



# Public Spending Code

# Quality Assurance Report for 2023

**August 2023**

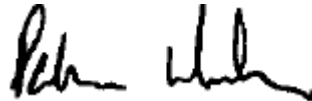
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# Certificate

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:**



**Patricia Monahan  
Deputy Chief Executive  
Monaghan County Council**

**Date: 20.08.2024**

# 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
		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 key findings are summarised below.

Table 2.2 – Project Inventory- No of Project

	Current Expenditure (No.)	Capital Expenditure (No.)	Totals (No.)
Expenditure Being considered	0	40	40
Expenditure Being Incurred	34	47	81
Expenditure recently ended	0	22	22
<i>Totals</i>	34	109	143

Table 2.3 – Project Inventory – Total Values

	Current Expenditure (€)	Capital Expenditure (€)
Expenditure Being considered		€251,292,122
Expenditure Being Incurred	€83,654,855	€56,803,202/ €288,040,597*
Expenditure recently ended		€43,829,958

\* = Cumulative expenditure to date / projected lifetime expenditure

MCC was considering spending on 40 projects totalling approximately €251.3 million in 2023. Additionally, MCC was working on 81 projects with a total estimated lifetime cost of about €288 million. Up until the end of 2023, these 81 initiatives cost a total of €56.8 million.

According to the data, twenty-two projects had been completed or discontinued in 2023. The total amount spent on these initiatives over their lifetime came to €43.8 million with €11.1m in the reference year.

## Summary of Procurements in excess of €10m – Step 2

### 2.3 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.

### 2.4 Findings

There was one procurement in excess of €10m conducted in 2020. This project is still ongoing in 2023. The competition related to the construction of the Monaghan Peace Campus. Details of this competition are published at the following link:

<https://monaghan.ie/wp-content/uploads/2023/05/2022-Procurements-in-Excess-of-E10m-1-1.pdf>

## 3. Checklists – Step 3

### 3.1 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
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 above have been completed and can be found in Appendix B of this document.

### 3.2 Findings

A high level of conformity with the Public Spending Code's standards was found during the QA exercise. During the exercise, no occurrences that would be cause for alarm were found. It is acknowledged that there is room for improvement in various areas. With the updates to the Public Spending Code in December 2023, 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.

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

### 4.1 Introduction

Step 4 of the Quality Assurance Process involved 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 2023 the Internal Auditor selected the following projects: -

- a) Dublin Street Regeneration Project (Capital)
- b) Administration of Group & Private Water Installations (Revenue)

## 4.2 Findings

### 4.2.1 Dublin St. Regeneration Project.

The Internal Audit Report on the Dublin St. Regeneration Project was compiled for the In-Depth Check of the Public Spending Code Quality Assurance Report on a selected capital project for 2023. The purpose of the In-Depth Check is to assess the degree of compliance of the selected capital project with the principles of the Public Spending Code (PSC) in terms of the appraisal, planning, implementation, management and evaluation of the project.

The Dublin St. Regeneration Project proposes an urban regeneration strategy for Dublin St, Monaghan and the backlands to the southwest and northeast of the street. The project is managed and administered by the Capital Projects Team of Monaghan County Council. It is funded by the Urban Regeneration and Development Fund (URDF) at the Department of Housing, Local Government and Heritage (DHLGH) with match funding of 25% being committed by Monaghan County Council. The project, which was initiated in 2018, has a projected lifetime capital expenditure of € 31,825,000 and represents 5.46% of the total lifetime value of all capital projects on Monaghan County Council's inventory of capital projects for 2023. Expenditure on the project to date is € 2,399,103 and eligible vouched expenditure and administration costs in the amount of € 1,466,774.57 have been recouped.

The In-Depth Check that was undertaken for this report included an audit of documentation and records that are retained by the Capital Projects Team for the project, as itemised in Section B of the in-depth report, see Appendix C of this report. The findings of the In-Depth Check are that:

- The regeneration project is at the appraisal (planning & design) stages of the project lifecycle.
- The project is compliant with the principles of the Public Spending Code in terms of the appraisal, planning and review of the project.
- While sufficient data has been retained to facilitate an evaluation of this project as per the requirements of the PSC, some deficiencies in the records audited for the in-depth check are outlined in this report, for which recommendations have been included in Appendix 2 of the In-depth report, see Appendix C.



- Two sampled procurements were found to be compliant with internal procurement procedures.
- There was a divergence from the Purchase to Pay Procedures in relation to the Purchase Order approval limits for the payment of 4 out of 13 sampled invoices, which is outlined in in-depth report and a recommendation has been included in Appendix 2 of the In-depth report, see Appendix C.
- There was evidence of insufficient indemnity on one insurance policy (now replaced) and a lack of evidence of the renewal of some insurance policies for the Design Team Consultants. Recommendations have been included in Appendix 2 of the in-depth report regarding the records of insurances.
- Eligible project expenditure and administrative costs are being properly recouped in compliance with the terms of the funder.

The level of assurance provided in respect of the compliance of the project with the principles of the Public Spending Code is **Satisfactory**. A number of recommendations are itemised in Appendix 2 of the Report to facilitate continuing and improved compliance with the principles of the Public Spending Code and with internal procedures.

#### 4.2.2 Administration of Group & Private Water Installations

The Internal Audit Report on the Administration of Group and Private Installations by Water Services was compiled as part of the In-Depth Check of the Public Spending Code Quality Assurance Report. The review comprised of a sampled revenue expenditure project for the Public Spending Quality Assurance Report 2023. The programme is denoted on the inventory of capital and revenue expenditure for 2023 with expenditure of € 6,721,981, which is approximately 7.3% of the value of total revenue expenditure on the inventory for that year. The purpose of the in-depth check is to evaluate whether the programme has been appraised, implemented and reviewed in accordance with the principles of the Public Spending Code (PSC).

The programme, which is funded by the Department of Housing, Local Government and Heritage (DHLGH) and administered by Water Services Section, is comprised of three elements, namely,

- the administration of grant supports for the upgrade or replacement of domestic wastewater treatment systems.

- the administration of the Group Water Scheme Subsidies and recoupments.
- service support costs and activities to do with the provision of laboratory testing services for GWS water supplies and invoice charges to Group Water Schemes for water monitoring services provided by Monaghan County Council.

The focus of the in-depth report was primarily on the administration of the group water scheme subsidies and recoupment of those subsidy payments from DHLGH, as this element of the programme constitutes 96% of expenditure on the revenue programme.

The in-depth check process for the Public Spending Code was carried out principally through an audit of all available and relevant documentation associated with the selected programme. The review that was undertaken for the purpose of this in-depth check also included an audit of 6 sampled GWS subsidy payments and of the subsequent recoupments of those subsidies. The value of the combined sampled subsidy payments represented 10.45% of the total subsidy amounts paid to GWS in 2023. An end of audit a meeting was held with Water Services Staff to discuss topics and questions arising from the in-depth check process.

The findings of the in-depth check are that:

- The programme is being appraised, implemented and evaluated in compliance with the principles of the Public Spending Code.
- Water Services Section retains sufficient records and documentation to facilitate a future evaluation of the programme, as required by the Public Spending Code quality assurance process.
- The sampled subsidy payments and recoupments were processed in accordance with the terms and conditions of subsidy payments, as stipulated by the funding authority, the Department of Housing, Local Government and Heritage.
- Some recommendations are included in Appendix 1 of the in-depth report, see Appendix C, for improvements to documentation and records that will enhance compliance with the Public Spending Code and internal procedures.

Internal Audit provides **Satisfactory** assurance that the administration of the Group and Private Installations Programme is being appraised, implemented and reviewed in accordance with the principles of the Public Spending Code. Some recommendations for the enhancement of the programme processes are included in Appendix 2 of the in-depth report.

## 5. Conclusion

### 5.1 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 2023 financial year. Details are included within Appendix A of this report.
- Monaghan County Council conducted one procurement with a value in excess of €10m in 2020 for the ‘Peace Campus’ which is still under construction during the term of this report. Details are available on the Monaghan County Council Website at the following link:  
<https://monaghan.ie/wp-content/uploads/2023/05/2022-Procurements-in-Excess-of-E10m-1-1.pdf>
- 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 C of this report.
- 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 B.

- 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 County Council that the requirements of the Public Spending Code are being met.

# Appendix A

## A.1 2022 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.

Expenditure being Considered - Greater than €0.5m (Capital and Current)							
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant )	Capital Expenditure Amount in Reference Year (Grant )	Project/Programme Anticipated Timeline	Projected Lifetime Expenditure	Explanatory Notes
<b>Housing</b>							
A09 Housing grants		€ 555,592					
Energy Efficiency Programme 2025 (68)		€	€	€	2024 Completion	€ 2,312,000	Not Commenced yet
Social housing projects in villages (12 no in Scotshouse, Carrickroe, etc)		€	€	€	2024-2026 Completion	€ 4,000,000	phased delivery, not commenced
Derelict houses Ballybay (10)		€	€	€	2024-2028 Completion	€ 2,000,000	phased delivery, not commenced
Tydavnet 8		€	€	€	2025 Completion	€ 2,400,000	phased delivery, not commenced
Drumcondrath Road Cmx 50 turnkey houses		€	€	€	2025 Completion	€ 17,000,000	phased delivery, not commenced
Coolshannagh (10)		€	€	€	2025 Completion	€ 350,000	Not Commenced yet
St Louis Convent Monaghan (3)		€	€	€	2025 Completion	€ 1,000,000	Not Commenced yet
Town & Village Centre Renewal Projects (39)		€	€	€	2026 Completion	€ 12,300,000	Not Commenced yet
Castleblayney Communal Facility and 2 units Drumillard CAS		€	€	€	2026 Completion	€ 554,714	Not Commenced yet
41 houses - Macartan View Latlorcan (Aghnasedagh) Monaghan CALF Tuath		€	€	€	2026 Completion	€ 8,857,933	Not commenced yet, phased delivery in 2025 & 2026
Murdock Trust at Coolshannagh (8)		€	€	€	2027 Completion	€ 3,000,000	Not Commenced yet
Tower View, Clones (7)		€	€	€	2027 Completion	€ 2,500,000	Not Commenced yet
Additional potential turnkeys (Monaghan town 40, Smithborough 11, Rockcorry 12, Emyvale 20...)		€	€	€	2027-2028 Completion	€ 27,000,000	phased delivery, not commenced
HSE lands (The Meadows) (50)		€	€	€	2027-28 Completion	€ 17,000,000	phased delivery, not commenced
Part V ~ 2025 ~ 4 Houses			€	€	2025 Completion	€ 1,000,000	Not Commenced yet
8 houses Phase 1 -Kilnacloy, Monaghan Town, Co. Monaghan CALF- Tuath	0115620C	€	€	€	2024 Completion	€ 1,750,000	
8 houses Phase 2 -Kilnacloy, Monaghan Town, Co. Monaghan CALF- Tuath	As Above	€	€	€	2024 Completion	€ 1,750,000	
Sheltered housing projects Ballybay, Hall Street (7)		€	€	€	2024 Completion	€ 1,981,000	
Energy Efficiency Programme 2024 (68)		€	€	€	2024 Completion	€ 2,312,000	
22 Turnkey units Ballinode	0115619C	€	€	€	2025 Completion	€ 7,161,016	
Latlorcan social housing (50)	0115613C	€	€	€	2025-2026 Completion	€ 16,458,640	
Latlorcan affordable phase 1 (10)	0115612C	€	€	€	2025-2026 Completion	€ 3,010,000	
Latlorcan affordable phase 2 (10)	As Above	€	€	€	2026-2027 Completion	€ 3,010,000	
Cornacassa affordable housing (30)	As Above	€	€	€	2027 Completion	€ 9,405,000	
<b>Roads</b>							
<b>National Roads</b>							
N12 Silverstream to Co Armagh Border	Road Realignment Scheme			€	2031 Completion	€ 14,000,000	
N54/N2 Monaghan Town Northern bypass route	Northern By Pass Road			€	2031 Completion	€ 19,000,000	
N53 Dundalk Road to N2 Tullyvin Roundabout	New link Road			€	2031 Completion	€ 5,800,000	
N54 Annaghervy to Mullabrack Realignment	Road Realignment Scheme			€	2031 Completion	€ 10,800,000	
<b>Non National Roads</b>							
N2/N12 Link Road (Strategic Funding - Knockaconny)	New link Road		€	€	2030 Completion	€ 7,100,000	02884036
R162 Glen Road Culvert Scheme	Culvert Works		€	€	2024 Completion	€ 1,500,000	02884035
B03 Regional road - Maintenance and improvement		€ 529,270					
B04 Local Road - Maintenance and Improvement		€ 3,133,508					
<b>Active Travel</b>							
MN-23-TBC- Carrickmacross Oriel Road & R178	AT Scheme Carrickmacross - Oriel Road and R178				2025 Completion	€ 1,373,816	0290012C
<b>Water Services</b>							
C05 Admin of group and Private installations		€ 1,096,680					
<b>Development management</b>							
D06 Community and Enterprise Function		€ 1,579,336					

Expenditure being Considered - Greater than €0.5m (Capital and Current)							
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant )	Capital Expenditure Amount in Reference Year (Grant )	Project/Programme Anticipated Timeline	Projected Lifetime Expenditure	Explanatory Notes
<b>Environmental Services</b>							
E11 Operation of fire service		€ 614,382					
Historical landfill Remediation works at old Scotch Corner Site		€ -	0	0	2029 Completion	€3,200,000	Still awaiting on EPA determination following submission of Certificate of Authorisation Application.
Historical landfill Remediation works at Killycard historical landfill site.		€ -	0	0	2028 Completion	€1,300,000	Section 177 Planning approval application to be lodged with An Bord Pleanala on April 23rd 2024
Historical landfill remediation works at Knockcronaghan historical Landfill site.		€ -	0		2027 Completion	€1,260,000	Planning approval from An Bord Pleanala received in April 2024. Hope to progress to detailed design stage in Q4 2024
Monaghan CFBT Centre		€ -	€ -	€ -	2025/2026 Completion	€ 1,103,000	Subject to NDFEM funding approval
URDF Call3	Acquisition of derelict properties, derisk to bring back into use				Projected 2030 (in line with other Dept programmes)	€ 1,500,000	URDF Call 3 consists of 1.5million fund which allows MCC to acquire properties, derisk and sell on open market - losses incurred will be taken from fund.
County Monaghan Dereliction Programme	Acquisition of derelict properties, derisk/ repurposing to being back into use	€ -		€ -	Projected 2030 (in line with other Dept programmes)	€ 3,500,000	Project will be delivered inline with Councils polices and procedures in relation to derelict sites
Slieve Beagh peatlands	Peace Plus 5.1				2028 Completion	€ 3,548,928	Application being prepared
T&V Mon MD/Ballinode Community Centre	Construction of new Community Centre in Ballinode Village				Q3 2024	€ 500,000	0438622C
Zoned lands at Annhagh East	Feasibility and Masterplanning of the development of existing industrial lands east of Annahagh roundabout through the Shared Island initiative				Based on Feasibility Study period of Option 2 over 15 years, circa completion 2040	€ 8,715,845	This is a shared Island Project involving five local authorities. Therefore cost is divided across the five local authorities. Grant funding of 77% from the shared Island Fund with 23% from the local authorities. The overall Capital cost is based on the Feasibility Reports Option 2 over a 15 year period. 0478304c
Inniskeen Village Public Realm Enhancements Phase 2 - Railway Station Space & Playground Space	Public Realm Enhancement	€ -	€ -	€ -	2026	€ 538,230	Application pending
Clones Regeneration and Development Fund Project - Peacelink Gym Enhancement						€ 1,700,000	
Ballybay-Clones MD Town & Village Fund						€ 1,080,000	
Clones Renewal Phase II						€ 2,600,000	
Ballybay Renewal						€ 2,050,000	
Outdoor recreation scheme BCMD misc.						€ 660,000	
Clones to Smithboro Greenway					2025 completion	€ 7,200,000	Currently at route options stage, subject to funding
<b>Totals</b>		<b>€ 7,508,768</b>	<b>€ -</b>	<b>€ -</b>		<b>€ 251,292,122</b>	



Expenditure being Incurred - Greater than €0.5m (Capital and Current)								
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Anticipated Timeline	Cumulative Expenditure to date	Projected Lifetime Expenditure (Capital Only)	Explanatory Notes
<b>Housing</b>								
A01 Maintenance/Improvement of LA housing		€ 1,568,681						
A02 Housing Assessment, Allocation and Transfer		€ 798,773						
A06 Support to Housing Capital & affordable programme		€ 1,604,234						
A07 RAS programme		€ 3,648,883						
A08 Housing loans		€ 647,197						
A09 Housing grants		€ 2,537,851						
2 houses -Part 2, Radhairc An Bhri, Bree, Casttleyblayney CALF- Tuath	0127015C			€ 434,160	2024 Completion	€ 507,940	€ 696,060	0127015C
CAS Birch Court, Ballybay (Full approval)	0127017C		€	€ 469,311	2024 Completion	€ 469,311	€ 710,788	
30 Turnkey Units, Knockcarrick, Annyalla	0115811C	€	€	€	2024 Completion	€ 1,181	€ 8,637,000	
30 houses Coill an Ri (Part 2)	0115810C			€ 683,789	2024 Completion	€ 683,789	€ 6,838,000	
Part V ~ 2024 ~ 6 Houses ~ Station View (2) & Gleann Droimnin (4)	0115618C & 0115814C	€	- €	€ 1,206,122	2024 Completion	€ 1,206,122	€ 1,500,000	0115618C
Sli na Coille Mullaghmat Monaghan	0115812C		- €	€ 245,499	2025 Completion	€ 255,499	€ 6,793,910	
Sheltered housing 19 units Castleblayney Fire Station	0115808C	€	€	€ 17,092	2026 Completion	€ 31,256	€ 6,686,366	Design stage
Roslea Road Clones	0115722C	€	- €	€ 166,951	2026 Completion	€ 184,951	€ 4,600,000	
Cornacassa social housing (50)	0115813C	€	- €	€ 1,003,472	2027 Completion	€ 1,003,472	€ 15,675,000	
33 Units - Magheross, Carrickmacross, Co Monaghan Tuath (CALF)	0127018C		€	€ 176,982	7 units completed - remaining units to be completed by 2024 & 2025	€ 176,982	€ 6,441,823	01180201 - Opcode K162
<b>Roads</b>								
<b>National Roads</b>								
N54 Tullybryan Realignment	3.1km Minor Scheme road realignment			€ 154,375	Completed 2026	€ 419,686	€ 17,000,000	0222353C
N2 Cyclepaths	Design and build of 5 cyclepaths on the N2			€ 115,034	Completion 2025	€ 234,185	€ 1,750,000	02111019/ 02111020/ 02111021/ 02111022
Public Lighting LED- Retrofit					ongoing			0216001C. Exp on NP & NS route lighting included in B05 spend
N53/A37 Ballynacarry Bridge Replacement Scheme				€ 328,897	Completed 2025	€ 417,951	€ 6,200,000	02124007
NDP – N2 Clontibret to the NI Border – MN/19/18692	28km major upgrade of N2 route			€ 164,240	Phase 3 design process was suspended in 2022 due to lack of funding, however EU funding received in late 2023 allowed the design process to recommence. The Phase 3 design process is expected to be complete by Q4 2025.	€ 2,580,119	€ 2,580,119	The project lifetime expenditure includes construction and land costs, which will be more than €300m. The project is currently in Phase 3 of the TII's 8 Phase framework for delivery of major infrastructure projects. At the end of Phase 3 approval will be requested to proceed to Statutory Approvals to secure planning approval and a Compulsory Purchase Order for the project. After the Phase 3 design is complete, delivery of the remaining phases of the project is expected to take a further 7-8 years, subject to funding and approvals. 0221172C/0221174C
N2 Ardee to South of Castleblayney Bypass	32km Major upgrade of N2 route			€ 902,209	Funding in 2023 and 2024 has not allowed the Phase 3 design to progress, however requests for funding will continue to be made. Subject to funding in 2025, completion of Phase 3 design process expected in mid-2026.	€ 5,830,331	€ 5,830,331	The project lifetime expenditure includes construction and land costs, which will be more than €300m. The project is currently in Phase 3 of the TII's 8 Phase framework for delivery of major infrastructure projects. At the end of Phase 3 approval will be requested to proceed to Statutory Approvals to secure planning approval and a Compulsory Purchase Order for the project. After the Phase 3 design is complete, delivery of the remaining phases of the project is expected to take a further 7-8 years, subject to funding and approvals. 0221183C/0221184C
Lislanly Yard Upgrade	Yard Upgrade	€	€ 237,965		2024 Completion	€ 237,965	€ 237,965	0288011c
R181 – Corduff to Cavan Border – (Specific Funding)	Road Realignment Scheme	€	-		2030 Completion			Included in B04 spend
L63101 Drumary Bridge Replacement	Bridge Replacement	€	-		2024 Completion			Included in B04 spend
<b>Active Travel</b>								
MN-21-0001 Upgrade of Monaghan Town Greenway	Improvement works to Monaghan Town UCG - 4.5km			€ 396,150	2025 completion	€ 1,555,255	€ 2,500,000	0290000C
MN-21-0002 Monaghan Town Greenway N2	Greenway from Coolshannagh to Corlat along N2			-	2025 completion	€ 83,376	€ 3,604,832	0290001C
MN-21-0010 Carrickmacross Castleblayney Rd AT scheme	AT Scheme Carrickmacross - Castleblayney Rd			€ 9,585	2025 Completion	€ 51,265	€ 1,307,180	0290029C
MN-21-0013 Horse Shoe Bridge	Pedestrian Bridge in MullaghMatt			€ 66,168	2025 Completion	€ 129,868	€ 771,287	0290033C /0290032C
MN-21-0014 Ballyalbannay Bridge	Pedestrian Bridge in Ballyalbannay			€ 46,517	2025 completion	€ 116,819	€ 905,666	0290034C
MN-21-0016 Monaghan Town Rooskey lands	Active travel scheme for Rooskey lands			€ 164,211	2024 Completion	€ 216,941	€ 4,167,732	0290041C
MN-22-0001 Clones Peace Link AT	AT scheme to Clones Peace link campus			€ 255,000	2024 Completion	€ 274,987	€ 1,044,988	0290042C
MN-22-0004 Lough Egish AT scheme	AT scheme Lough Egish Village			€ 151,452	2024 completion	€ 164,582	€ 790,000	0290043C
B01 NP Road- Maintenance and improvement		€ 709,949	€	- €		€	- €	-
B02 NS Road - Maintenance and Improvement		€ 686,249	€	- €		€	- €	-
B03 Regional road - Maintenance and Improvement		€ 9,410,208	€	- €		€	- €	-
B04 Local Road- Maintenance and Improvement		€ 14,825,971	€	- €		€	- €	-
B05 Public Lighting		€ 874,438	€	- €		€	- €	-
B09 Maintenance & Management of Car Parking		€ 772,097	€	- €		€	- €	-
B11 Agency & Recoupable Services		€ 2,079,213	€	- €		€	- €	-
<b>Water</b>								
C01 Operation and Maintenance of Water supply		€ 1,748,024	€	- €		€	- €	-
C02 Operation and Maintenance of waste water treatment		€ 1,638,247	€	- €		€	- €	-
C05 Admin of group and Private installations		€ 6,721,981	€	- €		€	- €	-
C06 Support to Water Capital programme		€ 835,345	€	- €		€	- €	-
<b>Development management</b>								
D02 Development management		€ 1,808,714	€	- €		€	- €	-
D05 Tourism Development and promotion		€ 572,086	€	- €		€	- €	-
D06 Community and Enterprise function		€ 3,529,605	€	- €		€	- €	-
D09 Economic Development and promotion		€ 6,180,719	€	- €		€	- €	-
D11 Heritage and conservation services		€ 1,393,421	€	- €		€	- €	-
<b>Environmental Services</b>								
E01 operation, Maintenance and aftercare of Landfill		€ 696,497	€	- €		€	- €	-
E06 Street Cleaning		€ 1,193,731	€	- €		€	- €	-
E11 Operation of Fire service		€ 2,830,770	€	- €		€	- €	-

Expenditure being Incurred - Greater than €0.5m (Capital and Current)								
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Anticipated Timeline	Cumulative Expenditure to-date	Projected Lifetime Expenditure (Capital Only)	Explanatory Notes
E13 Water Quality, air and noise pollution		€ 578,043	€ -	€ -		€ -	€ -	
<b>Recreation and amenity</b>		€ -	€ -	€ -		€ -	€ -	
F02 Operation of library and archival service		€ 3,098,631	€ -	€ -		€ -	€ -	
F03 Op, Mtce & Imp of Outdoor Leisure areas		€ 1,220,733	€ -	€ -		€ -	€ -	
F05 Operation of Arts programme		€ 1,669,397	€ -	€ -		€ -	€ -	
<b>Agriculture, Education, Health and Welfare</b>		€ -	€ -	€ -		€ -	€ -	
G04 Veterinary Service		€ 598,203	€ -	€ -		€ -	€ -	
<b>Miscellaneous services</b>		€ -	€ -	€ -		€ -	€ -	
H03 Administration of Rates		€ 2,816,147	€ -	€ -		€ -	€ -	
H09 Local Representation/Civic Leadership		€ 3,016,001	€ -	€ -		€ -	€ -	
H10 Motor Taxation		€ 685,851	€ -	€ -		€ -	€ -	
H11 Agency & Recoupable services		€ 658,965	€ -	€ -		€ -	€ -	
Castleblayney Market Square Regeneration - Phase II (Castleblayney Market House)	Refurbishment of Market House to a mixed use community facility and associated public realm works to the surrounding Market Square area.	€ -	€ 26,023	€ 78,068	Subject to securing Category	€ 882,386	€ 12,368,972	0851403C - Category 1 RRDF funding application submitted in February 2024 to bring the project to construction/implementation phase.
Dublin Street Regeneration	Provision of new infrastructure (roads/footpaths/utility services etc) and public realm facilities to open up access to create new developments sites to the South and North of Dublin Street.	€ -	€ 76,988	€ 382,967	Dublin Street Regeneration P	€ 1,876,581	€ 31,825,000	0438620C
Monaghan Peace Campus	Monaghan Peace Campus		€ 6,443,641	€ 5,806,421	Construction handover of the MPC is scheduled for Q2 2024, followed transition to operational and opening of the full Campus	€ 21,761,619	€ 22,000,000	Funding from PEACE IV through SEUPB, DRCD library Devotement Funding and balance by MCC. 0642003C
Redevelopment of former Newbliss Courthouse as a Remote Working & Enterprise Hub.	Redevelopment of former Newbliss Courthouse as a Remote Working & Enterprise Hub. 0888026c		€ 16,343	€ 571,058	Substantial Completion in end Q4-2024	€ 770,686	€ 2,690,624	Grant funding = €2,421,562.00. Match funding element = €269,062.45
Blackwater Valley Rural Enterprise and Digital Hub	Blackwater Valley Rural Enterprise and Digital Hub 0438826c		€ -	€ 143,377	Proceed to construction Q2 2024. Substantial Completion Q4 2025	€ 143,377	€ 3,586,263	Grant funding = €2,869,010.24. Match funding element = €717,252.56
Ballybay Fire Station	0542401c	€ -	€ -	€ 426,272	2024 Completion	€ 647,164	€ 3,301,778	Project included in Fire Service Capital Programme
Monaghan County Council Civic Offices	Proposed new Monaghan County Council Civic Office HQ on the Roosky Lands in Monaghan Town. 0888035C	€ -	€ 1,552,379	€ -	2027 for Substantial completion	€ 1,760,547	€ 40,571,335	Construction expenditure is subject to approval by the Elected Members.
Zoned lands at Annahagh West	Development of existing industrial lands west of Annahagh roundabout		€ 19,402	€ 64,954	Construction of Serviced Road to the Masterplan area substantial completion Q4 2025	€ 519,855	€ 1,000,000	Construction of a 150m-200m Serviced Industrial Road into Industrial Zoned west of Annahagh Roundabout. 0478303c
Destination towns Monaghan	Church square enhancements- split between grant and non grant to be confirmed	€ -	€ 138,346	€ 415,037	2024 Completion	€ 616,948	€ 1,000,000	0436602c
Smithborough to Clones Greenway	13km in length.			€ 288,444	Construction complete 2027	€ 362,708	€ 15,000,000	0222806C
Smithborough to Monaghan Greenway	9.6km in length			€ 151,685	Construction complete 2027	€ 216,218	€ 8,500,000	0222807C
Monaghan to ROI/NI border	7.8km in length			€ 8,930	Construction complete in 2026	€ 8,930	€ 6,500,000	0222808C
Lands at St Louis Convent Monaghan		€ -	€ 27,152		Ongoing	€ 942,300	€ 960,322	0888047C
HSE lands development /Rooskey lands						€ 579,739	€ 2,500,000	0888036c
Castleblayney Enterprise Centre	CMX CBY MD		€ 394,015	€ 1,182,044	Scheduled for substantial completion in April 2023. 1 Year defects period.	€ 4,459,874	€ 4,424,403	0438812C - 75% RRDF Grant, 25% match funding. Envisaged that project will be substantially complete in April 2023.
Ctek II	CMX CBY MD		€ 470,536	€ 1,411,609	Scheduled for substantial completion in October 2024. 2 Year Defects Period	€ 2,019,709	€ 4,395,693	0432802C - 90% RRDF Grant, 10% Match by MCC. Envisaged that project will be substantially complete in early October 2024
Carrickmacross Town centre Renewal	CMX CBY MD		€ 1,999	€ 5,996	Anticipated completion Q4 2024	€ 190,709	€ 842,024	0438811C -75% RRDF Grant, 25% Match Combination of Category 1 & 2 projects - CAT 2: Detailed design of Public Realm for Main Street and Bridewell Lane Development of LAAPs - in progress Development of online market - complete Parking Management Strategy - complete CAT 1: Construction of Ivy Lane/Shirley House Lane Car Park - a variation to the CDP zoning is required to progress Part 8 planning. It is hoped that the variation process shall commence in Q2 2023.
Recreational Enhancements on Black Island, Lough Muckno	CMX CBY MD/Tourism		€ 4,523	€ 40,708		€ 45,231	€ 555,135	0631816C Grant funding €499,621.50 match funding 55,513.50
Ballybay Regeneration and Development Fund Project	Clones Bbay MD		€ 102,551	€ 330,612		€ 534,430	€ 2,150,000	0438712c/0438713c/0438718c
Clones Regeneration and Development Fund Project	Clones Bbay MD		€ 4,647			€ 541,903	€ 3,600,000	0438715c/0438716c/0438717c
Ballybay to Castleblayney Greenway	Clones Bbay MD		€ 34,154	€ 24,975		€ 68,924	€ 8,000,000	0631715c
Ulster Canal Greenway	UCG (Smithborough - NI Border)			€ 24,975		€ 1,009,956	€ 4,500,000	0633100C (0222807C dealt with in roads codes)
New Clones Municipal District Depot Clones	Construction of New Outdoor Depot Clones			€ -		€ 9,579	€ 500,000	0888042C
<b>Totals</b>		<b>€ 83,654,855</b>	<b>€ 9,550,663</b>	<b>€ 18,515,165</b>		<b>€ 56,803,202</b>	<b>€ 288,040,597</b>	

Projects/Programmes Completed or discontinued in the reference year - Greater than €0.5m (Capital and Current)							
Project/Scheme/Programme Name	Short Description	Current Expenditure Amount in Reference Year	Capital Expenditure Amount in Reference Year (Non Grant)	Capital Expenditure Amount in Reference Year (Grant)	Project/Programme Completion Date	Final Outturn Expenditure	Explanatory Notes
<b>Housing</b>							
An Clós, Ballybay (Formerly Ballybay Courtyard)		€ -		€ 1,164,228	2023 Completion	€ 1,917,907	0115700C
9 sheltered houses Cluid Monaghan town Knockroe		€ -		€ 777,600	2023 Completion	€ 777,600	0127020C
14 houses- Emy, Emyvale, Co Monaghan CALF Tuath		€ -		€ 1,017,505	2023 Completion	€ 1,017,505	0127019C
17 houses Drumbear, Monaghan CALF Co-operative Ireland (Turnkey)		€ -		€ 1,364,395	2023 Completion	€ 1,364,395	0127016C
32 Houses Lui na Greine, Scotstown		€ -		€ 121,008	2022 Completion	€ 7,054,221	0115701C
Clones Renewal An Bonnan Bui		€ -		€ -	2022 Completion	€ 1,288,912	0115704C
Clones Renewal 82 & 83 Fermanagh Street, Clones		€ -		€ -	2022 Completion	€ 741,949	0115705C
Clones Renewal 2a & 3 Analore Street		€ -		€ -	2022 Completion	€ 649,571	0115706C
Clones Renewal The Abbey Gatehouse building		€ -		€ -	2022 Completion	€ 954,994	0115707C
Clones Renewal 63 Fermanagh Street, Clones		€ -		€ 153	2022 Completion	€ 790,984	0115708C/0115709C
Mullaghmatt RWS - Phase 4		€ -		€ 159,519	Completed (snagging completed, release of retention due in 2023)	€ 3,374,489	M115018C
2 houses - 12 Church Street ballybay		€ -		€ 72,434	2022 Completion	€ 649,415	0115712C
CAS Oaklee Liseggerton Clones 16 Units		€ -		€ -	Completed Final Account to be submitted	€ 3,407,133	0127009C
Gortakeegan, Monaghan		€ -		€ 33,017	2022 Completion	€ 783,648	0185107C €29,090.17 retention due in 2023
Energy Efficiency Programme 2023 (92)	92 properties got works in 2023, some initially commenced in 2022			€ 2,106,072	2023 Completion	€ 2,537,257	101,137.58 was incurred and paid in 2022 for these works. 0115919c
Cnoc na Griene, Tydavnet ~ 4 Houses		€ -		€ 1,135,034	2023 Completion	€ 1,135,034	0115617C
Coill Darach, Castleblayney ~ 30 houses		€ -		€ 12,491	2023 Occupation	€ 7,754,923	0115809C
<b>Non National Roads</b>							
Brackly Bridge Scheme		€ -	€ -	€ -		€ -	
HD28 NP Pavement Renewals Schemes 2023	0221547c			€ 543,534		€ 543,534	Scheme Completed 21,830 incurred in 2023 but included under 02440003 B04 spend Completed 2023
MN/22/27180 N54 Monaghan Town	Pavement Rehabilitation			€ 878,388	Completion 2023	€ 1,342,808	0221031c
Castleblayney Market Square Regeneration - Phase I (Gate Lodge 2 Library & Public Realm)	Redevelopment of Gate Lodge 2 to public library and associated public realm works.	€ -	€ 603,248	€ 1,674,121	Sep-23	€ 4,836,305	0432406C - The final outturn figure includes for a retention payment of €192,169 which is scheduled for payment in September 2024.
Interreg VA Cann 5A Project		€ -	€ -	€ -	2022 Completion	€ 907,374	0458013C
<b>Totals</b>		<b>€ -</b>	<b>€ 603,248</b>	<b>€ 11,059,499</b>		<b>€ 43,829,958</b>	

# Appendix B

## QA Checklists – Step 3

When completing the checklists, organisations should consider the following points.

- ❖ The scoring mechanism for the 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 may be 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 the annual number of formal evaluations, economic appraisals, project completion reports<sup>1</sup> and ex post evaluations. Key analytical outputs undertaken but outside of the sample should also be noted in the report.

### Local Authority Notes

1. Capital Grant Schemes relate to Projects (recorded in the capital account) where expenditure relates to payments on the foot of grant applications from individuals/groups to the local authority e.g., Housing Aids for the elderly. It has been agreed with DPER that the Capital Grant Scheme element of the Project Inventory will only be used in exceptional circumstances where a LA commences its own grant scheme or primarily funds such a scheme as all other grant schemes are related to schemes commenced at Departmental level and are to be accounted for in the 'capital programmes' column of the QA inventory.

The treatment of Capital Grant Schemes within the Project Inventory can therefore be clarified as follows:

- a. Where a Capital Grant Scheme is 100% funded by Government Grant – Project Cost to be included under Capital Programme.
- b. Where a Capital Grant Scheme is 100% funded by the Local Authority – Project Cost to be included under Capital Grant Scheme.
- c. Where a Capital Grant Scheme is primarily funded by Government Grant with an element of local funding – Project Cost to be included under Capital Programme with a note made for each element funded by own resources e.g., Includes 20% local funding.
- d. Where a Capital Grant Scheme is primarily funded by Local Funding with an element of government grant funding – Project Cost is to be recorded under Capital Grant Scheme with a note made for each element funded by government grant, e.g., Includes 40% government grant funding.

<sup>11</sup> Project completion reports (previously called post project reviews) – see Department of Public Expenditure & Reform, Circular 06/2018 available [here](#)

2. As noted in the general guidance above there may be questions where the scoring mechanism or indeed the question itself are not relevant to some or all local authorities. In such case it is acceptable to mark the answer as N/A and include commentary, where appropriate.

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

	<b>General Obligations not specific to individual projects/programmes.</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	2	The training officer distributes scheduled procurement/public spending training, although it can be challenging to find PSC-specific training.
Q 1.2	Has internal training on the Public Spending Code been provided to relevant staff?	2	Training Workshop held in July 2022 for relevant staff
Q 1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	2	LA Performance Indicators – Guidelines on reporting are available to staff.
Q 1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	2	Yes
Q 1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes, this is an ongoing process across the organisation.
Q 1.6	Have recommendations from previous QA reports been acted upon?	3	Yes, this is an ongoing process across the organisation.
Q 1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Chief Executive Officer, submitted to NOAC and published on the Local Authority's website?	3	Yes.
Q 1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes

Q 1.9	<p>Is there a process in place to plan for ex post evaluations?</p> <p>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.</p>	2	Yes
Q 1.10	<p>How many formal evaluations were completed in the year under review? Have they been published in a timely manner?</p>	1	
Q 1.11	<p>Is there a process in place to follow up on the recommendations of previous evaluations?</p>	2	Yes
Q 1.12	<p>How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?</p>	2	<p>In order to make decisions about upcoming projects, post-project reviews are taken into consideration.</p>



**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>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	N/A	No longer relevant
Q 2.2	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date? Have steps been put in place to gather performance indicator data?	3	
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	2	
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	3	
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	2	
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	3	
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3	
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	2	
Q 2.9	Was the evidence base for the estimated cost set out in each business case?  Was an appropriate methodology used to estimate the cost?  Were appropriate budget contingencies put in place?	2	

Q 2.10	Was risk considered and a risk mitigation strategy commenced?  Was appropriate consideration given to governance and deliverability?	3	
Q 2.11	Has the Preliminary Business Case been sent for review by the External Assurance Process and Major Project Advisory Group for projects estimated to cost over €200m?		N/A
Q 2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	3	
Q 2.13	Were procurement rules (both National and EU) complied with?	3	
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	3	
Q 2.15	Were State Aid rules checked for all support?	3	
Q 2.16	Was approval sought from the Approving Authority at all decision gates?	3	
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	3	
Q 2.18	Was consent sought from Government through a Memorandum for Government to approve projects estimated to cost over €200m at the appropriate approval gates?		N/A

***See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government***

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

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

Q 3.12	Has a sunset clause been set?	3	
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	
Q 3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	3	
Q 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.**

	<b>Incurring Capital Expenditure</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3	
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3	
Q 4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	
Q 4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	
Q 4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	
Q 4.7	Did budgets have to be adjusted?	2	
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3	
Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?		N/A
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?		N/A
Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	2	

Q 4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?		N/A
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***See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government***

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

	<b>Incurring Current Expenditure</b>	<b>Self-Assessed Compliance Rating: 1 -3</b>	<b>Comment/Action Required</b>
Q 5.1	Are there clear objectives for all areas of current expenditure?	3	
Q 5.2	Are outputs well defined?	3	
Q 5.3	Are outputs quantified on a regular basis?	3	
Q 5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	
Q 5.5	Are outcomes well defined?	3	
Q 5.6	Are outcomes quantified on a regular basis?	3	
Q 5.7	Are unit costings compiled for performance monitoring?	2	
Q 5.8	Are other data compiled to monitor performance?	3	
Q 5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	
Q 5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	2	





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

	<b>Capital Expenditure Recently Completed</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Q 6.1	How many Project Completion Reports were completed in the year under review?	3	9 No
Q 6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3	Yes, Lessons learned from PCRs are distributed to staff, and available to view electronically.
Q 6.3	How many Project Completion Reports were published in the year under review?	1	Nil
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	1	Further emphases required to ensure post project evaluations are undertaken
Q 6.5	How many Ex-Post Evaluations were published in the year under review?	1	Nil
Q 6.6	Were lessons learned from Ex-Post Evaluation reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?		N/A
Q 6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	2	PCR's are completed by the Technical Staff overseeing project and reviewed and approved by Senior Staff prior to completion.
Q 6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	N/A	

**See Note 2 in the opening guidelines in relation to the interpretation of Capital Grant Schemes in the context of Local Government**

**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.**

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

# Appendix C

## C.1 Quality Assurance – In depth check



**Comhairle Contae Mhuineacháin  
Monaghan County Council**

## Internal Audit Report

### On The Dublin Street Regeneration Project

For Step 4 of the Public Spending Code - Quality Assurance Report 2023

Report Issued by Internal Audit Unit

JULY 2024

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## Executive Summary

This Internal Audit Report on the Dublin St. Regeneration Project was compiled for the In-Depth Check of the Public Spending Code Quality Assurance Report on a selected capital project for 2023. The purpose of the In-Depth Check is to assess the degree of compliance of the selected capital project with the principles of the Public Spending Code (PSC) in terms of the appraisal, planning, implementation, management and evaluation of the project.

The Dublin St. Regeneration Project proposes an urban regeneration strategy for Dublin St, Monaghan and the backlands to the southwest and northeast of the street. The project is managed and administered by the Capital Projects Team of Monaghan County Council. It is funded by the Urban Regeneration and Development Fund (URDF) at the Department of Housing, Local Government and Heritage (DHLGH) with match funding of 25% being committed by Monaghan County Council. The project, which was initiated in 2018, has a projected lifetime capital expenditure of € 31,825,000 and represents 5.46% of the total lifetime value of all capital projects on Monaghan County Council's inventory of capital projects for 2023. Expenditure on the project to date is € 2,399,103 and eligible vouched expenditure and administration costs in the amount of € 1,466,774.57 have been recouped.

The In-Depth Check that was undertaken for this report included an audit of documentation and records that are retained by the Capital Projects Team for the project, as itemised in Section B of this report. The findings of the In-Depth Check are that:

- The regeneration project is at the appraisal (planning & design) stages of the project lifecycle.
- The project is compliant with the principles of the Public Spending Code in terms of the appraisal, planning and review of the project.
- While sufficient data has been retained to facilitate an evaluation of this project as per the requirements of the PSC, some deficiencies in the records audited for the in-depth check are outlined in this report, for which recommendations have been included in Appendix 2.
- Two sampled procurements were found to be compliant with internal procurement procedures.
- There was a divergence from the Purchase to Pay Procedures in relation to the Purchase Order approval limits for the payment of 4 out of 13 sampled invoices, which is outlined in this report and a recommendation has been included in Appendix 2.
- There was evidence of insufficient indemnity on one insurance policy (now replaced) and a lack of evidence of the renewal of some insurance policies for the Design Team Consultants. Recommendations have been included in Appendix 2 regarding the records of insurances.
- Eligible project expenditure and administrative costs are being properly recouped in compliance with the terms of the funder.

The level of assurance provided in respect of the compliance of the project with the principles of the Public Spending Code is **Satisfactory**. A number of recommendations are itemised in Appendix 2 of the Report to facilitate continuing and improved compliance with the principles of the Public Spending Code and with internal procedures.

## 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>	Dublin Street Regeneration
<b>Detail</b>	<p>The Dublin Street Regeneration project proposes a regeneration strategy for Dublin Street and the backlands areas to the southwest and northeast of the street.</p> <p>The proposed project is being progressed under two phases: Dublin Street South (DSS) and Dublin Street North (DSN).</p>
<b>Responsible Body</b>	Monaghan County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	Funding application for Dublin Street Regeneration Project was originally submitted in September 2018.
<b>End Date</b>	Dublin Street South (DSS) and Dublin Street North (DSN) phases are both currently in the Design and Planning phases of the project lifecycle.
<b>Overall Cost</b>	Overall estimated cost for Dublin Street Regeneration project is €31.8 million. (Note: Estimated cost will be reevaluated following completion of detailed design and property acquisitions)



## Project Description

The Dublin Street Regeneration Project was initiated in 2018 and is currently at the appraisal stages of the Public Spending Code project lifecycle. The project proposes an urban regeneration strategy for Dublin St, Monaghan and the backlands to the southwest and northeast of the street. It is funded by the Urban Regeneration and Development Fund (URDF) at the Department of Housing, Local Government and Heritage (DHLGH) with match funding of 25% being committed by Monaghan County Council. The regeneration project is being progressed in the form of two public realm and infrastructure sub-projects, namely, Dublin St. South and Dublin St. North and is being administered and managed by the Capital Projects Section of Monaghan County Council (MCC). The projected lifetime expenditure figure for the project is € 31.8m, which represents 5.46% of the total lifetime value of all capital projects on Monaghan County Council's inventory of capital projects for 2023.

To date the project has been allocated funding through Call 1 of the URDF and was provisionally awarded further funding under Call 2 as referenced in the summary timeline on page 11. Call 1 funding was provided to cover Phase 1 design and planning of works to open up backlands and greenfield sites in the project area while Call 2 funding will be to deliver Phase 2 infrastructure works and the development of serviced and accessible lands to facilitate the provision of new buildings as part of the regeneration project.

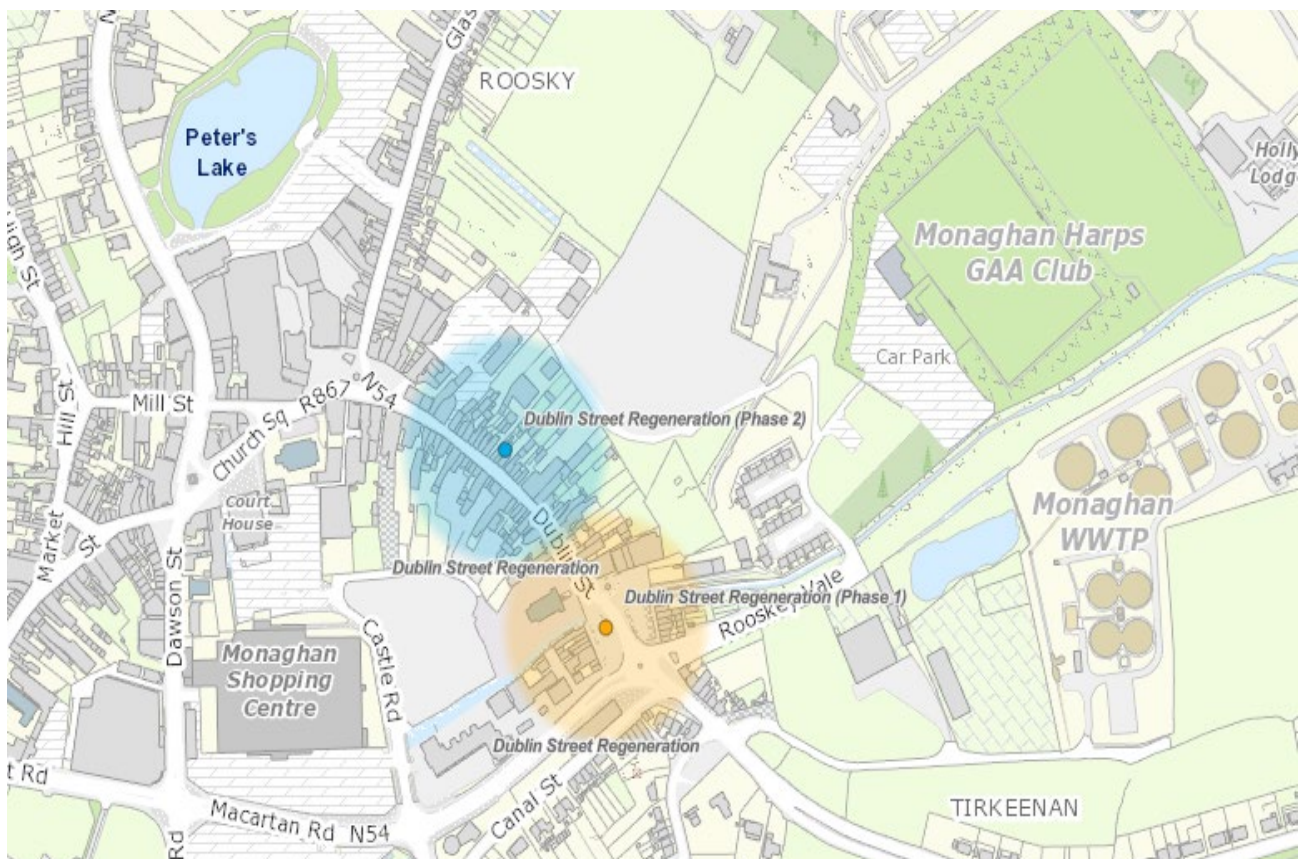
For the purpose of this in-depth check, the Capital Projects Team provided the following paragraph as a description of the Dublin St Regeneration Project:

*“The proposed Dublin Street Regeneration project will deliver the critical infrastructure, public realm facilities and development of suitable, serviced and accessible development plots/lands. The proposed Regeneration scheme is of foremost strategic importance to the future development of Monaghan Town and the county/region over the next 20 years. It is a proactive and innovative local authority project that will lead to the sustainable, coordinated and compact growth of Monaghan town centre. The opening of development lands, the assembly of suitable land parcels, and the provision of critical infrastructure and public realm will serve as a catalyst for future town centre public and private investment. Overall, the Dublin Street Regeneration scheme, using a strong placemaking approach, will have a positive impact in terms of realising sustainable compact growth on brownfield and town centre lands, thereby going towards achieving targets for increased urban growth set out in the National Planning Framework / National Development Plan, the Regional Spatial and Economic Strategy and the Monaghan County Development Plan 2019-2025. The critical mass impact will lead to sustained and increased service provision and opportunity, thereby ensuring that Monaghan can compete for investment and provide an attractive regional location to live and support the retention of all sectors of population of the county”.*

The Dublin St South project is intended to create linkages between the central retail area of Monaghan Town and existing civic zones around Dublin St. while opening up under-utilised backlands for mixed use development, which will include the provision of a new street and civic spaces. The aim of the Dublin St. North project is to facilitate development to the north-east of the town centre and the creation of a new urban quarter with pedestrian access to Dublin St. and the delivery of a new street to access existing public spaces at either end of Dublin Street. Figure 1 below provides a view of the location of the Dublin St. North and South projects relative to Monaghan Town Centre.

The funding allocated under the URDF Call 1 project for technical assistance for design and planning was € 1,285,108 with a commitment for match funding of € 428,369 by Monaghan County Council, to give a total Call 1 fund of € 1,713,477. The funding provisionally approved by the DHLGH under Call 2 was € 13,113,557 with match funding of € 4,371,185 to be provided by the local authority, equalling total Call 2 funding of € 17,484,742.

**Fig 1 Location Dublin St Regeneration Project, Monaghan Town**



The Dublin St. Regeneration Project is now in the Final Business Case phase of the Public Spending Code lifecycle. This will involve finalisation of the detailed design and submission to DHLGH of a detailed project brief and procurement strategy as part of the approval process for Decision Gate 2 (pre-tender approval) of the project lifecycle. A planning decision is pending from An Bord Pleanála in respect of the Dublin St South project. The Dublin St North project has been instructed by DHLGH to progress with the design work required for a formal submission to the Department for planning consent. This will involve preparation of a planning application including Environment Impact Assessment Report. In summary, both subprojects are in the design and planning stages of the URDF funded regeneration project and are currently working to progress towards Approval Gate 2 of the PSC lifecycle.

The amount of expenditure on the project to date is € 2,399,103 as summarised in the table below, derived from Agresso FMS.

**Table 1 – Summary of Expenditure and Income Capital Job Code for Dublin St Regeneration Project.**

<b>Expenditure</b>	<b>Amount</b>	<b>Income</b>	<b>Amount</b>
Consultancy – Profess. Fees	€ 1,325,895.51	URDF Funding to date	€ 1,466,774.57
Project Development	€ 377,795.44		
Payroll	€ 688,247.19		
Admin Expenses	€ 5,707.77		
Miscellaneous	€ 1,457.20		
<b>TOTAL</b>	<b>€ 2,399,103.11</b>		<b>€ 1,466,774.57</b>

**Timescale January 2019 to 10<sup>th</sup> July 2024**

Costs of the project incurred by Monaghan County Council in accordance with the Public Spending Code are eligible for recoupment using URDF recoupment claim forms, subject to the general funding principles of the URDF. Those principles allow for applications for recoupment of 75% of specified types of vouched expenditure including those for professional fees. The DHLGH also provides funding support towards the general administration costs incurred by the local authority in respect of the project, which is included in the income figure denoted above. The costs of salaries of existing local authority staff working on the regeneration project are not eligible for recoupment of either expenditure or administrative costs and are not to be considered for the purpose of matched funding contributions, as per URDF funding principles/instructions.

Consultancy /Professional Fees and Expenses accounts for 55.26% of total expenditure on the project to date and refer to the work of Design Team Consultants to progress and complete the Stage 1 Preliminary Design and Stage 2 Detailed Design phases of both the Dublin St South and Dublin St North elements of the project.

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

As part of this In-Depth Check, Capital Project Department have completed a Programme Logic Model (PLM) for the Dublin Street Regeneration Project. A PLM is a standard tool and further info on their nature is available in the [Public Spending Code](#).

Objectives	Inputs	Activities	Outputs	Outcomes
<p>Improved town centre vitality and viability.</p> <p>Additional mixed use floorspace (compact growth and modern requirements).</p> <p>Provision of additional residential units in town centre.</p> <ul style="list-style-type: none"> <li>• Creation of additional office and retail jobs.</li> <li>• Town population growth – better service provision.</li> <li>• Sustainable mobility / Active Travel facilities</li> </ul>	<p>Proposed capital funding subject to approval of DHLGH URDF</p> <p>Capital Project Team staff resources</p> <p>MCC Match Funding</p> <p>MCC Administration</p> <p>Design Team Consultants and sub consultants</p>	<p>Staff resources to form project Team to facilitate project development</p> <p>Provision of consultancy services to progress project through design and planning phases</p> <p>Public consultation on preliminary designs</p> <p>Topographical and ground penetrating radar surveys, ground investigation, archaeological monitoring, ecological, invasive species assessments.</p> <p>Engagement of property consultants to negotiate property acquisitions. Attainment of agreements to acquire properties.</p>	<p>Meeting needs of Monaghan Town and County in terms of investors – visitors – communities – individuals.</p> <p>Achieving critical mass and momentum to develop and sustain a regenerated area that creates an attractive place to live work, invest and visit.</p>	<p>Increase in development, economic activity and social interaction in the town centre.</p> <p>Renewed confidence in Monaghan Town and its future.</p> <p>Economic and social impacts, targeted outcomes including:</p> <ul style="list-style-type: none"> <li>• Transportation</li> <li>• Physical services infrastructure</li> <li>• Social facilities</li> <li>• Environmental considerations</li> <li>• Town residents</li> </ul>

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> <li>– Walking, Cycling, Link to Ulster Canal Greenway.</li> <li>• Increased footfall and support for existing traders.</li> <li>• Enhanced amenity / cultural expression (e.g. festivals, events, markets).</li> <li>• Enhanced development potential for private / publicly owned lands</li> </ul>		<ul style="list-style-type: none"> <li>Submission of Planning Application and EIAR for DSS</li> <li>Submission of Preliminary Business Case to DHLGH</li> </ul>		<ul style="list-style-type: none"> <li>• Economic contribution</li> <li>• Transformational effects</li> </ul>

## Description of Programme Logic Model

**Objectives:** The proposed Dublin Street Regeneration project has a variety of integrated objectives to create opportunity for mixed use development in a historic town centre location and ensuring connectivity with town centre

### Project Objectives & Deliverables:

- Improved town centre vitality and viability.
- Additional mixed use floorspace (compact growth and modern requirements).
- Provision of additional residential units in town centre.
- Creation of additional office and retail jobs.
- Town population growth – better service provision.
- Sustainable mobility / Active Travel facilities – Walking, Cycling, Link to Ulster Canal Greenway.
- Increased footfall and support for existing traders.
- Enhanced amenity / cultural expression (e.g. festivals, events, markets).
- Enhanced development potential for private / publicly owned lands

**Inputs:** The primary input to the regeneration project is proposed capital funding of over €30 million. The capital funding is subject to approval from the Department of Housing, Local Government & Heritage under the Urban Regeneration and Development Fund (URDF). To date, Monaghan County Council has secured grant funding of €1.285m under URDF Call 1 programme and €13.1m under URDF Call 2 for the Dublin Street Regeneration project. Project expenditure incurred thus far has been funded through a combination of 75% grant funding from the URDF and 25% match funding from Monaghan County Council.

### Activities:

- Monaghan County Council have committed staff resources to form an experienced URDF Project Team to facilitate project development throughout the project lifecycle from inception to delivery.
- Design Team Consultants have been engaged to provide all necessary professional consultancy services in terms of progressing DSS and DSN through design and planning phases.
- Preliminary Designs and Public Consultation has been completed for DSS & DSN.
- Topographical & Ground Penetrating Radar Surveys, Ground Investigation, Archaeological Monitoring, Ecological / Invasive Species Assessments have been completed for DSS and initial topographical surveys have been completed for DSN.
- Property Consultants have been engaged to negotiate property acquisitions required for

the regeneration scheme. To date 5 properties have been acquired through agreement.

- A planning application and Environmental Impact Assessment has been submitted to An Bord Pleanála for DSS.
- Preliminary Business Case for the regeneration has been submitted and approved by the URDF Unit in the Department of Housing, Local Government & Heritage.

**Outputs:** The strategic rationale for the project is centred on meeting the needs of Monaghan town and county as a whole, businesses, investors, visitors, communities and individuals. The project implementation is proposed to achieve critical mass and momentum to create and sustain a regenerated area that creates a great place to live, work, invest and visit.

**Outcomes:** The increase in development, economic activity and social interaction in the town centre, will result in real benefits and a renewed confidence in Monaghan town and its future. Some of the economic and social impacts and targeted outcomes that can be realised through the implementation of this regeneration proposal are set out below in the following categories:

- Transportation
- Physical services infrastructure
- Social facilities
- Environmental considerations
- Town residents
- Economic contribution
- Transformational effects

Further detail on key performance indicators and metrics to be used in monitoring and evaluating the proposed Dublin Street Regeneration project are outlined in the Preliminary Business Case for the project.

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

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The following section tracks the Dublin Street Regeneration from inception to conclusion in terms of major project/programme milestones



### Timeline for Programme

Dublin Street Regeneration Project is currently in the Design and Planning phases for both Dublin Street South and North phases.

#### 2017

Q3: Masterplans for Dublin St South adopted as Variation to Monaghan County Development Plan

#### 2018

Q3: URDF Call 1 Application submitted (Planning & Design phases)

Q4: Dublin Street Regeneration Project awarded Excellence in Planning Award at the Property Industry Excellence Awards

#### 2019

Q2: URDF Call 1 Approval (Category B URDF Funding €1,285,108)

Q4: RPS Design Consultants engaged for DSS (Dublin Street South).

#### 2020

Q2: Topographical & GPR Surveys completed - DSS

Q4: Preliminary Design Stage completed – DSS

Q4: Environmental Impact Assessment Scoping to An Bord Pleanala – DSS

#### 2021

Q1: Detailed Design stage commenced – DSS

Q1: URDF Call 2 Provisional Approval (URDF Funding €13,113,557)

Q2: Public Consultation & Removal of No.10 from RPS - DSS

Q3: Avison Young Property Valuers engaged -Dublin Street South & North (DSS & DSN)

#### 2022

Q2: Masterplans for Dublin St North adopted as Variation to Monaghan County



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

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

Project/Programme Key Documents	
Title	Details
Masterplans Dublin St Regeneration Project	<p>The Masterplan was first prepared by a consultancy firm of Architects and Urban Planners Ltd in 2017 on behalf of Monaghan County Council and referred to the Dublin St South area.</p> <p>The Masterplan was updated in 2018 and combined the aims and objectives of the original plan with those of the Local Area Action Plan for the lands to the northeast of Dublin St and proposed the overall regeneration of the area as a coherent and integrated development proposal.</p> <p>The Masterplan for Dublin St South was adopted by Council on 2<sup>nd</sup> October 2017 as Variation No 6 Monaghan County Development Plan 2013 - 2019</p> <p>The Masterplan for Dublin St North was prepared by the consultancy firm on behalf of MCC. The purpose of the plan is to provide guidance on the development options for the future regeneration of the study area and to provide recommendations on a number of core objectives for the regeneration plan.</p> <p>Adopted for Dublin St North on 4<sup>th</sup> April 2022 as Variation No 3 of Co. Development Plan 2019-2025 for Dublin St North</p>
Preliminary Business Case	Detailed appraisal, analysis, and evaluation of the proposed Dublin Street Regeneration Project – Submitted to the URDF Department in November 2022 and Approved in August 2023.
Draft Project Initiation Document PID Large Scale Capital Projects	Initiation Document to be signed by DOS sets out Purpose and justification – Objectives – Outcomes – KPIs – Stakeholders – Constraints – Resources – Cost Estimate € 21.1M – Risks – Milestones – Governance – Approval info – Recommendation and Approval Signatures with dates.
Extract Minutes from meeting of Senior Management Team of 21st Sept 2018	Minutes regarding presentation of information by DOS to SMT outlining criteria for Urban/Rural Regeneration Fund and submission of Dublin St

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
	regeneration project under Urban Regeneration category.
PowerPoint presentation to Monaghan MD 5th Sept 2018	PowerPoint presentation to elected members Monaghan MD – summarising Call 1 Application to URDF – and outlining strategic objectives and vision of Dublin St Regeneration Plan
Application URDF Call 1 € 1,285,108	<ul style="list-style-type: none"> <li>• Summary of Proposal</li> <li>• Background and next Steps</li> <li>• Funding and Timelines</li> <li>• Rationale for Proposal</li> <li>• Outcomes</li> <li>• Compatibility with NPF/NDP objectives – Strategic Alignment</li> <li>• Commitment to implementation (details for funding plan and MCC investment)</li> <li>• Governance and Management arrangements for implementation, reporting and monitoring</li> <li>• Collaboration public bodies/private sector/community-voluntary sector – coordinated investment and decision making across multiple stakeholders</li> <li>• Tailored innovation</li> <li>• Local and Regional Development – Plan Led development – evidence-based strategy for social economic physical-environmental development</li> <li>• Viability of proposal</li> <li>• Deliverability (Details on MCC Track Record and capacity to deliver – itemisation of proposed this</li> <li>• Category B outcomes)</li> <li>• Verification Letter Match Funding</li> <li>• Signed DOS 28<sup>th</sup> Sept 2018</li> </ul>
Approval of Call 1 Application (18/06/2019)	Letter of approval from DHLGH to CE for Call 1 proposal and instructions for progression, including management and oversight and notification of approved Call 1 funding.
Call 2 Application Form signed by DOS 29 May 2020	Application to URDF for funding to progress project from Category B approved under Call 1 to Category A status. Application Form constitutes Strategic Assessment stage, Gate 0 of PSC and outlines projected costs of project with requested URDF funding and MCC funding amounts.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Letter DHLGH to CE 24 Aug 2021	Letter from DHLGH confirming preliminary approval for inclusion of project in URDF supported capital programme and to move to next stage of project lifecycle. Includes provisional allocation of Call 2 support funding € 13,113,557. Letter confirmed that MCC application was deemed to constitute and satisfy the Strategic Assessment Stage of PSC.
Letter to CE from DHLGH 1st Aug 2023	Letter from URDF at DHLGH confirming Preliminary Business Case meets technical requirements for Decision Gate 1 of PSC and that continued support under URDF programme is justified. Instruction to advance two subprojects independently of each other to the next stage of PSC and prioritise progression of DSS
Project Monitoring Return Forms	Submitted on annual basis to URDF Department to update project status and expenditure forecast
Project Programme Tracker (replaced Monitoring Return Forms)	Submitted to URDF Department in Q1 2024 to update project status and expenditure forecast
Procurement Documents	Detailed and comprehensive records of the procurement of Design Team Consultants for the Dublin St Regeneration Project.
Correspondence and Communications	Records of communication and correspondence between Capital Projects Team and DHLGH, Design Team Consultants, Director of Services.
Agresso FMS	Financial Records of Income and Expenditure on project.
Recoupment Records	Records of application to DHLGH for recoupment of eligible expenditure. Records include signed copies of all vouched expenditure invoices, signed and completed application forms and summary tables of vouched expenditure and recouped amounts.
Chief Executive Orders	Signed Chief Executive Orders authorising acceptance of tenders and Change Orders.

The following is a summary of 10 key documents that were examined during the course of the in-depth-check.

**Key Document 1: Masterplan – Dublin St Regeneration Project 2017**

The masterplans for the Dublin St Regeneration project comprise of masterplans for both the Dublin St South and Dublin St North elements of the project. The masterplans were developed for Monaghan County Council by a consultancy company of Architects and Urban Planners and provide guidance on the development options for the future development of the regeneration plan study area. The masterplan documents are critical documents in respect of the appraisal and analysis of the overall regeneration project.

**Key Document 2: Completed Call 1 & 2 Application Forms**

The completed Call 1 and 2 Application Forms comprise part of the Strategic Assessment phase of the project lifecycle. The documents outline the proposal and provide a rationale for the project, funding and timelines, strategic alignment with National Planning Framework and National Development Plan, viability of proposal, governance and management arrangements, commitment to implementation, evidence of deliverability. The documents are of good quality and facilitate an evaluation of the early appraisal stages of the project.

**Key Document 3: Preliminary Business Case**

The preliminary business case was completed as one of the key tasks required to obtain approval in principle from the sanctioning authority to proceed to the final business case phase of the project lifecycle. The development of the Preliminary Business Case was undertaken by Design Team Consultants engaged by the Capital Project Team. An examination of the document confirms that it addresses the key requirements to be fulfilled by a Preliminary Business Case as specified in the Public Spending Code including confirmation that the proposed project aligns with national and regional strategic outcomes. The sanctioning authority confirmed that the document meets the technical requirements for Decision Gate 1 of the Public Spending Code and concluded that continued support under the URDF funded capital project is justified.

**Key Document 4: Letters of approval from the Sanctioning Authority**

Letters of approval from the sanctioning authority, Department of Housing, Local Government and Reform. The approval correspondence is appropriately accessible on the project filing system and demonstrate the progression of the project through the key decision gates of the PSC project lifecycle.

**Key Document 5: Project Monitoring Form and Programme Tracker Documents**

The project monitoring forms are completed by the Capital Project Team upon request of the sanctioning authority. The completed forms are stored on the Capital Project Team electronic filing system and outline the current stage of the project and an estimate of when future stages will occur. The forms also provide estimated project expenditure timelines. There appears to be a slight irregularity in regard to the time intervals between the monitoring reports. However, there are sufficient completed documents on file to support a future evaluation of the project. The Project Monitoring Form has now been replaced by Programme Tracker Documents

**Key Document 6: Agresso Financial Management System**

Access to Agresso FMS or to copies of records from the FMS is critical to an evaluation of the expenditure and income profile of the project. The records retained on the system in respect of the project are of satisfactory volume and quality to enable an assessment of the processing of payments and recoupments undertaken during the course of the project to date.

**Key Document 7: Chief Executive Orders**

Copies of Chief Executive Orders are important records that appropriate approvals have been received for key activities in the project lifecycle particularly in reference to the acceptance of tenders and the approval of change orders. Copies of Chief Executive Orders have been appropriately stored for this project including in relation to those key activities.

**Key Document 8: Project Initiation Document**

The Project Initiation Document (PID) outlines the justification and rationale for a project and is evidence that appropriate approval for the commencement of the project was obtained prior to the initiation of the project. A copy of a PID was included in the records for this project and demonstrated the required appraisal and justification. However, the copy of the document did not include the signature of the recommender and approver and the date of signatures.

**Key Document 9: Procurement Documentation**

Procurement documentation was viewed to check compliance with procurement legislation and MCC procurement procedures in the case of the procurement of the Design Team Consultants for this project. The procurement files are comprehensive, properly categorised and reasonably clear and include copies of all published tender documents, suitability assessment questionnaires, completed tender response documents, tender evaluation records and reports, CE Orders for acceptance of tenders, letters of notification, signed conditions of engagement. There was an absence of a CE Order on file in respect of the approval for two Change Orders.

**Key Document 10: Recoupment and vouched expenditure records**

There were good clear records detailing the recoupment of vouched expenditure and of administrative costs for this project. Records included useful tables summarising each of the recoupments for Call 1 and Call 2 phases of the project. A copy of vouched invoices signed by the DOS was noted on file for each recoupment claim. This facilitated an analysis of the recoupment that has been undertaken on the

project to date and an easy comparison with the records of expenditure for the project on the Agresso FMS.

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### Section B - Step 4: Data Audit

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

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Masterplans Dublin St Regeneration Project – comprising masterplans for Dublin St South and Dublin St North projects.	Guidance plans on the regeneration options for the future development of the Dublin Street regeneration plan study area. Adopted by Council as variations to Co. Development Plan for Dublin St South and Dublin St North.	Available on Capital Projects Team electronic records for this project.
PowerPoint presentation to Monaghan MD 5th Sept 2018	PowerPoint presentation to elected members Monaghan MD – summarising Call 1 Application to URDF – and outlining strategic objectives and vision of Dublin St Regeneration Plan	Available on Capital Projects Team electronic records for this project.
Extract Minutes from SMT 21st Sept 2018	SMT minutes regarding presentation of information by DOS to SMT outlining criteria for Urban/Rural Regeneration Fund and submission of Dublin St regeneration project under Urban Regeneration category.	Available on Capital Projects Team electronic records for this project.
Project Initiation Document	Document outlining the rationale and business case for the project, outlining estimated costs and timescale and bearing the dated signature of recommendation and approval at appropriate grade.	Available on Capital Projects Team electronic records for this project but copy not signed by authorising DOS.
Call 1 Application Form to DHLGH for URDF funding (28th Sept 2018).	Completed and signed application form outlining the proposal with rationale for the project, funding	Available on Capital Projects Team electronic records for this project.

Data Required	Use	Availability
	and timelines, strategic alignment with NPF/NDP, viability of proposal, governance and management arrangements, commitment to implementation, evidence of deliverability.	
Approval of Call 1 Application (18/06/2019)	Letter of approval from DHLGH to CE for Call 1 proposal and instructions for progression, including management and oversight and notification of approved Call 1 funding.	Available on Capital Projects Team electronic records for this project.
Call 2 Application Form to DHLGH for approval to progress project. (29/05/2020)	<p>Application to URDF for approval and funding to progress project from Category B Status approved under Call 1. Application constitutes Strategic Assessment phase of Project and outlines:</p> <ul style="list-style-type: none"> <li>• Project Objectives</li> <li>• Strategic alignment with national and regional strategic objectives,</li> <li>• Financial costs per year</li> <li>• Sources of funding including grant request and matched funding</li> <li>• Sustainability and value for money,</li> <li>• Viability of project</li> <li>• List of options,</li> <li>• Forecast of future demand resulting in investment</li> <li>• Governance and management</li> <li>• Project risks.</li> </ul>	Available in URDF Dept Correspondence Folder in Capital Projects Team electronic records for Dublin St Regeneration Project.
Approval of Call 2 Application (24/08/2021)	<p>Letter of approval from DHLGH to CE confirming:</p> <ul style="list-style-type: none"> <li>• Preliminary approval of Call 2 Application for inclusion of project in URDF capital</li> </ul>	Available in URDF Dept Correspondence Folder in Capital Projects Team electronic records for Dublin St Regeneration



Data Required	Use	Availability
	<p>programme.</p> <ul style="list-style-type: none"> <li>• compliance with Strategic Assessment (Gate 0) requirements of Public Spending Code</li> <li>• provisional approval of funding allocation</li> <li>• Instructions for next steps</li> </ul>	Project.
Preliminary Business Case (November 2022)	<p>Submission of Preliminary Business Case to DHLGH for progression of project to Gate 1 of PSC project lifecycle. Preliminary Business Case to include:</p> <ul style="list-style-type: none"> <li>• Demonstration of Strategic alignment with national and regional strategic objectives including the National Planning Framework and the National Development Plan,</li> <li>• Detailed objectives</li> <li>• Short list of options</li> <li>• Detailed demand appraisal</li> <li>• Options appraisal</li> <li>• Financial and Economic Analysis with detailed cashflow analysis and Key Performance Indicators</li> <li>• Assessment of affordability</li> <li>• Risk assessment and Risk Management strategy</li> <li>• Approach to Procurement</li> <li>• Approach to implementation and operation</li> <li>• Assessment of delivery risk</li> <li>• Plan for Monitoring and evaluation</li> <li>• Governance Arrangements</li> <li>• Annual Maintenance and Operational Costs</li> <li>• Recommendation to Approving</li> </ul>	Available in URDF Dept Correspondence Folder in Capital Projects Team electronic records for Dublin St Regeneration Project.

Data Required	Use	Availability
	Authority	
Approval of Business Case (01st August 2023)	Letter from DHLGH to CE confirming: <ul style="list-style-type: none"> <li>• Approval of preliminary business case</li> <li>• Business case meets requirements of Gate 1 of PSC project lifecycle.</li> <li>• Instructions for next steps to progress to Gate 2 (Pre-Tender Approval) of PSC.</li> </ul>	Available in URDF Dept Correspondence Folder in Capital Projects Team electronic records for Dublin St Regeneration Project.
Project Monitoring Return Forms	Submitted on annual basis to URDF Department to update project status and expenditure forecast	Available on Capital Projects Team electronic records for this project.
Project Programme Tracker (replaced Monitoring Return Forms)	Submitted to URDF Department in Q1 2024 to update project status and expenditure forecast.	Available on Capital Projects Team electronic records for this project.
Records of Procurement	Comprehensive records for procurement of Design Team Consultants for both Dublin St North (DSN) and Dublin St South (DSS) regeneration projects to include: <ul style="list-style-type: none"> <li>• Approval to Publish RFT</li> <li>• Full suite of Tender Documentation including Invitation to Tender, Suitability Assessment Questionnaires, Tender &amp; Schedule, Project Brief, Instructions to Tenderer</li> <li>• Evidence of use of appropriate procurement method.</li> <li>• Tender Response Documents</li> <li>• Signed and Dated Tender Evaluation Reports</li> <li>• Signed and Dated Declarations of Impartiality of Tender</li> </ul>	Available on Capital Projects Team electronic records for this project. (CE Order 34/2019 (DSS) and 35/22 (DSN) refers)

Data Required	Use	Availability
	<p>Assessment Team.</p> <ul style="list-style-type: none"> <li>• Recommendation to DOS for acceptance of tender</li> <li>• CE Orders to issue letter of intent to successful tender and approval to accept successful tender.</li> <li>• Notification to successful and unsuccessful tenderers</li> </ul>	
Signed Conditions of Engagement & Schedules for Design Team Consultancy Services	Signed Conditions of Engagement and Schedule for engagement of Design Team Consultants for DSS and DSN subprojects Main Design Team Consultants DSN 01/06/2023 (DOS) and DSS 17/12/2019 (CE).	Available on Capital Projects Team electronic records for this project.
Communications and correspondence with Design Team Consultants	Record of communications with Design Team Consultants on preliminary and detailed design phases of the project, including: <ul style="list-style-type: none"> <li>• Minutes Pre-Contract Award meetings (DSS)</li> <li>• Record of Design Team Invoices for Stage Payments</li> <li>• List of Issues raised at public consultations (DSS)</li> <li>• Early Warning Notifications (DSS)</li> <li>• Design Team Progress Reports and Meetings</li> <li>• (Detailed) Design Programme GANT Chart (DSS)</li> <li>• Correspondence and Reports regarding Change Orders</li> </ul>	Progress Reports and Meetings noted for DSS subproject but only for period Feb 2020 to Sept 2021 on DT Meetings Folder. And for DSN for Jan to Apr 2023 and Feb to May 2024
Public Consultation Folder (Dublin St North Project)	Completed Feedback forms from public consultation of July 2023	Available on Capital Projects electronic records for this project.
Approval of Change Orders	Documentation including: <ul style="list-style-type: none"> <li>• Memos outlining the basis for</li> </ul>	Available on Capital Projects Team electronic

Data Required	Use	Availability
	Change Orders <ul style="list-style-type: none"> <li>• Correspondence between Capital Projects Team and Design Teams regarding terms of Change Orders</li> <li>• Approval of Change Orders by DOS</li> <li>• Invoices for Change Orders</li> </ul>	records for this project.
Correspondence with Dept of Housing Local Govt and Heritage	records of correspondence with DHLGH including: <ul style="list-style-type: none"> <li>• Call 1 and Call 2 approval details and appendices</li> <li>• Completed verification tables for Appendix 2 of Claim Approval Correspondence</li> <li>• URDF Grant Drawdown forms and vouched expenditure details including claim forms for administration costs.</li> <li>• Revised Budget Estimates</li> </ul>	Absence of evidence of project action plan meetings with DHLGH
Progress Reports to Elected Members and Senior Management Team	Periodic progress reports and updates to elected members and Senior Management Team	Extract Minutes to SMT in 2018 and PowerPoint presentations to Monaghan MD in Sept 2018  PowerPoint presentation to Monaghan MD for Dublin St North subproject in Nov 2023 and to Monaghan MD in October 2023 for Dublin St North.  Absence of evidence of regular updates/progress reports to SMT and elected members as referenced in Preliminary Business Case and Call 2

Data Required	Use	Availability
		Application
Projected Costings of Project	Evidence of projected costing of the project including: <ul style="list-style-type: none"> <li>• Detailed projected costings outlined in Call 1 and Call 2 Applications and in Preliminary Business Case.</li> <li>• Cost estimate of project provided by Design Consultants. DSS</li> <li>• Project Financial Tables completed as required per Appendix 2 of Letter of Approval for Call 2.</li> <li>• Verification Tables submitted to DHLGH itemising actions and anticipated expenditure to bring project to tender stage.</li> </ul>	Available on Capital Projects Team electronic records for this project.
Recoupments from DHLGH	Recoupment details including: <ul style="list-style-type: none"> <li>• URDF Grant drawdown signed application forms</li> <li>• URDF Administration claim forms</li> <li>• Invoices of vouched expenditure</li> <li>• Agresso Tables itemising vouched expenditure</li> <li>• Tables summarising Call 1 and Call 2 drawdowns and detailing total vouched expenditure.</li> </ul>	Available in URDF Dept Correspondence Folder in Capital Projects Team electronic records for Dublin St Regeneration Project.
Technical Documentation	Technical documentation from the preliminary and detailed design stages of the project including service drawings – site maps – survey reports.	Available on Capital Projects Team electronic records for this project.
Planning Application	Details of Planning Applications & EIAR and NIS submitted for this project to date.	Planning Application with EIAR and NIA submitted to An Bord Pleanála in Q3 of 2022 for Dublin St South – not noted on

Data Required	Use	Availability
		project records but available on An Bord Pleanála Website.
EIAR & NIS	Documentation and correspondence from Design Team Consultants regarding preparation of Environmental Impact Assessment Report and Natura Impact Statement.	Available on Capital Projects Team electronic records for this project.
Land Acquisition Folders for Dublin St South and Property Information Folders for Dublin St North	<p>Record of properties relevant to the Dublin St South project including:</p> <p>Folio Mapping, Documents pertaining to one completed property acquisition in Dublin St South including Valuation of property – Correspondence from Valuation company – Business Appraisal Case for purchase of property – Extract Minutes of SMT Meeting regarding business case for purchase - CE Order authorising purchase – Acquisition of Property Asset Form.</p> <p>Folders itemising properties relevant to Dublin St North project including property information sheets showing site location maps.</p>	Available on Capital Projects Team electronic records for this project.
Presentation to Chief Executive -June 2023 – Dublin St North	PowerPoint presentation to Chief Executive regarding progress to date on Dublin St North project	Available on Capital Projects Team electronic records for this project.
Presentation to Monaghan MD elected members November 2023 – Dub St North	PowerPoint - Preliminary Design Presentation to elected members Monaghan MD for Dublin St North Regen project	Available Capital Project Team electronic records

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Presentation to Senior Management Team October 2023 - DSN	PowerPoint - Preliminary Design Presentation to elected members Monaghan MD for Dublin St North Regen project	Available Capital Project Team electronic records
PowerPoint presentation to URDF at DHLGH 10th Jan 2024	PowerPoint presentation to DHLGH for URDF Call 3. Includes updates on Dublin St South and North Call 1 & 2 and information on proposed URDF Call 3 Sites.	Available Capital Project Team electronic records

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## Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for the **Dublin Street Regeneration Project**, based on the findings from the previous sections of this report.

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

The Dublin Street Regeneration Project is at the appraisal stage of the Public Spending Code lifecycle and is currently engaged in the planning and design phase of project tasks. The delivery of the project has to date complied with the standards set out in the Public Spending Code. An audit of the records and documentation associated with the project, together with a meeting undertaken with a member of the project team, confirm completion of the tasks and processes required for the first two stages of the PSC lifecycle, namely, the strategic assessment stage and the preliminary business case stage.

The audit of the project documents and records included an evaluation of the completed Call 1 & 2 Application Forms and the Preliminary Business Case and a comparison of those documents with the description of the Strategic Assessment Report and Preliminary Business Case that is contained in the “Public Spending Code - A Guide to Evaluating, Planning and Managing Public Investment, December 2019”. This comparison revealed that the completed application forms and the Preliminary Business Case aligned with the requirements for the Strategic Assessment Report and Preliminary Business Case, as outlined in the Code.

In regard to the appraisal of the project, it was noted that the current projected lifetime expenditure figure of € 31.8M for the project, which was outlined in the Preliminary Business Case of November 2022, is almost 100% higher than the original estimated projected expenditure noted in the initial Call 1 application of September 2018 and 81.5% higher than the projected expenditure figure given in the Call 2 application form of March 2020 for the Dublin St North and Dublin St South projects. The Capital Projects Team advised that clarification on the projected lifetime costs of the project became available as the design stage of the project progressed. The team also referred to the well documented inflation of construction costs that occurred during the above time periods as a consequence of Brexit, the Covid pandemic, supply chain issues and the war in Ukraine.

The letter from the sanctioning authority of 1<sup>st</sup> August 2023, which confirmed approval of the Preliminary Business Case, advised that while the substantial increase in estimated costs for the proposal was noted, it did not intend to increase the URDF allocation at that time beyond the earlier Call 2 allocation of € 13,113,557. The Risk Identification Table and Management Strategy outlined in the Preliminary Business Case includes consideration of potential risks to URDF funding and proposes that the identified risks can formulate the beginning of a risk register. A risk register that had been updated by one of the Design Team Consultants was noted in the records for this project for the year 2020 and referenced approximately 38 risk items under 7 categories including the issue of budget and funding for the project.

The procurements of the two principal Design Team Consultants for the Dublin St project were examined and were found to comply with internal procurement procedures.

The approvals for the payment of 13 sampled Invoices for this project were tested for compliance with internal Purchase to Pay Policy and Procedures. It was noted that the amounts approved on Agresso



FMS for 4 of the 13 sampled Purchase Orders exceeded the approver's Purchase Order approval limit as specified in Appendix 1 of the Purchase to Pay Policy and Procedures. Following a query on this matter to the relevant member of the Capital Projects Team, it was noted that documentation is not available on the project records to explain the breaches of the approval limit.

Insurance indemnities were examined for the Design Team Consultants engaged on the project. An insufficient level of indemnity was noted in the employer liability insurance of one of the principal Design Team Consultant engaged on the project in Quarter 4 of 2022. This company was acquired by another consultancy who duly provided evidence of adequate levels of indemnity. The indemnity of the client as principal, which is required by Schedule A of the relevant contract of engagement, could not be verified on the public liability insurance documents that were submitted by 4 Design Consultants. Employer and Public Liability Insurance was not noted for two other design subconsultants on the project.

An examination of the project records on the recoupment of eligible expenditure and administration costs, including a testing of 6 sample recoupments confirmed that eligible expenditure and administration costs are being recouped in line with the rules stipulated by the funder.

The delivery of the project to date has secured approvals in respect of Decision Gates 0 (Strategic Assessment) and 1 (Preliminary Business Case), from the sanctioning authority, the Department of Housing, Local Government and Heritage, as required by the Public Spending Code. Documentation audited for this project includes copies of signed and dated letters from the Department confirming that the appraisal of the project meets the requirements for both decision gates.

The project is now in the first phase of the final business case stage which involves the preparation of a detailed project brief and procurement strategy. The tasks and processes currently being undertaken by the project team are for the purpose of securing approval from the sanctioning authority to progress beyond Decision Gate 2 (Pre-Tender Approval) which would include approval to prepare and publish tender documents.

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

The records associated with this project are extensive, reasonably well categorised and refer to all phases of the project lifecycle to date including the earlier initiation stages of the project. The records, which are easily accessible and of good quality, are principally stored in electronic format with 5 hard copy files containing technical data retained in the offices of the project team. The necessary data is available to support a full evaluation of the project. The following deficiencies were noted in respect of the records retained for this project:

- The electronic file copy of the Project Initiation Document did not include the authorising signature of the relevant Director of Services. An extract of minutes of a Senior Management Team meeting which included notification of the initiation of the project was noted on file.
- There was an absence of explanatory records for one funding payment received on the project jobcode in August 2023.

- There was an absence of insurance schedules in respect of the insurance indemnities required for the Design Team Consultants. Insurance documentation consisted of letters of confirmation from insurance providers or brokers. There was a record of verification by IPB for insurance policies in respect of the Dublin St South project but not in respect of the Dublin St North project.
- There was an absence of insurance renewal documentation for some periods subsequent to the initiation of the contract with the Design Team Consultants for both the Dublin St South and Dublin St North projects.
- Of 13 Purchase Orders sampled for payments to a Design Team Consultant, 8 did not identify the title of this project or the eTenders or procurement register reference number.
- Two expenditure invoices relevant to this project, for which recoupment claims have been processed, were not on the project job code.

Despite the deficiencies itemised above, the audit of the records that have been filed during the course of the delivery of this project to date, confirm that sufficient good quality data is readily identifiable and available to enable an accurate evaluation of the project.

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

Recommendations arising from this in-depth check are itemised in Appendix 2 of this report.

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## Section C : In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Dublin St. Regeneration Project.

### Summary of In-Depth Check

The Dublin St Regeneration Project is administered and managed by the Capital Projects Team at Monaghan County Council. The objectives of the Dublin Street Regeneration Project include the delivery of critical infrastructure and public realm amenities, together with the provision of serviced and accessible development lands to the south-west and north-east of Dublin St. in Monaghan Town. The purpose of the project is to facilitate sustainable, co-ordinated and compact growth in Monaghan town centre and thereby promote future town centre public and private investment.

The project has a projected lifetime expenditure figure of € 31.8m, which represents 5.46% of the total lifetime value of all capital projects on Monaghan County Council's inventory of capital projects for 2023. It is funded by the Department of Housing, Local Government and Heritage (DHLGH) through the Urban Regeneration and Development Fund with match funding of 25% from Monaghan County Council. Funding for the project to date has comprised of URDF Call 1 funding of € 1,285,108 and provisional approval was received in 2021 for Call 2 Funding in the amount of € 13,113,557. Expenditure on the project to date amounts to € 2,399,103 while funding of € 1,466,774 has been recouped from DHLGH in respect of eligible vouched expenditure and administration costs on the project.

The Dublin St Regeneration project is currently at the appraisal stage of the Public Spending Code lifecycle. This stage involved the strategic assessment of the project and the preparation and completion of the preliminary business case for the project. The tasks and activities to be undertaken at the appraisal stage include preliminary and detailed design work and the development and submission of planning applications and associated Environmental Impact Assessment Reports to An Board Pleanála. For the purpose of the In-Depth Check Report, an audit has been undertaken of the documentation being retained to date by the Capital Projects Team for this project. A meeting with a member of the Capital Projects Team and email communications with the team also informed the findings of the In-Depth Check Report. Those findings are that:

- The project has been adequately appraised and reviewed to date in conformance with the principles of the Public Spending Code. The appraisal phase of the project is currently ongoing and the project has not yet entered the implementation stage of the PSC lifecycle.
- The tasks and processes outlined within the Public Spending Code for the delivery of a sufficiently robust strategic assessment and preliminary business case have been undertaken and completed.
- The records retained by the project team confirm that the project received notification of approval from the sanctioning authority at Decision Gates 0 and 1 and the project team has been instructed by the sanctioning authority to proceed with the tasks required for the delivery of a detailed project brief and procurement strategy and the securing of statutory approvals.

- Some deficiencies were noted in respect of the records that are to be retained to demonstrate compliance with the Public Spending Code and recommendations have been included in Appendix 2 of the In-Depth-Check Report in reference to same.
- Some observations were noted in regard to the records of insurance policies that are filed for this project and recommendations are included in Appendix 2.
- Some observations were noted in respect of Purchase Order approval limits and a recommendation has been included in Appendix 2 of the In-Depth-Check Report in regard to this matter.
- Two sampled procurements were found to be compliant with internal procurement procedures.
- An Examination and sample testing of the project records on recoupment confirmed that eligible project expenditure and administrative costs are being properly recouped in compliance with the terms of the funder.

The Dublin St Regeneration project is now progressing through the first phase of the Final Business Case stage of the PSC for the purpose of obtaining pre-tender approval from the sanctioning authority at Decision Gate 2.

**Conclusion and Assurance Category:**

Following an audit of the documentation associated with this project and a review meeting with a member of the Capital Projects Team, Internal Audit can provide **Satisfactory** assurance that the Dublin St Regeneration project has been appraised, planned and managed in compliance with the principles of the Public Spending Code. The categories of assurance are outlined in Appendix 1 of this report. A table of recommendations appears in Appendix 2 of this report.

Signed: Eamon Duffy      Date: 15th July, 2024  
Eamon Duffy  
Internal Auditor

Information contained in this report has been agreed with the Relevant Director in MCC, Deputy CE in MCC.

## Appendix 1

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

## Appendix 2

	Internal Audit Recommendations Below	To be completed by Director and / or Relevant Section Head.			Comments from Management Team
	Public Spending Code Dublin St. Regeneration Project	Proposed Actions/Actions Undertaken	Timeline for delivery	Section/Person responsible	Comments from Management Team
1.	The electronic file record of the Project Initiation Document or Capital Project Approval Form for a capital project must display the signature of the authoriser and the date of the signature.				
2.	Following the award of a contract, all Purchase Orders raised for the preferred supplier(s) must quote the relevant e-tenders competition reference number or the unique procurement register reference number per 10.5 of MCC Procurement Procedures.				
3.	The Capital Projects Team must ensure that Purchase Order Approval Limits for members of the Team are aligned to those specified in the Purchase to Pay Policy & Procedures and that records are retained of any delegation orders that authorise exemptions from the specified approval limits.				
4.	The income and expenditure entries on the project's job code should be regularly monitored and a summary tracking report retained on the project records.				
5.	A regularly updated Risk Register should be included in the records of the Dublin St. Regeneration project as referenced in Chapter 7 of the Preliminary Business Case.				

	<b>Internal Audit Recommendations Below</b>	<b>To be completed by Director and / or Relevant Section Head.</b>			<b>Comments from Management Team</b>
	<b>Public Spending Code Dublin St. Regeneration Project</b>	<b>Proposed Actions/Actions Undertaken</b>	<b>Timeline for delivery</b>	<b>Section/Person responsible</b>	<b>Comments from Management Team</b>
<b>6.</b>	Prior to the acceptance of a tender, the insurance documentation to be submitted by the preferred contractor/design consultants should include a copy of the Insurance Schedule for each required insurance policy.				
<b>7.</b>	The Capital Projects Team must monitor and ensure the annual renewal of all insurance policies by works contractors/design consultants, in line with the relevant contract requirements, and retain appropriate records of such renewals.				
<b>8.</b>	The Capital Projects Team should review, in consultation with IPB, whether all insurance policies submitted by Design Consultants should be verified by IPB prior to the acceptance of preferred tenders.				
<b>9.</b>	The costs of two vouched expenditure invoices that were included in the 1 <sup>st</sup> recoupment claim for this project and which related to two consultants' reports, should be transferred into the capital job code for this project for the purpose of accurately recording project costs.				



**Comhairle Contae Mhuineacháin  
Monaghan County Council**

## Internal Audit Report

### On the Administration of Group & Private Installations

For Step 4 of the Public Spending Code - Quality Assurance Report 2023

Report Issued by Internal Audit Unit

JULY 2024



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## Executive Summary

This report is on an in-depth check of the administration of Group and Private Installations by Water Services Section for the purpose of a review of a sampled revenue expenditure project for the Public Spending Quality Assurance Report 2023. The programme is denoted on the inventory of capital and revenue expenditure for 2023 with expenditure of € 6,721,981, which is approximately 7.3% of the value of total revenue expenditure on the inventory for that year. The purpose of the in-depth check is to evaluate whether the programme has been appraised, implemented and reviewed in accordance with the principles of the Public Spending Code (PSC).

The programme, which is funded by the Department of Housing, Local Government and Heritage (DHLGH) and administered by Water Services Section, is comprised of three elements, namely,

- the administration of grant supports for the upgrade or replacement of domestic waste-water treatment systems;
- the administration of the Group Water Scheme Subsidies and recoupments;
- service support costs and activities to do with the provision of laboratory testing services for GWS water supplies and invoice charges to Group Water Schemes for water monitoring services provided by Monaghan County Council.

The focus of the in-depth report was primarily on the administration of the group water scheme subsidies and recoupment of those subsidy payments from DHLGH, as this element of the programme constitutes 96% of expenditure on the revenue programme.

The in-depth check process for the Public Spending Code is to be carried out principally through an audit of all available and relevant documentation associated with the selected programme. The review that was undertaken for the purpose of this in-depth check also included an audit of 6 sampled GWS subsidy payments and of the subsequent recoupments of those subsidies. The value of the combined sampled subsidy payments represented 10.45% of the total subsidy amounts paid to GWS in 2023. An end of audit meeting was held with Water Services Staff to discuss topics and questions arising from the in-depth check process.

The findings of the in-depth check are that:

- The programme is being appraised, implemented and evaluated in compliance with the principles of the Public Spending Code.
- Water Services Section retains sufficient records and documentation to facilitate a future evaluation of the programme, as required by the Public Spending Code quality assurance process.
- The sampled subsidy payments and recoupments were processed in accordance with the terms and conditions of subsidy payments, as stipulated by the funding authority, the Department of Housing, Local Government and Heritage.
- Some recommendations are included in Appendix 1 of this report for improvements to documentation and records that will enhance compliance with the Public Spending Code and internal procedures.

Internal Audit provides **Satisfactory** Assurance that the administration of the Group and Private Installations Programme is being appraised, implemented and reviewed in accordance with the principles of the Public Spending Code. Some recommendations for the enhancement of the programme processes are included in Appendix 2 of this report.

### 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>	Administration of Group and Private Installations in County Monaghan
<b>Detail</b>	Administration of the Multi Annual Rural Water Program, Administration of the subsidy payments to Private Group Water Schemes, Administration of the well Grant and the Administration of the Domestic Wastewater treatment system grant.
<b>Responsible Body</b>	Monaghan County Council
<b>Current Status</b>	Expenditure being incurred
<b>Start Date</b>	1 <sup>st</sup> of January 2023
<b>End Date</b>	31 <sup>st</sup> of December 2023
<b>Overall Cost</b>	€6,721,981

### Project Description

The programme under review is the Administration of Group and Private Installations and is administered by Water Services Section at Monaghan County Council. The total expenditure for the programme as itemised under Programme C05 of the Annual Financial Statement for 2023 was € 6,721,981 which represents 60.6% of the total revenue expenditure for Water Services Division during 2023. The programme comprises three elements as outlined in Table 1:

**Table 1 – Constituent Elements of Programme C05 Admin of Group and Private Installations**

<b>Summary Revenue Code – Admin of Group &amp; Private Installations (Water Services)</b>			
Code	Sub-Programme for C05	Expenditure	Income
C0501	Grants for Individual Installations (Septic Tanks)	€ 14,000	€ 16,479
C0504	Group Water Scheme Subsidies	€ 6,463,499	€ 6,427,220
C05999	Service Support Costs	€ 244,482	€178,750
	<b>TOTAL – C05</b>	<b>€ 6,721,981</b>	<b>€ 6,622,449</b>

The three elements of the programme comprise the following activities and expenditures:

**C0501** – Grant assistance for remediation/upgrade of domestic waste-water treatment systems (DWWTs) and recoupment of payments from the Department of Housing, Local Government and Heritage. (DHLGH)

**C0504** – Subsidy payments to Group Water Schemes (GWS) and recoupment from DHLGH. This element also includes direct administration and overhead activities and costs for this sub-programme.

**C0599** – Service support costs consisting of:

- Payroll in respect of the administration of group and private Installations (Water Services Staff) with DHLGH funding.
- Activities of the Rural Water and Sewerage Programme which includes expenditure for the testing of GWS water supplies and payments from Group Water Schemes for water sampling services.

A more detailed breakdown of the income and expenditure of the programme, which also serves to illustrate the activities of the three elements of the programme, is provided on Table 2 on the next page.

While all three elements of the programme are referenced in this report, the principal focus of the in-depth check is upon the Group Water Scheme Subsidies(C0504), as this element accounted for 96% of the overall expenditure of the programme in 2023. The income and expenditure balances for C0504 Group Water Scheme Subsidies indicates that all subsidies paid to the GWS during 2023 were recouped by Water Services from the Department of Housing, Local Government and Heritage per Table 2. The small credit balance on the job code arises from a recoupment received during 2023, a small portion of which referred to a subsidy payment that occurred during 2022.

Table 2 – Income &amp; Expenditure breakdown per subprogramme

<b>Income &amp; Expenditure for Revenue Programme C05 Admin of Group &amp; Private Installations</b>			
<b>Code</b>	<b>Sub-Programmes for C05</b>	<b>Expenditure</b>	<b>Income</b>
<b>C0501</b>	<b>Grants for Individual Installations</b>		
	Grants To Domestic Waste-Water Treatment Systems	€ 14,000	
	Funding from DHLGH		€ 16,479*
<b>C0504</b>	<b>Group Water Scheme Subsidies</b>		
	GWS Subsidy Payments	€ 6,296,698	
	Recouped Funding from DHLGH		6,298,179*
	(Direct Admin & Overheads)		
	Payment from Irish Water – Remedial Works		€ 129,041
	Consultancy Fees	€ 26,766	
	Repairs & Maintenance Buildings (Contractor)	€ 110,804	
	Various Expenditures	€ 8,781	
	Energy / Utilities	€ 20,450	
<b>C0599</b>	<b>Service Support Costs</b>		
	Funding from DHLGH		€ 142,229
	Admin Private Installations – Payroll	€ 142,390	
	GWS payments for Water Sampling		€ 33,798
	MCC Payments to Contractor for Laboratory Testing	€ 53,495	
	Various Minor Expenditures	€ 640	
	Central Overhead Allocations	€ 47,957	€ 2723
<b>C05</b>	<b>Admin of Group &amp; Private Installations</b>	<b>€ 6,721,981</b>	<b>€ 6,622,449</b>

\*Amount of € 1,479.14 to be posted back to 2022 and credit error of €1,000 to be removed.

\*\*Amount of € 1,480.55 to be posted back to 2022

The service objectives and priorities of Water Services Section as outlined in Monaghan County Council's Annual Service Delivery Plan for 2023 include the execution of duties as the supervisory water authority for the implementation of the County Monaghan Rural Water Programme. The Annual Services Delivery Plan confirms that a key element in the delivery of the Water Services strategic objective includes managing the implementation of the Rural Water Programme.

The annual Group Water Scheme Subsidy is an integral part of maintaining and improving the quality and reliability of rural water supplies in County Monaghan. The subsidy is payable by Monaghan County Council towards the operational and management costs of Group Water Schemes supplying water for domestic use. The aim of the subsidy is to also to ensure the principles of equity of treatment and the provision of equivalent financial support between households on Group Water Schemes and those receiving public water supplies.

Monaghan County Council pays the annual subsidy to 12 Group Water Schemes and administers the payments in accordance with the terms and conditions of the funder DHLGH. The subsidy amount paid to the Group Water Schemes in 2023 was € 6,296,698 with this amount fully being fully recouped from the funder as illustrated in Table 2 above. There are a series of tasks and activities arising from the implementation of the programme and those are outlined in the Programme Logic Model on page 7.

The Group Water Scheme subsidy is divided into three parts that take account of the differing costs associated with the type, operational arrangement and size of the Group Water Scheme. Subsidy A is paid towards general operational and management costs and applies to all Group Water Schemes in County Monaghan that supply water for domestic usage to members, from its own source and water treatment plant. Subsidy B is payable, in addition to Subsidy A, towards the operational and maintenance costs associated with bona fide Design Build Operate (DBO) contracts for GWS. For the purpose of eligibility for Subsidy B, the Scheme must be a private Group Water Scheme that is self-managed by a member or employee of the Scheme or by a contractor engaged by the Scheme. Subsidy C is a supplementary subsidy available to incentivise small private GWS to progress into more sustainable entities.

The other elements of the programme are outlined in Table 2 above and include the provision of grants for the repair, upgrade or replacement of domestic waste-water treatment systems, if deemed to be so required. The Grant funding available is up to 85% of the cost of the repairs to the system or the provision of a new system, up to a maximum of €12,000.

The remaining element of the programme refers to service support costs amounting to € 244,482.00, which represents 3.6% of the overall expenditure of the programme for 2023. The activities of this subprogramme include the operation of the water monitoring programme by Water Services Section with laboratory testing services being provided by a contractor procured by Monaghan County Council. The amount of € 53,494.90 was expended by Water Services in 2023 for testing by a private contractor of Group Water Scheme water supplies. Group Water Schemes were invoiced by Water Services Section for water sampling services and income of € 33,798.60 was derived from this activity. The remaining portion of the service support costs refers to staff salary and central management charge.

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

As part of this In-Depth Check, Rural Water have completed a Programme Logic Model (PLM) for the Administration of Group and Private Installations in County Monaghan. A PLM is a standard tool and further info on their nature is available in the [Public Spending Code](#).

Objectives	Inputs	Activities	Outputs	Outcomes
<p>Maintain a Rural Water department in compliance with Water Services Policy Statement 2018 – 2025</p> <p>Ensure private supplies are monitored in compliance with the Water Framework Directive.</p> <p>Administer funding and supervise Operation and Maintenance costs of Group Water Schemes (also known as Subsidy A and Subsidy B)</p> <p>Carry out Minimum Number of inspections on Domestic Waste Water Treatment Systems as per the National Inspection Plan</p>	<p>Department of Housing, Local Government &amp; Heritage funding</p> <p>Monaghan County Council resources</p> <p>Staff resources</p> <p>Group Water Schemes</p> <p>National Federation of Group Water Schemes (N.F.G.W.S)</p> <p>D.B.O Contractor</p> <p>Contractor for Laboratory Testing</p>	<p>Carry out Drinking Water Audits on Private Group Water Scheme's.</p> <p>Provide advice to Group Water Scheme's.</p> <p>Monitoring private water supplies to check water quality.</p> <p>Investigating, and consulting with the HSE when water quality standards are breached.</p> <p>Recommendation / approval of grants for DWWTS and GWS subsidies</p> <p>Collating and assessing applications for GWS subsidies.</p> <p>Calculation of subsidy payments.</p> <p>Processing and ensuring appropriate approval for subsidy payments.</p>	<p>Process and deliver funding required by Private group water schemes to operate and maintain their Source, Treatment plant and network.</p> <p>Two stage sign off on all grants issued</p> <p>CE Orders signed.</p> <p>Payments processed and issued to applicants.</p> <p>All Funding recouped from Department in a timely manner.</p> <p>All Procurement to follow Monaghan County Council and Government procurement guidelines.</p> <p>Septic Tank Grants inspected by trained personal and uploaded to Eden website and carried</p>	<p>To provide a supply of drinking water that meets with the quality standards of the Drinking Water Regulations</p> <p>To Provide safe drinking water to the people of County Monaghan</p> <p>For Group Water Schemes to operate as efficiently as possible.</p> <p>Ensure that all Privately Owned Water Supplies are safe and wholesome on an ongoing basis and that any public health interventions restricting human consumption or directing that water be boiled before being consumed are minimised.</p> <p>To improve water quality status within the County of Monaghan</p>

Objectives	Inputs	Activities	Outputs	Outcomes
		<p>Arranging and monitoring recoupment of funds</p> <p>Correspondence with the funder/sanctioning authority - DHLGH</p> <p>Assisting private supply owners with advice and guidance on improving their water quality.</p> <p>Liaise with private group water schemes for non-compliances or operational issues leading to a non-compliance.</p> <p>Oversee and complete Minimum number of Domestic Waste-Water Treatment Systems (DWWTS) inspections as per the National Inspection Plan (NIP).</p> <p>Oversee and process all Grants made under Prioritised Areas for Action (PAA).</p> <p>Oversee and process all Grants made under High Status Objective Catchment Areas (HSOCA).</p>	<p>out as per department and EPA guidelines.</p> <p>Submitted Application for Multi Annual Rural Water Program as per the Departments specifications.</p> <p>Enforcement action where private water suppliers are not taking measures to improve water quality in supplies that fail to meet the required standards</p> <p>Minutes of staff meetings</p> <p>Updates to Manager's Reports</p>	<p>Meeting the High-Level Goals of the Corporate Plan</p> <p>Achieving the Service Objectives and Performance Standards of the ADSP.</p>




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

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The following section tracks the administration of the Group Water Subsidy Payments in terms of key activities for this element of the programme:



### Timeline for Programme

- Process and deliver funding required by Private group water schemes to operate and maintain their scheme from 1<sup>st</sup> January to 31<sup>st</sup> December each year under the following stages:
- Receipt of applications
- Verification of applications
- Registration of applications
- Process of applications
- Recommendation / approval of applications
- Create CE Orders
- Processing payments
- Notify Group Water Schemes of payments and request receipts.
- Recoupment of funds from the department
- Notify finance section in Monaghan County Council

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


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The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Administration of Group and Private Installations in County Monaghan

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Monaghan County Council's Corporate Plan	The Corporate Plan outlines the supporting strategies and performance indicators that Water Services Section will achieve in order to deliver on the High-Level Goals of the Organisation.
Monaghan County Council's Annual Service Delivery Plan	The Annual Service Delivery Plan identifies the objectives and services to be provided by Water Services Section and the standards to be attained, monitored and evaluated to ensure that optimum delivery of services is achieved.
NOAC Performance Indicators	Key Performance Indicators for Water Services Section which measure: <ul style="list-style-type: none"> <li>• compliance of drinking water in private schemes with statutory requirements</li> <li>• percentages of schemes monitored by the local authority per year.</li> </ul>
Agresso Financial Management System	Financial management system records of: <ul style="list-style-type: none"> <li>• Subsidy payments to GWS and recoupments from DHLGH; direct admin and overheads.</li> <li>• Payment of DWWTS grants and recoupments from DHLGH</li> <li>• Itemisation of Service Support Costs; invoice income from GWS and funding from DHLGH</li> </ul>
Water Services Policy Statement 2018-2025	This Policy Statement document is referenced in Water Services Annual Service Delivery Plan in relation to its service delivery strategy of maintaining a Rural Water Department. The Policy Statement identifies high level objectives and

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
	priorities for the delivery of water and wastewater services for the period 2018 to 2025.
EU Water Framework Directive (Dir 2000/60/EC)	Principle EU law for water protection in Europe requiring member states to protect water bodies. The Directive obliges member states to meet the requirements of the drinking water directives in respect of water treatment regimes for bodies of water used for human consumption and stipulates monitoring requirements for such water supplies.
Terms and Conditions for Subsidy towards the Operational Costs of Group Water Schemes	This document sets out the revised Terms and Conditions applicable to the payment of a subsidy (referred to in this document as “the subsidy scheme” or “the subsidy”) towards the operational costs of group water schemes supplying water for domestic use.
Chief Executive Orders	Copy of signed and dated Chief Executive Orders authorising subsidy payments to Group Water Schemes and grant payments to eligible owners of Domestic Wastewater Treatment Systems.
Domestic Waste-Water Treatment Systems Grant under the National Inspection Plan – Terms and Conditions 2023	Terms and conditions for payment of grant by Water Services Section to assist with cost of works for remediation, repair, upgrade of a domestic wastewater treatment system (DWWTS)
Records Rural Water & Sewerage Programme (Service Support Costs)	<ul style="list-style-type: none"> <li>• Records relating to:</li> <li>• invoices from contractor for water testing services for GWS</li> <li>• payments from Group Water Schemes for</li> </ul>

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
	sampling services provided by Water Services Section
European Union (Drinking Water) Regulations 2023 S.I. 99 of 2023	This statutory instrument transposes EU Directive 2020/2184. It defines local authorities as the supervisory authority over Group Water Supply Schemes for the purpose of the regulations and sets out directions regarding the management and monitoring of water intended for human consumption.
EPA National Inspection Plan – period 2022 to 2026	National Inspection Plan for domestic waste-water treatment systems prepared by Environmental Protection Agency and allocating the number of inspections of domestic wastewater treatment systems per local authority.
Housing (Domestic Wastewater Treatment Systems Financial Assistance) Regulations 2020	Regulations in relation to payment of grant assistance for repair, upgrade, replacement of domestic wastewater treatment system.,

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

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The following section details the data audit that was carried out for Programme C05 Administration of Group and Private Installations in County Monaghan. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

<b>Data Required</b>	<b>Use</b>	<b>Availability</b>
Water Services Annual Service Delivery Plan.	Identifies the service objectives, priorities and performance standards to be achieved by Water Services Section	Available on Staff Portal

Data Required	Use	Availability
Water Services Policy Statement 2018 to 2025	<ul style="list-style-type: none"> <li>• Strategic Govt of Ireland document prepared by DHLGH which sets out:</li> <li>• Strategic Planning and Decision Making on Water &amp; Water Services in Ireland</li> <li>• high level policy objectives and priorities for delivery of water and wastewater services</li> <li>• High level principles to inform water services</li> <li>• Informs the regulatory requirements for public and private water supplies within the scope of EPA and local authorities</li> </ul>	<p>Referenced in the service delivery strategy of Water Services Annual Service Delivery Plan and in the Programme Logic Model for this in-depth-check.</p> <p>Available online.</p>
European Union (Drinking Water) Regulations 2023 S.I. 99 of 2023	Regulation transposes EU Directive 2020/2184 into Irish law. It defines local authorities as the supervisor authority for GWS and contains provisions on quality standards and monitoring requirements for water intended for human consumption	Available in Water Service Section
Revised EU Directive 2020/2184	Directive which sets quality standards for water intended for human consumption and obligations for the monitoring of the quality of such water supplies	<p>Transposed by SI 99 of 2023.</p> <p>Accessible online</p>

Data Required	Use	Availability
EU Water Framework Directive (Dir 2000/60/EC)	Directive stipulates requirements for: <ul style="list-style-type: none"> <li>• water treatment regimens for bodies of water used for human consumption</li> <li>• monitoring of sources of drinking water supplies</li> </ul>	Referenced in Water Services Annual Service Delivery Plan.  Accessible online
NOAC Performance Indicators	Key Performance Indicators for Water Services Section which measure: <ul style="list-style-type: none"> <li>• compliance of drinking water in private schemes with statutory requirements</li> <li>• percentages of schemes monitored by the local authority per year.</li> </ul>	Indicators reported by EPA and by Water Services annually and published yearly by NOAC.
Terms & Conditions for Subsidy towards Operational Costs of the Group Water Schemes	Document sets out the terms and conditions applicable to the payment of subsidies by Water Services Section to Group Water Schemes	Available in Water Services Section
Administration Files for Group Water Schemes Subsidy payments.	Files containing comprehensive records of subsidy applications by Group Water Schemes and including records of: <ul style="list-style-type: none"> <li>• List of GWS Members</li> <li>• Correspondence of Water Services with GWS – DHLGH – relevant stakeholders</li> <li>• Completed Subsidy Applications by GWS</li> <li>• Subsidy Application Checklist.</li> </ul>	Records available on Water Services electronic file path.  Completed Subsidy Application Forms and associated records available on Office files in Water Services Section

Data Required	Use	Availability
	<ul style="list-style-type: none"> <li>• Calculations and Payments of GWS subsidy by Water Services Sections</li> <li>• Invoices to GWS for (Fixed and Volumetric Charges</li> <li>• Audited Accounts of GWS</li> <li>• Supporting documentation for calculation of subsidy payments</li> <li>• Approval Memos for subsidy payments</li> <li>• CE Orders</li> <li>• Acknowledgment of receipt of subsidy payments</li> </ul>	
Subsidy Checklist of Terms and Conditions	Checklist used by staff in the assessment of applications for GWS subsidies	Available in hard copy format in Water Services Section
Chief Executive Orders	Record of signed and dated CE Orders authorising subsidy payments to GWS	Available on hard office files in Water Services Section
Record of Recoupment Claims for GWS subsidy payments	Files containing comprehensive records of : <ul style="list-style-type: none"> <li>• Applications to DHLGH for recoupment of subsidy payments</li> <li>• Calculation of recoupments</li> <li>• Supporting documentation for calculation of recoupment claims.</li> <li>• Correspondence between Water Services Section and DHLGH in regard to</li> </ul>	Available on Water Services electronic file path

Data Required	Use	Availability
	recoupment claims <ul style="list-style-type: none"> <li>• Confirmation of approval of recoupment claims</li> </ul>	
Agresso Financial Management System	Financial management system records of : <ul style="list-style-type: none"> <li>• Subsidy payments to GWS and recoupments from DHLGH; direct admin and overheads.</li> <li>• Payment of DWWTS grants and recoupments from DHLGH</li> <li>• Itemisation of Service Support Costs; invoice income from GWS payments service providers/contractors and funding amounts from DHLGH</li> </ul>	Available on Agresso FMS
EPA Reports on Drinking Water Quality in Private Group Water Schemes and Small Private Supplies	Annual EPA Report on drinking water quality in private GWS which sets out key findings for the year in review	Available online EPA website
Record of Inspection of DWWTS	Register of DWWTS inspections completed during 2023 and tracking of outcomes.	Excel spreadsheet noted on Water Services electronic filing system.
Records of recoupment of DWWTS grants.	Comprehensive records and supporting documentation in reference to applications by Water Services Section for recoupment of DWWTS grant	Noted on Water Services electronic files



Data Required	Use	Availability
	payments from DHLGH for 2023 including: <ul style="list-style-type: none"> <li>• Agresso spreadsheets of grant payments</li> <li>• Correspondence to DHLGH</li> <li>• Approval for submission of recoupment claim</li> <li>• Register of inspections of DWWTs for 2023</li> </ul>	
Records of Applications for grant assistance towards remediation/upgrade of domestic waste-water treatment system	Comprehensive records of applications received during 2023 for grant assistance for costs of remediation/upgrade of domestic waste-water treatment systems (DWWTs)	Not viewed due to time constraints  Grant payments noted on Agresso FMS.
Records on Rural Water & Sewerage Programme Expenditure (Service Support Costs)	Records relating to: <ul style="list-style-type: none"> <li>• invoices from contractor for water testing services for GWS</li> <li>• payments from Group Water Schemes for sampling services provided by Water Services Section</li> <li>• Records on procurement of laboratory testing service.</li> </ul>	Records of invoices and payments were available on Agresso FMS.  Due to time constraints, hard copy records were not sought in respect of the contractor invoices or payments from the GWS.  Records of this procurement were not

Data Required	Use	Availability
		available for inspection.
EPA National Inspection Plan – period 2022 to 2026	National Inspection Plan for domestic waste-water treatment systems prepared by Environmental Protection Agency and allocating the number of inspections of domestic wastewater treatment systems per local authority.	Available online EPA website  Does Water Services have copy of this available???

#### Data Availability and Proposed Next Steps

Sufficient records are retained by Water Services Section to support a robust evaluation of the administration of the programme. Observations on some deficiencies in the records on file are noted on page 18.

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

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The following section looks at the key evaluation questions for the Administration of Group and Private Installations (Water Services) 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 audit of the documentation and records for this in-depth check was focused primarily on the administration of the annual subsidy payments for the Group Water Schemes, on the basis that this element of the programme accounts for 96% of the overall expenditure of the programme during the year under review. Records pertaining to the other two elements of the programme were examined, but to a lesser degree of scrutiny, during the in-depth check process. The in-depth check process also included an examination of the records of income

and expenditure for the programme on Agresso FMS and a follow up meeting with the staff of Water Services Section.

The findings of the in-depth check are that the appraisal, implementation and review of the programme generally complies with the principles of the Public Spending Code.

For the purposes of the appraisal of the programme, the strategic direction is outlined at a high level by the National Water Services Policy Statement and is governed by EU Directives and national legislation as referenced in the data audits outlined in Steps 2 and 3 of this in-depth review.

Compliance with the principles of the Public Spending Code in terms of the appraisal and implementation of the programme is evidenced through:

- The alignment of the Water Services Annual Service Delivery Plan with the higher-level strategies guiding the programme such as the Water Services Policy Statement and the Water Framework Directive.
- The alignment of the sampled processes of the programme with the governing documentation of the sanctioning authority, DHLGH. An audit of the calculation and approval process for six sample subsidy payments paid in 2023 confirmed that the sample subsidies had been correctly calculated in compliance with the terms and conditions specified by the funder. It was noted that the Administration Expenses documents which accompany, but are not part of, the signed audited annual accounts submitted with GWS subsidy applications, were generally unsigned. This document is important for verifying the calculation of the Subsidy A element of the subsidy application.
  - In relation to the approval process for the sampled subsidy payments, it was noted that the Purchase Orders approved on Agresso FMS for 1 of the 6 sampled payments exceeded the approver's approval limits as denoted in Appendix 1 of MCC Purchase to Pay Policy & Procedures. Water Services staff provided a copy of an email recommendation from the relevant DOS to the Head of Finance for an increase in the approver's approval limits. The email included approval from Finance Unit in respect of the approver's designation as Head of Rural Water Services and referred to the period of the sampled Purchase Order.
  - It was noted that the memorandum of approval document that was filed in respect of 4 of the sampled subsidy payments, referenced an approver whose approval limits (as denoted in the Purchase to Pay Procedures) are significantly lower than the subsidy amounts being approved in each case. However, it was also noted that the approval of the Purchase Orders on Agresso for each of the 4 subsidy payments was in accordance with the approver limits specified in the Purchase to Pay Procedures. The subsidy payments also received final approval in the form of a CE Order signed by the Director Of Services. The practice of using three approval layers should provide satisfactory control against risks to the subsidy payment process. However, the provision of internal written procedures for the calculation and approval protocols to be observed in the payment of Group Water Scheme Subsidies would enhance those controls and demonstrate improved compliance with the principles of the Public Spending Code in terms of

the implementation of this programme.

- An examination of six sample recoupments of subsidy payments was undertaken and the results confirmed that the calculation and administration of the sampled recoupments was in accordance with the terms and conditions of the funder. The balance of income and expenditure on the relevant job code confirms that all subsidy payments had been fully recouped as at the end of 2023.

Evidence of the review and evaluation of the programme in accordance with the principles of the Public Spending Code was noted through:

- Performance Standards in the Annual Service Delivery Plan regarding the number of inspections of Domestic Waste-Water Treatment Systems and processing of grant applications. However, the absence in the Annual Service Delivery Plan of sufficiently explicit detail in respect of the administration of the GWS subsidies and recoupments claims, was noted.
- Annual NOAC performance indicators on compliance of private drinking water supplies with Drinking Water Regulations and percentage of group water schemes monitored.
- Good intercommunication was noted between staff during the course of the in-depth check in relation to the application of the procedures for assessment and processing of subsidy applications.
- Use of a detailed checklist to improve controls in the GWS subsidy application process.
- Review by staff of the Advance Subsidy B calculation process following underpayment of subsidy recoupments by DHGLGH in 2021, as reported by staff during the audit meeting. The outcome of this review was noted in an examination of the subsidy calculation sheets.

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

There are sufficient records available to facilitate an evaluation of the administration of the Water Services Group and Private Installations Programme, particularly in regard to the administration of the subsidy payments to Group Water Schemes, which was the main focus of this in-depth check.

The records available consist of files stored on Water Services electronic filing system, hard copy files in the Water Services administration office and financial records on the Agresso Financial management system. The records were found to be generally clear, well categorised and of good quality. Some deficiencies noted in respect of the data audited for this in-depth check include:

- An absence of internal written procedures in respect of the internal administration processes and approval protocols that are used by Water Services Section for the

administration of GWS subsidy payments and recoupments.

- Records were not noted on file in relation to the procurement of laboratory services for the provision of a monitoring programme for the year 2023. Water Services staff advised that the relevant records are in the possession of Uisce Eireann.
- There were not sufficiently clear explanatory notes in relation to some underpayments of recoupment claims by DHLGH in respect of Q1 Advance Subsidy B payments in 2021 and also for the subsequent reclaiming of those underpayments.
- The absence of a reply from a GWS in response to a query from Water Services Section on the issue of Unaccounted For Water was noted on one of the subsidy payment files examined for this in-depth check. Water Services Staff advised that a water audit report was received from the Group Water Scheme but had been filed on separate MARWP file.
- A procurement register was not available for Water Services Section but Water Services Staff have taken steps to address this requirement.
- Some minor corrections are required in regard to transactions on two job codes for this programme.

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

Recommendations for the enhancement of the processes and management of the programme under review are itemised in Appendix 2 of this in-depth-check report.

it was noted that the Agresso records of supplier accounts show that amendments were made to 14 GWS supplier accounts from 2022 to 2023. Staff in Water Services and Finance Section advise that amendments to GWS Account details may be required from time to time in relation to changes of name details for officers of the GWS. Amendments to Bank Account details were required on a number of GWS supplier accounts upon the closure of Ulster Bank in 2023. Water Services Staff advised that all requests for changes to supplier account details are noted on the relevant GWS hard copy file and an explanatory note of this nature was seen on one of the GWS files during the sampling of the subsidy payments. Since the requirement to amend supplier set up details can represent a potential risk and taking account of the volume and size of subsidy payments that are transferred to GWS Bank Accounts through the year, a recommendation on this matter will be included in Appendix 2 of this report.

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## Section C : In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Administration of Group and Private Installations Programme (C05)

### Summary of In-Depth Check

The Administration of Group and Private Installations is administered by Water Services Section and is itemised as a revenue expenditure programme on the inventory of capital and revenue projects for 2023. The expenditure for the programme was € 6,721,981 which represents 60.6% of the overall revenue expenditure for the Water Services Division in 2023 and 7.3% of the total revenue expenditure itemised in the Inventory of Capital and Revenue Expenditure for the same year.

The programme consists of three main elements as categorised in the Annual Financial Statement, namely:

AFS Code	Sub Programme Title/Description
C0501	Grant assistance for remediation/upgrade of domestic waste-water treatment systems (DWWTS) and recoupment from Department of Housing, Local Government and Heritage
C0504	Subsidy payments to Group Water Schemes and recoupment from the Department of Housing, Local Government and Heritage, including direct admin and overhead costs for this sub-programme.
C0599	<p style="text-align: center;">Service support costs consisting of:</p> <ul style="list-style-type: none"> <li>• Payroll and Travel for administration of the programme (Water Services Staff) and DHLGH funding</li> <li>• Rural Water and Sewerage Programme which includes expenditure for the laboratory testing of Group Water Scheme water supplies and payments from Group Water Schemes for water sampling services.</li> </ul>

The in-depth check on the programme consisted of an audit of electronic and hard copy records retained by Water Services Section. This process included testing of samples of GWS subsidy payments and samples of the applications for recoupment of those payments. Records were viewed in relation to the Grants for Domestic Waste-Water Treatment Systems and Agresso FMS records were examined in relation to the service support costs arising from the Rural Water and Sewerage programme. Discussions on the activities of the programme and a meeting to discuss the issues being examined in the in-depth check were undertaken with the staff of Water Services Section.

The findings of the in-depth check are that the administration of the programme generally adheres to the principles of the Public Spending Code in respect of the appraisal, implementation and evaluation of the programme. The findings are supported by the audit of records outlined in Section B of the in-depth check and by the outcome of tests completed on samples of the subsidy payment process which represents over 90% of the expenditure of the programme. The findings include confirmation of sufficient records of good quality to facilitate an evaluation of the programme at a future date, as required by the in-depth check process.

Requirements for additional data were noted in relation to some aspects of the programme processes and to facilitate improved compliance with the principles of the Public Spending Code in terms of both the appraisal and implementation of the programme. A number of recommendations have been included in Appendix 2 in respect of those requirements.

**Conclusion and Category of Assurance:**

Internal Audit provides **Satisfactory** assurance that the appraisal, implementation and evaluation of the programme by Water Services Section during the year under review (2023) complies with the principles and requirements of the Public Spending Code.

**Acknowledgements:**

I wish to acknowledge the assistance and co-operation of the staff of Water Services Section and the Director of Services during the course of the in-depth check process.

Signed: Eamon Duffy Date: 15th July, 2024

**Eamon Duffy**  
**Internal Auditor**

Information contained in this report has been agreed with the Relevant Director in MCC, CE in MCC.

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| <ol style="list-style-type: none"><li><b>1. Draft Report issued to Water Services Section and Director of Services on 16/07/2024</b></li><li><b>2. Updated Draft Report issued to MT on /07/2024</b></li><li><b>3. Report included in Quality Assurance Report for year 2023 and submitted to NOAC on</b></li><li><b>4. Final Report to Audit Committee for meeting of</b></li></ol> |
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**Appendix 1**

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



## Appendix 2

	<b>Internal Audit Recommendations Below</b>	<b>To be completed by Director and / or Relevant Section Head.</b>			
	<b>Public Spending Code Administration of Group &amp; Private Installations by Water Services Section</b>	<b>Proposed Actions/Actions Undertaken</b>	<b>Timeline for delivery</b>	<b>Section/Person responsible</b>	<b>Comments from Management Team</b>
<b>1.</b>	Written procedures should be drafted to outline the processes to be followed for the calculation, approvals, payment and recoupment of applications for GWS Subsidy A & B. The procedures should not duplicate but should complement the governing Terms and Conditions document and the Application Checklist Sheet.				
<b>2.</b>	Written procedures should be drafted on the processes to be followed when dealing with requests to amend supplier set up details (particularly bank account details) for Group Water Schemes.				
<b>3.</b>	Water Services should continue to retain signed and dated notes on GWS files in relation to any requests received for the amendment of any supplier account details for the GWS.				
<b>4.</b>	The Annual Service Delivery Plan should include specific details on the service delivery strategy and performance standards pertaining to the administration of the GWS subsidy payments.				
<b>5.</b>	The Administration Expenses Sheet that is submitted by Group Water Schemes with a completed subsidy application form should be signed and dated by the Treasurer of the Group Water Scheme if it does not form part of the audited Statement of Accounts.				

Internal Audit Recommendations Below		To be completed by Director and / or Relevant Section Head.			
	Public Spending Code Administration of Group & Private Installations by Water Services Section	Proposed Actions/Actions Undertaken	Timeline for delivery	Section/Person responsible	Comments from Management Team
6.	The transactions and closing balances for 2023 on job codes 03350001 and 03350003 should be reviewed and corrected.				
7.	The records of the procurement and contract for the provider of the laboratory testing service for 2023 should be retained in Water Services filing system.				
8.	Water Services Section should open and maintain a procurement register in compliance with MCC Procurement Procedures.				
9.	Responses from Group Water Schemes or contractors to correspondence that originated from GWS subsidy files regarding unaccounted for water, should be copied to the GWS subsidy file to complete the record on the matter and to assist any future evaluation of the file.				