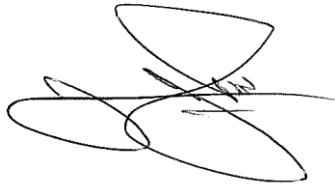


# **Quality Assurance Report for 2014 South Dublin County Council**

Submitted to the Department of Public Expenditure and Reform in  
Compliance with the Public Spending Code

## **Certification**

This Annual Quality Assurance Report reflects South Dublin County Council's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.



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**Daniel McLoughlin**  
**Chief Executive**  
**South Dublin County Council**

**30<sup>th</sup> September 2015**

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## 1. Introduction

South Dublin County Council has completed this Quality Assurance (QA) Report as part of its on-going compliance with the Public Spending Code (PSC).

The Quality Assurance procedure aims to gauge the extent to which the Council is meeting the obligations set out in the Public Spending Code<sup>1</sup>. The Public Spending Code ensures that the state achieves value for money in the use of all public funds.

The Quality Assurance Process contains five steps:

**1. Drawing up Inventories of all projects/programmes at different stages of the Project Life Cycle** (appraisal, planning/design, implementation, post implementation). The three sections are expenditure being considered, expenditure being incurred and expenditure that has recently ended and the inventory includes all projects/programmes above €0.5m.

**2. Publish summary information on website of all procurements in excess of €10m, whether new, in progress or completed.**

**3. Checklists to be completed in respect of the different stages.** These checklists allows the Council to self-assess its compliance with the code in respect of the checklists which are provided through the PSC document.

**4. Carry out a more in-depth check on a small number of selected projects/programmes.** A number of projects or programmes (at least 5% of total spending) are selected to be reviewed more intensively. This includes a review of all projects from ex-post to ex-ante.

**5. Complete a short report for the Department of Public Expenditure and Reform** which includes the inventory of all projects, the website reference for the publication of procurements above €2m, the completed checklists, the Council's judgement on the adequacy of processes given the findings from the in-depth checks and the Council's proposals to remedy any discovered inadequacies.

This report fulfils the fifth requirement of the QA Process for South Dublin County Council for 2014. It is important to note that 2014 is the first year in which the QA process has been undertaken in local government.

## 2. Expenditure Analysis

### 2.1 Inventory of Projects/Programmes

This section details the inventory drawn up by South Dublin County Council in accordance with the guidance on the Quality Assurance process. The inventory lists all of the Council's projects and programmes at various stages of the project life cycle which amount to more than €0.5m. This inventory is divided between current, capital and grant scheme projects and between three stages:

- Expenditure being considered
- Expenditure being incurred
- Expenditure that has recently ended

The complete inventory for 2014 including details of each programme/project for South Dublin County Council is contained in Appendix 1. For the purposes of clarity and consistency, it should be noted that the inventory was principally compiled using the format recommended in guidance notes issued to the sector by the Finance Committee of the County and City Management Association. The list contains relevant services from the Council's 2014 Annual Financial Statement (Unaudited) in respect of current (revenue) expenditure and a list of relevant capital jobs extracted from the Council's Agresso Financial Management System for capital expenditure.

The 2014 inventory is summarised in the following table:

2014 Inventory Summary	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
<b>Expenditure Being Considered 2014</b>	€0m	€0m	€0m	€10.0m	€0m	€0m	<b>€10.0m</b>
<b>Expenditure Being Incurred 2014</b>	€92.3m	€43.2m	€78.1m	€31.1m	€6.0m	€0m	<b>€250.7m</b>
<b>Expenditure Completed 2014</b>	€0m	€0m	€0m	€2.4m	€0m	€0m	<b>€2.4m</b>
<b>Totals</b>	<b>€92.3m</b>	<b>€43.2m</b>	<b>€78.1m</b>	<b>€43.5m</b>	<b>€6.0m</b>	<b>€0m</b>	<b>€263.1m</b>

#### Expenditure Being Considered

With regard to expenditures above €0.5m being considered by South Dublin County Council in 2014, there were 6 projects being considered, all of which related to capital expenditure and all of which fall under the €0.5-€5m value category. The full breakdown and description of these projects is listed in Appendix 1.

#### Expenditure Being Incurred

There were a total of 65 projects or programmes which were incurring expenditure of over €0.5m in 2014. Within these, there is a split of approximately 78% to 22% between current (revenue) expenditure and capital expenditure. In addition, 55 of these projects/programmes were in the €0.5-€5m value category. The full breakdown and description of these projects is listed in Appendix 1.

#### Expenditure Recently Ended

There were 3 projects or programmes that have recently ended which incurred expenditure of over €0.5m. All three of these projects related to capital expenditure and fall under the €0.5-€5m value category. The full breakdown and description of these projects is listed in Appendix 1.

## 2.2 Published Summary of Procurements

As part of the Quality Assurance process South Dublin County Council is required to publish summary information on our website of all procurements in excess of €10m. There was no such procurements in 2014 and this information is communicated on our website.

Shown below is the link to this publication page and an illustration of its location.

<http://www.sdcc.ie/business/procurement/public-spending-code>

The screenshot shows the website interface for South Dublin County Council. At the top, there is a navigation bar with links for Home, Gaeilge, Contact Us, News, Events, and Documents, along with a search box. Below this is a secondary navigation bar with tabs for Services, The Council, and Business. Under the Business tab, there are sub-links for Enterprise, Commercial Rates, Tenders, Payments, Procurement, Casual Trading, and Permits and Licensing. The main content area shows a breadcrumb trail: Home > Business > Procurement > Public Spending Code. The page title is 'Public Spending Code' with 'Like' and 'Tweet' buttons. The main heading is 'Procurement over €10 million'. The text below states: 'Procurement in South Dublin County Council of over €10 million will be published here, pursuant to the requirements of the Public Spending Code. There were no procurements for South Dublin County Council over €10 million for 2014'. The footer contains the council's logo, address (County Hall Tallaght, Dublin 24, D24 YNNS), phone number (+353 1 414 9000), email (info@sdblincoco.ie), emergency contacts, and links to Privacy / Disclaimer, Accessibility Statement, Facebook, Twitter, YouTube, and Staff area.

Source: [www.sdcc.ie](http://www.sdcc.ie)

### **3. Assessment of Compliance**

#### **3.1 Checklist Completion: Approach Taken and Results**

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure. The high level checks in Step 3 of the QA process are based on self-assessment by the Department and its agencies/bodies, in respect of guidelines set out in the Public Spending Code. There are seven checklists in total:

**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

A full set of checklists 1-7 was completed by South Dublin County Council and the completed checklists are included in Appendix 2 of this report. In addition to the self-assessed scoring, the vast majority of answers are accompanied by explanatory comments. Each question in the checklist is judged by a 5 point scale- **0.** Not Done, **1.** < 50% compliant, **2.** 50-75% compliant, **3.** > 75% compliant or **4.** 100% compliant.

#### **3.2 Main Issues Arising from Checklist Assessment**

The completed check lists shows the result of a self-assessment exercise completed by various Sections, Directorates and Departments of the Council measuring compliance with the Public Spending Code. Overall, these checklists present a good level of compliance with the Code.

The checklists contained in Appendix 2 were completed having regard to the input from the various work areas of the Council that had applicable programmes and projects coming under the relevant categories for 2014.

Checklist 1 provides an overview of the awareness and compliance with the Public Spending Code and its requirements across the Council. It demonstrates a good level of compliance but acknowledges the areas for improvement particularly regarding training.

With regard to current expenditure, Checklist 5 being incurred, there is a good level of compliance although it is noted that formal VFMs etc. are not readily applicable to local authority current expenditure. As per the guidance issued by the Finance Committee of the CCMA, all current (revenue) is categorised as expenditure being incurred for 2014 and this is reflected in the limited information contained in Checklists 3 and 7.

For capital expenditure, and this is shown across all the applicable checklists for capital, i.e. Checklists 2, 4 and 6, there is again a good level of compliance with internal controls and reporting as well as appropriate liaison with Sanctioning Authorities.

#### **3.3 In-Depth Checks**

The following section details the in-depth checks which were carried out by South Dublin County Council's Internal Audit function as part of the Public Spending Code. The checks analysed here represent more than the required 5% of the Council's overall inventory.

The projects subject to in-depth checks are listed in the following table:

<b>Summary of Projects Subject to In-Depth Review</b>	
<b>Expenditure Being Considered 2014</b>	
North Clondalkin Library	€3.7m
<b>Expenditure Being Incurred 2014</b>	
Energy Efficiency Programme 2014	€1.7m
Village Initiatives 2014-2016	€5.0m
Grange Castle Central Carriageway	€3.0m
Playground development 2014-2016	€1.8m
<b>Expenditure Completed 2014</b>	
Multimodal access to Basketball Arena	€1.1m
<b>Total Value of In-depth Checks</b>	<b>€16.3m</b>
Total Value of Inventory	<b>€263.1m</b>
<b>% of Inventory Value Analysed</b>	<b>6.2%</b>

### Purpose, Objective & Scope

The purpose of the in-depth review was to provide an independent opinion on the quality of assurance in relation to compliance with the code. The objective was to review each project to assess if structures and processes in place are operating at a high standard. The scope of the reviews was aligned with the criteria set out in the code.

### Project Selection Criteria

In order to assess the level of compliance across the organisation the criteria was set for projects to be selected within the public spend code cost category between €0.5m and €5m. This criteria increased the number of projects for auditing and would provide greater coverage for forming an opinion of the level of compliance in the organisation. In addition, projects selected provided examples from the three public spending code stages, 1) being considered, 2) expenditure being incurred, and 3) projects completed.

### Assurance

It is Internal Audit's opinion that there is, overall, **satisfactory** assurance (see Appendix A) that there is compliance in the organisation with the public spending code. The assurance rating for the combined audits was informed by the individual ratings for each of six projects audited which are summarised below:

<b>Project</b>	<b>Assurance Rating</b>	<b>Appendix</b>
North Clondalkin Library	Substantial	3.1
Energy Efficiency Programme 2014	Substantial	3.2
Village Initiatives 2014-2016	Satisfactory	3.3
Grange Castle Central Carriageway	Satisfactory	3.4
Playground Development 2014-2016	Satisfactory	3.5
Multimodal Access to Basketball Arena	Satisfactory	3.6



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

The compilation of both the inventory and checklists for the first year of this QA process involved co-ordination across the various Directorates and Departments of the Council to collate and compile the required inventories and checklists. The experience of this process can be used to plan and prepare for future requirements and to ensure that it becomes a part of ongoing procedures across the various work areas.

The experience from the in-depth reviews will be raised at Management level with a view to improving assurance in respect of the level of compliance from satisfactory to substantial.

In the absence of specific formal training provided for the local government sector, the focus within South Dublin County Council for the 2014 return now completed with this report was to ensure that a timely return was made to DPER/NOAC using the available guidance from the Finance Committee of the CCMA.

A more structured and formal approach to the requirements of the process will be developed having regard for an internal review of the 2014 process by the Council and any reviews undertaken by the CCMA Finance Committee. The establishment of the baseline inventory will also allow a planned approach for future in-depth checks.

## **5. Conclusion**

The inventory outlined in this report clearly lists the current and capital expenditure that is being considered, being incurred, and that has recently ended. The Council has published a notice on our website confirming that there were no procurements in excess of €10 million on its website. The checklists completed by Council show a good level of compliance with the Public Spending Code. The in-depth checks carried out on a selection of programmes did not highlight any major issues which reflect negatively on the Council's compliance with the code and, overall, there is satisfactory assurance on the level of compliance in the organisation. Areas for improvement for future years' requirements will be identified with a view to ensuring high compliance with the Public Spending Code across the Council on an ongoing basis.

## Appendix 1: South Dublin County Council 2014 Inventory of Projects and Programmes over €0.5m

The table below 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 2014						
Project/ Programme Description	Revenue Expenditure			Capital Expenditure		
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m
<b>Projects of total value</b>						
<b>Housing, Social &amp; Community Directorate</b>						
St Marks Clondalkin				€2.4m		
Suncroft Infill Scheme				€2.2m		
Redevelopment of Belgard Road				€0.6m		
<b>Economic, Enterprise &amp; Tourism Development</b>						
Tourism Strategy Fund				€0.5m		
North Clondalkin Library				€3.7m		
<b>Environment, Water &amp; Climate Change Directorate</b>						
Pavillions Programme				€0.6m		
<b>Totals</b>	<b>€0m</b>	<b>€0m</b>	<b>€0m</b>	<b>€10.0m</b>	<b>€0m</b>	<b>€0m</b>

Expenditure Being Incurred 2014						
Project/ Programme Description	Revenue Expenditure			Capital Expenditure		
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m
<b>Projects of total value</b>						
<b>Housing, Social &amp; Community Directorate</b>						
A01-	€14.5m					
A03-Housing Rent & Tenant Purchase Admin	€2.1m					
A04-Housing Community Development Support	€4.9m					
A05-Administration of Homeless Service	€1.9m					
A06-Support to Housing Capital & Affordable Prog.	€4.7m					
A07-RAS Programme			€22.6m			
A08-Housing Loans	€2.6m					
A09-Housing Grants	€2.0m					
F01-Operation & Maintenance of Leisure Facilities	€1.7m					
F04-Community Sport & Recreational Development		€8.0m				
Window/Door Replacement 2014				€0.5m		
Energy Efficiency Programme 2014				€1.7m		

**Expenditure Being Incurred 2014 continued**

Project/ Programme Description	Revenue Expenditure			Capital Expenditure		
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m
<b>Land Use, Planning &amp; Transportation Directorate</b>						
B02-NS Road - Maintenance and Improvement	€0.6m					
B03-Regional Road - Maintenance and Improvement	€2.6m					
B04-Local Road - Maintenance and Improvement		€11.9m				
B05-Public Lighting	€4.9m					
B06-Traffic Management Improvement	€2.1m					
B07-Road Safety Engineering Improvement	€1.5m					
B08-Road Safety Promotion/Education	€1.4m					
B09-Maintenance & Management of Car Parking	€0.9m					
B10-Support to Roads Capital Prog.	€1.6m					
D01-Forward Planning	€2.9m					
D02-Development Management	€2.6m					
D03-Enforcement	€0.9m					
D08-Building Control	€0.7m					
Tallaght to Templeogue Cycle Route				€3.0m		
Willsbrook Road Cycle Track				€3.7m		
Village Initiatives 2014-2016				€5.0m		
Pedestrian & Cyclebridge at Dodder Valley				€1.6m		
River Dodder Cycle & Pedestrian Route (Dodder)				€2.4m		
St Enda/Grange Rd to Loreto Pk/Nutgrove (Grange)				€1.7m		
Tallaght to Ballyboden walking & cycling route				€2.2m		
N4 to City Cycle Scheme (Celbridge Rd Jct to Palm)					€6.0m	
Tallaght to Liffey Valley Cycle Scheme 2014				€3.7m		
Green School Cluster				€0.6m		
<b>Environment, Water &amp; Climate Change Directorate</b>						
C01-Operation & Maintenance of Water Supply	€4.4m					
C02-Operation & Maint of Waste Water Treatment	€3.9m					
C03-Collection of Water and Waste Water Charges	€0.5m					
C06-Support to Water Capital Programme	€0.6m					
C08-Local Authority Water and Sanitary Services	€2.4m					
E01-Operation, Maintenance & Aftercare of Landfill		€8.1m				
E02-Op & Mtce of Recovery & Recycling Facilities	€2.3m					
E03-Op & Mtce of Waste to Energy Facilities	€0.8m					
E04-Provision of Waste to Collection Services	€2.0m					
E05-Litter Management	€1.4m					
E06-Street Cleaning		€5.8m				
E07-Waste Regulations, Monitoring & Enforcement	€1.0m					

Expenditure Being Incurred 2014 continued						
Project/ Programme Description	Revenue Expenditure			Capital Expenditure		
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m
<b>Environment, Water &amp; Climate Change Directorate (continued)</b>						
E09-Maintenance and Upkeep of Burial Grounds	€1.4m					
E10-Safety of Structures and Places	€0.5m					
E11-Operation of Fire Service			€17.8m			
F03-Op, Mtce & Imp of Outdoor Leisure Areas			€12.7m			
G04-Veterinary Service	€1.6m					
Playground development 2014-2016				€1.8m		
<b>Economic, Enterprise &amp; Tourism Development</b>						
D04-Op & Mtce of Industrial Sites & Commercial	€1.2m					
D05-Tourism Development and Promotion	€0.7m					
D06-Community and Enterprise Function	€1.1m					
D09-Economic Development and Promotion	€2.7m					
D10-Property Management	€1.5m					
F02-Operation of Library and Archival Service		€9.4m				
F05-Operation of Arts Programme	€1.4m					
Grange Castle Central Carriageway				€3.2m		
<b>Finance Department</b>						
H03-Administration of Rates			€25.0m			
<b>Corporate Performance &amp; Change Management</b>						
G05-Educational Support Services	€2.1m					
H04-Franchise Costs	€0.6m					
H09-Local Representation/Civic Leadership	€1.1m					
<b>Totals</b>	<b>€92.3m</b>	<b>€43.2m</b>	<b>€78.1m</b>	<b>€31.1m</b>	<b>€6.0m</b>	<b>€0m</b>

Expenditure Completed 2014						
Project/ Programme Description	Revenue Expenditure			Capital Expenditure		
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m
<b>Housing, Social &amp; Community Directorate</b>						
Cluid Adamstown				€0.5m		
Dublin Simon Community Rosse Court				€0.8m		
<b>Land Use, Planning &amp; Transportation Directorate</b>						
Multimodal access to Basketball Arena				€1.1m		
<b>Total</b>	<b>€0m</b>	<b>€0m</b>	<b>€0m</b>	<b>€2.4m</b>	<b>€0m</b>	<b>€0m</b>

## Appendix 2: South Dublin County Council 2014 Public Spending Code Checklists

### Checklist 1 – To be completed by All Local Authorities

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 0 - 4	Comment/Action Required
Does the Local Authority ensure, on an ongoing basis that appropriate people within the Local Authority and in its agencies are aware of the requirements of the Public Spending Code?	3	2014 is the first year that SDCC has undertaken PSC requirements. Relevant work areas have been notified of their obligations under the PSC
Has there been participation by relevant staff in external training on the Public Spending Code (i.e. DPER)	N/A	Not aware of any specific external training specifically provided for the Local Government sector to date.
Has Internal training on the Public Spending Code been provided to relevant staff?	2	Guidance documents circulated but no formal internal training organised. Need for training to be reviewed post-completion of return.
Has the Public Spending Code been adapted for the type of project/programme that your Local Authority is responsible for? i.e. have adapted guidelines been developed?	4	Yes. A guidance document issued by Finance Committee of CCMA was developed for the QA /PSC to Local Government structures and approach.
Has the Local Authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	No relevant projects.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Local Authority and to your agencies?	N/A	2014 is the first year of the QA / PSC process for South Dublin County Council
Have recommendations from previous Quality Assurance exercises been acted upon?	N/A	2014 is the first year of the QA / PSC process for South Dublin County Council
Has an annual Public Spending Code Quality Assurance Report been submitted to the National Oversight and Audit Commission (NOAC)?	4	Yes. Completed PSC report submitted
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process?	4	A sample in excess of the required 5% of inventory was reviewed.
Has the Accounting Officer signed off on the information to be published to the website?	4	Yes. Chief Executive has signed off.
<b>Self-Assessed Ratings:</b>		
0 - Not Done, 1 - < 50% compliant, 2 - 50-75% Compliant, 3 - > 75% Compliant, 4 – 100% Compliant		

**Checklist 2:** – to be completed in respect of **capital projects or capital programme/grant scheme** that is or was **under consideration** in the past year.

<b>Capital Expenditure being considered - Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 0 - 4</b>	<b>Comment/Action Required</b>
Was a Preliminary Appraisal undertaken for all projects > €5m	N/A	
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	Yes. Through Part 8 process and also in conjunction with the relevant Sanctioning Authority.
Was a CBA/CEA completed for all projects exceeding €20m?	N/A	
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	4	Yes - Through Part 8 process and also in conjunction with the relevant Sanctioning Authority..
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase (e.g. procurement)?	4	Yes – all projects are submitted to Sanctioning Authority for Approval In Principle either individually or as part of a programme.
If a CBA/CEA was required was it submitted to the CEEU for their view?	N/A	
Were the NDFA Consulted for projects costing more than €20m?	N/A	
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?	4	Yes. Tenders proceed in accordance with approval received from Sanctioning Authority
Was approval granted to proceed to tender?	4	Yes
Were Procurement Rules complied with?	4	Yes
Were State Aid rules checked for all supports?	4	Yes where applicable
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Revised costings submitted to Sanctioning Authority where required.
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	2	Formal processes being developed
Have steps been put in place to gather the Performance Indicator data?	2	Formal processes being developed
<b>Self-Assessed Ratings:</b>		
0 - Not Done, 1 - < 50% compliant, 2 - 50-75% Compliant, 3 - > 75% Compliant, 4 – 100% Compliant		

**Checklist 3:** – New Current expenditure or expansion of existing current expenditure under consideration.

<b>Current Expenditure being considered - Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 0 - 4</b>	<b>Comment/Action Required</b>
Were objectives clearly set?	N/A	Per CCMA Finance Committee guidance, all current (revenue) categorised as expenditure being incurred for 2014.
Are objectives measurable in quantitative terms?	N/A	As above
Was an appropriate appraisal method used?	N/A	As above
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	N/A	As above
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	As above
Was the required approval granted?	N/A	As above
Has a sunset clause been set?	N/A	As above
Has a date been set for the pilot and its evaluation?	N/A	As above
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	As above
If outsourcing was involved were Procurement Rules complied with?	N/A	As above
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	N/A	As above.
Have steps been put in place to gather the Performance Indicator	N/A	As above
<b>Self-Assessed Ratings:</b>		
<b>0 - Not Done, 1 - &lt; 50% compliant, 2 - 50-75% Compliant, 3 - &gt; 75% Compliant, 4 – 100% Compliant</b>		



**Checklist 4:** - Complete if your organisation had capital projects/programmes that were incurring expenditure during the year under review.

<b>Incurring Capital Expenditure</b>	<b>Self-Assessed Compliance Rating: 0 – 4</b>	<b>Comment/Action Required</b>
Was a contract signed and was it in line with the approval in principle?	4	Yes
Did management boards/steering committees meet regularly as agreed?	4	Yes
Were Programme Co-ordinators appointed to co-ordinate implementation?	4	Yes
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	4	Yes. Generally at senior and middle management levels.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	4	Regular monitoring and progress reporting carried out
Did the project keep within its financial budget and its time schedule?	3	Some revised costings required for projects
Did budgets have to be adjusted?	3	Some revised costings required for projects.
Were decisions on changes to budgets/time schedules made promptly?	4	Yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	N/A	No
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	N/A	N/A
If costs increased was approval received from the Sanctioning Authority?	4	Yes- sanction from Sanctioning Authority for increased costs for projects is mandatory for getting grant approval
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?	4	Considered regularly by CE & Management Team. Quarterly reports submitted to Council & Area Committee meeting.
<b>Self-Assessed Ratings:</b>		
<b>0 - Not Done, 1 - &lt; 50% compliant, 2 - 50-75% Compliant, 3 - &gt; 75% Compliant, 4 – 100% Compliant</b>		

**Checklist 5: - For Current Expenditure**

<b>Incurring Current Expenditure</b>	<b>Self-Assessed Compliance Rating: 0 - 4</b>	<b>Comment/Action Required</b>
Are there clear objectives for all areas of current expenditure?	4	Yes. Annual Budget process examines and identifies current expenditure objectives.
Are outputs well defined?	3	National Performance Indicators and Annual Service Plan provide defined outputs.
Are outputs quantified on a regular basis?	3	National Performance Indicators, Annual Service Plan reports and regular management reports quantify outputs.
Is there a method for monitoring efficiency on an ongoing basis?	3	Efficiency monitored against budget by QFS and in conjunction with output measures.
Are outcomes well defined?	3	Annual Service Plan reports and monthly management reports include defined outcomes.
Are outcomes quantified on a regular basis?	3	Annual Service Plan reports and monthly management reports include quantified outcome reporting.
Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes – measured against Budget, through Annual Service Plan reports and other irregular reporting measures.
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	N/A	Lack of specific formal VFMs/PPAs etc. that are applicable to local authority revenue budget expenditure
Is there an annual process in plan to plan for new VFMs, FPAs and evaluations?	3	Various audit and other
Have all VFMs/FPAs been published in a timely manner?	N/A	Lack of specific formal VFMs/PPAs etc. that are applicable to local authority revenue budget expenditure
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	3	
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	3	
<b>Self-Assessed Ratings:</b>		
<b>0 - Not Done, 1 - &lt; 50% compliant, 2 - 50-75% Compliant, 3 - &gt; 75% Compliant, 4 – 100% Compliant</b>		

**Checklist 6:** - to be completed if capital projects were completed during the year or if capital programmes/grant schemes matured or were discontinued.

<b>Capital Expenditure Completed</b>	<b>Self-Assessed Compliance Rating: 0 - 4</b>	<b>Comment/Action Required</b>
How many post-project reviews were completed in the year under review?	4	Post project reviews are undertaken organisationally in respect of all capital projects.
Was a post project review completed for all projects/programmes exceeding €20m?	N/A	
If sufficient time has not elapsed to allow a proper assessment of benefits has a post project review been scheduled for a future date?	N/A	
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	4	Post project reviews undertaken by senior staff and submitted to Sanctioning Authorities as required.
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	3	Post project reviews inform future projects.
Was project review carried out by staffing resources independent of project implementation?	3	Post project reviews undertaken by Departmental management team (some of whom would be involved in project implementation).
<b>Self-Assessed Ratings:</b>		
<b>0 - Not Done, 1 - &lt; 50% compliant, 2 - 50-75% Compliant, 3 - &gt; 75% Compliant, 4 – 100% Compliant</b>		

**Checklist 7:** - to be completed if 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: 0 - 4</b>	<b>Comment/Action Required</b>
Were reviews carried out of, current expenditure programmes that matured during the year or were discontinued?	N/A	Per CCMA Finance Committee guidance, all current (revenue) categorised as expenditure being incurred for 2014.
Did those reviews reach conclusions on whether the programmes were effective?	N/A	As above
Did those reviews reach conclusions on whether the programmes were efficient?	N/A	As above
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	As above
Were any programmes discontinued following a review of a current expenditure programme?	N/A	As above
Was the review commenced and completed within a period of 6 months?	N/A	As above
<b>Self-Assessed Ratings:</b> <b>0 - Not Done, 1 - &lt; 50% compliant, 2 - 50-75% Compliant, 3 - &gt; 75% Compliant, 4 – 100% Compliant</b>		

Notes:

- (a) The scoring mechanism for the above tables is set out below@
  - I. Scope for significant improvements = a score of 1
  - II. Compliant but with some improvement necessary = a score of 2
  - III. 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 for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of CBAs, VFMs/FPAs and post project reviews.

## Appendix 3: Report Arising from In-Depth Checks

### EXPENDITURE BEING CONSIDERED 2014

#### 1 North Clondalkin Library

##### 1.1 INTRODUCTION

The North Clondalkin Library Project was initiated in 2012; the need for a community library in North Clondalkin was identified as a priority in the South Dublin Library Development Plan 2012-2016. A Sum of €3.7m is provided in the Capital Programme to deliver this project. To date the following actions have been taken:

- Site selection
- Stage 1 (approval in principle) and Stage 2 (Sketch Design/Cost Plan) submissions have been made to the Department of the Environment, Community and Local Government in accordance with their *Memorandum of Procedures and Controls for Public Library Projects* with a view to securing grant funding for the project.
- Part 8 Public Consultation

The report on the outcome of the Part 8 public consultation was submitted to the Elected Members at their meeting held in May 2014 and the Members resolved to approve the development. SDCC is currently awaiting the outcome of the submission to the DECLG.

##### 1.2 AUDIT OPINION

The controls in place in relation the governance of the North Clondalkin Library provides **substantial assurance** (see Appendix A) that there is compliance with the code up to this stage of the delivery of the project. Controls upon which reliance can be placed include:

- The South Dublin Library Development Plan 2012-2016 included the following action: “identify a site and funding source for provision of a community library in North Clondalkin”. A report was prepared by the County Librarian in conjunction with the County Architect which sets out a detailed analysis of need for the project and the design response required.
- The County Architect undertook an analysis of six potential sites in the North Clondalkin area for the project and reported on his findings, which included the evaluation of constraints / advantages and a budget cost estimate. This led to the selection of a preferred site for the proposed development.
- A Risk Analysis was carried out at concept stage / site design stage.
- A Part 8 consultation process was undertaken commencing in February 2014 and the proposal approved by the Elected Members at their meeting held in May 2014.
- Stage 1 and Stage 2 submissions have been made to the DECLG and the outcome is awaited

##### 1.3 MATTERS ARISING

There were no matters arising from this stage of the review and consequently internal audit is satisfied at the level of governance in place at this stage of the project.

## EXPENDITURE BEING INCURRED 2014

### 2 Energy Efficiency Programme 2014

#### 2.1 INTRODUCTION

The Energy Efficiency Programme commenced in 2013 on foot of the Department of the Environment, Community & Local Government Circular SHIP 11/2013. Phase 1 of the programme, which is ongoing, aims to ensure that the entire social housing stock will have at a minimum, wall insulation and attic insulation of 300mm and included draught proofing and ventilation measures. The Circular also set out requirements for a Housing Stock Survey to be carried out. The allocation of future funding was contingent on this survey being completed.

A maximum of €3,500.00 is recouped in respect of each social housing unit improved under the programme. In 2014 South Dublin County Council was allocated approximately €1.7m for the programme.

#### 2.1 AUDIT OPINION

The controls in place in relation to the governance of the management of the Energy Efficiency Programme provides **substantial assurance** (see Appendix A) that there is compliance with the code. Controls upon which reliance can be placed include:

- The objective of the programme is clearly defined. The programme brief is defined in Circular SHIP 11/2013
- Comprehensive individual house surveys were carried out.
- A Risk Assessment was carried out in respect of the programme.
- There is a programme of works in place.
- SDCC established a Framework Agreement for Energy Efficiency Retrofitting Works after a tender process. Individual projects are awarded to contractors in accordance with the framework rules e.g. mini tender.
- The results of the surveys carried out feed into the pricing schedule for each project and are provided to contractors once appointed.
- There is a Management Structure in place for the programme. The programme is coordinated by the Senior Executive Architect and the Tenant Liaison Officer.
- Monthly meetings are held between Housing and Architectural Services; minutes are available. Programme expenditure and ongoing works are monitored and discussed at these meetings.

#### 2.3 MATTERS ARISING

There were no matters arising during the audit review and consequently internal audit is satisfied at the level of governance in place.

## 3 Villages Initiative 2014-2016

### 3.1 INTRODUCTION

The Chief Executive presented a report to the Elected Members in September 2013 setting out a strategy for the continuous improvement of the County's Villages. The sum of €5.0m was included in the Capital Programme to deliver the Villages Initiative. The programme is ongoing and the schedule of projects is being implemented on a phased basis.

### 3.2 AUDIT OPINION

The controls in place over the governance of the Villages Initiative Programme provides **satisfactory assurance** (see Appendix A) that there is compliance with the code up to this stage of the delivery of the programme. Controls upon which reliance can be placed include:

- The primary purpose of the overall programme is to drive initiatives that will result in an increase in footfall in the villages which will in turn drive economic development, in retail and tourism in particular. The programme includes timescales for the delivery of each project.
- Extensive consultation is undertaken and is ongoing in respect of each project.
- Detailed surveys and SWOT analyses are undertaken which include the identification of constraints.
- Budget costings were prepared for each project. Approval of funding takes place during the Annual Budget process and in the course of preparation of the Capital Programme.
- Design Risk Assessments are undertaken in respect of each project.
- The statutory Part 8 public consultation process is followed where required. There is a clearly defined Project Management Structure in place. Weekly programme meetings are held and regular reports on progress are submitted to Management.
- Tender Briefs are prepared for each project.

### 3.3 MATTERS ARISING

Palmerstown Village initiative was selected for detailed review of processes in place. A contractor was appointed after a tender process to carry out the works. During the course of the contract additional works were required which increased the cost of the contract significantly. A close out report including a statement of costs has been completed in respect of these works.

## 4 Grange Castle Central Carriageway

### 4.1 INTRODUCTION

The Grange Castle Masterplan, included an objective to provide a central carriageway that would facilitate the future development of the Business Park. This development was funded from disposal receipts from the sale of lands within the Park. Consulting Engineers were appointed for the preparation of documents and details of design, tendering and supervision of the works. Contractors were appointed and commenced on site at the end of 2013.

### 4.2 AUDIT OPINION

The controls in place over the governance of the development of the Grange Castle central carriageway provides **satisfactory assurance** (see Appendix A) that there is compliance with the code. Controls upon which reliance can be placed include:

- The objective was defined and in accordance with the Grange Castle Masterplan.
- Risks were considered at design stage.
- A Part 8 public consultation process was undertaken and the proposal approved by the Elected Members.
- A contractor was appointed after a tendering process. The restricted procedure was used in this case. Pre-qualification submissions and subsequent tenders were evaluated by the Council's Consulting Engineers.
- There was a management structure in place for the project.
- A detailed construction programme was provided by the Contractor which was regularly monitored.
- Cost reports were submitted to SDCC by the consulting engineers on a regular basis.
- As set out in the Chief Executive's Order in respect of the Final Account for the project, the cost of changes to the contract to facilitate park clients will be recouped from those clients.

### 4.3 MATTERS ARISING

Due to severe time constraints in progressing the development of the carriageway to facilitate business park clients, the consulting Engineers were engaged on the basis that they had successfully supervised the previous 6 contracts and had acquired a detailed knowledge of all the services within the business park. The Consulting Engineers submitted a fee proposal to the Council which set out the scale of fees based on the preliminary budget cost for the project. Manager's Order GC/07/2013 appointing the consultants made no reference to agreed fees or costs. Fees should be clearly set out and included in Orders when appointing consultants.



## 5 Playground Development 2014-2016

### 5.1 INTRODUCTION

In January 2014, proposals for the development of a five year playground development programme were presented to the Council's Area Committees. Planned locations and timelines for delivery were agreed. The programme then proceeded to a phase of consultation with local interests in respect of each location identified in the programme for delivery in 2014. The current budget allocated to the programme is €1.8m. The programme is ongoing and individual projects are at different stages of delivery.

### 5.2 AUDIT OPINION

The controls in place over the governance of the play spaces programme provides **satisfactory assurance** (see Appendix A) that there is compliance with the code up to this stage of the delivery of the programme. Controls upon which reliance can be placed include:

- Needs analyses completed along with timescales for the delivery of each project.
- Extensive consultation is undertaken in respect of each proposed project within the programme. In some cases where constraints exist or agreement cannot be reached with local interests other options are explored and agreed e.g. alternative location.
- Local interests are involved in all stages of a project, this approach should ensure a high level of buy in to the facility provided.
- The Programme is funded for the most part from the Council's own resources, therefore there is no requirement to obtain sanction from any external bodies. Approval of funding takes place during the Annual Budget process and in the course of preparation of the Capital Programme.
- There is a project management structure in place.
- Regular reporting on progress takes place.
- Tender Briefs are prepared for each project which include a budget.
- An enhanced inspection and maintenance programme is being considered to accommodate the increase in the number of play spaces.

### 5.3 MATTERS ARISING

- While risks associated with play spaces such as Health & Safety, anti-social activity, litter, vandalism and ongoing maintenance costs were considered as part of the planning process, the programme would benefit from a formal project risk management process for its delivery and which would incorporate the risk associated with play spaces.

## EXPENDITURE COMPLETED 2014

### 6 Multimodal Access to Basketball Arena

#### 6.1 INTRODUCTION

The project comprised of the construction of a shared surface for pedestrians and cyclists alongside the reconstruction of the existing access road. The project was part funded by the National Transport Authority. Compliance with the *NTA Project Management Guidelines* did not form part of this review. The NTA funding was capped at €500k.

#### 6.2 AUDIT OPINION

The controls in place over the governance of the project management of the development of the multimodal access to the basketball arena provides **satisfactory assurance** (see Appendix A) that there is compliance with the code up to this stage of the delivery of the programme. Controls upon which reliance can be placed include:

- The objective of the project is defined.
- Surveys were undertaken and construction risks were identified.
- Consultation took place locally. IA was informed that there was no Part 8 Public consultation process required as his project was considered an upgrade rather than a new scheme.
- A contractor was appointed after a tendering process. The restricted procedure was used in this case. Pre-qualification submissions and subsequent tenders were evaluated by the Council's Consulting Engineers.
- An extension to the contract to carry out additional works related to the project and requested by the NTA, was approved. No additional funding was allocated by the NTA for these additional works.
- A Project Management Structure was established. The Consulting Engineers were initially appointed as consultants for the Tallaght to Templeogue Cycle Track Scheme, after a tender process, from the Multiple Framework Consultancy Services Panel prepared by the National Transport Authority for engineering services funded by them. The scope of this appointment was then extended to include the Multimodal Access to the Basketball Arena with the agreement of the NTA. This appointment was authorised by Manager's Order R/698/13.
- A construction programme was put in place.
- The full amount of funding made available by the NTA has been recouped.
- The Consulting Engineers for the project provided regular progress reports.

#### 6.3 MATTERS ARISING

The final fees paid to the Consulting Engineers exceeded the original approved fee. There is no Chief Executive's Order authorising the additional fee payment. Arrangements are being made to prepare an order retrospectively.

**Note to Appendix 3: Audit Assurance Categories and Criteria**

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