Galway County Council

Comhairle Chontae Na Gaillimhe

Comhairle Chontae na Gaillimhe
Galway County Council

Quality Assurance Report for 2016

Galway County Council

To Be Submitted to the National Oversight and Audit Commission (NOAC), In Compliance with the Public Spending Code

Certification

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

Signature of Accounting Officer:

Mr. Kevin Kelly
Chief Executive

Date: 25ᵗʰ May 2017

1 Contents

2   Introduction

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

GCC have noted the changes to the 2016 reporting requirements over that reported in reference year 2015 (Version 3 of the Public Spending Code QA Guidance – A guidance note for the Local Government Sector issued Feb 2017). A summary of the primary changes for 2016 are:

- Agreement on the submission date – now formally agreed as 31st May.
- Agreement that any future amendments to the Guidance for the LG sector will be channelled through the CCMA Finance Committee.
- Inclusion of Methodology and Template for In-depth Review. (Appendix in Report)
- Agreed revisions in Checklists – with relevant notes.
- Change in approach for determining projects for in-depth review.
- Redefinition of Capital Grant Schemes for the purpose of the QA exercise.
- Addition of Notes Column to Project Inventory

The information provided is based on responses from "Project Owners" who are integral to both the application of the PSC & the filing of this Report. Project Owners were asked to confirm / verify the contents of the Inventory listing.

2.1   Quality Assurance Reporting

The Public Spending Code requires public bodies to establish an internal, independent, quality assurance procedure involving annual reporting on how organisations are meeting their Public Spending Code obligations. This new Quality Assurance procedure replaces and updates the "spot check" requirements previously laid down in Circular letter dated 15th May 2007.The Public Spending Code seeks to ensure that the state achieves value for money in the use of all public funds.

2.2   The Quality Assurance Process contains the following five steps:

2.2.1   Drawing up Inventories of all projects/programmes at different stages of the Project (expenditure) Life Cycle.

The four stages of the life cycle are:

1.   Appraisal,

2.   Planning / Design,

3.   Implementation (Management)

4.   Post –Project / Post Implementation Review

The inventory must include all current and capital Projects / Programmes whose expenditure is above €0.5m for the year under review. Each Project / Programme must be categorised under one of the following areas /stages of expenditure:

- Expenditure being considered   -   (Appraisal, Planning)
- Expenditure being incurred   -   (Management, Monitoring, Evaluation)
- Expenditure that has recently ended   -   (Review, Evaluation)

2.2.2   Publishing summary information on website of all procurements in excess of €10m, whether new, in progress or completed in the year under review.

2.2.3   Completing checklists in respect of the different areas / stages of expenditure.
This self-assessed estimate of compliance can be based on an appropriate sample of the projects/areas of expenditure that are relevant to the checklist. The sample could be 5-10% of projects/programmes. The sample should rotate from year to year.

These are high level checks that should be readily completed within each organisation. Only one of each checklist per Organisation/Agency/Local Authority is required. Checklists are not required for each project/programme. The QA process for verifying the accuracy of responses on the checklist is based on a sample of projects/programmes and is Step 4 of the process.

2.2.4   Carrying out a more in-depth check on a small number of selected projects/programmes.
The value of the projects selected per annum, should be at least 5% of the total value of all projects in the inventory

2.2.5 Completing a short report for the National Oversight and Audit Commission (NOAC).

The report will be generated as a matter of course through compliance with steps 1-4 above. It includes:-

- The inventory of all projects/programmes above €0.5m
- The website reference for the publication of procurements above €10m
- The completed checklists
- The Organisation's judgement on the adequacy of processes given the findings from the in-depth checks and
- The Organisation's proposals to remedy any discovered inadequacies.

3 Expenditure Analysis

3.1 Inventory of Projects/Programmes

This section details the inventory drawn up by GCC in accordance with the guidance on the Quality Assurance process. The inventory lists all of GCCs projects and programmes at various stages of the project life cycle for 2016 whose expenditure was above €0.5m. It is noted that the Public Spending Code provides that expenditure increases by €0.5m or a new programme exceeding €0.5m shall be included. This inventory is divided between current and capital projects / programmes (further sub-divided between Capital Grant schemes & Capital Projects) which are ultimately categorised under one of the following relevant areas / stages of expenditure:

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

For the Purposes of this Report:-

- Capital Expenditure refers to Capital Projects/Programmes for 2016 whose lifetime cost (all costs that arise over the lifetime of a project) is estimated to exceed €0.5m.
- Current Expenditure refers to revenue expenditure for services exceeding €0.5m in 2016 (base on services identified in the AFS for the year under review)

Tables 1, 2 and 3 below, list a summary per Service Division of Galway County Councils compiled inventory. Full tables including details of each project / programme are listed in **Appendix 1**. For the purposes of clarity and accuracy the inventory in appendix 1 was compiled using the suggested template that accompanied the Quality Assurance Requirements - Guidance note dated February 2017.

3.2   Summary of Inventory Analysis

a) Expenditure Being Considered

Table 1 provides a summary of the inventory of expenditures above €0.5m being considered by Galway County Council. As the table identifies (see below), there are 5 projects being considered across the various spending categories.

b) Expenditure Being Incurred

Table 2 provides a summary of the inventory of expenditures above €0.5m being incurred by Galway County Council. In total there are 69 projects or programmes which are currently incurring expenditure of over €0.5m. The split between capital and current expenditure projects and across the three value categories is 28 Capital Projects and 41 Current Expenditure Projects. The full breakdown and description of these projects is listed in Appendix 1.

c) Expenditure Recently Ended

Table 3 provides a summary of the inventory of expenditures above €0.5m recently ended by Galway County Council. There are 7 projects or programmes that have recently ended which incurred expenditure of over €0.5m. The full breakdown and description of these projects is listed in Appendix 1.

Tables 1-3

Table 1: No of Expenditure Projects "Being Considered" by Category

Service /Division	Current Expenditure			Capital Expenditure		
	A	B	C	A	B	C
Housing Programme				2	1	
Roads Programme						1
Water Services Programme						
Planning & Development						
Environmental Services Programme				1		
Recreation & Amenity						
Agriculture, Education, Health & Welfare						
Miscellaneous Services						
Total:				3	1	1

A: €0.5-€5m, B: €5m-€20m, C: > €20m

Table 2: No of Expenditure Projects "Being Incurred" by Category

Service /Division	Current Expenditure			Capital Expenditure		
	A	B	C	A	B	C
Housing Programme	7			10	2	
Roads Programme	6	2		5	5	2
Water Services Programme	1					
Planning & Development	5			2		
Environmental Services Programme	6	1				1
Recreation & Amenity	4			1		
Agriculture, Education, Health & Welfare	3					
Miscellaneous Services	5	1				
Total:	37	4		18	7	3

A: €0.5-€5m, B: €5m-€20m, C: > €20m

Table 3: No of Expenditure Projects "Recently Completed" by Category

Service /Division	Current Expenditure			Capital Expenditure		
	A	B	C	A	B	C
Housing Programme						
Roads Programme						7
Water Services Programme						
Planning & Development						
Environmental Services Programme						

3.3 Published Summary of Procurements

As part of the Quality Assurance process Galway County Council has published, summary information on the Council's website of all procurements in excess of €10m. Listed below is the link to this publication page and an illustration of its location.

Link to Procurement Publications:
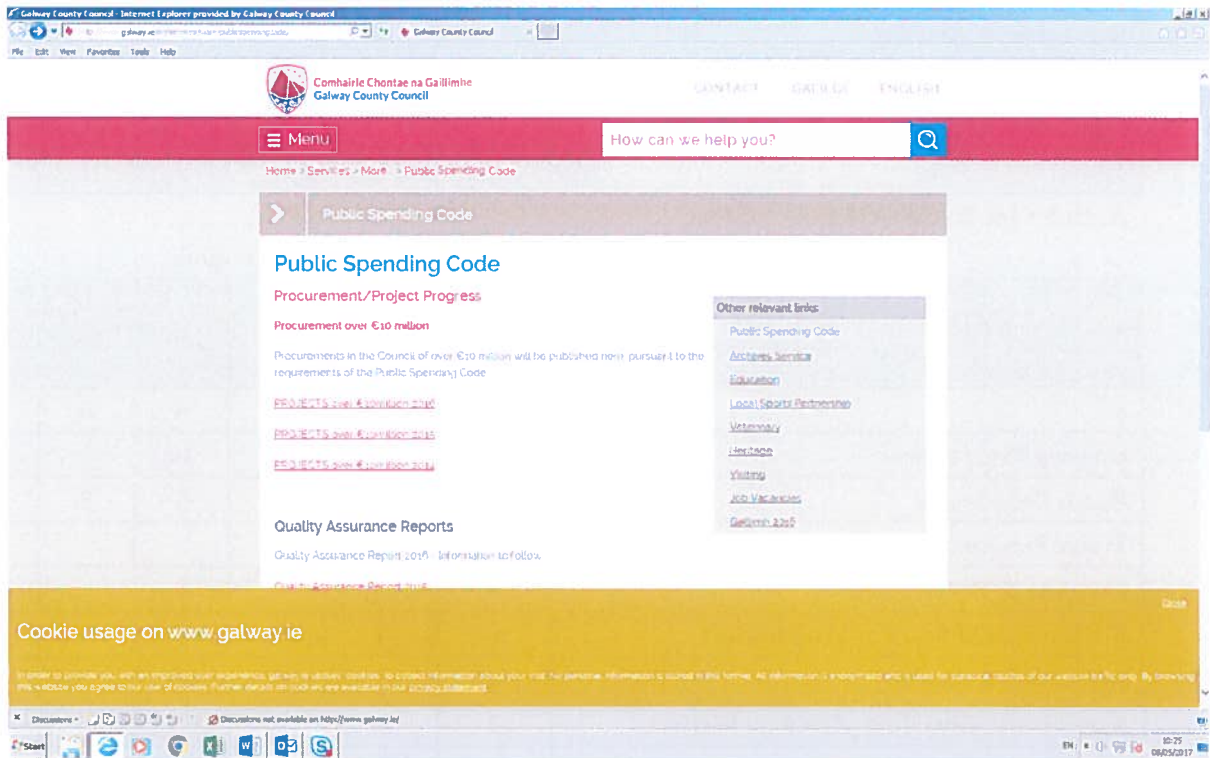
Source: http://www.galway.ie/en/services/more/publicspendingcode/

4 Assessment of Compliance

4.1 Checklist Completion

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-assessments carried out within the relevant sections / departments of Galway County 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 Projects or Capital Grant Schemes Being Considered
- **Checklist 3:** Current Expenditure Being Considered
- **Checklist 4:** Capital Expenditure Being Incurred
- **Checklist 5:** Current Expenditure Being Incurred
- **Checklist 6:** Capital Expenditure Completed
- **Checklist 7:** Current Expenditure Completed

4.2 Procedure used

Checklist 1 - General obligations not specific to Individual Projects/Programmes:
The first checklist captures obligations / good practice that apply to the organisation as a whole. This was completed and verified by the Procurement Officer and Head of Finance.
Checklist 2-7 – Galway County Council, compiled the overall checklists for the organisation, based on individual checklists completed by the relevant sections / organisations within Galway County Council.

Each relevant section / organisation within Galway County Council was required to produce a checklist on the spend categories (i.e.: Considered/Incurred/Recently Ended) as identified in the Inventory list and applicable to them. Only one checklist per section per stage of expenditure (expenditure type) was required.

4.2.1 Checklist - Capital Expenditure

Relevant sections / Organisations were required to comply with either (i) or (ii) below:-

(i) If a section had only one project/Programme, then they were required to complete the correct checklist (based on relevant expenditure type) for that project/programme.

<div align="center">Or</div>

(ii) If a section had a number of projects/programmes, then under the relevant expenditure type, they were required to complete a checklist based on **one** of the relevant projects/programmes <u>or</u> based on **10%** of the total number of relevant projects/programmes applicable to them - (rounded up) - <u>whichever was the greater</u>.

The following capital projects/programmes were selected:-

4.3 Checklist Results

The full set of checklists for Galway County Council are set out in Table 4 (Appendix 2). In addition to the self-assessed scoring, the vast majority of answers are accompanied by explanatory comments. Each question in the checklist is judged by a scoring scale-.

Score 1 =   Scope for significant improvements

Score 2 =   Compliant but with some improvement necessary

Score 3 =   Broadly compliant

4.4 Main Issues Arising from Checklist Assessment

The completed check lists show the extent to which Galway County Council believes it complies with the Public Spending Code. Overall, the checklists show a good level of compliance with the Code although perhaps in a less formal manner than set out in the code.

Galway County Council's set of checklists takes an overview of expenditure covering the organisation as a whole. Individual checklists from relevant sections / Organisations within Galway County Council have informed the completion of the Councils checklists.

The following are the main issues arising from the relevant checklist:-

4.4.1 General Obligations

   a) **Checklist 1 – General Obligations:** - demonstrates Galway County Councils commitment to adhering to the Public Spending Code and the desire for more formal / structured training in this area.

4.4.2 Expenditure being considered

a) **Checklist 2 – Capital Expenditure: -** The checklist for capital expenditure under consideration suggests good levels of compliance with the PSC in general with regard to areas such as appraisal, procurement and Organisation guidelines.

b) **Checklist 3 - Current Expenditure: -** No new current expenditure programmes were under consideration in 2016.

4.4.3 Expenditure being incurred

a) **Checklist 4 – Capital Expenditure: -** The checklist for capital expenditure under consideration suggests good levels of compliance with the PSC in general with regard to areas such as appraisal, procurement and Organisation guidelines for projects under the control of Galway County Council. There are numerous TII projects which the council has limited input and merely act as a conduit for processing contractual payments. Our function on these projects typically concerns land acquisition, works accommodation and arbitration/legal expenditure.

b) **Checklist 5 – Current Expenditure: -** Well defined process in place which ensures that services are delivered efficiently and within budget. It should be noted that 40% on average of a service is comprised of payroll costs which is subject to regular audit.

4.4.4 Expenditure that has recently ended

a) **Checklist 6 – Capital Expenditure: -** The Council recognises the need for post project reviews in a formal manner.

b) **Checklist 7 Current Expenditure: -** This checklist did not apply as we did not have any current expenditure recently ended.

4.5 In-Depth Checks

The following section details the in-depth checks which were carried out by Galway County Councils Internal Auditor as part of the Public Spending Code. Existing spot check processes in the Council were examined as part of the in-depth checks. The checks analysed here represent 7%* of the number of projects / programmes whose total value per annum, was at least 5% of the total value of all projects in the inventory

5 Internal Audit

5.1 In-Depth Check Summary – Kilconnell Landfill Site

The following section presents a summary of the findings of this In-Depth Check on the Kilconnell landfill Site

Summary of In-Depth Check

Following the liquidation of the assets of the private operator of Kilconnell landfill in 2012 Galway Council assisted the Environmental Protection Agency and as an intervention measure managed the facility for a 3 year period from 2013-2016.

During 2014 it was deemed unsustainable to continue the arrangement from a cost point of view which led to further consideration of options for the future of the landfill.

Prior to Galway County Council agreeing to continue to have future involvement in the landfill a detailed appraisal as outlined below was carried out.

Appraisal stage

- An Option Study was carried out by the Environmental Protection Agency with input from Galway County Council.
- The Option Study included a Cash flow analysis, a Site resolution plan and existing /future constraints and aftercare measures.
- The most viable option chosen from the study was to continue the operation of the landfill site to offset operational and capital costs and to continue with aftercare works required to prevent the site deteriorating into an environmental risk.
- A memorandum of understanding was drawn up as a safe guard to Galway County Council guaranteeing against financial loss to the council as a result of taking on this project on behalf of the Department Housing, Planning Community & Local Government and the Environmental Protection Agency.

Internal audit are satisfied that the appraisal carried out was in compliance with the terms of the public spending code.

Planning stage

- Planning permission and the waste licence for the facility were already in place prior to Galway County Council's involvement and the licence was transferred to Galway County Council in 2016.
- Consultants for the capital side of the project were procured in line with tendering rules. Departmental sanction for tenders was not required but there is continuous engagement between the Council, Environmental Protection Agency and the Department of Housing, Planning Community & Local Government prior to commencement of capital works.
- Service and Works Requirements briefs were prepared for design and construction works.

Internal audit are satisfied that the planning of this project was in compliance with the terms of the public spending code.

Implementation stage

- A management structure was required to be submitted to the EPA under the conditions of the waste licence.
- The appropriate staffing structure was implemented.
- Landfilling operations will expire in 2018/ 2019 when acceptance of waste to the facility will cease.
- Environmental reporting and monitoring is communicated via the EPA's EDEN System

Internal audit are satisfied that the implementation stage of this project is in compliance with the terms of the public spending code

5.2 In-Depth Check Summary - The N17 Carrownurlaur to Ballindine minor road scheme

The following section presents a summary of the findings of this In-Depth Check on The N17 Carrownurlaur to Ballindine minor road scheme

The N17 Carrownurlaur to Ballindine minor road scheme consisted of the construction of approximately 2.4km of Standard Single Type 1 Carriageway, typically with 2 x 3.65 carriageway, 2 x 2.5 hard shoulder, and verges of approximately 3.0m. Approximately 1.4km to comprise of predominantly online realignment and widening and 1km approximately is new alignment construction. Works also include modification and re-alignment of 3 existing local side-road junctions and 3 new junctions including numerous access points both domestic and agricultural and construction of associated roads.

The objective of the scheme was to improve capacity, road safety and journey times and maximise the benefits of the N17/N18 PPP scheme.

The overall scheme budget of 6.8 m was provided by Transport Infrastructure Ireland

The scheme was appropriately appraised and was consistent with:

- The National Roads Needs Study
- Regional Planning Guidelines
- Both the Galway and Mayo County Development Plans.
- Project Appraisal Guidelines
- The context and need for the project was outlined in the Project Appraisal Report as approved by Transport Infrastructure Ireland.
- The costs were outlined in the Cost Benefit Analysis as part of the scheme appraisal documents.

A clear management structure was in place for the planning and implementation of the works.

A steering committee was set up to track and appraise the project.

The required part 8 planning approval was sanctioned and the relevant environmental screening was carried out for Environmental Impact Assessment purposes.

Cost resource plans and the minor scheme budget sheet were prepared

The scheme was tendered and the contract was awarded in accordance with tendering rules and the programme of works was monitored by Galway County Council's site engineer.

The minor scheme budget sheet was maintained as works progressed with monthly progress reports/financial statements presented to the Steering Committee

Interim payment arrangements / works approval were consistent with the cost management guidelines.

Due to unforeseen necessary extra works encountered by the contractor there are some disputed payment claims pending. It was agreed between Galway County Council and the contractors to proceed to conciliation in an effort to resolve the claims.

The conciliation hearing was held on 7th April and the decision is pending. The claims for extra works may increase the scheme budget.

From internal audits meetings and discussions with the Project Coordinator and other relevant Engineers involved with the project along with documentation seen, we are of the opinion that there was satisfactory compliance with the standards set out in the public spending Code.

5.3   In-Depth Check Summary - Service Division H03 (administration of rates)

Summary of In-Depth Check

The revenue expenditure on service H service division H03 (administration of rates) increased from €5,723,232 in 2015 to €6,750,286. In 2016 which is an increase of €1,027,054.23

The majority of the increase amounting to €977,592.09 related to subservice H0303, job codes 08033002- rates strikes offs and code 08033003 rates bad debt provision.

The following tables shows a comparison between expenditure on these job codes in 2015 and 2016.

Year	Code	Exp
2015	08033002 –rates strike offs	€5,321,205.51
2016	08033002 –rates strike offs	€5,833,698.60
Increase		€ 512,493.09

Year	Code	Exp
2015	No code showing on agresso	0
2016	08033003 – bad debt provision	€465,099
Increase		€465,099

The remainder of the increase of €49,462 is attributed to small   increases in subservice h0301 and h0399

The increase in expenditure during 2016 on this service H03 (administration of rates) over the 2015 expenditure meets the required in-depth examination of 1% of the overall revenue inventory expenditure.

Comment

It is internal audits opinion that there should be separate   templates used for the appraisal planning and   implementation of   capital and revenue projects as it was difficult to fit revenue expenditure into the current template.

6   Next Steps: Addressing Quality Assurance Issues

The compilation of both the inventory and checklists for 2016 which is the third year of this QA process was a significant co-ordination task in terms of liaising with all relevant sections / Organisations within Galway County Council and collating of relevant information for the inventories and the checklists.

It is envisaged that with further training, the administrative burden of the QA process will ease over time. The process will continue to be embedded in how the Council conducts its business.

In addition, completed Value for Money and Policy Reviews (VFMs) and Focused Policy Assessments (FPAs) will assist in the QA process by highlighting the types of expenditure areas which merit in-depth checks. A summary of the proposed future process for in-depth checks by the Council is set out below.

6.1   Summary of Future Process for In-Depth check by Galway County Council

1. Inventory Compiled/Updated by Procurement Officer
2. Indepth Check on small number of projects by Internal Auditor. The value of the projects selected for in depth review each year must follow the following:
   a. For CAPITAL projects: projects selected must represent a min of 5% of the total value of all Capital projects on the Project Inventory
   b. For REVENUE projects: projects selected must represent a min of 1% of the total value of all Revenue projects on the Project Inventory
   c. These minima are averages over a three year period
   d. The same projects should not be selected more than once in a three year period unless it is a follow up to a serious deficiency discovered previously.
   e. Over a 3-5 year period all stages of the project life cycle & every scale of project should have been included in the in-depth check.
3. Internal Auditor Informs Relevant Section / Department of Selection.
4. Relevant Section / Department Provides Internal Auditor with All Relevant Material.
5. Internal Auditor Completes In-Depth Check to Assess Compliance with PSC.

6.2 Recommendations for future year QA reports

*TRAINING: ensure that relevant staff are updated on current information when issued on the PSC and implement training throughout the organisation as necessary. Training occurred for both the PSC QA Report team & also the NRPO (National Roads Project Office).

*PROCUREMENT UNIT: GCC intend to continue to ensure that the Councils procurement practices align with the Public Spending Code where applicable.

*JOB CODE REVIEW: there is a need for a review of how expenditure is coded so that it aligns more with PSC requirements. A review of the "Job setup forms" should occur to ensure better Job description.

*POST PROJECT REVIEW: This is an area in which we are compliant. The need to improve is acknowledged for non TII / Large Departmental projects & this is an ongoing process. Staff will continue to be informed.

7   Conclusion

The inventory outlined in this report clearly lists the current and capital expenditure that is being considered, being incurred, and that has recently ended. The Council has published details of all procurements in excess of €10 million on its website. The checklists completed by the Council and its agencies show a high level of compliance with the Public Spending Code. The in-depth checks carried out on a selection of programmes revealed no major issues which would cast doubt on the Councils compliance with the Code. However, it is acknowledged that additional work is required in order to ensure there is full information and understanding of the Public Spending Code and with appropriate training to ensure its full implementation and a structural approach to the Quality Assurance process.

Appendix 1A - Summary Inventory of Projects and Programmes > €0.5m

	Capital Expenditure	CHK 2 Expenditure Being Considered			CHK 4 Expenditure Being Incurred			CHK 6 Expenditure Recently Ended		
		Projects	Value	%	Projects	Value	%	Projects	Value	%
A	Housing & Building	3	€16,270,802	31%	12	€32,954,793	2%	0	€0	0%
B	Road Transportation and Safety	1	€34,200,000	66%	12	€1,238,802,305	94%	7	€10,076,352	100%
C	Water Services	0	€0	0%	0	€0	0%	0	€0	0%
D	Development Management	0	€0	0%	1	€685,940	0%	0	€0	0%
E	Environmental Services	1	€1,394,448	3%	2	€46,568,315	4%	0	€0	0%
F	Recreation and Amenity	0	€0	0%	1	€3,701,642	0%	0	€0	0%
G	Agriculture, Education, Health and Welfare	0	€0	0%	0	€0	0%	0	€0	0%
I	Miscellaneous Services	0	€0	0%	0	€0	0%	0	€0	0%
	Total:	**5**	**€51,865,250**	**100%**	**28**	**€1,322,712,996**	**100%**	**7**	**€10,076,352**	**100%**

	Revenue/Current Expenditure	CHK3 Expenditure Being Considered			CHK 5 Expenditure Being Incurred			CHK 7 Expenditure Recently Ended		
		Projects	Value	%	Projects	Value	%	Projects	Value	%
A	Housing & Building	0	0		7	€11,016,134	11%	0	0	
B	Road Transportation and Safety	0	0		8	€42,896,697	41%	0	0	
C	Water Services	0	0		1	€3,527,801	3%	0	0	
D	Development Management	0	0		5	€6,761,621	7%	0	0	
E	Environmental Services	0	0		7	€15,067,018	15%	0	0	
F	Recreation and Amenity	0	0		4	€7,469,295	7%	0	0	
G	Agriculture, Education, Health and Welfare	0	0		3	€2,266,427	2%	0	0	
I	Miscellaneous Services				6	€14,501,519	14%			
	Total:	**0**	**0**		**41**	**€103,506,512**	**100%**	**0**	**0**	

CALCULATION OF AUDIT SAMPLE - QA REPORT 2016	Amount
Total Value of Projects	€1,488,161,110
Total Capital Projects	€1,384,654,598
Less Capital Projects already Audited in Previous years on current Inventory	€601,185,766
Capital Projects Value for AUDIT SAMPLE	€783,468,832
Total value of CAPITAL Projects Audited	€51,000,000.00
Relevant % (Cap Projects Audited / CAPITAL Projects Value)	7%

Appendix 1B - Full Inventory Listing

Local Authority											
Galway County Council											

	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
Local Authority	Current >€0.5m	Capital Grant Schemes >€0.5m	Capital Projects €0.5-€5m	Capital Projects €5-€20m	Capital Projects €20m plus	Current Expenditure	Capital Grant Schemes >€0.5m	Capital Projects	Current Expenditure	Capital Grant Schemes >€0.5m	Capital Projects
Council											
Housing & Building											
Weir Road				€5,800,000							
01021510 CAP - Eanach Mheain Voluntary Project CAS								€1,780,569			
01021703 CAP - Tirboy Tuam Refurb & Upgrade 14 Units								€655,000			
01017453 CAP-Remedial works Gilmatin Road								€8,700,000			
01020273 CAP-Construct Houses - Esker Fields & Garbally								€1,980,000			
01021505 CAP - Dunlo Hill Voluntary Project CAS								€2,793,453			
01021504 CAP - Letterfrack Voluntary Project CAS								€2,866,713			
01021508 CAP - Mountbellew Voluntary Project CAS								€824,250			
01021509 CAP - Claregalway Voluntary Prject CAS								€1,765,198			
Rurals 2016			€943,615								
House Acquistions				€9,527,187		€4,241,811					
A01 Maintenance & Improvement of LA Housing Units						€797,452					
A03 Housing Rent & Tenant Purchase Administration						€529,214					
A05 Administration of Homeless Services						€795,647					
A06 Support To Housing Capital &Affordable Prog						€3,293,132					
A07 RAS Programme						€840,788					
A08 Housing Loans						€518,090					
A09 Housing Grants											

Item				
01030802 CAP - Housing Aid for Older People Grant		€6,835,486		
01016526 CAP - CCTV@ Cullairbaun, Bridget CT & Gort		€656,215		
01030901 CAP - Mobility Aid Grants Private		€2,018,998		
01031101 CAP - Housing Aids Grant Private		€2,078,912		
Road Transportation and Safety				
N59 Bunnakil to Claremount				€34,200,000
B01 NP Road - Maintenance and Improvement			€1,128,039	
B02 NS Road - Maintenance and Improvement			€3,035,622	
B03 Regional Road - Maintenance and Improvement			€7,626,302	
B04 Local Road - Maintenance and Improvement			€27,409,831	
B05 Public Lighting			€1,085,036	
B09 Maintenance & Management Car Parking			€869,189	
B10 Support to Roads Capital Prog			€938,683	
B11 Agency & Recoupable Services			€803,995	
02022008 CAP - M17/N18 Gort-Tuam		€550,000,000		
02022401 N59 Moycullen Bypass 07/277		€39,703,854		
02022404 N59 Clifden to Oughterard 09/4741		€3,000,000		
02022423 N83 Forty Acres Realignment Scheme 11/802		€2,168,470		
02022433 N84 Luimnagh Realignment Scheme 11/7878 2		€11,481,912		
02022723 N59 Letterfrack Repair Scheme/Rehab GC	€759,360			
02022729 Galway Bridge Rehabilitation GC/13/10187	€1,030,810			
02022730 CAP - Galway City Bypass		€593,330,000		
02022732 CAP - N17 Carrownulaur to Ballindine		€6,816,194		
02022735 CAP-N59 Moycullen Online Improv Clydagh BR		€6,143,579		
02026119 CAP- Athenry Northern Ring Road (IDA/D/C)	€1,593,200			
02221498 CAP-N63 Laughill Pavement Strenghening	€1,526,240			
02221513 CAP - N17 Milltown Pav & Traffic Calm	€1,044,938			
02221532 CAP - N18 Ardrahan to Lissatunny GC/15/12	€2,921,804			

Description			
02022731 CAP - N63 Abbeyknockmoy to Annagh Hill	€13,028,783		
04036115 CAP- Connemmara Interpretation/Infrastructure	€1,879,513		
04036114 CAP - Signature Discovery Pt Derrigimlagh	€1,200,000		
07014115 CAP - Dunkellin River & Aggard Stream Flow	€3,500,000		
02221535 CAP -N67 Ballinderreen to Kinvara PH.2-GC	€7,750,000		
Water Services			
C05 Admin of Group and Private Installations		€3,527,801	
Development Management			
D01 Forward Planning		€924,293	
D02 Development Management		€2,160,836	
D06 Community and Enterprise Function		€1,331,188	
D09 Economic Development and Promotion		€1,779,024	
D11 Heritage & Conservation Services		€566,280	
04036107 CAP - Heritage Athenry Conservation	€685,940		
Environmental Services			
Fire Station Tuam			€1,394,448
E02 Op & Mtce of Recovery & Recycling Facilities		€572,379	
E05 Litter Management		€995,647	
E06 Street Cleaning		€1,182,601	
E09 Maintenance of Burial Grounds		€516,823	
E10 Safety of Structures and Places		€732,343	
E11 Operation of Fire Service		€10,369,633	
E12 Fire Prevention		€697,592	
05019003 CAP - Kilconnell Landfill	€45,600,792		
05081207 Cap -Energy Savings Fund	€967,523		
Recreation and Amenity			
F02 Operation of Library and Archival Service		€4,827,003	
F03 Outdoor Leisure Areas Operations		€628,800	

F04 Community Sport and Recreational Development	€603,277	
F06 Agency & Recoupable Services	€1,410,215	
0508207 Cap-Energy Savings Fund		€3,701,642
Agriculture, Education, Health and Welfare		
G01 Land Drainage Costs	€545,654	
G02 Operation and Maintenance of Piers and Harbours	€1,093,118	
G04 Veterinary Service	€627,655	
Miscellaneous Services		
H01 Profit & Loss Machinery Account	€1,611,441	
H03 Administration of Rates	€6,750,286	
H09 Local Representation & Civic Leadership	€1,266,564	
H10 Motor Taxation	€1,772,098	
H11 Agency & Recoupable Services	€1,575,360	
Pensions and Lump Sum Costs	€1,525,770	

Appendix 2 - Reports Arising from In-Depth Checks- Checklists 1-7

Checklist 1:

Galway County Council's Compiled Set of Checklists
Based on responses to the samples taken:
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 organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements of the Public Spending Code (incl. through training)?	2	2016 is the third year of the PSC in Local Government. Senior Staff have been briefed on their obligations
1.2 Has training on the Public Spending Code been provided to relevant staff within the organisation?	2	Formal Training was provided in June 2016 to the Relevant staff
1.3 Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for? i.e., have adapted sectoral guidelines been developed?	3	2016 is third year of PSC and while the revised National QA Guidance is being complied with, Further Guidance has issued for the sector in Feb 2017.
1.4 Has the organisation in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	No Projects relevant to the PSC currently
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	The recommendation to indicate a process of information and training throughout the organisation was carried out through an awareness briefing sessions over the past years which included the circulation of guidance notes plus a full suite of information / guidance placed on the intranet. Face to face meetings occurred with the relevant seniors in each section. Also, as previously advised in the past where our Internal Auditor has carried out spot checks (on services), reports and recommendations would have been sent to the relevant unit for review and application

1.6 Have recommendations from previous QA reports been acted upon?	2	Yes, see above answer. Also, Internal Audit recommendations have been acted upon. Some improvement should be considered on the Capital coding structure.
1.7 Has an annual Public Spending Code QA report been certified by the organisation Chief Executive, submitted to NOAC and published on the organisation's website?	3	Yes. CE has signed off
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Required Sample reviewed
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.	3	With large projects (e.g.: TII / other ROADS / Housing projects) Post project evaluations are integral).
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?	3	Where required
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	3	Yes
1.12 How have the recommendations of previous evaluations/post project reviews informed resource allocation decisions?	3	yes

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

Capital Expenditure being Considered – Appraisal and Approval PROJECT/ PROG NAME: Is Funding>50% Central Govt	Self-Assessed Compliance Rating: 1 – 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes, both to GCC's internal standards + sanctioning body standards
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes, in co-ordination with sanctioning body standards
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	3	Yes, in co-ordination with sanctioning body standards
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes, as per sanctioning body funding requirements
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, as per sanctioning body funding requirements
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	3	Carried out by other Bodies which then provide funding to GCC
2.7 Were the NDFA consulted for projects costing more than €20m?	3	Carried out by other Bodies which then provide funding to GCC
2.8 Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?	3	Yes
2.9 Was approval granted to proceed to tender?	3	Yes
2.10 Were procurement rules complied with? '	3	Yes, full tender process complied with
2.11 Were State Aid rules checked for all supports?	3	Yes, we understand that his applies to grants which are subject to separate audit
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes, full tender process complied with
2.13 Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	3	KPI's were set for each project

2.14 Have steps been put in place to gather performance indicator data?	3	Yes, ongoing monitoring in place

Checklist 3:
New current expenditure or expansion of existing current expenditure under consideration

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	N/A	No programmes relevant to PSC in 2016
3.2 Are objectives measurable in quantitative terms?	N/A	No programmes relevant to PSC in 2016
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	No programmes relevant to PSC in 2016
3.4 Was an appropriate appraisal method used?	N/A	No programmes relevant to PSC in 2016
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	No programmes relevant to PSC in 2016
3.6 Did the business case include a section on piloting?	N/A	No programmes relevant to PSC in 2016
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	No programmes relevant to PSC in 2016.
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	No programmes relevant to PSC in 2016
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	No programmes relevant to PSC in 2016
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	No programmes relevant to PSC in 2016
3.11 Was the required approval granted?	N/A	No programmes relevant to PSC in 2016

3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	No programmes relevant to PSC in 2016
3.13 If outsourcing was involved were procurement rules complied with?	N/A	No programmes relevant to PSC in 2016
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?	N/A	No programmes relevant to PSC in 2016
3.15 Have steps been put in place to gather performance indicator data?	N/A	No programmes relevant to PSC in 2016

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

Incurring Capital Expenditure PROJECT/ PROG NAME: Is Funding>50% Central Govt	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	Contracts were awarded and signed following procurement tender competitions
4.2 Did management boards/steering committees meet regularly as agreed?	3	Yes, GCC has specific design & implementation sections for all major funding streams (Roads, Housing, and flood mgmt.). In the case of TII projects formal Steering Committees are in place
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Formal programme co-ordinators are appointed
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	Formal project managers are appointed
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Progress reports reviewed at regular Management Team Meetings – Monthly meetings of the Steering Committee include progress reports.
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes
4.7 Did budgets have to be adjusted?	3	Yes – with consent of relevant body (TII)
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.)	Yes	Economic & Environmental conditions dictated/changed progression.
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	Re-appraisals were carried out

4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes – with consent of relevant body (TII)
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	Some projects were postponed or curtailed

Checklist 5:
For current expenditure being incurred

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes, as per Budget Report and Annual Business Plan.
5.2 Are outputs well defined?	3	National KPI's are in place for Galway County Council
5.3 Are outputs quantified on a regular basis?	3	Yes
5.4 Is there a method for monitoring efficiency on an ongoing basis?	3	Yes, based on regular reviews of business plan, financial reporting, and SMT Meetings. FMS reviews on budgets v's actual
5.5 Are outcomes well defined?	3	Outcomes are considered as part of the business plan objectives
5.6 Are outcomes quantified on a regular basis?	3	Outcomes are directly measured & correlated back to expenditure/inputs
5.7 Are unit costings compiled for performance monitoring?	3	LGMA performance Management Indicators (eRtns)
5.8 Are other data compiled to monitor performance?	3	Presented at Management Team Meetings periodically
5.9 Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes, based on regular reviews of business plan, financial reporting, and SMT Meetings
5.10 Has the organisation engaged in any other 'evaluation proofing'[1] of programmes/projects?	3	Yes, in particular the LGMA evaluates via BPI models

Checklist 6:

To be completed if capital projects (Ended) – were completed during the year or if capital programmes/grant schemes matured or were discontinued.

Capital Expenditure Recently Completed PROJECT/ PROG NAME: Is Funding>50% Central Govt	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	1	Carried out where specifically required by funding bodies
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	
6.3 Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	N/A	
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	3	Yes
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	N/A	
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	2	Carried out where specifically required by funding bodies
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	2	Carried out where specifically required by funding bodies
6.8 Were project reviews carried out by staffing resources independent of project implementation?	2	May be carried out by independent consultants in the case of large Engineering projects

Checklist 7

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

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

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	Kilconnell Landfill
Detail	Operation, management & aftercare of the landfill
Responsible Body	Galway County Council
Current Status	The landfill is operational accepting waste from collectors with works on capping of cells that are at capacity are projected to commence this year.
Start Date	2016
End Date	2018/2019 for acceptance of waste. 2048 for aftercare works.
Overall Cost	45.6 M (Capital costs 12.6 M) (Operational costs 33m of which 16.7 M is landfill levy and 3 m is VAT goes back to the Department. All costs not covered by operational surplus will be recouped to the Council from the DCCAE.

Project Description

Galway County Council assisted in the management of the landfill site as an interim intervention measure for a 3 year period (2013-2016) arising from assistance requested from the Environmental Protection Agency following the liquidation of Greenstar who were the private operators of the landfill.

Subsequently following on from an Option study carried out the site was reopened and Galway County Council took on the role of waste licensee for acceptance of waste up to 2018/2019 and aftercare works up to 2048.

As part of this In-Depth Check, internal audit have completed a Programme Logic Model (PLM) for the Kilconnell landfill project.

Objectives	Inputs	Activities	Outputs	Outcomes
See below	See below	See below	See below	See below

Objectives:

- To bring about a resolution for the site at Kilconnell landfill in the interest of Environmental protection.
- Re-opening the landfill for waste acceptance to generate funds to enable the necessary restoration works and services to provide an enduring resolution.

Inputs:

- To date at the 12/05/2017 a sum of €8,644,665 (including landfill levy and vat returns) has been spent.
- A staff of 11 are fully allocated and working on this project.
- Engagement of consultants to carry out an Option Study
- Transfer of the waste licence from the liquidated company Greenstar to Galway County Council
- Setting up a Management Structure and putting a Project Coordinator in place
- Compliance with the terms of the waste licence
- Staffing the facility

Activities

- Procurement of consultants to design the work for the site resolution.
- Procurement of contractor to implement the capital works
- Acceptance of waste
- Monitoring of costs and operations
- Regular briefings with the department
- Licence Compliance Monitoring

Outputs:

- Permanent capping of cells
- Completion of waste reception cells
- Community liaison
- Creation of jobs

Outcomes:

- Continuation of the operation of the waste facility at Kilconnell for a limited period of time
- Stabilised Environment and Reduced Environmental Risk
- Compliance with the terms of the waste licence

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

The following section tracks **Kilconnell landfill** from intervention stage to current position in terms of major project/programme milestones

- 2012 – A receiver was appointed in respect to assets of the landfill operator – Greenstar
- 2013 - The Environmental Protection Agency requested assistance from Galway County Council to manage the site.
- 2013 – An option study was carried out and a report issued.
- 2013 - 2016 the council continued to provide management services in the intervention period.
- 2014 – During this period it was deemed by the stakeholders that intervention was no longer sustainable and the options regarding the future of the landfill had to be re-examined.
- 2014 - An addendum to the options report was issued which considered technical and financial matters regarding the re-opening of the landfill.
- A Cash flow analysis was included as part of the Option Study.
- 2015-the implementation of the option to re-open the landfill was agreed with the DCCEA and EPA and a project team structure was put in place
- A Site Resolution Plan/Memorandum of Understanding was agreed with the Department to safeguard Galway County Council against financial loss as a result of taking on this project.
- A Context Statement was signed by the EPA, DCCAE and GCC
- Consultants were procured to prepare a project brief for the capital works part of the project.
- June 2016 - the waste licence transferred to the Council
- Aug 2016 - the Council re-opened Kilconnell landfill.

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Kilconnell landfil

Project/Programme Key Documents	
Title	**Details**
Option study	Prepared by consultants to evaluate the best option for the future of the landfill.
Cash flow analysis	This showed that the option to reopen the landfill was justified to offset the operational costs of the project.
Project authorisation	Letter from the Department approving the re-opening of the landfill
Site resolution plan	The plan is drawn up by GCC and DCCAE and sets out the project scope, responsibilities, funding, staffing, indemnification and reporting
Project brief	These document includes a service requirements brief for Engineering Design Services and a works requirements brief for the site completion works.
Transfer of waste licence	This was originally granted to the private operator Greenstar. In order to give effect to the re-opening of the site by Galway County Council for acceptance of waste it was necessary that the licence be transferred
Tender for capping and capital works ref OJEU 2017/S 066-123663	The tender for permanent capping and capital works was advertised on e-tenders and OJEU.
Annual environmental report and monthly operations reports	The environmental reporting requirements are set out in the conditions of the waste licence. The monthly report includes details on health & safety, waste volumes, financials, compliance with the terms of the waste licence, procedure & systems, support services and procurement.

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

Data Required	Use	Availability
Option study	Examination of best option	Yes
Annual budgets/ Monthly income & expenditure/management reports	Operations	Yes
Annual and quarterly Environmental reports	Compliance with the terms of the waste licence	EPA – EDEN SYSTEM
Capital works progress reports	To monitor progress	Yes

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for the Kilconnell landfill 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)

Yes, the project was satisfactorily appraised and costed with risks examined prior to decision to take over the landfill

The requirements of the various statutory codes were compiled it and the project is been implemented in line with the terms of the public spending code.

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

Yes

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

No recommendations as there was compliance with the terms of the Public Spending Codes

The following section presents a summary of the findings of this In-Depth Check on the Kilconnell landfill Site

Summary of In-Depth Check

Following the liquidation of the assets of the private operator of Kilconnell landfill in 2012 Galway Council assisted the Environmental Protection Agency and as an intervention measure managed the facility for a 3 year period from 2013-2016.

During 2014 it was deemed unsustainable to continue the arrangement from a cost point of view which led to further consideration of options for the future of the landfill.

Prior to Galway County Council agreeing to continue to have future involvement in the landfill a detailed appraisal as outlined below was carried out.

Appraisal stage

- An Option Study was carried out by the Environmental Protection Agency with input from Galway County Council.
- The Option Study included a Cash flow analysis, a Site resolution plan and existing /future constraints and aftercare measures.
- The most viable option chosen from the study was to continue the operation of the landfill site to offset operational and capital costs and to continue with aftercare works required to prevent the site deteriorating into an environmental risk.
- A memorandum of understanding was drawn up as a safe guard to Galway County Council guaranteeing against financial loss to the council as a result of taking on this project on behalf of the Department Housing, Planning Community & Local Government and the Environmental Protection Agency.

Internal audit are satisfied that the appraisal carried out was in compliance with the terms of the public spending code

Planning stage

- Planning permission and the waste licence for the facility were already in place prior to Galway County Council's involvement and the licence was transferred to Galway County Council in 2016.
- Consultants for the capital side of the project were procured in line with tendering rules. Departmental sanction for tenders was not required but there is continuous engagement between the Council, Environmental Protection Agency and the Department of Housing, Planning Community & Local Government prior to commencement of capital works.
- Service and Works Requirements briefs were prepared for design and construction works.

Internal audit are satisfied that the planning of this project was in compliance with the terms of the public spending code.

Implementation stage
- A management structure was required to be submitted to the EPA under the conditions of the waste licence.
- The appropriate staffing structure was implemented.
- Landfilling operations will expire in 2018/ 2019 when acceptance of waste to the facility will cease.
- Environmental reporting and monitoring is communicated via the EPA's EDEN System

Internal audit are satisfied that the implementation stage of this project is in compliance with the terms of the public spending code

Section A: Introduction

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

Programme or Project Information	
Name	N17 Carrownurlaur to Ballindine
Detail	New minor road scheme upgrade and improvement
Responsible Body	Transport Infrastructure Ireland
Current Status	Expenditure Being Incurred- substantial completion
Start Date	Construction works commenced on 04/12/2016 but the scheme was first proposed in 2013
End Date	Currently in Construction
Overall Cost	6.8 million

Project Description
The upgrade and improvement of the 2.4 km of existing road for the purpose of improving the existing residual network to feed into the N17/18 motorway.

As part of this In-Depth Check, Internal Audit have completed a Programme Logic Model (PLM) for the N17 Carrownurlaur to Ballindine roads project.

Objectives	Inputs	Activities	Outputs	Outcomes
SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW

Description of Programme Logic Model
OBJECTIVES:

- Improve capacity/road safety
- Maximise the benefit of the N17/N18 PPP Scheme
- Improve journey times

INPUTS:

The overall Scheme Budget was 6.8 M as provided by Transport Infrastructure Ireland

ACTIVITIES:
- Planning
- Design
- Cost Benefit Analysis
- Land Acquisition
- Construction
- monitoring

OUTPUTS:
- Improved Safety
- Decreased journey times
- Improved access to Motorway
- Environmental improvements

OUTCOMES:
- Improved level of Service
- Decrease in number of road traffic accidents
- Improved benefits to local residents i.e. better access.

The following section tracks the N17 Carrownurlaur to Ballindine roads project from inception to conclusion in terms of major project/programme milestones

December 2013   Design consultants appointed and engaged.

October 2014   Part 8 Planning Approved

23rd Feb 2015   Compulsory Purchase Order Published(CPO)

01st May 2016   Chief Executive of Galway County Council approved CPO

17th Nov 2015   Construction Contract Awarded

04th Dec 2015   Construction works commenced.

17th Nov 2016

         Substantial Completion Achieved

07th April 2017

         Conciliation process commenced

10th April 2017   Recommendation from Conciliator is pending

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, planning and implementation for the N17 Carrownurlaur to Ballindine roads project.

Title	Details
Appraisal Stage National Roads Needs Study 1988	Prepared by Consultants in accordance with Transport Infrastructure Ireland guidelines.
Regional Planning Guidelines	Prepared by the Border Midland Western Regional Assembly
Galway County Development Plan 2009 – 2015 Mayo County Development Plan 2014-2020	Stated policies and objectives of both the Local Authority areas
Project Appraisal Guidelines	Prepared by Transport Infrastructure Ireland.
Project Appraisal Report	This report is approved by Transport Infrastructure Ireland Context and needs in terms of: • Strategic fit & policy • Economic/environmental objective • Accessibility & Social Inclusion • Safety • Cost Benefit Analysis as part of Scheme appraisal documents • Cost Benefit Analysis as part of Scheme appraisal documents.
Planning Stage 1. A clear Management Structure was formally defined.	1. A project engineer was appointed from the consultants and a Site Representative & Project Coordinator was appointed from GCC
2. A Steering Committee was set up.	2. The Steering Committee was made up of Reps from TII, GCC and Consultants.
3. Formal identification of Information flows	3. Information flows were formally agreed and minuted at the initial steering committee meeting.

4. Initial Scheme Budget Sheet	4. This contains planning and design costs and gives rise to the Scheme budget estimates of the project.
5. Cost Resource Plan & Minor Scheme Budget Sheet	5. The Cost Resource Plan was agreed between Galway County Council & Consultants. This gives the scope of the works agreed. The Minor Scheme Budget Sheet contains the estimates which are updated as requires.
6. Statutory Requirements	6. Part 8 Approval was sanctioned in October 2014 & relevant screening was carried for EIA purposes.
7. The construction contract was advertised on e tenders under ref 98009. Chief Executive Order no E701 dated 29/10/2015 refers to the appointment of Contractors.	7. Tender Assessment Report was completed. Approval from TII was obtained to award the contract.

Implementation Stage Construction Contract awarded on the 17th of November 2015	
1. Programme of Works/Conditions of Work	1. The Programme of Works contains timescales and budgets and is monitored by the Employer's Representative on site.
2. Monthly Progress Report/Financial statements	2. The project was tracked and appraised to the Steering Committee.
3. Cost Management Guidelines	3. This is a key document that dictates Conditions of Contract regarding stage/interim payments.
4. Certificate of Payments	4. The certs of payments issued from the Contractor on a monthly basis & the Site Representative approved the works for payments.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the N17 Carrownurlaur to Ballindine project. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
TII. Traffic Counter on route	Measures traffic flow	Report available from TII
Road Accident data	Records number and location of traffic accidents	Available from Gardaí/ RSA
Pavement Conditions Survey	Monitors the wear of the surface	Available from TII

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for N17 Carrownurlaur to Ballindine roads project based on the findings from the previous sections of this report.

From internal audits meetings and discussions with the project co-ordinator and other relevant engineers involved with the project we are of the opinion that there was satisfactory compliance with the standards set out in the public spending code.

The necessary data is available from the Galway National Roads Project Office should it be required for future evaluation of the project.

Notwithstanding that key documentation for the appraisal, planning and implementation of this project was in place it is internal audits opinion that the staff working with capital projects would benefit from periodic updates on public spending code training.

Quality Assurance – In Depth Check

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

Programme Information	
Name	Revenue service H -03 Administration Of Rates (Subservice H0302)
Detail	For the purpose of this exercise service division H03 was examined as the increase between 2015 and 2016 was €1,027,054.
Responsible Body	Galway County Council
Current Status	N/A
Start Date	Included in the 2016 adopted estimate
End Date	On the adoption of the 2017 estimate of expenditure
Overall Cost	The overall 2016 revenue expenditure as per the inventory was €103,997,155

Objectives	Inputs	Activities	Outputs	Outcomes
See below	See below	See below	See below	See below

Objectives:

The reason for the increase of €512,494 in rates write offs in 2016 was largely due to an additional strike off being done for Area 04. Area 04 had been left without a Revenue Collector from June 2013 to December 2013 due to the untimely death of the existing Revenue Collector. Consequently the strike offs at the end of 2013 were not sufficient and did not reflect the position on the ground. This situation carried forward through 2014 and 2015. In 2016 the decision was taken to do an extra strike off for this area mid-2016 to reflect the true situation. Secondly- due to the publication of the Bearing Point Report (2014), and the Debt Management Implementation Project (2016) all Local Authorities were encouraged by this Inter Departmental Board to ensure anything that needed to be struck off, was in fact struck off, as carrying uncollectable arrears created a false impression of the potential income due to the Local Authority

The rates bad debt provision was increased by €465,099 in 2016. The bad debt provision is reviewed each year to ensure the Council has adequate cover for doubtful debts.

Inputs:

- Decision making
- debt collection management and operation appraisal,

Activities:

- Consideration of rates strike off applications,
- Consideration of rate collector's annual schedules of uncollected rates.
- Decision and approval of strike offs
- Rate debt management and monitoring of controls and processes

Outputs:

- % Collection figures are more accurate
- Customer accounts are up to date.

Outcomes:

- Reduction in debtors figure and a more accurate % collection figure.
- Increase in rate collector morale and rate payers' confidence that they are valued by the council

- **Section B – Step 2 – Summary Timeline of Programme**

- At the end of December rate collectors prepare an annual schedule of uncollectable rates.
- The Head of Finance carries out an examination of the accounts for write off purposes and makes his decision on the information provided
- Schedules are prepared and signed by each Revenue Collector , Head of Finance and the County Secretary each year
- The amounts approved for strike off are then processed on the customer account.

Section B - Step 3: Analysis of Key Documents

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

Project/Programme Key Documents	
Title	**Details**
Schedule of uncollected rates for write off purposes	The schedules contain the reasons for write off and supporting documentation. All schedules were made available to Internal Audit and contained the necessary signatures of approval.
LG (Financial and Audit procedures) regulations 2014.	Section 26.1, 2 &3 refers to the schedule of uncollected rates.

Local Government Auditors 2015 Report	Section 3.1 of the report refers to the bad debt provision.
Appendix 7 of 2016 AFS	Rates account balances are reviewed to establish if they are uncollectable. This exercise is now part of Appendix 7 of the AFS. Following this is was agreed as a prudent measure to increase the bad debt provision within budget constraints.

Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Schedule of uncollected rates	Schedules and supporting documentation provides proof that the rates are uncollectable and this is what is required in law.	**Yes held in County Hall** Prospect Hill
Appendix 7 of the AFS	Appraisal of rates customers' accounts is undertaken in this regard and reported in Appendix 7 of the AFS following on from this the rates bad debt provision was increased as a prudent measure.	Details on the decision to increase the bad debt provision are available from the Financial Accountant / Head of Finance

Data Availability and Proposed Next Steps the required data is available at Galway County Council, County Hall, Prospect Hill, Galway.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions 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)

- **Yes**

- **It is good business practice to have adequate bad debt provision in recognition that monies owed may not be collectable.**

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

- **Yes**

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

- **Increase debt monitoring and debt management actions.**