

Quality Assurance – In Depth Check

Section A: Introduction

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

| Programme or Project Information | |
|---|---|
| Name | Construction of 25 Units, Ladywell, Thomastown, Co Kilkenny |
| Detail | Capital Investment Project to construct 25 Social Housing Units at Ladywell, Thomastown |
| Responsible Body | Kilkenny County Council |
| Current Status | Expenditure being incurred |
| Start Date | 2018 |
| End Date | Under construction – expected completion date 30-3-2023 |
| Overall Cost | €7.3 million |

Project Description

The project involves the construction of 25 residential units in Ladywell, Thomastown, Co Kilkenny. The current approved budget for the project is €7,301,253.

Kilkenny County Council has a total of 1.0826 hectares/2.676 acre greenfield site located in Ladywell, Thomastown. An agreement was also reached with Carlow ETB/Grennan College, Thomastown to swap lands. This agreement will result in the re-orientation of an existing GAA pitch on the school land in order to better facilitate development of the site for housing. A further piece of land was purchased from an adjoining landowner to facilitate the widening of the access road for the development and the erection of a new ESB pylon.

In November 2014 the Government launched the 'Social Housing Strategy 2015 – 2020: Support, Supply and Reform'. The stated vision of the Strategy is that every household will have access to secure, good quality housing suitable to their needs, at an affordable price in a sustainable community. This strategy was further supplemented by 'Rebuilding Ireland – Action Plan for Housing and Homelessness'. This project is an action by Kilkenny County Council under Pillar 2 of this Action Plan – 'accelerate social housing'.

Kilkenny County Council's objective is to develop a sustainable inclusive community on a well located site within walking distance of all amenities in the town of Thomastown, Co Kilkenny. There is a significant housing need in Thomastown. 222 families/individuals are on the housing list for the area in November 2018.

Funding approval in principle for 15 units was originally approved by the Department of Housing, Planning and Local Government in December 2018 in the amount of €2,714,124. Following detailed design of the site, the number of units to be constructed was increased from 15 to 25. Revised Stage 4 Approval of €7,301,253 million was received in August 2021.

Following the establishment of a framework for Architect Led Design Teams by the Office of Government Procurement, applicants on the framework were invited to submit tenders for the project in Ladywell, Thomastown. The Architect led Design Team was appointed in April 2019.

Kilkenny County Council sought approval from An Bord Pleanála for the construction of the 25 houses at Ladywell, Thomastown in July 2020. The project was granted permission with conditions by An Bord Pleanála on 15th October 2020.

A contractor was appointed in September 2021 for the project. Currently the project is under construction with a projected completion date of 30th March, 2023.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Kilkenny County Council's Internal Audit Unit have completed a Programme Logic Model (PLM) for the Housing Project at Ladywell, Thomastown. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

| Objectives | Inputs | Activities | Outputs | Outcomes |
|---|--|---|--|--|
| Development of a sustainable, inclusive community on a well located site within walking distance of all amenities in the town of Thomastown | A budget of €7.3 million | Kilkenny County Council is acting as Project Manager for the duration of the project Procuring an Architect Led Design Team and a Contractor for the project Prepare and submit detailed design of the project to the Department for approval | Provision of 25 mixed residential units, comprising of apartments and houses to meet the housing needs of applicants on the housing waiting list | Providing good quality social houses for people of Kilkenny who are not in a position to provide their own accommodation |
| To ensure value for money is achieved | Preparing funding applications and reports as required for Department approval at the different project lifecycle stages | Monitoring the project spend and ensure budget adherence Explore all opportunities for cost reduction Ongoing monitoring of the payment of invoices and recoupment from the Department | Ensures that the project is within budget | The project to provide 25 housing units is executed satisfactorily, within budget to the required standard and on time |
| To provide accommodation for a variety of housing applicants/existing tenants with a range of needs at all stages of life | Assessment of the specific housing need in Thomastown | Ensure that the housing need in Thomastown is met by the detailed design of the project | The Scheme is compatible with the current Kilkenny County Council Development Plan and Thomastown Local Area Plan | Construction of 25 housing units in a sustainable inclusive community |

Description of Programme Logic Model

Objectives:

The objectives of the construction of 25 Social Housing units at Ladywell, Thomastown are to provide housing units of good quality, suited to the housing applicant's needs, in a good environment.

Inputs:

The primary input to the programme was the capital funding of €7.3 million which was provided for by the Department of Housing, Planning and Local Government.

Activities:

There were a number of key activities carried out throughout the project. These included purchase of lands, funding requests, design of the project, planning approval, procurement of Architect led Design Team & Contractor, project management and monitoring of the contract and ensuring compliance with the budget. Kilkenny County Council's Housing Capital Section liaised with the Department of Housing, Planning and Local Government at the key stages during the project lifecycle.

Outputs:

Having carried out the identified activities using the inputs, the outputs of the project are for the provision of 25 housing units of good quality for the people of Kilkenny who are unable to provide for their own housing need.

Outcomes:

The envisaged outcomes of the project are to provide 25 new housing units in a sustainable, inclusive community within walking distance of all amenities in Thomastown.

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

The following section tracks the Construction of 25 housing units at Ladywell, Thomastown, Co Kilkenny from inception to conclusion in terms of major project/programme milestones:



| | |
|------------|---|
| June 2017 | Kilkenny County Council has a total of 1.0826 hectares/2.676 acre greenfield site located in Ladywell, Thomastown. An agreement was also reached with Carlow ETB/Grennan College, Thomastown to swap lands which will better facilitate development of the site for housing |
| Nov 2018 | Project Proposal Report and CWMF P.R. 01 Form requesting Stage 1 Approval submitted to the Department of Housing, Planning and Local Government |
| Dec 2018 | Stage 1 Approval in Principle received from Department to proceed to deliver 15 housing units at Ladywell, Thomastown |
| April 2019 | Appointment of Architect Led Design team from the Office Government Procurement Framework |
| Aug 2019 | Stage 2 application submitted to the Department for the construction of 25 units following completion of the detail design for the project |
| Sept 2019 | Stage 2 Approval received from the Department for 25 units - budget €5.8 million |
| April 2020 | Natura Impact Statement prepared |
| July 2020 | Application made to An Bord Pleanala for approval for the proposed development |
| Sept 2020 | Members of Kilkenny County Council by Resolution agree to the disposal and exchange of land with the ETB to allow for the development |
| Oct 2020 | An Bord Pleanala grants approval for the project with conditions |
| Oct 2020 | Archaeological Desktop Assessment carried out |
| Nov 2020 | Asbestos Refurbishment/Demolition survey carried out |
| Jan 2021 | Stage 3 Application with revised cost plan submitted to the Department for approval |
| Jan 2021 | Stage 3 Approval received from Department with a budget of €6,203,431 |
| Jul 2021 | Stage 4 Application submitted to the Department for approval |
| Aug 2021 | Stage 4 Approval received from the Department in the amount of €7,301,253 |
| Sept 2021 | Appointment of Contractor for the construction of 25 units at Ladywell, Thomastown following Tender publication on e-Tenders in April 2021 |

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Construction of 25 Housing Units at Ladywell, Thomastown, Co Kilkenny.

| Project/Programme Key Documents | |
|---|---|
| Title | Details |
| Rebuilding Ireland – Action Plan for Housing and Homelessness | National target to provide 47,000 new Social Housing units by 2021 |
| Project Appraisal Report | Report outlining the need for the development |
| Stage 1 Approval Letter | Approval in Principle |
| CE Order appointing Architect Led Design Team | Tender Assessment Report and order from CE appointing successful tenderer |
| Stage 2 Approval Letter | Approval for 25 units with a budget of €5.8 million |
| Stage 3 Approval Letter | Approval of 25 units with a budget of €6.2 million |
| Stage 4 Approval Letter | Approval of 25 units with a budget of €7.3 million |
| CE Order appointing Contractor | CE Order appointing Contractor based on the Tender Assessment Report prepared |

Key Document 1: Rebuilding Ireland – Action Plan for Housing and Homelessness

‘Rebuilding Ireland – Action Plan for Housing and Homelessness’ was published by the Department of Housing, Planning, Community and Local Government in 2016. One of the pillars of the plan is to provide 47,000 new Social Housing units by 2021 to meet the Social Housing supply requirements.

Key Document 2: Project Appraisal Report (Nov 2018)

The project appraisal outlined the need for the development. It explored the options available and detailed the objective. The management of the project was also addressed.

Key Document 3: Stage 1 Approval Letter (Dec 2018)

Approval was received from the Department originally for 15 housing units at Ladywell, Thomastown, at an estimated cost of €2.7 million. The approval letter outlined the four critical stages for evaluation and approval:

- Stage 1: Confirm approval for design expenditure
- Stage 2: Access project prior to statutory approval
- Stage 3: Approve detailed design: review pre-tender cost check
- Stage 4: Review tender returns in advance of awarding contract

Key Document 4: CE Order appointing Architect Led Design Team (April 2019)

Following the establishment of a framework for Architect Led Design Teams by the Office of Government Procurement, applicants on the framework were invited to submit tenders for the design of a housing scheme on a site in Ladywell, Thomastown. It was established that the site would accommodate 25 units. The Design Team is responsible for the design and managing the construction of the housing scheme. The appointment covers all stages of the project from preliminary design and planning to tendering, supervision of the building contract and final account/handover. Following an assessment of the tenders received the contract was awarded to the most economically advantageous tender.

Key Document 5: Stage 2 Approval Letter (September 2019)

CWMF PR04 Form submitted to the Department detailed all in cost of €5.9 million. The application specified the intention to increase the number of units from 15 to 25 following the completion of the detail design for the project. Also included in the request were copies of the Tender Report for the appointment of the Design Team, background information for the revised Stage 2 submission and the basis of the revised budget being sought. Stage 2 Approval was received on 11th September 2019 with an approved budget of €5.8 million.

Key Document 6: Stage 3 Approval Letter (Jan 2021)

CWMF PR06 Form was submitted to the Department on 11th January 2021 detailing Stage 3 Cost Plans. Approval letter dated 25th January 2021 was received from the Department approving the revised budget of €6.2 million.

Key Document 7: Stage 4 Approval Letter (August 2021)

CWMF PR07 Form was submitted to the Department on 26th July 2021 with reports on Tenders and Potential Cost savings from the Design Team. Stage 4 Approval was received on 5th August 2021 with a revised budget amount of €7.3 million. The approval is subject to the Council exploring all further opportunities for cost reduction, mainly in relation to site works.

Key Document 8: CE Order appointing the Contractor (Sept 2021)

CE Order is signed on 13th September 2021 awarding the contract for the construction of 25 Housing Units at Ladywell, Thomastown based on the recommendation in the Tender Report.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the Construction of 25 units at Ladywell, Thomastown, Co Kilkenny. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

| Data Required | Use | Availability |
|--|---|--------------|
| Project Proposal Appraisal including CWMF P.R.01 Form and Site Map | Request to the Department of Housing, Planning and Local Government for approval in principle for the project | Yes |
| Funding Applications to the Department | Assess if funding was sanctioned | Yes |
| Report on tenders for Design Team | Assess procurement process | Yes |
| Report on tenders for the appointment of Contractor | Assess procurement process | Yes |
| Approval from An Bord Pleanala | Confirmation of approval to construct project | Yes |
| CE Orders | Ordering the appointment of Design Team & Contractor | Yes |
| Details of expenditure on project | Financial monitoring and compliance with budget | Yes |
| Need for housing in the area | Ensure housing need is met by the project | Yes |

Data Availability and Proposed Next Steps

The necessary data is available on file to evaluate this project. The main objective of this project is to provide accommodation to people on the housing list and to develop a sustainable inclusive community. The documents and reports that were undertaken as part of the tender process for this project are available. The financial information is available from Agresso the financial management system.

There was a Project Appraisal prepared for this project. I would recommend that future project appraisals should also include the identified risks and constraints for the project.

The Post Project Review should take place as soon as practicable after the completion of the project. This review stage is critical in identifying lessons learned and driving the process of continuous improvement for projects of a similar nature into the future. This review should

be fed into sectoral and national guidance as appropriate.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the Construction of 25 Housing Units at Ladywell, Thomastown, Co Kilkenny based on the findings from the previous sections of this report.

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

The project is currently under construction, work to date on the appraisal and implementation stages of the project complies with the broad principles of the Public Spending Code.

The construction of 25 Social Housing units at Ladywell, Thomastown is in line with National Housing Policy. It is one of the key pillars of 'Rebuilding Ireland – Action Plan for Housing and Homelessness. As is the case nationally, the demand for Social Housing in Kilkenny is high with over 2052 approved applicants on the housing waiting list at.

In this case there is a viable need for housing in this area. There are 222 approved housing applicants with a housing preference for the Thomastown area. Financial sanction was sought and approval was received from the Department of Housing, Planning and Local Government. Proper procurement procedures were followed when tendering for an Architect Led Design Team and a main Contractor. Kilkenny County Council complied with the Social Housing Approval Process for this project and consulted with the Department at all Stages of the project lifecycle.

The critical tasks at implementation stage are being complied with, namely awarding of the contract, management and monitoring the project to ensure that it is executed satisfactorily, within budget, to standard and on time. It is imperative that Kilkenny County Council explore all further opportunities for cost reduction, mainly in relation to site works as instructed by the Department in its Stage 4 Approval. This is required to ensure that the project is on budget and complies with the Public Spending Code.

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

The necessary data is on file including but not limited to the following to allow for a full evaluation;

- Funding Applications and Department Approval Letters
- Tender file and Tender Assessment Reports
- CE orders appointing Architects and Contractor
- An Bord Pleanála Approval

- Financial Expenditure on Agresso - financial management system
- Claim file and relevant reports

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

There was a formal project appraisal prepared for this development. It outlined the need for the development, it explored the options available and detailed the objective. The management of the project was also addressed. I would recommend that future project appraisals should also include the identified risks and constraints for the project. Risk identification should begin early in the project when uncertainty and risk exposure is greatest. Identifying risks early allow Kilkenny County Council to act when the risks are easier to address.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Construction of 25 Housing Units at Ladywell, Thomastown, Co Kilkenny.

Summary of In-Depth Check

Overall, I find this project complies with the broad principles of the Public Spending Code. The project is currently at implementation stage therefore the Internal Audit Unit cannot evaluate compliance with the post implementation stage of the Public Spending Code. The required data is available in the files in an orderly manner which will allow for evaluation at a later date if required.

I would recommend that future project appraisals should also include the identified risks and constraints for the project. The Post Project Review should take place within a specific time frame following project completion. Its purpose should evaluate whether the objectives for the project were met, determine how effectively the project was run, did the project come in on time, within budget and to the required standard.