



# **Kildare County Council**

## **PUBLIC SPENDING CODE**

### **Quality Assurance Report for 2018**

**To be submitted to the**

**National Oversight and Audit Commission (NOAC)**

## **Certification**

This Annual Quality Assurance Report sets out the position in relation to Kildare County Council's assessment of its compliance with the Public Spending Code. It is based on the best financial and organisational information available at the time of publication of the report.

**Signature of Accounting Officer:**



**Mr. Peter Carey  
Chief Executive  
Kildare County Council**

**Date:**

29<sup>th</sup> May 2019

## Introduction

Kildare County Council has completed this Annual Quality Assurance Report as part of its on-going compliance with the Public Spending Code. The purpose of this report is to present the results of each of the five steps in the Quality Assurance exercise and to report on compliance with the requirements of the Public Spending Code as established during this exercise.

The **Public Spending Code**<sup>1</sup> brings together in one place details of the obligations that those responsible for spending public money are obliged to adhere to as well as guidance material on how to comply with the obligations outlined. The Public Spending Code applies to both Capital and Current expenditure. The Code sets out to explain what is required of public service managers at different points of the expenditure lifecycle and offers advice on how to fulfil those requirements. All Government Departments and public bodies and all bodies in receipt of public funding must comply, as appropriate, with the relevant requirements of the Public Spending Code.

## Quality Assurance Procedure

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.

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<sup>1</sup><http://publicspendingcode.per.gov.ie/>

The Quality Assurance process contains five steps:

<b>Step 1</b>	Draw up an Inventory of projects/programmes under three categories; expenditure being considered, expenditure being incurred and expenditure recently ended. The inventory should include all projects/programmes over €0.5 million.
<b>Step 2</b>	Publish Summary information on Kildare County Council's website of procurements in excess of €10 million.
<b>Step 3</b>	Complete the checklists (7) contained in the Public Spending Code.
<b>Step 4</b>	Carry out a more in-depth check on a small number of selected projects / programmes.
<b>Step 5</b>	Complete summary report for NOAC and Kildare County Council's website.

## Step 1 – Project Inventory

Kildare County Council's Project Inventory is included in Appendix A.

The inventory of Expenditure on Projects/Programmes with a value above €0.5 million is categorised as follows;

Category 1 – Expenditure being considered

Category 2 – Expenditure being incurred

Category 3 – Expenditure recently ended

Kildare County Council's inventory contains 118 projects/programmes with a total value of \*€636,775,009

\*NOTE:- Following a review of Version 3 of the Guidance Note and having regard to the methodology used by other Local Authorities, it was agreed that the methodology for creating the Inventory should be changed from 2016 onwards to reflect the "life time costs" of capital projects, i.e. the total cost of the project including land costs, consultants fees and contract costs.

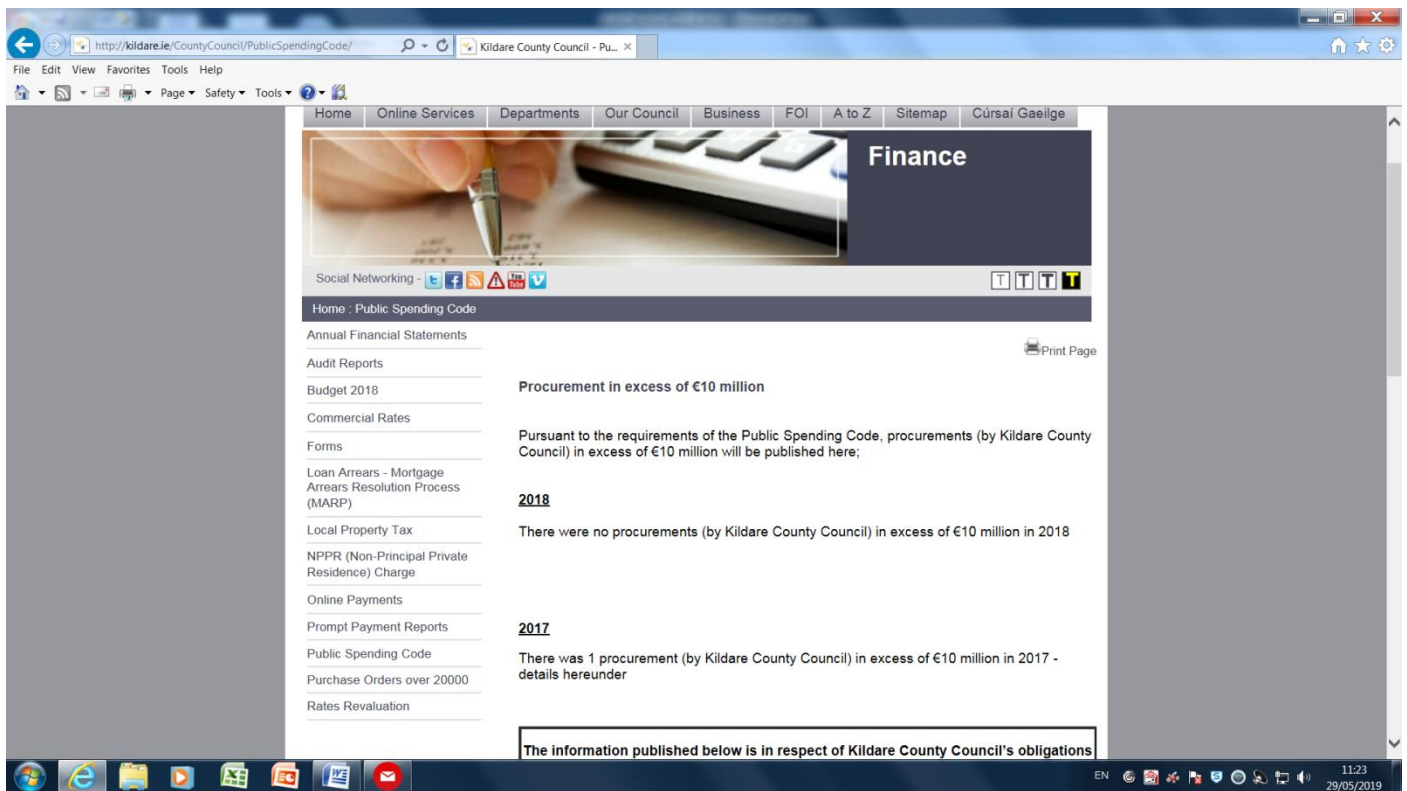
It should be noted that Irish Water became responsible for water services on 1<sup>st</sup> January 2014 (Water Services (No. 2) Act 2013). There is some water services expenditure in the "expenditure being incurred" table of the project inventory as Kildare County Council acts as an agent for Irish Water in accordance with a service level agreement. Irish Water is subject to its own financial governance framework and subject to oversight by the Commission for Energy Regulation.

## Step 2 – Publish summary information on all procurements in excess of €10 million

Kildare County Council has established a section on its website in order to publish summary information of all procurements in excess of €10 million.

Listed below is the link to this publication page and an illustration of its location.

<http://kildare.ie/CountyCouncil/PublicSpendingCode/>



The screenshot shows a web browser window displaying the Kildare County Council website. The address bar shows the URL <http://kildare.ie/CountyCouncil/PublicSpendingCode/>. The page features a navigation menu with links to Home, Online Services, Departments, Our Council, Business, FOI, A to Z, Sitemap, and Cúrsaí Gaeilge. A prominent banner for 'Finance' is visible, along with social media icons. The main content area is titled 'Home : Public Spending Code' and includes a 'Print Page' button. The page is organized into a table with two columns: a list of links on the left and corresponding text on the right.

	Procurement in excess of €10 million
Annual Financial Statements	
Audit Reports	
Budget 2018	
Commercial Rates	
Forms	
Loan Arrears - Mortgage Arrears Resolution Process (MARP)	
Local Property Tax	
NPPR (Non-Principal Private Residence) Charge	
Online Payments	
Prompt Payment Reports	
Public Spending Code	
Purchase Orders over 20000	
Rates Revaluation	
	<b>2018</b>
	Pursuant to the requirements of the Public Spending Code, procurements (by Kildare County Council) in excess of €10 million will be published here;
	<b>2018</b>
	There were no procurements (by Kildare County Council) in excess of €10 million in 2018
	<b>2017</b>
	There was 1 procurement (by Kildare County Council) in excess of €10 million in 2017 - details hereunder

The information published below is in respect of Kildare County Council's obligations

### **Step 3 – Checklist Completion**

There are seven checklists to be completed and they are as follows;

Checklist 1 - General Obligations not specific to individual projects/programmes

Checklist 2 – Capital Expenditure being considered

Checklist 3 – Current Expenditure being considered

Checklist 4 – Capital Expenditure being incurred

Checklist 5 – Current Expenditure being incurred

Checklist 6 – Capital Expenditure completed

Checklist 7 – Current Expenditure completed

A full set of checklists (1-7) was completed by Kildare County Council and is set out in Appendix B.

## Step 4 – In-depth Check

The Internal Audit (IA) Unit of Kildare County Council was assigned the task of completing the in-depth check. The guidance document states Internal Audit is required to carry out an in-depth check of 5% of the total of all capital projects on the project inventory over the 3 year period 2016-2018.

The Public Spending Code Capital projects reviewed over the 3 year period were:

2016 – Leinster Bridge Rehabilitation - €5m

2017 – NRO M7 Osberstown Interchange & R407 Sallins Bypass - €55m

2018 – Athy Community Library Capital Project - €4M

On this basis, Internal Audit has covered the required 5% three year quota.

Under guidelines introduced in 2017, we are also required to carry out an in depth check of 1% of Revenue expenditure. This quota has also been covered.

The total value of Kildare County Council's 2018 project inventory was just under €637 million and the projects selected for an in-depth check were as follows:

<b>Revenue Project Selected for In-Depth Check</b>	
Project 1: Provision of Public Lighting – 2018 Programme	
Value of Revenue Project selected	€3.7 m
Total Value of Revenue Projects in Project Inventory	€154,857,734
% of the total value of all Revenue Projects in the Project Inventory	2.4%
<b>Capital Projects Selected for In-Depth Check</b>	
Project 2: Athy Community Library Project	
Value of Capital Project selected	€4 m
Total Value of Capital Projects in Project Inventory	€481,917,275
% of the total value of all Capital Projects on the Project Inventory	0.83%



## **Project 1    Provision of Public Lighting – 2018 Programme (Current Expenditure)**

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

Kildare County Council is responsible for the provision and maintenance of public lighting throughout the County of Kildare. The local authority provides approximately 26,000 public lights throughout the county. Approximately 75% of the total expenditure in 2018 related to energy costs, maintenance and repairs. Both of these services were procured either through a National Framework Agreement or through a nationally advertised tendering process and were conducted in accordance with Kildare County Council's procurement procedures. Current contracts are in place with service providers. Data and information is readily available to monitor expenditure and the performance of the contractors.

This in–depth check of the Public Lighting Programme 2018 demonstrates that Kildare County Council is fulfilling its obligations under the Public Spending Code.

### **Audit Opinion**

It is the opinion of Internal Audit that the Public Lighting Programme is in substantial compliance with the Public Spending Code

## **Project 2: Athy Community Library Project (Capital Expenditure)**

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

Kildare County Council proposed to redevelop and radically refurbish the unique building of the Dominican Church in Athy, as a high quality, modern and accessible facility incorporating the best in library design. The 937 sq.m floor area (almost double the existing library's footprint) offered by this building, was ideally placed in the centre of Athy to offer an accessible and welcoming cultural space with ample parking for both cars and school / tour buses. It was a high profile location off the main street of Athy and offered an opportunity to meet a community need in an area of socio economic disadvantage.

Physical access into and throughout the building is of the highest standards and was informed by the Council's ongoing learning from its engagement with the disability sector, both statutory and voluntary. The project combines the architectural heritage value of the original building with new contemporary interior architecture and community enhancing layouts. The external context juxtaposes with bespoke interior library redesign delivers a landmark statement about the importance of quality cultural space and resources, and the role it will play in the lives of rural and more urban communities in the South County Kildare Region. It enhances the social / cultural / economic regeneration of the town of Athy providing services and opportunities which sustain and nourish community cultural living. Cultural consciousness, civic engagement, life-long learning, enterprise development support and community participation will be promoted through services, resources and spaces focused throughout the library zones.

The architect led design team was procured using a Framework Agreement; Mini-Tender Competition. The main Contractor was procured using the restricted procedure 2 stage competition on eTenders. A number of eTenders competitions were held for the procurement of library furniture, a specialist contractor for the conservation and repair of existing stained glass windows, provision of 'My Open Library Service' and a specialist contractor for the provision of RFID system. The tender processes were conducted in accordance with Kildare County Council's procurement procedures. There is documentary evidence to verify that tenders were advertised and assessed in accordance with the relevant legislation. Chief Executive Orders were signed in accordance with procedures. There is documentary evidence of agendas and minutes of regular meetings that were held throughout the project. The meetings included representatives from KCC.

## **Audit Opinion**

It is the opinion of Internal Audit that the Athy Community Library Project is in substantial compliance with the requirements of the Public Spending Code. There was a robust system of risk management, control and governance in place throughout the project and key milestones and objectives were met on an ongoing basis. There is a clear audit trail and documentary back-up on file. The project was carried out efficiently and effectively and the objectives of the Scheme were on schedule. While there were additional costs incurred over the tender price, there were also reductions made where possible to keep within the budget. All the extra and reduced costs were documented through change orders

**Note:-** Quality Assurance – In Depth Check reports are attached in full in Appendix C

## **Step 5 – Summary Report for NOAC and Kildare County Council’s website**

This report has set out all of the Quality Assurance requirements of the Public Spending Code and has confirmed that Kildare County Council is in compliance with said requirements.

With respect to each of the required steps:

- A project inventory has been prepared outlining the various projects/programmes (capital and revenue) that were being considered, being incurred or recently ended; within the 2017 financial year.
- Information relating to procurements over €10 million has been published on Kildare County Council’s website.
- The 7 checklists have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code.
- In-depth checks have been completed and it has confirmed that there is substantial compliance with the Public Spending Code.
- A summary report has now been completed and certified by the Accounting Officer / Chief Executive of Kildare County Council. The summary report has also been published on Kildare County Council’s website and returned to NOAC.

As 2014 was the first year that this Quality Assurance process applied to Local Authorities there have been opportunities for relevant staff to gain experience and knowledge in relation to the Public Spending Code and the obligations it places on the spending of public monies. It has been possible to learn from the process completed in previous years and the feedback from NOAC in order to ensure that the 2018 Quality Assurance Report meets all requirements.

Finally I can confirm that this Quality Assurance exercise has provided reasonable assurance to the management of Kildare County Council that there is satisfactory compliance with the Public Spending Code.

**APPENDIX A**  
**PROJECT INVENTORY 2018**

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Old Greenfield Maynooth				€12,341,350.00								
Athgarvan Road, Newbridge Hsg Units												€ 4,127,296.00
Dunmurray Rise Hsg Units Bishopsland Kildare										€ 8,855,975.00		
Houses Upgrade Other Costs										€ 2,800,589.00		
2018 House Purchase										€ 49,011,915.00		
Part V House Purchase										€ 6,043,197.00		
CAS Apt Purchase St. John of God Housing Assoc										€ 541,956.00		
CAS - PMVT 1-10 Drenningstown Ct Newbridge										€ 1,250,000.00		
<b>Road Transportation and Safety</b>												
TII Network Annual Allocation			€ 2,000,000.00									
Naas Inner Relief Rd (Blessington Rd -Dublin Rd)				€10,000,000.00								
Maynooth Ring Road				€14,500,000.00								
Access to South Green Kildare Town				€17,000,000.00								
Relocate Machinery Yard			€ 2,500,000.00									
Dublin Road, Naas			€ 3,000,000.00									
Royal Canal Cycle Track (Maynooth - Dublin)			€ 2,000,000.00									
Maynooth North South Scheme			€ 2,000,000.00									
Moyglare Road Improvement, Maynooth			€ 3,500,000.00									
Emergency Road Fund			€ 600,000.00									
Traffic Studies			€ 975,000.00									
Craddockstown Rd/Ballycane Rd Junct Improv			€ 538,000.00									
Improvement of Ladytown Junction			€ 3,000,000.00									
Kilcullen Industrial Estate Rd			€ 1,100,000.00									
Emily Square, Athy			€ 970,000.00									
Poplar Square, Naas			€ 2,000,000.00									
Outstanding Land Acquisitions			€ 1,500,000.00									
Regional Road - Maintenance & Improvement								€ 7,438,153.00				
Local Road - Maintenance & Improvement								€ 16,755,214.00				
Public Lighting								€ 5,101,932.00				
Traffic Management Improvement								€ 1,138,921.00				
Road Safety Promotion/Education								€ 654,012.00				
Maintenance & Management of Car Parking								€ 2,814,725.00				

Support to Roads Capital Programme						€ 4,374,153.00						
NRO Naas Newbridge By-Pass Upgrade								€ 55,000,000.00				
NRO M7 Osbertstown I/Change & Sallins ByPass								€ 55,000,000.00				
NRO Post 2012 Admin Costs								€ 2,212,096.00				
NRO Kildare MIU Cap Balances								€ 778,309.00				
NRO Leinster Bridges Cont 2 Rehab											€ 2,916,171.00	
NRO Leinster Bridges Cont 1 Rehab											€ 2,167,530.00	
NRO Wexford Bridges Rehab											€ 1,322,009.00	
TII Athy Distributor Road								€ 35,000,000.00				
Naas Devoy Link Road											€ 531,664.00	
NRA N81 Pavement Resurface											€ 838,561.00	
Royal Canal Greenway Maynooth - Westmeath								€ 4,500,000.00				
Naas Corbans & Friary Improv Scheme											€ 12,000,000.00	
NTA VRU Improvements Maynooth											€ 4,400,000.00	
<b>Water Services</b>												
Operation and Maintenance of Water Supply						€4,557,761.00						
Operation and Maintenance of WW Treatment						€4,697,308.00						
Support to Water Capital Programme						€934,063.00						
Morell Surface Water Scheme				€ 7,500,000.00								
Clane Surface Water Scheme			€ 695,833.00									
Maynooth Surface Water Scheme			€ 539,681.00									
Newbridge Surface Water Scheme			€ 845,739.00									
Athy Surface Water Scheme			€ 784,000.00									
Minor Works			€ 1,409,400.00									
MD Schemes			€ 1,008,663.00									
<b>Development Management</b>												
Celbridge/Leixlip Comm Facilities			€ 865,203.00									
Kildare MD Comm Facilities			€ 850,209.00									
Naas MD Comm Enrichment			€ 600,000.00									
Economic Hub			€ 4,000,000.00									
Forward Planning						€ 1,546,073.00						
Development Management						€ 5,442,205.00						



Enforcement					€ 898,270.00						
Community & Enterprise Function					€ 3,938,441.00						
Unfinished Housing Estates					€ 834,912.00						
Economic Development & Promotion					€ 3,210,054.00						
Heritage and Conservation Services					€ 602,340.00						
<b>Environmental Services</b>											
Operation, Maintenance & Aftercare of Landfill					€ 1,070,663.00						
Litter Management					€ 1,549,878.00						
Street Cleaning					€ 2,720,335.00						
Waste Regs, Monitoring & Enforcement					€ 3,669,521.00						
Maintenance & Upkeep of Burial Grounds					€ 1,050,387.00						
Safety of Structure and Places					€ 704,763.00						
Operation of Fire Service					€ 5,708,609.00						
Fire Prevention					€ 564,297.00						
Water Quality, Air and Noise Pollution					€ 1,304,086.00						
Kerdiffstown Landfill Remediation (Consol.)							€ 55,000,000.00				
Northern Civic Amenity			€3,000,000.00								
Legacy Landfill			€1,850,000.00								
Maynooth Fire Station			€500,000.00								
Churchtown Cemetery Extension					€ 777,000.00						

<b>Recreation and Amenity</b>												
Athy Community Library								€ 4,000,000.00				
Operation & Maintenance of Leisure Facilities						€ 926,599.00						
Operation of Library and Archival Service						€ 7,491,452.00						
Op. Mtce & Imp of Outdoor Leisure Areas						€ 1,632,709.00						
Community Sport and Recreational Development						€ 1,211,274.00						
Operation of Arts Programme						€ 841,249.00						
Development of Bawnogues Amenity Lands								€900,000.00				
<b>Agriculture, Education, Health and Welfare</b>												
Veterinary Service						€ 865,115.00						
<b>Miscellaneous Services</b>												
Administration of Rates						€ 7,522,888.00						
Local Representation / Civic Leadership						€ 6,865,723.00						
Motor Taxation						€ 1,271,733.00						
Agency & Recoupable Services						€ 640,172.00						
Machinery Capital Account								€1,241,781.00				
	€ -	€ -	€ 63,014,174.00	€85,769,790.00	€ -	€154,857,734.00	€ -	€301,065,024.00	€ -	€ -	€ 32,068,287.00	

118 projects/programmes

Total Value

€636,775,009.00

**APPENDIX B**

**CHECKLISTS OF COMPLIANCE**

<b>Checklist 1: – to be completed in respect of general obligations not specific to individual projects/programmes</b>		
<b>General Obligations not specific to individual projects/programmes</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Discussion/Action Required</b>
1.1 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 (incl. through training)?	3	Yes – all budget holders informed / made aware of the requirements of the PSC
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	3	Yes
1.3 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 note for Local Authorities has been developed, reviewed and updated to take account of feedback from NOAC
1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	In 2018 there were no agencies that were in receipt of funds in excess of €500,000. This situation will continue to be monitored
1.5 Have recommendations from previous QA reports (incl. spot-checks) been disseminated, where appropriate, within the local authority and to agencies?	3	Yes
1.6 Have recommendations from previous QA reports been acted upon?	3	Yes
1.7 Has an annual Public Spending Code QA Report been certified by the local authority's Chief Executive, submitted to NOAC and published on the authority's website?	3	Yes – report submitted and published
1.8 Was the required sample of projects/programmes subjected to a more in-depth checking as per Step 4 of the QAP?	3	Yes – Required sample subjected to in-depth checking
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.	N/A	Not applicable
1.10 How many formal Post Project Review evaluations have been completed in the year under review?	N/A	Not applicable
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post Project reviews?	N/A	Not applicable
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	N/A	Not applicable

<b>Checklist 2: – to be completed in respect of capital projects/programmes &amp; capital grant schemes that were under consideration in the past year.</b>		
<b>Capital Expenditure being considered - Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
2.1 Was a Preliminary Appraisal undertaken for all projects > €5m	3	Yes
2.2 Was an appropriate appraisal method used in respect of each capital projects or capital programmes/grant schemes?	3	Yes – in conjunction with the relevant Government body/agency
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	There were no projects exceeding €20 million
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes – in conjunction with the relevant government body/agency
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 – approval would be required in order to secure (grant) funding from the relevant government body/agency.
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	N/A	There were no projects which required a CBA/CEA
2.7 Were the NDFA Consulted for projects costing more than €20m?	N/A	No such projects
2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	N/A	No such projects
2.9 Was approval granted to proceed to tender?	N/A	No such projects
2.10 Were Procurement Rules complied with?	N/A	No such projects
2.11 Were State Aid rules checked for all supports?	N/A	Not applicable to Local Government Sector
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	N/A	No such projects
2.13 Were Performance Indicators specified for each project/programme that will allow for a robust evaluation at a later date?	N/A	No such projects
2.14 Have steps been put in place to gather Performance Indicator data?	N/A	Not applicable

**Checklist 3: - To be completed in respect of new current expenditure under consideration in the past year**

<b>Current Expenditure being considered - Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
3.1 Were objectives clearly set out?	N/A	Not applicable
3.2 Are objectives measurable in quantitative terms?	N/A	Not applicable
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	No such projects
3.4 Was an appropriate appraisal method used?	N/A	Not applicable
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	No such projects
3.6 Did the business case include a section on piloting?	N/A	Not applicable
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	Not applicable
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	Not applicable
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	Not applicable
3.10 Has an assessment of likely demand for the new scheme / scheme extension been estimated based on empirical evidence?	N/A	Not applicable
3.11 Was the required approval granted?	N/A	Not applicable
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	Not applicable
3.13 If outsourcing was involved were procurement rules complied with?	N/A	Not applicable
3.14 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?	N/A	Not applicable
3.15 Have steps been put in place to gather performance indicator data?	N/A	Not applicable

<b>Checklist 4:</b> - To be completed in respect of capital projects/programmes & capital grant schemes incurring expenditure in the year under review.		
<b>Incurring Capital Expenditure</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
4.1 Was a contract signed and was it in line with the approval in principle?	3	Yes, where appropriate
4.2 Did management boards/steering committees meet regularly as agreed?	3	Yes, where appropriate
4.3 Were Programme Co-ordinators appointed to co-ordinate implementation?	3	Yes, in most cases internal project/programme co-ordinators were put in place
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	Yes, in most cases internal project/programme co-ordinators were put in place
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Progress was reported on a regular basis in most cases – formally and informally
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes in most cases – variations from the original budgets and timescales were agreed with the relevant government body/agency
4.7 Did budgets have to be adjusted?		Yes – up and down
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)	N/A	No
4.10 If circumstances did warrant questioning the viability of a project, was the project subjected to adequate examination?	N/A	Not applicable
4.11 If costs increased, was approval received from the Sanctioning Authority?	3	Yes – approval would be required in order to draw down (grant) funding from the relevant government body/agency
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?	N/A	No

**Checklist 5:** - To be completed in respect of current expenditure programmes including expenditure in the year under review

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes – spending programme defined as part of the Annual Budget process
5.2 Are outputs well defined?	1	Not relevant to all services / departments. National KPIs are in place for some services in the Local Government Sector.
5.3 Are outputs quantified on a regular basis?	1	Not relevant to all services / departments. Regular budget performance and monitoring is in place
5.4 Is there a method for monitoring efficiency on an ongoing basis?	1	Yes; budget performance and monitoring is in place
5.5 Are outcomes well defined?	1	The development of the Annual Service Plans will enhance this measurement
5.6 Are outcomes quantified on a regular basis?	1	The development of the Annual Service Plans will enhance this measurement
5.7 Are unit costings compiled for performance monitoring?	1	In some instances and where possible
5.8 Is other data compiled for performance monitoring	1	In some instances and where possible
5.9 Is there a method for monitoring effectiveness on an ongoing basis?	1	In some instances and where possible
5.10 Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	N/A	Not applicable

Evaluation proofing involves checking to see if the required data is being collected so that when the time comes a programme/project can be subjected to a robust evaluation. If the data is not being collected, then a plan should be put in place to collect the appropriate indicators to allow for the completion of a robust evaluation down the line.



**Checklist 6:** - to be completed in respect of capital projects/programmes & capital grant schemes discontinued and/or evaluated during the year under review

<b>Capital Expenditure Completed</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
6.1 How many post project reviews were completed in the year under review?	N/A	No projects relevant to the PSC in 2018
6.2 Was a post project review completed for all projects/ programmes exceeding €20m?	N/A	No projects relevant to the PSC in 2018
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	No projects relevant to the PSC in 2018
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirements to review 5% (Value) of all other projects adhered to?	1	Yes
6.5 If sufficient time has not elapsed to allow a proper assessment, has a post project review been scheduled for a future date?	N/A	No projects relevant to the PSC in 2018
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (or other relevant bodies)	N/A	No projects relevant to the PSC in 2018
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	N/A	No projects relevant to the PSC in 2018
6.8 Were project reviews carried out by staffing resources independent of project implementation?	N/A	No projects relevant to the PSC in 2018

**Checklist 7:** - to be completed if 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 the PSC in 2018
7.2 Did those reviews reach conclusions on whether the programmes were effective?	N/A	No programmes relevant to the PSC in 2018
7.3 Did those reviews reach conclusions on whether the programmes were efficient?	N/A	No programmes relevant to the PSC in 2018
7.4 Have the conclusions reached been taken into account in related areas of expenditure?	N/A	No programmes relevant to the PSC in 2018
7.5 Were any programmes discontinued following a review of a current expenditure programme	N/A	No programmes relevant to the PSC in 201
7.6 Were reviews carried out by staffing resources independent of project implementation?	N/A	No programmes relevant to the PSC in 2018
7.7 Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	No programmes relevant to the PSC in 2018

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.

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

**APPENDIX C**

**IN-DEPTH CHECKS**



Kildare County Council,  
Internal Audit Unit  
Áras Chill Dara, Devoy Park  
Naas, Co. Kildare

Audit : Public Spending Code – Revenue  
Audit No: 2019.2

Internal Audit Unit

Kildare County Council

## 19.2 Public Spending Code

### In Depth Check 2018 – Provision of Public Lighting

Final Report Prepared by:	Audit Team
Final Report Approved by:	Tadhg Mc Donnell
Date of Issue:	

Distribution List:	
Management Team	
Audit Committee	

Approved by:

Tadhg Mc Donnell  
Secretary to Audit Committee

Date: 28<sup>th</sup> May 2019

## Public Spending Code

Circular 13/13 “*The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service – Standard Rules & Procedures*” details the obligations of those responsible for spending public money as well as guidance material on how to comply with the obligations outlined. The Co-ordinator, in cooperation with various Departments, completes the first three steps of the code, namely;

1. Drawing up of inventories of projects/programmes.
2. Publishing summary information on the website of all procurements in excess of €10m, whether new, in progress or completed.
3. Completing checklists in respect of the different stages of the spending life cycle.

Step four requires Internal Audit to carry out a more in-depth check on a small number of projects. The value of the projects selected for in depth review each year must follow the criteria set out below:

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

### 1. Objectives and scope of the Audit

The purpose of this review is to provide an independent professional opinion on compliance with the Public Spending Code and on the quality of appraisal, planning and implementation of a sample project / set of projects.

The scope of the audit included a review of compliance with the Public Spending Code.

### 2. Methodology and Approach

The projects/programme that were selected for in-depth reviews are based on an inventory of €584,912,375 (€154,686,991 Revenue & €430,225,384 Capital).

In previous years the total public spending code programmes reviewed were:

2016 – Leinster Bridge Rehabilitation – €5m

2017 – NRO M7 Osberstown Interchange & R407 Sallins Bypass - €55m

2018 – Athy Community Library Capital Project - €4M

On this basis, Internal Audit has covered the required 5% three year quota

Under guidelines introduced in 2017 we are now also required to carry out an in depth check of 1% of Revenue expenditure. This quota has also been covered.

The Programme selected for in-depth check in 2018 is as follows:

Revenue Project			
Name of Programme	Total Cost	Total Revenue	% of as a total value of the Revenue project
Provision of Public Lighting 2018 Programme	€3.7m	€ 154,686,991	2.4%

## Quality Assurance – In-Depth Check

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### Section A: Introduction

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

<b>Programme Information</b>	
<b>Name</b>	Provision of Public Lighting 2018
<b>Detail</b>	2018 Revenue Expenditure on Public Lighting
<b>Responsible Body</b>	Kildare County Council
<b>Current Status</b>	Expenditure Being Incurred
<b>Start Date</b>	January 2018
<b>End Date</b>	December 2018
<b>Overall Cost</b>	€3.7 m

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## Programme Description

Kildare County Council is responsible for the provision and maintenance of public lighting throughout the County of Kildare. The local authority provides approx. 26,000 public lights throughout the county. The revenue expenditure in 2018 was €3,729,926.29. The breakdown of this expenditure is outlined in the table below:

Expenditure Analysis	Amount	% Spend
Energy Costs	€1,997,941.23	53.57%
Maintenance & Repair	€ 764,527.78	20.50%
New Installations	€ 935,581.06	25.08%
*Misc Expenditure	€ 19,164.19	0.51%
ESB Connections	€ 12,712.03	0.34%
<b>Total</b>	<b>€3,729,926.29</b>	<b>100%</b>

\*Misc Expenditure includes staff travel, training and software etc.

Approximately 75% of the total expenditure in 2018 related to energy costs, maintenance and repairs. Both of these services were procured either through a National Framework Agreement or through a nationally advertised tendering process. There are two full time equivalent staff managing the maintenance and provision of public lighting in Kildare County Council.

## Energy Supply

A tender competition for a Multi Supplier Framework Agreement for the supply of Electricity to Public Bodies was initiated by the Office of Public Procurement in February 2015. All energy supply contracts are now procured through this Framework Agreement. The following contracts were entered into in 2018:

- SSE Airtricity Ltd. for the supply of metered lighting from 1<sup>st</sup> November 2018 – 31<sup>st</sup> October 2021
- Viridian Energy Ltd., T/A Energia for the supply of unmetered lighting from 1<sup>st</sup> November 2018 – 31<sup>st</sup> October 2021.

## Maintenance and Related Services

An open procedure Tender competition was initiated by Kildare County Council in November 2017 for the provision of Public Lighting Maintenance and Related Services for the period 2017 – 2019. Three tenders were received by the tender return date 14<sup>th</sup> December 2017. The contract was awarded to SSE Airtricity Utility Solutions Ltd. (CE Order no. 16500).

The following services are provided under this contract:

- Routine reactive maintenance to public lighting faults
- Provision of 24 hour telephone fault reporting call centre
- Provision of online fault reporting facility
- Night time fault patrols

- New public lighting works
- Public lighting design services
- Taking in charge lighting assessments
- Meter reading service
- Inventory surveys
- Electrical testing and certification

There are currently 2 full time electricians from SSE Airtricity Solutions working on public lighting in County Kildare. Each electrician has a designated area of the county which they are responsible for. The contract supervisor is based in SSE Airtricity Solutions main depot in Dublin.

### **Kildare Lighting Infrastructure Priority Scheme (KLIPS)**

The request or requirement for new Public Lighting installations within County Kildare is assessed on a case by case basis using a transparent priority system placing each new or replacement lighting scheme within a Kildare Lighting Infrastructure Priority Scheme (KLIPS). This scheme was agreed by Council as part of the 'Street Lighting Technical Specification Policy'.

Lighting schemes are scored on various factors and placed within KLIPS according to that score. The lighting within KLIPS is installed as and when funds become available and as prioritised within KLIPS.

22 Projects from KLIPS progressed in 2018 with an expenditure of €391,000.



## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, KCCs Internal Audit Unit has completed a Programme Logic Model (PLM) for the Public Lighting Programme in Kildare County Council. A PLM is a standard evaluation tool and further information on their nature is available in the Public Spending Code.

Objectives	Input	Activities	Outputs	Outcomes
<p>To provide cost effective public lighting throughout the county</p> <p>To improve public safety on the roads at night</p> <p>To improve security in towns and villages and reduce incidences of night time crime.</p> <p>To ensure that public lighting strategy aligns with the vision to provide a well designed, well maintained, safe and efficient street lighting system for the people of Kildare</p>	<p>Expenditure of € 3.7m</p> <p>2 full time staff to manage the public lighting function</p> <p>Management of the Maintenance and Related Services Contract and the Energy Supply Contracts</p> <p>Various IT systems</p>	<p>Tendering for the supply of electricity and for the provision of public lighting maintenance and related services, ensuring value for money</p> <p>Management of the above contracts to ensure that all services are carried out as per the contract</p> <p>Processing of payments and the recoupment of expenditure on national roads public lighting from Transport Infrastructure Ireland</p>	<p>26,000 (approx) lights maintained in County Kildare in 2018 with the number increasing annually</p> <p>Inventory of all lights maintained using DeadSure Public Lighting Asset Management System</p>	<p>Reduction in traffic accidents at night and a safer environment for all road users and pedestrians</p> <p>Reduction in criminal activity and an increased feeling of security for members of the public</p> <p>Increased commercial and leisure activity at night</p> <p>Reduction in energy consumption by replacing existing lamp heads with LED units</p>

## Description of Programme: Logic Model

### Objectives:

The objectives of the programme are the provision of cost-effective public lighting in all areas of Kildare, to ensure that public lighting strategy aligns with the vision to provide a well designed, well maintained, safe and efficient street lighting system for the people of Kildare and to improve road safety for all road users and reduce the incidence of night time crime.

### Inputs:

**Financial Inputs:** The primary input to the programme is the expenditure of €3.7 million.

**Human Inputs:** 2 full time staff members to manage the public lighting function.

**System Inputs:** Agresso Financial Management System, DeadSure Public Lighting Asset Management System, KLIPS system.

### Activities:

The main activities are as follows:

- Tendering for the supply of energy and for the provision of public lighting maintenance and related services.
- Management of all contracts to ensure that all services are carried out as per the contract.
- Processing of payments to suppliers/contractors and recoupment of expenditure on national roads public lighting from Transport Infrastructure Ireland.

### Outputs:

The outputs of the programme are the maintenance of approximately 26,000 lights throughout the county. An inventory of all public lighting in Kildare is maintained using the Deadsure Public Lighting Asset Management System.

**Outcomes:** The main outcome of the programme is the provision of a well designed, well maintained, safe and efficient street lighting system for the people of Kildare. Other outcomes include a reduction in energy consumption by utilising LED technology.

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

The following section tracks the Public Lighting Programme for 2018 process from inception to conclusion in terms of major programme milestones:

#### Contracts for Public Lighting Maintenance & Related Services

Date	Details
13/11/2017	Tender advertised on eTenders (open procedure)
19/1/2018	Tender Assessment Report comparing tenders under a number of Selection Criteria and Award Criteria
1/7/2018	Contract awarded to SSE Airtricity Utility Solutions Ltd. for a two year period with options to extend for two one year periods

#### Contract for Energy Supply

Date	Details
February 2015	OGP request for tenders to establish a Multi Supplier Framework Agreement for the supply of electricity to public service bodies in Ireland
1/11/2018	Contract for unmetered supplies signed with Viridian Energy Ltd., T/A Energia covering a three year period from 1 <sup>st</sup> November 2018 to 31 <sup>st</sup> October 2021
1/11/2018	Contract for metered supplies signed with SSE Airtricity Ltd. covering a three year period from 1 <sup>st</sup> November 2018 to 31 <sup>st</sup> October 2021

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

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the Public Lighting Programme 2018. It evaluates whether appropriate data is available for the future evaluation of the programme.

<b>Key Programme Documents</b>	
<b>Title</b>	<b>Details</b>
Contract for unmetered supplies signed with Viridian Energy Ltd. T/A Energia dated 1st November 2018	Goods Contract for unmetered supplies for the period 1 <sup>st</sup> November 2018 to 31 <sup>st</sup> October 2021 with Viridian Energy Ltd. T/A Energia
Contract for metered supplies signed with SSE Airtricity Ltd. dated 1st November 2018	Goods Contract for metered supplies for the period 1 <sup>st</sup> November 2018 to 31 <sup>st</sup> October 2021 with SSE Airtricity Ltd
Tender for the provision of Public Lighting Maintenance and Related Services, advertised on eTenders on 13 <sup>th</sup> November 2017	Contract awarded to Airtricity Utility Solutions Ltd. (C.E. Order 16500) dated 19 <sup>th</sup> February 2018). The contract was signed on 1st July 2018. The contract will run for a period of 24 months with Kildare County Council reserving the right to extend it by a further 12 months up to a maximum of 2 such extensions
Street Lighting Policy & Planning Guidance document dated 30 <sup>th</sup> October 2015	This document outlines the street lighting strategy for the county
Street Lighting Technical Specification document dated 30 <sup>th</sup> October 2015	This document outlines the principles and standards required for street lighting installations. It provides a checklist to developers seeking planning approval for public lighting designs. All new installations are utilising LED technology to reduce energy costs
Agresso Financial Management Reports	Reports generated detailing the expenditure and income on the relevant job codes

**Key Document 1: Contracts with Energia and SSE Airtricity for unmetered and metered energy supplies**

The Supplementary Request for Tenders (SRFT) UEL001F-13, under the OGP Framework Agreement for the Supply of Electricity to Public Service Bodies in Ireland, relating to the electricity supply contracts for unmetered supplies was issued on 11<sup>th</sup> June 2018. The contract was awarded to Viridian Energy Ltd. T/A Energia. The contract is for the period 1st November 2018 to 31st October 2021.

The Supplementary Request for Tenders (SRFT) UEL001F-14, under the OGP Framework Agreement for the Supply of Electricity to Public Service Bodies in Ireland, relating to the electricity supply contracts for metered supplies was issued on 16<sup>th</sup> July 2018. The contract was awarded to SSE Airtricity Ltd. The contract is for the period 1st November 2018 to 31st October 2021.

**Key Document 2: Tender for the provision of Public Lighting Maintenance and Related Service advertised on eTenders**

An open procedure Tender competition (RFT 126424) was initiated by Kildare County Council in November 2017 for the provision of Public Lighting Maintenance and Related Services for the period 2017 – 2019. Three tenders were received by the tender return date 14<sup>th</sup> December 2017. The contract was awarded to SSE Airtricity Utility Solutions (CE Order 16500 dated 19<sup>th</sup> February 2018) and it was signed on 1st July 2018. The contract will run for a period of 24 months with Kildare County Council reserving the right to extend it by a further 12 months up to a maximum of 2 such extensions.

**Key Document 3: Street Lighting Policy & Planning Guidance document dated 30<sup>th</sup> October 2015**

This document outlines the street lighting strategy for the county.

**Key Document 4: Street Lighting Technical Specification document dated 30<sup>th</sup> October 2015**

This document outlines principles and standards required for street lighting installations. It provides a checklist to developers seeking planning approval for public lighting designs. All new installations are LED.

**Key Document 5: Agresso Financial Management Reports**

Reports generated detailing the expenditure and income on the relevant job codes

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### Section B - Step 4: Data Audit

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

Data Required	Use	Availability
Expenditure and income details for revenue job codes relevant to the programme for 2018	Measure inputs to Public Lighting annually	Yes - Financial Reports - FMS System Agresso
Public Lighting Inventory	Accurately monitor and predict energy consumption expenditure	Yes - DeadSure Public Lighting Asset Management System
Compliance with contracted repair response times	Ensure that there are no delays in repairing faults and that works are carried out as per the contract	Yes - DeadSure Public Lighting Asset Management System
Installation and maintenance costs	Assess if value for money is being achieved	Yes - DeadSure Public Lighting Asset Management System & Agresso Financial Management System

#### Data Availability and Proposed Next Steps

As outlined in the table above the data required to evaluate the Public Lighting Programme is readily available.

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## Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for the Public Lighting Programme 2018 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 is in line with the standards:

Kildare County Council is responsible for the provision and maintenance of public lighting throughout the County of Kildare. The local authority provides approx. 26,000 public lights throughout the county. Approximately 75% of the total expenditure in 2018 related to energy costs, maintenance and repairs. Both of these services were procured either through a National Framework Agreement or through a nationally advertised tendering process and were conducted in accordance with Kildare County Council's procurement procedures. Current contracts are in place with service providers. Expenditure is monitored on an ongoing basis.

#### **Audit Opinion**

It is the opinion of Internal Audit that the Public Lighting Programme is in **substantial** compliance with the Public Spending Code (See Appendix 1).

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

Yes it is the opinion of Internal Audit that the data and information available can be subjected to a full evaluation in the future as all documents and files are readily available.

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

#### **Recommendation 1:**

Internal Audit recommends that detailed written procedures be drawn up for the processes involved in managing the public lighting function. There are no procedures currently in place.

#### **Recommendation 2:**

Internal recommends that public procurement policy be followed and documented in all instances.

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## Section: In-Depth Check Summary

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The following section presents a summary of the findings of this In-Depth Check on the Public Lighting Programme 2018

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

Kildare County Council is responsible for the provision and maintenance of public lighting throughout the County of Kildare. The local authority provides approx. 26,000 public lights throughout the county. Approximately 75% of the total expenditure in 2018 related to energy costs, maintenance and repairs. Both of these services were procured either through a National Framework Agreement or through a nationally advertised tendering process and were conducted in accordance with Kildare County Council's procurement procedures. Current contracts are in place with service providers. Data and information is readily available to monitor expenditure and the performance of the contractors.

This in–depth check of the Public Lighting Programme 2018 demonstrates that Kildare County Council is fulfilling its obligations under the Public Spending Code.

**Audit Opinion:** It is the opinion of Internal Audit that the Public Lighting Programme is in **substantial** compliance with the Public Spending Code (See Appendix 1 below).





Kildare County Council,  
Internal Audit Unit  
Áras Chill Dara, Devoy Park  
Naas, Co. Kildare

Audit : Public Spending Code – Capital  
Audit No: 2019.3

# Internal Audit Unit

Kildare County Council

## 19.3 Public Spending Code

In Depth Check 2018 – Athy Community Library Project

Final Report Prepared by:	Audit Team
Final Report Approved by:	Tadhg Mc Donnell
Date of Issue:	

Distribution List	
Management Team	

Approved by:

Tadhg Mc Donnell  
Secretary to Audit Committee

Date:

28<sup>th</sup> May 2019

## Public Spending Code

Circular 13/13 “The Public Spending Code: Expenditure Planning, Appraisal & Evaluation in the Irish Public Service – Standard Rules & Procedures” details the obligations of those responsible for spending public money as well as guidance material on how to comply with the obligations outlined. The Co-ordinator, in co-operation with various Departments, completes the first three steps of the code, namely;

1. Drawing up inventories of projects/programmes.
2. Publishing summary information on the website of all procurements in excess of €10m, whether new, in progress or completed.
3. Completing checklists in respect of the different stages of the spending life cycle.

Step four requires Internal Audit to carry out a more in-depth check on a small number of projects. The value of the projects selected for in depth review each year must follow the criteria set out below:

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

### 1. Objectives and scope of the Audit

The purpose of this review is to provide an independent professional opinion on compliance with the Public Spending Code and on the quality of appraisal, planning and implementation of a sample project. The scope of the audit included a review of compliance with the Public Spending Code.

### 2. Methodology and Approach

The project that was selected for in-depth review was based on an inventory of €584,912,375.00

(€ 154,686,991.00 Revenue, € 430,225,384.00 Capital)

As per the Public Spending Code, Internal Audit is required to carry out an in-depth check of 5% of the total of all capital projects on the project inventory over the 3 year period 2016-2018.

The Public Spending Code Capital projects reviewed over the 3 year period were:

2016 – Leinster Bridge Rehabilitation - €5m

2017 – NRO M7 Osberstown Interchange & R407 Sallins Bypass - €55m

2018 – Athy Community Library Capital Project - €4M

On this basis, Internal Audit has covered the required 5% three year quota.

Under guidelines introduced in 2017, we are also required to carry out an in depth check of 1% of Revenue expenditure. This quota has also been covered.

The Capital Project selected for in-depth check for 2018 is as follows:

Capital Projects 2018			
Name of Project Audited	Total Cost of Project	Total Capital Inventory	% of Capital Inventory
Athy Community Library Project	€4m	€ 430,225,384.00	0.92%

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Section A: Introduction

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

Programme or Project Information	
Name	Athy Community Library Project
Detail	The conversion of the Dominican Church, Athy into a 937sq metre modern community library space.
Responsible Body	Kildare County Council
Current Status	Expenditure Being Incurred
Start Date	Land/Church Purchased November 2015
End Date	Official Opening 3rd May 2018*
Overall Cost	€4M

\*Project not fully closed out as accounts have not been finalised yet (retention /snagging)

## **Project Description**

Kildare County Council proposed to redevelop and radically refurbish the unique building of the Dominican Church in Athy, as a high quality, modern and accessible facility incorporating the best in library design. The 937 sqm floor area (almost double the existing library's footprint) offered by this building, was ideally placed in the centre of Athy to offer an accessible and welcoming cultural space with ample parking for both cars and school/tour buses. It was a high profile location off the main street of Athy and offered an opportunity to meet a community need in an area of socio economic disadvantage.

In early 2015, Kildare County Council engaged Chartered Quantity Surveyors and Project Managers to assess the site and provide drawings reflective of the Draft Schedule of Accommodation previously submitted to the Library Development Unit.

## **Project Objectives:**

Physical access into and throughout the building was to be of the highest standards and would be informed by the Council's ongoing learning from its engagement with the disability sector, both statutory and voluntary. The project would combine the architectural heritage value of the original building with new contemporary interior architecture and community enhancing layouts. The external context juxtaposed with bespoke interior library redesign would deliver a landmark statement about the importance of quality cultural space and resources, and the role it would set to play in the lives of rural and more urban communities in the South County Kildare Region. It would also enhance the social/cultural/economic regeneration of the town of Athy providing services and opportunities which sustain and nourish community cultural living. Cultural consciousness, civic engagement, life-long learning, enterprise development support and community participation would be promoted through services, resources and spaces focused throughout the library zones as outlined below:

- Children's and young people's library
- Adult Library – well developed non-fiction and fiction collections
- Leisure reading and browsing areas
- Multimedia and Audiovisual Libraries for all age profiles
- Experiencing Athy's Heritage & Culture
- Digital Services and IT Zone - promoting life-long learning, training areas
- Business Library and formal quiet study space (dedicated meeting space)
- Flexible multi-purpose spaces dedicated to exhibition, workshops, lectures and discussion

These zones reflect the 8 key strategic programmes as outlined in ('IDEAS REALISED: SPREADING THE WORD.....', Kildare County Council Library Services Development Plan, 2015: p27) and chimes with the vision of ('Opportunities for All: A Strategy for Public Libraries, 2013: p6), to 'promote community cohesion and well-being, economic growth, and cultural identity,' recognising that access to information, knowledge and cultural products promotes economic, social and cultural integration.

### **Property Acquisition**

The Dominican Church and lands were purchased in November 2015 as per CE Order CE3694. The building itself was valued at €700,000.

### **Architect Lead Design Team**

The Architect Lead Design Team was procured using A Framework Agreement, Mini-Tender Competition, overseen by the Acting Senior Architect, Kildare County Council.

A mini-tender competition was initiated through the existing framework agreement on 21<sup>st</sup> December 2015. All five framework participants were invited to tender. Three tenders were received by the tender return date 20<sup>th</sup> January 2016.

Following the competition, Reddy Architecture and Urbanism were appointed in February 2016, as per Director's Order DO5335. Thereafter, a Project Team comprising of Reddy Architecture, their subcontractors and relevant KCC officials (led by the County Librarian and key library staff), was established to work on the proposed design options for the building in preparation of the Part 8 process. Regular meetings took place addressing design considerations relating to accessibility, conservation, mechanical and electrical challenges and quality design functions to deliver library services to the public.

### **Part 8 Process**

The Part 8 Planning Report stated: The Council proposes to convert and extend the former St. Dominic's Church for use as a public library and associated facilities.

Briefly the proposed development will consist of:

- Change of use to the existing St. Dominic's Catholic Church building (a Protected Structure RPS AY 074) with a gross floor area of 970m, from use as a church to use as a public library
- Construction of a 39m<sup>2</sup> extension to the existing mezzanine level
- Construction of a new level ground floor over the existing sloped ground floor
- Insertion of new windows in the single storey sections of the building to south and north facades
- Alterations to existing entrance steps and ramps
- Site works associated with the construction of 22 car parking spaces with control barrier and new link road to development lands to the south
- Site works associated with formation of new connections to existing public foul and surface water drainage and existing utilities

The Part 8 Proposal was accompanied by a number of documents. These included:

- Architectural Design Statement
- Drawings of the proposal
- Conservation Architects Report

- Ecology Impact/ Appropriate Assessment Report
- Transport Assessment Report
- Archaeology Impact Report
- Flood Assessment Report
- Mechanical and Electrical Design Brief

Part 8 Planning was recommended to the Cathaoirleach and Members of the Athy Municipal District of Kildare County Council on 30<sup>th</sup> September 2016 by Kildare County Council's Senior Planner and the Director of Planning, Community and Culture.

#### **Main Contractor Appointment**

Following a Two Stage eTenders Competition (**RFT 108203**) for Works, Contractor Duggan Lynch Ltd. were appointed in April 2017 as per CE Order CE11607.

#### **Novated Tenders for Specialised Services**

- Following an eTenders Competition (**RFT 110215**), Sheridan Stained Glass Creations Ltd. were appointed contractors for the conservation and repair of existing stained glass windows (contract dated 10<sup>th</sup> January 2017)
- Following an eTenders Competition (**RFT 111152**), Axiell Ltd. were appointed contractors for the provision of 'My Open Library Service' (contract dated 13<sup>th</sup> January 2017)
- Following an eTenders Competition (**RFT 111156**), Interleaf Technology Ltd. were appointed contractors for the provision of the RFID System (contract dated 11<sup>th</sup> January 2017)

#### **Furniture Tender**

Following an eTenders Competition on 27<sup>th</sup> October 2017 (**RFT 125895**) for the supply of library furniture, the contract was awarded to Work, Rest and Play Interiors Ltd. (Directors Order DO16007).

#### **Design and Contractor Site Meetings:**

There is documentary evidence of agendas and minutes of regular Project Team meetings that were held throughout the project. Milestones and performance measurements were monitored and agreed at each meeting held.

#### **Change Orders**

A number of Change Orders were necessary, largely due to the fact that there was a considerable conservation element to the project. Conservation requirements did pose challenges during the project; however, in order to ensure that the project stayed within budget a number of change orders were made reducing costs.

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit, KCC completed a Programme Logic Model (PLM) for the *Athy Community Library Project*. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

Objectives	Inputs	Activities	Outputs	Outcomes
<p>To create a modern accessible library space to meet population needs</p> <p>To increase library membership and usage</p> <p>To increase library opening hours</p> <p>To increase library events and programming through design and provision of dedicated spaces</p> <p>To increase public access to, and engagement with digital technologies</p> <p>To enhance social/cultural/economic regeneration of Athy providing services and opportunities to sustain and nourish community culture</p>	<p>Budget of €4M (of which €1,650,000 was provided by the Dept of Housing, Planning, Community &amp; Local Government), the balance was funded by Kildare County Council.</p> <p>Associated Staff Costs</p> <p>Various Systems</p>	<p>Business Case</p> <p>Departmental Approval</p> <p>Land Purchase</p> <p>Design</p> <p>Project Management</p> <p>Monitoring Progress</p> <p>Administration</p> <p>Part 8 Process including conservation report, appropriate assessment report, transport assessment report, archaeology impact report and flood assessment report</p> <p>Tender assessments and awards</p> <p>Construction,</p>	<p>A new Community Library designed to meet the significant and diverse needs of the Athy community</p> <p>An accessible space that will act as a hub of educational and cultural information and civic engagement resources</p> <p>The redevelopment of the church to a library provides a new use for the building which ensures its</p>	<p>Increases across all service indicators:</p> <p>Issues 2017: 19,206</p> <p>Issues 2018: 57,072</p> <p>Footfall 2017: 38,616</p> <p>Footfall 2018 : 71,428</p> <p>No. of Events 2017: 332</p> <p>No. of Events 2018: 503</p> <p>Opening Hours have increased from 33 hours per week to 48 hours per week</p> <p>Shortlisted for the Pride of Place Award 2018</p> <p>Chambers Excellence in Local Government Award Winner 2018</p>

		Completion and Opening	long term viability and maintenance	
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### **Description of Programme Logic Model**

#### **Objectives:**

- To create a new Community Library designed to meet the significant and diverse needs of the Athy community
- To create a space which acts as a hub for education, culture, information and civic engagement
- To make services, resources and spaces available for enterprise development support, civic engagement, life-long learning and community participation
- To support the social, cultural and economic regeneration of the town of Athy by providing sustainable services and opportunities
- To promote community cohesion and well-being, economic growth and cultural identity
- To act as a catalyst for further development of the Dominican lands by Kildare County Council
- To combine the architectural heritage value of the original building with new contemporary interior architecture in order to achieve enhanced community layouts
- To achieve a functional open space which allows for self service facilities, increased interaction from library staff, enhanced citizen engagement and optimum accessibility
- To create a flexible space where the furniture can be moved and stored away to accommodate exhibitions, lectures, workshops, conferences, recitals and training.
- To ensure technology employed will allow for future proofing of library services to the community

#### **Inputs:**

**Financial Inputs:** The primary input to the programme is the capital funding of €4M of which €1,650,000 was provided by the Department of Housing, Planning and Local Government. The balance was funded by Kildare County Council.

**Human Inputs:** A Project Team comprising of Reddy Architecture, their subcontractors and relevant KCC officials (led by the County Librarian and key library staff) was established. The KCC Staff appointed to the team included the County Librarian (Grade 8), 2 x Senior Executive Librarians (Grade 7), 2 x Executive Librarians (Grade 6). Team meetings took place on a regular basis. This team was supported administratively by a Library Staff Officer (Grade 5) and 2 x Clerical Officers. A key point of the project input was also called upon from KCC Facilities, IT and Parks Sections.



**System Inputs:**

Sierra Library Management system

Agresso Financial Management system

Open Library System

**Activities:** There are a number of key activities carried out throughout the project including:

1	Business Case
2	Capital Project – 4 Stage approval process through the Department of Housing, Planning and Local Government
3	Land and Church purchase
4	Design
5	Project Management
6	Monitoring progress
7	Administration
8	Part 8 planning proposal process including: Architectural Design Statement, Drawings of the proposal, Conservation Architects Report, Ecology Impact/ Appropriate Assessment Report, Transport Assessment Report, Archaeology Impact Report, Flood Assessment Report and Mechanical and Electrical Design Brief
9	Tender assessments and awards
10	Construction
11	Agreeing Change Orders
12	Completion
13	Official Opening
14	Post project review

**Outputs:** The redevelopment and refurbishment of the unique building of the Dominican Church in Athy, as a high quality, modern and accessible community library facility incorporating the best in library design. The 937 sqm floor area (almost double the existing library's footprint) offered by this building, is ideally placed in the centre of Athy to offer an accessible and welcoming cultural space with ample parking for both cars and school/tour buses. It is a high profile location off the main street of Athy and offers an opportunity to meet a community need in an area of socio economic disadvantage.

**Outcomes:** The new community library will enhance the social, cultural and economic regeneration of the town of Athy by providing services, spaces and opportunities such as life-long learning, enterprise development supports and community participation. The library will offer Study Spaces, Free Wifi, free public access computers, Digital Meeting Facilities, self-service printing and 22 free car parking spaces. Community meeting spaces and flexible multi-purpose spaces will allow for targeted development of partnership programmes with local and national agencies. The new library delivers a landmark statement on the importance of quality cultural space and resources and is a key feature in the Kildare Heritage Programme with plans to hold lectures on the history and heritage of the buildings and the redevelopment process. The redevelopment of the former church to a library provides a new use for the building which ensures its long term viability and maintenance.

The following have been achieved:

- Increases across all service indicators:

Issues 2017: 19,206

Issues 2018: 57,072

Footfall 2017: 38,616

Footfall 2018 : 71,428

No. of Events 2017: 332

No. of Events 2018: 503

- Shortlisted for the Pride of Place Award 2018
- Chambers Excellence in Local Government Award Winner 2018
- Library opening hours extended from 33 to 48 hours per week
- Some historical items from the church have been restored and remain in situ

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

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The following section tracks the process from inception to conclusion in terms of major programme milestones for the Athy Community Library Project

Project Stage	Milestones	Date
Land Purchase	Chief Executive Order signed	November 2015
Design Team Contract	Tendered	21st December 2015
	Awarded	18 <sup>th</sup> January 2016
	Completed	February 2018
Part 8 Planning Process	Submissions	15 <sup>th</sup> July – 2 <sup>nd</sup> September 2016
	Recommended to Cathaoirleach and Member of Athy MD	30 <sup>th</sup> September 2016
Building Contract	Tendered	12 <sup>th</sup> August 2016
	Awarded	15 <sup>th</sup> April 2017
	Completed	February 2018
Stain Glass Conservation Contract	Tendered	19 <sup>th</sup> October 2016
	Awarded	8 <sup>th</sup> May 2017
	Completed	February 2018
Open Libraries Contract	Tendered	15 <sup>th</sup> November 2016
	Awarded	26 <sup>th</sup> May 2017
	Completed	February 2018
RFID Contract	Tendered	15 <sup>th</sup> November 2016
	Awarded	26 <sup>th</sup> May 2017
	Completed	February 2018
Furniture Contract	Tendered	27 <sup>th</sup> October 2017
	Awarded	21 <sup>st</sup> December 2017
	Completed	February 2018
Official Opening	Completed	3 <sup>rd</sup> May 2018

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

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The following section reviews the key documentation relating to appraisal, analysis and evaluation for Athy Community Library Project.

<b>Project/Programme Key Documents</b>	
<b>Title</b>	<b>Details</b>
Business Case	Case for a new Community Library in Athy
Part 8 Planning Report including relevant surveys	Part 8 Planning proposal documents and surveys
Contractor Procurement/Report	Contractor Procurement process examined
Letters of acceptance and contracts	Signed on behalf of Kildare County Council
Chief Executive Order	Chief Executive's Orders signed to award tenders
Directors Order	Directors Orders signed to award tenders
Minutes of Meetings	Agendas and Minutes of meetings
Progress Reports and Change Orders	Progress reports throughout the project and Schedule of Change Orders

**Key Document 1: Part 8 Planning proposal documents**

Part 8 Planning proposal documents were examined.

**Key Document 2: Contractor Procurement/Report on Tenders**

The Architect Lead Design Team was procured using a Framework Agreement, Mini-Tender Competition, overseen by David Creighton, Acting Senior Architect. A mini-tender competition was initiated through the existing framework agreement on 23<sup>rd</sup> December 2015. All five framework participants were invited to tender. The Main Construction Works and Furniture Contractors were procured using the restricted procedures set out in the European Communities (Award of Public Authorities Contracts) Regulations 2006. The RFID, Open Library Technology and Stained Glass Conservation contracts were procured using the restricted procedures set out in the European Communities (Award of Public Authorities Contracts) Regulations 2006. All three were Novated contracts handled by Duggan Lynch Ltd., the main contractor.

**Key Document 3: Letters of acceptance / Main Contract**

The letters of acceptance to the contractors verifying the acceptance of the tender were reviewed along with the contract.

**Key Document 4: Chief Executive Order**

Chief Executive Order signed to award the main works contract tender and the acquisition of Dominican church and lands.

**Key Document 5: Director of Service Order**

Director of Service Orders signed to award the tender for appointment of Architect Lead Design Team and tender for the supply of library furniture.

**Key Document 6: Agendas / Minutes of Meetings**

There is documentary evidence of agendas and minutes of meetings that were held throughout the project. These meetings included representatives from KCC. The minutes provide a comprehensive record of those present, matters discussed, outcomes agreed and actions required along with assigned responsibilities.

**Key Document 7: Change Orders**

Schedule of Change Orders

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### Section B - Step 4: Data Audit

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

Data Required	Use	Availability
FMS System Agresso – Financial Reports	Expenditure and income details for capital job code relevant to this Scheme	Yes
Total project outturn versus budget	Assess project appraisal and management overall	Yes
Reports from Employer’s Representative	Reports on progress of project	Yes
Agendas and minutes of Site meetings, Construction Stage meetings, Contractors Progress meetings, Client meetings	Details of meetings that have been held throughout the project. To demonstrate that agreed milestones and other performance measurements are monitored and agreed on a regular basis.	Yes

#### Data Availability and Proposed Next Steps

It can be seen from the table above that the data required to evaluate the project is readily available.

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## Section B - Step 5: Key Evaluation Questions

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The following section looks at the key evaluation questions for Athy Community Library Project 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 is in line with the standards:

Kildare County Council proposed to redevelop and radically refurbish the unique building of the Dominican Church in Athy, as a high quality, modern and accessible facility incorporating the best in library design. The 937 sqm floor area (almost double the existing library's footprint) offered by this building, was ideally placed in the centre of Athy to offer an accessible and welcoming cultural space with ample parking for both cars and school/tour buses. It was a high profile location off the main street of Athy and offered an opportunity to meet a community need in an area of socio economic disadvantage. There were a number of tender competitions held as follows:

- The Architect Lead Design Team was procured using a Framework Agreement, Mini-Tender Competition.
- The main Contractor was procured using the restricted procedure 2 stage competition on eTenders.
- An eTenders competition using the open procedure was held for the supply of library furniture
- An eTenders competition was held to procure a specialist contractor for the conservation and repair of existing stained glass windows. A novation agreement was then signed by the main contractor, the specialist contractor and the Kildare County Council.
- An eTenders competition was held to procure a specialist contractor for the provision of 'My Open Library Service'. A novation agreement was then signed by the main contractor, the specialist contractor and Kildare County Council.
- An eTenders competition was held to procure a specialist contractor for the provision of RFID system. A novation agreement was then signed by the main contractor, the specialist contractor and Kildare County Council.

The tender processes were conducted in accordance with Kildare County Council's procurement procedures. There is documentary evidence to verify that tenders were advertised and assessed in accordance with the relevant legislation. Chief Executive Orders were signed in accordance with procedures.

There is evidence of agendas and minutes of meetings that were held throughout the project. These meetings included representatives from KCC. The minutes provide a record of those present, items that were discussed, outcomes and agreed actions. A number of Change Orders were necessary, largely due to the fact that there was a considerable conservation element to the project. All change orders are documented.

**Audit Opinion:** It is the opinion of Internal Audit that the Athy Community Library Project is in **substantial** compliance with the requirements of the Public Spending Code (See appendix 1). There was a robust system of risk management, control and governance in place throughout the project and key milestones and objectives were met on an ongoing basis. There is a clear audit trail and documentary back-up on file. The project was carried out efficiently and effectively and the objectives of the Scheme were on schedule. While there were additional costs incurred over the tender price, there were also reductions made where possible to keep within the budget. All the extra and reduced costs were documented through change orders, approved and explained prior to their completion.

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

Yes. There is certain criteria by which the success or otherwise of the project can be measured. Compilation of the necessary data is relatively straightforward using the management reporting framework already in place throughout the organisation.

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

**Recommendation 1:**

Internal Audit recommends that a Chief Executive Order should always be prepared for capital expenditure as the Capital Budget is noted by Council and not approved by them.



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## Section - In-Depth Check Summary

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Kildare County Council proposed to redevelop and radically refurbish the unique building of the Dominican Church in Athy, as a high quality, modern and accessible facility incorporating the best in library design. The 937 sqm floor area (almost double the existing library's footprint) offered by this building, was ideally placed in the centre of Athy to offer an accessible and welcoming cultural space with ample parking for both cars and school/tour buses. It was a high profile location off the main street of Athy and offered an opportunity to meet a community need in an area of socio economic disadvantage.

Physical access into and throughout the building is of the highest standards and was informed by the Council's ongoing learning from its engagement with the disability sector, both statutory and voluntary. The project combines the architectural heritage value of the original building with new contemporary interior architecture and community enhancing layouts. The external context juxtaposes with bespoke interior library redesign delivers a landmark statement about the importance of quality cultural space and resources, and the role it will play in the lives of rural and more urban communities in the South County Kildare Region. It enhances the social/cultural/economic regeneration of the town of Athy providing services and opportunities which sustain and nourish community cultural living. Cultural consciousness, civic engagement, life-long learning, enterprise development support and community participation will be promoted through services, resources and spaces focused throughout the library zones.

The architect led design team was procured using a Framework Agreement, Mini-Tender Competition. The main Contractor was procured using the restricted procedure 2 stage competition on eTenders. A number of eTenders competitions were held for the procurement of library furniture, a specialist contractor for the conservation and repair of existing stained glass windows, provision of 'My Open Library Service', a specialist contractor for the provision of RFID system. The tender processes were conducted in accordance with Kildare County Council's procurement procedures. There is documentary evidence to verify that tenders were advertised and assessed in accordance with the relevant legislation. Chief Executive Orders were signed in accordance with procedures. There is documentary evidence of agendas and minutes of regular meetings that were held throughout the project. The meetings included representatives from KCC.

**Audit Opinion:** It is the opinion of Internal Audit that the Athy Community Library Project is in **substantial** compliance with the requirements of the Public Spending Code (See appendix 1). There was a robust system of risk management, control and governance in place throughout the project and key milestones and objectives were met on an ongoing basis. There is a clear audit trail and documentary back-up on file. The project was carried out efficiently and effectively and the objectives of the Scheme were on schedule. While there were additional costs incurred over the tender price, there were also reductions made where possible to keep within the budget. All the extra and reduced costs were documented through change orders.

# **Appendix 1**

## **Audit Assurance Categories and Criteria**

ASSURANCE CATEGORY	ASSURANCE CRITERIA	
<b>SUBSTANTIAL</b>	Evaluation Opinion:	There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.
	Testing Opinion:	The controls are being consistently applied
<b>SATISFACTORY</b>	Evaluation Opinion:	There is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and/or effectiveness of risk management, control and governance.
	Testing Opinion:	There is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
<b>LIMITED</b>	Evaluation Opinion:	There is considerable risk that the system will fail to meet it's objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.
	Testing Opinion:	The level of non compliance puts the system objectives at risk.
<b>UNACCEPTABLE</b>	Evaluation Opinion:	The system has failed or there is a real and substantial risk that the system will fail to meet it's objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance.
	Testing Opinion:	Significant non-compliance with the basic controls leaves the system open to error or abuse.