

Public Spending Code

Quality Assurance Report for 2018

Donegal County Council

To Be Submitted to the National Oversight & Audit Commission in
Compliance with the Public Spending Code

Certification

This Annual Quality Assurance Report reflects Donegal 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 Chief Executive:

A handwritten signature in black ink, appearing to read 'Sean J.', written in a cursive style.

Date: 27th May 2019

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1. Introduction

Donegal County Council has completed this Quality Assurance (QA) Report as part of its 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. One of the objectives of the Public Spending Code is 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** - for projects in progress or completed in the year under review.
- 3. Checklists to be completed in respect of the different stages.** These checklists allow the Council to self-assess their 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.** Capital projects selected must represent a minimum of 5% of the total value of all capital projects on the Project Inventory. Revenue projects selected must represent a minimum of 1% of the total value of all revenue projects on the Project Inventory.
- 5. Complete a short report for the 'National Oversight & Audit Commission'** 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 proposals to remedy any discovered inadequacies.

This report fulfils the requirements of the QA Process for Donegal County Council for 2018. Projects and programmes which predate Circular 13/13 were subject to prevailing guidance covering public expenditure, e.g. the Capital Appraisal Guidelines 2005.

2. Interpretation of the PSC for the Local Government Sector

The Public Spending Code was written specifically with Government Departments in mind and some of the terminology is very specific to that sector. To aid local authorities meet their obligations in a uniform manner, a Guidance Note was prepared by the CCMA Finance Committee. The Guidance Note described each stage of Quality Assurance requirements and provided interpretations from a Local Government perspective.

This Quality Assurance Report follows the methodology outlined in the current Guidance Note (Version 3 – February 2017) that was prepared and circulated to local authorities for use initially in preparing the 2016 QA Reports.

[Note: The Guidance Note focuses on the Quality Assurance element of the PSC only.]

3. Expenditure Analysis

3.1. Inventory of Projects/Programmes

This section details the inventory drawn up by Donegal County Council (DCC) 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 and capital expenditure and between three stages:

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

Deciding at what point a job/project transitions from “being considered” to “being incurred” can be subjective. The approach adopted for this QA Report is that once any expenditure commences on a job/project, it is included in the “being incurred” category.

As well as being included below as Table 1, the inventory is also provided separately as an Excel spreadsheet, in the form prescribed by NOAC.

Table1: Inventory of Relevant Projects/Programmes

Expenditure Being Considered		
Project/ Programme Description	Revenue Expenditure	Capital Expenditure
HOUSING CAPITAL PROGRAMME		65,000,000
ORAN HILL HOUSING DEVELOPMENT LETTERKENNY		6,300,000
BUNCRANA HOUSING DEVELOPMENT PHASE 2		6,300,000
DONEGAL TOWN HOUSING DEVELOPMENT PHASE 3		3,300,000
BUNDORAN HOUSING DEVELOPMENT PHASE 1		4,200,000
TRUSK ROAD HOUSING DEVELOPMENT BALLYBOFEY		2,500,000
LIFFORD HOUSING DEVELOPMENT		3,750,000
CHURCHILL HOUSING DEVELOPMENT		750,000
NASMOR HOUSING DEVELOPMENT LETTERKENNY		600,000
APEX HOUSING ASSOCIATION – GLENCAR LETTERKENNY		4,750,000
HABINTEG HOUSING ASSOCIATION PROJECT CASTLEFIN		3,000,000
HOUSING GRANTS (DISABILITY & ELDERLY)		2,000,000
Maintenance/Improvement of LA Housing	537,525	
SOUTHERN RELIEF ROAD LETTERKENNY		77,000,000
FINTRA BRIDGE & ROAD REALIGNMENT		7,000,000
N15 BRIDGEND CO BOUNDARY		20,000,000
TRAFFIC MANAGEMENT SOLUTION LETTERKENNY		3,000,000
LETTERKENNY LINKAGE		500,000
N56 DOONWELL JUNCTION TO DRUMBRICK		3,000,000
DUNGLOE (NORTH/SOUTH PAVEMENT)		1,414,839
Regional Road – Maintenance and Improvement	537,152	
RIVERINE PROJECT		10,000,000
LETTERKENNY 2040 INC URDF		7,752,000
ISLAND HOUSE KILLYBEGS (RRDF)		1,630,360
RAMELTON MALL (RRDF)		3,426,137

GLENFIN STREET BALLYBOFEY (RRDF)		1,066,734
DONEGAL TOWN COMMUNITY & DIGITAL HUB (RRDF)		3,748,000
AILT AN CHORRAIN/ARAINN MHOR (RRDF)		4,324,427
Economic Development and Promotion	517,715	
RESTORATION WORK AT BALBANE LANDFILL		1,500,000
BALLYNACARRICK LANDFILL SITE		900,000
BUNDORAN FIRE STATION		1,025,600
BALLYSHANNON FIRE STATION		821,600
GLENCOLMCILLE FIRE STATION		600,000
DONEGAL PUBLIC SERVICES CLIMATE ACTION PROJECT		1,545,018
DONEGAL TOWN LIBRARY		1,000,000
SWAN PARK BUNCRANA		2,304,056
FORT DUNREE (RRDF)		637,000
GREENCASTLE HARBOUR DEVELOPMENT		40,000,000
RATHMULLEN PIER REFURBISHMENT		2,600,000
PORTSALON PIER REFURBISHMENT		1,400,000
INVER PIER		2,200,000
GROYNE AT MAGHERAROARTY		2,000,000
LIFEBOAT BERTH AT BUNCRANA		500,000
LEENAN PIER		1,000,000
BURTONPORT HARBOUR REDEVELOPMENT PROJECT		3,000,000
GREENCASTLE DREDGING		500,000
RANNAGH PIER DEVELOPMENT		2,300,000
Expenditure Being Incurred		
Project/ Programme Description	Revenue Expenditure	Capital Expenditure
Maintenance/Improvement of LA Housing	7,456,922	
Housing Assessment, Allocation and Transfer	1,362,532	
Housing Rent and Tenant Purchase Administration	1,044,469	
Support to Housing Capital & Affordable Prog.	1,726,056	
RAS Programme	4,418,726	
Housing Loans	1,026,494	
Housing Grants	1,563,320	
H2217E- ARDARA (MOLLOYS) 2015 - 8 NO.HOUSES		1,136,141
H35/17 PURCHASE OF 34 HSES RANN MOR CRIEVESMITH		6,200,000
PURCHASE OF 20 UNITS RAMELTON		2,300,000
H30007 LETTERMACAWARD (06)		3,300,000
COUNTY HOUSE HQ DEVELOPMENT		4,441,612
H2418 - LONG LANE L'KENNY - 29 SOCIAL UNITS (2015)		4,966,234
H2317A - ROCKYTOWN BUNCRANA - 20 NO.UNITS (2015)		5,000,000
HG 533E MANORCUNNINGHAM 8 UNITS		1,354,545
PV10018B-NEWTOWNCUNNINGHAM (2015)		1,085,253
LIFFORD ARMY BARRACKS		1,250,000
H10011A - CARNDONAGH 2015 - 4 NO. SOCIAL HOUSES		858,419
H2227D -DRUMROOSKE 2015 (24 NO. SOCIAL HOUSES)		3,200,000
H2069F KILLYBEGS EMERALD DRIVE - 9 UNITS		1,481,628

H1090B - DUNFANAGHY- 4 NO. SOCIAL HOUSES (2015)		900,000
H2034B - MEADOW HILL RAPHOE 11 NO. SOCIAL HOUSES		2,700,000
LAGHEY – 10 HOUSES		1,600,000
HOUSING SCHEME CARRIGART		1,550,000
H2259C - RADHARC NA TRA BREIGE MALIN1		1,500,000
HG685 DEVELOPMENT WORK AT BIG ISLE HALTING SITE		500,000
CHS 05/17 COIS ABHAINN ST JOHNSTON 6 NO SOCIAL HSES		1,200,000
H52/16 PURCHASE OF HSE'S GLEANN NA GREINE STRANORLAR		2,959,000
H2227D DRUMROOSKE 2015 – 2 NO SOCIAL GROUP HOMES		985,000
RESPOND BALLAGHERG LETTERKENNY 33 UNITS		1,454,289
CAS MEENMORE DUNGLOE HOUSING PROJECT – V300		1,500,000
FABRIC UPGRADE PROGRAMME 2013		4,099,650
HOUSING GRANTS (DISABILITY & ELDERLY)		1,254,425
NP Road - Maintenance and Improvement	1,303,816	
NS Road - Maintenance and Improvement	1,830,363	
Regional road – Maintenance and Improvement	15,630,475	
Local Road - Maintenance and Improvement	34,291,411	
Public Lighting	2,347,841	
Road Safety Engineering Improvement	753,451	
Maintenance & Management of Car Parking	1,306,442	
Support to Roads Capital Prog.	646,573	
Roads Management Office (RMO) operation costs	2,334,390	
NORTH WEST GREENWAY NETWORK		18,000,000
PUBLIC LIGHTING CAPITAL PROGRAMME		13,200,000
TYRCONNELL BRIDGE DECK REPLACEMENT		1,200,000
MEENAMULLIGAN BRIDGE REPLACEMENT		1,000,000
CASTLETREAGH- FIVE POINTS		610,457
TIRLIN TO DRUMNARAW CREESLOUGH		847,034
AGHILLY ROAD LAND PURCHASE BUNCRANA TC		600,000
DUCGS JOE BONNER LINK ROAD		1,500,000
TEN-T PRIORITY ROUTE IMPROVEMENT - DONEGAL		400,000,000
BSHANNON/BUNDORAN BYPASS DL 99 110		83,387,438
N56 MCHARLES TO INVER (DL00200&DL07189)		30,000,000
N56 DUNGLOE TO GLENTIES		72,000,000
N56 COOLBOY KILMACRENNAN REALIGNMENT 2011		18,724,000
N56 KILTOY ROUNDABOUT		3,541,604
NATIONAL ROADS OFFICE ADMINISTRATION		2,250,000
PORT BRIDGE ROUNDABOUT		4,000,000
DONEGAL BRIDGE STRENGTHENING 2016		5,000,000
N56 FOUR LANE LETTERKENNY		6,000,000
N56 DUNFANAGHY PAVEMENT IMPROVEMENT		572,132
N15 CORCAM BENDS 2017		7,000,000
ARDGILLOW TO BALLYMAGRORTY SCOTCH SURFACE		1,300,000
DUNKINEELY TO BRUCKLESS PAVEMENT OVERLAY 2018		1,317,824
ARDAGHY TO DUNKINEELY SURFACE REPLACEMENT		1,822,851
N14 TULLYRAP 2018		5,000,000
N15 BLACKBURN BRIDGE SOUTH		2,500,000
N14 BALLYHOLEY SURFACE REPLACEMENT 2018		572,988
N56 ARDARA TOWN 2018		1,200,000
N56 CORCREGGAN RETAINING WALL		600,000
DRUMOGHILL (PAVEMENT)		600,000

N56 CROLLY 2018		600,000
ASSAROE LAKE PAVEMENT OVERLAY 2018		1,200,000
BURT CHURCH TO BRIDGE ROUNDABOUT		800,000
CAPPRY TO BALLYBOFEY (PAVEMENT)		3,500,000
CLARCARRICKNAGUN TO TULLYEARL SURFACE REPLACEMENT		1,300,000
STRAGAR PAVEMENT OVERLAY		594,560
Operation and Maintenance of Water Supply	10,851,783	
Operation and Maintenance of Waste Water Treatment	2,625,535	
Support to Water Capital Programme	2,568,507	
Agency & Recoupable Services	586,585	
TORY ISLAND GWS UPGR 2003		560,000
Forward Planning	998,809	
Development Management	2,591,644	
Enforcement	733,523	
Tourism Development and Promotion	1,142,110	
Community and Enterprise Function	4,239,113	
Economic Development and Promotion	2,858,420	
SLIABH LIAG		6,500,000
MALIN HEAD EU INTERREG PROJECT		1,000,000
SICAP [Lots 33-1, 33-2 & 33-3]		12,500,000
RURAL DEVELOPMENT PROGRAMME (RDP) 2014 - 2020		12,900,000
PEACE IV COUNCIL MANAGEMENT & IMPLEMENTATION		5,500,000
SOCIAL ENTERPRISE CENTRE (DUGS)		4,500,000
ASCENT – PROJECT NORTHERN PERIPHERY AREA (ERRIGAL)		1,600,000
EEN- ENTERPRISE EUROPE NETWORK PROJECT		1,500,000
Operation, Maintenance and Aftercare of Landfill	1,768,573	
Op & Mtce of Recovery & Recycling Facilities	643,896	
Litter Management	1,591,396	
Safety of Structures and Places	700,208	
Operation of Fire Service	7,247,446	
Water Quality, Air and Noise Pollution	596,327	
CATCHMENTCARE PROJECT		13,800,000
LANDFILL REMEDIAL WORKS – RECOUPABLE		1,500,000
PURCHASE AND DEVELOPMENT OF COUNTY LAB AT LISNENAN		555,000
Operation and Maintenance of Leisure Facilities	1,372,055	
Operation of Library and Archival Service	3,926,062	
Op, Mtce & Imp of Outdoor Leisure Areas	1,731,923	
Operation of Arts Programme	2,080,291	
BUNCRANA SWIM POOL COMM LEISURE CNTR RE-FURB 06		6,500,000
Operation and Maintenance of Piers and Harbours	1,853,225	
Veterinary Service	656,680	
Profit/Loss Machinery Account	7,421,048	
Administration of Rates	7,863,608	
Local Representation/Civic Leadership	1,247,434	
Motor Taxation	1,585,496	
Agency & Recoupable Services	8,475,681	
Stranorlar Regional Training Centre	727,275	

Expenditure recently Ended		
Project/ Programme Description	Revenue Expenditure	Capital Expenditure
H38/17 PURCHASE OF 9 HSES ORAN HILL LETTERKENNY		959,186
N15 BLACKBURN BRIDGE REALIGNMENT SCHEME 2011		8,328,164
N56 DUNCAN BRIDGE 2015 (PAVEMENT)		830,000
N14 LIFFORD TO R264 JUNCTION		2,345,913
N13 LETTERKENNY DUAL CARRIAGEWAY OVERLAY 2016		692,606
TERMON PROJECT PETTIGO (Non Peace III)		8,060,000
SAIL WEST PROJECT		6,067,222
BALLYBOFEY/STRANORLAR LEISURE CENTRE		7,502,131

Notes:

1. All expenditure headings at "Service" level in the 2018 Annual Financial Statement (AFS) which incurred expenditure > €0.5m are included in the report. Services in the 2019 Budget (considered during 2018) which are either new or show an increase of €500k or more over the 2018 budget are included under the "Being Considered" heading.
2. Local government accounting practices result in some expenditure that other organisations would classify as "capital" being reported here under the "current" heading – and vice versa.
3. The cost stated in all cases for uncompleted capital projects is the estimated final total cost at completion, not expenditure to date as of the end of 2018. There are some very high-value projects included where actual expenditure incurred to date is relatively small and there is little likelihood of the project proceeding to delivery in the foreseeable future.
4. Segregation of overall projects: it can be difficult to establish what constitutes a 'phase' or a continuation of a multi-annual project/programme and what is a new project/programme? (E.g. Major roads projects delivered in stages that can have decades-long lifecycles). Best judgement has been used on a case-by-case basis in this report.
5. In the case of some very long-term projects, expenditure information is only readily available from as far back as the commencement of the Agresso financial management system, i.e. since 2001.
6. Figures quoted in current expenditure (programmes) include overheads and administration costs.
7. Figures quoted include transfers to/from reserves if appropriate.
8. Figures quoted include Central Management Charges (CMC).

4. Published Summary of Procurements

As part of the Quality Assurance process, Donegal County Council is required to publish summary information on our website of all procurements in excess of €10m. During 2018, no procurements above this threshold occurred. Hence, no summaries were published.

5. Assessment of Compliance

5.1. 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 Council, 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 Expenditure Being Considered – Appraisal and Approval
- Checklist 3: Current Expenditure Being Considered - Appraisal and Approval
- Checklist 4: Capital Expenditure Being Incurred
- Checklist 5: Current Expenditure Being Incurred
- Checklist 6: Capital Expenditure Recently Completed
- Checklist 7: Current Expenditure Completed or Discontinued

A full set of checklists 1-7 was completed by the Council – see following pages.

The scoring mechanism for these above tables is as follows:

- (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

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

General Obligations not specific to individual projects/ programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)?	3	All senior staff at Divisional Manager level engaged fully with the process.
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	2	<i>IPA Training May 2016 attended by relevant staff. Due to staff movement some additional training may be required.</i>
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?	2	Yes in respect of the QA stage.
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?	N/A	Requirements are not clear in this regards. The area is still under consideration by the sector. (No project relevant to PSC)
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	3	NOAC's report of October 2018 has been shared with relevant staff.
1.6 Have recommendations from previous QA reports been acted upon?	2	Enhanced awareness & IPA training will contribute to improvements in compliance over time.
1.7 Has an annual Public Spending Code QA report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website?	3	Chief Executive has signed off on the 2018 QA Public Spending Code and report has been published on Donegal County Councils website.
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Internal Audit completed in-depth reviews for 2018. (see appendices)
1.9 Is there a process in place to plan for ex post evaluations/Post Project Reviews? Ex-post evaluation is conducted after a certain period has passed since the completion of a target project with emphasis on the effectiveness and sustainability of the project.	2	Yes – where relevant and in the context of Final Accounts, Departmental Returns and Recoupment
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	2	Post project reviews normally take the format of final account reports, management reports, recoupment claims and other project materials/documents synonymous with the term 'Post Project Review'.
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	2	Through management team discussion and formal consideration by senior management.

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	In most cases, external funding is required for projects of this scale. This requires a formal proposal to be made to the funding authority (including financial considerations, value-for-money and other impact analysis).
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	All projects appraised appropriately depending on scale and individual requirements.
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	2	Three projects under consideration exceeding €20m
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes.
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?	N/A	No requirement exists.
2.7 Were the NDFA consulted for projects costing more than €20m?	N/A	No requirement exists.
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?	N/A	Projects under consideration have yet to reach this stage.
2.9 Was approval granted to proceed to tender?	N/A	
2.10 Were procurement rules complied with?	N/A	
2.11 Were State Aid rules checked for all supports?	N/A	
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	N/A	
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	2	Requirement/relevance is project-dependent.
2.14 Have steps been put in place to gather performance indicator data?	2	Requirement/relevance is project-dependent.

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	Budget increase for specific purposes. Central Government Grants.
3.2 Are objectives measurable in quantitative terms?	3	Yes.
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	2	Arose due to identified demands and specific objectives (as well as anticipated funding availability).
3.4 Was an appropriate appraisal method used?	N/A	Expansion of existing work programme. Grant-funded.
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	
3.6 Did the business case include a section on piloting?	N/A	Expansion of existing programme
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	
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	Yes.
3.11 Was the required approval granted?	3	Statutory Revenue Budget approved by Elected Members 21st November, 2018.
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?	N/A	Expenditure due to be incurred in 2018 – grant funded by central government
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	Existing Local Authority Performance Indicators within the Roads Division.
3.15 Have steps been put in place to gather performance indicator data?	3	Yes, where appropriate.

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes, where appropriate. It is normal practice to sign contracts for major capital projects and that they be in line with approval in principle.
4.2 Did management boards/steering committees meet regularly as agreed?	3	Yes
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Divisional managers coordinate delivery of all projects/programmes within their service division.
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	The delivery of each capital project is assigned to a staff member of appropriate grade.
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Project progress is tracked and regular project meetings are held involving Council representatives, contractor representatives and, where relevant, consultant representatives.
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	Most projects, once they go to construction, stick as close as is practicable to budget and time schedule.
4.7 Did budgets have to be adjusted?	2	Yes, On some occasions budgets have to be adjusted to meet contingencies, but changes are kept to a minimum
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	Given that programmes/projects can flex as they progress, it may be necessary to re-consider different elements/phases of ongoing projects. However, the underlying viability of the primary projects/programmes themselves were not in question.
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	3	Yes, where required.
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes, to the relevant department where required
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No

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	Spending programme defined as part of statutory budget process.
5.2 Are outputs well defined?	3	National Performance Indicators for local Government.
5.3 Are outputs quantified on a regular basis?	3	Performance Indicators, Corporate Plan, Annual Report and Annual Service Delivery plan contribute to this process.
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes, budget performance and monitoring is in place. Internal Audit Unit, Audit Committee and Value for Money Committee are in place.
5.5 Are outcomes well defined?	3	Performance Indicators, Corporate Plan, Annual Report and Annual Service Delivery plan contribute to this process.
5.6 Are outcomes quantified on a regular basis?	3	Performance Indicators, Corporate Plan, Annual Report and Annual Service Delivery plan contribute to this process.
5.7 Are unit costings compiled for performance monitoring?	2	Performance indicators for some services feature performance based on units and per-capita analysis.
5.8 Are other data compiled to monitor performance?	3	Yes, budget performance and monitoring is in place. There are regular financial returns made to the Department (including EU/IMF returns on revenue/capital expenditure, borrowing, payroll etc.)
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	Yes, where relevant, measures can vary depending on service. Internal Audit Unit, Audit Committee and Value for Money Committee contribute to this. Public accountability and local democracy are also relevant here.
5.10 Has the organisation engaged in any other 'evaluation proofing' ¹ of programmes/projects?	2	Many forms of financial and non-financial data are recorded during the implementation of programmes and projects.

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?	3	
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, minimum of 5% of the total value of all capital projects and 1% of the revenue projects on the project inventory averaged over a three year period.
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	The usual post-project actions have been or will be carried out where relevant and in the context of the requirements and reporting demands relating to the individual schemes and as may be required by project/programme funding agencies.
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	2	
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	2	Recommendations are to be incorporated into further project plans.
6.8 Were project reviews carried out by staffing resources independent of project implementation?	3	By Internal Audit staff and by funding agencies where applicable.

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

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

Notes:

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

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

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

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

DCC Notes:

1. *A local authority has a range of different projects and programmes across many services, funded through a myriad of different sources, conducted according to various and diverse regulations and requirements. Completing a single set of QA documents for the organisation is challenging and does not necessarily provide an accurate picture of compliance generally throughout the organisation.*
2. *Whilst some minor wording changes were made, the QA Checklists are not considered to be particularly well tailored for the local government sector – some of the questions are not applicable or are irrelevant*
3. *Some of the questions presuppose an element of choice in whether or not DCC spends money in a particular area (Value and Subject). This is not always the case – as in direct grant funding from Government to do a certain thing.*

6. In-Depth Checks

Step 4 looks at a small subset of schemes reported on the Project Inventory, looking in more detail at the quality of the Appraisal, Planning and/or Implementation stages to make a judgement on whether the work was of an acceptable standard and that they are in compliance with the Public Spending Code.

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

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the Project Inventory.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the Project Inventory.

This minimum is an average over a three-year period.

There now follows a summary of the in-depth checks undertaken by Donegal County Council's Internal Audit Unit in respect of the 2018 Public Spending Code Quality Assurance process.

6.1 Social Inclusion and Community Activation Programme (SICAP)

Value: €12,053,502

Percentage of Inventory: 1.04%

6.1.1. Summary & Conclusions

The SICAP programme aims to reduce poverty and promote social inclusion and equality within communities. The programme has two core goals that focus on supporting communities and individuals:

- Goal One: To support communities and target groups to engage with relevant stakeholders in identifying and addressing social exclusion and equality issues developing the capacity of local community groups and creating more sustainable communities.
- Goal Two: To support disadvantaged individuals to improve the quality of their lives through the provision of lifelong learning and labour market supports.

The controls in place for the management and governance of the project provide adequate assurance that there is compliance with the Public Spending Code to-date.

This project is included in the Inventory as Capital Expenditure being incurred and has a proposed completion date of 2022 for Phase 1. The completed In-Depth template is attached as Appendix A.

6.2 Donegal County Council Housing Loans 2018

Value: €1,026,494 Percentage of Inventory: 0.6%

6.2.1 Summary and Conclusions

Donegal County Council provides potential customers with the opportunity to own or upgrade their own home through a variety of housing loan options.

The objective of this review was to identify what systems, procedures and controls are in place to ensure that the housing loans offered by Donegal County Council are being managed in an effective and efficient manner and are also compliant with the Public Spending Code.

Donegal County Council Housing Loans is included in the Inventory as 'Current Expenditure being incurred'. The complete In-Depth template is attached as Appendix B.

7. Next Steps: Addressing Quality Assurance Issues

The compilation of information for this report remains a complex and time-consuming task.

As stated in previous reports, it is hoped that the administrative burden of the QA process will progressively ease as the process becomes embedded over time in annual Council work-programmes.

Internal Audit Unit's process of carrying out In-depth checks has become more integrated into its regular annual work programme. A template document has been developed for the purpose of carrying out the required in-depth checks. Each individual report highlights any process shortcomings identified during the in-depth check and, where appropriate, makes recommendations for procedural changes.

As with any Internal Audit report, if/where issues requiring rectification are identified; Internal Audit will revisit the matter in due course to confirm that the matter has been addressed.

In order for the organisation as whole to learn and benefit from the QA process, issues identified and/or procedural changes recommended, which could have wider application across the organisation, will be compiled and circulated to Service Managers.

8. Conclusion

This QA Report has been compiled in as comprehensive a manner as possible within the timeframe and resources available. It has been prepared in line with the interpretations provided in the Guidance Note (Version 3) prepared for the local government sector.

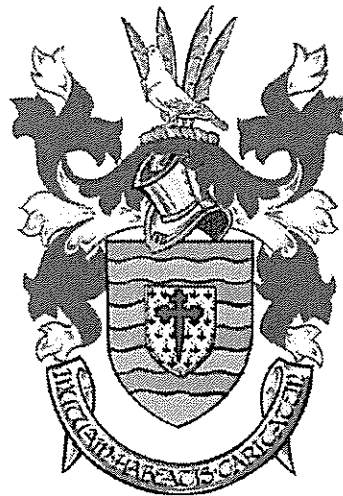
The process of compiling this report once again highlighted a range of issues that require further consideration in terms of tailoring the PSC for the local government sector. Some of these issues have been noted again within this report.

The Council looks forward to the evolution of the code and developing its usefulness in future years, developing Internal Audit's role in the in-depth analysis and configuring the PSC in a more useful context for the sector.

Donegal County Council has complied to a high degree with the spirit of the PSC in terms of procurement discipline, safeguarding the public purse, achieving best value for money and managing projects in an efficient and economical manner, for the betterment of the county, the improvement of infrastructure and delivery of public services.

Appendix A

**Donegal County Council
Internal Audit Department**



Public Spending Code for 2018

Local Authority Quality Assurance

**PSC 19/1 – Social Inclusion and Community Activation Programme
(SICAP)**

Section A: Introduction

The Public Spending Code was developed by the Department of Public Expenditure and Reform, DPER, and it applies to both current and capital expenditure and to all public bodies in receipt of public funds.

As Local Authority (LA) funding derives from a number of sources, including grants from several Government Departments, Local Authorities are responsible for carrying out the Quality Assurance requirements of the Public Spending Code, by undertaking an in-depth review of selected projects/programmes.

One of the areas selected for an in-depth review for 2018 was the:

Social Inclusion and Community Activation Programme (SICAP)

Project:	Social Inclusion and Community Activation Programme (SICAP)
Start Date:	01/01/2018
Responsible Body:	Department of Rural & Community Development
Category:	Capital Expenditure being incurred
Total Value of Programme	€12,053,502
Value of Capital 2018 Inventory:	€ 1,158,903,077
% of in-depth review:	1.04%

Section B: Evaluation

1. Logic Model Mapping – see attached.
2. Summary Timeline of Life Cycle – see attached.
3. Analysis of Key Documents – see attached.
4. Data Audit – see attached.
5. Key Evaluation Questions – see attached.

Section C: Summary and Conclusions

The SICAP programme aims to reduce poverty and promote social inclusion and equality within communities. The Programme has two core goals that focus on supporting communities and individuals:

- **Goal One:** To support communities and target groups to engage with relevant stakeholders in identifying and addressing social exclusion and equality issues developing the capacity of local community groups and creating more sustainable communities.
- **Goal Two:** To support disadvantaged individuals to improve the quality of their lives through the provision of lifelong learning and labour market supports.

The controls in place for the management and governance of the project provide **adequate assurance** that there is compliance with the Public Spending Code to-date.

This project is included in the Inventory as Capital Expenditure being incurred and has a proposed completion date of 2022 for Phase 1.

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	Social Inclusion and Community Activation Programme (SICAP).
Detail	The SICAP programme aims to reduce poverty and promote social inclusion and equality within communities.
Responsible Body	The programme is overseen nationally by Pobal on behalf of the Department of Rural & Community Development with each Local Authority also engaging with Pobal acting on behalf of the Department of Housing, Planning and Local Government (DHPCLG), as a nominated representative.
Current Status	Expenditure Being Incurred.
Start Date	1 st January 2018.
End Date	31 st December 2022.
Overall Cost	€12,053,502.00

Project Description

The SICAP programme aims to reduce poverty and promote social inclusion and equality within communities. The programme is managed at a local level by 33 Local Community Development Committees (LCDCs), with support from local authorities, and actions are delivered by Programme Implementers (PIs). The programme is overseen nationally by Pobal on behalf of the Department of Rural & Community

Development with each local authority also engaging with Pobal acting on behalf of the Department of Housing, Planning and Local Government (DHPCLG), as a nominated representative.

Each LCDC agrees annual targets for their area based on local needs to ensure the Programme achieves its goals. SICAP is then delivered by the Programme Implementers who are engaged by the LCDC in each area and work with disadvantaged groups within local communities.

Section B - Step 1: Logic Model Mapping

As part of this in-depth check, the Community Development and Planning Directorate has completed a Programme Logic Model (PLM) for the SICAP Programme. 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
<ul style="list-style-type: none"> • Reduce poverty • Promote social inclusion and equality within communities • To support communities and target groups to engage with relevant stakeholders in identifying and addressing social exclusion and equality issues • To support disadvantaged individuals to improve the quality of their lives through the provision of lifelong learning and labour market supports. 	<ul style="list-style-type: none"> • Yearly budget allocation of €2,008,917 • Staff resources from the Community Development & Planning Directorate • LCDC management of programme • Implementation of programme by LDC's 	<ul style="list-style-type: none"> • Department Approval • Evaluate applications • Award contracts • Drawdown of funds • Programme Management • Implementation of different projects • Regular checks • Mid and end of year reviews 	<ul style="list-style-type: none"> • Effective delivery of projects within the programme • Adherence to regulations as overseen by Community Development and Planning Directorate 	<ul style="list-style-type: none"> • Better social inclusion and equality in local communities • Addressing social exclusion and equality issues • Support disadvantaged individuals among key target groups
30				

Description of Programme Logic Model

Objectives: To reduce poverty and promote social inclusion within communities by targeting specific groups and target demographics.

Inputs: The overall fund for Donegal over the course of the programme is €12,053,502 over the duration with a yearly budget of €2,008,917 divided among three areas.

Activities: There are a number of key activities involved in ensuring the programme is delivered in an effective and efficient manner:

- Department Approval
- Evaluate applications
- Award contracts
- Drawdown of funds
- Programme Management
- Implementation of different projects
- Regular checks
- Mid and end of year reviews

Outputs: Having carried out the identified activities using the inputs, the outputs of the project will be the effective delivery of individual projects within the programme coupled with efficient checks and assurances provided by the Community Development and Planning Directorate.

Outcomes: The envisaged outcomes of the programme are better social inclusion and equality within local communities, the addressing of social exclusion and equality issues within these communities and the provision of support to disadvantaged individuals among the target demographics.

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

The following section tracks the SICAP Programme within County Donegal from inception to conclusion in terms of major project/programme milestones in 2018.

January 2017	<ul style="list-style-type: none"> • Roll out of SICAP 2018-2022 Programme by Department of Rural & Community Development
July 2017	<ul style="list-style-type: none"> • Tenders sought from relevant applicants
October 2017	<ul style="list-style-type: none"> • Award tenders to Local Community Development Companies
March 2018	<ul style="list-style-type: none"> • Drawdown of payment for Quarter 1
June 2018	<ul style="list-style-type: none"> • Drawdown of payment for Quarter 2 • Mid-Year Review Annual Plan review
September 2018	<ul style="list-style-type: none"> • Drawdown of payment for Quarter 3 • Approval of mid-year financial and monitoring report
December 2018	<ul style="list-style-type: none"> • Drawdown of payment for Quarter 4 • End of year performance review

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation of the SICAP programme.

	Project/Programme Key Documents	
	Title	Details
1	SICAP Programme requirements	Framework document for the programme issued by the Department of Rural & Community Development
2	Request for Tender documents	DCC sought tenders from relevant Local Community Development Committees
3	Application appraisal	Each relevant application was assessed by a sub-committee and successful tenderers were informed in writing
4	Funding agreements	Contracts drawn up between relevant parties: The Local Community Development Committees, Donegal County Council and the Programme Implementers
5	Annual Plan	Local Development Companies submit their annual budget for approval
6	Mid—Year review	Checks on individual projects ensuring budget spend is within set limits
7	End of Year review	End of year report on annual plan performance
8	Case study	Document outlining the work carried out by individual programmes

Key Document 1: SICAP Programme requirements

This document outlines the framework for the SICAP programme and details the qualification criteria, the goals and requirements of the programme.

Key Document 2: Request for Tender documents

Donegal County Council published a Request for Tender (RFT) on the etenders website on 31st July 2017. The response deadline for tenders was set for 6th October 2017. Tenderers could submit tenders for all lots; however the maximum number of lots any one economic operator could win was five.

Key Document 3: Application appraisal

The SICAP sub-committee evaluated each tender response in accordance with the programme award criteria.

Key Document 4: Funding Agreements

Following a standstill notice issued in accordance with the Remedies Directive (2007/66/EC) and Irish Regulations (S.I. No.130 of 2010 and S.I. No.192 of 2015), funding agreements were drawn up between the three parties involved in the programme implementation: The Local Community Development Committees, Donegal County Council and the Programme Implementers. These contracts are also subject to Tax Clearance guidelines

Key Document 5: Annual Plan

Each Local Development Company, as Programme Implementers, prepares an Annual Plan for their Lot which acts as their budget for the year. This is submitted to the Local Community Development Committee for approval.

Key Document 6: Mid-Year Review

The Local Development Committees submit a review in June each year outlining their spend Year to Date.

Key Document 7: End of Year Review

An End of Year Review is then submitted by the LDC'S at year end, outlining where the programme funds were allocated for the year

Key Document 8: Case Study

Local Development Companies, as the Programme Implementers, also submit a case study to the Local Community Development Committee on an annual basis. This outlines the work carried out by the group for the year providing details of various courses.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Annual Plan	Assess each Programme Implementer's annual budget and projected areas of spend	Yes – on IRIS system
Mid/End of Year reviews	Evaluate each Local Development Companies budget spend YTD	Yes – on IRIS system
Case study	Evaluate whether each Local Development Company has adhered to the goals of the programme on a quantitative and qualitative basis.	Yes – on IRIS system

Data Availability and Proposed Next Steps

All relevant data in relation to this Project is available for inspection at the Community Development and Planning Directorate office, Donegal County Council and on the IRIS CRM system.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the SICAP programme based on the findings from the previous sections of this report.

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

The controls in place for the SICAP programme provides adequate assurance that there is compliance with the Public Spending Code to-date.

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 available to enable the SICAP project to be evaluated at a later date.

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

The 2018-2022 SICAP Programme puts a focus on both the quantitative and qualitative aspects of the courses that are provided as part of the programme. Both these aspects should be constantly reviewed to ensure both value for money and the overarching goals of the programme are being fulfilled.

Pobal currently oversees the operation of the IRIS CRM system which deals with the financial processes for the SICAP Programme; however their Service Level Agreement to audit each County's SICAP programme ceased at the end of 2017. The Department of Rural & Community Development have now asked the Internal Audit Directorate from each Local Authority to audit each lot for the duration of the 2018-2022 programme. This agreement requires further clarification.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this in-depth check on the SICAP Programme.

Summary of In-Depth Check

The SICAP programme aims to reduce poverty and promote social inclusion and equality. It does this through Programme Implementers that work with the most disadvantaged and the hardest to reach in communities. SICAP is overseen and managed by the Local Community Development Committees in local authority areas. Donegal County Council's role in the programme is to engage with both Pobal and the Programme Implementers on behalf of the Department of Housing, Planning and Local Government (DHPCLG), as a nominated representative.

The key activities undertaken are:

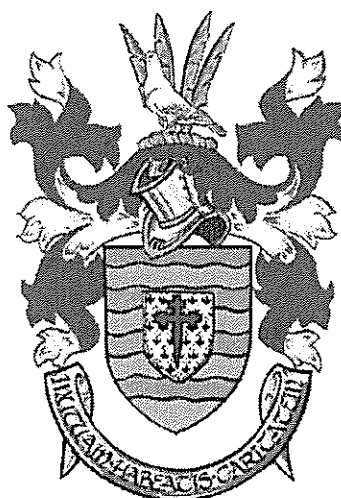
- Each LCDC agreeing annual targets for their area based on local needs to ensure the programme achieves its goals.
- Approval of the annual plan for each LCDC across the three "lots" in County Donegal.
- Donegal County Council engaging with each LCDC to ensure their adherence to the goals of the programme and budget goals.
- Conducting reviews at mid-year and end of year to ensure both project and budget goals have been met.

The necessary data and information is available to enable the SICAP programme to be subjected to a full evaluation at a later date if required.

The controls in place for the management and governance of the SICAP programme provide adequate assurance that there is compliance with the Public Spending Code to-date.

Appendix B

**Donegal County Council
Internal Audit Department**



Public Spending Code for 2018

Local Authority Quality Assurance

PSC 19/2 – Donegal County Council – Housing Loans

Section A: Introduction

The Public Spending Code was developed by the Department of Public Expenditure and Reform, DPER, and it applies to both current and capital expenditure and to all public bodies in receipt of public funds.

As Local Authority (LA) funding derives from a number of sources, including grants from several Government Departments, Local Authorities are responsible for carrying out the Quality Assurance requirements of the Public Spending Code, by undertaking an in-depth review of selected projects/programmes.

One of the areas selected for an in-depth review for 2018 was the:

Donegal County Council Housing loans 2018

Project:	Housing Loans
Start Date:	January, 2018 (Rebuilding Ireland Homeloan)
Responsible Body:	Donegal County Council
Category:	Income being incurred
Total Value of Scheme:	€1,026,494
Value of Revenue 2018 Inventory:	€161,320,326
% of in-depth review:	0.6%

Section B: Evaluation

6. Logic Model Mapping – see attached.
7. Summary Timeline of Life Cycle – see attached.
8. Analysis of Key Documents – see attached.
9. Data Audit – see attached.
10. Key Evaluation Questions – see attached.

Section C: Summary and Conclusions

Donegal County Council provides potential customers with the opportunity to own or upgrade their own home through a variety of housing loan options.

The objective of this review was to identify what systems, procedures and controls are in place to ensure that the housing loans offered by Donegal County Council are being managed in an effective and efficient manner and are also compliant with the Public Spending Code.

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	Donegal County Council – Housing loans
Detail	Donegal County Council provides low-interest loans for potential customers to procure a property or perform remedial works on their current home.
Responsible Bodies	The Department of Housing, Planning & Local Government /the Housing Agency
Current Status	Current Expenditure being incurred
Start Date	January, 2018
End Date	Ongoing
Overall Cost	€1,026,494

Project Description

Donegal County Council (DCC) is responsible for the provision and management of a range of housing loans in County Donegal. Loans are offered at favourable interest rates and can be used to buy new and second-hand properties, to build a home or to complete repairs to an existing property. In 2018 the Department of Housing, Planning & Local Government rolled out the Rebuilding Ireland Home Loan mortgage for first time buyers. It is now available nationwide from all Local Authorities.

The finance for these loans is provided through the Housing Finance Agency (HFA) and the types of loan currently available are:

- House purchase
- House construction
- Tenant Purchase (TP)

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, The Income Collection Unit and Housing sections of Donegal County Council have completed a Programme Logic Model (PLM) for Housing Loans 2018. 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
<ul style="list-style-type: none"> To enable potential customers own their own home or carry out extensive repairs on an existing property Enable first time buyers to own a property at an affordable interest rate Social benefits – help address elements of the current housing crisis 	<ul style="list-style-type: none"> Loan application with appropriate documentation Drawdown of funding from Housing Agency Management of new and existing loans from application process to redemption stages Staff resources in the Housing and Finance Directorates 	<ul style="list-style-type: none"> Submission of loans to Housing Agency Credit Committee review Assessment of property by Area Engineer Approval process Report processing Dealing with loan arrears Closing out redeemed and end of life loans 	<ul style="list-style-type: none"> The effective provision of housing loans for the population of County Donegal 	<ul style="list-style-type: none"> Enable members of the general public to procure affordable housing An increase in home ownership in County Donegal and the improvement of accommodation for existing homeowners The long term goal is to help improve the availability of affordable housing options in County Donegal.

Description of Programme Logic Model

Objectives: The provision of the new Rebuilding Ireland home loan scheme and the maintenance of existing Housing Loans in County Donegal.

Inputs: Loan application forms are completed by applicants and submitted along with relevant documentation to their local Housing office within Donegal County Council. The application is checked by relevant staff before being forwarded to the Housing Agency for approval. Approved loans are managed through the Agresso financial system by relevant staff in the Finance Directorate.

Activities: There are a number of key activities involved in ensuring Housing loans are provided and managed in an effective and efficient manner:

- Checking applications to ensure applicants meet relevant criteria
- Submitting completed applications to the Housing Agency
- Review of Housing Agency's recommendation by Donegal County Council's Credit Committee
- Assessment of property conducted by Area Engineer who compiles a final report
- Approved loans are taken through approval process by relevant staff in Area Housing office
- The management and maintenance of approved loans on Agresso by relevant staff in Finance Directorate
- Processing of reports for such purposes as the identification and addressing of loans that have fallen into arrears
- Ensuring redeemed loans are dealt with in the appropriate manner

Outputs: Having carried out the identified activities using the inputs and ensuring procedures are adhered to, the output of the programme is the provision of low interest housing loans to eligible applicants.

Outcomes: The envisaged outcomes of the programme are to enable eligible applicants to procure and maintain suitable housing, thus increasing housing ownership within the county, and to help address the current wider issue of the demand for social housing nationally.

Section B - Step 2: Summary Timeline of Programme

The following section tracks the processes involved in providing housing loans in Donegal County Council

Application

Potential loan customers submit application to appropriate Municipal District Housing Office. The application is assessed and submitted to the Housing Agency for approval if appropriate criteria and documentation requirements are met. The application is either approved or rejected by the Housing Agency and subsequently submitted to the Credit Committee for further review of the agency's recommendation.

Processes

Approved applications are taken through approval process which includes inspection of property by Area Engineer and valuation of the property by outside parties. Relevant staff in the Finance Directorate set up these loans on the Agresso system and draw down the appropriate funding from the Housing Agency.

Maintenance

Staff in the Finance Directorate also maintain new and existing housing loans on the Agresso system, this includes ensuring customer information is up to date, addressing loan arrears and completing redemptions. Data in relation to the individual loans is stored in files in the Area Housing offices.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to the provision, management and oversight of Housing Loans within Donegal County Council.

Project/Programme Key Documents		
	Title	Details
1	Housing (Miscellaneous Provisions) Act 2009	Amends and extends the previous Housing Acts 1966 to 2004
2	Housing (Rebuilding Ireland Home Loans) Regulations 2018 (S.I. No. 25 of 2018)	Credit policy that provides the framework for the new Rebuilding Ireland Home Loans which came into effect in 2018.
3	Rebuilding Ireland Homeloan application form	Application form for Rebuilding Ireland Homeloan available from 01/02/2018
4	Local Authority Housing Loan Mortgage General Conditions (Version 2012/1)	Outlines terms and conditions for a Local Authority Housing Loan
5	Circular HFA191 of 24/03/06	Details the interest rates charged to the Local Authority by the HFA
6	Financial Reports	Regular financial checks carried out on the Agresso financial system of Donegal County Council

Key Document 1: Housing (Miscellaneous Provisions) Act 2009

The Act provides local authorities with a framework for a more strategic approach to the delivery and management of housing services. Housing loans are dealt with specifically under Section 10 (Provision of Housing Services) of the Act.

Key Document 2: Housing (Rebuilding Ireland Home Loans) Regulations 2018 (S.I. No. 25 of 2018)

These regulations are provided by the Department of Housing, Planning and Local Government and apply to the provision of loan finance by Approved Housing Bodies to first time buyers for the acquisition or construction of houses.

Key Document 3: Rebuilding Ireland Home loan application form

Potential applicants can download the application form from the Rebuilding Ireland website or the Donegal County Council website.

Key Document 4: Local Authority Housing Loan Mortgage General Conditions (Version 2012/1)

This document provides relevant information on the terms and conditions of the housing loan for the customer.

Key Document 5: Circular HFA191 of 24/03/06

This circular increased the interest rate to the local authority by 0.2% from the 1st April 2006 and reduced the administration charge by 0.2%. The shift in the split between the rate to the local authority and the administration charge was updated in February 2015 for completeness and for record purposes.

Key Document 6: Financial Reports

Various reports can be extracted from Agresso outlining information in relation to a number of key areas including redemptions and arrears.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out housing loans provided by Donegal County Council. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Information retained in Housing offices pertaining to housing loan applications	To ensure applications meet relevant criteria and proper record keeping is adhered to	Yes – from relevant housing offices in Municipal Districts
Financial records for housing loans	To assess whether policy and procedures are being adhered to in relation to set up, draw down and maintenance of housing loans	Yes – available from Agresso financial system and Finance Directorate
Redemption process records	To ensure that loans are being redeemed in a timely manner and are adhering to departmental regulations	Yes – available from Agresso financial system and Finance Directorate

Data Availability and Proposed Next Steps

Donegal County Council utilises the Agresso financial system to manage housing loans. The various Housing offices in the Municipal Districts keep physical files to record details in relation the customer and individual agreements.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Housing Loans provided by Donegal County Council based on the findings from the previous sections of this report.

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

The controls in place for housing loans provide adequate assurance that there is compliance with the Public Spending Code to-date.

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 available to enable housing loans to be evaluated at a later date.

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

The Dept have issued guidelines for all stages of the RHHL Programme which incorporates the Public Spending Code requirements.

In order to ensure compliance with these guidelines, DCC should put in place controls to ensure that:

- All relevant information in relation to individual applications is made available to the Credit Committee to enable a fully informed decision be made on the recommendation of the Housing Agency.
- New GDPR policy and procedures are compiled with in the processing and maintenance of housing loan files.

Section: In-Depth Check Summary

The following section presents a summary of the findings of in-depth check on Donegal County Council housing loans

Summary of In-Depth Check

The objective of this programme is the provision of affordable housing loans by Donegal County Council to help meet the housing demand in Donegal.

The key activities undertaken including submission of relevant applications for approval to the Housing body, the approval process, maintenance of loans on the Agresso system and segregation of duties throughout the process were found to be satisfactory and appropriately documented.

Donegal County Council needs to continue to ensure that the appropriate controls are in place to enable the Credit Committee make an informed decision on loan applications and that GDPR regulations are adhered to in relation to the maintenance and storage of housing loan files.

The necessary data and information is available to enable the programme to be subjected to a full evaluation at a later date if required.

The procedures in place for the management and governance of the housing loan programme provide adequate assurance that there is compliance with the Public Spending Code.

Local Authority	Expenditure being considered			Expenditure being incurred			Expenditure already paid			NOTES
	Current > €0.5m	Capital		Current Expenditure	Capital Projects	Capital Projects	Current Expenditure	Capital Projects	Capital Projects	
		€0.5 - €5m	€5 - €20m							
LUFFORD ARMY BARRACKS						1,250,000				
H18013A - CARINDOWGH 2015 - 4 NO. SOCIAL HOUSES						858,419				
H2227D - DRUMPOOSE 2015 (24 NO. SOCIAL HOUSES)						3,200,000				
H2069F KILLYBEGS EBERALD DRIVE - 9 UNITS						1,481,528				
H1808B - DUNFAMAGHY - 4 NO. SOCIAL HOUSES (2015)						900,000				
H2034B - MEADOW HILL RAPHOE 11 NO. SOCIAL HOUSES						2,700,000				
LAGHEY - 10 HOUSES						1,600,000				
HOUSING SCHEME CARRIGART						1,550,000				
H2259C - RADHARC NA TRA BRIGE MALIH1						1,500,000				
HG885 DEVELOPMENT WORK AT BIG ISLE HALTING SITE						500,000				
CHS 05/17 COIS ABHAINN ST JOHNSTON 6 NO SOCIAL HSES						1,200,000				
H2316 PURCHASE OF HSES GLENNIN NA GREINE - STRANORLAR						2,959,000				
H2227D DRUMPOOSE 2015 - 3 NO. GROUP HOMES +						985,000				
FABRIC UPGRADE PROGRAMME 2013						4,099,650				
RESPOND BALLAGHADERG LETTERKENNY 33 UNITS						1,454,289				
CAS MEEHMORE DURGLOE HOUSING PROJECT - V300						1,560,000				
HOUSING GRANTS (DISABILITY & ELDERLY)						1,254,435				Annual Programme - 80% Dept
H38717 PURCHASE OF 9 HSES ORRAF HILL CARRANUGGAGH LETTERKENNY										959,386
Road Transportation and Safety										
SOUTHERN BELIEF ROAD LETTERKENNY					77,000,000					
FINTRA BRIDGE & ROAD REALIGNMENT				7,000,000						
M15 BRIDGEND CO BOUNDARY					20,000,000					
TRAFFIC MANAGEMENT SOLUTION LETTERKENNY				3,000,000						
LETTERKENNY LINKAGE				500,000						
M56 DOOHWELL JUNCTION TO DRUNBRICK				3,000,000						
DUNGLOE (NORTH/SOUTH PAVEMENT)				1,414,839						
UP Road - Maintenance and Improvement							1,303,816			
M5 Road - Maintenance and Improvement							1,830,363			
Regional Road - Maintenance and Improvement							15,630,475			
Local Road - Maintenance and Improvement							34,251,411			
Public Lighting							2,347,841			
Road Safety Engineering Improvement							753,451			
Maintenance & Management of Car Parking							1,306,442			
Support to Roads Capital Prog.							646,573			

Local Authority	Expenditure being considered			Expenditure being incurred		Expenditure recently ended		NOTES
	Current > €0.5m	Capital Projects		Current Expenditure	Capital Projects	Current Expenditure	Capital Projects	
		€0.5 - €5m	€5 - €20m					
Roads Management Office (RMO) operation costs				2,334,390				
NORTH WEST GREENWAY NETWORK						18,000,000		
PUBLIC LIGHTING CAPITAL PROGRAMME						13,200,000		
TRICORNZELL BRIDGE DECK REPLACEMENT						1,200,000		
MEEHANMULLIGAN BRIDGE REPLACEMENT						1,000,000		
CASTLETREAGH-FIVE POINTS						610,457		
TIRLINTO DRUMHARAWY CREESELOUGH						847,034		
ASHILLY ROAD LAND PURCHASE BUNCRANATC						600,000		
DUCES JOE BORNHER LINK ROAD						1,500,000		
TERN-T PRIORITY ROUTE IMPROVEMENT - DONEGAL						400,000,000		
ESHANIGH/BUNDORAN BYPASS DL 99 110						83,367,438		
N56 MCHARLES TO INYER (DL002006 DL07189)						30,000,000		
N56 DUNGLE TO GLENTIES						72,000,000		
N56 COOLBOY KILMACREWHAN REALIGNMENT 2011						18,724,000		
N56 KILTROY ROUNDABOUT						3,541,604		
NATIONAL ROADS OFFICE ADMINISTRATION						2,250,000		
PORT BRIDGE ROUNDABOUT						4,000,000		
DONEGAL BRIDGES STRENGTHENING 2016						5,000,000		
N56 FOUR LAKE LETTERKENNY						6,000,000		
N56 DURFANAGHY PAVEMENT IMPROVEMENT						572,132		
R15 CORCAM BEHDS 2017						7,000,000		
ARDGILLOW TO BALLYMAGORTY'S COTCH'S SURFACE REPLACEMENT						1,300,000		
DUNKINEELY TO BRUCKLESS PAVEMENT OVERLAY 2018						1,317,874		
ARDAGHY TO DURKINEELY SURFACE REPLACEMENT						1,822,851		
N14 TULLYRAP 2018						5,000,000		
N15 BLACKBURN BRIDGES SOUTH						2,500,000		
N14 BALLYHOLLY SURFACE REPLACEMENT 2018						572,988		
N56 ARDARA TOWN 2018						1,200,000		
N56 CORCREGGAN RETAINING WALL						600,000		
DRUMOGHILL (PAVEMENT)						600,000		
N56 CROLLY 2018						600,000		
ASSARDE LAKE PAVEMENT OVERLAY 2018						1,200,000		
BURT CHURCH TO BRIDGE ROUNDABOUT						800,000		
CARRYPY TO BALLYBOFEY (PAVEMENT)						3,580,000		
CLARCARICKMAGUIH TO TULLYEARL SURFACE REPLACEMENT						1,300,000		

Local Authority	Expenditure being considered				Expenditure being incurred		Notes
	Current > €0.5m	Capital		Capital Projects	Capital Projects	Capital Projects	
		Capital Grant Schemes > €0.5m	€0.5 - €5m				
Local Authority							
STRAGAR PAVEMENT OVERLAY					594,560		
R15 BLACKBURN BRIDGE REALIGNMENT SCHEME 2013						8,328,164	
R56 DUNCANS BRIDGE 2015 (PAVEMENT)						830,000	
R14 LIFFORD TO R264 JUNCTION						2,345,913	
R13 LETTERKENNY DUAL CARRIAGEWAY OVERLAY 2016						692,606	
Water Services							
Operation and Maintenance of Water Supply					10,851,783		
Operation and Maintenance of Waste Water Treatment					2,625,535		
Support to Water Capital Programme					2,588,507		
Agency & Recoupable Services					586,585		
TORY ISLAND GWS UPR 2003						560,000	
Development Management							
RIVERIRE PROJECT				10,800,000			
LETTERKENNY 2040 IHC URDF				7,752,000			
ISLAND HOUSE KILLYBEGS (RRDF)			1,620,360				
PAWELTON MALL (RRDF)			3,426,137				
GLEIFIN STREET BALLYBOFEY (RRDF)			1,066,734				
DOUGAL TOWN COMMUNITY & DIGITAL HUB (RRDF)			3,748,000				
AULT AN CHORRAIN/ABAINN MHOR (RRDF)			4,324,427				
Forward Planning					998,809		
Development Management					2,591,644		
Enforcement					733,523		
Tourism Development and Promotion					1,142,110		
Community and Enterprise function					4,238,113		
Economic Development and Promotion					2,858,420		
						6,500,000	
SUASH LUG	517,715						
MAJIN HEAD EU INTERREG PROJECT						1,000,000	
SICAP (LOTS 33-1, 33-2 & 33-3) (new programme)						12,500,000	
RURAL DEVELOPMENT PROGRAMME (RDP) 2014 - 2020						12,900,000	
PEACE IV MANAGEMENT & IMPLEMENTATION						5,500,000	
SOCIAL ENTERPRISE CENTRE (DUGS)						4,500,000	
ASCENT PROJECT - NORTHERN PERIPHERY AREA (ERRIGAL)						1,600,000	

Local Authority	Expenditure being considered				Expenditure being incurred			Expenditure to be repaid		NOTES
	Current > €0.5m	Capital Grant Schemes > €0.5m	Capital Projects		Current Expenditure > €0.5m	Capital Grant Schemes	Capital Projects	Current Subsidised Schemes	Capital Projects Schemes	
			€0.5 - €5m	€5 - €20m						
Local Authority										
TERMON PROJECT PETIGO (NOW PEACE III)								8,060,000		
SAIL WEST PROJECT								6,067,222		
Environmental Services										
RESTORATION WORK AT BALBANELANDFILL		1,500,000								
BALLYMACARRICK LANDFILL SITE		900,000								
BUNDORAH FIRESTATION		1,025,600								
BALLYSHANNON FIRESTATION		821,600								
GLENCOLMCILLE FIRESTATION		600,000								
DONEGAL PUBLIC SERVICES CLIMATE ACTION PROJECT		1,545,018								
Operation, Maintenance and Aftercare of Landfill								1,768,573		
Op & Mnce of Recovery & Recycling Facilities								643,896		
Litter Management								1,591,396		
Safety of Structures and Places								700,208		
Operation of Fire Service								7,247,446		
Water Quality, Air and Noise & Pollution								596,327		
CATCHMENT CARE PROJECT								13,800,000		
LANDFILL REMEDIAL WORKS - RECOUPABLE								1,500,000		
PURCHASE AND DEVELOPMENT OF COUNTY LAB AT LISKENAW								555,000		
Recreation and Amenity										
DONEGAL TOWN LIBRARY		1,000,000								
Operation and Maintenance of Leisure Facilities								1,372,055		
Operation of Library and Archival Service								3,926,062		
Op. Mnce & Imp of Outdoor Leisure Areas								1,731,923		
Operation of Arts Programme								2,080,291		
SWAN PARK BUNCRAMA		2,304,056								
FORT DUWREE (RDF)		637,000								
BUNCRAMA SWIM POOL COMM LEISURE CTR RE-EURBOS								6,500,000		
BALLYBOHEY STRANORLAR LEISURE CENTRE									7,502,131	

Local Authority	Expenditure being considered			Expenditure being incurred			Expenditure actually made			NOTES
	Current > €0.5m	Capital		Current Expenditure	Capital Projects	Capital Grant Schemes	Capital Projects	Capital Grant Schemes	Capital Projects	
		Capital Grant Schemes > €0.5m	€0.5 - €5m							
Local Authority										
Agriculture, Education, Health and Welfare										
GREENCASTLE HARBOUR DEVELOPMENT			40,080,000							
PATHMULLEN PIER REFURISHMENT		2,600,000								
PONTSALON PIER REFURISHMENT		1,400,060								
INNER PIER		2,200,060								
GROYNAT MARGHERADTY		2,000,000								
LIFEBOT BERTH AT BUNCRANA		500,000								
LEEVAN PIER		1,000,000								
BURTONPORT HARBOUR REDVELOPMENT PROJECT		3,000,000								
GREENCASTLE DREDGING		500,000								
RAHWAGH PIER		2,300,000								
Operation and Maintenance of Piers and Harbours				1,853,225						
Veterinary Service				656,660						
Miscellaneous Services										
Profit/Loss Machinery Account				7,421,068						
Administration of Rates				7,863,608						
Local Representation/Civic Leadership				1,247,434						
Motor Taxation				1,585,496						
Agency & Recoupable Services				8,475,681						
Stranrair Regional Training Centre				737,275						
	1,592,392	0	72,793,771	37,352,000	202,000,000	159,727,934	0	820,032,084	0	26,725,222