



Comhairle Contae Thiobraid Árann
Tipperary County Council

Public Spending Code Quality Assurance Report 2016

Submitted to National Oversight Audit Commission (NOAC)
May 2017

Certificate

This Annual Quality Assurance Report sets out Tipperary 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: _____
Joe MacGrath
Chief Executive
Tipperary County Council

Date: _____

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Introduction

Tipperary County Council has completed this Quality Assurance (QA) report as part of its on-going compliance with the Public Spending Code (PSC). The primary aim of the QA process is to establish the extent to which departments within the Local Authority are meeting the requirements outlined in the PSC.

The Quality Assurance Process contains five steps:

Step 1 - Draw up inventories of projects/programmes with a value in excess of €0.5m.

Step 2 - The Organisation should 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.

Step 3 - Complete the 7 checklists contained in the PSC.

Step 4 - Carry out a more in-depth check on a sub set of projects/programmes from the Project Inventory based on the criteria set out within the Public Spending Code.

Step 5 - Complete a short summary report for the National Oversight and Audit Commission (NOAC).

This report addresses step 5 of the QA process.

Step 1: Inventory of Projects/Programmes

Appendix 1 sets out Tipperary County Councils Project Inventory detailing 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 expenditure matching these criteria are included in the Project Inventory.

All Directorates within Tipperary County Council were requested to compile a Project Inventory of relevant projects and programmes for the year under review, 2016.

Tipperary County Council identified a total of 55 current and 54 capital projects with a total project value in the amount of €249.96m. These projects are split across expenditure being considered, being incurred and recently ended. The following tables provide a summary of the projects set out in Appendix 1:

Project Numbers	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
Expenditure Being Considered	6	-	-	11	12	-	29
Expenditure Being Incurred	43	5	1	22	3	-	74
Expenditure Recently Ended	-	-	-	6	-	-	6
Totals	49	5	1	39	15	-	109

Project Values	Revenue Expenditure	Capital Expenditure	Totals
	>€0.5m	>€0.5m	
Expenditure Being Considered	4.81	36.77	41.58
Expenditure Being Incurred	127.69	66.92	194.61
Expenditure Recently Ended	-	13.77	13.77
Totals	132.5	117.46	249.96

Note: Appendix 1 includes 55 revenue projects/programmes with a total value in the amount of €132.5m. The revenue figures included in Appendix 1 are based on Unaudited Annual Financial Statements.

Step 2- Published Summary of Procurements

The Quality Assurance process requires Tipperary County Council to publish all procurements in excess of €10m on our website. There were no procurements in excess of €10M during 2016 in Tipperary County Council therefore there were no projects required to be reported on our website. This report is published on Tipperary County Councils website at the following location: <http://www.tipperarycoco.ie/finance>

The screenshot displays the Tipperary County Council website. At the top, there is a navigation bar with links for Home, Services, News, FAQs, Download it, Apply for it, and Pay for it. A search bar labeled 'FIND IT' is also present. Below the navigation bar, the page title 'Home / Finance' is visible. The main content area features a 'Finance' section with a briefcase icon and a list of links: View Adopted Budget 2016, Insolvency Information, How to make a Complaint/Query a Bill Received, Where do suppliers submit invoices and what information needs to be included?, Pay Bills/Fines Online, and Contact the Cash Office. To the right of this list is a vertical menu with links for Budgets and Reports, Tenants, Contacts and Staffing, Online Payments, and Internal Audit. At the bottom of the page, there are buttons for Welcome, Publications, Forms, FAQs, and News / Events.

Step 3- Checklists

Step 3 of the QA process requires the completion of 7 Checklists for the purpose of providing a self assessment overview of how compliant Tipperary County Council was with the Public Spending Code during 2016.

The checklists were completed by the spending Directorates and submitted to the Head of Finance, where they were compiled to create one of each of the 7 checklists representing Tipperary County Council's assessment of its compliance with the PSC.

The following checklists are set out in **Appendix 2** of this report:

- Checklist 1: General Obligations Not Specific to Individual Projects/Programmes
- Checklist 2: Capital Projects or Capital Grant Schemes Being Considered
- Checklist 3: Current Expenditure Being Considered
- Checklist 4: Capital Expenditure Being Incurred
- Checklist 5: Current Expenditure Being Incurred
- Checklist 6: Capital Expenditure Completed
- Checklist 7: Current Expenditure Completed

The compiled responses from the completion of the 7 Checklists show a satisfactory level of compliance with the code. However there are areas that need improvement. Although there were no serious issues evident from the completion of the checklists, a greater appreciation of the requirements of the PSC throughout the various spending departments needs to be re-enforced through-out Tipperary County Council.

Step 4- In-depth Review of a Sub-set of Projects

Step 4 of the QA process requires Internal Audit to carry out an in-depth review of a sample of projects to ascertain the quality of the appraisal, planning and/or implementation stages to make a judgement on whether the work was of an acceptable standard and in compliance with the Public Spending Code.

The value of the projects selected for in-depth review each year must follow the criteria set out below:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all Capital projects on the Project Inventory.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all Revenue Projects on the Project Inventory. **(Requirement to include revenue programmes in as part of in-depth review introduced for 2016 QA process and will not be applied retrospectively).**

The above minimums are an average over a three year period.

The following table summarises the projects selected for in-depth review over the last 3 years as a % of the capital and revenue project inventories:

QA Year under review	Total Project Inventory	Total Capital Project Inventory	Total Revenue Project Inventory	Value of Capital Projects selected for In-depth review	Value of Revenue Projects selected for In-depth review	% of Projects Selected of Total Revenue Inventory	% of Projects Selected of Total Capital Inventory
	€m	€m	€m	€m	€m	%	%
2014	261.70	130.00	131.7	11.00	-	Note 1	8%
2015	287.89	151.64	136.25	23.60	-	Note 1	16%
2016	249.96	117.46	132.50	2.30	2.40	2%	2%
Total over 3 years	799.55	399.10	400.45	36.90	2.40	2%	26%

Note 1: As stated above the requirement to sample a certain percentage of revenue projects is new for 2016.

The Public Spending Code states that over a 3 – 5 year period all stages of the project life cycle and every scale of project should have been included in the in-depth check. The table below sets out the programme groups that have been sampled over the 2014 – 2016 period:

QA Year under review	Value of Capital Projects selected for In-depth review	Programme Group
	€m	
2014	11	Roads & Municipal District
2015	23.6	Housing, Fire & Water Services
2016	2.3	Housing & Environment
Total over 3 years	36.9	

Internal Audit selected 2 projects, one capital and one revenue, from the Project Inventory (**Appendix 1**) having regard to the value of the projects, the spending department within the Local Authority and the stage which the project was at during 2016 in order to have a good range of project types and scales to review. The projects selected for in-depth review were as follows:

1. Capital: Construction of 6 houses for families at Cabragh Bridge, Thurles - Capital expenditure being incurred- €2,254,424
2. Revenue: Operation, Maintenance and Aftercare of Landfills - Current expenditure being incurred- €2,356,010

The in-depth checks were carried out by the Internal Audit unit of TCC in May 2017. Full copies of these in-depth checks can be found at **Appendix 3**.

1. Capital: Construction of 6 houses for families at Cabragh Bridge, Thurles - Capital expenditure being incurred- €2,254,424

This project involves the construction of six units at Cabragh Bridge, Thurles as part of Tipperary County Council's aims set out in the Traveller Accommodation Plan 2014-2018. It is envisaged that the works will be completed by July/August 2017.

This in-depth review addressed the general quality of the appraisal, planning and implementation work done to date on the project. The review and supporting documentation supplied revealed no major issues which would cast doubt as to Tipperary County Council's compliance with the Public Spending Code.

Internal Audit are satisfied that the project objective was clearly defined and that the needs that were to be met were outlined. After much consideration a proposed scale on which the needs were to be met was established. After reviewing available information it can be concluded that there is **substantial compliance (Appendix 4)** with the requirements of the Public Spending Code in relation to this project.

Internal Audit recommends that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Management Response:

Housing are satisfied that the report is comprehensive, positive and an accurate reflection of the work on the Housing project. As recommended in the report, the Director of Housing will ensure that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

2. Revenue: Operation, Maintenance and Aftercare of Landfills - Current expenditure being incurred- €2,356,010

This project involves the maintenance and aftercare of licensed Landfill sites at Donohill and Ballaghveny. The objectives of TCC are to comply with the Waste Management Act, 1996, restore the landfill sites to a condition suitable for after use that will become an asset within the community.

Aside from the procurement issues identified during this review, Internal Audit is satisfied that suitable management structures and reporting requirements were established to monitor activity and expenditure progress against plans and expectations. In addition there appears to be sufficient reporting to the EPA in line with the conditions set out in relevant EPA Licenses. Although adherence to procurement guidelines needs to be strengthened, after reviewing available information it can be concluded that there is **satisfactory compliance (Appendix 4)** with the requirements of the Public Spending Code in relation to this programme.

Internal Audit recommend that every effort is made to ensure compliance with procurement guidelines as soon as possible. Internal Audit also recommend that minutes from team meetings regarding the landfill sites are documented going forward. In addition, Internal Audit recommends that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Management Response:

The Environment section commits to undertaking the following arising from the recommendations of the Internal Audit report.

- It is agreed that minutes of meetings relating to Landfill Site projects will be documented going forward.
- It should be noted that prior approval was received for the overspend in the 2016 “Landfill Operation and Aftercare” budget.
- A note will now be placed on file justifying the decision to use Priority Construction for exploratory and remedial works at Ballaghveny landfill.
- Environment section will comply with the relevant procurement guidelines in relation to the purchase of works, goods and services.
- Staff members will receive additional training to ensure compliance with the Public Spending code.

Conclusion

This report sets out all the requirements of the QA process of the PSC.

In summary,

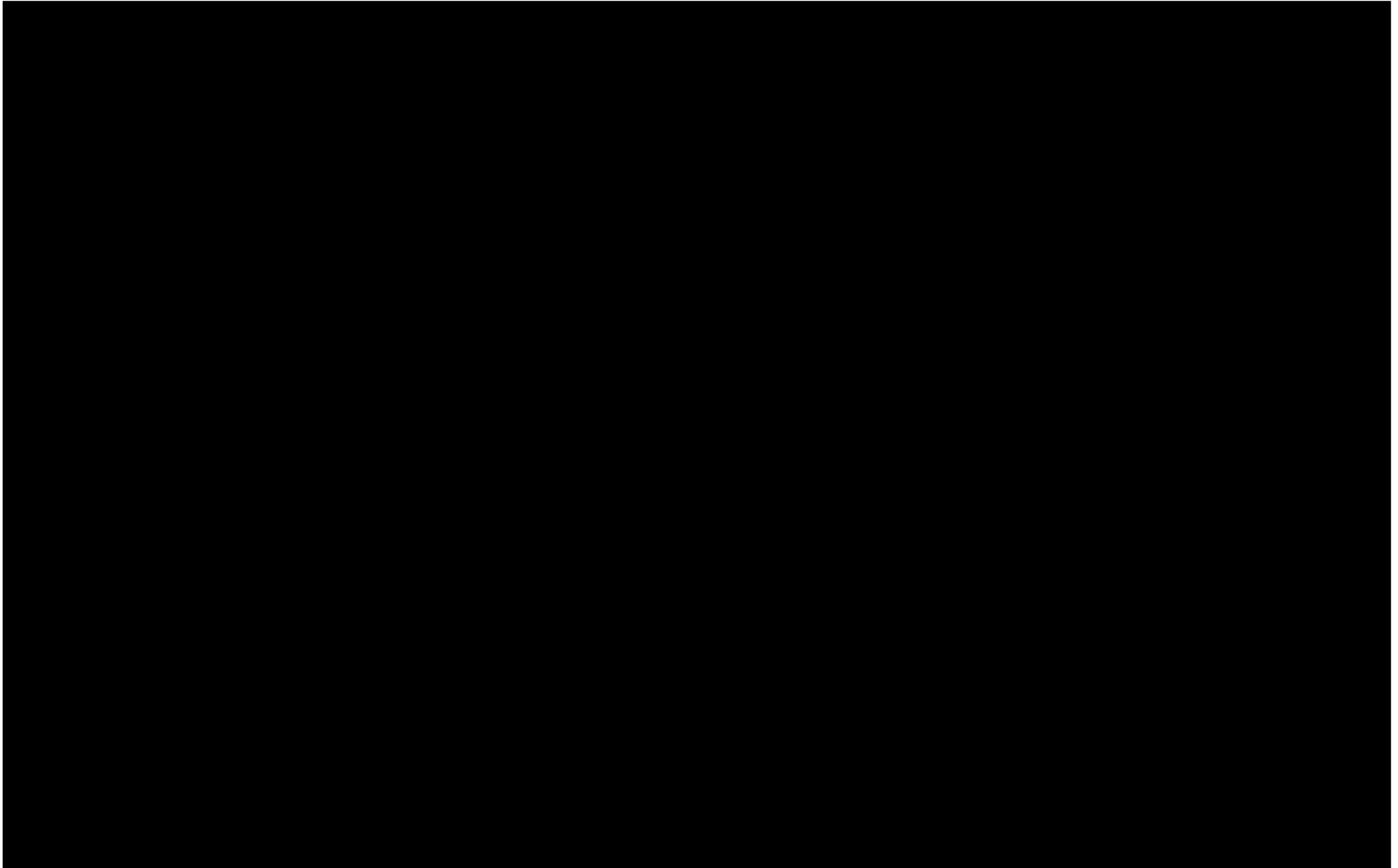
- A Project Inventory has been completed by Tipperary County Council for 2016;
- Any disclosures of procurements in excess of €10m have been published on Tipperary County Councils website;
- The 7 compliance checklists were compiled under the terms of the PSC. These checklists indicate that there is a satisfactory level of compliance with the Public Spending Code. As part of this process no serious concerns were raised of non-compliance with the PSC, however there are areas which need improvement;
- An in-depth review of a sample of projects has been completed. Where issues were noted, recommendations were made to address same; and
- This report has been prepared which sets out the QA requirements of the Public Spending code and will be published on Tipperary County Councils website on 31st May 2017.

Overall the QA process has provided Management of Tipperary County Council with reasonable assurance that the requirements of the PSC are being broadly complied with. However Management will need to ensure that Directorates have a greater appreciation of the requirements of the PSC, particularly in light of staff movements throughout the organisation. Full compliance with the PSC will need to be encouraged going forward. This will involve training on the requirements of the code where necessary and greater emphasis on the importance of compliance with the PSC will need to be communicated to relevant staff.

The annual internal audit plan for 2018 will place greater emphasis on Value for Money audits and procurement process across the various spending departments. In addition to this there is a full time Administrative Officer employed as a Procurement Officer who will be able to advise and assist spending Directors on all matters concerning procurement.

APPENDIX 1 – Inventory of Projects and Programmes over €0.5m – 2016

The following table sets out Tipperary County Councils Project Inventory detailing expenditure on Projects/Programmes with a value above €0.5m, categorised by expenditure being considered, expenditure being incurred and expenditure recently ended during 2016. Only projects with expenditure matching these criteria are included in the Project Inventory.



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Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current > €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			> €0.5m			> €0.5m			
			€0.5 - €5m	€5 - €20m	€20m plus	Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
Local Authority Name												
Tipperary County Council												
Road Transportation and Safety												
B01 NP Road - Maintenance and Improvement						€0.87						
B02 NS Road - Maintenance and Improvement						€0.95						
B03 Regional Road - Maintenance and Improvement						€9.40						
B04 Local Road - Maintenance and Improvement	€ 0.86					€23.52						
B05 Public Lighting						€2.38						
B06 Traffic Management Improvement												
B07 Road Safety Engineering Improvement												
B08 Road Safety Promotion/Education												
B09 Car Parking						€1.75						
B10 Support to Roads Capital Prog.						€2.51						
B11 Agency & Recoupable Services						€0.55						
Roads Project A			€0.65									
Roads Project B			€0.75									
N65 Carrigahorrig								€0.50				
Slievenamon Road								€0.50				
Ardfinnan bridge rehabilitation								€0.80				
Nenagh Traffic Management Plan								€0.85				
Suir Island Carpark Development								€0.90				
R498 Minor Improvement Scheme at Knockalton								€0.90				
Pil Road Railway bridge N24								€0.91				
Construction of new Surface car park at Stereame Nenagh								€1.00				
Clonmel to Carrick-on-Suir Greenway								€1.90				
N52 Borrisokane Streets								€2.40				
N74 Ballyhusty Realignment								€2.85				
Liberty Square Enhancement Thurles								€4.00				
Thurles Relief Road								€5.00				
R498 Road Realignment at Latteragh								€10.24				
Active Travel Towns Clonmel 2014-16 Stream 2											€1.00	

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Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current > €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			> €0.5m			> €0.5m			
						Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
			€0.5 - €5m	€5 - €20m	€20m plus							
Local Authority Name												
Tipperary County Council												
Water Services												
C01 Water Supply	€ 0.72				€7.47							
C02 Waste Water Treatment					€2.81							
C03 Collection of Water and Waste Water Charges					€1.06							
C04 Public Conveniences												
C05 Admin of Group and Private Installations					€0.59							
C06 Support to Water Capital Programme					€0.74							
C07 Agency & Recoupable Services												
C08 Local Authority Water and Sanitary Services												
Thurles RWSS Contracts No 1							€12.66					
Development Management												
D01 Forward Planning					€1.18							
D02 Development Management					€1.94							
D03 Enforcement					€1.40							
D04 Industrial and Commercial Facilities												
D05 Tourism Development and Promotion					€0.50							
D06 Community and Enterprise Function					€2.37							
D07 Unfinished Housing Estates												
D08 Building Control												
D09 Economic Development and Promotion	€ 0.63				€3.89							
D10 Property Management												
D11 Heritage and Conservation Services					€0.51							
D12 Agency & Recoupable Services												
Development Strategy Fund 1							€0.91					
Development Strategy Fund 2			€0.52									
Questum Development										€3.26		
Tipperary Food Centre of Excellence				€6.00								

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Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
Local Authority Name			€0.5 - €5m	€5 - €20m	€20m plus							
Tipperary County Council												
Environmental Services												
E01 Landfill Operation and Aftercare						€2.36						
E02 Recovery & Recycling Facilities Operations						€1.16						
E03 Waste to Energy Facilities Operations												
E04 Provision of Waste to Collection Services												
E05 Litter Management						€1.40						
E06 Street Cleaning						€1.60						
E07 Waste Regulations, Monitoring and Enforcement						€0.50						
E08 Waste Management Planning												
E09 Maintenance of Burial Grounds						€1.46						
E10 Safety of Structures and Places						€0.70						
E11 Operation of Fire Service						€7.34						
E12 Fire Prevention												
E13 Water Quality, Air and Noise Pollution						€0.67						
E14 Agency & Recoupable Services	€ 0.79					€1.56						
Extension to Lisbonney Burial Ground											€1.15	
Donohill Landfill Rehabilitation								€1.40				
Environmental Site Clearance								€2.00				
Environmental Works Landfill A			€1.20									
Environmental Works Landfill B			€1.00									
Refurbishment of Templemore Fire Station								€1.63				

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Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
			€0.5 - €5m	€5 - €20m	€20m plus							
Tipperary County Council												
Recreation and Amenity												
F01 Leisure Facilities Operations						€2.49						
F02 Operation of Library and Archival Service	€ 1.06					€3.16						
F03 Outdoor Leisure Areas Operations						€2.30						
F04 Community Sport and Recreational Development						€0.73						
F05 Operation of Arts Programme						€1.24						
F06 Agency & Recoupable Services						€0.90						
Nenagh Town Park & Leisure Centre											€2.82	
Thurles Town Park											€2.54	
Amenity Project A			€0.68									
Playgrounds			€0.50									
Amenity Project B			€0.57									
Amenity Project C			€0.55									
Amenity Project D			€0.50									
Clonmel Sports Hub								€2.50				
Agriculture, Education, Health and Welfare												
G01 Land Drainage Costs												
G02 Operation and Maintenance of Piers and Harbours												
G03 Coastal Protection												
G04 Veterinary Service						€1.05						
G05 Educational Support Services												
G06 Agency & Recoupable Services												

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Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended			Notes
	Current	Capital				> €0.5m			> €0.5m			
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
			€0.5 - €5m	€5 - €20m	€20m plus							
Tipperary County Council												
Miscellaneous Services												
H01 Profit/Loss Machinery Account												
H02 Profit/Loss Stores Account												
H03 Administration of Rates						€5.65						
H04 Franchise Costs												
H05 Operation of Morgue and Coroner Expenses												
H06 Weighbridges												
H07 Operation of Markets and Casual Trading												
H08 Malicious Damage												
H09 Local Representation/Civic Leadership						€2.72						
H10 Motor Taxation						€1.53						
H11 Agency & Recoupable Services						€3.18						
John Higgins Site								€0.50				
Development of Town Centre Clonmel								€2.50				
Refurbishment of Castle Avenue Thurles Offices											€3.00	
Development of Carrick on Suir MD Offices								€2.80				
GRAND TOTAL	€ 4.81	€ -	€ 30.77	€ 6.00	€ -	€ 127.69	€ -	€ 66.92	€ -	€ -	€ 13.77	€ -

APPENDIX 2 – Checklists of Compliance

Tipperary County Council- PSC Quality Assurance Report 2016

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

General Obligations not specific to individual projects/ programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)?	3	All information available on PSC is circulated within the organization to keep appropriate staff fully informed.
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	2	Ensure that all sections attend training.
1.3 Has the Public Spending Code been adapted for the type of project/programme that your local authority is responsible for? i.e., have adapted sectoral guidelines been developed?	3	Adopted at Sector Level.
1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	No projects relevant to PSC.
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	3	Findings have been disseminated to all sections.
1.6 Have recommendations from previous QA reports been acted upon?	3	Recommendations have been circulated to the directorates for review and for future projects.
1.7 Has an annual Public Spending Code QA report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website?	3	Yes
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	2	A process will be put in place to ensure greater compliance with this in the future.
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	2	4 PPRs were carried out and their results were issued to the stakeholders.
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	Yes
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	2	Where appropriate.

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

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No projects > €20m
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Approval required to enable future grant draw downs.
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	N/A	N/A for 2016
2.7 Were the NDFA consulted for projects costing more than €20m?	N/A	N/A for 2016
2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	3	Yes
2.9 Was approval granted to proceed to tender?	3	Where required approval was granted.
2.10 Were procurement rules complied with?	3	
2.11 Were State Aid rules checked for all supports?	N/A	
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	3	Each project that went to tender would have had detailed specifications and timelines.
2.14 Have steps been put in place to gather performance indicator data?	3	Project leaders expected to monitor progress compared to initial targets.

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

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	3	Yes. Spending Programme Defined as part of the 2017 Annual Budget Process for 6 services where current expenditure being considered with 1 service being an expansion of a shared service which commenced in 2016.
3.2 Are objectives measurable in quantitative terms?	3	National KPIs are in place for Local Government
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	3	Where applicable
3.4 Was an appropriate appraisal method used?	3	KPIs are established each year for specific services
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	3	
3.6 Did the business case include a section on piloting?	3	The Shared Service was a pilot.
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	
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	3	Process agreed at outset
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	3	Submitted and approved by Department
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	Considered as part of the 2017 Budget process. Business case resulted in new Shared Service pilot in 2016. The development of the Annual Service Plans will enhance this measurement.
3.11 Was the required approval granted?	3	Approval as part of 2017 Budget Process
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	3	Shared Service on 5 year pilot basis with annual review.
3.13 If outsourcing was involved were procurement rules complied with?	3	Where applicable

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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	National KPIs are in place for Local Government
3.15 Have steps been put in place to gather performance indicator data?	3	Where National KPIs are in place for Local Government

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes where appropriate
4.2 Did management boards/steering committees meet regularly as agreed?	3	Relevant teams within departments met on regular basis
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Staff at the appropriate level, given responsibility for specific projects.
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	Staff at the appropriate level given responsibility for specific projects
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Monitored v Budgets and timelines in most cases.
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	In most cases
4.7 Did budgets have to be adjusted?	3	Yes adjusted where required up / down
4.8 Were decisions on changes to budgets / time schedules made promptly?	3	Yes
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	No	
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	N/A	
4.11 If costs increased was approval received from the Sanctioning Authority?	3	To enable grant draw downs.
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	No	Updates to Mgt Team and Council Meetings at regular intervals.

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes. Spending Programme Defined as part of the Annual Budget Process
5.2 Are outputs well defined?	3	National KPIs are in place for Local Government
5.3 Are outputs quantified on a regular basis?	3	KPIs are established each year for specific services
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes Budget performance and monitoring is in place throughout the year.
5.5 Are outcomes well defined?	3	Defined through the Annual Service Plans.
5.6 Are outcomes quantified on a regular basis?	3	The development of the Annual Service Plans have enhanced this measurement.
5.7 Are unit costings compiled for performance monitoring?	3	Where National KPIs are in place for Local Government
5.8 Are other data compiled to monitor performance?	3	As part of the Annual Budget process.
5.9 Is there a method for monitoring effectiveness on an on-going basis?	3	As part of the Annual Budget process.
5.10 Has the organisation engaged in any other 'evaluation proofing' ¹ of programmes/projects?	No	Data to be collected to allow for future evaluation.

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

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

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	3	6 Projects completed in 2016, Four project reviews completed. Review on the remaining project will be completed in 2017.
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	
6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	N/A	
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	3	
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	3	For some projects this is the case, with reviews expected to be completed in 2017.
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	3	Yes where applicable
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	2	Yes where applicable
6.8 Were project reviews carried out by staffing resources independent of project implementation?	2	Yes where applicable

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

Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
7.1 Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?		No programmes relevant to PSC in 2016
7.2 Did those reviews reach conclusions on whether the programmes were efficient?		No programmes relevant to PSC in 2016
7.3 Did those reviews reach conclusions on whether the programmes were effective?		No programmes relevant to PSC in 2016
7.4 Have the conclusions reached been taken into account in related areas of expenditure?		No programmes relevant to PSC in 2016
7.5 Were any programmes discontinued following a review of a current expenditure programme?		No programmes relevant to PSC in 2016
7.6 Were reviews carried out by staffing resources independent of project implementation?		No programmes relevant to PSC in 2016
7.7 Were changes made to the organisation's practices in light of lessons learned from reviews?		No programmes relevant to PSC in 2016 or 2015

Notes:

(a) The scoring mechanism for the above checklists is as follows:

- Scope for significant improvements = a score of 1
- Compliant but with some improvement necessary = a score of 2
- Broadly compliant = a score of 3

(b) For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.

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

APPENDIX 3 – Internal Audits In-depth Review

Quality Assurance – In Depth Check- No.1

Section A: Introduction

This introductory section details the headline information on the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles.

Programme or Project Information	
Name	Cabragh Bridge, Thurles - Group Housing Scheme
Detail	Construction of 6 houses for families at Cabragh Bridge, Thurles.
Responsible Body	Tipperary County Council
Current Status	Capital expenditure being incurred - Houses under construction
Start Date	First proposed circa. 2000
End Date	2017
Overall Cost	€2,254,424

Project Description

This project involves the construction of six units at Cabragh Bridge, Thurles as part of Tipperary County Council's aims set out in the Traveller Accommodation Plan 2014-2018. The works comprise of preparatory works, construction of 6 no. group houses complete with external works, site development works and all associated works including construction of a pumping house and construction of outfalls for sewers and surface water.

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The site for this project was purchased in 2002 with a view to constructing houses to provide permanent accommodation for a number of traveller families who have lived in the locality for circa 30 years. A number of factors resulted in this project being postponed and delayed on a number of occasions namely, long consultation process with the traveller families, site investigations, assessment of potential impact of Thurles relief road on the site, Part 8 of planning process, planning application to An Bord Pleanála, availability of funding etc. Construction on this project commenced on the 1st March 2016 with the project heading towards completion at the time of this review.

The Traveller families for which this group housing scheme is being developed for are currently living on a temporary halting site at Cabragh Bridge, Thurles. Tipperary County Council has been providing self contained toilet and shower facilities at this site for a number of years. It is envisaged that the works will be completed by July/August 2017.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> ➤ To meet the accommodation needs of the travelling community residing at Cabragh Bridge, Thurles. 	<ul style="list-style-type: none"> ➤ €2.4 million of Capital Expenditure on the acquisition of land and construction of 6 houses on the land and associate costs. ➤ Human Resources of Tipperary County Council 	<ul style="list-style-type: none"> ➤ Appropriate site secured ➤ Identification of accommodation requirements and housing needs ➤ Planning permission to be obtained ➤ Tender process to be undertaken ➤ Construction of 6 houses and associated works 	<ul style="list-style-type: none"> ➤ Six unit Group Housing Scheme at Cabragh bridge, Thurles. ➤ Current temporary halting site would be evacuated and shut down 	<ul style="list-style-type: none"> ➤ Permanent accommodation provided for families residing on a temporary halting site at Cabragh Bridge. ➤ Improved standard of living of the families, enhanced relationships between Traveller and Settled communities along with improvements to Traveller health, education, employment and equality.

Description of Programme Logic Model

Objectives: To meet the accommodation needs of the travelling community residing at Cabragh Bridge, Thurles. Tipperary County Council will meet this objective by providing a six unit Group Housing Scheme at Cabragh Bridge, Thurles which will provide permanent accommodation to the families residing at a nearby temporary halting site.

Inputs: The main input in this capital project is the capital funding in the amount of €2,254,424 which was approved by the Traveller Accommodation Unit of the Department of Environment, Community & Local Government ("the Department") in May 2015. This funding is to cover the site acquisition costs, cost of construction of the six houses, associated site costs etc. The funding also includes a budget in the amount of €100,000 for the provision of temporary accommodation costs at the site. This project also requires input from human resources within housing and other sections of Tipperary County Council.

Activities: A number of key activities have been carried out throughout the project to date including securing an appropriate site for the proposed development, identifying accommodation requirements and housing needs, obtaining planning permission, submission of proposal to the Department, tender process and overseeing the construction of the Group Housing Scheme.

Outputs: Once all identified activities have been carried out using the above mentioned inputs, the output of the project is a six unit Group Housing Scheme and the evacuation and shut down of the current temporary halting site.

Outcomes: The envisaged immediate outcome of the project is to provide members of the travelling community with suitable accommodation. In addition to this, the long term outcomes of providing this accommodation is to improve standard of living of the families, enhanced relationships between Traveller and Settled communities along with improvements to Traveller health, education and employment.

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

The following section tracks the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles from inception to its current status in terms of major project/programme milestones

March 2001	Site to be identified for Traveller Accommodation
November 2002	2 acre site purchased at Cabragh
April 2003	Housing requirement assessment carried out regarding the families residing at Cabragh Bridge
April 2003	Architects engaged to prepare draft layout of housing scheme
Feb 2004	Plans prepared in consultation with the Department Inspector and the families being re-housed.
February 2005	Revised drawings - based on consultation with interested parties
October 2005	On-going discussions with the families regarding site layout etc.
November 2006	Submission to the Department for approval to go to Part 8
May 2007	Revised drawings May 2007
August 2007	Approval from department to proceed to part 8
2008-2009	Project deferred and Part 8 of the Planning process not completed pending final route selection for the Thurles by -pass
May 2009	Route would not affect the development at the site at Cabragh - proceeded to Part 8 of planning process
October 2010	Part 8 deferred due to changes requested by the department
October 2011	Proceeded to Part 8 for third occasion - but change to legislation required an "Appropriate Assessment" to be carried out.
May 2012	Planning application lodged with An Bord Pleanala
March 2013	Planning permission granted by An Bord Pleanala subject to conditions
March 2014	Approval from Department to proceed to Tender Stage
Feb 2015	Tender Report issued
May 2015	Approval by the Department of a budget in the amount of €2,254,424
May 2015	Letter of intent issued to the successful bidder
November 2015	Chief executive's Order signed for acceptance of Tender from successful bidder
December 2015	Letter of acceptance and contracts signed - contract sum €1,692,512
March 2016	Commencement Notice issued
May 2017	Construction work on-going on site

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles.

Project/Programme Key Documents	
Title	Details
Minutes and Memos from In-house Design Team	Need and objectives were identified and various options were discussed and explored in order to meet the needs.
Traveller Accommodation Programmes for North Tipperary County Council and Tipperary County Council from 2000 to 2018	The plans outline the accommodation requirements of the Travelling Community over a period of time and how the local authority plans to meet those requirements.
Housing Needs Assessment	An assessment was carried out to establish the needs of the families residing at Cabragh Bridge, Thurles.
Appointment of Architect	Architect was appointed to prepare draft layout
Submissions to the Department from Tipperary County Council.	Various communications to the Department requesting permission to proceed with project, part 8 planning process, tender stage etc.
Site Investigations and Risk Assessments	Various reports from subject matter experts setting out findings of site investigations works undertaken.
Project Brief, plans and costings	Architects Drawings and costings of the proposed 6 unit housing scheme
Part 8	Part 8 of the planning process, public consultation etc.
Final grant of planning permission from An Bord Pleanala	Planning permission granted by An Bord Pleanala with conditions outlined within.
Tender Report	A tender report recommending the most economical advantageous tender for the construction of the 6 unit housing scheme be accepted.
Departmental Approval	Approval from the Department to proceed with the project with budget approval in the amount of €2,254,424
Commencement Notice	Approval granted by Tipperary County Council to the contractor to commence works on site as all documents required prior to starting works were submitted by the contractor.
On-going project overview	Oversight of project including income and expenditure and 23 site visits to date.

Key Document 1: Minutes and Memos from In-house Design Team

Internal Audit reviewed the minutes and memos from a number of meetings of the in-house design team of North Tipperary County Council during the period 2000 to 2002. During this period the need for permanent accommodation for families living at a temporary halting site in the Cabragh Bridge area of Thurles was identified. A number of sites for a proposed development were examined and brought to management for review. After site investigation works and a lengthy negotiation process, a 2 acre site was purchased by the Local Authority. It was evident from the documents reviewed at this stage that the objective was clearly defined and various options were explored. In addition it was clear that the constraints of the various options were explored before the preferred site option was identified and purchased.

Key Document 2: Traveller Accommodation Programmes for North Tipperary County Council and Tipperary County Council from 2000 to 2018

Internal Audit reviewed the various Traveller Accommodations Programmes during the period of this project, namely, North Tipperary County Council's Traveller Accommodation Programme 2000 to 2004, 2005 to 2008, 2009-2013 and the Joint Traveller Accommodation Programme 2014-2018 of North and South Tipperary Local Authorities. From review of these programmes the requirement for a 6 unit group housing scheme was identified as the preferred option to meet the needs of the families involved. The programmes mentioned above appeared to be consistent in their approach and the needs appeared to be based on comprehensive housing needs assessments.

Key Document 3: Housing Needs Assessment

Internal Audit reviewed a housing needs assessment that was undertaken initially by a Social Worker on behalf of the Local Authority. The Social Worker was engaged to meet with the families living at a temporary halting site at Cabragh Bridge, Thurles, in order to ascertain the number of families living on the site and what their housing needs were. It is clear from the Social workers report, what families were living on site and what their needs were for permanent accommodation.

Key Document 4: Appointment of Architect

In 2003 a firm of Architects were appointed by North Tipperary County Council as Architects and Project Supervisor at design stage. Internal Audit noted from review of this appointment that a Senior Executive Engineer recommended that the firm be appointed given their extensive experience. It is not evident from the file that other firms were considered or that any formal tender process was undertaken to engage a firm at that time. Internal Audit are not aware of what the procurement procedures of North Tipperary County Council were at the time but best practice would suggest that more than one price should be sought before a decision is made. Internal Audit are advised that Tipperary County Council now employs a

Senior Executive Architect and a Senior Executive Technician who are tasked with preparing plans at the design phase of projects. Once a project has been through the planning stage, Tipperary County Council then engage the services of an Architect to manage the project to completion. Internal Audit are advised that Housing at that stage would ensure that the procurement policy of Tipperary County Council would be adhered to.

Key Document 5: Submissions to the Department from Tipperary County Council.

Internal Audit reviewed various communications to the Department requesting permission to proceed with project, part 8 planning process, tender stage etc. Internal Audit is satisfied that there was a clear line of communication between the Local Authority and the department throughout the lifecycle of this project.

Key Document 6: Site Investigations and Risk Assessments.

Internal Audit noted that for various reasons site investigations and risk assessment of the proposed development were required at different stages of the project. Internal audit noted that a number of reports from subject matter experts setting out findings of site investigations works undertaken were kept on file.

Key Document 7: Project Brief, plans and costings.

As set out in the above timeline the project brief was revised on a number of occasions as a result of on-going consultation with the Department and the Traveller families. Internal Audit is satisfied that as changes to the brief occurred, revised drawings and costings were drafted and formally approved.

Key Document 8: Part 8 of the planning process

Internal Audit noted from the files that there were a number of attempts to progress the proposed development via Part 8 planning process. On the first occasion the process was put on hold due to the fact that the site was contained within the area of the constraints study for the Thurles by-pass. On a second occasion the process was halted after it commenced as the Department required the local authority to amend the project to include an additional unit to gain better value for money. On the third occasions the process was halted due to a change in legislation which resulted in the need for an application for a decision to An Bord Pleanala. Supporting documentation from the above process is maintained on the files.

Key Document 9: Final grant of planning permission from An Bord Pleanala

Internal Audit reviewed the Final Grant of planning permission from An Bord Pleanala and the conditions set out within.

Key Document 10: Tender Report

Internal Audit are satisfied that approval from the department was secured in advance of inviting tenders for the construction of the 6 units group housing scheme and associated works. Internal Audit reviewed the tendering process and is satisfied that the appropriate process was applied and in line with internal procurement procedures and National/EU tendering thresholds/guidelines. It appears from the review of the tender process that an appropriate review of the tender prices received was undertaken. Internal Audit is satisfied that the recommendation made was in line with the award criteria set out in the tender documents.

Key Document 11: Departmental Approval

Internal Audit noted that the tender report had been submitted to the Department and approval had been granted to proceed with the project with budget approval in the amount of €2,254,424.

Key Document 12: Commencement Notice

From Internal Audit's review of the files it appears that all the required documentation had been submitted by the Contractor and that all items that were required to be dealt with by the Contractor prior to commencement had been completed prior to the Commencement Notice being issued. The Commencement Notice was issued by Tipperary County Council on the 1st March 2016 with a completion time set out at 64 weeks.

Key Document 13: On-going project review

From review of the current project files, Internal Audit is satisfied that there is a formal structure in place to monitor the project and the expenditure on same against the plans. Internal Audit noted that at the time of this review 23 site visits had been undertaken from 6th April 2016 to 10th May 2017. Internal Audit reviewed the Minutes and action items from these meetings and is satisfied that there is adequate oversight and project management of the programme.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Expenditure associated with the Project	Measure the project inputs and assess if the project was carried out within budget	Income and Expenditure on this project is detailed on the Agresso capital job code and the file with backup documentation to support the expenditure.
No. of families accommodated	Assess if the housing needs of those involved were met	Available from the file
Site Visits and Inspections	Evaluate if the project was carried out in line with the plan and in the timeframe allowed	Detailed minutes from a total of 23 site visits are maintained on the file.
Assessments of Current Quality of Life of the families for which accommodation is being provided	Evaluate if the outcomes mentioned above such as Improved standard of living of the families, enhanced relationships between Traveller and Settled communities along with improvements to Traveller health, education, employment and equality has been achieved as a result of providing the accommodation	Although various housing assessment needs were carried out on the needs of the specific families being housed, information is not being currently gathered which would allow the local authority to determine if these objectives will be achieved.

Most of the appropriate data for the future evaluation of this project is available on file. A breakdown of the expenditure on this project and recoupment to date are available on file in the housing section. It is envisaged that a post project review would be carried out when all the 6 units are occupied for a period of time in order to establish if all the expected benefits and outcomes of the project materialised. At this point any lessons learned from a post project

review would be communicated to the organisation so as to prompt changes in practice for future projects.

It is envisaged that some of the longer-term outcomes of the project would be to improve standard of living of the families, enhance relationships between Traveller and Settled communities along with improved Traveller health, education, employment and equality. It is difficult to establish what information/data should or could be gathered at this point in order to evaluate if this outcome materialised. Assessing the social and economic impact of any social housing investment can be difficult. If data on this was to be gathered for future post project reviews, the evidence obtained could be inconsistent and causality could be difficult to establish.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles based on the findings from the previous sections of this report.

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

Internal Audit are satisfied that the project objective was clearly defined and that the needs that were to be met were outlined. After much consideration a proposed scale on which the needs were to be met was established. After reviewing available information it can be concluded that there is **substantial compliance (Appendix 4)** with the requirements of the Public Spending Code in relation to this project.

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

As set out above there is a slight gap in the data available to carry out a post project review. It is difficult to establish what information/data should or could be gathered at this point in order to evaluate if the outcome regarding improved quality of life ever materialised. Assessing the social and economic impact of any social housing investment can be difficult. If data on this was to be gathered for future post project reviews, the evidence obtained could be inconsistent and causality could be difficult to establish.

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

Internal Audit recommends that Staff should be reminded on an on-going basis that compliance with the code needs to underpin every stage of the project life cycle.

Section C: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the the 6 unit Group Housing Scheme at Cabragh Bridge, Thurles.

Summary of In-Depth Check

This project involves the construction of six units at Cabragh Bridge, Thurles as part of Tipperary County Council's aims set out in the Traveller Accommodation Plan 2014-2018. This in-depth review endeavours to establish the extent to which the capital project complied with the requirements of the Public Spending Code. The examination also addressed the general quality of the appraisal, planning and implementation work done to date on the project. The review and supporting documentation supplied revealed no major issues which would cast doubt as to Tipperary County Council's compliance with the Public Spending Code.

As set out in this report it is envisaged that the works will be completed by July/August 2017 on this site. Once the families are housed in the new accommodation and the project is completed, staff are reminded of the importance of completing a timely post project review in order to establish if all the expected benefits and outcomes of the project materialised. At that point any lessons learned from a post project review should be communicated to the organisation so as to prompt changes in practice for future projects.

Internal Audit recommends that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Management Response:

Housing are satisfied that the report is comprehensive, positive and an accurate reflection of the work on the Housing project. As recommended in the report, the Director of Housing will ensure that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Quality Assurance – In Depth Check- No.2

Section A: Introduction

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

Programme or Project Information	
Name	Operation, Maintenance and Aftercare of Landfills.
Detail	On-going current expenditure associated with the maintenance and aftercare of landfill sites in line with Waste Licence Regulations and the relevant EPA licences.
Responsible Body	Tipperary County Council (TCC)
Current Status	Current expenditure being incurred
Start Date	Waste Licences granted in May 2001 for Ballaghveny and June 2002 in Donohill
End Date	On-going
Overall Cost	€2,356,010 (incurred in 2016)

Project Description

This project mainly involves the maintenance and aftercare of licensed landfill sites at Donohill and Ballaghveny. All landfill sites in Tipperary are currently closed with the possibility of the landfill site at Ballaghveny reopening in the future. The costs incurred in 2016 in the amount of €2,356,010 relate in the mainto the on-going aftercare, remedial works and reporting requirements associated with the closed landfill sites at Donohill and Ballaghveny. It is envisaged that once remedial works are completed to address on-going

issues identified at Ballaghveny, and as the final capping of Donohill landfill is completed in 2017 the costs associated with the landfill maintenance and aftercare will reduce.

Waste Licences were granted for Ballaghveny and Donohill in May 2001 and June 2002 respectively. Both sites operated for a number of years with landfilling of waste in Ballaghveny ceasing in February 2011 and in Donohill in April 2014. The Civic Amenity site closed in June 2012 in Ballaghveny and continues to operate at the site in Donohill.

With regard to the landfill at Donohill a Closure, Restoration and Aftercare Management Plan (CRAMP) was prepared which details the initial stages of the restoration works which will involve the placement of a fully engineered cap and the establishment of vegetation over the cap, with a nature park to be developed at a later stage. It is envisaged that the final cap will be completed by Summer 2017.

Although, a CRAMP has also been prepared for the landfill site at Ballaghveny, the final restoration of the site has not been carried out pending a decision to transfer materials from the site at Rathcabbin to the Ballaghveny landfill site and to permanently close the facility. It is intended to restore the site as grassland. Grass and wild flower seed will be sown over the cap. The main expenditure associated with the site at Ballaghveny in recent years relates to the rehabilitation of the site to minimise the urgent environmental risk associated with the site and to prepare the site for final restoration.

One of the key priorities of TCC, for 2017, as set out in the Service delivery plan is the rehabilitation of the landfill sites. A budget in the amount of €1,590,550 was adopted for 2016 for Landfill Operation and Aftercare. The actual spend in the year ended 31st December 2016 was in the amount of €2,356,010. The main reason for the increased spend is due to costs associated with Groundwater pumping trials at the Ballaghveny site.

The 2017 budget for Environment services as adopted in December 2016 includes a budget in the amount of €1,759,246 for Landfill Operation and Aftercare. This budget covers the cost of aftercare in Donohill and Ballaghveny landfill sites and the two other historic landfill sites.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for Landfill Operation, Maintenance and Aftercare.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> ➤ Comply with Waste Management Regulations. ➤ Fulfil reporting requirements to the Environmental Protection Agency (EPA). ➤ Return the landfill sites to a condition suitable for their proposed after use and to improve the external appearance of the landfill sites by blending them into their surroundings. 	<ul style="list-style-type: none"> ➤ Revenue Funding of €2,356,010 for 2016 and on-going funding ➤ Consultants, Contractors and Specialist Contractors ➤ Human Resources from Tipperary County Council ➤ Plant and site office ➤ Closure, Restoration and Aftercare Management Plans 	<ul style="list-style-type: none"> ➤ Monitor leachate and gas emissions ➤ Sample testing and screening ➤ Report emission levels ➤ Periodic Reporting to the EPA in line with EPA requirements ➤ Procurement of Contractors and specialists ➤ Project and Budget management 	<ul style="list-style-type: none"> ➤ 2 efficiently and effectively managed licensed landfill sites 	<ul style="list-style-type: none"> ➤ Compliance with the Waste Management Act, 1996. ➤ Restoration of landfill sites to a condition suitable for their after use ➤ Landfill sites which will become an asset within the community

Description of Programme Logic Model

Objectives: The objective of this programme is to return the landfill sites to a condition suitable for their proposed after use and to improve the external appearance of the landfill sites by blending them into their surroundings. This objective will be achieved in line with the relevant Closure, Restoration and Aftercare Management Plans and the Waste Management Regulations.

Inputs: The main input in this revenue programme is funding in the amount of €2,356,010 for 2016 with on-going funding into the future. A budget for this programme in the amount of €1,590,550 was approved as part of the adopted 2016 budget for Tipperary County Council. This project also requires input from human resources within Environment and other sections of Tipperary County Council.

Activities: There were a number of key activities on-going with respect to this programme during 2016 including monitoring, removal and treatment of leachate and gas emissions, sample testing and screening, periodic reporting to the EPA, procurement of specialised consultants and budget monitoring. The above activities are carried out by staff and management of the Environment together with the services of specialised consultants.

Outputs: Once all identified activities have been carried out using the above mentioned inputs, the output of the programme is to have two efficiently and effectively managed licences landfills in Tipperary.

Outcomes: The envisaged immediate outcome of this programme is to ensure compliance with the Waste Management Act, 1996. In doing so the long term outcome of this programme is to have fully restored the landfill sites to a condition suitable for their after use where they will become an asset within the community.

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

The following section tracks the Landfill Operation, Maintenance and Aftercare programme from inception to its current status in terms of major programme milestones.



February 2011	Landfilling of waste ceased in Ballaghveny
June 2012	Civic Amenity Site close in Ballaghveny
April 2014	Landfilling of waste ceased in Donohill
March 2015	Closure Restoration and Aftercare Management Plan for Donohill Landfill prepared by Tipperary County Council
October 2015	Environmental Liability Risk Assessment for Donohill Landfill prepared O'Callaghan Moran and Associates
February 2016	Closure Restoration and Aftercare Management Plan for Ballaghveny Landfill prepared by O'Callaghan Moran and Associates
May 2016	Annual Environment Reports for Ballaghveny and Donohill Landfills for 2015 submitted to the EPA
July 2016	Landfill gas surface emissions survey of Donohill landfill carried out by Odour Monitoring Ireland Ltd.
July 2016	EPA Site Visit at Ballaghveny Landfill and report issued by EPA on in October 2016
July 2016	EPA Site Visit at Donohill Landfill and report issued by EPA on in July 2016
September 2016	Environmental Liability Risk Assessment for Ballaghveny Landfill prepared O'Callaghan Moran and Associates
December 2016	Consultants for final capping and restoration work were appointed
Quarterly	On-going monitoring of lechate, gas emissions, ground water, slop stability, noise, etc. in line with licences and submitted to the EPA
Annually	Annual Environment Reports for both licensed landfills and submission of same to the EPA

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Landfill Operation, Maintenance and Aftercare programme.

Project/Programme Key Documents	
Title	Details
Waste management Act, 1996 (The Act)	This act sets out the key legal Obligations regarding waste management including the authorisation of waste facilities
2 EPA Licences	Sets out the conditions of the Licences granted for the 2 landfill sites
Closure Restoration and Aftercare Management Plans	Plans which set out details of how TCC will successfully close, restore and prevent environmental pollution following the cessation of landfill activities.
Environmental Liability Risk Assessments (ELRA)	Assessments which address the liabilities from past and present activities at both landfills
Organisation Chart of TCC	Details the staff structure within Environment Section and those responsible for managing the programmes
Various Quarterly Reports	Quarterly reports for both licensed landfills for the year 2016 submitted to the EPA
Annual Environmental Report (AER) 2015	AERs for both licensed landfills for the year 2015 submitted to the EPA
Contractor Procurement/Report on Tenders	Contractor Procurement process examined

Key Document 1: Waste Management Act, 1996

Internal Audit familiarised itself with the Act particularly aspect of the Act which deal with the processing of waste licence applications.

Key Document 2: 2 EPA Licences

Internal Audit reviewed the EPA licences for each of the 2 landfills and endeavoured to understand the conditions attached to the licence. Many of the conditions address TCC's requirements with respect to the restoration and aftercare, emissions, monitoring and reporting of both landfill sites.

Key Document 3: Closure Restoration and Aftercare Management Plans

Internal Audit reviewed the CRAMPS for both licensed landfills which set out the criteria for successful closure of the site. These criteria are being tracked by TCC to ensure successful closure of the landfills. The plans also set out the works that have been undertaken and are due to be undertaken with regard to the restoration works. The plans also address the measures that are necessary to be taken in relation to the facilities for the purposes of preventing environmental pollution following the cessation of landfill activities at the facilities and the capping and restoration of the sites.

Key Document 4: Environmental Liability Risk Assessments

Internal Audit reviewed the ELRA which have been prepared for both sites. These assessments address the liabilities from past and present activities at both landfills.

Key Document 5: Organisation Chart of TCC

Internal Audit reviewed the organisation chart of TCC and noted that there appears to be appropriate expertise assigned to the management of the project. A Landfill Manager is appointed as the person in charge of the Landfill management and aftercare. The Landfill Manager post is equivalent to an Executive Technician grade and the person employed appears to be suitably qualified and experienced in the field. The Landfill Manager reports to a Senior Executive Engineer within Environment who in turn reports to the Senior Executive Officer and Director of Environment. An Environmental Technician is also assigned to carry out some landfill duties.

Key Document 6: Quarterly Report to the EPA

Internal Audit reviewed the quarterly reports that are submitted to the EPA for each of the licensed landfills for 2016. These reports include reports on monitoring of lechate, gas emissions, ground water, slop stability, noise, etc. as required under the EPA licences.

Key Document 7: Quarterly Report to the EPA

Internal Audit reviewed the AER for both landfill sites for the year 2015. The AERs are prepared in a standard format and give the EPA a concise summary of the environmental performance of the sites for the previous reporting year as well as a record of on-going improvements on the licensed sites. The EPA require that AERs are submitted by licensees by 31st March after the year under

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review. Internal Audit noted that the AERs for the year 2016 have yet to be submitted to the EPA for both landfill sites.

Key Document 8: Expenditure for 2016

Internal Audit reviewed the expenditure associated with the management and aftercare of the landfill sites. Suitable management structures and reporting requirements were established to monitor activity and expenditure progress against plans and expectations.

Key Document 9: Contractor Procurement/Report on Tenders

During a review of the expenditure associated with the management and aftercare of the landfill sites, Internal Audit noted that the services of a number of contractors and consultants were engaged during 2016. These services range from the haulage of leachate from the landfill sites, treatment of the leachate and remediation works at Ballaghveny. Although some contractors appear to be procured correctly and inline with procurement procedures other did not appear to be procured correctly.

The haulage of leachate is currently carried out by two contractors for each landfill site. Internal Audit noted that these contracts are out of date and are advised that the Environment Section is in the process of preparing tender documents for the provision of Leachate Haulage from Donohill Landfill and Ballaghveny Landfill to address this issue.

In addition Internal Audit noted that TCC engaged the services of a civil engineering infrastructural contractor to carry out emergency works at the Ballaghveny site. These emergency works were required as a result of on-going issues regarding groundwater contamination from leachate and excess leachate volumes pumped from within engineered cells at the landfill site. Internal Audit understands that this work was required as a matter of urgency and that there was a risk of prosecution by the EPA if action was not taken by the Council to address the issues outlined. In addition Internal Audit noted that the Council's consultants made a recommendation to Management regarding the options available to TCC and the constraints associated with the available options. The consultants also advised TCC that it was not possible to accurately define a scope of works and prepare contract documents. As a result the consultants recommended that the most cost effective way to carry out the remedial works would be on a time and materials basis with works being supervised independently by a full time Resident Engineer.

Internal Audit is satisfied that due to the extraordinary nature of the remedial works, the complex issues associated with the site and the timelines defined by the EPA to carry out this work that it would not be possible to prepare contract documents for an open tender process. However, Internal Audit noted that there was a gap in the level of documentation on file regarding the justification for this decision and ultimately there was no Chief Executives order on file regarding the appointment of the contractor.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the Landfill Operation, Maintenance and Aftercare programme. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Details on gas emissions, dust, surface water, leachate, groundwater, noise etc	To monitor and evaluate if the landfill emissions etc. are within the regulations set out in the EPA licences	This information is collected by staff of the Environment Section of TCC and by specialist consultant on behalf of TCC and information is available on file.
Overall level of expenditure incurred on an annual basis	To monitor the programmes expenditure against the approved budget	Available from the Agresso Financial Management System
Minutes of Team Meetings	To monitor the programmes progress and provide regular updates to Management	Meetings held to discuss the strategy of dealing with issues at Ballaghveny site were not documented.
Ballaghveny Landfill: Wedge Remediation Work Progress Reports	Inform the EPA and Management of the progress of the project at Ballaghveny	Progress Reports are available from Environments Section

Data Availability and Proposed Next Steps

Most of the data requirements listed above are available from the Agresso Financial Management System, Environment Section or the intranet. This information can be used to monitor ongoing expenditure and to budget for future costs associated with the management and aftercare of the landfill sites. This information can also help evaluate the performance of steps taken to reduce emissions and prove TCC's compliance with the EPA licences in addition to assisting with any future evaluation of the programme.

Internal Audit noted from discussion with the Landfill Manager that on-site meetings are held frequently regarding the remedial works and aftercare works of both landfills. Minutes of these meetings are not currently documented and as a result it is difficult to ascertain what was discussed at these meeting and how decision were made. Internal Audit recommend that minutes from team meetings regarding the landfill sites are documented going forward.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Landfill Operation, Maintenance and Aftercare programme 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)

As mentioned above there are a number of contractors engaged by TCC to carry out works and provide services at both landfill sites. Internal Audit noted that in some cases contracts were out of date and as a result are not correctly procured. Internal Audit are advised that work is underway by staff in Environment which involves preparing tender documents for the provision of Leachate Haulage from Donohill Landfill and Ballaghveny Landfill. As stated above Internal Audit is satisfied that due to the extraordinary nature of the remedial works required at Ballaghveny, the complex issues associated with the site and the timelines defined by the EPA to carry out works, that it would not be possible to prepare contract documents for an open tender process. However, Internal Audit noted that there was a gap in the level of documentation on file regarding the justification for this decision and ultimately there was no Chief Executives order on file regarding the appointment of the contractor.

Aside from the above issues identified, Internal Audit is satisfied that suitable management structures and reporting requirements were established to monitor activity and expenditure progress against plans and expectations. In addition there appears to be sufficient reporting to the EPA in line with the conditions set out in relevant EPA Licences. Although adherence to procurement guidelines needs to be strengthened, after reviewing available information it can be concluded that there is **satisfactory compliance (Appendix 4)** with the requirements of the Public Spending Code in relation to this programme.

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

Most of the data requirements listed above are available from the Agresso Financial Management System, Environment Section or the intranet. However minutes of team meetings regarding the landfills are not currently documented and as a result it is difficult to ascertain what was discussed at these meeting and how decision were made.

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

Internal Audit recommend that every effort is made to ensure compliance with procurement guidelines as soon as possible. Internal Audit also recommend that minutes from team meetings regarding the landfill sites are documented going forward. In addition, Internal Audit recommends that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Section C: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Landfill Operation, Maintenance and Aftercare programme.

Summary of In-Depth Check

This project mainly involves the maintenance and aftercare of licensed Landfill sites at Donohill and Ballaghveny. The costs incurred in 2016 in the amount of €2,356,010 relate in the main to the on-going aftercare, remedial works and reporting requirements associated with the closed landfill sites at Donohill and Ballaghveny. It is envisaged that once remedial works are completed to address on-going issues identified at Ballaghveny, and as the final capping of Donohill landfill is completed in 2017 the costs associated with the Landfill maintenance and aftercare will reduce.

Aside from the above procurement issues identified, Internal Audit is satisfied that suitable management structures and reporting requirements were established to monitor activity and expenditure progress against plans and expectations. In addition there appears to be sufficient reporting to the EPA in line with the conditions set out in relevant EPA Licences.

Although adherence to procurement guidelines needs to be strengthened, after reviewing available information it can be concluded that there is **satisfactory compliance (Appendix 4)** with the requirements of the Public Spending Code in relation to this programme.

As set out above:

Internal Audit recommend that every effort is made to ensure compliance with procurement guidelines as soon as possible. Internal Audit also recommend that minutes from team meetings regarding the landfill sites are documented going forward. In addition, Internal Audit recommends that staff continue to be reminded, on an on-going basis, that compliance with the Public Spending Code needs to underpin every stage of the project life cycle.

Management Response:

The Environment section commits to undertaking the following arising from the recommendations of the Internal Audit report.

- It is agreed that minutes of meetings relating to Landfill Site projects will be documented going forward.
- It should be noted that prior approval was received for the overspend in the 2016 “Landfill Operation and Aftercare” budget.
- A note will now be placed on file justifying the decision to use Priority Construction for exploratory and remedial works at Ballaghveny landfill.
- Environment section will comply with the relevant procurement guidelines in relation to the purchase of works, goods and services.
- Staff members will receive additional training to ensure compliance with the Public Spending code.

APPENDIX 4 – Audit Assurance Categories and Criteria

Audit Assurance Categories and Criteria

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



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