

Public Spending Code



Quality Assurance Report for 2019

August 2020

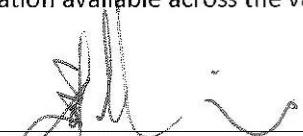
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Certificate

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: 28th August 2020

1. Introduction

1.1 Background

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:

- a) Drawing up inventories of projects/programmes at the different stages of the Project Life Cycle that have a total Project Life Cost of €500,000 or more.
- b) 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.
- c) Completing the 7 checklists contained in the PSC.
- d) Carrying out a more in-depth check on a small number of selected projects/programmes based on criteria established within the Public Spending Code.
- e) Completing this short summary report for the National Oversight and Audit Commission (NOAC).

2. Project Inventory – Step 1

2.1 Introduction

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

Project/Programme Stage		Category/Band
		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

Table 2.1 - Expenditure Category/Band

2.2 Findings

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

The Inventory contains 104 Projects under the three stages and comprise a total value of €326,653,818.21. The following tables provide an overview of the number of projects under each Project/Programme stage and the project costs under each of the categories/bands in each of these stages.

	Current Expenditure (No.)	Capital Grant Schemes (No.)	Capital Projects (No.)	Totals (No.)
Expenditure Being considered		24	11	35
Expenditure Being Incurred	29	24	5	58
Expenditure recently ended		7	4	11
<i>Totals</i>	29	56	20	104

Table 2.2 – Project Inventory- No of Project

	Current Expenditure (€)	Capital Grant Schemes (€)	Capital Projects (€)	Totals (€)
Expenditure Being considered		105,050,265.00	42,960,000	148,010,265
Expenditure Being Incurred	61,122,226.00	93,816,956.85	8,286,810.33	163,225,993.18
Expenditure recently ended		16,660,085.64	3,721,098.39	20,381,184.03
<i>Totals</i>	61,122,226.00	215,527,307.49	54,967,908.72	331,617,442.21

Table 2.3 – Project Inventory – Total Values

3. Summary of Procurements in excess of €10m – Step 2

3.1 Introduction

The Public Spending Code requires Monaghan County Council to publish summary information on its website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.

3.2 Findings

There were no procurements in excess of €10m conducted in 2019:

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

4. Checklists – Step 3

4.1 Introduction

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
Expenditure being incurred	Capital Projects/Programmes – Checklist 4 Current Expenditure – Checklist 5
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.

- a) General obligations not specific to individual projects/programmes

- b) Capital projects or Capital Grant schemes being considered
- c) Current expenditure being considered
- d) Capital Expenditure being incurred
- e) Current Expenditure being incurred
- f) Capital Expenditure Completed
- g) Current expenditure Completed

4.2 Findings

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. With the updates to the Public Spending Code in December 2019, further training is required for Monaghan County Council staff 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.

5. In-Depth review of a sample number of projects – Step 4

5.1 Introduction

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.

As part of the Quality Assurance provisions contained in the Public Spending Code, Monaghan County Council is required to carry out an in-depth review on a minimum of 1% of the total value of all Revenue Projects on the PSC Inventory. In relation to Capital Projects, Monaghan County Council must carry out a review on 5% of the Capital Projects listed on the PSC Inventory or 15% over a 3 year period.

In line with these requirements the Internal Audit Unit of Monaghan County Council was assigned the task of completing the in-depth check. For 2019 the Internal Auditor selected the following projects:-

- a) D06 - Community and Enterprise Function
- b) N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme

5.2 Findings

5.2.1 D06 - Community and Enterprise Function

The following section presents a summary of the findings of this In-Depth Check on service level D06 - Community and Enterprise Function.

The Community Section in Monaghan County Council is responsible for supporting and implementing various and wide-ranging community programmes and initiatives within the County. There are a series of priorities and objectives outlined in the Community Sections Annual Service Delivery Plan, which are monitored.

The value Service level D06 on the inventory is €3.3 million and represents 5.40% of the total current expenditure on the inventory. D06 is listed as "Expenditure being incurred". This €3.3 million represents the total of D06 in the 2019 AFS, which comprises of D0601 – General Community & Enterprise Exp, D0602 – RAPID costs, D0603 – Social Inclusion and D0699 – Service Support Costs.

In conducting the 'In Depth Check', Internal Audit Staff had meetings with staff from the Community and Enterprise Section, they viewed a number of key documents and they discussed a sample of data available in relation to the section overall. Internal Audit also viewed the files for 2 initiatives which were implemented during 2019;

- a) Community Alert Scheme
- b) The Community Enhancement Scheme.

Based on the information provided during the course of this review, Internal Audit is of the opinion that the Community and Enterprise Section is generally compliant with the Public Spending Code requirements for this revenue code. However, Internal Audit noted that there is room for improvement. Internal Audit has made 5 recommendations in its report. These, together with a number of recommendations from the LG Auditor that have already been agreed for implementation in the 2020 Community Enhancement Programme, will contribute to strengthening compliance with the PSC.

5.2.2 N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme

The following section presents a summary of the findings of this In-Depth Check on N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme. This project is listed under 'Capital Expenditure being incurred' on the inventory and has a value of €13,000,000. The 'in depth check' on this projects means that an in depth review has now been carried out on 15.65% of the value of the project inventory over the last 3 years.

The main objective of the project was to improve the existing substandard horizontal and vertical alignment and cross section of the existing road. The road improvements have seen the road upgraded to an acceptable standard to cater for national primary route traffic.

In conducting the 'In Depth Check', Internal Audit Staff viewed and examined a sample of relevant documents, had meetings with staff from the Roads Section to discuss the project and any issues found.

Based on the information provided during the course of this review, Internal Audit is of the opinion that the project is generally compliant with the Public Spending Code requirements. However, Internal Audit noted that there is room for improvement. Internal Audit has made 4 recommendations in its report to enhance future processes and management:

6. Conclusion

6.1 Summary

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 2019 financial year. Details are included within Appendix A.
- Monaghan County Council did not conduct any procurements with a value in excess of €10m in 2019.
- 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. Details are included within Appendix B.
- 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 general compliance with the Public Spending Code. Details of the in depth checks conducted and subsequent recommendations are included in Appendix C.
- 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 A

A.1 2019 Inventory of Projects and Programmes over €0.5m

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	Expenditure		being considered			Expenditure being incurred			Expenditure recently ended		
	Current	Capital Grant Schemes >		Capital Projects		Current Expenditure	> €0.5m Capital Grant Schemes	Capital Projects	Current Expenditure	> €0.5m Capital Grant Schemes	Capital Projects
Monaghan County Council	> €0.5m	€0.5m	€0.5 - €5m	€5 - €20m	€20m plus						
Housing & Building											
Works prior to reletting (Housing)							5,832,832				
Bree, Castleblayney (26 Houses)							5,860,985				
Lui na Greine, Scotstown (32 Houses)							6,204,302				
Coill an Ri Carrickmacross (6 houses)							1,251,337				
Clones Renewal Scheme							6,627,601				
Liseggerton Clones Oaklee (16 houses)							3,046,125				
Part V Kingscourt Rd, Carrickmacross							2,258,596				
Mullaghmat RWS - Phase 4							3,352,488				
CALF 38 Units Bree, Castleblayney							810,000				
Derelict sites							930,838				
Purchase House Housing stock							3,301,375				
A01 Maintenance & Improvement of LA housing						1,536,046					
A02 Housing Assessment, Allocation and Transfer						801,226					
A06 Support to Housing Capital programme						851,053					
A07 RAS and leasing programme						1,764,452					
A08 Housing loans						521,232					
A09 Housing grants						2,035,079					
Bothar Na Mullen, Scotstown (32 Houses)		6,000,000									
41 Houses Nafferty Carrickmacross		9,816,385									
Sheltered housing projects		8,000,000									
Castleblayney Communal Facility and 2 units Drumillard		534,787									
12 Apartments Drummond Radhairc, Carrickmacross		2,470,000									
12 Apartments Rockriver View, Rockcorry		1,115,000									
CAS Birch Court Ballybay (4 apartments)		540,265									
Magheross, Carrickmacross (33 dwellings)		6,000,000									
Tuath AHB CALF		2,250,000									
CALF Lough na Glack (24 houses)		4,500,000									
42 Houses Aghnasedagh		2,000,000									
12 Houses Maple Grove, Smithborough										2,176,254	
Latlorcan - New Build 43 houses										7,539,120	
Latlorcan Glen & Close (16 houses)										3,037,398	
5 Houses The Meadows, Smithborough										963,036	
8 two bedroom houses, Bree, Castleblayney										1,508,603	
4 Houses Killycard Manor, Bree, Castleblayney										597,534	
The Meadows Smithboro, Turnkey Dev 5										838,142	

Local Authority	Expenditure		being considered			Expenditure being incurred			Expenditure recently ended		
	Current	Capital Grant Schemes > €0.5m	Capital			Current Expenditure	> €0.5m Capital Grant Schemes	Capital Projects	Current Expenditure	> €0.5m Capital Grant Schemes	Capital Projects
	> €0.5m		€0.5 - €5m	€5 - €20m	€20m plus						
Monaghan County Council											
Road Transportation and Safety											
Monaghan to Emyvale Improvement Phase 3							13,000,000				
N2 Ardee to South of Castleblayney Bypass							4,767,443				
N2 Blackwater Bridge Replacement 2018							5,357,381				
Pavement Renewal Scheme Conabury to Ardkirk							1,425,179				
Public Lighting LED Retrofit							796,480	1,067,216			
Tullybryan Realignment				12,900,000							
Clontibret to NI Border							4,337,506				
Monaghan town pavement scheme			2,180,000								
Clonlura pavement scheme			1,000,000								
Castleshand to Drumkirk pavement scheme			1,080,000								
Silverstream to Co. Armagh Border			2,650,000								
Ballynacarry Bridge				6,200,000							
Corduff to Cavan Border			4,800,000								
R213 Killyneill			2,700,000								
N2/ N12 Link Road			4,150,000								
R180 Upgrade (specific funding)			2,100,000								
R180 Upgrade (specific funding)			3,200,000								
B01 NP Road Maintenance & Repair						893,707					
B03 Regional Road - Maintenance and Improvement						6,984,992					
B04 Local Road - Maintenance and Improvement						9,557,780					
B05 Public Lighting						1,045,333					
B09 Car Parking						708,124					
B11 Agency & Recoupable Services						2,091,942					
Water Services											
C01 Water Supply						1,481,101					
C02 Waste Water Treatment						1,640,768					
C05 Admin of Group and Private Installations						4,991,424					
C06 Agency & Recoupable Services						670,876					
Development Management											
Patrick Kavanagh Centre							1,137,799				
D02 Development Planning						1,457,063					
D06 Community and Enterprise Function						3,300,961					
D09 Economic Development and Promotion						4,132,157					
Clones Renewal Phase II		2,500,000									

Local Authority	Expenditure		being considered			Expenditure being incurred			Expenditure recently ended		
	Current	Capital Grant Schemes > €0.5m	Capital			Current Expenditure	> €0.5m	Capital Projects	Current Expenditure	> €0.5m	Capital Projects
	> €0.5m		€0.5 - €5m	€5 - €20m	€20m plus						
Monaghan County Council											
Ballybay Renewal		2,100,000									
Car parking Monaghan town		750,000									
Monaghan Urban Regeneration Development funding		9,665,816									
Ballybay Regeneration and Development Fund		2,743,500									
Clones Regeneration and Development Fund		2,688,500									
Carrickmacross-Castleblayney MD Rural Regeneration project		10,007,583									
Environmental Services											
Fire Station Castleblayney							1,367,360				
Ballybay Fire station		1,562,299									
Historical landfill remediation works at old landfill site		1,100,000									
Historical landfill remediation works at Killycard and Killycronaghan sites		2,180,000									
Renewable energy (PV) Project at Scotch Corner		1,000,000									
E01 Landfill Operation and Aftercare						605,503					
E06 Street Cleaning						970,937					
E11 Operation of Fire Service						2,728,923					
E13 Water Quality, Air and Noise Pollution						601,078					
Civil Defence Headquarters Building										810,277	
Landfill capping and remediation work										1,068,099	
Recreation and Amenity											
Peace Campus							15,393,176				
Ulster Canal Greenway Phase 2 Interreg							4,756,945				
Old Post Office Clones							640,887				
Rossmore Park upgrade		526,130									
F02 Operation of Library and Archival Services						2,467,798					
F03 Outdoor Leisure Area Operations						930,808					
F05 Operation of Arts Programme						1,136,412					
Agriculture, Education, Health and Welfare											
Miscellaneous Services											
Monaghan Town Hall								1,396,022			
Carrickmacross Market House (REDZ 2016)							552,142				
Castleblayney Market Square Regeneration								3,552,150			

Local Authority	Expenditure		being considered			Expenditure being incurred			Expenditure recently ended		
	Current	Capital Grant Schemes > €0.5m	Capital			Current Expenditure	> €0.5m	Capital Projects	Current Expenditure	> €0.5m	Capital Projects
	> €0.5m		€0.5m	€0.5 - €5m	€5 - €20m	€20m plus					
Monaghan County Council							808,180				
CBY Courthouse								1,190,261			
Energy Upgrades Council Buildings								1,081,161			
Newbliss Courthouse - Arts Centre						1,718,368					
H09 Local Representation & Civic Leadership						640,914					
H10 Motor Taxation						2,856,169					
H11 Agency & Recoupable Services											€585,139
Carrickmacross Workhouse											€1,257,584
Clones Market House (old Library)											
Council HQ redevelopment project		€25,000,000									

Appendix B

B.1 Self-Assessment check lists

B.1.1 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)?	1	Staff are aware of their obligations. Updates to the PSC were issued in Dec 2019. Further training is required to make staff aware of the changes.
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	1	No dept training was provided for the LG Sector in 2019. Basic training provided to relevant staff to make them aware of the PSC at its requirements. Further training is required in relation to the 2019 updates. Training providers specialising on the PSC are difficult to source.
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?	2	Yes, a guidance document has been developed for QA 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	
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 has been certified and published on website.
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes, detailed in Appendix C
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	2	Yes – template for Post Project Review has been provided to all staff. Policy for PPR is included within Procurement Procedures.
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	2	No PPRs due in 2019 for projects >€20m., 2no. PPRs or similar were completed for smaller projects (equating to value >5% of the total value of expenditure recently ended column on inventory.)
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	Yes in accordance with the PSC it is MCC Policy that any significant lessons learnt from a PPR are translated into changes in practices and communicated within the organization and relevant Gov Depts (if applicable)
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	3	Staff more aware of PSC requirements, importance of project planning and post project assessment.

B.1.2 Checklist 2 – To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the past year

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes
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?	2	Yes
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?	2	Yes
2.7 Were the NDFA consulted for projects costing more than €20m?	2	Yes
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
2.9 Was approval granted to proceed to tender?	2	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?	2	Yes
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	3	Yes
2.14 Have steps been put in place to gather performance indicator data?	3	Yes

B.1.3 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?	n/a	None in 2019
3.2 Are objectives measurable in quantitative terms?	n/a	
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	n/a	
3.4 Was an appropriate appraisal method used?	n/a	
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?	n/a	
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?	n/a	
3.15 Have steps been put in place to gather performance indicator data?	n/a	

B.1.4 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
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
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	Variations required in some projects
4.7 Did budgets have to be adjusted?	2	Yes, on some projects
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.)	N/A	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	
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes
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

B.1.5 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	Yes, Annual Service Delivery Plans prepared
5.2 Are outputs well defined?	3	Yes – A performance model known as ‘Monstat’ is in place
5.3 Are outputs quantified on a regular basis?	3	Yes – monthly through Monstat
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes, through Monstat and Internal Audit.
5.5 Are outcomes well defined?	3	Yes, through Monstat
5.6 Are outcomes quantified on a regular basis?	3	Yes, through Monstat
5.7 Are unit costings compiled for performance monitoring?	3	Yes, where relevant. For example unit costs for RI and RM grants are compiled for DTTAS and NOAC KPI’s
5.8 Are other data compiled to monitor performance?	2	
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	
5.10 Has the organisation engaged in any other ‘evaluation proofing’ ¹ of programmes/projects?	2	

¹ 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.

B.1.6 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?	2	No PPRs due in 2019 for projects >€20m. 2no PPRs or similar have been completed on smaller projects to a value >5% of the total value in the expenditure recently ended column of the inventory.
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	No Post Project Reviews due for Projects >€20m in 2019
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	No Post Project Reviews due in 2019 for 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.
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?	2	Yes. 2no PPRs or similar have been completed on smaller projects (>5% of the total value in the expenditure recently ended column of the inventory)
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	2	Yes, PPRs for projects exceeding the above thresholds are due within 18 months of the completion dates.
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	2	Yes – lessons learned relate to the design stage.
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	2	
6.8 Were project reviews carried out by staffing resources independent of project implementation?	2	No. Project Reviews are completed by Project Owners. These are then reviewed and signed off by Senior Management

B.1.7 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	No relevant programmes in 2019
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	

Appendix C

C.1 Quality Assurance – In depth check

Comhairle Contae Mhuineacháin



Internal Audit Report on Community & Enterprise Function for the Public
Spending Code review.

Report Issued by Internal Audit Unit.

July 2020

Quality Assurance – In Depth Check

Section A: Introduction

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

Programme or Project Information	
Name	Community Development Department of Monaghan County Council
Detail	Service Level D06 - Community & Enterprise Function
Responsible Body	Monaghan County Council
Current Status	Expenditure being incurred 2019
Start Date	1 st January 2019
End Date	31 st December, 2019
Overall Cost	€3,300,961.00 Actual expenditure on D06

Project Description

The Community Section in Monaghan County Council is responsible for implementing and promoting a wide range of programmes and initiatives within the county. Their Local Economic and Community Plan states their focus in particular, is to promote the well-being and quality of life for its citizens and communities.

In the corporate plan MCC state it is committed to ensuring that everyone in the community has an opportunity to become actively engaged in shaping the future development of the County. MCC is committed to leading the promotion and support of Social Inclusion and access to services through the review, development and implementation of its strategies.

The income and expenditure for the Community & Enterprise Function are summarised below at subservice level. Within these sub service levels there are job codes which breakdown the expenditure & income further.

Breakdown summary of Service D06 (AFS 2019) – Community and Enterprise Function is as follows:-

Revenue - Service Level D06	Actual Exp €	Budget €	Actual Income €	Budget €
D0601 - General Community & Enterprise Exp	660,948	725,939	211,084	142,394
D0602 - RAPID costs	720,631	0	695,473	0
D0603 - Social Inclusion	1,280,075	2,442,158	997,533	2,167,158
D0699 - Service Support costs	639,307	669,037	63,950	58,475
Totals	3,300,961	3,837,134	1,968,040	2,368,027

A further breakdown of the above expenditure which was taken from Agresso is as follows:-

Wages & Salaries T & S	€779,778
Administration costs	€33,084
Grants	€1,263,741
Other expenses	€1,224,358
Total	€3,300,961

Note. While these are the figures for Service level “D06 - Community & Enterprise Function” and this review took place on this Service level D06, it should be noted that the community section provide other supports/programmes such as SICAP, Leader, but these are coded in Service level D09 “Economic Dev & Promotion” and do not form part of the figures above.

It should also be noted the Staff in the community section felt that subservice D0602 heading “Rapid Costs” mentioned above is not considered an accurate description for the job codes that are associated with it in Agresso, therefore it is recommended that the coding be reviewed by C&E and Finance Staff to ensure they are satisfied with the Agresso coding, descriptions & postings.

The Councils priorities and objectives in relation to community development are outlined below.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, community section in conjunction with the Audit section have completed a Programme Logic Model (PLM) for the Community Development Section within the Council.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> • To support development of social infrastructure and community development in the county. • To enhance civic participation in the county • To promote health and wellbeing of all people in the county by ensuring equal opportunity to access, participate and engage in the social, economic, cultural sporting and educational opportunities available in the county. 	<ul style="list-style-type: none"> • Funding • Staff Resources. • Administrative support including progress reports etc. • Consultations. 	<ul style="list-style-type: none"> • Implement the programmes /initiatives as planned during the year and this includes any new programmes /initiatives introduced during the year. • Implement and also review the various strategies /plans where this applies. • Support, manage and report to the Monaghan Local Community Development Committee (LCDC) and sub-structures. • Prepare the ASDP & Staff work plans. • Prepare Annual Budgets for the Community Department (income & Exp) • Monitor income & Exp • Ensure payments / grants are made in a timely manner. 	<ul style="list-style-type: none"> • Statutory meetings such as LCDC / LAG take place. • Decisions are made, approvals received. • Targets monitored and recorded. • Programmes and initiatives are implemented, monitored and delivered. • Funding received and distributed. • Targets / KPI achieved monitored and recorded • Progress reports completed • Administrative and/or advisory support provided in the 	<ul style="list-style-type: none"> • Individuals and communities supported in various ways as identified in the objectives • Individuals and communities will have benefited from participating in the various programmes, such as being more proficient in undertaking initiatives and drawing down funding etc • LCDC process is operated in line with guidelines as revised and issued by DRCD • Improved wellbeing for the individual /communities.

<ul style="list-style-type: none"> • Achieve targets. • Manage delivery of DRCD sponsored programmes. 		<ul style="list-style-type: none"> • Support the Administration and monitoring of the various programmes/committees where necessary • Submit funding claims to relevant Departments • Prepare the necessary returns to the various departments. • Prepare progress reports and report to Senior Management and if relevant to other groups. • Attend meetings. • Oversight on the various programmes /initiatives. • Ensure procedures and guidelines are followed. • Implement any changes on foot of Departmental reviews of LCDC's Nationally. 	<p>preparation, approval, implementation and review on a of the various strategies /programmes/ initiatives as required.</p> <ul style="list-style-type: none"> • Various documents available e.g. strategies & policy docs. Etc. 	<ul style="list-style-type: none"> • Improved opportunities for individuals/groups to access, participate and engage in the social economic, cultural sporting and educational opportunities available in the county. • Programmes delivered as per Action plans • Improved quality of life for those in the County e.g. older people, migrants etc.
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Section B - Step 2: Summary Timeline of Project/Programme

The following section tracks the annual work within the Community Development Section in terms of major project/programme milestones.

Dec – Jan each year	Prepare/update the Annual Service Delivery Plan for the coming year.
Jan – Dec	Implementation of the community work in the areas of Community development, Social inclusion, Healthy Ireland & Youth, Sport.
As required.	Deliver the programmes as they are required. (some span more than one year, others can be specific with start and close dates within a year etc.
Jan and June each year	Update and discuss the Personal Development Work Plans with Staff
1-2 times per year.	Monitor /review the Actions of the Local Economic and Community Plan (LECP)
2 – 4 per year	Section Team meetings. (These should review the progress of work within the Section)
As required	Draw down and or distribute funding
Monthly	Contribution to the Management Report - These reports updates the Council in relation to the work being planned and or carried by the section / Development workers.
As and when required	Each programme will have its own specific reporting requirement and demands that must be met.
Monthly	Attend LCDC usually monthly and other meetings as required.
As required	Circulate relevant documents for the section/ programmes
Annually	Prepare the Community Section information for the Statutory Annual Report to the Council
Q4	Budget preparations

Section B – Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Community & Enterprise Function.

Project/Programme Key Documents	
Title	Details
LECP Sports plan Healthy Ireland plan Age action & Social Inclusion plans Co Monaghan Local Dev Strategy	These documents provide the detail and the actions for implementation by the various Leads
Risk Register	Identifies risks and mitigating actions.
Annual Service Delivery Plan (ASDP)	This is a statutory requirement and is approved by the Council. This detailed plan outlines the strategies for service delivery of the various Departments activities for the year including the Community Department.
Various Guidelines/Regulations/ Strategies/Plans /Procedures.	These Important documents that must be adhered too as programmes/initiatives etc are being implemented such as Sports Plan, Healthy Ireland etc.
Minutes	Minutes of LCDC meetings. Minutes of various group/committee meetings including various groups/committees that are supported by the Community section, Staff meetings etc. Minutes should indicate the approvals provided, also the information discussed and decisions made by the Committees, groups, Staff etc.
Monthly Management Reports	These reports are prepared for the Council and include detailed information in relation to various activities over all sections of the Council which includes the Community Section.
Budget Book	Outlines the approved income and expenditure expected/required for the year. The budget book also provides information on the work of the various Council Departments which includes details in relation to this Community Department.
Approvals/Allocation and relevant Documents for each project.	These provide authorisation to proceed and provide evidence of funding.
Monitoring reports which should include budget reporting.	These will inform Staff and management and other relevant committees on all aspects of the activities.
Putting people first (Local Gov Reform Act 2014 and Stat Regs on LCDC.	This underpins the establishment of Local & Community Dev Committees (LCDC's) and is set out in Section 36 of the LG Reform Act 2014.

Section B – Step 4: Data Audit

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

Data Required	Use	Availability
Approved LECP	The Plan is the approved document prepared as a result of consultations etc which in turn identifies the need for the various programmes / initiatives which are run by the LA / stakeholders.	Community section
Risk Register	To assess the risk management procedures	On the Risk Register system (Live system)
Approvals and Budgets	To indicate authorisation and funding available and to ensure best practice was applied.	Community section
Key Performance Indicator's / Standards	Can assess the performance achieved in line with key objectives. targets set.	Community section
Financial Reports	To assess the budgeting process and the monitoring of income and expenditure. It should also provide a record of actual spend and the audit trail associated with it.	Agresso System & Community Section
Minutes of meetings	To view decisions made, and also to note the information provided to various Staff, groups, committees.	Community section
Progress reports	To ensure relevant information was reported to Senior management and other relevant bodies where that applies.	Community section
Evidence funds were spent as planned	To ensure compliance with schemes, regulations, guidance notes etc.	Community section
Evidence of reviews having taken place where necessary.	To ensure compliance.	Community section
Relevant documents/files required for each programme /initiative that commenced/completed during the year under audit.	To ensure best practice & compliance is followed.	Community section
Post project reviews	To establish lessons learnt	It is recommended to include this.

Data Availability and Proposed Next Steps

Senior Staff in the Community Section indicated via meetings with them, that data relevant to the operations of the Community Section was available for inspection. Audit Staff also carried out some random availability checks on a sample of documents mentioned.

As the community section supports and/or implements a wide range of programmes and initiatives each year and assists groups financially, it is recommended and good practice to have a post project review document on file following the end of each project/initiative. Such reviews on small projects /initiatives need not be lengthy, it should include but not be limited to, key areas staff found beneficial and any areas that they felt could be improved upon, together with a summary on the benefits of the programme/initiative. (This recommendation is not intended to be a substitute for any review document required under legislation or guidance notes).

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the community section 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)

Following completion of this Review, Internal Audit is of the opinion that the Community & Enterprise Function (Revenue - Service Level D06) generally adheres to the Public Spending Code. However, there is a need for some improvements. The recommendations below if they are applied will assist in improving compliance.

A number of Staff within the section are assigned responsibility for specific initiatives such as the delivery of the sports programme, social inclusion programme etc., other staff are more involved in the administrative element of the Section. Having met with Staff and viewed a number of sample documents, the following was noted.

The Community section had identified objectives and had provided progress reports on related initiatives. It was confirmed that Key documents were available and there was evidence that the general data required for a future evaluation was available. An Annual Service Delivery Plan was agreed for the department. A detailed progress report on the programmes and initiatives for the year ending 2019 was also available and was reported in the Councils statutory Annual Plan. Minutes of meetings were on file. Monthly reports on the Community Section are provided to the Chief Executive and these reports also form part of the Management Report to Council.

Internal Audit reviewed 2 initiatives (a) The Community Alert Programme (CAP) and the (b) The Community Enhancement Programme (CEP). This review examined the files.

In relation to the CAP, the expected documents were available. The final part would be to ensure all the signage purchased is erected in the county in the 3 Municipal Districts areas - 1 MD confirmed this was done at the time of this review. (IA notes restrictions during Covid 19 period would have delayed work).

In relation to the 2019 CEP, €132,571.00 was paid to 61 groups following assessment. The grant applications were assessed by a Community Development Worker, Small grants were listed on a spreadsheet with the recommendation inserted. Large grant applications were considered and a specific report sheet for each application was signed off by the Community Development Worker with a recommended amount. Following this process Staff confirmed an assessment panel / group reviewed all the information from the Community Development Workers and the final recommendations agreed are listed on the spreadsheet. The information was then brought to the LCDC for approval. This approval is recorded in the minutes. While Staff confirmed an assessment panel met and considered the information, there was no "sign off" document with the signatures or date when assessment took place. The CEP files were available for inspection. A sample of applications were checked by Internal Audit for evidence of money being spent by the group as agreed and this was on file.

As mentioned there could be improvements. Staff are already aware of some improvements as a number of them were recommended by the LGA as a result of an audit carried out in 2019 and management have agreed to implement the improvements as part of the 2020 CEP.

During the viewing of expenditure on the 2019 CEP, internal audit noted that the Ballybay Clones Municipal District (MD) carried out the work including the procurement process as a result of an application for one group. The MD paid the suppliers/contractor directly and no grant was paid to the applying Group. (NOTE:- These payments while paid in 2019 related to the 2018 CEP). It is important that the C & E Staff have relevant documents on file for these cases, documents such as:- a report indicating the reasons why the LA are carrying out the work directly, on behalf of the Group, Copy of relevant Insurance documents, confirmation as to who owns the land/property, the community groups tax details etc.

Internal Audit recommends that the LCDC are made aware of cases where the grant will not be paid directly to Community Group who applied for the CEP funding.

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

Yes, having discussed the section's data availability with the Senior Staff in Community section, it was confirmed by them that such data listed was available in their Department. As mentioned earlier, it is difficult to quantify or measure some outcomes given the subjective nature of the programmes/indicatives in some cases.

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

1. That a review of the Job code structure be carried out in conjunction with Finance Section to ensure they are satisfied with coding, descriptions & postings.
2. That an end of year reconciliation take place each year on the programmes/initiatives.
3. That the assessment panel /group sign and date the final recommendation sheet.
4. That when the LCDC are provided with a list of recommendations under the CEP for their approval, they should also be made aware of any cases where the CEP grant will not be paid directly to the Community Group. This should be recorded.
5. That a short post project review be recorded on file. This review should highlight areas that worked well, those areas that could be improved upon if any, and should include a record of the benefits. (Irrespective of value/size of the project).

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Community Development Section.

Summary of In-Depth Check

As part of the Quality Assurance provisions contained in the Public Spending Code, Monaghan County Council is required to carry out an in-depth review on a minimum of 1% of the total value of all Revenue Projects on the PSC Inventory. Monaghan County Councils total for these Revenue projects "*expenditure being incurred*" = €61,122,226 for 2019.

In line with this requirement a review was carried out on the Revenue Service D06 - Community & Enterprise Function, the value of this = €3,300,961, which represents approx. 5.40%.

The Community Section in Monaghan County Council is responsible for supporting and implementing various and wide-ranging community programmes and initiatives within the County. There are a series of priorities and objectives outlined in the Community Sections Annual Service Delivery Plan and these were monitored. Internal Audit Staff had meetings with Community Staff and viewed a number of Key documents and discussed a sample of data available in relation to the section overall. IA also viewed the files for 2 initiatives which were implemented during 2019 (a) Community Alert Scheme and (b) The Community Enhancement Scheme, a summary of findings on these is in the body of this report.

A number of recommendations from the LG Auditor had already been agreed for implementation in the 2020 Community Enhancement Programme, so these, together with the 5 Internal Audit recommendations from this report will contribute to strengthening compliance with the PSC. It should be noted that outcomes are difficult to measure or quantify in some cases given the subjective nature of the various programmes/indicatives.

Based on the information provided during the course of this review, Internal Audit is of the opinion that, the Community Section is generally compliant with the Public Spending Code requirements for this Revenue Code, however as mentioned earlier there is room for improvement and the recommendations if implemented will assist in strengthening compliance.

C.2 Quality Assurance – In depth check

Comhairle Contae Mhuineacháin



Internal Audit Report on the N2 Phase 3 Corracrin to Emyvale Road
Improvement Scheme for the Public Spending Code review.

Report Issued by Internal Audit Unit.

Quality Assurance – In Depth Check

Section A: Introduction

Programme or Project Information	
Name	N2 Phase 3 Corracrin to Emyvale. Road Improvement Scheme. (RIS) TII PRS Reference No MN/11/8079
Detail	N2 Phase 3 RIS comprises, the construction of approx. 3.3Km of type 2 single carriageway. The works include realignment and tie in to the existing N2 and local roads, the construction of combined footway/cycleway incorporated into verge of mainline as well as other associated works.
Responsible Body	Monaghan Co Council
Current Status	Capital Expenditure being incurred.
Start Date	Design services started 2011
End Date	Works substantially complete at Jan 2020 (with a 12 month defect period)
Overall Cost	Budget Cost at Tender Award - €13,626,007

Project Description

The project appraisal report carried out in 2010 reviewed the need for the pavement and minor improvement scheme along the N2 Monaghan to Emyvale which was approximately 8.5 km in length. At that stage the review stated that due to funding constraints and length of the route, any improvement works would be phased and undertaken on a multi-annual basis, Phases 1, 2 and 4 are already completed. Phase 3 is the last of the phases.

This "Phase 3" of the N2 Corracrin to Emyvale Road Realignment comprises the construction of approximately 3.3km of Type 2 Single Carriageway. The Works include realignment and tie in to the existing N2 and local roads, the construction of combined footway/cycleway incorporated into verge of mainline as well as other associated works.

The project will deliver significant improvements in the level of service for road users travelling between the communities and for those on longer distance trips.

The project is 100% funded by Transport Infrastructure Ireland. (TII)

The Scheme Budget approved by the TII (Budget at Tender Award Stage) is as follows:-

Heading	Base Cost Exp (Incl VAT)	Contingency	Budget
Main Contract Construction	€ 6,191,206.00	€ 2,634,401.00	€ 8,825,607.00
Main Contract Supervision	€ 821,000.00	€ 247,000.00	€ 1,068,000.00
Archaeology	€ 27,000.00	€ 8,400.00	€ 35,400.00
Advance works & other contracts	€ 213,000.00		€ 213,000.00
Residual Network	€ 395,000.00		€ 395,000.00
Land & Property	€ 1,344,000.00	€ 55,000.00	€ 1,399,000.00
Planning & Design (Incl GI & Topo)	€ 599,000.00	€ 141,000.00	€ 740,000.00
Total	€ 9,590,206.00	€ 3,085,801.00	€ 12,676,007.00
Programme Risk			€ 950,000.00
Scheme Budget.			€ 13,626,007.00

At the end of 2019 the total charged to this project code "0221160C = MN 11 8079 NP Monaghan to Emyvale Imp Phase 3" was:- Expenditure €10,256,375.64. (Includes VAT) Income €9,765,420.00.

€8,770,319.49 (including VAT) of the above expenditure figure was paid to the main contractor at end 2019 as per Agresso.

These figures will increase as the job is not fully completed at end 2019.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Roads section staff in conjunction with the Internal Audit Staff have completed a Programme Logic Model (PLM) for the N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> • Improve the alignment and cross section of the existing road. • Improve visibility and sight distances. • Strengthen and widen the pavement • Road markings and signage to be upgraded • A shared use lane alongside the realigned route to provide vulnerable road users the opportunity to use the route without danger. • Encourage non carbon combustion forms of transport. • The road improvements should extend the residual pavement life of road and not pose a maintenance burden in the future 	<ul style="list-style-type: none"> • Capital Funding. • Staff resources. • Employers Representative 	<ul style="list-style-type: none"> • Surveys, • Design work • Process Part VIII planning • Process CPO's • Tender procurement • Contract and Project Management. • Construction. • Engineering and Admin work for the project including Monitoring budgets, Claims, meetings etc. • Handover. 	<ul style="list-style-type: none"> • The realignment of the road will be complete to TII standard. • Pavements strengthened and widened. • Road markings upgraded and reinstalled. • Provision of lane for other road users such as walkers and cyclists 	<ul style="list-style-type: none"> • Safer N2 National Primary route for commuters – Less accidents – Lives saved. • Assist in reducing the negative impact on the environment. • Encourage healthier options for road users such as walking, cycling etc. • Increase the level of service. • Visibility and sight distance should be improved. • Reduced maintenance

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

The following section tracks the N2 Road Improvement Scheme – Phase 3 element from Corracrin to Emyvale from inception to conclusion in terms of major project/programme milestones.

1998	NRA National Road Needs Study 1999 to 2019.
Nov 2010	MCC produced a project appraisal report on the Monaghan to Emyvale proposed pavement & minor improvement scheme. (The works to be split into 4 phases to facilitate a multi annual programme. Phase 1, 2 & 4 have already been completed at the time of Audit.
Sept 2011	Arup engineering consultants for technical design services engaged for Phase 3.
Sept 2011, June 2012, June 2013	Part VIII Planning
Nov 2013	Project Appraisal Report for phase 3
May 2015	MCC confirm the CPO Order for acquisition of lands.
August 2017	MCC publish on E tenders for procurement of contractors for construction.
Nov 2017	Closing date for receipt of tenders
March 2018	Updated Project Appraisal Report for phase 3 – ARUP
Feb 2018	TII approve Total scheme budget (€13.626m)
April 2018	TII approve awarding the contract
April 2018	Contract awarded
May 2018	Contractors start construction
Jan 2020	Construction works are deemed to be substantially complete.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme.

Project/Programme Key Documents	
Title	Details
National Road Needs Study	This document states that the adequacy and performance of the network of national roads are assessed on the basis of the ability of roads to deliver a quality level of service consistent with the efficient movement of traffic.
MCC Approved Capital Programme	Programme of capital works planned and approved for a 3 year period.
Project Appraisal Documents	These documents Include information in relation to Analysis of Need, Design & Appraisal Options, Multi Criteria Assessment, Risk assessment, Recommendations etc.
Part 8 Planning	Provides the Approval to allow the specific piece of work take place.
TII Approvals	Provides the approvals from the funder to progress the various stages.
Procurement Documents	E tender documents, Assessments and Recommendation. CE orders.
Contracts, Insurance, Tax compliance and other relevant important documents.	Various documents such as Signed Contract, Tax compliance information, and information on Insurance providing indemnity to the LA etc
Chief Executive Orders	Authorising appointments /procurement decisions.
Minutes	To ensure everyone is informed and to provide a record of information discussed and decisions made.
Risk Register	Highlight risks and mitigating actions.
Monthly progress reports	These documents are detailed and are available on files. (Arup reports)
Financial reports and relevant documents	Approvals, monitoring of income and expenditure.
Agresso Printouts for project	To provide backup on financial transactions.
Management reports to Council	This provides a short summary of progress on the job for Council and Senior Management
Post Project Review	Not available yet.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the N2 Phase 3 Corracrin to Emyvale Road improvement scheme. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Project Appraisal Reports	These present the case for example, need, the options, scheme objectives, risk assessments, analysis, scheme appraisal, costs.	Yes
Part 8 Planning	To ensure the work is compliant with P & D regulations.	Yes
TII Approvals	To ensure the scheme costs and the progression through the various stages are approved and will be paid by the funder.	Yes
Procurement and associated Documents.	To provide a level of assurance that procurement procedures and best practice was adhered to.	Yes
Risk Register	To ensure risks are highlighted and mitigating actions are being implemented.	Yes
Update Reports, Minutes.	To provide Senior Staff with regular updates on project progress including the financial elements.	Yes
Claims, change orders.	To review reasons for same and the process followed.	Yes
Financial reports	To ensure all necessary approvals were received and that monitoring of income and expenditure took place.	Yes
Post Project Report	To ascertain lessons learnt if any.	Not until project is complete

Data Availability and Proposed Next Steps

Staff confirmed all relevant documents above are available in the Roads department. And when the project is completed a Post Project Report will be undertaken. A sample of documents were checked by audit.

It was noted that an Internal Audit Recommendation relating to a previous audit on phase 2, stated that *“a brief post project review be carried out by “in house” staff after each phase completion. This review should highlight areas that were found to have worked well and highlight areas that could be improved upon. This could save time and money in future projects. (This review is not intended to be a replacement for those required under legislation / Guidelines or request from other bodies.)”*

This was not available.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the N2 Phase 3 Road re-alignment – Corracrin to Emyvale. Based on the findings from the previous sections of this report.

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

The review revealed that this road project was listed in the Councils 3 year Capital Road programme of works. The first Project Appraisal Report (PAR) dated Nov 2010 was on file and indicated the preferred options. Due to funding constraints it was recommended that the work be carried out in 4 Phases. Phases 1,2 & 4 have already been completed and this phase 3 is now under construction. From information on file, the intention was to commence work on this phase a number of years earlier but had to be delayed as the funding had not been approved.

This review was carried out on this last phase of the planned 4-phase programme. This phase has not yet reached Post implementation stage at the time of the audit but was reported as substantially complete. A sample of documents were viewed, such as:- The TII approval for the overall project. Risk registers. Staff structure /appointments. In relation to the Part 8 Planning for this portion of road, it was noted that it was linked to 3 Part VIII applications, the Engineer confirmed to audit the length of road within the permissions that referred to this phase.

Planning was granted for this phase based on the measurements. Procurement of the main contractor and other relevant documents associated with same, for example the Tender assessment report. Chief Executive Order. Various Monthly progress reports and Minutes of the various meetings were also available and Monaghan County Council Senior Staff attended these meetings. Financial figures were also available. It was also noted at the time of the review there were 333 claims received from the main contractor (More details below on these contractor claims). There was also 3 Claims from the engineering consultancy firm employed by the Council.

An examination took place on the consultants claims as it was noticed the original tender price increased by 182%. The justification report listed the specific reasons for this, such as the six year delay from appointment to the project commencement, substantial changes to TII standards and specifications and other reasons. The report also stated that other options were considered such as the engagement of another consultant but was considered to not be feasible and outlined reasons for this. A conciliator was appointed. The conciliator recommendations stated that the consultant was entitled to the increased fees. MCC agreed the additional fees were reasonable having considered alternative measures. TII who funded the project approved the increase and a CE order was prepared and signed. Details are on file.

Internal audit would have expected that the engagement of the consultant would have been re-tendered, but the information on file stated that this was considered but found not to be feasible.

As part of the examination of documents it was noted that the Chief Executive (CE) order No. R23/18 for the main contractor tender acceptance was for an amount €5,454,807.08 Excl VAT. Internal Audit noted that the signed contract amount was for an amount which was €30,000 less than the CE order. It was explained by staff that this was due to the fact that the conciliators fees were not as high as expected. A report dated 24/4/2018 prepared by the Senior Executive Engineer to the A/Senior Engineer and the A/ Director of Services is on file and explains the €30,000 difference and references the CE No R23/18.

It is recommended that a CE order be prepared and signed to take account of changes in these circumstances.

It was noted that at the time of audit there had been 333 Claims made by the contractor, which represented a 79.14% increase claimed over the tender price. 110 of these were withdrawn which left an increase of 60.67%. The remaining 223 claims were processed and following the Employers Representatives examination and those examined by a Conciliator it appears this increase will finish at 54.55% over the tender price.

At this point in time, the claims that have been agreed and paid to date represent an increase of 25.64% on the original contract price.

It is recommended that a review take place on all the claims, to ascertain if improvements and or lessons could be learnt for future projects.

Staff confirmed that the Post Project Review required under the PSC will be completed at the end of this phase.

While there are Project Appraisal Reports (PAR) on file, the Councils Project Initiation Document (PID) was not available to Audit. This is a useful document which should be completed even though some of the information may be contained in the PAR. The PID is also a requirement in the Councils procurement procedures. The document is very good in that, it also assists in focusing 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, Roads Staff confirmed that all relevant data was available in Roads Section and the documents in relation to the appointment of Council Staff to the project was available in HR department.

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

1. That a CE order be prepared and signed in circumstances where information changes from the original order.
2. That a review take place on all the “claims/change orders”, to ascertain if improvements and or lessons could be learnt for future projects.
3. That the Project Initiation Document (PID) be completed for projects.
4. That the requirements of the Public Spending Code be continually implemented.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the N2 Phase 3 Corracrin to Emyvale Road Improvement Scheme.

A requirement of the Public Spending Code (PSC) is that Monaghan County Council carry out a review on 5% of the Capital projects listed on the PSC inventory or 15% over a 3 year period. The inventory list for capital projects for 2019 has a total value of €270,495,216.21. The value of this project on the inventory is €13,000,000 which represents 4.81% which is 15.65% over the last 3 years. It is listed under the heading “*Capital expenditure being incurred*” This project is 100% funded by the Transport Infrastructure Ireland (TII).

The main objective of the proposed works was to improve the existing substandard horizontal and vertical alignment and cross section, taking into consideration constraints along the scheme. The road improvements have seen the road upgraded to an acceptable standard to cater for existing national primary route traffic.

The review on this project involved:- viewing and the examination of a sample of relevant documents, meeting staff to discuss the project and any issues found. The findings from the review were discussed and referenced in the body of the report and resulted in 4 recommendations being made. While there were areas that could be improved upon, it was noted that in general, there was compliance with the PSC requirements.