

Certification

This Quality Assurance Report reflects Kilkenny 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.

Signature of Accounting Officer

Calette Byrne

Date: 31/5/17

Summary Report

**Kilkenny County Council's Assessment
of compliance with the Public
Spending Code for 2016**

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1. Introduction

Kilkenny 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 Public Sector Bodies are meeting the obligations set out in the Public Spending code. 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 allow Kilkenny County 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 (averaging at least 5% of total spending over 3 years) 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 which includes the inventory of all projects, the website reference for the publication of procurements above 10m, the completed checklists, the Council's judgement on the adequacy of processes given the findings from the in-depth checks and the Council's proposal to remedy any discovered inadequacies.

This report fulfils the requirement of the QA Process for Kilkenny County Council for 2016. This is the third year in which the QA process has applied. Projects and programmes which predate Circular 13/13 were subject to prevailing guidance covering public expenditure, e.g. the Capital Appraisal Guidelines 2005.

2. Expenditure Analysis

2.1 *Inventory of Project/Programmes*

This section details the inventory drawn up by Kilkenny County council in accordance with the guidance on the Quality Assurance process. The inventory lists all of the local authority'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 and capital expenditure and between three stages:

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

Appendix 1 list Kilkenny County Councils compiled inventory for the year 2016.

Expenditure Being Considered

As the spreadsheet identifies, there are a total of 33 projects being considered across the various spending and price categories. The primary area where projects are listed as being considered is between €0.5 and €5 million with 31 projects listed. There are 2 projects between €5 and €20 million and none over €20 million. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Being Incurred

The spreadsheet also provides a summary of the inventory of expenditures above €0.5m being incurred by Kilkenny County Council. In total there are 36 projects or programmes which are currently incurring expenditure of over €0.5m. The majority of items are current expenditure in the lower value category. The full breakdown and description of these projects is listed in Appendix 1.

Expenditure Recently Ended

The final section of the spreadsheet provides a summary of the inventory of expenditures above €0.5m recently added by Kilkenny County Council. There are 6 projects that have recently ended which incurred expenditure of over €0.5m

2.2 Published Summary of Procurements

As part of the Quality Assurance process Kilkenny County Council has to publish summary information on our website on our procurements over €10 million. One item comes within that category for 2017.

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 relevant budget holders, 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) 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.

3.2 Main Issues Arising from Checklist Assessment

The completed check lists show the extent to which Kilkenny County Council believe they comply with the Public Spending Code.

With regard to expenditure being considered, no new current expenditure programmes were under consideration in 2017. The checklist for capital expenditure under consideration suggests good levels of compliance with PSC in general with regard to areas such as appraisal, procurement and compliance with tendering procedures. For expenditure being incurred, again good levels of compliance are evident in checklist responses. With regard to checklists for expenditure completed in 2016, current expenditure programmes are primarily ongoing, year-to-year programmes as agreed by elected members at budget time and are subject to ongoing monthly/quarterly budgetary reviews and annual audit rather than once off reviews.

3.3 In-Depth Checks

This section details the in-depth checks which were carried out by the Internal Auditor of Kilkenny County Council as part of the Public Spending Code. Appendix 3 details the methodology and conclusions of the checks on 1 significant capital project and 1 sub program of current expenditure. The checks analysed here represent just over 5% of the Council's overall capital inventory as required and almost 2 per cent of the current inventory. They also represent a significant in depth examination of the Roads Capital programme. In accordance with the PSC Kilkenny County Council have achieved the target of 5% over an average of 3 years 2014-2016.

4. Next Steps: Addressing Quality Assurance Issues

It should be noted that organisations like Kilkenny County Council operate in a highly regulated environment and the process of identifying projects, seeking funding and engaging in public consultation for same requires them to adhere to the principles of the PSC before they can proceed with any significant project.

Training and further information sessions have taken place with relevant project leaders and budget holders to raise awareness and embed the requirements under the PSC within the organisation.

Now that an inventory of projects and programmes is in place, the Internal Audit function is better positioned to select an appropriate sample of programmes for further assessment via the in-depth check process. In addition, sections will be advised to ensure that Value for Money and Policy Reviews will form part of their Annual Team plans and plans and advise

the budgetary process. The in-depth report on the selected projects will assist the local government auditor in his work programme.

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. Kilkenny County Council is aware of its requirement to publish details of procurements of over €10 million on its website. The checklists completed in this report following input from the relevant sections show a generally high level of compliance with the Public Spending Code. The in-depth checks carried out on a selection of programmes revealed no major issues which would cast doubt on Kilkenny County Council's compliance with the Code. However, it is acknowledged that future in-depth checks are an ongoing requirement in different areas and at different stages of the project life cycle.

Kilkenny County Council will focus on VFM at all stages of projects and as part of the budgetary process can ensure high levels of compliance with the Public Spending Code.

Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current	Capital				> €0.5m			> €0.5m		
	> €0.5m	Capital Grant Schemes >	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects
		€0.5m	€0.5 - €5m	€5 - €20m	€20m plus						
Kilkenny County Council											
Housng & Building											
Construction of 8 Units Gaol Road											€1,234,000
CAS2015 VH81 Focus Ireland - Purchases								€595,000			
Turnkey - Ballybough St. Newpark & units								€1,598,625			
115H689C St. Catherine's HS Phase 2 (4 units)								€995,000			
CAS Project at Brooke House, Thomastown			€983,000								
CAS Project at Friary Walk Callan 12 units			€1,488,000								
CAS 2015 VH79 SOS Cashel Downs			€500,000								
CAS 2015 VH82 Good Shepherd Centre			€1,200,000								
CAS 2015 VH84 Camphill - Nimble Spaces			€2,200,000								
CAS 2015 VH85 Good Shepherd Centre			€666,000								
CAS 2015 VH86 Cluid HA -											€1,352,405
CAS 2015 VH87 Camphill - Ballytobin			€514,400								
Land Acquisition - Housing			€4,000,000								
21 units at The Butts, Kilkenny			€3,300,000								
30 units at Vicar Street, Kilkenny			€4,500,000								
30 units at Bolton, Callan, Co Kilkenny			€4,200,000								
18 units at Donaguile, Castlecomer			€2,600,000								
17 units at Robertshill, Kilkenny			€2,450,000								
Traveller Accommodation			1,900,000								
A01- Maintenance/Improvement of LA Housing						€3,872,219					
A03 - Housing Rent & Tenant Purchase Administration						€562,435					
A05 - Administration of Homeless Service						€932,567					
A06 - Support to Housing Capital Programme						€696,440					

Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current	Capital				> €0.5m			> €0.5m		
	> €0.5m	Capital Grant Schemes >	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects
		€0.5m	€0.5 - €5m	€5 - €20m	€20m plus						
Kilkenny County Council											
A07 - RAS Programme						€7,014,465					
A08 - Housing Loans						€1,143,287					
A09 - Housing Grants						€2,170,268					
Road Transportation and Safety											
N76 Callan Road Realignment						€14,753,707		€8,500,000			
B04 Local Road Maintenance & Improvement											
N24 Mooncoin Pavement Rehabilitation											€2,573,000
N77 Ballynaslee Realignment											€2,700,000
N78 Pavement Improvement Works											€2,800,000
Kilkenny Central Access Scheme								€17,000,000			
Medieval Mile / High Street.											€1,041,318
Western Environs Road Infrastructure Scheme				€10,000,000							
Breaghagh Valley Park			€500,000								
Kilkenny City - Mobility Management /Smarter Travel/Parking			€750,000								
Medieval Mile / High Street/Link areas			€1,310,000								
N77 Ballyragget Ballinaslee			€1,500,000								
N78 Ballycomey Castlecomer			€600,000								
N25 New Ross Glenmore			€3,000,000								
N24Grannagh improvements			€750,000								
Greensbridge Refurbishment (to include link to Bishopsmeadows)			€900,000								
B01- NP Road Maintenance & Improvement						€843,594					
B02 - NS Road Maintenance & Improvement						€602,480					
B03 - Regional Road Maintenance & Improvement						€2,980,641					
B05 - Public Lighting						€1,232,453					
B09 - Car Parking						€895,696					
B011 - Agency & Recoupables						€1,176,180					
Water Services											

Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	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			€0.5 - €5m	€5 - €20m	€20m plus						
Kilkenny County Council											
Development Management											
D01- Forward planning						€547,928					
D02 - Development Management						€1,540,138					
D05- Tourism Development and Promotion						€1,090,172					
D06 - Community And Enterprise						€1,313,048					
D09 -Economic Development & Promotion						€2,410,174					
D11-Heritage and Conservation Services						€645,723					
Abbey Creative Quarter				€7,700,000							
St. Mary's Church Complex								€6,200,000			
Environmental Services											
E02 - Recovery & Recycling Facilities Operations						€858,888					
E06 -Street Cleaning						€1,537,923					
E11 - Operation of Fire Service						€4,319,914					
F02 - Operation of Library and Archival service						€3,176,660					
F03 - Outdoor Leisure Areas Operations						€2,406,672					
F05 - Operation of Arts Programme						€592,412					
Fire Services Graiguenamanagh Fire Station			€1,300,000								
Recreation and Amenity											
New Library Development			€4,500,000								
Community & Cultural Facilities Capital Grant Scheme		€750,000									
Community Park - Ferrybank			€620,000								
Butler Gallery - Evans Home			4,000,000								
South Kilkenny Greenway (New Ross / Waterford).			3,800,000								
Belview Port			1,000,000								
Woodstock			1,000,000								
Medeval Mile by night			1,000,000								

Local Authority	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	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
		€0.5m	€0.5 - €5m	€5 - €20m	€20m plus						
Local Authority											
Kilkenny County Council											
Miscellaneous Services											
H03 - Administration of Rates						€3,566,312					
H09 - Local Representation 7 Civic Leadership						€925,356					
H10 - Motor Taxation						€802,639					
H11 - Agency Services 7 Recoupable Services						€1,549,055					
[Insert other category/s if required]											
Software Licenses			€950,000								
Totals	€0	€750,000	€57,981,400	€17,700,000	€0	€66,159,446	€0	€34,888,625	€0	€0	€11,700,723
											€189,180,194

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
<p>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)?</p>	2	<p>As the requirements of the code are raised at various Management Team Meetings, the management team are familiar with the content and aims of the code. Through contact and information sharing between the coordinator and project leaders budget holders are aware of the requirements of the public spending code. The PSC informs the decision making process at all stages of a new or planned project.</p>
<p>1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?</p>	2	Yes
<p>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?</p>	3	<p>Yes from the Head of Finance subcommittee of the CCMA</p>
<p>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?</p>	2	Yes
<p>1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?</p>	2	Yes
<p>1.6 Have recommendations from previous QA reports been acted upon?</p>	2	Yes
<p>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?</p>	3	Yes
<p>1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?</p>	3	Yes

<p>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.</p>	2	Yes. Review of Annual Workforce Plan. Ongoing internal, local government and 3 rd party audits.
<p>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?</p>	1	None in 2016. However, as recommended by the then internal auditor, an evaluation of a significant project which was the subject of an in depth check in the 2015 report and has recently completed will take place in 2017
<p>1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?</p>	2	NOAC Report Coordinator to advise new internal auditor to include follow ups to previous reports as part of their Annual Work Programme
<p>1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?</p>	1	See above

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

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No project is this category
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	All projects are subject to a period of public consultation before a formal decision is made
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	3	Yes
2.7 Were the NDFA consulted for projects costing more than €20m?		N/A
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	Yes
2.10 Were procurement rules complied with?	3	Yes
2.11 Were State Aid rules checked for all supports?	N/A	Not Applicable to Local Government
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?	2	Yes, each project that has progressed to Tender stage would have a detailed specification including

		objectives with expected timescale
2.14 Have steps been put in place to gather performance indicator data?	3	Yes

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, as part of the annual budget and annual work programme
3.2 Are objectives measurable in quantitative terms?	2	Objectives can be measured by performance indicators and review of annual work programme
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	n/a	No item in the inventory comes under this category
3.4 Was an appropriate appraisal method used?	N/A	No item in the inventory comes under this category
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	No	The items falling into this category are either an ongoing essential function of the local authority e.g. Road Maintenance /Improvement or a national scheme whose functionality is carried out at local level ,e.g RAS Scheme
3.6 Did the business case include a section on piloting?	N/A	See above
3.7 Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	See above
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	See above
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	No item in the inventory comes under this category
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on	3	Yes – RAS housing units

empirical evidence?		
3.11 Was the required approval granted?	3	Yes
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?		N/A
3.13 If outsourcing was involved were procurement rules complied with?	3	Yes
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?	2	National KPI's
3.15 Have steps been put in place to gather performance indicator data?	3	Yes

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes
4.2 Did management boards/steering committees meet regularly as agreed?	3	Relevant teams within sections meet on regular basis
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Project coordinator appointed for projects >€5M and for many other projects. Internal coordination teams in place in other instances.
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 appropriate level are given responsibility for specific projects
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Management Accounts are produced monthly. Progress reports are produced for all significant projects
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	One project has incurred significant extra cost due to 3 rd party actions
4.7 Did budgets have to be adjusted?	3	Yes
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.)	3	No
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?		n/a
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes annual spending programme reflects core objectives of each section
5.2 Are outputs well defined?	3	Yes
5.3 Are outputs quantified on a regular basis?	3	Yes. Annual KPIs for each specific service
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Service indicators, Department Returns, returns to DPER & Internal Review
5.5 Are outcomes well defined?	3	Yes
5.6 Are outcomes quantified on a regular basis?	3	Yes. Review of Annual Service Plans
5.7 Are unit costings compiled for performance monitoring?	3	Yes
5.8 Are other data compiled to monitor performance?	2	Monthly management accounts
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	Team meetings. Management meetings
5.10 Has the organisation engaged in any other 'evaluation proofing' ¹ of programmes/projects?	2	Internal audit

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.

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?	1	N/A
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	Yes
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	2	NOAC Report Coordinator to advise new internal auditor to include follow ups to previous reports as part of their Annual Work Programme
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)		N/A
6.7 Were changes made to practices in light of lessons learned from post-project reviews?		N/A
6.8 Were project reviews carried out by staffing resources independent of project implementation?	2	N/A

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

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

Notes:

- ❖ 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
- ❖ 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.
- ❖ 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.

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	N76 Callan Road Realignment Scheme
Detail	Capital Expenditure to Realign N 76 Callan Road Scheme.
Responsible Body	Kilkenny County Council
Current Status	Expenditure Being Incurred
Start Date	First Proposed in January 2006 at the Electoral Area Meeting in Kilkenny.
End Date	Currently in Construction
Overall Cost	€8.5m

Project Description

The scheme extends for 4.38km's from the N76 Callan Road Roundabout, on the Ring Road, to the Brownstown Junction, consisting of 2.3km of a new and/or realignment road, 2.08km of online road improvements and associated works including provision of new drainage. It also includes the provision of approximately 2.8km of facilities for vulnerable road users (cyclists & pedestrians) with new public lighting. The works include associated site clearance, drainage works and earthworks, farm access roads, fencing, pavement works, accommodation works, provision of road markings and traffic signs & traffic management.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for Public Lighting.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> To enhance the lives of the residents living along the road and provide for more attractive approach into Kilkenny City. To improve safety and security for vulnerable road users (cyclists & pedestrians) with new public lighting. To encourage walking, cycling and use of public transport. To improve standards of the county's non-national road network. To fulfill the requirement to maintain roadside drainage systems to a satisfactory operational standard. 	<ul style="list-style-type: none"> IFA Agreement on Compulsory Land Purchase for National Road Development. TII grant of €6.1m Budget of 8.5m. Contract with SIAC Construction Limited 	<ul style="list-style-type: none"> Acquisition of the lands comprised in the Compulsory Purchase Order. Invitation to tender. Letter of Intent & Acceptance 	<ul style="list-style-type: none"> Foreseen efficient, safer and effective use of the N76 Callan Road. 	<ul style="list-style-type: none"> Envisaged safety and security for vulnerable road users. Foreseen fewer traffic accidents at night and a safer environment for all road users and pedestrians. Envisaged increased amount of leisure and commercial activity after dark. Envisaged more attractive approach into Kilkenny City.

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

The Contract for the N76 Callan Road Realignment Scheme was awarded to SIAC Construction Limited on the 21st December 2016. The contract sum is €6,206,554 including VAT and the progression if the project is reflected in the TII grant of 6,100,000. SIAC Construction Limited commenced works on site in February 2017. Subject to continued satisfactory compliance with the terms of the contract, the expected works completion date is Quarter 2 of 2018.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the N76 Callan Road Realignment Scheme.

Project/Programme Key Documents	
Title	Details
Notification under Part VIII	Document stating that Kilkenny County Council can proceed with Road Improvements on the N76 Callan Road.
Compulsory Purchase Orders	Details of Acquisition of the lands comprised in the Compulsory Purchase Orders.
Tender Documents	Details of a tender process ran by TII for service and maintenance contract. Contract was advertised on the e-tenders website on the 20/08/16 with the Prior Information Notice published on 8/4/16. Following Tender Assessment, SIAC Construction Limited was awarded the contract.
Contract Documents	Contract signed with to SIAC Construction Limited on the 21 st December 2016.
Monthly Management Reports	Details of an informational notices circulated to the public, advising residents & business owners of the appointment of the contractor and the pending works programme.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
National Development Plan 2007-2013.	To recognise that a good quality infrastructure is a key ingredient on overall competitiveness.	Yes – from the European Social Fund website.
National Secondary Road Safety Needs Study.	To identify an optimal future secondary roads network, which offers value for money.	Yes – from the Transport Infrastructure Ireland website.
South East Regional Authority, Regional Planning Guidelines, 2010-2022.	To promote cost effective provision of public services like roads & drainage, lighting and public amenities. To achieve sustainable communities through the integration of land use and transport planning.	Yes - from the Southern Regional Assembly website.
Kilkenny County Development Plan, 2014 – 2020.	To support the implementation of the National Roads Authority projects that include the N76 Callan Road Realignment.	Yes – from the Kilkenny County Council website.

Data Availability and Proposed Next Steps

As outlined in the Contract Award, Tender & Schedule section subject to continued satisfactory compliance with the terms of the contract, the expected works completion date is Quarter 2 of 2018. Kilkenny County Council's 'Project Supervisor' is monitoring performance of maintenance contractor using predetermined key performance measures (KPIs) and checklists ensuring requirements of contract are met.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for N76 Callan Road Realignment Scheme 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 operation of N76 Callan Road Realignment Scheme is an ongoing/ under-construction project. It complies with the broad principals of the Public Spending Code. Most expenditure is spent on the provision of services by to SIAC Construction Limited & land acquisition. This spend was procured through a tender process carried out by Transport Infrastructure Ireland on behalf of Kilkenny County Council. The scope of the works required are clearly defined in the contract documents.

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

There is sufficient data available to evaluate the N76 Callan Road Realignment Scheme. See step 3 & 4 above.

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

Kilkenny County Council's 'Project Supervisor' should continue to monitor performance of maintenance contractor using predetermined key performance measures (KPIs) and checklists ensuring requirements of contract are met. It is important that ongoing monitoring and screening process are documented, signed and approved by a designated person of a sufficient authority. Reports from the Project Supervisors is to clearly show work carried out by maintenance contractor which can be reconciled with invoices. It is also essential to monitor compliance with the Health & Safety Policy on a regular basis and address any instances of non-compliance arising.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on N76 Callan Road Realignment Scheme.

Summary of In-Depth Check

The operation of the N76 Callan Road Realignment Scheme complies with the broad principals of the Public Spending Code. Capital expenditure spend has been procured through a tender process ran by Transport Infrastructure Ireland on behalf of Kilkenny County Council. The scope of the works included in the contract are clearly explained. There is sufficient data available to evaluate the N76 Callan Road Realignment Scheme.

Urszula Zielinska

Internal Audit

Kilkenny County Council

Wednesday, 31 May 2017

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	Operation of Public Lighting
Detail	Revenue Expenditure to operate and maintain Public Lighting system in Kilkenny
Responsible Body	Kilkenny County Council
Current Status	Expenditure Being Incurred
Start Date	Recurring annual costs
End Date	Recurring annual costs
Overall Cost	€1,223,453

Project Description

Kilkenny County Council is responsible for the maintenance and provision of public lighting within its area. This includes street lights and lights in housing estates that have been taken in charge by Kilkenny County Council. Kilkenny County Council provides 9,700 public lights throughout the county. The budget for this service was €1,090,000.

The breakdown of the amount spent in 2016 is as follows:

Expenditure Type	Amount	% Spend
Computers & Computer Software	€ 1,218	0.1%
Consultancy/Professional Fees	€ 20,162	1.6%
Energy Cost	€ 746,419	60.6%
Maintenance & Repair	€ 379,781	30.8%
Materials	€ 759	0.1%
Other	€ 624	0.1%
Payroll	€ 42,516	3.4%
Central management charge	€ 40,974	3.3%
Total	€ 1,232,453	100%

Less than 0.5fte work on Public Lighting. This is reflected in the low payroll costs in the table above. Over 91% of the spend in 2016 related to energy costs and maintenance. Both these services are procured through National and Regional Frameworks.

1.1 Maintenance

The maintenance of public lighting is contracted to Airtricity Utility Solutions. The tender for this contract was run by Transport Infrastructure Ireland on behalf of Kilkenny and Carlow County Councils. The contract will initially operate for a two-year period from the 1st April 2017 to 31st March 2019. Subject to continued satisfactory compliance with the terms of the contract, the contract may be renewed on an annual basis up to a maximum period of four years ending on 31st March 2021. The works include the following:

1. Routine Tasks

- a) Periodic Patrols at night at an appropriate frequency to identify faults.
- b) Visual structural inspection.
- c) Electrical Inspection.
- d) Lantern cleaning.
- e) Asset management system update.
- f) Monthly reporting.

2. Reactive Maintenance

- a) Replacement of faulty Lamps.
- b) The installation of various types of public lighting attachments & lanterns.
- c) Electrical maintenance of public lighting networks and public lighting units.

3. On Call Emergency Service

- a) Emergency call outs & small scale repair, 24 h per day and 365 days of the year.

4. Cable fault repair & reporting

- a) Night Reporting.
- b) Web based facility.

1.2 Energy Supply

The energy costs are procured through a National Framework run by the Office of Government Procurement (OGP). The preferred suppliers for energy are:

- Energia (for unmetered lighting)
- Airtricity (for metered lighting)

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit has completed a Programme Logic Model (PLM) for Public Lighting.

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> To enable all roads users (pedestrian, vehicular or other) to see each other, recognise possible dangerous traffic situations. To create an environment where residents of housing estates feel safe and secure. To reduce the incidence of night time crime. To improve the perception of street safety and security Increase leisure and commercial activity after dark. To encourage walking, cycling and use of public transport To improve the effectiveness of other community safety measures such as closed circuit television (CCTV). 	<ul style="list-style-type: none"> Budget of approx €1120k per annum to operate and maintain public lighting. Staff of 0.45 fte to manage the programme. Contract with Airtricity for maintenance of public lighting. Contract with Energia and Airtricity for energy supply. 	<ul style="list-style-type: none"> Monitor performance of maintenance contractor, ensuring requirements of contract are met. Process payments to electricity supplier. Process payments to maintenance contractor. 	<ul style="list-style-type: none"> An efficient and effective public lighting system. Improved asset management to Kilkenny County Council by utilizing highly reputable Software.(Deadsure). 	<ul style="list-style-type: none"> Fewer traffic accidents at night and a safer environment for all road users and pedestrians. Reduced crime and residents feel more secure in their homes. Increased amount of leisure and commercial activity after dark. Utilizing LED Technology to reduce energy consumption.

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

The Public Lighting programme is an annual revenue spend. Therefore, there is no project commencement or end dates. A contract for public lighting maintenance was entered into in April 2017 with Airtricity. The contract will initially operate for a two-year period from the 1st April 2017 to 31st March 2019. Subject to continued satisfactory compliance with the terms of the contract, the contract may be renewed on an annual basis up to a maximum period of four years ending on 31st March 2021.

The unmetered Energy Supply is in the middle of a 3 year contract through the OGP and is currently with Energia. The metered Energy Supply is also on a 2/3 year contract and is with Airtricity.

A tender for Energy Supply was run by the OGP in 2015.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Public Lighting.

Project/Programme Key Documents	
Title	Details
Tender Documents	Tender ran by TII for service and maintenance contract. Tender ran by OGP on energy supply.
Contract Documents	Contract signed with Airtricity for maintenance. Contract signed with Energia and Airtricity for energy supply.
Monthly Reports	Reports from Deadsure showing work carried out by maintenance contractor which can be reconciled with invoices.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
No. of reports received from public in relation to public lighting	Assess if process is being operated adequately.	Yes – From Deadsure IT system
% of faults picked up by patrols	Assess if effective patrols are being carried out.	Yes – From Deadsure IT system
% Faults repaired within target repair time.	Assess if there are delays in repairing faults.	Yes – From Deadsure IT system
Amount of energy being saved.	Assess any savings by upgrading to energy efficient lights	Yes – being monitored by Carlow Kilkenny Energy Agency

Data Availability and Proposed Next Steps

Kilkenny County Council use a specialist IT system called Deadsure to manage the Public Lighting system. Deadsure keeps an inventory of all Public Lights on a GIS map. It allows for the public to report a fault and tracks the progress on repairs of faults. All faults picked up by the contractor are also recorded along with all works carried out.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Public Lighting 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 operation of Public Lighting in Kilkenny is an ongoing annual process. It complies with the broad principals of the Public Spending Code. Most expenditure is spent on the maintenance and upkeep of the public lighting in the County. This spend was procured through a tender process carried out by Transport Infrastructure Ireland on behalf of Kilkenny and Carlow County Council. The scope of the works required to operate and maintain the public lighting system are clearly defined in the contract documents.

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

There is sufficient data available to evaluate the Public Lighting programme. This data is available from a specialist IT system called Deadsure which is used to manage the maintenance and operation of the Public Lights in Kilkenny.

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

Kilkenny County Council's 'Project Supervisor' should continue to monitor performance of maintenance contractor using predetermined key performance measures (KPIs) and checklists to ensure the contractor is meeting the requirements as set out in the maintenance contract. It is important that ongoing monitoring and screening process are documented, signed and approved by a designated person of a sufficient authority. A monthly report should be available on Deadsure showing the work carried out by the contractor which can be reconciled with the contractor's invoice before payment is made.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Public Lighting Programme.

Summary of In-Depth Check

The operation of the Public Lighting network complies with the broad principals of the Public Spending Code. A high level of Value for Money is being achieved on the programme as almost all the expenditure is procured through National and Regional procurement frameworks. The maintenance element of the spend has been procured through a tender process ran by Transport Infrastructure Ireland on behalf of Kilkenny and Carlow County Council. Airtricity were awarded the contract for an initial two year term from 1st April 2017. The scope of the works included in the contract are clearly explained.

The Energy Supply has been procured from a National Framework ran by Office of Government Procurement (OGP) in which Airtricity and Energia were chosen as the preferred suppliers.

The operation and maintenance of the programme is managed through the IT system Deadsure. This system shows all faults reported on the network and the progress of the repairs of these faults. This allows Kilkenny County Council to effectively manage the programme.

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Internal Audit

Kilkenny County Council

Wednesday, 31 May 2017

