

**Public Spending Code**  
**Quality Assurance Report for 2017**  
**Monaghan County Council**

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



**May 2018**

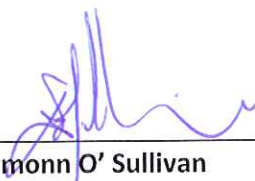
## Contents

Certificate .....	3
Introduction .....	4
Requirements of the Quality Assurance Aspect of the Public Spending Code.....	4
STEP 1 – Project Inventory.....	4
STEP 2 - Summary of Procurements in excess of €10m .....	5
STEP 3 - Checklists .....	5
Findings on Completion of Checklists .....	6
STEP 4 - In-Depth review of a sample number of projects.....	6
Conclusion .....	8
<b>Appendix 1</b> .....	10
2017 Inventory of Projects and Programmes over €0.5m .....	10
<b>Appendix 2</b> .....	14
Self Assessment check lists .....	14
<b>Appendix 3</b> .....	23
Quality Assurance – In depth check .....	23
Public Lighting .....	23
Appendix 4.....	33
Quality Assurance – In depth check .....	33
LED Retrofit .....	33
Appendix 5.....	45
Quality Assurance – In depth check .....	45
Knockroe Glen Housing.....	55

## Certificate

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

Signature of Accounting Officer:



---

**Eamonn O' Sullivan**  
**Chief Executive**  
**Monaghan County Council**

Date: 30<sup>th</sup> May, 2018.

## Introduction

Monaghan County Council has completed the Quality Assurance (QA) requirements as set out in the Public Spending Code. This report presents the results of each of the 5 Steps in the QA exercise and reports on compliance with the requirements of the Public Spending Code as established during this exercise.

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

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

1. Drawing up inventories of projects/programmes at the different stages of the Project Life Cycle that have a total Project Life Cost of €500k or more.
2. Publishing summary information on the organisation's website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.
3. Completing the 7 checklists contained in the PSC.
4. Carrying out a more in-depth check on a small number of selected projects/programmes based on criteria established within the Public Spending Code.
5. Completing this short summary report for the National Oversight and Audit Commission (NOAC).

## STEP 1 – Project Inventory

This section presents the project inventories of Monaghan County Council for projects with a total project cost in excess of €500,000. The inventory is presented in three stages as set out in the attached table which also outlines the Expenditure Category/Band relevant for inclusion in each stage:

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

The Project inventory, set out in the format described above, is included in Appendix A.

The Inventory contains 56 Projects under the three stages and comprise a total value of €146.40m. The following table provides an overview of the number of projects under each Project/Programme stage and under each of the categories/bands in each of these stages. It also provides an overview of the Project Costs under each category.

## Monaghan County Council – Project Inventory

Project Numbers	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
Expenditure Being considered				10	4		14
Expenditure Being Incurred	27	1		10	1		39
Expenditure recently ended				3			3
<b>Totals</b>	<b>27</b>	<b>1</b>		<b>23</b>	<b>5</b>		<b>56</b>

Project Total Values	Revenue Expenditure			Capital Expenditure			Totals €m
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
	€M	€M	€M	€M	€M	€M	€M
Expenditure Being considered		7.09		20.13	36.90		64.12
Expenditure Being Incurred	43.30			16.95	13.65		73.90
Expenditure recently ended				8.38			8.38
<b>Totals</b>	<b>43.30</b>	<b>7.09</b>		<b>45.46</b>	<b>50.55</b>		<b>146.40</b>

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

Information on all procurements in excess of €10m is published at:

<https://monaghan.ie/public-spending-code/>

For 2017 Monaghan Co Council has reported no projects in this category.

### STEP 3 - Checklists

Step three of the Quality Assurance procedure for the Public Spending Code involves the compilation of 7 checklists. Checklists 1, 3, 5 and 7 are Revenue/Expenditure-related, while Checklists 2, 4 and 6 are capital-related.

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

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

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

1. General obligations not specific to individual projects/programmes
2. Capital projects or Capital Grant schemes being considered
3. Current expenditure being considered
4. Capital Expenditure being incurred
5. Current Expenditure being incurred
6. Capital Expenditure Completed
7. Current expenditure Completed

#### *Findings on Completion of Checklists*

The QA exercise indicates a satisfactory level of compliance with the requirements of the Public Spending Code. No specific instances that would give rise to serious concern were identified in completing the exercise. It is recognised that there are some areas for improvement. Monaghan County Council will continue to ensure that relevant staff are aware of and understand their obligations in relation to the Public Spending Code, and of the annual reporting requirements. The Council will continue to monitor and report on compliance with the Code.

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

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

The Internal Audit Unit of Monaghan County Council was assigned the task of completing the in-depth check. For 2017 the Internal Auditor selected the following three projects:-

1. Public Lighting
2. LED Retrofit
3. Knockroe Glen Housing Project

#### **1). Public Lighting**

The following section presents a summary of the findings of this in-depth Check on the **Public Lighting in County Monaghan**. The value of this project listed on the Council inventory is €0.87m and represents 1.72% of the total Revenue expenditure. It sits within the category Revenue "*Current expenditure being incurred*".

The Public Lighting budget is approved annually as part of the overall revenue budget process. Contracts were procured through the OGP and are currently in place for energy usage on the Public lights. The Maintenance contract was procured by Louth Co Council on behalf of the Cavan Monaghan and Louth region but each Local Authority is responsible for the contracts relating to their functional area. The operation and maintenance of the public lighting programme is managed through a computer management system known as "*Deadsure*". This system shows all public lights in the County, records all faults reported and tracks the progress of the repairs. It provides various relevant reports for Staff when required. The Engineer in Corporate Assets section also keeps quality records on spreadsheets and reconciles and approves the contractor invoices before payment. However

some miscoding in Agresso was noted and, care should be taken to ensure accuracy in the future.

Having carried out this review and examined sample documents internal Audit is of the opinion that there is satisfactory compliance with the Public Spending Code, however some weaknesses did come to attention and Internal Audit recommends the following:

1. Monaghan Co Council Contracts / Agreements should have a unique ID identifier. Relevant documents should reference this ID.
2. A standard document should be drafted and signed by both parties to clearly indicate agreement by both parties to any extension of contracts.
3. Transactions in Agresso should be verified as correct at least annually as the agresso figures feed into the Annual Financial Statement.

## 2). **Public Lighting LED retrofit Project**

The following section presents a summary of the findings of this in-depth Check on the **Public Lighting LED retrofit Project in County Monaghan**. The value of this project on the inventory is €2 million and represents 2.25% of the total Capital. It sits within the category Capital "*expenditure being incurred*".

Monaghan County Council is obliged to comply with the national requirement to reduce its carbon footprint, reduce energy usage and improve its energy efficiency by 33% by year 2020. This project contributes towards this target and was included in the Councils 3 year Capital Programme.

The inventory of public lights prepared indicated the number of lights in the County. A projected cost benefit analysis was carried out, and this indicated funding up to €2 million was required for those requiring the retrofit to LED lighting. A copy of the Council's 3 year capital programme on file indicated funding would be provided by way of a Loan, however the Head of Finance confirmed the spend on this job will be reduced annually via the savings made on the annual energy and maintenance costs and no loan would be required. The cost is expected to be less than the €2 million, due to reduced installation and maintenance costs. This revised funding plan should be updated for the Council in the next 3 year capital programme report.

The works are being carried out under an existing contract with Airticity Utility Solutions. Work commenced in 2017, 828 lights were fitted with the new high-efficiency LED lighting - expenditure in 2017 was €214,044.66 inclusive of payroll costs. It is expected to have the work completed as planned by 2020 and under original budget figure.

Miscoding in the Agresso job code was noted and should be corrected and monitored in the future. The Project Engineer keeps quality monitoring records of project cost and energy savings on file. Frequent Senior Staff meetings are held where the project is reported on.

### 3). Knockroe Glen Social Housing

The following section presents a summary of the findings of this In-Depth Check on the turnkey acquisition of 22 social houses on a site at Knockroe Glen, Monaghan. The value of this project on the Councils Public Spending Code inventory list is €4.54 million and represents 5.10% of the total *Capital* figure. It is included in the inventory under the heading "*capital expenditure recently ended*".

The Department of Environment Community and Local Government (now known as Department of Housing, Planning, Community and Local Government) issued correspondence to Monaghan Co Council outlining the targets to be delivered upon, in the period 2015 – 2017 together with an estimate of funding. Monaghan County Council, through a Housing Needs Assessment identified the need for social housing throughout the County. Following receipt of submissions as a result of a public procurement process, the Executive Engineer in June 2016 prepared a Project Appraisal submission for the Department for the proposed acquisition of 22 houses at Knockroe Glen, Monaghan. The project was procured via the eTenders system and newspaper advertisements. The project and the funding were approved by the Department of the Environment Housing, Planning, Community and Local Government. A Chief Executive Order was prepared and signed to purchase the 22 houses. Contracts were signed between Monaghan County Council and Wonderglade to deliver 22 houses when constructed at Knockroe Glen, Monaghan. Completion was expected by Q1 of 2018. The development was completed in December 2017 ahead of schedule. The total expenditure at the date of checking is under the Departments approved budget figure.

Responsibility for the project delivery is with the now Acting Executive Engineer in housing. A reporting structure is in place, housing reports are prepared for Department returns, and Team meetings. The sample documents examined as part of this review indicated there is satisfactory compliance with the Public Spending Code. However some weaknesses did come to attention and Internal Audit recommends the following:

1. That all relevant Staff is aware of and are complying with updated Procurement Procedures and all agreed Internal Audit recommendations are being implemented from recent procurement audit which took place in 2017.

## Conclusion

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

- A Project Inventory has been prepared outlining the various projects/programmes – capital and revenue that were being considered, being incurred or recently completed by Monaghan County Council within the 2017 financial year.
- The relevant link in relation to publishing procurements over €10m has been placed on Monaghan County Council's website. None for 2017.
- The 7 checklists required to be completed under the terms of the Public Spending Code Quality Assurance requirement have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code. While it is recognised that there are some areas for improvement, no serious concerns were raised as a result of the QA exercise.



- An in-depth review of a sample of the projects contained in the Project inventory has been completed and the internal auditor has reported receiving satisfactory assurance that there is compliance with the Public Spending Code. Three projects were examined and recommendations are as per attached Appendix 1 & 2.
- The final step of the QA exercise, as required under the Public Spending Code, is the compilation and publication of a summary report outlining the Quality Assurance Exercise undertaken by Monaghan Co Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, the Chief Executive and will be published on Monaghan Co. Council's website.

Overall the QA exercise has provided reasonable assurance to the management of Monaghan Co Council that the requirements of the Public Spending Code are being met.

*Appendix 1*

**2017 Inventory of Projects and Programmes over €0.5m**

**Monaghan County Council**

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

Local Authority	being considered		Expenditure being incurred		Expenditure recently ended		Notes	
	Capital		> €0.5m		> €0.5m			
	Capital Projects	€5 - €20m	Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure		Capital Grant Schemes
Local Authority Name	€0.5 - €5m							
<b>Council</b>								
<b>Housing &amp; Building</b>								
A01 Maintenance/Improvement of LA housing			€1.63					
A02 Housing Assessment, Allocation and Transfer			€0.78					
A07 RAS Programme			€1.61					
A08 Housing Loans			€0.52					
A09 Housing Grants			€1.88					
Bree Castleblayney new builds	€1.50							
Latlوران, Monaghan (16 Houses renovate)		€7.10				€2.34		
Latlوران, Monaghan (43 new houses)						€1.96		
McMahon & Eakin Part V (10 Houses)								
Purchase/renovation of derelict properties	€3.00					€1.95		
Re-Letting Works						€2.00		
Purchase House Housing Stock								
Voluntary Housing Capital Assistance Scheme Loans							€1.57	
Mullaghmatt RWS Phase 4	€3.00							€2.28
12 houses Drumbear Wood								€4.54
22 Houses Knockroe Glen								
<b>Road Transportation and Safety</b>								
B01 NP Road Maintenance and Improvement			€	0.51				
B03 Regional Road - Maintenance and Improvement			€	4.96				
B04 Local Road - Maintenance and Improvement			€	7.09				
B05 Public Lighting			€	0.87				
B09 Car Parking			€	0.60				
B11 Agency & Recoupable Services			€	2.05				



Leisure Centre Upgrade & Accessibility works	€0.72												
Agriculture, Education, Health and Welfare													
Miscellaneous Services													
H09 Local Representation & Civic Leadership						€1.64							
H10 Motor Taxation						€0.65							
H11 Agency & Recoupable Services						€2.91							
Civic Office Accommodation (HQ)		€7.10					€0.60				€0.00		
Energy Upgrades Council Buildings							€2.00				€0.00		
Public Lighting Upgrade to LED							€0.85				€0.00		
Clones Market House													
Peace Campus Monaghan Town		€11.70									€0.00		€0.00
	€20.13	€36.90				€50.39	€30.60	€0.00	€0.00	€8.38			€146.41

*Appendix 2*

**Self Assessment check lists**

**Monaghan County Council**

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

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)?	2	Some training given – further awareness raising and training required going forward
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	3	Procurement Unit set up within the organization and training has been provided and is ongoing
1.3 Has the Public Spending Code been adapted for the type of project/programme that your local authority is responsible for? i.e., have adapted sectoral guidelines been developed?	3	Yes a guidance document has been development for Q.A. adapting the PSC to local government structures approach
1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	No agencies funded
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	3	Yes
1.6 Have recommendations from previous QA reports been acted upon?	3	Yes
1.7 Has an annual Public Spending Code QA report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website?	3	Yes report submitted and published
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes three projects were examined in detail - public lighting, LED retrofit and Knockroe Housing project
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	3	<i>Yes - Post Project review to be carried out within the first 12 months following completion of all contracted works greater than €50,000 and goods and services greater than €25,000. A template has been designed for the Review.</i>
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been	3	None in 2017

issued promptly to the relevant stakeholders / published in a timely manner?		
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	3	<i>In accordance with the Public Spending Code it is MCC policy that any significant lessons learnt from a PPR should be translated into changes in practices and communicated within the organisation and to the Department of the Environment where applicable.</i>
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?		



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

<b>Capital Expenditure being Considered – Appraisal and Approval</b>  <b>1. Energy Upgrades Council buildings - €0.6m</b> <b>2. Public Lighting upgrade to LED - €2m</b> <b>3. Clones Market House - €0.85m</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	N/A	
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	N/A	
2.7 Were the NDFA consulted for projects costing more than €20m?	N/A	
2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	3	Yes, in line with Approvement in Principle
2.9 Was approval granted to proceed to tender?	3	Yes
2.10 Were procurement rules complied with?	3	Yes
2.11 Were State Aid rules checked for all supports?	N/A	
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	3	Yes, Time cost risks
2.14 Have steps been put in place to gather performance indicator data?	3	Yes, Time cost risks

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

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

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes
4.2 Did management boards/steering committees meet regularly as agreed?	3	Yes, monthly TII meetings and Consultants/ Contractors Progress meetings
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes
4.4 Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Yes
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes. Prepared by the Consultants
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	Programme over run by approx 2 months
4.7 Did budgets have to be adjusted?	2	Yes. Additional works required – 27 nr Change Orders. €270K additional
4.8 Were decisions on changes to budgets / time schedules made promptly?	3	Yes
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (Exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	3	No
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	N/A	N/A
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes. Additional funding allocated by TII
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Annual Service Delivery Plans prepared
5.2 Are outputs well defined?	3	Performance model – Monaghanstat in Place
5.3 Are outputs quantified on a regular basis?	3	On monthly basis Monaghanstat process
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Through Monaghanstat model and internal audit
5.5 Are outcomes well defined?	3	Performance model – Monaghanstat in Place
5.6 Are outcomes quantified on a regular basis?	3	Performance model – Monaghanstat in Place
5.7 Are unit costings compiled for performance monitoring?	1	
5.8 Are other data compiled to monitor performance?	3	Performance model – Monaghanstat in Place
5.9 Is there a method for monitoring effectiveness on an on-going basis?	3	Performance model – Monaghanstat in Place
5.10 Has the organisation engaged in any other 'evaluation proofing' <sup>1</sup> of programmes/projects?	3	Performance model – Monaghanstat in Place

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

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

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	3	One post project review was completed
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	n/a	No projects exceeding €20m
6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	n/a	
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	yes	Yes, a housing capital project has been examined in depth
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	yes	In relation to Housing projects Post project Reviews are to be undertaken after defects liability period when Final account has been agreed/approved.
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	yes	No response has been received from Central Government yet. The details of this response will be disseminated within the section.
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	yes	
6.8 Were project reviews carried out by staffing resources independent of project implementation?	No	

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

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

**Notes:**

- ❖ 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, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.
  
- ❖ The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs covered in the sample for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of appraisals (e.g. Cost Benefit Analyses or Multi Criteria Analyses), evaluations (e.g. Post Project Reviews). Key analytical outputs undertaken but outside of the sample should also be noted in the report.

Comhairle Contae Mhuineacháin

Internal Audit Department



Public Spending Code for 2017

Review on the

**Public Lighting Revenue Code**

**(Expenditure being incurred)**

May 2018

## Quality Assurance – In Depth Check

---

### Section A: Introduction

---

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

Programme or Project Information	
<b>Name</b>	Public Lighting
<b>Detail</b>	Provision of Public Lighting in the County
<b>Responsible Body</b>	Monaghan Co Council
<b>Current Status</b>	Revenue Expenditure being incurred
<b>Start Date</b>	Jan 2017 (Annual)
<b>End Date</b>	Dec 2017 (Annual)
<b>Overall Cost</b>	€0.87million as per Inventory



### Project Description

Monaghan County Council is responsible for the provision and maintenance of Public Lighting in the County. At December 2017 there were 5,559 Public lights. A budget was approved for 2017 at €832,282 inclusive of Central Management Charge at Service Level code - B05. The actual expenditure as per 2017 AFS = €868,936.00 inclusive of Central Management Charge at Service Level code B05.

The breakdown of the expenditure from reports extracted from Agresso Milestone 4 for year 2017 are as follows:-

Name	Amount	% of total
Energy / utilities	€ 712,982.00	82.05%
CMC	€ 68,529.00	7.89%
Contract	€ 37,801.00	4.35%
Materials /stores	€ 14,591.00	1.68%
Cont to other bodies	€ 10,690.00	1.23%
Grant	€ 7,300.00	0.84%
Repair / maintenance	€ 6,184.00	0.71%
Salary /wage	€ 5,390.00	0.62%
Other	€ 1,950.00	0.22%
Yard plant etc	€ 1,800.00	0.21%
Admin - other	€ 1,719.00	0.20%
<b>Total Spend</b>	<b>€ 868,936.00</b>	<b>100.00%</b>

The maintenance of the public lighting system is contracted to Airtricity Utility Solution (AUS). The tender for this contract was run by Louth County Council on behalf of Monaghan, Cavan and Louth in 2013. Following that, a contract / agreement between AUS and Monaghan County Council was drawn up for two years from 1<sup>st</sup> March 2014 to 1<sup>st</sup> March 2016 and was extended annually for a further two years as per provision in the original contract agreement. The running costs of providing energy was procured through a national framework run by the OGP. The preferred suppliers for Monaghan County Council for energy are: Energia - Unmetered, Airtricity - Metered. Signed Contracts agreements are in place.

**Section B - Step 1: Logic Model Mapping** As part of this In-Depth Check, Corportate section in consultation with Internal Audit completed a Programme Logic Model (PLM) for Public Lighting

Inputs	Activities	Outputs	Outcome
<p>To provide public lighting in the County in an energy and cost efficient manner.</p> <p>To ensure all existing public lighting is in good working order .</p> <p>To improve the appearance of areas within the County and assist in the safety of those who reside/travel there.</p>	<p>Procure contracts for the following:</p> <p>Maintenance of lights</p> <p>Upgrading of lights</p> <p>Replacement of lights</p> <p>Process payments to contractors and others.</p> <p>Monitor performance.</p>	<p>That Monaghan County Council will have adequate public lighting in areas needed.</p> <p>Monaghan County Council will have all existing and new Public lighting in good working order.</p> <p>The system should allow easy reporting of lights that are out of order.</p>	<p>Monaghan Co Council will have provided an efficient and effective public lighting system.</p> <p>The pedestrians will feel safer.</p> <p>Contribute towards less accidents for road traffic drivers .</p> <p>Monaghan Co Co can monitor effectiveness and efficiencies of the lighting system via Staff, and Computer systems such as Dead Sure.</p>

				<p>Illuminated areas will contribute to reduced anti-social behaviour. Promotes consumer activity. Supports tourism . Contributes to making the County a better place to live / work / visit.</p>
--	--	--	--	---

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

The following section tracks the Project from inception to conclusion in terms of major project/programme milestones. This project falls under the heading “*expenditure being incurred*” for Public Lighting . Public lighting is a continuous annual programme of work and is funded through the Revenue Account.

Nov each year approximately.	Annual revenue Budget is approved
As necessary	Review contracts
As necessary	Payment of relevant invoices – Energy and Maintenance
Weekly	Monitor performance via “Dead Sure”

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

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

Project/Programme Key Documents	
Title	Details
Annual Budget 2017	Details of the approved amount for Public Lighting for coming year
Contracts	Contracts for the maintenance and energy usage - on file.
Chief Executive Orders	CE Order for original maintenance contract is on file. No CE orders were on file at the time of review for the energy usage contracts .
Invoices	Invoices from contractors
Reports	Deadsure reports.

### Section B – Step 4: Data Audit

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

Data Required	Use	Availability
No of Public Lights in the County	Assess if system in place is operating adequately	From Deadsure IT system Corp Asset Section
No of faults picked up by patrols or reported by others	Assess if patrols are being carried and to monitor number of faults.	From Deadsure IT system Corp Asset Section
Timeline between fault report and repair	Assess if delays, reason for them and if necessary review contracts.	From Deadsure IT system Corp Asset Section From Deadsure IT system
Record of Energy usage	Assess energy usage –v- cost Will also assist in budget reviews Assess efficiancies/comparasons	This information is on spreadsheets and is monitored monthly and available in Corp Asset Section
Contracts	Ensure contracts are in place and are procured in accordance with legislation , policy and procedures.	In corporate Section

**Data Availability and Proposed Next Steps:** The Data required for a future evaluation of the project is available in Corporate Asset Section and in Roads Department. The Asset Management Computer software "Deadsure" manages the public lighting system and reports are available. It keeps an inventory of all lights, tracks faults reported and the progress on repairs. All work carried out by Contractor is recorded on Deadsure. The Engineer in Corporate Assets Section also keeps quality information records on spreadsheet that would be useful for future audits. These records are used to reconcile invoice payments to the contractor. Information is available for senior management if required.

## Section B - Step 5: Key Evaluation Questions

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

The Public lighting system in Monaghan County Council is an ongoing annual process. Contracts were procured and are available for inspection. Monitoring is carried out via Deadsure system which produces reports when required. Having discussed the Public lighting process and viewed sample documents it is my opinion that there is general compliance with the Public Spending Code.

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

Yes.

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

While contracts are in place for maintenance of the Public Lighting system and there is an exchange of letters between both parties regarding the extension to the contract annually (as per the provision in the contract) there should be an approved standard document provided to indicate agreement by both parties to the extension. Internal Audit is of the opinion the letters viewed on file are not adequate.

Chief Executive Orders were not available at time of signing the energy usage contracts, these have now been drawn up.

Monaghan Co Council Contracts / Agreements should have a unique ID identifier. All relevant documents should reference this ID.

There was some evidence of miscoding in Agresso, figures should be verified as correct at least annually, as they feed into the Annual Financial Statement .

## Section: In-Depth Check Summary

The following section presents a summary of the findings of this in-depth Check on the **Public Lighting in County Monaghan**. The value of this project listed on the Council inventory is €0.87m and represents 1.72% of the total Revenue expenditure. It sits within the category Revenue "Current expenditure being incurred".

The Public Lighting budget is approved Annually as part of the overall revenue budget process. Contracts were procured through the OGP and are currently in place for energy usage on the Public lights. The Maintenance contract was procured by Louth Co Council on behalf of the Cavan Monaghan and Louth region but each Local Authority is responsible for the contracts relating to their functional area. The operation and maintenance of the public lighting programme is managed through a computer management system known as "Deadsure". This system shows all public lights in the County, records all faults reported and tracks the progress of the repairs. It provides various relevant reports for Staff when required. The Engineer in Corporate Assets section also keeps quality records on spreadsheets and reconciles and approves the contractor invoices before payment. However some miscoding in Agresso was noted and, care should be taken to ensure accuracy in the future.

Having carried out this review and examined sample documents internal Audit is of the opinion that there is **satisfactory compliance** with the Public Spending Code, however some weaknesses did come to attention and Internal Audit recommends the following :

1. Monaghan Co Council Contracts / Agreements should have a unique ID identifier. Relevant documents should reference this ID.
2. A standard document should be drafted and signed by both parties to clearly indicate agreement by both parties to any extension of contracts.
3. Transactions in Agresso should be verified as correct at least annually as the agresso figures feed into the Annual Financial Statement.



Comhairle Contae Mhuineacháin

Internal Audit Department



Public Spending Code for 2017

Review on the

**Public Lighting LED Retrofit Project**

**(Capital Expenditure being incurred)**

May 2018

## Quality Assurance – In Depth Check

---

### Section A: Introduction

---

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

Programme or Project Information	
<b>Name</b>	Public Lighting LED Retrofit
<b>Detail</b>	Retrofit of existing public lighting with high-efficiency LED lighting
<b>Responsible Body</b>	Monaghan Co Council
<b>Current Status</b>	Expenditure being incurred
<b>Start Date</b>	Jan 2017
<b>End Date</b>	2020
<b>Overall Cost</b>	€2,000,000 as per inventory

## **Project Description**

Monaghan Co Council, along with all Public Bodies, is obliged to comply with the national requirement to reduce its carbon footprint, reduce energy usage and improve its energy efficiency in accordance with the EU Energy Efficiency Directive and the National Energy Efficiency Action Plan.

Public Lighting is the single largest Significant Energy User (electrical) in Monaghan Co Council. In order to reach the national (Public Bodies) energy efficiency target of 33% by 2020, it was decided that the old low efficiency SOX and SON lighting be retrofitted with high efficiency LED lighting. This capital project will contribute in part to the energy efficiency improvement required to achieve the public bodies target.

The inventory summary completed in October 2016 identified 4,780 non TII public lights in the County. The retrofit work commenced in 2017 and it is anticipated the work will be completed on target by end 2020. The PL inventory was carried out as a national request directed by SEAI and TII.

Due to the nature of work on, and ownership of poles etc., there were various issues that prevented this work being procured separately. Monaghan County Council awarded the work to their existing PL Maintenance contractor, Airtricity Utility Solution under the existing Public Lighting Maintenance Service Agreement contract which was in place from 1<sup>st</sup> March 2014 until 1<sup>st</sup> March 2016 (This agreement included a provision to allow the Council extend the Agreement annually, up to a maximum of 2 years. )

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Corporate Assets & Energy Section completed the Internal Programme Logic Model (PLM) in consultation with internal Audit - LED Retrofit Project.

Objectives	Inputs	Activities	Outputs	Outcomes
To reduce carbon footprint (CO2).	Funding .	PL inventory update carried out to identify existing PL assets.	700 LEDs to be installed during 2017.	CO <sub>2</sub> reduced.
To reduce energy consumption.	Staff resources.	Participation on national Working Groups to avail of best practice.		Energy spend reduced.
To increase energy efficiency.	Contracts	Cost analysis. Budget approval. Procurement. Commencement of retrofits.		Maintenance spend reduced. Energy efficiency increased.
To achieve the 33% target set by the National Energy Efficiency Action Plan.				Monaghan Co Council will achieve the 33% energy efficiency target by 2020.

*Objectives:* The objective of the LED Retrofit project is to replace all existing low efficiency SOX and SON lighting with high efficiency LED lighting in order to reduce CO<sub>2</sub> footprint, reduce energy consumption and increase energy efficiency.

*Inputs:* The primary input to the project is capital funding of up to €2,000,000. The Councils capital 3 year programme on file suggests funding will be provided by way of a Loan. The Head of Finance confirmed the spend on this project would be paid via the annual energy and maintenance savings. He confirmed no specific loan would be required.

*Activities:* Key activities included the initial inventory survey, assessment of likely retrofit cost were then based on the then current LED costs, budget approval, procurement of the new LEDs, installation using existing approved PL maintenance contractor.

*Outputs:* Target for 2017 - 700 LEDs installed

*Outcomes:* CO<sub>2</sub> footprint reduced, energy consumption reduced, energy cost for public lighting reduced, efficiency of public lighting increased.

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

The following section tracks the Project from inception to conclusion in terms of major project/programme milestones. This project falls under the heading “*expenditure being incurred*” for LED Retrofit Project

04 Dec 2012	EU Energy Efficiency Directive
2014	PL Maintenance Contract awarded and MO signed
2016	PL Maintenance Contract extended [1-year]
2016	SEAI Inventory Survey of all PL completed
2016	Cost Benefit Analysis completed, PID generated,
2017	PL Maintenance Contract extended [1-year]
2017	700 LED retrofits planned / Actual retrofits 828
2018	1000 LED retrofits planned. Procurement of new Public Lighting maintenance contract.
2019	1500 LED retrofits planned
2020	1535 LED retrofits planned

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

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

Project/Programme Key Documents	
Title	Details
EU Energy Efficiency Directive 2012/27/EU [EU]	The directive introduces legally binding measures to encourage efforts to use energy more efficiently in all stages and sectors of the supply chain. The directive provides for the establishment of indicative national energy efficiency targets for 2020. <u>Member states</u> were to have submitted their National Energy Efficiency Action Plans (NEEAP) by 30 April 2014, outlining the measures they have implemented to improve energy efficiency and their expected and/or achieved energy savings.
Ireland's National Energy Efficiency Action Plan NEEAP 4 – 2017 [DCCAE]	Article 24 of the EU Energy Efficiency Directive requires Member States to submit a National Energy Efficiency Action Plan (NEEAP) every three years. In 2009, Ireland set a national target to improve its energy efficiency by 20% by 2020 [Public Bodies 33%], meaning that energy savings of 31,925 GWh should be made. Ireland's 4th NEEAP was produced in early 2017.
Public Sector Energy Efficiency Strategy Jan 2017 [DCCAE]	Charges Public Sector with taking a leadership role on Climate Action by improving its Energy Efficiency by 33% by 2020
Public Sector Energy Efficiency Review Annual Report 2017 [SEAI]	The fourth annual report on the energy efficiency performance of public bodies in Ireland. It is set in the context of Ireland's EU and national commitments and wider climate change goals, whereby a target of 33% energy efficiency improvement is to be achieved by all Irish public bodies by 2020.
Inventory May – Oct 2016	During 2016, MCC carried out a complete survey of all PL in Co Monaghan. Output of this survey was a detailed inventory that permitted an analysis of the PL stock. Output reports from this survey are available on file (excel sheets).
Analysis to determine the cost of retrofit of PL in the County with LEDs	Following completion of the PL survey, a Cost Benefit analysis was carried out to determine the cost of overall retrofit and projected payback. Details on file. PID generated.
Mon Co Council 3 year capital programme	As per the MCC Capital Programme submitted to Council. – This document indicates funding would be provided by way of a loan (HoF stated no loan was applied for, the spend on the project to be financed from energy and maintenance savings )

Procurement	<p>Due to constraints by ESB Networks, owner of existing wooden poles and distribution networks, that preclude the use of more than one contractor working on the PL network in any given county, decision taken to proceed with using the incumbent ESB-approved PL Maintenance Contractor – details below</p>
Contractor appointed (CE order, contracts)	<p>PL Maintenance Contractor appointed following Procurement for the maintenance of PL . This was carried out by Louth County Council on behalf of counties Louth, Monaghan &amp; Cavan. Contract 1/3/14 to 1/3/16 and related M O is on file. The contract allowed for an “annual” extension of the contract period, for up to 2 years.</p>
Monitoring / reporting on project	<p>Progress is monitored by the Project Engineer and updates on progress reported to Senior Staff in regular Energy Section meetings. Progress report to Senior Management Team notified through meetings on the Capital Programme update .</p>
Project Initiation Document (PID)	<p>Outlines purpose, objective outcomes, successes, stakeholders, constraints, resources, cost, risks milestones and the governance staffing structure.</p>



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

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

Data Required	Use	Availability
Number of PL's in County	To assess and monitor success of project	Yes Live on "Deadsure" system in Corporate Section
Number fitted with LED's and number not complete	To assess and monitor success of project	Yes Live on "Deadsure" system in Corporate Section
Cost of carrying out the work together with the running and maintenance costs	To identify savings and provide assurance the need was identified correctly	Quality records kept on spreadsheet monthly . Deadsure is also available
Contracts	To ensure work is carried out responsibility and in accordance with relevant regulations.	Contracts and M/O s should be up to date and kept on file. This should be reviewed for adequate documentation.
Monitoring of work	To assess the cost, quality and timeliness of work and to highlight any weaknesses if any. To ensure targets are reached.	Quality records kept on spreadsheet monthly and Deadsure is also available
Overall financial reporting	To determine if the project was completed within the approved budget and to monitor future budgeting figures.	The overall costs will be reported as part of the Post Project review.

**Data Availability and Proposed Next Steps:** The Data required for a future evaluation of the project will be available in Corporate Asset Section. The Project Engineer confirmed that a post project review will be carried out.

## Section B - Step 5: Key Evaluation Questions

**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 is listed on Monaghan Co Council PSC inventory under the heading Capital "*Expenditure being incurred*". The need for the project was identified through a number of documents which issued to Local Authorities and are listed on the list of Key documents. These indicate that the Public Sector must take on a role on climate Action. Local Authorities have been given a target of 33% energy efficiency improvement by 2020. This project when complete will contribute towards this target.

Monaghan County Council organised that an inventory of the public lighting system be carried out. Based on this information, an analysis was carried out to determine the cost of the retrofit of all existing non T11 public lights with LED lighting. Airtricity Utility Solution was chosen as the preferred supplier to carry out the work under an existing contract agreement. Monitoring and reporting on the project takes place regularly with Senior Management. The Computer software "Deadsure" provides the Council with "live" information for reporting faults and repairs. The Staff provided a "*Project Initiation Document*" (PID) which was a very useful document and should be used on all projects. It is the opinion of Internal Audit that this project complies in general with the Public Spending Code.

**Is the necessary data and information available such that the project/programme can be subjected to a full evaluation at a later date?**  
The necessary data required for this assessment was available, and further data will be available as the project progresses.

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

The contract for maintenance of the Public Lighting system was on file, there is also an exchange of letters between both parties regarding the extension to the contract for 2 years up to March 2018 (as per the provision in the original contact). However there should be an approved

standard document signed by both parties indicating their agreement to the extension of the contract. Internal Audit is of the opinion the letters viewed on file are not adequate.

Monaghan Co Council Contracts / Agreements should have a unique ID identifier. All relevant documents should reference this ID.

There are instances of miscoding in Aggresso , the transactions should be frequently checked and verified as correct as these figures are reported in the Councils Annual Financial Statement.

## Section: In-Depth Check Summary

The following section presents a summary of the findings of this in-depth Check on the **Public Lighting LED retrofit Project in County Monaghan**. The value of this project on the inventory is €2 million and represents 2.25% of the total Capital. It sits within the category Capital “*expenditure being incurred*”.

Monaghan County Council is obliged to comply with the national requirement to reduce its carbon footprint, reduce energy usage and improve its energy efficiency by 33% by year 2020. This project contributes towards this target and was included in the Councils 3 year Capital Programme. The inventory of public lights prepared indicated the number of lights in the County. A projected cost benefit analysis was carried out, and this indicated funding up to €2 million was required for those requiring the retrofit to LED lighting. A copy of the Council’s 3 year capital programme on file indicated funding would be provided by way of a Loan, however the Head of Finance confirmed the spend on this job will be reduced annually via the savings made on the annual energy and maintenance costs and no loan would be required. The cost is expected to be less than the €2 million, due to reduced installation and maintenance costs. This revised funding plan should be updated for the Council in the next 3 year capital programme report.

The works are being carried out under an existing contract with Airticity Utility Solutions. Work commenced in 2017, 828 lights were fitted with the new high-efficiency LED lighting - expenditure in 2017 was €214,044.66 inclusive of payroll costs. It is expected to have the work completed as planned by 2020 and under original budget figure.

Miscoding in the Agresso job code was noted and should be corrected and monitored in the future. The Project Engineer keeps quality monitoring records of project cost and energy savings on file. Frequent Senior Staff meetings are held where the project is reported on.

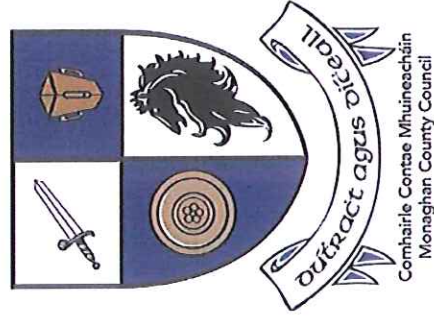
Having carried out this review and examined various documents, Internal Audit is of the opinion that there is **satisfactory compliance with the public spending code**.

However some weaknesses did come to attention and Internal Audit recommends the following:-

1. Monaghan County Council Agreements/contracts have a unique reference identifier. All relevant documents should then quote the reference I.D.
2. An approved standard document should be drafted and signed by both parties to indicate clearly agreement to any extensions on contracts.
3. Transactions in Agresso should be frequently checked and verified as correct as the Agresso figures feed into the Annual Financial Statement.

# Comhairle Contae Mhuineacháin

## Internal Audit Department



## Public Spending Code for 2017

### Review on the 22 Houses at Knockroe Glen, Monaghan

### Capital Expenditure “Recently ended”

**Quality Assurance – In Depth Check**

**Section A: Introduction**

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

<b>Programme or Project Information</b>	
<b>Name</b>	22 Houses at Knockroe Glen, Monaghan
<b>Detail</b>	Proposed acquisition of 22no houses at Knockroe Glen, Monaghan, under the Social Housing Investment Programme
<b>Responsible Body</b>	Monaghan County Council
<b>Current Status</b>	Houses allocated

<b>Start Date</b>	June 2016
<b>End Date</b>	Dec 2017
<b>Overall Cost</b>	€4.54million as per inventory

**Project Description** The Rebuilding Ireland Programme produced by Central Government indicated that further funding would be made available for social housing. Through the Housing Needs Assessment and on an ongoing basis, Monaghan County Council identified the need for social housing throughout the County .

This development at Knockroe Glen, Monaghan provided 22 completed houses and contributes to the general housing need. It was procured as a Turnkey housing construction project and was selected following an analysis of submissions by the Council and funding approval from the Department of Housing Planning community and Local Government for this project. Senior staff confirmed these houses provide flexibility to accommodate people that may require special needs /accessible need accommodation in the town.

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

As part of this In-Depth Check, Housing Section have completed in consultation with Internal Audit the Programme Logic Model (PLM) for the provision of 22 social houses by preconstruction acquisition (turnkey) on a site at Knockroe Glen, Monaghan.

Objectives	Inputs	Activities	Outputs	Outcomes
<p>To increase the number of social houses in ownership of Monaghan County Council.</p> <p>To accommodate those in need of social housing .</p>	<p>Approved Capital funding - €4,647,178</p> <p>Staff resources</p>	<ul style="list-style-type: none"> <li>• Carry out an analysis of need.</li> <li>• Consultations and meetings.</li> <li>• Procurement processes.</li> <li>• Department approval.</li> <li>• Monitoring and evaluation.</li> <li>• Contracts etc.</li> <li>• Complete the process in order to legally own the housing constructed.</li> </ul>	<p>Monaghan County Council will have acquired 22 additional social houses.</p>	<p>The provision of 22 houses to accommodate 22 families on the social housing list.</p> <p>Reduction of Monaghan County Council housing list numbers.</p> <p>Increase Monaghan CoCo housing stock.</p>



**Objectives:**

Comply with Rebuilding Ireland targets. The objective of the project was to increase the number of social houses in Monaghan by purchasing houses to be constructed on private land. This development will accommodate 22 families from Monaghan County Council's social housing waiting list.

**Inputs:**

The primary input for the project is the capital funding of €4.5 million provided by Central Government as part of the Rebuilding Ireland Programme. Staff resources were also be required to liaise with developers and consultants, comply with procurement processes and procedures, seek department approval and recoup funding, monitoring and evaluate the project.

**Activities:**

The activities include completing the Housing Needs Assessment, consultations with Central Government officials and advisors, meetings with developers and consultants. Ensuring compliance with the procurement processes and procedures, seek department approval and recoupment of funding, monitoring and evaluations and completion of contracts etc.

**Outputs:**

Monaghan County Council will have an additional 22 social houses to accommodate social housing applicants.

**Outcomes:**

22 families will be housed from Monaghan County Council's housing waiting list. The housing waiting list will be reduced by the number of applicant families housed. Monaghan Co council will have increase their housing stock by 22.

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

The following section tracks the Project from inception to conclusion in terms of major project/programme milestones. This project falls under the heading “*capital expenditure recently ended*” and provides 22 social houses at Knockroe Glen, Monaghan

<b>April 2015</b>	Department of Environment, Community and Local Government issued letter to MCC setting “Targets for delivery under the Social Housing Strategy 2015, 2016 and 2017”. Current and Capital combined target set was 205 housing units with an estimated cost of delivery = €11.5million.
<b>April 2016</b>	Adverts were placed in the local newspaper and on <a href="http://www.etenders.gov.ie">www.etenders.gov.ie</a> for house acquisitions and land.
<b>June 2016</b>	As a result of submissions a Project Appraisal was prepared for the acquisition of 22 houses at Knockroe Glen, Monaghan.
<b>September 2016</b>	Approval in principal received from the Department of Housing, Planning, Community and Local Government (previously known as Dept of Env Community and LG) for the provision of 22 houses at Knockroe Glen, Monaghan
<b>November 2016</b>	Chief Executive’s Order and Contracts signed for the building and purchase of 22 houses from Wonderglade Unlimited.
<b>April 2017</b>	Decision to grant planning permission 16/420
<b>Q1 2018</b>	Date for completion of development and handover

Section B - Step 3: Analysis of Key Documents

Project/Programme Key Documents	
Title	Details
Targets for delivery under the Social Housing Strategy 2015,2016 and 2017	Letter from Department of Environment, Community and Local Government setting targets for delivery of social housing.
Advertisement - documents	Newspaper and E tender advert.
Assessment of Housing Need	This details the number of housing applicants, and their requirements.
Project Appraisal	Details the relevant information for the assessment of the project.
Public Tender Documents and Contract and CE order.	Provides information in relation to procurement, pricing and acceptance. Contract details conditions of purchase.
Approval from Department of Environment, Community and Local Government	Provides funding approval to progress the project based on submission provided by MCC.
Planning permission	Decision to grant.
Title Documents	Legal Documents confirming property is registered in the name of the Council (when project completes).
Post-Project Review (not available until 12 months minor defects period has passed)	Final Close Out Report for the Project.

**Key Document 1:** Targets for delivery under the Social Housing Strategy 2015,2016 and 2017. This document issued by the Department of the Environment, Community and Local Government and provided Monaghan County Council with the expected targets for providing social housing.

**Key Document 2 Advert**. To purchase houses and /or land for social housing by public tender in 2016 – Newspaper and etenders

**Key Document 3:** Assessment of Housing Needs. This documented the number of social housing applicants on Monaghan County Council’s housing list. It provided information on preferred location, number of bedrooms required in accordance with family size and any special needs.

**Key Document 4:** Project Appraisal. This document dated 21<sup>st</sup> June 2016 was prepared by the Executive Engineer in Housing Section and outlines the Need, Alternative means to meet the need, Sustainable Community Proofing, Site Constraints, Planning/Site Optimisation, Design Brief/Compliance, Cost and Value for Money, Project Management arrangements and programme completion.

**Key Document 5:** Contracts for sale and building agreement and CE Order dated 15<sup>th</sup> Nov 2016 to purchase 22 houses at knockroe Glen Monaghan.

**Key Document 6:** Approval Document. Letter dated 30<sup>th</sup> September 2016 from the Department of the Environment, Community and Local Government was received together with Form HC A6 which is the Budget cost approval notification for this project.

**Key Document 7:** Planning permission to grant .

**Key Document 8.** Title documents to confirm council ownership of properties – not available yet.

**Key Document 9.** Post Project review – not available yet.

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

Data Required	Use	Availability
Number of houses completed and purchased	To assess success of project.	In Housing Section
Length of time to allocate houses	To assess the need was identified correctly	In Housing Section
Time period to complete project	To assess if there is a need to change practice or processes	In Housing Section
Number of repair requests after final takeover of houses	To assess the quality/highlight weaknesses in construction	In Housing Section
Overall Financial report	To determine if the project was completed within the approved budget	In Housing Section after project fully completes.
Post Project Review	To highlight strengths and weaknesses of project	In Housing Section after project fully completes.

**Data Availability and Proposed Next Steps:** All data required for a future evaluation of the project should be available in Housing Section after the project is complete. Housing Section confirmed that a post project review will be undertaken at the end of the final defects liability period.

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

**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 is on the PSC inventory list under the heading “*capital expenditure recently ended*”. The Department of the Environment Community and Local Government issued correspondence outlining the housing targets to be delivered for the period 2015-2017. A housing needs assessment had been carried out by the Council , a public procurement process was implemented funding was approved and a decision was made to purchase 22 houses . Contract was signed between Monaghan County Council and Wonderglade Unlimited to deliver 22 houses when constructed at knockroe Glen Monaghan. Completion due by Q1 of 2018. The development was completed in December 2017 ahead of schedule. Some weaknesses were noted in relation to the contract, these should be correct in future as part of compliance with the Councils new Procurement policy and procedures.

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

Project information is available in Housing Section. The necessary key data required for a later date is listed under the Data Audit in previous page and should be available in housing section.

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

To ensure all relevant Staff are aware of and are complying with updated Procurement Procedures and all agreed Internal Audit recommendations are being implemented from recent procurement audit which took place in 2017.

---

### Section: In-Depth Check Summary

---

The following section presents a summary of the findings of this In-Depth Check on the turnkey acquisition of 22 social houses on a site at Knockroe Glen, Monaghan. The value of this project on the Councils Public Spending Code inventory list is €4.54 million and represents 5.10% of the total *Capital* figure. It is included in the inventory under the heading "*capital expenditure recently ended*".

The Department of Environment Community and Local Government (now known as Department of Housing, Planning, Community and Local Government) issued correspondence to Monaghan Co Council outlining the targets to be delivered upon, in the period 2015 – 2017 together with an estimate of funding. Monaghan County Council, through a Housing Needs Assessment identified the need for social housing throughout the County. Following receipt of submissions as a result of A public procurement process, the Executive Engineer in June 2016 prepared a Project Appraisal submission for the Department for the proposed acquisition of 22 houses at Knockroe Glen, Monaghan. The project was procured via the eTenders system and newspaper advertisements. The project and the funding was approved by the Department of the Environment Housing, Planning, Community and Local Government. A Chief Executive Order was prepared and signed to purchase the 22 houses. Contracts were signed between Monaghan County Council and Wonderglade to deliver 22 houses when constructed at knockroe Glen, Monaghan. Completion was expected by Q1 of 2018. The development was completed in December 2017 ahead of schedule. The total expenditure at the date of checking is under the Departments approved budget figure.

Responsibility for the project delivery is with the now Acting Executive Engineer in housing. A reporting structure is in place, housing reports are prepared for Department returns, and Team meetings. The sample documents examined as part of this review indicated there is satisfactory compliance with the Public Spending Code. However some weaknesses did come to attention and Internal Audit recommends the following:

1. That all relevant Staff are aware of and are complying with updated Procurement Procedures and all agreed Internal Audit recommendations are being implemented from recent procurement audit which took place in 2017.