

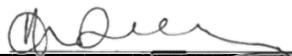
**Public Spending Code:**  
**Quality Assurance Report for 2023**  
**Offaly County Council**



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.



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**Anna Marie Delaney**  
**Chief Executive**  
**Offaly County Council**

**29 May 2024**

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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 2023. This is the 8th 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	5	22	2
Expenditure Being Incurred	34	14	4
Expenditure Recently Ended	0	10	1
<b>€252,033,636</b>	<b>€92,796,609</b>	<b>€93,955,493</b>	<b>€64,281,534</b>

### 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 5 programme/service area where expansion of existing current expenditure of over €0.5M was being considered in 2023.

There were 22 capital projects under the category of 'Expenditure Being Considered' in 2023, 2 of which is 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 34 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 14 capital projects incurring expenditure of €0.5m - €5M, with a further 4 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 11 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 10 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 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](http://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
PROCUREMENT DETAILS	
ADVERTISEMENT DATE:	19 <sup>th</sup> MAY 2022
TENDER ADVERTISED IN:	<a href="http://WWW.ETENDERS.IE">WWW.ETENDERS.IE</a> RFT214387 & TENDERS ELECTRONIC DAILY (TED) REF: 2023/S 041-120677
AWARDED TO:	BRETLAND CONSTRUCTION LTD.
EU CONTRACT AWARD NOTICE DATE;	24 <sup>th</sup> FEBRUARY 2023
CONTRACT PRICE:	€10,997,780.51 EXCLUDING VAT
PROGRESS:	
START DATE:	16 <sup>th</sup> MARCH 2023
EXPECTED DATE OF COMPLETION PER CONTRACT:	16 <sup>th</sup> SEPTEMBER 2024
SPEND IN YEAR UNDER REVIEW:	2023
CUMULATIVE SPEND TO END OF YEAR:	NOT KNOWN YET CIRCA €6,000,000.00
PROJECTED FINAL COST:	NOT KNOWN
VALUE OF CONTRACT VARIATIONS:	NONE AS YET
DATE OF COMPLETION:	16 <sup>th</sup> SEPTEMBER 2024
OUTPUTS	
EXPECTED OUTPUT ON COMPLETION (e.g. <u>XX</u> kms of road, no of units etc)	38 No. HOUSING UNITS & ASSOCIATED SITE WORKS
OUTPUT ACHIEVED TO DATE (e.g. x <u>kms</u> of road, no of units etc)	0

### 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 – 5 were completed by Offaly County Council (OCC) for 2023. OCC did not record any expenditure under the category of checklist 6 & 7 during 2023; 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 a large 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 2023. 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 11 capital projects that ended in 2023 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' 'SICAP €1,063,176
- Capital Project: 'Completed' Woodfield, Birr, Turnkey €8,453,384
- Capital Project: 'Being Incurred' Kylebeg, Banagher Housing Development €4,437,119

An overall 'Substantial 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 2023.

This minimum is an average over the three-year period (2021-2023).

Table 2 below outlines the percentage requirement for Capital and Revenue Checks for 2023. As per the table Offaly County Council is compliant with the rolling percentage requirements.

<b>Table 2: OCC In-depth Checks 2021 – 2023</b>		
<b>Capital 2021</b>	€192,815,455	
<b>Capital 2022</b>	€181,731,839	
<b>Capital 2023</b>	€159,237,027	<b>5% Average of total capital inventories 2021- 2023</b>
<b>Capital Average Over 3 Years 2021- 2023</b>	€177,928,107	<b>€8,896,405</b>
		<b>1% of total revenue inventory 2023</b>
<b>Revenue 2023</b>	€92,796,609	<b>€927,966</b>

#### **4. Next Steps: Addressing Quality Assurance Issues**

The compilation of both the inventory and checklists for the 8th 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 2023. The Council had one procurement in excess of €10 million in 2023 and this was published on Offaly County Councils website. This information was confirmed by the OCC Procurement Officer during the 2023 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 'substantial 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 2023 will be published on Offaly County Council's website [www.offaly](http://www.offaly).

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

### Expenditure being Considered in 2023 - 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
A01 Maintenance & Improvement of LA Housing Units	Increase from 2023 to budget 2024	€ 1,002,179	€ -	€ -	Ongoing	Ongoing	Increased in Budget 2024
D06 Community and Enterprise Function	Increase from 2023 to budget 2024	€ 801,254	€ -	€ -	Ongoing	Ongoing	Increased in Budget 2024
D09 Economic Development and Promotion	Increase from 2023 to budget 2024	€ 508,992	€ -	€ -	Ongoing	Ongoing	Increased in Budget 2024
E11 Operation of Fire Service	Increase from 2023 to budget 2024	€ 2,405,828	€ -	€ -	Ongoing	Ongoing	Increased in Budget 2024
J01 Corporate Building Costs	Increase from 2023 to budget 2024	€ 754,324	€ -	€ -	Ongoing	Ongoing	Increased in Budget 2024
Circular Rd II Housing Scheme Daingean (9 Houses)	Housing Provision	€ -	€ -	€ 180,990	2024	€ 2,570,223	Planning approved for 2024
Part V: Birchfields Portarlinton (5 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 1,083,707	Delivery in 2024
Part V: Redwood Tullamore (3 Units to be delivered in 2024)	Housing Provision	€ -	€ -	€ -	2023	€ 1,029,440	Delivery 2024
Part V - Silverbrook, tullamore (8 Units Being considered)	Housing Provision	€ -	€ -	€ -	2023	€ 2,304,000	Delivery 2024

**Expenditure being Considered in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Anticipated Timeline</b>	<b>Projected Lifetime Expenditure</b>	<b>Explanatory Notes</b>
Part V: Tyrells Lane Edenderry (8 Units)	Housing Provision	€ -	€ -	€ -	2024	€ 2,160,000	Onsite but no Part V under construction 23/04/2024
Dargan Drive Tullamore (20 Units)	Housing	€ 3,964	€ -	€ 3,964	2024	€ 5,108,254	Currently at Stage 2 Approval
Birr MacGregol Turnkey 6 Units	Housing Provision	€ -	€ -	€ -	2024	€ 1,548,092	Final 2 houses to be delivered Q2 2024
Sycamore Drive, Ballycumber 10 units	Housing Provision	€ -	€ -	€ -	2025	€ 2,851,353	Stage 2 approval
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
Tullamore Fire Training Centre	Capital Programme	€ -	€ -	€ -	2023	€ 2,100,000	Per Rolling Capital Programme
Edenderry Community Library RRDF	Capital Programme	€ -	€ -	€ -	2026	€ 15,000,000	Per Rolling Capital Programme
Harbour Street & Store Street	Capital Programme	€ -	€ -	€ -	2024 - 2027	€ 1,920,672	Detailed Design Stage
Ferbane RRDF - St Josephs Convent	Capital Programme	€ -	€ -	€ -	2026	€ 4,000,000	Per Rolling Capital Programme

**Expenditure being Considered in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Anticipated Timeline</b>	<b>Projected Lifetime Expenditure</b>	<b>Explanatory Notes</b>
Banagher Marina RRDF	Capital Programme	€ -	€ -	€ -	2026	€ 4,000,000	Per Rolling Capital Programme
Banagher Royal Shannon Hotel RRDF	Capital Programme	€ -	€ -	€ -	2026	€ 4,000,000	Per Rolling Capital Programme
Ballyboy Community Centre TVR	Capital Programme	€ -	€ -	€ -	2025	€ 500,000	Per Rolling Capital Programme
Daingean Town Hall CCIF	Capital Programme	€ -	€ -	€ -	2026	€ 1,000,000	Per Rolling Capital Programme
Moneygall Community Centre CCIF	Capital Programme	€ -	€ -	€ -	2025	€ 2,200,000	Per Rolling Capital Programme
Derrycastle Lake and Trails JT	Capital Programme	€ -	€ -	€ -	2025	€ 4,000,000	Per Rolling Capital Programme
Birr Court House	Capital Programme	€ -	€ -	€ -	2026	€ 3,000,000	Per Rolling Capital Programme
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	Capital Programme	€ -	€ -	€ -	2023	€ 500,000	Per Rolling Capital Programme
<b>Totals</b>		<b>€ 5,536,935</b>	<b>€ -</b>	<b>€ 245,348</b>		<b>€ 66,475,742</b>	<b>€ -</b>

**Expenditure being Incurred in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Anticipated Timeline</b>	<b>Cumulative Expenditure to-date</b>	<b>Projected Lifetime Expenditure (Capital Only)</b>	<b>Explanatory Notes</b>
A01 Maintenance / Improvement of LA Housing		€ 4,159,209		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
A03 Housing Rent & Tenant Purchase Administration		€ 959,110		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
A05 Administration of Homeless Services		€ 1,718,612		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
A06 Support to Housing Capital & Affordable Programme		€ 2,534,931		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
A07 RAS Programme		€ 5,767,593		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
A09 Housing Grants		€ 2,264,996		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
B02 NS Road - Maintenance & Improvement		€ 6,262,339	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
B03 Regional Road - Maintenance & Improvement		€ 7,321,072	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
B04 Local Road - Maintenance & Improvement		€ 9,487,240	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
B05 Public Lighting		€ 1,134,057	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS

**Expenditure being Incurred in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Anticipated Timeline</b>	<b>Cumulative Expenditure to-date</b>	<b>Projected Lifetime Expenditure (Capital Only)</b>	<b>Explanatory Notes</b>
B07 Road Safety Engineering Improvement		€ 1,746,000	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
B11 Agency & Recoupable Services		€ 3,254,911		€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
C01 Operation & Maintenance of Water Supply		€ 2,398,003	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
C02 Operation & Maintenance of Wastewater Treatment		€ 1,688,920	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
C05 Admin of Group & Private Installations		€ 1,442,620	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
D01 Forward Planning		€ 768,302	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
D02 Development Management		€ 2,163,775	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
D06 Community & Enterprise Function		€ 4,836,884	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
D09 Economic Development & Promotion		€ 3,064,723	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
D11 Heritage and Conservation Promotion		€ 1,346,347	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS

**Expenditure being Incurred in 2023 - 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
E01 Operation, Maintenance and Aftercare of Landfill		€ 869,371	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
E02 OP & Mtce Recovery & Recycling Facilities		€ 600,306	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
E04 Provision of Waste to Collection Services		€ 1,123,905	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
E05 Litter Management		€ 544,729			On going current expenditure	N/A	N/A	Draft 2023 AFS
E06 Street cleaning		€ 627,689	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
E07 Waste Regulations, Monitoring and Enforcement		€ 881,976	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
E11 Operation of Fire Service		€ 3,926,631	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
F02 Operation of Library & Archival Service	Delivery of Library & Archival Services across 9 libraries	€ 3,153,706	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
F05 Operation of Arts Programme		€ 1,192,199	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS

**Expenditure being Incurred in 2023 - 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
H01 Profit & Loss Machinery Account		€ 1,197,220	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
H03 Administration of Rates		€ 5,671,426	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
H09 Local Representation & Civic Leadership		€ 1,668,298	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
H10 Motor Taxation		€ 930,008	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
H11 Agency & Recoupable Services		€ 616,924	€ -	€ -	On going current expenditure	N/A	N/A	Draft 2023 AFS
Sr. Senan Avenue, Edenderry (4 no OPDs)	Housing	€ 106,558	€ -	€ 106,558	Completed in 2024	€ 343,436	€ 1,097,591	Stage 4 Approved due to start in Q4 2022 and finish Q1 2024

**Expenditure being Incurred in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Anticipated Timeline</b>	<b>Cumulative Expenditure to-date</b>	<b>Projected Lifetime Expenditure (Capital Only)</b>	<b>Explanatory Notes</b>
Chancery Lane Housing Scheme, Tullamore (18 Houses)	Housing Provision	€ 1,749	€ -	€ 1,749	Completed in 2024	€ 4,748,113	€ 4,748,113	Ongoing issues with contractor not finishing snags. Difficult to make final claim until this is resolved
Blundell Wood Housing Scheme, Edenderry (33 Houses)	Housing Provision	€ -	€ -	€ -	Completed 2024	€ 8,060,948	€ 8,060,948	Project Complete - Retention on hold/Final Claim required and in progress
Kylebeg, Banagher Phase II (18 Houses)	Housing	€ -	€ -	€ 1,512,937	Completed 2024	€ 4,437,119	€ 4,437,119	Completed 2024
Elderberry Drive, Moneygall (4 Houses)	Housing	€ -	€ -	€ 5,535	Completed in 2024	€ 1,095,184	€ 1,095,184	Completed 2024
Beechgrove Belmont (7 Houses)	Housing	€ -	€ -	€ 667,421	Completed in 2024	€ 1,979,096	€ 1,979,096	Completed 2024
Circular Rd Housing Scheme Daingean (10 Houses)	Housing	€ -	€ -	€ 1,453,589	Completed in 2024	€ -	€ 2,770,223	Completed 2024
Edenderry Regen Phase II - Library design and demolition of Old Tesco Site	Regeneration	€ 478,585	€ -	€ 478,585	Completed 2025	€ 2,892,559	€ 2,686,760	Rural Regeneration Development Fund Edenderry Regen Phase II - Library design and demolition of Old Tesco Site

**Expenditure being Incurred in 2023 - 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
Banagher Regen Project - incl. Master Plan for Marina, purchase & redevelopment of Shannon Royal Hotel	Regeneration	€ 18,618	€ -	€ 18,618	Completed 2026	€ 265,552	€ 527,000	Rural Regeneration Development Fund Banagher Regen Project - incl. Master Plan for Marina, purchase & redevelopment of Shannon Royal Hotel
Clara Raheen Lands (38 units)	Housing Provision	€ 5,473,724	€ 1,358,879	€ 7,212,211	Completed 2024	€ 6,409,336	€ 15,192,355	38 units were in construction stage in 2023, delivery of project and housing allocation set for Oct/Nov 2024
Ferbane Regeneration - key building redevelopment incl. purchase & design of St Joseph's Convent	Regeneration	€ 168,064	€ -	€ 168,064	Completed 2024	€ 490,740	€ 590,145	Ferbane Regen Project Rural Regeneration Development Fund
ORIS - Kinnitty "Route to Trail"+	Regeneration	€ 579,618		€ 579,618	Completed 2025	€ 727,335	€ 775,330	Regeneration Project

**Expenditure being Incurred in 2023 - 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
Offaly Active Travel: 2023 Allocations	Active Travel	€ 3,314,698			2023 Allocation		€ 3,314,698	Ongoing programme
URDF2 Tullamore MD	Tullamore MD	€ -	€ -	€ -	Completed 2026	€ -	€ 3,784,445	This project provides for compact and sustainable development in Tullamore town centre and supplements the Public Realm works carried out under Call 1. Six projects consisting of two masterplans (€469k), completed in Q2 2024; 3 construction projects with approval to finalise the design and tender documentation and proceed to tender for the procurement of a Contractor; One design and construction project with approval to appoint architectural consultants to finalise the design and secure all necessary permissions/consents, currently ongoing.

**Expenditure being Incurred in 2023 - 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
URDF1 Urban Greenway Tullamore MD	Capital Programme	€ 10,398	€ 2,599	€ 7,798	Completed 2026	€ -	€ 3,353,619	Current project Urban Greenway: The report on tenders is with the URDF unit for review and Gate 3 approval to proceed to appoint the contractor.
URDF Call 3 Regen	Vacant & Derelict properties	€ 1,218		€ 1,218	Completed 2026-2028	€ 2,386	€ 6,000,000	The aim of this fund is to end long-term vacancy and dereliction in Tullamore Town
Burial Ground Development Fund	Provision of Burial Grounds	€ 104,537	€ -	€ 261,610	Completed 2026	€ 1,903,860	€ 2,000,000	
Esker Arts Centre	Arts & Culture	€ 631,665	€ 631,665	€ -	Completed 2024	€ 7,466,593	€ 7,466,593	Community & Cultural Services - OCC are completed negotiations with The Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media in relation to additional funding for rising building costs due to inflation.
<b>Totals</b>		<b>€ 98,213,463</b>	<b>€ 1,993,143</b>	<b>€ 12,475,510</b>		<b>€ 40,822,256</b>	<b>€ 69,879,219</b>	

**Projects/Programmes Completed or discontinued in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Completion Date</b>	<b>Final Outturn Expenditure</b>	<b>Explanatory Notes</b>
Daingean Main Street Turnkey	Housing Provision	€ 52,891	€ -	€ 52,891	2023	€ 2,194,083	Delivered & allocated in 2023
Mucklagh Turnkey	Housing Provision	€ 1,970,800	€ -	€ 1,970,800	2023	€ 2,209,000	Delivered & allocated in 2023
Walsh Island Turnkey	Housing Provision	€ 1,010,000	€ -	€ 1,010,000	2023	€ 1,047,000	Delivered & allocated in 2023
Woodfield Birr Turnkey	Housing Provision	€ 6,588,776	€ -	€ 6,588,776	2023	€ 8,453,384	Delivered & allocated in 2023
Part V - Hawthorns, tullamore (5 Units Completed 2022)	Housing Provision	€ 1,117,130	€ -	€ 1,117,130	2023	€ 1,148,196	Delivered & allocated in 2023
Part V - Silverbrook, tullamore (7 Units)	Housing Provision	€ -	€ -	€ -	2023	€ 2,016,000	Delivered & allocated in 2023
Part V: Redwood Tullamore (8 Units)	Housing Provision	€ -	€ -	€ -	2023	€ 2,745,175	Delivered & allocated in 2023
Part V: Bell Lane Daingean (2 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 701,368	Delivered & allocated in 2023
Part V: Ard na Carraige, Edenderry (2 Units to be delivered in 2023)	Housing Provision	€ -	€ -	€ -	2023	€ 516,857	Delivered & allocated in 2023

**Projects/Programmes Completed or discontinued in 2023 - Greater than €0.5m (Capital and Current)**

<b>Project/Scheme/Programme Name</b>	<b>Short Description</b>	<b>Current Expenditure Amount in Reference Year</b>	<b>Capital Expenditure Amount in Reference Year (Non-Grant)</b>	<b>Capital Expenditure Amount in Reference Year (Grant)</b>	<b>Project/Programme Completion Date</b>	<b>Final Outturn Expenditure</b>	<b>Explanatory Notes</b>
Edenderry Regen Phase I - Link Street infrastructure	Regeneration	€ 10,528	€ -	€ 10,528	Completed 2023	€ 901,504	Completed 2023
Non-National Roads Public Lighting	Capital Programme	€ 103,519	€ -	€ 103,519	Ongoing	€ 949,500	Per Rolling Capital Programme
<b>Totals</b>		<b>€ 10,853,644</b>	<b>€ -</b>	<b>€ 10,853,644</b>		<b>€ 22,882,066</b>	

## 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:

	<b>General Obligations not specific to individual projects/programmes.</b>	<b>Self- Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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.

	<b>General Obligations not specific to individual projects/programmes.</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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 2015-2022.
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.

	<b>General Obligations not specific to individual projects/programmes.</b>	<b>Self- Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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 Housing Department:**

	<b>Capital Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	N/A	No longer relevant
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?	N/A	See 3.15
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	3	Capital Appraisal Completed containing details on cost and justification.
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	3	Capital project subject to Part 8 of the planning process and subject to internal review by internal council departments. Capital appraisal is assessed by department of housing.
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	3	Projects appraised by department technical staff who benchmark against published unit costs. LA determines need for project based on housing need, land and existing housing availability
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	3	See 2.5.
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3	Initial costs provided in capital appraisal and updated prior to planning, prior to tender and prior to contract award
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	3	Capital appraisal contains summary of other options where they are available
Q 2.9	Was the evidence base for the estimated cost set out in each business case? Was an appropriate methodology used to estimate the cost? Were appropriate budget contingencies put in place?	3	Costs are estimated using qualified quantity surveyors procured after department have approved stage 1 (capital appraisal). Department approved unit costs are used to support capital appraisal.

	<b>Capital Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 2.10	Was risk considered and a risk mitigation strategy commenced?  Was appropriate consideration given to governance and deliverability?	3	Publicly-funded construction projects, comply with the Government's Capital Works Management Framework (CWMF), the objectives of which are to ensure greater cost certainty, better value for money and financial accountability. To ensure alignment with the CWMF, these projects progress through a four stage approval process as part of the broader pre-construction process undertaken by the Offaly County Council.
Q 2.11	Has the Preliminary Business Case been sent for review by the External Assurance Process and Major Project Advisory Group for projects estimated to cost over €200m?	N/A	
Q 2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	3	Project Brief and procurement strategy are contained in the Capital Appraisal and submitted to the department of Housing
Q 2.13	Were procurement rules (both National and EU) complied with?	3	Yes
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	3	Yes
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?	3	Yes
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	3	Yes
Q 2.18	Was consent sought from Government through a Memorandum for Government to approve projects estimated to cost over €200m at the appropriate approval gates?	n/a	

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

**Completed by Housing Department:**

	<b>Current Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 3.1	Were objectives clearly set out?	3	Yes
Q 3.2	Are objectives measurable in quantitative terms?	3	Yes
Q 3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	3	Yes
Q 3.4	Was an appropriate appraisal method used?	3	Yes
Q 3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	n/a	
Q 3.6	Did the business case include a section on piloting?	n/a	
Q 3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	n/a	
Q 3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	
Q 3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	n/a	
Q 3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	n/a	
Q 3.11	Was the required approval granted?	n/a	
Q 3.12	Has a sunset clause been set?	n/a	
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	Yes. All services and works advertised through e-tenders

	<b>Current Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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?	3	Post Project Review will be completed with submission of Final A/C
Q 3.15	Have steps been put in place to gather performance indicator data?	n/a	Post project review will contain lessons learned that will be implemented on future projects

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

**Completed by Roads - Regeneration Team:**

	<b>Incurring Capital Expenditure</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3	yes
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3	yes
Q 4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes where salary funding secured otherwise internal resources covered same
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?	2	Not all project managers recruited. HR unable to fill post as sanction not approved by Department
Q 4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes, quarterly under the T&Cs of RRDF funding agreement

Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	Mostly one delayed due to circumstances beyond the council's control
Q 4.7	Did budgets have to be adjusted?	3	Sometimes
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3	yes
Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?		no
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	n/a	
Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3	yes
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?		no

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

**Completed by Roads Department:**

	<b>Incurring Expenditure</b>	<b>Current</b>	<b>Self-Assessed Compliance Rating: 1 -3</b>	<b>Comment/Action Required</b>
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?		3	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?		3	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

	<b>Current Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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	Additional Parameters such as Carbon Footprint of works will begin to be monitored and recorded under the 2024 program.
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?	3	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:**

	<b>Capital Expenditure Recently Completed</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 6.1	How many Project Completion Reports were completed in the year under review?	n/a	No projects complete in 2023
Q 6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	n/a	
Q 6.3	How many Project Completion Reports were published in the year under review?	n/a	
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	n/a	
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 Finance 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 2023: Step 4 In-depth Check,  
completed by Internal Audit,  
Offaly County Council.**



**May 2024**

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Introduction and Summary of Findings

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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:**

<b>Project Name</b>	<b>Project Category (2023)</b>	<b>Project Budget / Expenditure</b>
Social Inclusion and Community Activation Programme (SICAP)	Current Expenditure – Being Incurred	€1,063,176
Kylebeg, Banagher (Co Offaly) Social Housing Scheme	Capital Expenditure – Being Incurred	€4,437,119
Acquisition of Social Housing Units at Woodfield, Birr (Co Offaly)	Capital Expenditure – Completed	€8,453,384

The total value of Offaly County Council's Inventory listing for 2023 was €252,033,636 (includes Current (Revenue) and Capital Expenditure). Therefore, the three projects detailed within the table above represent a sample of approximately 5.54% of the total inventory.

The internal audit review of the projects covered the period up until the 31<sup>st</sup> of December 2023.

### **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, 'Substantial Assurance' (see Appendix 1) regarding compliance with the Public Spending Code within Offaly County Council.

#### **Project 1: Current (Revenue) Expenditure Programme €1,063,176**

A Review at the '**Implementation Stage**' of the Social Inclusion and Community Activation Programme (SICAP) expenditure programme took place as part of this in – depth check. This programme was categorised as 'Current Expenditure Being Incurred' in the 2023 Public Spending Code Quality Assurance Inventory listing.

Based on review of documentation/data this programme provides 'Substantial 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.

Based on a review of documentation and management structure in place this expenditure at 'implementation stage' provides '**Substantial Assurance**' that there is compliance with the Public Spending Code.

## **Project 2: Capital Expenditure Programme €4,437,119**

The following section presents a summary of the findings of this In-Depth Check on the Kylebeg, Banagher 18 Unit Development.

This project was categorised as Capital Expenditure 'Being Incurred' in the 2023 PSC Inventory listing.

This project was at the '**Implementation**' Stage of the capital expenditure and therefore the review was focused on the following required steps:

- 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.

Based on a review of documentation and internal expertise in place this project at 'implementation stage' provides '**Substantial 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.

## **Project 3: Capital Expenditure Programme €8,453,384**

The following section presents a summary of the findings of this In-Depth Check on the Woodfield, Birr Turnkey Development 35 units.

This project was categorised as Capital Expenditure 'Completed' in the 2023 PSC Inventory listing. The review of this project focused on the appraisal and planning elements.

This project was at the '**Post Implementation**' Stage of the capital expenditure and therefore the review was focused on the following required steps:

- The basis on which the project was undertaken proved correct.
- The business case and management procedures were satisfactory.
- The operational performance and initial benefits have been realised.
- The conclusions that can be drawn which are applicable to other projects, to the ongoing use of the asset, or to associated projects.

Based on a review of documentation and internal expertise in place this project at 'post implementation stage' provides '**Substantial Assurance**' that there is 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

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#### Section A: Introduction

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

<b>Programme or Project Information</b>	
<b>Name</b>	Social Inclusion and Community Activation Programme (SICAP)
<b>Detail</b>	2023 SICAP Programme
<b>Responsible Body</b>	Offaly County Council
<b>Current Status</b>	Current Expenditure Being Incurred
<b>Start Date</b>	Jan 2023 (Recurring Annual Cost in Accordance to Programme Duration)
<b>End Date</b>	December 2023 (Recurring Annual Cost in Accordance to Programme Duration)
<b>Overall Cost</b>	€1,063,176



**Comhairle Chontae Uíbh Fhailí**  
**Offaly County Council**

## Project Description

The Social Inclusion and Community Activation Programme (SICAP) 2018-2023 is a national programme that aims to tackle poverty and social exclusion at a local level through local engagement and partnerships between disadvantaged individuals, community organisations and public sector agencies. SICAP is a social inclusion programme which assists both individuals and groups through a two-pronged approach, supporting communities and supporting individuals. The programme would later include additional funding and actions in relation to Ukrainian response in 2022 and 2023.

SICAP is funded by the Department of Rural and Community Development (DRCD) with co-funding from the European Social Fund (ESF) as part of the ESF Programme for Employability, Inclusion and Learning 2014-2020 (PEIL). The ESF PEIL is co-financing SICAP in the years 2018-2020. SICAP has been designated as an operation of Strategic importance under the Employment, Inclusion, Skills and Training (EIST) Operational Programme 2021-2027 by the European Commission, who has committed to an allocation for SICAP under this Programme.

The Department of Rural and Community Development extended the SICAP 2018-2022 Programme Funding Agreements for a period of 12 months up to 31<sup>st</sup> December 2023. SICAP is managed locally by the Local Community Development Committees (LCDCs) with oversight and support from the Local Authorities. Contracts are awarded to programme implementers (PIs) for SICAP. The PI's role is to deliver SICAP at a local level and to implement community development initiatives to cater for the identified needs, to operationalise the SICAP Action/Annual Plan and report directly to the LCDC on actions, targets and financial reporting.

There is a contract agreement (Funding Agreement) in place between the partnership agency (DRCD), Offaly County Council, Offaly Local Community Development Committee and the Programme Implementer (PI). In relation to the administration of SICAP programme funding Offaly County Council is a party to the Funding Agreement and, subject to the approval of the LCDC, administers the SICAP bank account and issues payments to the PI. Offaly County Council supports the LCDC in managing the programme and provides administrative supports. It has a role in relation to reviewing and enforcing the obligations of the PI. It is however the LCDC that makes submissions to the DRCD and Pobal.

In relation to establishing whether Offaly County Council were applying the values and guidelines of the Public Spending Code, an in-depth check was carried out on the management of the 2023 SICAP funding programme. It was noted that in 2023, Offaly County Council incurred expenditure of €1.063m approx. on SICAP implementation.

The budget for the service in 2023 was €1,025,532 as per Offaly County Councils adopted budget however additional funding was received in relation to Ukrainian Response funding. Flexibility was provided where practical to extend the delivery of Ukrainian budget funded supports to non-Ukrainian refugees.

## 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 **Social Inclusion and Community Activation Programme (SICAP)**. 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"> <li>• Management and oversight of SICAP programme. Ensuring compliance with the SICAP Programme requirements and the principles of the Public Spending Code.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Resources - Budget Allocation of €1,025m in accordance with programme funding for 2023.</li> <li>• Human Resources – funding administered by the Community Department of Offaly County Council to PI in accordance to signed contract with the LCDC</li> </ul>	<ul style="list-style-type: none"> <li>• Management of Human Resources</li> <li>• Drawdown of funding from DRCD</li> <li>• Preparing contracts/funding agreements in place and allocation of funds to the PIs</li> <li>• Monitoring progress and activities of the PIs through IRIS system and annual audit as</li> </ul>	<ul style="list-style-type: none"> <li>• Management and oversight of SICAP Programme ensuring compliance with Pobal guidance, DRCD circulars and terms and conditions applied to funding received from the DRCD.</li> <li>• Programme is delivered with the PI meeting the required KPIs as agreed with the LCDC and detailed within the signed contract.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of SICAP Programme will reduce poverty and promote social inclusion and equality across the county through supporting communities and individuals using community development approaches, engagement, and collaboration.</li> <li>• Communities will be supported, and groups targeted to engage with</li> </ul>

	<p>and programme requirements.</p> <ul style="list-style-type: none"> <li>• Information Technology - Agresso Financial Management and IRIS System.</li> <li>• Administration supports provided to the LCDC in relation to facilitating of the SICAP 2018-2022 and extended to 2023.</li> <li>• Administrative supports provided to the LCDC - primary reviewer of performance reports, measuring KPIs against the annual report</li> </ul>	<p>performed by the Internal Audit function in Offaly County Council</p> <ul style="list-style-type: none"> <li>• Assisting the LCDC in the administration and issuing of SICAP funding.</li> <li>• Managing and monitoring the SICAP Programme and completing Mid-Year Reviews and End of Year Reviews in accordance with Pobal Guidance and Programme Requirements.</li> <li>• Engaging and completing the Annual Plan Process.</li> <li>• Supporting the Empowering</li> </ul>	<ul style="list-style-type: none"> <li>• Ukrainian Support funding was spent appropriately and in accordance to Pobal guidelines.</li> <li>• Mid-Year, End of Year and Annual Planning Processes are all submitted to Pobal for High Level Technical Reviews.</li> </ul>	<p>relevant stakeholders in identifying and addressing social exclusion and equality issues, developing the capacity of local community groups, and creating more sustainable communities.</p> <ul style="list-style-type: none"> <li>• Disadvantaged individuals will be supported to improve the quality of their lives through the provision of lifelong learning and labour market supports.</li> <li>• All KPIs are reached by the PIs ensuring the delivery of the SICAP programme in accordance with Programme Requirements.</li> </ul>
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	<p>targets (Mid-Year and End of Year Reviews).</p> <ul style="list-style-type: none"> <li>• Administrative support to LCDC to engage and complete the Annual Plan Process.</li> </ul>	<p>Communities Working Group with Performance Reviews.</p> <ul style="list-style-type: none"> <li>• Providing essential provisions in relation to Ukrainian refugee response in Offaly.</li> <li>• Providing assistance to newly established Ukrainian communities groups within the county.</li> <li>• Engagement with Pobal Co-ordinators.</li> <li>• Liaison with SICAP Team Leader (P.I.)</li> </ul>		<ul style="list-style-type: none"> <li>• DRCD and Pobal provided flexibility where practical to extend the delivery of Ukrainian budget funded supports to non-Ukrainian refugees.</li> <li>• Assisting the integration of Ukrainian refugees and other new arrivals into local communities within the county.</li> <li>• Provision of supports and supplies ensured that Ukrainian refugees within the county had essential basic needs to maintain themselves.</li> </ul>
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## Description of Programme Logic Model

**Objectives:** The objective is the management and oversight of the 2023 SICAP programme, ensuring compliance with the SICAP scheme requirements and the principles of the Public Spending Code.

**Inputs:** The primary input is the revenue funding of €1,063,176. Gm provided by DRCD & ESF which is channelled through Offaly County Council. The Council provides staff resources to monitor and manage the delivery of the SICAP programme, information technology systems to support and manage the process, and to provide assistance to Programme Implementers, subgroups and external stakeholders.

**Activities:** 1) Management of Human Resources, 2) Drawdown of SICAP funding from DRCD, 3) Putting contracts/funding agreements in place and allocating funds to the Programme Implementers, 4) Monitoring progress and activities of the Programme Implementer. Ensuring Programme Implementers are compliant with terms of SICAP scheme and adhering to the principles of the Public Spending Code. 5) liaising with Programme Implementers, subgroups, and stakeholders -providing assistance as required.

**Outputs:** Having carried out the identified activities using the inputs, the output of the programme is the management and oversight of the delivery of the SICAP programme.

**Outcomes:** The outcome is the management, oversight, and delivery of the SICAP programme resulting in the provision of supports to individuals and communities in order to help tackle poverty, social exclusion and long-term unemployment resulting in an improved quality of life.



Có-mhainithe ag an  
Aontas Eorpach  
Co-funded by the  
European Union



Rialtas na hÉireann  
Government of Ireland



Offaly Local Development Company

The Social Inclusion and Community Activation Programme (SICAP) 2018-2023 is co-funded by the Government of Ireland, through the Department of Rural and Community Development, and the European Union. The SICAP contract for Offaly is managed by the Offaly Local Community Development Committee, with Offaly Integrated Local Development Company CLG as the programme implementer.

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

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The following section tracks the SICAP programme 2018 to 2022 as extended to 2023 from inception in terms of major project/programme milestones to completion:

Notification of the 2018 to 2023 SICAP Programme June 2017

Request for Tenders for the provision of SICAP Services July 2017

Tender Submissions for the delivery of SICAP by September 2017

Tender Evaluation November 2017

Contracts awarded December 2017

Awards Notice published on eTenders January 2018

Commencement of SICAP Delivery Service January 2018

Subgroup Reconstituted with new Membership October 2023

Notification from Pobal in relation to the extension of the programme July 2023

### **2023 Funding:**

(i) Drawdown Requests submitted to DRCD by the Chief Officer in Offaly County Council. Funding requests were made as follows:

- Submission for Qtr.1 2023 allocation was made in January 2023
- Submission for Qtr.2 2023 allocation was made in March 2023
- Submission for Qtr.3 2023 allocation was made in June 2023
- Submission for Qtr.4 2023 allocation was made in September 2023

(ii) Instalments released to Programme Implementers in Jan, Feb, March, May, June, August, September & October in line with DRCD requirements.



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

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The following section reviews the key documentation relating to appraisal, analysis, and evaluation for the **SICAP programme**.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Financial Reports	Lot Costs Charge Report and Financial & Monitoring Report on IRIS, AFS, CCAS reports and Agresso Job Code
Budget 2023	Sets out 2023 Budget priorities for Offaly County Council, including the SICAP Programme and the proposed funding for this programme.
Community Section Organisational and Team Plan 2023	Sets out key actions, work programme and performance measures for the Community Section & assigns responsibility for tasks.
Community section risk register 2023	Sets out the risks facing the community section, these have been assessed and rated and the mitigation to reduce the risks for 2023.
SICAP Procedure Manuals including: <ul style="list-style-type: none"> <li>i. SICAP induction manual for Local Authority Staff</li> <li>ii. Section manual</li> <li>iii. Recoupment claims procedures</li> </ul>	Provides instructions and directions for the day-to-day operation of the service area, to ensure consistency, quality of service and application of good practice principles.
Section Management Meetings – agenda, minutes Meeting with Section Heads Team Meetings Planning Meeting	Agendas affirm the purpose of section management meetings to review section performance and address issues of concern. Minute detail key discussions, actions to be taken and the person responsible for undertaking the action.
Reports to Municipal Area Meetings 2023	The report provides updates to the MDs twice yearly – presentations delivered.

<p>Minutes of meetings held with Stakeholders – Pobal, PIs, Empowering Communities Working Group, LCDC, -agenda, minutes, correspondence</p>	<p>Minutes of meetings held, agendas discussions and actions were received and noted by Internal Audit.</p>
<p>Local Community Development Committee (LCDC) monitors and manages the implementation of SICAP</p>	<p>In 2023, SICAP was listed on the agendas for all the LCDC meetings. The LCDC met on 12 occasions in 2023.</p> <p>There are agendas, reports and minutes documenting the meetings and items discussed.</p> <p>The Empowering Communities Working Group (Sub-Committee of LCDC) met in advance of LCDC meetings to consider and recommend approval on Mid-Year and End of Year Performance Reviews.</p> <p>Agendas, reports, and minutes documenting the meetings and items discussed are on record.</p>
<p>A contract agreement (Funding Agreement)</p>	<p>Contract was signed between the PI, Offaly County Council, partnership agency, and Local Community Development Committee (LCDC). In relation to the extension of the SICAP programme a <b>Form of Acknowledgement</b> was signed by the CEO of the PI agreeing to be bound by the terms of the original contract.</p>
<p>Evidence of monitoring &amp; progress assessment of the PIs. Per SICAP Programme requirements. Annual Plan, Mid-year, and Year End Performance Reviews Review Reports from each implementer (PI) on file for 2023.</p>	<p>The Plan outlines the vision, value, and ambitions of the service.</p> <p>Documents for each Performance Review, POBAL High Level Performance Review, LCDC Annual Performance Review Completed Checklist.</p> <p>Financial &amp; Monitoring Report Signed Lot Cost Charged Report IRIS Reports: KPI Achievements, Lots summary reports, Individual caseload by target group report, Goal 1 &amp; Goal 2 Outcome Reports Action Progress Report, Annual Progress Report, Case Study Annual Plan 2023</p>

<p>Reports on file from the National Evidence of Integrated Reporting Information of the delivery of the programme. System (IRIS) system utilised by the PIs to capture information, on both costs and activities.</p>	<p>Evidence of monitoring and oversight of the delivery of the programme.</p>
<p>SICAP funds channeled through OCC: (i) Submission made to DRCD by OCC. (ii) Request from LCDC to DRCD for drawdown of funds including signed confirmation by the Chief Officer LCDC to verify PI has complied with scheme requirements. (iii) OCC release funds to PIs in accordance with specified timelines &amp; requirements determined by DRCD.</p>	<p>Evidence to show segregation of duties, reviews, and oversight - Department claims are prepared by Staff Officer, then reviewed and submitted by Chief Officer (SEO Community). Signed submissions by Chief Officer LCDC, Remittances from DRCD, Signed requests for funds from PIs on file.</p>
<p>Verification visits to PIs on financial and non-financial SICAP transactions/ participant information</p>	<p>OCC have carried out on site verification visits to access the compliance of programme requirements by the PIs.  Site visits have been recorded, outlining whether compliance with the programme requirements has been met.</p>

### **Key Document 1: Financial Reports**

Detailed reports on income and Expenditure extracted from Agresso Financial Management System were provided as well as lot cost charge reports and Financial & Monitoring Reports from IRIS and reports from CCAS. Back up documentation in relation to funding claims and payment requests were also made available through the Agresso Financial Management System.

### **Key Document 2: Offaly County Council's Budget 2023**

The report was detailed and informative. It outlines the budget allocation for each service and subservice within the local authority and includes commentary on key achievements and key issues that the budget allocation will address. In terms of the in-depth check, Appendix D, subservice D0603 of the Budget details out the expected income and expenditure for the SICAP Programme for 2023.

### **Key Document 3: Community Section Operational & Team Plan 2023**

The document is focused. It is clear, legible. It details the community objectives, the key actions required to deliver the objectives, the programme of work to be implemented and the performance measure.

#### **Key Document 4: Community section risk register 2023**

The content of the register is clear and presented in the format agreed by Offaly County Council.

#### **Key Document 5: SICAP Procedure Manuals**

Documents are informative, clear and provide guidance. It is unclear when policy was reviewed and who reviewed the policy. Assigns responsibility and outlines separation of duties.

#### **Key Document 6: Section Management Meetings**

All documentation is clear and concise.

#### **Key Document 7: Reports to Municipal Area Meetings**

Presentations/Reports are brief, clear, and concise.

#### **Key Document 8: Minutes of Meetings with Sub-Groups, PIs, LCDC & Pobal**

Records are concise; they summarise topics discussed action items and assign responsibility for action items.

#### **Key Document 9: Local Community Development Committee (LCDC) Meeting Minutes & Agendas**

All documentation was clear and concise detailing both the mid and end of year reviews performed by the Community Dept of Offaly County Council regarding the SICAP Program. Also detailed within the minutes were recommendations regarding KPIs and agreement on particulars of the Annual Plan.

#### **Key Document 10: Contract Agreement and Form of Acknowledgement**

The agreement outlines the details of funding, planning and service review, reporting requirements, special and general conditions. The document is clear, easy to read and well laid out.

#### **Key Document 11: Mid-Year & Year End Progress – Annual Plan**

The Document is clear and concise in addressing the PIs progress regarding meeting KPI targets and addressing the key issue areas of social inclusion as identified by the LCDC. Reports are well laid out, easy to read, with varied content - a mix of pictures and statistics.

Documents circulated to Empowering Communities Working Group and LCDC members for consideration and approval regarding Mid-Year and End of Year Performance Reviews include financial and non-financial information as follows:

- Financial & Monitoring Report
- Signed Lot Cost Charged Report
- IRIS Reports: KPI achievements, Lot summary report, Individual caseload by target group report, Goal 1 & Goal 2 outcome reports, action progress Report, annual progress report, case study 2023, annual plan 2023

**Key Document 12: Reports on file from the National Integrated Reporting Information System (IRIS) system**

IRIS lot cost charge reports were very clear and concise in terms of assessing action spends, administration costs and the PIs performance in terms of reaching KPI targets.

**Key Document 13: SICAP funds channelled through OCC**

Documentation was provided which was clear and concise regarding the channeling of funds through OCC from DRCD onto the PI. The narratives included within the Agresso job code were detailed clearly making it easy to access the channeling of SICAP funding. Payment Reports from IRIS were also provided and reviewed.

**Key Document 14: Verification Visits by Offaly County Council**

Site visits have been recorded, outlining whether compliance with the programme requirements have been met. Audit and assurance workings were well maintained on file with details of any findings regarding the onsite visits communicated to the LCDC.

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## Section B - Step 4: Data Audit

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

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Contract Agreements	Outline terms & conditions	Readily available
Support provided to stakeholders - meetings, agenda, minutes, correspondence, training sessions	To evaluate support provided	Readily available
Monitoring Reports	Evaluate progress	Readily available
Income	Draw down & release of funding	Readily available
Expenditure	Monitor expenditure	Readily available
PIs performance & activity reports	Evaluate number of interventions being carried out/ beneficiaries supported	Readily available
PI achievements	To evaluate the number of interventions carried out & the level of support provided to beneficiaries	Readily available

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

As can be seen from the table above, quantitative data to assess management and oversight, funding delivery, PIs plans, targets, and achievements, is readily available. Qualitative information on the impact of the programme within the region is obtained from IRIS inputs and reports and reviewed and analysed for the county by Pobal

The next steps for Offaly County Council will be to continue with the delivery of SICAP and work the new SICAP programme 2024-2028 in conjunction with DRCD, POBAL and PIs to ensure that the SICAP supports are delivered to target groups as identified in the strategic objectives of the programme. Offaly LCDC and Offaly County Council will continue developing relationships with stakeholders and ensure there is oversight,

management, monitoring, and support for the SICAP programme.

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## Section B - Step 5: Key Evaluation Questions

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

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

Based on information supplied at audit, Internal Audit has formed the opinion that the management of SICAP complies with the standards of the Public Spending Code. There is a management structure in place; there is strong evidence of management and oversight; there are guidelines provided; detailed records are maintained, contracts outlining terms and conditions are in place with program implementers. There are control process in place to support compliance with the Public Spending Code – segregation of duties, controlled access to databases, clear approval authority, regular performance review and maintenance of documentation.

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

Quantitative information on the management, monitoring, and oversight of the SICAP programme is readily available. To measure outcomes such as impact on quality of life, qualitative data is required. This type of data may be obtained from records maintained by the PIs. Overall summary information can be established from the number of interventions carried out and the number of beneficiaries supported by the PIs. To further expand on this, feedback could be garnished from beneficiaries based on their action plans, the supports provided by SICAP to achieve their targets and the impact it has had on their quality of life.

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

Section Procedure manuals to be updated regularly. Actions proposed by Internal Audit to strengthen governance and control are as follows: - Procedures Manual to be reviewed and updated at least annually.

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## Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the SICAP Programme for 2023

### Summary of In-Depth Check

**Public Spending Code Status:** This project was categorised as Expenditure “Being Incurred” in Offaly County Council’s 2023 PSC Inventory listings.

**Project Description:** Provision of the SICAP Programme for 2023

**Audit Objective:** To provide independent opinion on compliance with the Public Spending Code and to provide assurance that the expenditure incurred is appropriately managed and correctly accounted for.

**Audit Strategy:** Internal Audit carried out an in-depth check of the SICAP programme for 2023. As part of this check, Internal Audit met and spoke with key staff, reviewed documentation, examined databases and checked a randomly selected sample of draw down requests, invoices, and payments made to Pls. As part of the check, Internal Audit considered management and governance arrangements in place, the handling of decision making, maintenance of documentation recording checks and controls, the level of checks and controls in place, adherence to policies and procedures including procurement policy and the implementation of best practice.

**Audit Opinion:** Internal Audit are satisfied that this in-depth check provides a **‘Substantial Assurance’** rating of compliance with the Public Spending Code (See Appendix 1 for definitions). Internal Audit has concluded that there is evidence that SICAP is actively managed with governance arrangements in place. There is significant compliance with the requirements of the code in the management of SICAP. There is a management structure in place; there is strong evidence of management and oversight; there are guidelines provided; detailed records are maintained, contracts outlining terms and conditions are in place with program implementers. There are clear control processes in place to support compliance with the Public Spending Code - segregation of duties, controlled access to databases, clear approval authority, regular performance review and maintenance of documentation.

## Quality Assurance – In Depth Check

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### Section A: Introduction

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

<b>Programme or Project Information</b>	
<b>Name</b>	Kylebeg, Banagher (Co Offaly) Social Housing Scheme
<b>Detail</b>	The construction of 18 no. 3 bedroom, two storey, semi-detached social dwellings at Kylebeg, Banagher Co Offaly.
<b>Responsible Body</b>	Offaly County Council
<b>Current Status</b>	Capital Expenditure Being Incurred
<b>Start Date</b>	Project Appraisal June 2017
<b>End Date</b>	September-2024
<b>Overall Cost</b>	€4,437,119

## Project Description

Local Authorities play a central role in the identification and addressing 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 several different schemes and initiatives.

Offaly County Council own a landbank of 5.92 Ha (14.64ac) at Kylebeg, Banagher. During August 2013 Offaly County Council received Part 8 approval from its members for the development of 26 no. dwelling units on part of the landholding. Phase one of the development was completed in November 2015 consisting of 8 no. OPD's on 0.64ha(1.6ac) of the site. Phase two of the development is for the construction of 18 no. 3 bedroom, two storey units and public open space with children's play equipment on 1.12Ha (2.79ac).



As of June 2017, OCC had 112 applicants on its housing list in Banagher, Co. Offaly.

The primary objective of this project is to provide sustainable A Rated housing for people on the housing list in the Birr Municipal District. This objective was attained on the allocation of tenancies.

<b>Type of Applicant</b>	<b>Number of Applicants</b>
Applicants with Medical Needs	4
Single Applicants (No Dependents)	50
Single Applicants (+1 Dependents)	14
Single Applicants (+2 Dependents)	4
Single Applicants (+3 Dependents)	2
Single Applicants (+4 Dependents)	2
Couple (No Dependents)	10
Couple (+1 Dependents)	11
Couple (+2 Dependents)	8
Couple (+3 Dependent)	6
3 Adults (+1 Dependent)	1
3 Adults (+2 Dependents)	2
3 Adults (+5 Dependents)	1
Couple (No Dependents)	1
<b>Total Applicants</b>	<b>112</b>

All publicly funded construction projects must follow the Capital Works Management Framework (CWMF) as required by the Department of Finance. The project has received approval from the Department of Housing, Planning and Local Government for the four critical stages as follows:

Stage 1: Confirm approval for design expenditure.

Stage 2: Assess project prior to statutory approval.

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

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

## The Design

Offaly County Council purchased the landbank in 2001 and 2006. Phase 1 was completed during 2015 and is currently occupied by Offaly County Council tenants. Phase 2 was a green field site with public infrastructure provided as part of Phase 1 of the development. Phase 2 required the construction of 18no. dwellings, an access road measuring 240m, 2 no. parking spaces per dwelling, underground utility ducting, construction of boundary walls, landscaping of individual sites and common areas, construction of public open space, including 5 no. car parking spaces, construction of children's play equipment area and approx. 1000mm fill to raise the site.



The site is situated in a central location in the town with amenities such as Primary School, Secondary School, R.C. Church, Church of Ireland, College of Further Education and G.A.A. Grounds are within a 5-minute walk of the site, while the Shannon Marina, Playground, Swimming Pool, Cromwell's Castle and the Pitch and Putt course are 10 minutes' walk from the site.

Offaly County Council engaged a Quantity Surveyor to prepare the contract documentation, an Engineer for the civil/structural element and an M&E Engineer for the design requirements to achieve an A Rated dwelling. Estimated professional fees, calculated with reference to Department Circular "Housing 35/2015", are outlined below:

Architect	Offaly County Council	€119,348.00
Engineer	Engage	€35,000.00
M&E	Engage	€25,000.00
Quantity Surveyor	Engage	€25,000.00
Assigned Certifier	Engage	€10,000.00
	<b>Total</b>	<b>€214,348.00</b>

#### Schedule of Accommodation

Unit Type	Basic Description			Number of Type			Internal Dimensions		Floor Area	
	Storey Nr.	Bed-Rooms	Bed-Spaces	Inter	End	Total	Width	Depth	Gross Internal	Ground Floor
C	2	3	5	7		7	9.15	5.33	103.95	50.95
C1	2	3	5	6	2	8	9.15	5.33	103.95	50.95
D	2	3	5		1	1	9.94	5.33	108.70	55.70
E	2	3	5	1		1	9.767	5.33	103.28	50.29
F	2	3	5		1	1	10.56	5.33	107.24	53.98
<b>TOTALS</b>			90	14	4	18			527.12	261.878

Copies of Design details were available on file.

## Cost /VFM

The tendered cost estimate for construction of 18 units and associated works was €3,729,986.43 including VAT. The final outturn cost was €3,790,140.96 including VAT. This figure accounts for change orders of €52,999.58 or just 1.6% of the original contract price, however does not include 'ex gratia' inflationary payments issued to the contractor in the amount of €318,162. (Detail on these payments are noted below)

Summary Analysis of Unit Types						
	Type Ref: Type C Number of Units: 7 Storeys: 2 Bedrooms: 3		Type Ref: Type C1 Number of Units: 8 Storeys: 2 Bedrooms: 3		Type Ref: Type D Number of Units: 1 Storeys: 2 Bedrooms: 3	
	Intermediate	End	Intermediate	End	Intermediate	End
Substructure	10,763.81		10,763.81		10,835.86	
Structure	34,071.80		34,071.80		35,061.84	
Structure Completions	11,698.25		11,698.25		11,526.28	
Finishes	33,171.05		33,171.05		34,889.41	
Services	22,067.00		22,067.00		22,067.00	
Fittings	3,989.08		3,989.08		4,130.08	
External Works	17,247.17		17,247.17		15,834.17	
Site Development Works	29,074.17		29,074.17		29,074.17	
Abnormal Works	14,798.41		14,798.41		14,798.41	
Preliminaries & Insurances	5,555.56		5,555.56		5,555.56	
Total (excl. VAT)	182,436.30		182,436.30		183,772.78	
VAT	24,628.90		24,628.90		24,809.32	
<b>Total Cost per Unit</b>	<b>207,06.20</b>		<b>207,06.20</b>		<b>208,582.1</b>	
x Nr. of Units	7		8		1	
<b>Overall Cost per Type</b>	<b>1,449,456.37</b>		<b>1,656,521.56</b>		<b>208,582.10</b>	

Summary Analysis of Unit Types						
	Type Ref: Type E Number of Units: 1 Storeys: 2 Bedrooms: 3		Type Ref: Type F Number of Units: 1 Storeys: 2 Bedrooms: 3		Type Ref: Number of Units: Storeys: Bedrooms:	
	Intermediate	End	Intermediate	End	Intermediate	End
Substructure	9,571.18		10,278.98			
Structure	35,660.67		35,859.10			
Structure Completions	11,650.55		13,674.10			
Finishes	34,1022.40		34,020.96			
Services	22,067.00		22,067.00			
Fittings	3,873.08		3,970.08			
External Works	16,571.08		16,872.06			
Site Development Works	29,074.17		29,074.17			
Abnormal Works	14,798.41		14,798.41			
Preliminaries & Insurances	5,555.56		5,555.56			
Total (excl. VAT)	179,844.10		186,170.42			
VAT	24,278.95		25,133.01			
<b>Total Cost per Unit</b>	<b>204,123.05</b>		<b>211,303.42</b>			
x Nr. of Units	1		1			
<b>Overall Cost per Type</b>	<b>204,123.05</b>		<b>211,303.42</b>			

In relation to identifying alternatives, the capital appraisal detailed that there were no properties available to rent in Banagher and Offaly County Council had no void properties in the town. It was however noted that there were 6 dwellings for sale in Banagher which may be suitable for social housing. The capital appraisal noted that the acquisition of potential

properties is ongoing but cannot alleviate the housing shortage at the present time. It was also noted that there were no Planning Applications for private development of housing schemes in Banagher and there were no Offaly County Council schemes currently underway in the surrounding areas.

A valuation on the site incorporating approved planning permission for 18 no. 3 bedroom semi-detached houses was conducted by Damian Lynch Auctioneer & Valuer on the 12<sup>th</sup> June 2017. The auctioneer deemed the value of the site to be €216,000 which was in line with the original purchase price and stage 4 approval funding received from the DHPLG. The cost of the site used for the 18 dwellings will be recuperated in full from the department when a final account submission is completed.

Offaly County Council issued tenders on the 22<sup>nd</sup> of March 2021 and four tenders were received via eTenders platform on Wednesday 22<sup>nd</sup> April 2021. These were opened together with representatives from Offaly County Council. On the 3<sup>rd</sup> of June 2021 Joseph C. Hogan & Sons prepared the tender report analysing the 4 received tenders, the tender summary comparison was as follows:

Tender Summary Comparison					
	Pat Loftus	Finna	Bracken and Son	Mckelen	JCH CP
	€	€	€	€	€
Preliminaries	100,000.00	165,000.00	140,000.00	210,000.00	435,188.00
Contingency					66,183.00
House Type C	1,881,632.10	1,949,110.65	2,298,450.00	2,625,000.00	2,165,115.00
House Type D	126,778.62	132,268.55	153,230.00	180,000.00	147,045.00
House Type E	122,849.94	130,033.73	153,230.00	170,000.00	149,147.00
House Type F	129,176.26	128,578.33	153,230.00	190,000.00	151,784.00
External Works	272,975.25	328,496.96	305,063.00	437,855.00	395,118.00
Site Development Works	392,810.27	432,736.69	427,806.00	560,726.00	527,092.00
Underground Drainage	193,667.72	244,467.98	162,039.00	307,603.00	163,842.00
ESB site Services	38,862.50	39,921.50	25,335.00	40,631.00	27,475.00
Watermain	27,579.00	24,981.00	12,263.00	37,317.00	9,841.00
Bond	Incl.	23,404.61	22,800.00	28,755.00	incl.
<b>Total Ex VAT</b>	<b>3,286,331.66</b>	<b>3,599,000.00</b>	<b>3,853,446.00</b>	<b>4,787,887.00</b>	<b>4,237,830.00</b>

Within the tender report Joseph C. Hogan & Sons noted the low costing of 4 preliminary tenders received when compared to their budgeted figures. Joseph C. Hogan & Sons also noted an expectancy that Covid-19 regulations would impact more heavily on the tenders received. The report went on to note that a bond of 12.5% is required for the works. As it was not priced; the bond is deemed to be included in the preliminaries however confirmation was provided by Pat Loftus Construction Limited that they were able to secure a surety subject to a formal application. The final contractors' costs amounted to €3,790,141 (incl. VAT) indicating an over run of €53k or 1.6% on the original tender price.

In 2018, 3 x Frameworks were established for Civil/Structural: Mechanical Electrical & Quantity Surveying services. The frameworks were established by initially requesting prices for consultancy services on the Kylebeg 18 houses scheme together with another scheme currently under construction (Daingean 10 house scheme). The successful tenders were Hayes Higgins Partnership (Civil/Structural); Malachy Walsh & Partners (Mechanical/Electrical) & JC Hogan (Quantity Surveyors). Offaly County Council acted as the architect together with these companies to form the design team.

**Consultants for Housing Developments at Circular Road in Daingean and Kylebeg in Banagher**

<b><u>Appointed Consultant</u></b>	<b>Total Tendered Lump Sum (Ex.Vat)</b>	Daingean (Ex.Vat)	Kylebeg (Ex.Vat)
Hayes Higgins Partnership - Civil/Structural Engineering	€39,500	€13,500	€26,000
Malachy Walsh and Partners - Mechanical & Electrical Engineering	€35,000	€9,800	€25,200
Joseph C. Hogan and Sons - Quantity Surveying	€32,800	€13,800	€19,000

In considering whether these units are value for money, OCC also considered the unit cost ceilings provided by the Department of Housing, Planning and Local Government (Circular 13/2019, 12<sup>th</sup> April 2019). The LA designed the houses in line with minimum size guidelines and standard specifications published by the department. The design and cost estimates of the houses was reviewed by the department architect and quantity surveyor after stages 1, 2 & 3 to ensure that value for money was captured in the design of the scheme before going to planning and tender.

**Inflation Framework Payments**

The construction industry experienced significant difficulties in recent years, firstly due to the Covid 19 pandemic and subsequently due to very high inflation in building materials. In response to the inflation in materials, fuel and energy, the Office of Government Procurement (OGP) introduced several interim measures to address the resultant risk to Public Works Contracts.

Revised Public Works Contracts were published, which Offaly County Council have utilised since their publication on 7th January 2022. Those contracts aim to address inflation on any contracts entered on or after that date.

However, contracts that had been entered into prior to that date do not contain the measures introduced by the OGP and there are no measures within the older contracts to mitigate the costs Contractors have experienced during the execution of those contracts. Therefore, in

May 2022, the Minister for Public Expenditure and Reform announced further measures to mitigate the risk to Contractors who had entered into contracts prior to 7th January 2022. The further measures involve the Contractor and Employer entering into an Inflation/Supply Chain Delay Co-Operation Framework, with the intention being that Contractors could be awarded an ex-gratia payment to adequately mitigate the effects of material, fuel, and energy inflation.

The OGP subsequently issued detailed guidance on the operation of this Framework and the Housing Section have followed that guidance to enter into the Framework Agreement with Pat Loftus Construction Group, who are currently constructing 18 social housing units at Kylebeg, Banagher. In this regard, we have followed both the OGP Guidance and Circular: Housing 22/2022.

As outlined in Circular: Housing 22/2022, the Department strongly encouraged the use of the Framework by both Local Authorities and Approved Housing Bodies. The Department has also outlined in the Circular that costs arising from entering into the Framework will be 100% reimbursed by the Department. Prior Departmental approval of these costs is not required.

A total of €318,162.20 inclusive of VAT has been paid to the contractor “ex gratia” in accordance with the circulars and OGP guidance. An additional fee has also been paid to the quantity surveyor for the works required to agree inflation works payments.

#### Approval to Proceed

A capital appraisal was completed in June 2017 and submitted to the DHPLG setting out the project details and demonstrating the social housing need, sustainability, cost details and value for money in accordance with department guidelines. Offaly County Council received stage 4 approval from the Department of Housing, Local Government and Heritage on the 25<sup>th</sup> June 2021, the final stage 4 approval granted an all-in budget of €4,500,116 (incl. VAT).

**18 Units @ Kylebeg, Banagher, Co-Offaly – Revised Stage 4 Approval**

	Prior Approved Budget €	Stage 4 - Submission €	Stage 4 Recommended Budget €	Notes
Contract Sum - Residential (Incl. VAT)		3,729,986.43	3,729,988	
Community Facilities N/A		0.00	0.00	
<b>Total Construction Estimate (incl. VAT)</b>	<b>4,532,445.69</b>	<b>3,729,986.43</b>	<b>3,729,988</b>	Note 1
Cost of Site	216,000.00	221,024.26	220,447	Note 2
Technical Fees / Salaries				
Architectural Services (In-House)	219,633.93	180,748.24	180,748	Note 3
Structural Engineer Services	31,980.00	31,980.00	31,980	Note 4
Services Engineer Services	30,996.00	30,996.00	30,996	Note 4
Quantity Surveying Services	23,370.00	25,094.25	25,094	Note 4
Contract Monitoring and Management	19,966.72	16,431.66	16,432	Note 5
Site Investigations / Surveys	32,518.12	32,518.12	32,518	Note 6
Utilities [ESB, gas, water etc.]	135,000.00	135,000.00	135,000	Note 6
Other Costs				
Public Art	39,933.44	32,863.32	32,863	Note 7
PCC Shared Drainage Works		14,755.00	14,755	Note 8
<b>Total ALL IN COST (Excl. LA Admin ) €</b>	<b>5,281,843.91</b>	<b>4,451,397.28</b>	<b>4,450,821</b>	
LA Administration Fee Allowance	59,900.16	49,294.97	49,295	Note 9
<b>TOTAL ALL-IN COST (Incl LA Admin ) €</b>	<b>5,341,744.07</b>	<b>4,500,692.25</b>	<b>4,500,116</b>	

## 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 **Kylebeg, Banagher, Co. Offaly 18 Social Housing Units Housing Capital Project**,: A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

<b>Objectives</b>	<b>Inputs</b>	<b>Activities</b>	<b>Outputs</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>• The provision of social housing in the Birr Municipal District in line with Offaly County Council Housing Delivery Action Plan.</li> <li>• To increase Offaly County Councils housing stock in to provide homes for social housing waiting list applicants.</li> </ul>	<ul style="list-style-type: none"> <li>• Funding / Capital Assistance of approx. €4.4m from DHPLG.</li> <li>• Staff Resources – CE, DOS, Senior Engineer of Housing, Housing administration staff, Procurement Officer</li> <li>• Planning, Roads, Water Services &amp; Environment sections in Offaly County Council</li> </ul>	<ul style="list-style-type: none"> <li>• Appraisal Document Prepared.</li> <li>• Funding Applications submitted to DHPLG.</li> <li>• Legal / Professionals Engaged.</li> <li>• Senior Management approval to proceed sought.</li> <li>• Planning permission obtained.</li> <li>• Tendering for competitive contractor</li> </ul>	<ul style="list-style-type: none"> <li>• Construction of 18 modern, high quality social housing units</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation of housing units and therefore a reduction in the housing list numbers in Birr MD and Offaly County Council.</li> <li>• Introduction of A rated homes to improve housing accommodation for families.</li> <li>• The enhancement of community within an existing residential area</li> </ul>

	<ul style="list-style-type: none"> <li>• Work of the Design Team, Surveyors, ESB, Irish Water &amp; Contractors.</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of contractor</li> <li>• Commencement of development</li> <li>• Monitoring and evaluating of works.</li> <li>• Ensure payments are approved and paid on time.</li> <li>• Work Supervision</li> <li>• Construction project handover</li> </ul>		
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## Description of Programme Logic Model

**Objectives:** The objective of the project was to complete phase 2 (18 units and associated works) of the part 8 development to provide housing for persons on Offaly County Council's Housing List. The project was centred around addressing the housing need in the Municipal District of Birr.

**Inputs:** The primary input to the programme was the capital funding of approximately €4.4million which was approved by the Department of Housing, Planning and Local Government. Council staff resources were also a requirement to manage consultants and contractors, comply with procurement processes, seek departmental approval stages 1-4, monitor spending, recoup funding, and supervise and evaluate the project.

**Activities:** There were several key activities completed throughout the project including: Preparing proposals in the form of appraisal documents for DHPLG for funding application, tender documents for appointment of contractors and other professional. Engagement with the contractor and professionals while supervising and evaluating the works. Ensuring compliance with procurement process and engaging with the department for approvals. Other activities included fortnightly on-site meetings and contractors' monthly reports to ensure that the project was progressing.

**Outputs:** On completion of Phase 2 of the development Offaly County Council have an additional 18no. social housing units. The development also incorporates footpaths, road infrastructure, road surface drainage, and a children's playground.

**Outcomes:** The envisaged outcome of the project is to provide Housing for persons on Offaly County Councils Housing List, specifically addressing the housing need in the Municipal District of Birr. The housing need in Birr MD is detailed above within the '*Project Description*'.

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

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The following section tracks the **Kylebeg, Banagher, Co. Offaly – 18 Social Housing Units - Housing Capital Project** from inception to conclusion in terms of major project/programme milestones.



September 2024	End of Retention Period
September 2023	Works Completed & Housing Allocations
October 2021	Begin works on site
July 2021	Tender Process complete/appointed contractor
May 2020	Department Approval
December 2019	Stage 2/3 submission to Department
August 2018	Procurement of Design Team
July 2017	Department Approval
June 2017	Stage 1 Submission to Department

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

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The following section reviews the key documentation relating to appraisal, analysis, and evaluation for the **Kylebeg, Banagher, Co. Offaly – 18 Social Housing Units Social Housing Capital Project**.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Rebuilding Ireland	The government roadmap for housing delivery including across 5 key Pillars for achieving its goal.
Housing Capital Project Appraisal Document – Kylebeg, Banagher, Co. Offaly	A proposal was prepared by the Council in the form of a capital appraisal document. It included the housing need, information on design, costs, and value for money. This was submitted to the DHPLG for consideration for funding.
Funding Approval from DHPLG	A funding Approval in Principle from DHPLG was granted on 20/05/2020. The letter outlined that approval was subject to several conditions. The recommended budget was €5,341,744 (incl. VAT)
Procurement of Design Team	In 2018, 3 x Frameworks were established for Civil/Structural: Mechanical Electrical & Quantity Surveying services. The frameworks were established by initially requesting prices for consultancy services on the Kylebeg 18 houses scheme together with another scheme currently under construction (Daingean 10 house scheme). The successful tenders were Hayes Higgins Partnership (Civil/Structural); Malachy Walsh & Partners (Mechanical/Electrical) & JC Hogan (Quantity Surveyors). Offaly County Council acted as the architect together with these companies to form the design team.

Stage 1-4 Approval from the Department	Offaly County Council received stage 2/3 approval for the construction of 18 no units at Kylebeg, Banagher, Co. Offaly. Approval Letter attached authorising approval to advertise tender for works contract.
Tender Approval	Approval from the department to appoint a successful works contract tender and proceed to construction.

**Key Document 1: *County Council Targets for Rebuilding Ireland.***

‘Re-building Ireland – Action Plan for Housing and Homelessness’ outlines long term targets for the provision of social housing. Offaly County Council’s anticipated social housing need for the planned period under County Offaly Housing Strategy and Housing Needs Demand Assessment 2021-2027 is 3,978 households. The completion of Phase 2 of this development will add 18 houses to Offaly County Council’s housing stock and ultimately aid in achieving its targets for 2021-2027.

**Key Document 2: *Capital Appraisal Document for Kylebeg, Banagher, Social Housing Project***

The Housing Capital Project Appraisal for the construction of Phase 2 development at Kylebeg, Banagher i.e. 18 no units and associated works submitted to the DHPLG in June 2017. The document provides a background to the proposed completion of Phase 2 portion of the project, the need for housing in the area, viable alternative housing solutions and a detailed breakdown of site and unit designs. The Capital Appraisal also includes project management/delivery arrangements, an initial cost estimate, projected timelines, and detailed drawings. The appraisal document detailed that there were 112 applicants on the housing list in Banagher in 2017.

**Key Document 3: *Capital Funding Approval from DHPLG***

A funding ‘Approval in Principle’ from DHPLG was granted on 25<sup>th</sup> June 2021 in the amount of €4,500,116 (incl. VAT) as part of the Stage 4 submission for the construction of 18 units in Kylebeg, Banagher.

**Key Document 4: *Procurement of Design Team***

Budget for design team (Structural Engineer, Services Engineer, and Quantity Surveyor) was approved by DHPLG letter on 20/05/2020. The procurement route for the Design Team is in accordance with CWMF and Offaly County Council are satisfied that no risk of challenge exits resulting from this procedure.

#### **Key Document 5: *Stage 1-4 Approval from DHPLG***

Stage 2/3 approval from DHPLG was granted on 20<sup>th</sup> May 2020. The letter outlined that approval was subject to several conditions. The recommended budget was €5,341,744 (incl. VAT) which included cost of site of €216,000, construction estimate, site investigations/survey of €4,699,964 and professional fees, administration fee, utilities, and public art of €425,780. The letter authorised approval to proceed to Stage 4

#### **Key Document 6: *Tender Approval***

A letter of approval was issued from the DHPLG to Offaly County Council to appoint the identified selected tender for the project and to proceed to construction.

#### **Key Document 7: *Post Project Review***

A post project review will be prepared when the final a/c is submitted to the department. This final a/s will include final costs for all aspects of the project including building contractor, consultants, site costs, utilities, legal fees etc. This document will be prepared after the retention period of the contract elapses and the 12-month period following the issuing of a conformity certificate from Irish Water.

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## Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the **Kylebeg, Banagher, Co. Offaly – 18 no. Social Housing 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	To consider a budget. To assess VFM.	Available.  Costs are outlined in capital Appraisal Document and application to DHPLG for funding.
Financial Records	Expenditure Monitoring, To monitor activity. To accurately measure expenditure.	Available.  Agresso Financial Management System in use for monitoring of budget / spend.
Documentation/Validation of Key Decisions.	Governance. Record Keeping. Audit Trail.	Available  Assessment of Tender Documents was available. Application to DHPLG was available. Approval of Funding was on file. Internal correspondence and correspondence with professional Services were on file.

### Data Availability and Proposed Next Steps

Initial cost estimates were detailed in the Capital Appraisal document. All claims and receipts made through the DHPLG were available on file as well as all documentation relating to the Stage 4 approval process. All financial relevant information was maintained on file and available to view. Other financial data can be assessed on the Agresso Financial Management System i.e. invoices for all stages of the project e.g. legal fees. The proposed next steps include monitoring the project to completion, obtaining relevant engineering certificates etc. and ensuring the completion of the contractors' duties. Upon completion Offaly County Council

will be tasked with the allocation of the 18 units and completing a post evaluation appraisal report on the project.

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## Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for **Kylebeg, Banagher, Co. Offaly – 18 Social Housing Units - 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 at ‘Implementation Stage.’

This in-depth check has found that the project is compliant with the requirements and standards as set out in the Public Spending Code.

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

Internal Audit found that all necessary data and information was available in relation to the project. The following list details some of the document that was reviewed as part of the in-depth check and continues to be maintained on file:

1. Capital Appraisal Document.
2. The sources of funding have been clearly documented.
  - Record of funding applications made to DHPLG.
  - The rationale and suitability of the selected units were clearly outlined.
  - Record of ‘Approval in Principle’ received from DHPLG.
  - Stage 1-4 application documentation, DHPLG correspondence etc.
3. The process for the selection of units: copies of correspondence with ‘Ravada,’ legal advisers and planning department were available.
4. Copy of the tender specifications, results, and report
5. Agresso financial records and job codes
6. Auctioneers’ valuation report
7. Design Teams Plans, site surveys etc.
8. Health and Safety Documentation
9. Signed contracts with contractors and consultants.
10. Completion certificates, BER Certs, engineering certificates etc.
11. Documentation in relation to utilities – ESB and Irish Water

## 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 with the standards of the Public Spending Code. The project manager is aware of the Public Spending Code requirements for all stages in the lifecycle of a capital expenditure project however Internal Audit would still recommend that the Housing Dept continue its rigorous and detailed oversight of the project to its completion. Internal Audit would also recommend that the management team continue to re-emphasise the importance of compliance with the Public Spending Code at every stage.

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### Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Housing Construction at Kylebeg, Banagher, Co. Offaly

#### Summary of In-Depth Check

**Public Spending Code Status:** This project was categorised as Capital Expenditure “Being Incurred” in Offaly County Council’s 2023 PSC Inventory listings.

**Project Description:** Provision of 18 Social Housing Units to meet the demand for social housing in the Municipal District of Birr.

**Audit Objective:** To provide independent opinion on compliance with the Public Spending Code and to provide assurance that the expenditure incurred is appropriately managed and correctly accounted for.

**Audit Opinion:** This project is at *‘implementation stage’* and should be completed in 2024. Based on a review of documentation Internal Audit are satisfied that this in-depth check provides a *‘Substantial Assurance’* rating of compliance with the Public Spending Code (See Appendix 1 for definitions). Below details out the steps that are required at the ‘Implementation Stage’ of a project, Internal Audit are satisfied regarding Offaly County Councils compliance with these steps.

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

- I. Contract award – Signed contract available for viewing and photographic evidence of signatures obtained.
- II. Continuous reporting including forward-reporting against target scheme cost and target completion date – Completed as part of the stage 4 process and through claims and receipts to the DHPLG.

- III. Surveillance of project progress – Ongoing surveillance noted regarding project progress through monthly contractors reports and fortnightly onsite meetings.
- IV. Intervention by Approving Authority where necessary – No interventions were deemed necessary by the Approving Authority.

## Quality Assurance – In Depth Check

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### Section A: Introduction

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

<b>Programme or Project Information</b>	
<b>Name</b>	Acquisition of Social Units at Woodfield, Birr (Co Offaly)
<b>Detail</b>	Turnkey acquisition of 35 no. dwellings at Birr, Co Offaly.
<b>Responsible Body</b>	Offaly County Council
<b>Current Status</b>	Capital Expenditure Completed
<b>Start Date</b>	2020
<b>End Date</b>	2023
<b>Overall Cost</b>	€8,453,384

## **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.

In May 2020 Offaly County Council placed an advertisement in the local papers seeking expressions of interest for “Turnkey Housing Developments for the Provision of Social Housing”. In this regard 23 expressions of interest were received.

Following an advertisement process, ‘Fitzpatrick & Heavey Homes Ltd.’ submitted an expression of interest to the council in providing the council with 34no. turnkey units in Woodfield, Birr. The Council assessed the proposal and were satisfied that it met the criteria.

In October 2020, OCC made an application to the Department of Housing, Planning and Local Government (DHPLG) for funding to purchase the units. A Capital Appraisal Document was submitted to the DHPLG with the funding application an all-in cost of €8,531,862.86 was estimated to construct/finish 34 units. The DHPLG approved a budget of €8,453,384. In December 2021 planning permission was granted for a revised layout which included an extra unit to bring the total units available to Offaly County Council from 34 to 35 units. The DHPLG approved a budget of €8,709,991.

In 2020 OCC had 305 applicants on its housing list in Birr, Co. Offaly (see table 1 below for breakdown).

**Table 1 – Housing needs, Birr**

<b>Type of Applicant</b>	<b>Number of Applicants</b>
Single Applicants (No Dependents)	110
Single Applicants (+1 Dependent)	40
Single Applicants (+2 Dependents)	19
Single Applicants (+3 Dependents)	4
Single Applicants (+4 Dependents)	2
Couple (No Dependents)	32
Couple (+1 Dependent)	31
Couple (+2 Dependents)	24
Couple (+3 Dependents)	12
Couple (+4 Dependents)	4
Couple (+5 Dependents)	2
3 Adults (No Dependents)	4
3 Adults (+1 Dependents)	7
3 Adults (+2 Dependents)	4
3 Adults (+3 Dependents)	2
3 Adults (+6 Dependents)	1
4 Adults (No Dependents)	5
4 Adults (+4 Dependents)	1
5 Adults (+1 Dependents)	1
<b>Total Applicants</b>	<b>305</b>

### The Design

The housing units at Woodfield, Birr had been granted planning permission with 3 separate planning permission applications i.e. PL2/18/235, PL2/19/282 and PL2/21/628. PL2/18/235 granted permission for 16no. dwellinghouses in December 2018, PL2/19/282 granted permission for 18 no. dwellinghouses in March 2020 and PL2/21/628 submitted a request to replace 2no. units with 3 no. units granted in December 2021. All applications were subject to conditions.

Copies of Design details were available on file.



Site Layout for planning permission granted under PL2/18/235



Site Layout for planning permission granted under PL2/19/282



Site Layout for revised planning permission granted under PL2/21/628

There are 35 no. housing units in total, 8 no. 3-bed terrace 2 storey units, 22 no. 3-bed semidetached 2 storey units, 4 no. 2-bed semi-detached bungalows and 1 no. 2-bed terrace 2 storey unit. The floor area of the units is slightly larger than the minimum floor areas set out by the Quality Houses for Sustainable communities' document.

### Cost /VFM

The 34 no. units were offered to Offaly County Council for a total cost of €8,364,571.43 inclusive of VAT. This equates to €248,729.22 per 3-bed unit and €225,674 per 2-bed, and Offaly County Council consider this to be very good value for money for the proposed new build units.

Having regard to the unit cost ceilings provided by the Department of Housing, Planning and Local Government (Circular 13/2019, 12<sup>th</sup> April 2019) Offaly County Council considered the proposal good value for money. The all-in unit cost ceiling for the construction in Offaly for a 2-bed is €213,700 for a unit of 80m<sup>2</sup> gross floor area and a 3-bed is €226,400 for a unit of 92m<sup>2</sup> gross floor area (Target gross floor areas are listed in the Quality Housing for Sustainable Communities, table 5.1 Space Provisions and room sizes for typical dwellings). With respect to the target gross floor areas and the Department's unit cost ceilings approved

rate, the average all-in cost per square metre of build for these housing units as shown in Table 2 below.

**Table 2 – Unit Cost Ceilings from the Department**

House Types	All-in Cost (€)	Target Floor Area (M <sup>2</sup> )	Cost per Sq.m (€)
2-Bed, 2-Storey (4-person)	€ 213,700.00	80	€ 2,671.25
3-Bed, 2-Storey (5-person)	€ 226,400.00	92	€ 2,460.87

The proposed units are 2m<sup>2</sup> larger for the 2-beds and 12m<sup>2</sup> larger for the 3-beds than the target gross floor areas, and with a much higher specification than houses currently on the market. With respect to the proposed housing units, we calculate that the average all-in cost per square metre of build to be as follows:

**Table 3 – Unit Cost for the Proposed Development**

House Types	All-in Cost (€)	Proposed Floor Area (M <sup>2</sup> )	Cost per Sq.m (€)	Difference Comparison from the Unit Cost Ceilings
2-Bed, House Type E	€ 225,674.73	82	€ 2,752.13	€ 80.88
3-Bed, House Type A	€ 248,729.22	104	€ 2,391.63	-€ 69.24
3-Bed, House Type B	€ 248,729.22	97.9	€ 2,540.65	€ 79.78
3-Bed, House Type C	€ 248,729.22	97.9	€ 2,540.65	€ 79.78
3-Bed, House Type D	€ 248,729.22	104	€ 2,391.63	-€ 69.24

As can be seen from Table 3 above, the proposed Housing Types A, B, & E range from €79.78/m<sup>2</sup> to €80.88/m<sup>2</sup> more expensive than the unit cost ceilings to build. However, House Types A & D are €69.24/m<sup>2</sup> less expensive than the unit cost ceilings to build.

Table 4 below shows the calculated comparison between the Unit Cost Ceilings and the cost of the proposed units being offered.

**Table 4 – Direct Comparison of Costs**

House Type Being Offered	Proposed Development All-in Unit Cost (€)	Department's Unit Cost Ceiling for Offaly (€)	Difference
2-Bed, House Type E	€ 225,674.73	€ 213,700.00	€ 11,974.73
3-Bed, House Type A	€ 248,729.22	€ 226,400.00	€ 22,329.22
3-Bed, House Type B	€ 248,729.22	€ 226,400.00	€ 22,329.22
3-Bed, House Type C	€ 248,729.22	€ 226,400.00	€ 22,329.22
3-Bed, House Type D	€ 248,729.22	€ 226,400.00	€ 22,329.22

As can be seen from Table 4 above, the proposed housing units range from €12k to €23k more expensive than the unit cost ceilings to build.

A Quantity Surveyor's analysis was sought and obtained for this development and QS has concluded that this project represents good value for money and reflects the very competitive environment which now pertains in the Construction Industry.

#### Approval to proceed

Approval was received from the Department on 23/12/2020 to proceed with the acquisition of 34 no. units subject to conditions.

In December 2021 planning permission was granted under PL2/21/628 for a revised layout which included an extra unit to bring the total units available to Offaly County Council from 34 to 35 units. Approval from the Department received on 16/12/2021 to purchase 35 units subject to conditions and with an all in budget of €8,709,991 (incl. VAT).

	<b>Prior Approved Budget</b>	<b>Recommended Budget Approval</b>
	€	€
Housing Units - Acquired	8,248,415.53	8,499,991.00
Professional & Legal Fees	164,968.31	170,000.00
Project Management Fee	40,000.00	40,000.00
<b>TOTAL ALL IN COST €</b>	<b>8,453,383.84</b>	<b>8,709,991.00</b>

DHPLG Turnkey Budget Approval for 35 units increased from 34 at Woodfield (formerly McCauley Drive), Birr

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for Woodfield, Birr. 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"> <li>To purchase 35no. turnkey houses in order to assist in meeting the social housing needs of the Birr Municipal District</li> </ul>	<ul style="list-style-type: none"> <li>Funding / Capital Assistance of approx. €8.7m from DHPLG.</li> <li>Offaly County Council staff technical and administrative resources</li> </ul>	<ul style="list-style-type: none"> <li>Identification of housing need</li> <li>Advertise Expression of Interest and engagement with developer</li> <li>Engagement of a QS to provide valuations and costings.</li> <li>Preparation of capital appraisal</li> <li>Legal Services</li> <li>Handover of dwellings</li> <li>Allocation of dwellings in accordance with OCC Scheme of Letting Priorities</li> <li>Allocation of dwellings</li> </ul>	<ul style="list-style-type: none"> <li>Increase of OCC housing stock by 35 no. new Housing Units</li> </ul>	<ul style="list-style-type: none"> <li>35 families and or individuals have been provided with social housing in the new development.</li> <li>Assisted Offaly County Council in achieving Social Housing Targets</li> <li>35 families and or individuals have been removed from Offaly County Council Housing List from the Birr Area</li> <li>Increased rental income for Offaly County Council</li> </ul>

## Description of Programme Logic Model

**Objectives:** The main objective of the project was to provide quality homes to meet the housing needs of persons on Offaly County Council's housing waiting list and to provide social housing support. Another objective of this project was to increase Offaly County Council's housing stock by 35no. units.

**Inputs:** The primary input to the project was funding of € 8.7m from the Department of Housing Community & Local Government once the project had received approval.

**Activities:** The activities included identifying the need and type of accommodation required, carrying out an expression of interest process and negotiations with the developer, engagement of a quantity survey to ensure value for money and completion of a capital appraisal to the department.

**Outputs:** The outputs included the acquisition of 35no. turnkey housing units.

**Outcomes:** The outcome was that 35 applicants from the Offaly County Council housing waiting list were provided with appropriate social housing. The housing list for Offaly County Council has been reduced and the rental income has increased since the houses have been occupied.

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

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The following section tracks the progress on the acquisition of social units at Woodfield, Birr, Co. Offaly.



May 2020	Expression of Interest for Turnkey Acquisition
June 2020	Appointment of QS for analysis of Value for Money
September 2020	Capital Appraisal for 34no. housing units
December 2020	Department Approval of Capital Appraisal – 34no. housing units
March 2021	Signed Contract of Sale
December 2021	Grant of Planning Permission for full development
December 2021	Submission of adjustment to the Department for an additional unit
December 2021	Approval from the Department for inclusion of addition unit in the overall budget bringing the total no of units to 35
December 2022	Delivery of the last of the 35 Turnkey Houses
December 2023	End of Retention Period

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

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the purchase of social units at Woodfield, Birr, Co. Offaly.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Expression of Interest Advertisement	Expressions of interest sought for the provision of turnkey housing developments for social housing purposes
Application Form HCA 3 Acquisition of 34no. dwellings for Capital Funding to DHPLG	HCA3 form was completed and submitted to the department in relation to the acquisition of 34no. social housing units
Capital Appraisal Document	A proposal was prepared by the Council in the form of a capital appraisal document. It included the housing need, information on design, planning permission, costs, and value for money. This was submitted to the Department for funding.
Funding Approval from the DHPLG	A funding Approval in Principle was granted 23/12/2020. The letter outlined that approval was subject to several conditions. The recommended budget was €8,453,384 (incl. VAT).
An application for an adjustment to the already approved in principal budget with a new completed HCA3 Form for the acquisition of 35no dwellings for Capital Funding submitted to DHPLG	HCA3 form was completed and submitted to the department in relation to the acquisition of 35 no. social housing units to amend the previously submitted HCA3 form.
Funding Approval from the DHPLG	A proposed Approval in Principle was granted on 16/12/2021. The letter outlined that approval was subject to several conditions. The recommended budget was €8,709,991 (incl VAT).
Signed Contract of Sale	The signed contract of sale was available on file to view. The contract set out several key conditions including retention period,

### **Key Document 1: Expression of Interest Advertisement**

In May 2020 Offaly County Council placed an advertisement in the local papers seeking expressions of interest for “Turnkey Housing Developments for the Provision of Social Housing”.

### **Key Document 2: Application Form HCA 3 Acquisition of 34no. dwellings**

In November 2020, OCC made an application to DHPLG for funding for the acquisition of private dwellings. The DHPLG’s Form HCA 3 was completed and provided by OCC in accordance with Circular Housing 15/2019, where an application is made for an exchequer capital grant (Form HCA4) in relation to the acquisition of a dwelling for use as social housing unit. The application included required details relating to dwellings i.e. gross floor area, BER rating, type of dwelling, general state of repair, details of accommodation, details of land registry folio number. Details of all-in cost was clearly outlined on the application. The total all-in cost was €8,531,862.86.

### **Key Document 3: Capital Appraisal Document**

The Housing Capital Project Appraisal for the Purchase of 34 Dwellings at Woodfield, Birr was submitted to the DHPLG in October 2020. The document provides a background to the project being considered and the assessment of expressions of interest received following advertisement. The need for housing in the area is clearly outlined. There were 305 applicants on the housing list in Birr in 2020. Information on planning permission and design of dwellings is included in the appraisal document. Details on cost, value for money and delivery arrangements are also provided.

### **Key Document 4: Funding Approval from the DHPLG**

A funding ‘Approval in Principle’ from DHPLG was granted on 23<sup>rd</sup> December 2020. The letter outlined that approval was subject to several conditions. The recommended budget was €8,453,384 which included purchase price of the housing units for €8,248,415.53, legal, and professional fees of €164,968.31 and a project management fee of €40,000.

### **Key Document 5: Application for an adjustment to the already approved in principal budget with a new completed HCA3 Form**

In December 2021 planning permission was granted for a revised layout which included an extra unit to bring the total units available to Offaly County Council from 34 to 35 units. Therefore, Offaly County Council submit an adjustment to the approved in principal budget to incorporate the additional unit. A new DHPLG Form was completed and provided by OCC in accordance with Circular Housing 15/2019, where an application is made for an exchequer capital grant (Form HCA4) in relation to the acquisition of dwelling for use as social housing unit. The application included all required details and incorporated the additional unit. Details of all-in cost were clearly outlined on the application. The total all-in cost was €8,669,990.66.

## Key Document 6: Funding Approval from the DHPLG

A funding 'Approval in Principle' from DHPLG was granted on 16<sup>th</sup> December 2021. The letter outlined that approval was subject to several conditions. The recommended budget was €8,709,991 which included purchase price of the housing units for €8,499,991, legal, and professional fees of €170,000 and a project management fee of €40,000.

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### Section B - Step 4: Data Audit

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The following section details the data audit that was carried out for the acquisition of new social dwellings at Woodfield, Birr. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Costs	To consider a budget. To assess VFM	Available. Costs are outlined in Capital Appraisal Document and application to DHPLG for funding
Financial Records	Expenditure Monitoring. To monitor activity in 2022. To accurately measure expenditure.	Available Agresso Financial Management System in use for monitoring of budget/ spend
Documentation/ Validation of key decision	Governance. Record keeping. Audit trail.	Available. Assessment of Expression of Interest and related correspondence with developer was available. Approval of funding was on file. Internal correspondence and correspondence with profession services were on file. Contracts for confirmation of transferral of units were on file.

## Data Availability and Proposed Next Steps

All relevant project data was found to be on file, including documentation of approvals at key decision gates.

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

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The following section looks at the key evaluation questions for the acquisition of new social dwellings at Woodfield, Birr 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)**

Internal Audit can provide substantial assurance that the standards set out in the Public Spending Code have been complied with. The acquisitions have been conducted in accordance with the DHPLG guidelines and requirements.

#### **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 that all necessary data and information was readily available in order to complete the in-depth check for the PSC process and for future evaluations. The acquisitions have been undertaken in accordance with the requirements of the DHPLG.

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

The purchase of 3 units under Part V has been included in the overall cost of the acquisitions of the 35 units. It is noted that the housing section now submits a separate capital appraisal document to the department for Part V acquisitions when part v form part of a turnkey proposal.

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### Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the acquisition of new social dwellings at Woodfield, Birr

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

**Public Spending Code Status:** This project was categorised as Capital Expenditure “Completed” in Offaly County Council’s 2023 PSC Inventory listings.

**Project Description:** The acquisition of social housing units at Woodfield, Birr is shown on the 2023 inventory as a capital project completed. The project was undertaken to help alleviate the social housing need identified in the Municipal District of Birr.

**Audit Objective:** To provide independent opinion on compliance with the Public Spending Code and to provide assurance that the expenditure incurred is appropriately managed and correctly accounted for.

**Audit Opinion:** This project is at '*post-implementation stage*' or review stage, the aim of the review (Project Completion Report) is to determine if:

- The basis on which the project was undertaken proved correct – The project was undertaken to increase Offaly County Councils housing stock and by doing so addressing the demand for social housing. The delivery of the Turnkey houses in Woodfield, Birr has assisted in addressing some of the social housing needs in the Municipal District of Birr and indeed the County of Offaly.
- The business case and management procedures were satisfactory – A detailed Capital Appraisal Report was completed by Offaly County Councils Housing Dept and submitted to the DHPLG along with cost estimates and design drawings. There was strong evidence of good management procedures throughout the delivery of the project, HCA forms were only submitted to the DHPLG for grant instalments upon physical inspection of completion of snag listings.
- The operational performance and initial benefits have been realised – Offaly County Council has allocated all 35 housing units helping to alleviate some of the demand for social housing in the Municipal District of Birr.
- The conclusions that can be drawn which are applicable to other projects, to the ongoing use of the asset, or to associated projects – Offaly County Council have successfully availed of the acquisition of turnkey developments in the past. These turnkey developments have greatly assisted in addressing the increased social housing need in the county.

Based on a review of documentation Internal Audit are satisfied that this in-depth check provides a '*Substantial Assurance*' rating of compliance with the Public Spending Code (See Appendix 1 for definitions).

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## Section: Reporting Summary

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Report Prepared by: Ms. Tammy Dunne, Staff Officer Internal Audit & Mr. Barry Loughlin, Head of Internal Audit.

Draft Report Issued to:

- Ms. Jean Ryan, Director of Services, Ms. Deirdre Hunt, A/Senior Executive Officer & Mr. John Cunningham, Senior Engineer, Housing Department.
- Ms. Ann Dillon, Director of Services, Ms. Paula Donavon, Administrative Officer & Ms. Lourda Giles, Act. Senior Executive Officer, Community Department

28.05.2024: Report Presented to Management Team.

**Management Team Response 28.05.2024:** Noted.

29.05.2024: PSC Quality Assurance Report 2023 (including in-depth Report) certified by Ms. Anna Marie Delaney, Chief Executive.

29.05.2024: PSC Quality Assurance Report 2023 published on [www.offaly.ie](http://www.offaly.ie) and submitted to NOAC.

## Appendix 1: Assurance Category

ASSURANCE CATEGORY	ASSURANCE CRITERIA	
<b>SUBSTANTIAL</b>	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.
<b>SATISFACTORY</b>	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.
<b>LIMITED</b>	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.
<b>UNACCEPTABLE</b>	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.