



Comhairle Contae Thiobraid Árann
Tipperary County Council



Public Spending Code
Quality Assurance Report 2015
Submitted to National Oversight Audit Commission (NOAC)
May 2016

Certificate

This Annual Quality Assurance Report sets out Tipperary County Council's approach to completing the Quality Assurance requirements as set out in 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:



Joe MacGrath
Chief Executive
Tipperary County Council

Date:

30th MAY 2016.

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Introduction

Tipperary County Council has completed this Quality Assurance (QA) report as part of its on-going compliance with the Public Spending Code (PSC). The primary aim of the QA process is to establish the extent to which departments within the Local Authority are meeting the requirements outlined in the PSC.

The Quality Assurance Process contains five steps:

Step 1 - Draw up inventories of projects/programmes with a value in excess of €0.5m.

Step 2 - The Organisation should publish summary information on its website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.

Step 3 - Complete the 7 checklists contained in the PSC.

Step 4 - Carry out a more in-depth check on a sub set of projects/programmes from the Project Inventory based on the criteria set out within the Public Spending Code.

Step 5 - Complete a short summary report for the National Oversight and Audit Commission (NOAC).

This report addresses step 5 of the QA process.

Step 1: Inventory of Projects/Programmes

Appendix 1 sets out Tipperary County Councils Project Inventory detailing expenditure on Projects/Programmes with a value above €0.5m, categorised by Expenditure being considered, Expenditure being incurred and Expenditure recently ended. Only projects with expenditure matching these criteria are included in the Project Inventory.

All Directorates within Tipperary County Council were requested to compile a Project Inventory of relevant projects and programmes for the year under review, 2015.

Tipperary County Council identified a total of 105 current and capital projects with a total project value in the amount of €287.89m. These projects are split across expenditure being considered, being incurred and recently ended. The following tables provide a summary of the projects set out in Appendix 1:

Project Numbers	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
Expenditure Being Considered	3	0	0	28	1	0	32
Expenditure Being Incurred	41	7	0	11	1	0	60
Expenditure Recently Ended	0	0	0	11	2	0	13
Totals	44	7	0	50	4	0	105

Project Values	Revenue Expenditure	Capital Expenditure	Totals
	>€0.5m	>€0.5m	
Expenditure Being Considered	3.66	72.99	76.65
Expenditure Being Incurred	132.59	40.34	172.93
Expenditure Recently Ended	0	38.31	38.31
Totals	136.25	151.64	287.89

Note: Appendix 1 includes 51 revenue projects/programmes with a total value in the amount of €136.25m. The revenue figures included in Appendix 1 are based on Unaudited Annual Financial Statements.

Step 2- Published Summary of Procurements

The Quality Assurance process requires Tipperary County Council to publish all procurements in excess of €10m on our website. There were no procurements in excess of €10M during 2015 in Tipperary County Council therefore there were no projects required to be reported on our website. This report is published on Tipperary County Councils website at the following location:

<http://www.tipperarycoco.ie/finance>

The screenshot shows the website's header with contact information for Tipperary County Council, including phone numbers and email. Below the header is the council's logo and name in Irish and English. A navigation menu includes Home, Services, News, FAQs, Download it, Apply for it, Pay for it, and Municipal Districts. The main content area features a 'Finance' section with a list of links: View Adopted Budget 2015, How to make a Complaint/Query a Bill Received, Where do suppliers submit invoices and what information needs to be included?, Pay Bills/Fines Online, and Contact the Cash Office. A sidebar on the right contains a vertical menu with items: Budgets and Reports, Contacts and Staffing, Online Payments, Internal Audit, Accounts Payable, Rates Service, and Cash office. The 'FINANCE SECTION' text describes the council's financial management functions and lists tasks such as processing payments to suppliers.

Step 3- Checklists

Step 3 of the QA process requires the completion of 7 Checklists for the purpose of providing a self assessment overview of how compliant Tipperary County Council was with the Public Spending Code during 2015.

The checklists were completed by the spending Directorates and submitted to the Head of Finance, where they were compiled to create one of each of the 7 checklists representing Tipperary County Council's assessment of its compliance with the PSC.

The following checklists are set out in **Appendix 2** of this report:

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

The compiled responses from the completion of the 7 Checklists show a satisfactory level of compliance with the code. However there are areas that need improvement. Although there were no serious issues evident from the completion of the checklists, a greater appreciation of the requirements of the PSC throughout the various spending departments needs to be adopted through-out Tipperary County Council.

Step 4- In-depth Review of a Sub-set of Projects

Step 4 of the QA process requires Internal Audit to carry out an in-depth review of a sample of projects to ascertain Tipperary County Council's level of compliance with the Public Spending Code. Per the requirements of the PSC the value of the projects selected by Internal Audit for the in-depth review stage should be at least 5% of the total value of all projects on the Project Inventory. This minimum of 5% is an average over 5 years.

Internal Audit firstly selected 3 projects from the Project Inventory (**Appendix 1**) having regard to the value of the projects, the spending department within the Local Authority and the stage which the project was at during 2015 in order to have a good range of project types and scales to review.

A full report was completed by Internal Audit and submitted to the Chief Executive and Management Team of Tipperary County Council. Based on the review carried out by Internal Audit it appears that Tipperary County Council is broadly compliant with the Public Spending Code. **Appendix 3** sets out the Executive Summary of Internal Audits In-Depth Review.

A number of recommendations were highlighted as part of Internal Audits Review and will be address accordingly by Management.

Conclusion

This report sets out all the requirements of the QA process of the PSC.

In summary,

- A Project Inventory has been completed by Tipperary County Council for 2015;
- Any disclosures of procurements in excess of €10m have been published on Tipperary County Councils website;
- The 7 compliance checklists were compiled under the terms of the PSC. These checklists indicate that there is a satisfactory level of compliance with the Public Spending Code. As part of this process no serious concerns were raised of non-compliance with the PSC, however there are areas which need improvement;
- An in-depth review of a sample of projects has been completed. Where issues were noted, recommendations were made to address same; and
- This report has been prepared which sets out the QA requirements of the Public Spending code and will be published on Tipperary County Councils website on 31st May 2016.

Overall the QA process has provided Management of Tipperary County Council with reasonable assurance that the requirements of the PSC are being adhered to. However Management will need to ensure that Directorates have a greater appreciation of the requirements of the PSC. Full compliance with the PSC will need to be encouraged going forward. This will involve training on the requirements of the code where necessary and greater emphasis on the importance of compliance with the PSC will need to be communicated to relevant staff.

The annual internal audit plan for 2017 will place greater emphasis on Value for Money audits and procurement process across the various spending departments. In addition to this there is a full time Administrative Officer employed as a Procurement Officer who will be able to advise and assist spending Directors on all matters concerning procurement.

APPENDIX 1 – Inventory of Projects and Programmes over €0.5m – 2015

The following table sets out Tipperary County Councils Project Inventory detailing expenditure on Projects/Programmes with a value above €0.5m, categorised by expenditure being considered, expenditure being incurred and expenditure recently ended during 2015. Only projects with expenditure matching these criteria are included in the Project Inventory.

Tipperary County Council	Expenditure		being considered		Expenditure being incurred		Expenditure recently ended		
	Current	Capital Grant Schemes >	€0.5 - €5m	€5 - €20m	Capital Grant Schemes > €0.5m	Capital Projects	Current Expenditure	Capital Grant Schemes > €0.5m	Capital Projects
Housing & Building									
A01 Maintenance & Improvement of LA Housing Units							€7.56		
A02 Housing Assessment, Allocation & Transfer							€1.15		
A03 Housing Rent & Tenant Purchase Administration							€1.42		
A04 Housing Community Development Support							€0.70		
A06 Support to Housing Capital Prog							€2.08		
A07 RAS Programme							€10.94		
A08 Housing Loans							€0.67		
A09 Housing Grants							€2.45		
Window Replacement County Hall 2012									€0.56
BER Energy Efficiency Works LA Hses South Tipp 2015									€0.60
6 Houses Cabragh Bridge Thurles				€2.40					
Housing Acquisition Recoupable(11 Hses Thurles)									
10 Houses Glencarrick Roscrea				€1.60					€1.32
BER Energy Efficiency Works LA Hses South Tipp 2016				€4.88					

Tipperary County Council – Annual Quality Assurance Report 2015

Tipperary County Council	Expenditure being considered				Expenditure being incurred		Expenditure recently ended	
	Current	Capital			Current Expenditure	Capital Projects	Current Expenditure	Capital Projects
	> €0.5m	Capital Grant Schemes >	€0.5 - €5m	€5 - €20m	€20m plus	> €0.5m	> €0.5m	> €0.5m
Gorthahoe(5)			€1.10					
Borrisoleigh(12)			€2.10					
Templetouhy(6)			€1.10					
Borrisokane(8)			€1.70					
Carrick On Suir(6)			€1.10					
Fethard (10)			€1.30					
Cashel(10)			€1.30					
Clonmel(20)			€3.30					
Nenagh Infill(6)			€0.90					
Road Transportation and Safety								
B01 NP Road - Maint & Improvement						€0.91		
B02 NS Road - Maint & Improvement						€0.85		
B03 Regional Road - Maint & Improvement	€0.95					€9.41		
B04 Local Road - Maint & Improvement						€19.49		
B05 Public Lighting						€2.03		
B09 Car Parking						€1.77		
B10 Support to Roads Capital Prog						€2.11		
B11 Agency & Recoupable Services						€2.18		
Nenagh Traffic Management Plan			€0.85					
Borrisokane Surface Water Drainage								
R498 Road Realignment at Latteragh			€10.24					€0.85
R498 Minor Improvement Scheme at Knockaiton			€0.90					
Development Of Ormond Castle Bus Carpark Carrick			€0.65					

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Tipperary County Council	Expenditure being considered				Expenditure being incurred		Expenditure recently ended	
	Current	Capital Grant Schemes	Capital Projects	Capital	Current Expenditure	Capital Projects	Current Expenditure	Capital Projects
	> €0.5m	> €0.5m	€0.5 - €5m	€5 - €20m	> €0.5m	> €0.5m	> €0.5m	> €0.5m
Suir Island Carpark Development		€0.5m	€0.5 - €5m	€20m plus		€0.90		€0.56
Lismalin Bridge								
N24 Pvmnt Strength Tipp Town Davitt St			€0.75					
NS Traffic Calm-N74 Thomastown Southtipp								€0.76
Active Travel Towns Clonmel 2014-16 Stream 2						€1.00		
N24 Arrigans Boreen Realignment 2015								€1.52
Clonmel to Carrick-on-Suir Greenway						€1.90		
N74 Ballyhusty Realignment			€2.85					
Liberty Square Enhancement Thurles						€4.00		
Thurles Relief Road			€5.00					
Water Services								
C01 Water Supply					€7.28			
C02 Waste Water Treatment					€2.76			
C03 Collection of Water & Waste Water Charges					€1.03			
C05 Admin of Group & Private Installations					€0.67			
C06 Support to Water Capital Prog					€0.76			
Fethard RWSS - Mullabawn Spring upgrade works			€0.75					
Clonmel Regional Water Supply Scheme North Reservoir			€2.00					
Ardfinnan/Burncourt RWSS - Ballylooby Springs and Drumroe and Kilroe Reservoirs			€2.00					
Clonmel Regional Water Supply Scheme Watermain & Borehole Contract - Graigue						€2.14		
Nenagh Watermain Rehabilitation and Nenagh SS advanced network works						€3.50		
Nenagh SS wastewater treatment plant and network			€4.00					
Water Conservation Phase 3-Fethard Southtipp						€4.64		

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Tipperary County Council	Expenditure being considered			Expenditure being incurred		Expenditure recently ended	
	Current	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Projects	Current Expenditure	Capital Projects
	> €0.5m	> €0.5m	€5 - €20m	> €0.5m	> €0.5m	> €0.5m	> €0.5m
Newport Water Supply Scheme Stage 2 NTCC		€0.5m	€5 - €20m				€7.00
Thurles RWSS Contract No. 2 DBO			€12.27				
Burncourt & Fethard RWS Scheme Water Treatment Plants (Burncourt and Gortnapisha)					€12.36		
Thurles RWSS Contracts No. 1							€18.64
Development Management							
D01 Forward Planning						€1.17	
D02 Development Management						€1.91	
D03 Enforcement						€1.41	
D06 Community & Enterprise Function	€0.91					€2.40	
D09 Economic Development & Promotion						€2.55	
Miscellaneous Services: Development Strategy Fund			€0.81				
Miscellaneous Services: Development Strategy Fund			€0.52				
Questum Development							€3.00
Environmental Services							
E01 Landfill Operation & Aftercare						€1.92	
E02 Recovery & Recycling Facilities Operations						€0.98	
E05 Litter Management						€1.04	
E06 Street Cleaning						€1.56	
E07 Waste Regulations, Monitoring & Enforcement						€0.56	
E09 Maintenance of Burial Grounds						€1.43	
E10 Safety of Structures & Places						€0.59	

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Tipperary County Council	Expenditure being considered			Expenditure being incurred			Expenditure recently ended		
	Current	Capital		Current Expenditure	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects	
	> €0.5m	Capital Grant Schemes >	Capital Projects	> €0.5m	> €0.5m	> €0.5m	> €0.5m	> €0.5m	
	€0.5m	€0.5 - €5m	€5 - €20m	€20m plus					
€11 Operation of Fire Service					€7.42				
€12 Water Quality, Air & Noise Pollution					€0.69				
€14 Agency & Recoupable Services	€1.80								
Extension to Lisboney Burial Ground									
Donohill Landfill Rehabilitation						€1.40		€1.15	
Environmental Site Clearance		€2.00							
Refurbishment of Templemore Fire Station		€1.63							
Recreation and Amenity									
F01 Leisure Facility Operations					€2.30				
F02 Operation of Library & Archival Service					€2.97				
F03 Outdoor Leisure Areas Operations					€2.27				
F04 Community Sport & Recreational Development					€0.66				
F05 Operation of Arts Programme					€1.23				
F06 Agency & Recoupable Services					€0.95				
Nenagh Town Park and Leisure Centre Upgrade								€2.24	
Clonmel Sports Hub, Frank Drohan Road, Clonmel		€2.50							
Thurles Town Park								€2.50	
Agriculture, Education, Health and Welfare									
G04 Veterinary Service						€1.16			
G05 Educational Support Service						€1.08			

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Tipperary County Council	Expenditure being considered				Expenditure being incurred		Expenditure recently ended	
	Current	Capital		Current Expenditure	Capital Projects	Current Expenditure	Capital Projects	
	> €0.5m	Capital Grant Schemes >	Capital Projects	> €0.5m	> €0.5m	> €0.5m	> €0.5m	
	€0.5m	€0.5 - €5m	€5 - €20m	€20m plus				
[Insert other category/s if required]								
Miscellaneous Services								
H01 Profit & Loss Machinery Yard					€0.45			
H03 Administration of Rates					€7.36			
H09 Local Representation & Civic Leadership					€2.26			
H10 Motor Taxation					€1.59			
H11 Agency & Recoupable Services					€4.47			
John Higgins Site			€0.50				€0.60	
Clonmel Chamber/Cust Service Desk Works						€2.50		
Development of Town Centre Clonmel						€3.00		
Refurbishment and extension to the Library HQ at Castle Avenue,								
	€3.66	€0.00	€60.72	€12.27	€132.59	€0.00	€0.00	
				€0.00	€0.00	€40.34	€0.00	
							€38.31	

APPENDIX 2 – Checklists of Compliance

Checklist 1 – General Obligations not specific to Individual Projects or Programmes

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
Does the Local Authority ensure, on an ongoing basis that appropriate people within the authority and in its agencies are aware of the requirements of the Public Spending Code?	3	All information made available in respect of the PSC is circulated within the organisation to keep appropriate people fully informed.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	2	External National training has been arranged in 2016.
Has internal training on the Public Spending Code been provided to relevant staff?	2	Guidance document has been developed and circulated.
Has the Public Spending Code been adapted for the type of project/programme that your authority is responsible for? i.e. have adapted sectoral guidelines been developed?	3	Yes. A guidance document has been developed for the QA adapting the PSC to Local Government structures and approach.
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	No Projects relevant to the PSC
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Local Authority and to your agencies?	3	Any recommendations have been circulated to all directorates for review and information for future projects.
Have recommendations from previous Quality Assurance exercises been acted upon?	3	Recommendations have been circulated to the directorates and acted upon where appropriate
Has an annual Public Spending Code Quality Assurance Report been submitted to NOAC (National Oversight and Audit Commission)?	3	Yes – Report submitted
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	3	Required Sample reviewed in accordance with Step 4
Has the Chief Executive signed off on the information to be published to the website?	3	Yes. CE has signed off

Checklist 2 – Capital Expenditure Being Considered

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	Only one project in this category.
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	In conjunction with other bodies for Expenditure > €5m
Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No projects > €20m
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes
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	Approval required to enable future grant draw downs.
If a CBA/CEA was required was it submitted to DP&ER (CEEU) for their views?	N/A	N/A for 2015
Were the NDFA Consulted for projects costing more than €20m?	N/A	N/A for 2015
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
Was approval granted to proceed to tender?	3	Where required approval was granted.
Were Procurement Rules complied with?	3	
Were State Aid rules checked for all supports?	N/A	Not applicable to Local Government
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes
Were Performance Indicators specified for each project/programme that will allow for the evaluation of its efficiency and effectiveness?	2	Each project that went to tender would have detailed specifications and timelines
Have steps been put in place to gather Performance Indicator data?	2	Project leaders expected to monitor progress compared to initial targets

Checklist 3 – Current Expenditure Being Considered

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were objectives clearly set?	3	Yes. Spending Programme Defined as part of the 2016 Annual Budget Process for 3 services where current expenditure being considered.
Are objectives measurable in quantitative terms?	3	National KPIs are in place for Local Government
Was an appropriate appraisal method used?	3	KPIs are established each year for specific services
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	3	Two services were expansion of existing service, one new service was as a result of successful tender process to pilot a Shared Service on behalf of Local Authorities
Has an assessment of likely demand for the new scheme/ scheme extension been estimated based on empirical evidence?	3	Considered as part of the 2016 Budget process. Business case resulted in new Shared Service pilot. The development of the Annual Service Plans will enhance this measurement.
Was the required approval granted?	3	Approved as part of 2016 Budget Process
Has a sunset clause been set?		Shared Service on 5 year pilot basis with annual review.
Has a date been set for the pilot and its evaluation?	3	Yes annual review
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	3	Yes for Shared Service
If outsourcing was involved were Procurement Rules complied with?	3	Where applicable
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	3	National KPIs are in place for Local Government
Have steps been put in place to gather Performance Indicator data?	3	Where National KPIs are in place for Local Government

Checklist 4 – Incurring Capital Expenditure

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a contract signed and was it in line with the approval in principle?	3	Yes where appropriate
Did management boards/steering committees meet regularly as agreed?	3	Relevant teams within departments met on regular basis
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	Staff at the appropriate level given responsibility for specific projects.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	Staff at the appropriate level given responsibility for specific projects
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	2	Monitored v Budgets and timelines in most cases.
Did the project keep within its financial budget and its time schedule?	2	In most cases
Did budgets have to be adjusted?	3	Yes adjusted where required up / down
Were decisions on changes to budgets / time schedules made promptly?	3	Yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	No	
If circumstances did warrant questioning the viability of a project, was the project subjected to adequate examination?	N/A	
If costs increased, was approval received from the Sanctioning Authority?	3	To enable grant draw downs.
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	No	
For significant projects were quarterly reports on progress submitted to the MAC (Mgt Team) and to the relevant Department?	3	Updates to Mgt Team and Council Meetings at regular intervals.

Checklist 5 – Incurring Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	Yes. Spending Programme Defined as part of the Annual Budget Process
Are outputs well defined?	3	National KPIs are in place for Local Government
Are outputs quantified on a regular basis?	3	KPIs are established each year for specific services
Is there a method for monitoring efficiency on an ongoing basis?	3	Yes Budget performance and monitoring is in place throughout the year.
Are outcomes well defined?	2	The development of the Annual Service Plans will enhance this measurement.
Are outcomes quantified on a regular basis?	2	The development of the Annual Service Plans have enhanced this measurement.
Are unit costings compiled for performance monitoring?	2	Where National KPIs are in place for Local Government
Is there a method for monitoring effectiveness on an ongoing basis?	3	As part of the Annual Budget process.
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?		VFM part of Audit Programme in Local Authorities
How many formal VFMs/FPAs or other evaluations have been completed in the year under review?	3	National KPIS in place for Local Government.
Have all VFMs/FPAs been published in a timely manner?		Not clear on relevance to Local Government.
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?		Not clear on relevance to Local Government.
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?		Not clear on relevance to Local Government.

Checklist 6 – Capital Expenditure Completed

Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
How many post project reviews were completed in the year under review?		13 Projects completed in 2015, One project review completed. Two water projects will be reviewed by Irish Water. Reviews on most of the other projects will be completed in 2016 – not enough time elapsed in some cases.
Was a post project review completed for all projects/ programmes exceeding €20m?	N/A	N/A
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?	2	For some projects this is the case, with reviews expected to be completed in 2016.
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?		Yes where applicable
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?		Yes where applicable
Were project reviews carried out by staffing resources independent of project implementation?		No

Checklist 7 – Current Expenditure at end of planned timeframe or 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
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	No programmes relevant to PSC in 2015
Did those reviews reach conclusions on whether the programmes were effective?	N/A	No programmes relevant to PSC in 2015
Did those reviews reach conclusions on whether the programmes were efficient?	N/A	No programmes relevant to PSC in 2015
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	No programmes relevant to PSC in 2015
Were any programmes discontinued following a review of a current expenditure programme?	N/A	No programmes relevant to PSC in 2015
Was the review commenced and completed within a period of 6 months?	N/A	No programmes relevant to PSC in 2015

Notes:

(a) The scoring mechanism for the above tables is set out below:

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

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

(c) The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of CBAs, VFMs/FPAs and post project reviews.

APPENDIX 3 – Executive Summary of Internal Audits In-depth Review

Executive Summary

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 (PSC) obligations.

As a result of the above requirement, Internal Audit were responsible for carrying out an in-depth review of a sample of projects to ascertain Tipperary County Council's (TCC) level of compliance with the Code. Per the requirements of the PSC the value of the projects selected by Internal Audit for the in-depth review stage should be at least 5% of the total value of all projects on the Project Inventory.

The total value of the project inventory was estimated at €287.89m. The projects selected by Internal Audit for review totalled €23.6m which equates to 8.2% of the total inventory.

Project 1

This capital project relates to a proposed project to construct 20 houses at Gortmalogue, Glenconnor Road, Clonmel. The estimated cost of this project is €3.3m. During 2015 this project was being considered and as a result Internal Audit reviewed the appraisal process and the planning and design stage of the project. Based on Internal Audits review of this project it appears that there was adequate compliance with the PSC.

Project 2

The project is estimated to cost €18.7m and is categorised as “recently ended” on 2015's project inventory. The project provided for the construction of a new water supply scheme to serve the greater Thurles area. This was a traditionally procured contract to provide for the construction of an extensive water storage and distribution network serving Thurles, Holycross, Borrisoleigh and a substantial regional area.

Based on Internal Audits review it appears that there was adequate compliance with the Public Spending Code. From Internal Audits review of the files and through discussion with those involved in the project Internal Audit are satisfied that the project was adequately appraised and planned and that the project was adequately managed and monitored until such

time as Irish Water assumed responsibility for North Tipperary County Council’s capital water projects.

However Internal Audit recommends the following:

1. During each stage of a projects life cycle Management need to ensure that all processes and decisions are well documented and filed appropriately for audit trial purposes. This would assist in validating if the various requirements of the Public Spending Code were adhered to.
2. Management should ensure that all staff are made aware of the requirements of the Public Spending Code and provide training where necessary to ensure all employees are informed and aware of the importance of operating good practices at all stages of the expenditure life cycle.

Project 3

The project is estimated to cost €1.6m and is categorised as “being consider” on 2015’s project inventory. This project will provide for an extension to the existing fire station in Templemore, incorporating additional training yard space with a view to providing a training tower.

Based on the above information and the supporting documentation on file Internal Audit concluded that there is adequate compliance with the requirements of the Public Spending Code in relation to this project. However in the absence of an independent valuation of the purchased site it is not possible to provide assurance that value for money was obtained in respect of the site purchase.

As set out earlier in this report, Internal Audit recommend that Management should ensure that all staff are made aware of the requirements of the Public Spending Code and provide training where necessary to ensure all employees are informed and aware of the importance of operating good practices at all stages of the expenditure life cycle.



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