

# **Public Spending Code**

**Quality Assurance Report for 2017**

**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 be 'John H.', written in a cursive style.

Date: 29<sup>th</sup> May 2018

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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 2017. 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) 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**

<b>Expenditure Being Considered</b>		
<b>Project/ Programme Description</b>	<b>Revenue Expenditure</b>	<b>Capital Expenditure</b>
HOUSING CAPITAL PROGRAMME 2017-2021		55,000,000
PURCHASE OF 34 HSES RANN MOR CRIEVSMITH LETTERKENNY		6,200,000
PARENTS & FRIENDS VOLUNTARY HOUSING DUNGLOE		1,400,000
APEX HOUSING ASSOCIATION – GLENCAR LETTERKENNY		4,750,000
HABINTEG HOUSING ASSOCIATION PROJECT CASTLEFIN		3,000,000
PURCHASE OF 9 HSES ORAN HILL CARNAMUGGAGH		1,200,000
PURCHASE OF 20 UNITS RAMELTON		2,200,000
HOUSING GRANTS (DISABILITY & ELDERLY)		1,600,000
Local Road – Maintenance and Improvement	11,613,545	
SOUTHERN RELIEF ROAD LETTERKENNY		40,000,000
LETTERKENNY LINKAGE		500,000
TRAFFIC MANAGEMENT SOLUTION LETTERKENNY		2,500,000
N15 BLACKBURN BRIDGE SOUTH		2,000,000
N14 TULLYRAP		2,000,000
N56 DOONWELL JUNCTION TO DRUMBRICK		2,900,000
DRUMOGHILL (PAVEMENT)		746,322
CROLLY (PAVEMENT)		540,160
CAPPRY TO BALLYBOFEY (PAVEMENT)		2,792,997
RESTORATION WORK AT BALBANE		890,000
BALLYNACARRICK LANDFILL SITE		900,000
RURAL WATER PROGRAMME 2018		535,000
RIVERINE PROJECT		8,000,000
BUNDORAN FIRE STATION		1,025,600
BALLYSHANNON FIRE STATION		821,600
GLENCOLMCILLE FIRE STATION		600,000

DONEGAL TOWN LIBRARY		1,000,000
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		2,500,000
LIFEBOAT BERTH AT BUNCRANA		500,000
LEENAN PIER		1,000,000
GOLA ISLAND PIER		1,000,000
CARPARK & FERRY SERVICE AT BURTONPORT		2,000,000
GREENCASTLE DREDGING		500,000

### Expenditure Being Incurred

Project/ Programme Description	Revenue Expenditure	Capital Expenditure
Maintenance/Improvement of LA Housing	8,301,184	
Housing Assessment, Allocation and Transfer	1,376,684	
Housing Rent and Tenant Purchase Administration	873,299	
Support to Housing Capital & Affordable Prog.	1,147,240	
RAS Programme	4,432,174	
Housing Loans	880,701	
Housing Grants	1,519,942	
H2217E- ARDARA (MOLLOYS) 2015 - 8 NO.HOUSES		1,136,141
FABRIC UPGRADE PROGRAMME 2013		4,099,650
H30007 LETTERMACAWARD (06)		3,300,000
COUNTY HOUSE HQ DEVELOPMENT		4,427,789
H2418 - LONG LANE L'KENNY - 29 SOCIAL UNITS (2015)		4,966,234
H2317A - ROCKYTOWN BUNCRANA - 20 NO.UNITS (2015)		3,880,215
HG 533E MANORCUNNINGHAM 8 UNITS		1,354,535
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)		4,250,000
H2069F KILLYBEGS EMERALD DRIVE - 9 UNITS		1,481,628
H1090B - DUNFANAGHY- 13 NO. SOCIAL HOUSES (2015)		2,245,641
H2210B-CONEYBURROW, LIFFORD - 10 NO. HOUSES		3,300,000
H2034b - MEADOW HILL RAPHOE 11 NO. SOCIAL HOUSES		2,027,413
LAGHEY – 10 HOUSES		1,600,000
HOUSING SCHEME CARRIGART		1,550,000
H2259C - RADHARC NA TRA BREIGE MALIN1,		1,241,209
CHS 05/17 COIS ABHAINN ST JOHNSTON 6 NO SOCIAL HSES		954,772
H52/16 PURCHASE OF HSE'S GLEANN NA GREINE STRANORLAR		2,741,760
H2227D DRUMROOSKE 2015 – 2 NO SOCIAL GROUP HOMES		600,000
HOUSING GRANTS (DISABILITY & ELDERLY)		964,585
Regional Road - Maintenance and Improvement	12,863,690	
NP Road - Maintenance and Improvement	1,741,478	
NS Road - Maintenance and Improvement	1,501,179	
Local Road - Maintenance and Improvement	25,539,545	
Public Lighting	2,724,969	

Road Safety Engineering Improvement	781,436	
Maintenance & Management of Car Parking	1,205,396	
Support to Roads Capital Prog.	655,837	
Roads Management Office (RMO) operation costs	2,439,588	
CASTLETREAGH- FIVE POINTS		605,457
TEN-T PRIORITY ROUTE IMPROVEMENT - DONEGAL		343,000,000
BSHANNON/BUNDORAN BYPASS DL 99 110		83,383,970
N56 MCHARLES TO INVER (DL00200&DL07189)		25,700,000
N56 DUNGLOE TO GLENTIES		72,000,000
N56 COOLBOY KILMACRENNAN REALIGNMENT 2011		9,800,000
N15 BLACKBURN BRIDGE REALIGNMENT SCHEME 2011		8,328,164
N56 DUNCANS BRIDGE 2015 (PAVEMENT)		830,000
N56 KILTOY ROUNDABOUT		3,339,677
N14 LIFFORD TO R264 JUNCTION		2,300,621
NATIONAL ROADS OFFICE ADMINISTRATION		2,002,272
N15 LIFFORD TO STRANORLAR		166,500,000
CLAR BARNES REALIGNMENT SCHEME		38,000,000
PORT BRIDGE ROUNDABOUT		1,200,000
AGHILLY ROAD LAND PURCHASE BUNCRANA TC		600,000
NORTH WEST GREENWAY NETWORK		18,000,000
PUBLIC LIGHTING CAPITAL PROGRAMME		13,200,000
DONEGAL BRIDGE STRENGTHENING 2016		3,573,676
N13 LETTERKENNY DUAL CARRIAGEWAY OVERLAY 2016		692,902
TIRLIN TO DRUMNARAW CREESLOUGH		847,034
N56 FOUR LANE LETTERKENNY		2,700,000
N56 DUNFANAGHY PAVEMENT IMPROVEMENT		543,657
N15 CORCAM BENDS 2017		1,500,000
DUCGS JOE BONNER LINK ROAD		1,500,000
Operation and Maintenance of Water Supply	10,622,080	
Operation and Maintenance of Waste Water Treatment	2,584,438	
Collection of Water and Waste Water Charges	508,358	
Support to Water Capital Programme	2,216,403	
Agency & Recoupable Services	701,358	
TORY ISLAND GWS UPGR 2003		900,000
Forward Planning	803,721	
Development Management	2,471,614	
Enforcement	682,776	
Tourism Development and Promotion	903,063	
Community and Enterprise Function	3,709,506	
Economic Development and Promotion	2,307,330	
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
TERMON PROJECT PETTIGO (Non Peace III)		8,060,000
SAIL WEST PROJECT		6,067,222
PEACE IV COUNCIL MANAGEMENT & IMPLEMENTATION		5,500,000
DESIGNATED URBAN GRANT SCHEME		3,500,000
ASCENT – PROJECT NORTHERN PERIPHERY AREA (ERRIGAL)		1,600,000
EEN- ENTERPRISE EUROPE NETWORK PROJECT		600,000
Operation, Maintenance and Aftercare of Landfill	1,839,993	



Op & Mtce of Recovery & Recycling Facilities	576,071	
Litter Management	1,513,853	
Safety of Structures and Places	601,609	
Operation of Fire Service	6,986,943	
Water Quality, Air and Noise Pollution	565,118	
LANDFILL REMEDIAL WORKS – RECOUPABLE		1,500,000
PURCHASE AND DEVELOPMENT OF COUNTY LAB AT LISNENAN		555,000
Operation and Maintenance of Leisure Facilities	1,295,781	
Operation of Library and Archival Service	3,896,478	
Op, Mtce & Imp of Outdoor Leisure Areas	1,689,516	
Operation of Arts Programme	1,944,489	
BALLYBOFEY/STRANORLAR LEISURE CENTRE		7,500,000
BUNCRANA SWIM POOL COMM LEISURE CNTR RE-FURB 06		6,200,000
Operation and Maintenance of Piers and Harbours	1,686,197	
Veterinary Service	613,805	
RANNAGH PIER		2,300,000
Profit/Loss Machinery Account	6,743,263	
Administration of Rates	7,951,730	
Local Representation/Civic Leadership	1,324,084	
Motor Taxation	1,590,357	
Agency & Recoupable Services	7,891,688	
Stranorlar Regional Training Centre	539,786	
<b>Expenditure recently Ended</b>		
<b>Project/ Programme Description</b>	<b>Revenue Expenditure</b>	<b>Capital Expenditure</b>
ANVERS VOLUNTARY HOUSING ASSOCIATION		714,168
N15 LISCOOLEY PAVEMENT OVERLAY 2014		659,206
LETTERKENNY CAS CAPITAL		1,842,782

**Notes:**

1. All expenditure headings at "Service" level in the 2017 Annual Financial Statement (AFS) which incurred expenditure > €0.5m are included in the report. Services in the 2018 Budget (considered during 2017) which are either new or show an increase of €500k or more over the 2017 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 2017. 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 2017, 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?	3	<i>IPA Training May 2016 attended by relevant staff.</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 December 2017 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 2017 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 2017. (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 Claims.
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?	N/A	Only housing Capital Programme relevant to this category. Central Government Allocation.
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**

<b>Current Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
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 1st December, 2017.
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 Rods 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' <sup>1</sup> of programmes/projects?	2	Many forms of financial and non-financial data are recorded during the implementation of programmes and projects.

<sup>1</sup> 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	See schedule
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 2017 Public Spending Code Quality Assurance process.

### **6.1 Ten-T Priority Route Improvement - Donegal**

**Value: €343,000,000          Percentage of Inventory: 30.44%**

#### **6.1.1. Summary & Conclusions**

The objectives of this project are to improve access for people and goods to the National Road Network in County Donegal, improve journey times, provide journey time reliability and improve safety by providing high quality roads.

The controls in place for the management and governance of this 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 date of 2021 for Phase 1. The completed In-depth template is attached as Appendix A.

### **6.2 Public Lighting Operations, Maintenance and Improvements 2017**

**Value:          €2,724,969          Percentage of Inventory: 1.74%**

#### **6.2.1 Summary and Conclusions**

The objectives of this project are the provision and maintenance of a public lighting system throughout County Donegal to enhance public safety.

The controls in place for the management and governance of Public Lighting Operations, Maintenance and Improvements 2017 provide adequate assurance that there is compliance with the Public Spending Code to-date.

The provisions and maintenance of public lighting is included in the Inventory as 'Current Expenditure being incurred'. The complete in-depth check 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. However, with most service managers now being familiar with what was required of them, they were able to be better prepared for meetings.

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.

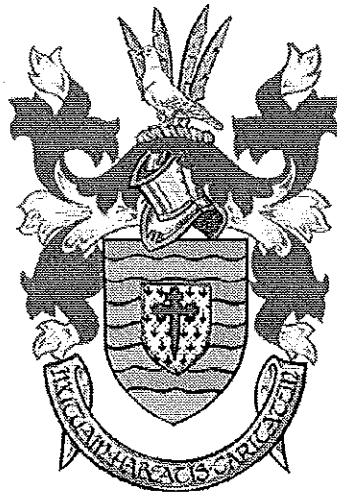
The Council looks forward to the evolution of the code and developing its usefulness in future years, developing Internal Audit's role in the in-depth analysis and configuring the PSC in a more useful context for the sector.

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 2017  
Local Authority Quality Assurance**

**PSC 18/1 – TEN-T PRIORITY ROUTE IMPROVEMENT - DONEGAL**

May, 2018

**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 2017 was the:

**TEN-T Priority Route Improvement - Donegal**

Project:	Ten-T Priority Route Improvement - Donegal
Start Date:	2015
Responsible Body:	Transport Infrastructure Ireland & Donegal County Council
Category:	Capital Expenditure being incurred
Total Value of Scheme:	€343,000,000
Value of Capital 2017 Inventory:	€1,126,662,731
% of in-depth review:	30.44%

**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 objectives of this Project are to improve access for people and goods to the National Road Network in County Donegal. Improve journey times, provide journey time reliability and improve safety by providing a high quality road.

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 a Capital Expenditure being incurred and has a proposed completion date of 2021 for Phase 1.

## Quality Assurance – In Depth Check Template

### **Document Purpose**

This document sets out the outline template to be filled in by the evaluator, in conjunction with the division/unit/agency, while completing an in-depth check as part of the Quality Assurance Process (QAP). This document is drawn directly from the In-Depth Check Methodology document which can be used to assist in carrying out the evaluation exercise. As such it is split in to 5 sections in line with the 5 identified steps of the process.

### **Document Format**

*Section A: Introduction*

*Section B: Evaluation*

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

*Section C: Summary and Conclusions*

### **Summary and Use**

The templates, once completed will be the in-depth check and will be attached as an appendix to the Quality Assurance report. The Summary and Conclusions section, usually no longer than two paragraphs, will be copied in to the main report under the In-Depth Check section.

## Quality Assurance – In Depth Check

---

### Section A: Introduction

---

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

<b>Programme or Project Information</b>	
<b>Name</b>	TEN-T Priority Route Improvement – Donegal  N15 Ballybofey – Stranorlar Urban Region N56/N13 Letterkenny to Manorcunningham; and N14 Manorcunningham to Lifford/Strabane/A5 link.
<b>Detail</b>	Capital investment programme to provide a high quality road network in Co. Donegal, which will improve accessibility in the County, and ensure the safe, reliable and efficient transport of people and goods.
<b>Responsible Body</b>	Transport Infrastructure Ireland & Donegal County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	2015 – Allocation received from NRA and DCC sought approval from TII to appoint Consultants from TII Framework to carry out a Corridor Needs Study of the TEN-T route in Donegal.
<b>End Date</b>	2020-2021 - Phases 1 to 4. Completion of Phases 5 to 7 subject to statutory process, funding and TII approval.
<b>Overall Cost</b>	€343,000,000 N15 Ballybofey – Stranorlar Urban Region: N56/N13 Letterkenny to Manorcunningham: N14 Manorcunningham to Lifford/Strabane/A5 link:

### **Project Description**

Capital investment programme to provide a high quality road network in County Donegal, which will improve accessibility in the County, and ensure the safe, reliable and efficient transport of people and goods. The focus of the project is on the central area of Donegal which includes Letterkenny, Lifford and the twin towns of Ballybofey and Stranorlar, and will be the first of the phased improvement of the TEN-T road corridor in County Donegal.

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Donegal NRO has completed a Programme Logic Model (PLM) for the TEN-T Priority Route Improvement Donegal. 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
To deliver a high quality road network in Co. Donegal, which will improve accessibility in the County, and ensure the safe, reliable and efficient transport of people and goods.	<ul style="list-style-type: none"> <li>- Funding of €343,000,000 from TII</li> <li>- Human Resources from NRO &amp; TII</li> <li>- Specialist Engineering Consultancy Services</li> <li>- Technical Assessments</li> </ul>	<ul style="list-style-type: none"> <li>- Department Approval</li> <li>- Project Appraisal</li> <li>- Procurement of Technical Consultants</li> <li>- Undertake a multi criteria analysis</li> <li>- Project Management</li> <li>- Compulsory Purchase Order</li> <li>- Construction of Road</li> <li>- Post Project Review</li> </ul>	<ul style="list-style-type: none"> <li>- Newly Constructed Roads, as follows: <ul style="list-style-type: none"> <li>- N15 Ballybofey /Stranorlar</li> <li>- N56/N13 Letterkenny to Manorcunningham</li> <li>- N14 Manorcunningham to Lifford/Strabane/A5 link.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- High Quality Road Network within study area</li> <li>- Improve journey time and journey time reliability</li> <li>- Improve overall safety of the road network</li> <li>- Reduce overall air pollution levels, traffic noise levels and water pollution</li> <li>- Improved accessibility in the North West</li> <li>- Improved integration of the North West</li> <li>- Increased opportunity for walking and cycling</li> </ul>

## Description of Programme Logic Model

**Objectives:** To improve access for people and goods to the National Road Network in Co. Donegal. Improve journey times, provide journey time reliability and improve safety by providing a high quality road.

**Inputs:** The primary input to the programme is the capital funding of €343,000,000 which will be provided by Transport Infrastructure Ireland. Staff resources from DCC NRO and specialist Engineering Consultancy services, together with Technical Assessments carried out in these areas.

**Activities:** There are a number of key activities, as per the TII Project Management Guidelines, including:

- *Obtaining Department approvals for each phase of the project*
- *Project Appraisal*
- *Procurement of services and works,*
- *Project Management,*
- *Acquiring the necessary lands by compulsory purchase orders*
- *Achieving project key deliverables*

**Outputs:** Having carried out the identified activities using the inputs, the outputs of the project will be the delivery of a high quality road network in County Donegal, as outlined in the TEN-T Priority Route Improvement Project Donegal.

**Outcomes:** The envisaged outcome of the project is a high quality road network in the Northwest, with improved journey times and reliability. The improved network will increase the level of safety for all road users and also improve integration to the northwest with the rest of the island.

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

The following section tracks the TEN-T Priority Route Improvement Donegal from inception to conclusion in terms of major project/programme milestones.

1998	National Roads Needs Study identifies a requirement for a by-pass to the towns of Ballybofey/Stranorlar.
2002	The National Spatial Strategy (NSS) 2002-2020 <ul style="list-style-type: none"> <li>• Strategic Radial Corridors- the Corridors to the North West: “good quality road and public transport connections between Dublin and Derry, Letterkenny and the North West.”</li> <li>• Linking Corridors – North Western International Accesses: “providing road access internationally to and from gateways, hubs and other areas in the vicinity of the Border”.</li> </ul>
2007	National Development Plan (NDP) 2007-2013: Identifies that all inter-urban routes between Gateways will have been significantly upgraded. Identifies the need to complete by 2013, a high quality road network on the inter-urban routes linking the major population centres of Dublin, Belfast and the North West (especially the Letterkenny-Derry Gateway).
2015	TEN-T Route Corridor Needs Study: Identification of priority investment on the TEN-T Network, Donegal.
2016	December, 2016: RPS HB commence the commission for Engineering and other technical services for the delivery of the TEN-T Priority Route Improvement Donegal; Phases 1-4 of the TII PMG and all associated deliverables.
2017	National Planning Framework: Ireland 2040 Our Plan Issues and Choices Paper (Feb 2017): The paper emphasises the “need to look beyond administrative boundaries for effective development of regions”, the importance of the “alignment in infrastructure planning” in both jurisdictions in Ireland, and highlights that consideration must be given to the “potential for cross-border or all-island clustering of economic activity and how best the NPF can help build the long term economic resilience of areas along our borders”.

### Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the TEN-T Priority Route Improvement Donegal.

Project/Programme Key Documents		
Title	Details	
1	Initial submission/approval	DCC sought approval from TII to appoint Consultants from TII Framework to carry out a Corridor Needs Study of the TEN-T route in Donegal.
2	Project Appraisal Guidelines	TII procedural document for the Project Appraisal process and associated deliverables for each stage in the progress of Major Roads Projects.
3	TII Project Management Guidelines	TII procedural document for the Project Management and associated deliverables for each stage in the progress of Major Roads Projects.
4	TEN-T Route Corridor Needs Study, including Project Cost Plan	Feasibility report to prioritise investment in improving the TEN-T road network in Co. Donegal. Feasibility Working Costs which is subject to more detailed costing, as the project details become more advanced.
5	Procurement of Consultants for Phases 1 - 4	Approval from TII to procure Consultants for Phases 1 – 4.
6	DCC Tender and Schedule – Multi Disciplinary Engineering and other specialised Consultancy Services	The Tendering documents issued in respect of TEN-T Priority Route Improvement Project Donegal.
7	Award of Consultancy Services	Letter of approval for the award of Consultancy Services for Phases 1 – 4.
8	DTTAS approval for pre-appraisal process	Pre-appraisal process confirmed by DTTAS on 13/10/17.
9	Gant Chart of timeline up to 2021	Programme and sequence of works for Phase 1 - 4 of TII Project Management Guidelines, with associated deliverables as required under the Project



		Appraisal Guidelines and TII Project Management Guidelines.
10	Minutes of Steering Group Meetings	The Project Management review and report progress of required deliverables throughout the phases of works.
11	Project Execution Plan	Summary document of scheme including timelines and descriptions of each Phase from Phase 1 – 4.
12	Project Appraisal Plan	Document appraising the proposals.
13	Project Brief	This document presents the Project Brief for the Trans-European Transport Network (TEN-T).

**Key Document 1: Initial submission/approval**

This document confirms approval from TII to appoint Consultants from TII Framework to carry out a Corridor Needs Study of the TEN-T route in Donegal.

**Key Document 2: Project Appraisal Guidelines**

This document issued by the TII sets out the role of organisations and people in the appraisal process of project planning and it outlines the key project appraisal deliverables required for each phase of the project.

**Key Document 3: TII Project Management Guidelines**

This document issued by TII Publications provides a framework for a phased approach to the management of the development and delivery of National Road and Public Transport Capital Projects and is applicable to projects funded through TII and/or where TII is a sanctioning authority.

**Key Document 4: TEN-T Route Corridor Needs Study including Project Cost Plan**

The TEN-T Corridor Needs Study, prepared by the Consultants, outlines the scope and pre-appraisal for the entire TENT-T Corridor in Donegal and priorities the sections for improvement.  
The Project Cost Plan sets out the estimated costs of the schemes.

**Key Document 5: Procurement of Consultants for Phases 1 - 4**

Minutes of a meeting between TII and DCC agreeing to appoint Consultants for Phases 1 – 4 to progress a number of the priority projects identified in the TEN-T Corridor Needs Study.

**Key Document 6: DCC Tender and Schedule – Multi Disciplinary Engineering and other specialised Consultant Services**

The Documents issued by DCC as part of the tender process for the Consultancy Commission Phases 1 – 4, which outlines key deliverables and requirements.

**Key Document 7: Award of Consultancy Services**

Letter of approval from TII for the appointment of Consultancy Services for Phases 1 – 4 of the Project.

**Key Document 8: Department Approval for Pre Appraisal process**

Pre-appraisal process confirmed by DTTAS in an e-mail dated 13/10/17.

**Key Document 9: Gant Chart of timeline up to 2021**

This is a programme and sequence of works for the delivery of phases 1 – 4 of the project, as per the TII Appraisal and Management guidelines prepared by the Consultants.

**Key Document 10: Minutes of Steering Group Meetings**

These are records of Steering Group Meetings held with the TII as the scheme progresses.

**Key Document 11: Project Execution Plan**

This document prepared by Consultants is a key project management document used over the life cycle of this project to provide a record of project information, processes and progress.

**Key Document 12: Project Appraisal Plan**

These documents, prepared by Consultants, establish the merits of this proposal, using a consistent and comprehensive framework, e.g. support the decision making process, assess the worth of the project, benefits of the project and ensure objectives are met.

**Key Document 13: Project Brief**

This document outlines the need for an investment, explores the supporting policy documentation and outlines the issues that the project is intended to address. The Project Brief then guides the subsequent project development process.

## Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the TEN-T Priority Route Improvement Donegal. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Multi-criteria Analysis of proposed scheme	Assess Cost/Benefit, improvements to safety, environmental improvements, etc	No, currently at Feasibility Phase. Will be available in future phases.

### Data Availability and Proposed Next Steps

All relevant data in relation to this Project is available for inspection at the NRO Office, Donegal County Council.

## Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for TEN-T Priority Route Improvement Donegal 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 controls in place for the TEN-T project 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 the TEN-T project to be evaluated at a later date.

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

The TII have issued guidelines for all stages of the project appraisal and project management which incorporates the Public Spending Code requirements.

**Section: In-Depth Check Summary**

The following section presents a summary of the findings of this In-Depth Check on the TEN-T Priority Route Improvement Donegal.

**Summary of In-Depth Check**

The objectives of the TEN-T Priority Route Improvement Donegal Project are to improve access for people and goods to the National Road Network in Co. Donegal. Improve journey times, provide journey time reliability and improve safety by providing a high quality road.

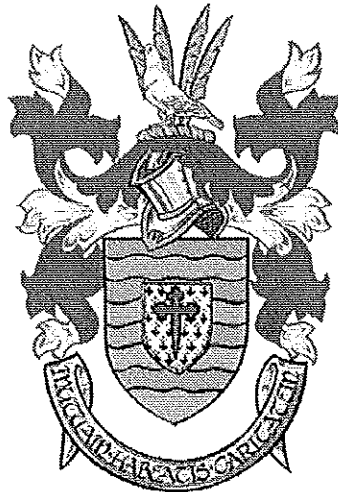
The key activities are: *obtaining Department approvals for each phase of the Project, Project Appraisal, Procurement of services and works, Project Management, acquiring the necessary lands by compulsory purchase orders, construction of road, post project review and other necessary activities to achieve key project deliverables.*

*The necessary data and information is available to enable the TEN-T project to be subjected to a full evaluation at a later date if required.*

*The controls in place for the management and governance of the TEN-T project 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 2017  
Local Authority Quality Assurance**

**PSC 18/2 – Donegal County Council – Public Lighting Operation,  
Maintenance and Improvements 2017**

May, 2018

### **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 2017 was the:

#### **Public Lighting Operation, Maintenance and Improvements 2017**

Project:	Public Lighting Operation, Maintenance and Improvements, 2017
Start Date:	January, 2017
Responsible Body:	Donegal County Council
Category:	Current Expenditure programme incurring expenditure
Total Value of Scheme:	€2,724,969
Value of Revenue 2017 Inventory:	€156,359,295
% of in-depth review:	1.74%

### **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**

The objectives of this Project are the provision and maintenance of a public lighting system throughout County Donegal to enhance public safety.

The controls in place for the management and governance of Public Lighting Operation, Maintenance and Improvements, 2017 provide adequate assurance that there is compliance with the Public Spending Code to-date.

The provision and maintenance of public lighting is included in the Inventory as Current Expenditure.

## Quality Assurance – In Depth Check Template

### **Document Purpose**

This document sets out the outline template to be filled in by the evaluator, in conjunction with the division/unit/agency, while completing an in-depth check as part of the Quality Assurance Process (QAP). This document is drawn directly from the In-Depth Check Methodology document which can be used to assist in carrying out the evaluation exercise. As such it is split in to 5 sections in line with the 5 identified steps of the process.

### **Document Format**

*Section A: Introduction*

*Section B: Evaluation*

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

*Section C: Summary and Conclusions*

### **Summary and Use**

The templates, once completed will be the in-depth check and will be attached as an appendix to the Quality Assurance report. The Summary and Conclusions section, usually no longer than two paragraphs, will be copied in to the main report under the In-Depth Check section.

## 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	
<b>Name</b>	Donegal County Council – Public Lighting Operation, Maintenance and Improvements 2017
<b>Detail</b>	Revenue Expenditure on Public Lighting Operation, Maintenance and Improvements 2017
<b>Responsible Body</b>	Donegal County Council
<b>Current Status</b>	Current Expenditure being incurred
<b>Start Date</b>	January, 2017
<b>End Date</b>	December, 2017
<b>Overall Cost</b>	€2,724,969

#### Project Description

Donegal County Council (DCC) is responsible for the operation, maintenance and provision of public lighting throughout County Donegal. There are 17,055 public lights in operation covering all urban areas, housing estates, many town/village outskirts, as well as a considerable number of "one off" lights in rural areas. The DCC public lighting programme is carried out annually and is managed by the Roads & Transportation Directorate – Central Technical Services.



## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check Roads, Technical Services have completed a Programme Logic Model (PLM) for Public Lighting Operation, Maintenance and Improvements 2017. 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"> <li>• Pedestrian safety</li> <li>• Road safety</li> <li>• Security</li> <li>• Social benefits</li> <li>• Lighting obstacles</li> </ul>	<ul style="list-style-type: none"> <li>• Budget allocation of €2,256,130.00</li> <li>• Allocation from TII of €100,000 (An additional €50,850 was allocated at year end).</li> <li>• Capital Loan advancement for upgrading of Lamps</li> <li>• Staff resources</li> <li>• Establish contracts for supply of energy and maintenance of public lighting</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring public lighting infrastructure</li> <li>• Process payments for supply</li> <li>• Monitoring supplier activities to ensure that conditions of contract are met</li> <li>• Process payments for maintenance of public lighting</li> <li>• Phased upgrading of lamps from SOX/SON to LED</li> </ul>	<ul style="list-style-type: none"> <li>• Effective and efficient public lighting throughout County Donegal</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancement of pedestrian and vehicular safety</li> <li>• Safer environment for the public</li> <li>• Long term outcome will be a reduction in energy costs to DCC</li> </ul>

### **Description of Programme Logic Model**

*Objectives:* The provision and maintenance of a public lighting system throughout County Donegal to enhance public safety.

*Inputs:* DCC adopted the Annual Budget for 2017 at Council Meeting held on 23/11/16 which included a sum of €2,256,130.00 for the supply and maintenance of public lighting and associated staff and administration costs. A loan was secured for the upgrading to energy efficient lighting. TII allocated €100,000 for the cost of energy supply to lights on national routes, which was increased to €150,850 at year end.

*Activities:* Monitoring the supply and maintenance of the 17,055 public lights in the County together with an on-going programme of upgrading lamps to LED. Processing all payments relating to these activities.

*Outputs:* Having carried out the identified activities using the inputs, the outputs of the programme are the provision of an effective public lighting function.

*Outcomes:* The envisaged outcome is the provision of a safer environment for the public, together with a long term outcome of achieving a saving in energy costs to Donegal County Council.

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

The following section tracks Public Lighting Operation, Maintenance and Improvements 2017 from inception to conclusion in terms of major project/programme milestones.

- The public lighting programme is annual revenue spend, with no project commencement or end dates.
- DCC use both unmetered and metered electricity on its properties.
  - The unmetered energy supply was procured from Energia by the Office of Government Procurement (OGP) and the current 3-year contract will expire on 31/10/18.
  - The metered supply was procured from SSE Airtricity by the OGP and the current contract will expire on 30/6/19.
- Since ESB divested itself of public lighting to Airtricity Utility Solutions (AUS) in 2009, Donegal County Council has maintained AUS as its maintenance contractor – the contract has been extended several times in the interim, with rate reductions achieved on some occasions. The RMO is planning to introduce regional contracts for public lighting maintenance next year, and DCC fully expects to transfer to such a contract when it becomes available. In the meantime work is underway on preparing to go to tender for a new interim contract.

**Section B - Step 3: Analysis of Key Documents**

The following section reviews the key documentation relating to appraisal, analysis and evaluation for Public Lighting Operation, Maintenance and Improvements 2017.

Project/Programme Key Documents	
Title	Details
DCC Annual Budget 2017	Adopted on 23/11/16.
Allocation of €100,000 plus €50,850	Allocations received from TII.
Loan of €500,000 - to upgrade lamps from SOX/SON to LED	Minute of Council Meeting 18/7/16. Approval from Dept. of HPC&LG 24/5/17.
Chief Executive approval for supply and maintenance	CEO 2016/FH/0221 – 23/5/16 for metered supply. CEO 2015/FH/0472 – 2/11/15 for unmetered supply. The Maintenance and Repair of Public Lighting Contract up to 31/12/16.
Financial Reports	Expenditure/Income reports from Agresso system.
Data reports	Ongoing evaluation reports from DeadSure.

#### **Key Document 1: Annual Budget 2017**

DCC approved the provision of a sum of €2,256,130.00 for the public lighting programme at the Budget Meeting on 23/11/16.

#### **Key Document 2: TII Allocation**

Approval of an allocation of €100,000 received from TII in respect of energy costs for public lighting on National routes. TII provided an additional allocation of €50,850 when expenditure incurred exceeded the initial allocation.

#### **Key Document 3: Loan of €500,000 to upgrade lamps from SOX/SON to LED**

Sanction received from the Department of Housing, Planning, Community and Local Government on 24/5/17 for a loan of €500,000, for the purpose of upgrading public lighting at selected locations to energy efficient LED bulbs.

#### **Key Document 4: Chief Executive Approval for the Supply & Maintenance of energy**

The Chief Executive Orders approving the purchase of Metered and Unmetered energy from the successful suppliers.

There was a Contract with the ESB (now Airtricity) for the maintenance and repair of Public Lighting in place up to 31/12/16. DCC are continuing to use Airtricity for this purpose, however; Internal Audit was advised that they are preparing to go to tender for this contract.

#### **Key Document 5: Financial Reports**

Reports can be extracted from Agresso showing expenditure and income in relation to the Public Lighting programme.

#### **Key Document 6: Data reports**

Reports can be extracted from the DeadSure IT system to evaluate if the Public Lighting programme is operating effectively.

### Section B - Step 4: Data Audit

The following section details the data audit that was carried out for Public Lighting Operation, Maintenance and Improvements 2017. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Faults reported by the public.	Assess if faults reported are acted on.	Yes - from DeadSure system.
Faults repaired within target repair time.	Assess if any delays in repairing faults.	Yes - from DeadSure system.
Amount of energy saving being achieved.	Assess the savings resulting from upgrading to energy efficient lights.	Yes - from DeadSure and Agresso reports.

### Data Availability and Proposed Next Steps

Donegal County Council use the DeadSure IT system to manage the Public Lighting programme. This system contains an inventory of Public Lighting infrastructure and allows for faults and repairs to be managed.

## Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Public Lighting Operation, Maintenance and Improvements 2017 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 controls in place for the Public Lighting Operation, Maintenance and Improvements 2017 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 the public lighting programme to be evaluated at a later date.

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

The DeadSure IT system is in place for approximately 6 months. It is recommended that this system be fully utilised. The data on DeadSure has been inputted following a survey undertaken by Airtricity. However, there is separate parallel data, Unmetered Registered (UMR) in existence which was compiled by ESB Networks. These two systems are currently being rationalised and to-date are approximately 70% matched. This work is ongoing and when completed will form a new Inventory of the Public Lighting infrastructure.

In order to comply with Procurement Policy, DCC should commence a tender process for the Maintenance and Repair of Public Lighting, as soon as possible.

## **Section: In-Depth Check Summary**

The following section presents a summary of the findings of this In-Depth Check on Public Lighting Operation, Maintenance and Improvements 2017.

### **Summary of In-Depth Check**

The objective of the Public Lighting programme is the provision and maintenance of a public lighting system throughout County Donegal to enhance public safety.

The key activities undertaken are monitoring the supply and maintenance of the 17,055 public lights in the County together with an on-going programme of upgrading lamps to LED. National Frameworks are utilised for the supply of energy.

The contract for the Maintenance and repair of public lighting expired at 31/12/16. In order to comply with Procurement Policy, DCC should commence a tender process for this contract as soon as possible.

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

Other than the current position in relation to the Maintenance and Repair contract, the controls in place for the management and governance of the Public Lighting scheme provide adequate assurance that there is compliance with the Public Spending Code to-date.



Local Authority	Expenditure being considered			Expenditure being incurred			NOTES
	Current	Capital	Capital	Current	Capital	Capital	
	>€0.5m	Capital Grant Schemes >€0.5m	Capital Projects	Expenditure Grant Schemes	Capital Projects	Capital Projects	
<b>Donegal County Council</b>							
<b>Housing &amp; Building</b>							
HOUSING CAPITAL PROGRAMME 2017-2021							
H35/17 PURCHASE OF 34 HSES BAWN MOR CRISMSMITH LETTERKENNY			55,000,000				
PARENTS & FRIENDS VOLUNTARY HOUSING DUNGLOE		1,400,000					
APEX HOUSING ASSOCIATION - GLENCAR LETTERKENNY		4,750,000					
HABITRES HOUSING ASSOCIATION PROJECT CATTLEM		3,000,000					
H38/17 PURCHASE OF 9 HSES ORAN HILL CARMANUGGAGH LETTERKENNY		1,200,000					
PURCHASE OF 20 UNITS RAMBLTON		2,200,000					
HOUSING GRANTS (DISABILITY & ELDERLY)		1,600,000					
Maintenance/Improvement of LA Housing				8,301,184			
Housing Assessment, Allocation and Transfer				1,376,664			
Housing Rent and Tenant Purchase Administration				873,299			
Support to Housing Capital & Affordable Prog.				1,147,240			
RAS Programme				4,432,174			
Housing Loans				880,701			
Housing Grants				1,519,942			
H2217E-ARDARA (MOLLOYS) 2015 - 8 NO. HOUSES					1,136,141		
FABRIC UPGRADE PROGRAMME 2013					4,099,650		
H30007 LETTERMCKWARD (06)					3,300,000		
COUNTY HOUSE HQ DEVELOPMENT					4,427,789		
H2418 - LONG LANE LETTERKENNY - 29 SOCIAL UNITS (2015)					4,966,234		
H3317A - ROCKTOWN BUNCRANA - 20 NO. UNITS (2015)					3,880,215		
HG 533E MARIOT CUNNINGHAM'S UNITS					1,354,535		
PV100188 - NEWTOWN CUNNINGHAM (2015)					1,085,253		
LIFFORD ARMY BARRACKS					1,250,000		
H10011A - CARRONAGH 2015 - 4 NO. SOCIAL HOUSES					858,419		
H2227D - DRUMBOOSKE 2015 (24 NO. SOCIAL HOUSES)					4,250,000		
							Annual Programme - 80% C







