" and the requirements of the Social Housing Capital Expenditure Programme. Achieve value for money in the provision of the accommodation and to ensure the house type provided satisfies the requirements of those requiring housing on Offaly County Council's Housing List.

Inputs: The primary input to the programme was the capital funding of approximately €15 million which was approved by Department of Housing, Planning and Local Government. Council staffing resources were also utilized in relation to the 4 stage process from procurement, engineering to administrative staff.

Activities: There are a number of key activities which will be carried out throughout the project including: consulting with the Architects/Engineers in relation to making design amendments where necessary, consulting with the Chartered Surveyor over the Tendering Report which is submitted to the DHPLG and regular engagement with the Contractor in relation to establishing a timeframe and construction programme for the development. Other activities include preparing proposals in the form of appraisal documents for DHPLG for funding application and the pre-approval works of the architects, engineers and administrative staff are also considered inputs. Advertisement, tendering and procurement of an independent quantity surveyors, architect, engineer and contractor were also key inputs at this stage to the project.


Outputs: Having carried out the identified activities using the inputs, the following are the deemed outputs of the project; the stage 4 application to the DHPLG for funding, consultation with the solicitor over the construction contract, member approval to adopt Part 8 of the Planning and Development Regulation 2001, building control providing valid commencement notice and the construction of 38 housing units.

Outcomes: The envisaged outcome of the project is the prevention of increased homelessness by providing social housing units to individuals and families on Offaly County Councils housing list. This in turn will lead to reduced numbers of

persons seeking accommodation and assist the Council in meeting their Rebuilding Ireland targets for the period in question.

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

The following section tracks the **Clara Raheen Social Housing Capital Project** from inception to conclusion in terms of major project/programme milestones



Proposed Project Programme	Weeks (Target)	Complete
Stage 1 Approval	4	Approval received 13 th August 2019
Consultant Appointment	4	
Site Investigations and Structural Surveys	4	
Develop plans and specifications	5	
Stage 2		Approval received 21 st August 2020
Submit Stage 2 Application and Department Approval	4	
Develop Detail Drawings in tandem with Part 8		
Part 8 Process	18	Approval received 7 th May 2021
Pre-Tender		
Complete Tender Documentation, including revisions	2	
Stage 3		Approval received 26 th August 2021
Submit Stage 3 Application and Department Approval	4	
Tender		
Tender Period & Compile Tender Report	4	



Stage 4		Approval received 24 th January 2022
Submit Stage 4 Application and Department Approval	4	
Revised Stage 4 (New form of Tender)		Approval received 18 th October 2022
Submit Stage 4 Application and Department Approval	4	
Contract signing		
Contract documentation, letter of intent, contract signing etc.	6	February 2023
Total Pre-contract	59	
Construction		
Start on Site	3	16 th March 2023
Construction Period	72	16 th Sept 2024
Allocation of units	2	Oct 2024

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the **Clara/Raheen, Co Offaly, Social Housing Capital Project**.

Project/Programme Key Documents	
Title	Details
Offaly Housing Delivery Action Plan 2022-2026 (OCC Targets under 'Housing for All - a New Housing Plan for Ireland.')	A requirement of Circular 32/2021 to compile an action plan to include social and affordable housing supply over the Housing for All period of 2022 to 2026.
Housing Capital Project Appraisal Document – Clara/Raheen, Co. Offaly	A proposal was prepared by the Council in the form of a capital appraisal document. It included the housing need, location maps, infrastructure and service details, information on design, costs and value for money. This was submitted to the DHPLG for consideration for funding in November 2020
Tender Reports from John J. Casey & Co Chartered Surveyors	John J. Casey & Co completed in-depth reports on both the tendering processes, scoring method, questionnaires, position on bond, pricing documents and final results. The first Tender Report was dated 20th December 2021 however due to soaring material costs the contractor was unable to stand over the quotation when approved to go to site, as such Offaly County Council had to the re-

	<p>Tender for the construction contract. On the 11 August 2022 John J. Casey completed another Tender Report and this was issue to the DHPLG on seeking approval for funding.</p>
<p>Chief Executive's Report</p>	<p>The report was issued to the DHPLG as part of the Stage 2 (in the 4 stage process) application for approval funding. The report details the following:</p> <ul style="list-style-type: none"> - Location of development and infrastructure - Nature and extent of proposed development <ul style="list-style-type: none"> - Proposed design/car parking/landscaping etc. - Public Consultation & observations - Environmental Impact Assessment/Habitats Directive Assessment - Part 8 – Appropriate Assessment Screening - Copy of site notice / Newspaper Advertisement
<p>Funding Approval Letter from DHPLG</p>	<p>A funding Approval in Principal from DHPLG was granted on October 18th 2022 The letter outlined that approval was subject to a number of conditions. The recommended budget was €15,192,355 (incl. VAT).</p>

Housing Circular 27/2021	DHPLG Circular Unit Cost Ceilings for new Build Social Housing Schemes Q2 2021
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Key Document 1: *Offaly Housing Delivery Action Plan 2022-2026.*

‘Offaly Housing Delivery Action Plan 2022-2026’ outlines OCC’s targets for the provision and delivery of social housing units to 2026. Offaly County Council’s targets for the provision of housing under ‘Housing for All’ are set at 463 units by end of 2026. The preparation of the Delivery Action Plan was a requirement of Circular 32/2021 and it’s quite an extensive document which includes housing needs, housing targets, affordable housing fund, land holding/ land requirements, vacant properties, traveler accommodation, disabilities, water infrastructures, design team challenges etc.

Key Document 2: *Housing Capital Project Appraisal*

The Housing Capital Project Appraisal for the development of 38 Dwellings at Clara/Raheen was submitted to the department on the 23rd of November 2020. The document provides a background to the project being considered including the housing need in the location, available of alternative solutions, site constraints, design brief, site and construction costs, planning/building control, abnormal works and access to utility services. The appraisal also contained a proposed construction programme however this was later amended due to delays associated with Covid 19.

Key Document 3: *Tender Reports from John J. Casey & Co Chartered Surveyors*

On the 11 August 2022 a Tendering Report was completed by John J. Casey & Co Chartered Surveyors. The tendering report detailed the tenderers instructions, questionnaires, scoring method/criteria, cost reconciliations and tender results.

Key Document 4: *Chief Executive’s Report*

A detailed report was conducted by Anna Marie Delaney, Chief Executive Offaly County Council and submitted to the Department as part of Stage 2 (of the 4

stage process) approval process. This was a key document in terms of detailing OCC's obligations from a planning perspective ensuring and documenting public consultation, environmental impact assessment, habitat directive assessment, Part 8 screening assessment and providing details on the Part 8 newspaper advertisement.

Key Document 5: Funding Approval Letter from DHPLG

On the 18th October 2022 Offaly County Council received revised Stage 4 approval in relation to an all-in budget of €15,192,355 (incl. VAT) for the construction and development of 38 housing units in Clara/Raheen. The approval letter provided a detailed breakdown of the approved departmental budget and included additional notes in relation to the associated costs.

Key Document 6: Housing Circular 27/2021

Housing Circular 27/2021 was issued to each local authority as a key reference in the development and costing of social housing scheme designs and to provide local authorities with base line or unit ceiling costs per unit. In issuing the unit ceilings the Department did acknowledge that they would continually monitor rising material costs.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the Clara Raheen (38 units) **Social Housing Capital Project**. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Costs	<ul style="list-style-type: none"> - To consider a budget. - To assess VFM. - Consider inflation, increase in material costs 	<p><u>Available:</u></p> <ul style="list-style-type: none"> - Costs are outlined in the application to DHPLG for funding.
Financial Records	<ul style="list-style-type: none"> - Expenditure Monitoring, - To monitor activity in 2022. - To accurately measure expenditure. 	<p><u>Available:</u></p> <ul style="list-style-type: none"> - Agresso Financial Management System in use for monitoring of budget / spend. - Invoices of expenditure to date on file.
Documentation/Validation of Key Decisions.	<ul style="list-style-type: none"> - Governance. - Record Keeping. - Audit Trail. 	<p><u>Available</u></p> <ul style="list-style-type: none"> - Proof of advertising in relation to the competition for construction contract tender, Part 8 advertisement, assessments of quotations received and signed construction contract. - Minutes of Council meeting approving

		<p>“Part 8” in relation to the development.</p> <ul style="list-style-type: none"> - Application to DHPLG was available. - Approval of Funding was on file. - Internal correspondence and correspondence with professional Services were on file.
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Data Availability and Proposed Next Steps:

Costs were detailed in the Stage 4 submission issued to the Department on the 18th August 2022. Other financial data can be assessed on the Agresso Financial Management System i.e. invoices for all stages of the project e.g. architects and quantity surveyor services invoices.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the **Clara Raheen Development, Social Housing Capital 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)

This Project was reviewed for compliance as a 'Capital Project being considered'. The 'Appraisal stage' of the project was reviewed.

Under the Public Spending Code, the following are the steps to be completed at the Appraisal Stage:

- i. Define the objective
- ii. Explore options taking account of constraints
- iii. Quantify the costs of viable options and specify sources of funding
- iv. Analyse the main options
- v. Identify the risks associated with each viable option
- vi. Decide on a preferred option
- vii. Make a recommendation to the Sanctioning Authority

A detailed Capital Appraisal was completed by OCC in relation to the Clara/Raheen Development and submitted to the Department as part of Stage 1 approval. The Capital Appraisal document adequately details and addresses all steps I-VII and ensured that all appropriate appraisal methods were used by OCC in respect to the capital project being considered.

Appraisal & Planning Review:

The appraisal process commenced at an early stage. A detailed Project 'Appraisal Document' is in place for the proposed development of 38 housing units for social housing. It outlines the objectives and the needs for the housing units. Alternative options and constraints are clearly outlined in the document.

Detailed cost and design details of the proposed collection of housing units were available. This detailed appraisal and recommendation document was completed and submitted to the DHPLG on 4th July 2019.

A Senior Executive Engineer was assigned the role of project coordinator however Walsh Associates & Project Managers were appointed architects through the OPG Framework and they proposed their preferred design team. All housing unit designs were reviewed by OCC Housing Dept. to ensure that unit selection was appropriate in regards to the current housing need in the location. Housing designs were also reviewed to ensure that the designs adhered to the maximum unit sizing as per Departmental guidance.

As detailed above the Chief Executive conducted a report providing information on environmental and habitat assessments conducted by OCC as well as public consultation and Part 8 assessment screenings.

Compliance with Building and Planning Regulations:

At a Council meeting held on the 17th May 2021 Ms. S.Kennedy, Director of Service for Housing informed the members that the proposed development had been progressing with the Department and that public consultation had taken place and any issues raised had been addressed. The Senior Executive Engineer of the Housing Dept. made a detailed presentation to the members on the proposed development. The members were in agreement to proceed and resolved to adopt Part 8 of the Planning Development Regulations Act 2000 as amended in regards to the 38 housing unit development located at Clara Raheen.

The proposed developments Design and Construction Standards must at a minimum meet the requirements of all relevant statutory building control requirements. In relation to the Building Control Acts 1990 and 2007 a **Form of Commencement Notice for Development** to commence construction of 38 dwelling units on the 3rd March 2023 was submitted on the Building Control Management System.

Project Commencement:

Correspondence with stakeholders in relation to the proposal details and project requirements were available on the project file. In accordance with the validated commencement notice construction commenced onsite on the 3rd March 2023.

This in-depth check has found that the project is compliant with the requirement of the Public Spending Code (Appraisal Stage).

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

Internal Audit found the following were in place:

1. Capital Appraisal Document.
2. Details of site and housing designs including architects drawings, flood reports, surveyors and engineer's reports etc.
3. Chief Executive Report –detailing public consultation, public consultation, Part 8 screening assessment and impact assessments etc.
4. Minutes of Council meeting proposing to pass a resolution in relation to applying Part 8 for the Clara Raheen Development.
5. Assessment scoring documentation for appointment of the Contractor, Architect and Design Team.
6. Evaluation of value for money regarding unit design and size.
7. The sources of funding have been clearly documented.
 - Record of funding applications made to DHPLG.
 - Record of 'Approval in Principle' received from DHPLG.
 - Record of all stage submissions 1-4.
8. Documentation in relation to the Tendering process was maintained on file and this included a detailed Tendering Report as completed by John. J Casey & Company Chartered Surveyors. The Tendering Report was submitted to the Dept. as part of Stage 4 submissions and details of correspondence with the Dept. is also maintained on file.

9. Signed Approval in Principle for funding to the value of €15,192,355 (incl. VAT) was received on the 18th October 2022 from the Dept. Housing, Local Government and Heritage in relation to the proposed development.
10. A copy of the signed construction contract was held on file.
11. A Capital Works Frameworks Programme (Stage 4) detailing and outlining construction, site development and abnormal costs was also maintained on file and submitted to the Dept. as part of Stage 4 approval.

This in-depth check has found that the project is compliant with the requirement of the Public Spending Code (Appraisal Stage) and that necessary data and information would be available to conduct a full evaluation at a later date.

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

There are no matters arising from this stage of the review and consequently Internal Audit is satisfied with the level of compliance at 'Appraisal stage'. The project coordinator being the Senior Executive Engineer of Housing is fully aware of the Public Spending Code requirements for all stages in the lifecycle of a capital expenditure project. It is also noted by Internal Audit that the Departmental 4 stage approval process also assisted OCC in reaching a high level of compliance with the requirements of the PSC.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the **Clara Raheen, Social Housing Construction Project**.

Summary of In-Depth Check

This project was categorised as Capital Expenditure ‘Being Considered’ in the 2022 PSC Inventory listing. The review of this project focused on the appraisal and planning elements.

At the ‘Appraisal’ Stage of the capital expenditure the following steps are required:

- i. Define the objective
- ii. Explore options taking account of constraints
- iii. Quantify the costs of viable options and specify sources of funding
- iv. Analyse the main options
- v. Identify the risks associated with each viable option
- vi. Decide on a preferred option
- vii. Make a recommendation to the Sanctioning Authority

Internal Audit are satisfied that Offaly County Council have addressed the 7 steps above and evidence of this is provided within the detailed Capital Project Appraisal. In addition to the Capital Project Appraisal other documentation including architect’s plans, Capital Works Management Framework (CWMF) Stage 4 costings, Chief Executives Report and Quantity Surveyors Tender Report also heightened OCC’s compliance.

In making a recommendation to the Sanctioning Authority there is a 4 stage approval process, this vigorous process also strengthens OCC’s compliance with the PSC as Departmental requirements overlap with the 7 steps detailed above.

Based on a review of documentation this project at ‘appraisal stage’ provides ‘Satisfactory Assurance’ that there is compliance with the Public Spending Code.

Section: Reporting Summary

Report Prepared by: A/Administrative Officer, Internal Audit.

22/05/2023: Final Report Issued to, Senior Executive Officer &, Senior Executive Engineer, Housing Department.

23.05.2023: Report Presented to Management Team.

23.05.2023: PSC Quality Assurance Report 2022 (including in-depth Report) certified by the Ms. Anna Marie Delaney, Chief Executive.

31.05.2023: PSC Quality Assurance Report 2022 published on www.offaly.ie and submitted to NOAC.

Appendix 5: Assurance Category

ASSURANCE CATEGORY	ASSURANCE CRITERIA	
SUBSTANTIAL	Evaluation opinion:	there is a robust system of risk management, control and governance which should ensure that objectives are fully achieved, and/or
	Testing opinion:	the controls are being consistently applied.
SATISFACTORY	Evaluation opinion:	there is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and / or effectiveness of risk management, control and governance.
	Testing opinion	there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
LIMITED	Evaluation opinion:	there is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.
	Testing opinion:	the level of non-compliance puts the system objectives at risk.
UNACCEPTABLE	Evaluation opinion:	the system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance.
	Testing opinion:	significant non-compliance with the basic controls leaves the system open to error or abuse.