



**Public Spending Code  
Quality Assurance Report for 2017  
Longford County Council**

**To be submitted to  
National Oversight and Audit Commission (NOAC)**

**May 2017**

## **Certificate**

This Annual Quality Assurance Report sets out Longford 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:**



\_\_\_\_\_  
Paddy Mahon  
Chief Executive  
Longford County Council

**Date:**

31<sup>st</sup> May 2018  
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## Introduction

Longford County Council has completed the Quality Assurance (QA) requirements as set out in the Public Spending Code and the purpose of this report is to present the results of each of the 5 Steps in the QA exercise and to report on compliance with the requirements of the Public Spending Code as established during this exercise.

The Public Spending Code was written specifically with Government Departments in mind and some of the terminology is very specific to that sector. In order to inform the QA exercise for the Local Government Sector a Guidance Note was developed for the sector to assist in providing interpretations from a Local Government perspective.

## Requirements of the Quality Assurance Aspect of the Public Spending Code

The Quality Assurance obligation involves a **5 step** process as follows:

- **Step 1** - Drawing up inventories of projects/programmes at the different stages of the Project Life Cycle that have a total Project Life Cost of €500k or more.
- **Step 2** - Publishing summary information on the organisation's website of all procurements in excess of €10m, related to projects in progress or completed in the year under review. (The PSC originally required projects in excess of €2m to be published under this requirement but this has now been changed to €10m) A new project may become a "project in progress" during the year under review if the procurement process is completed and a contract is signed.
- **Step 3** - Completing the 7 checklists contained in the PSC. Only one of each checklist per Local Authority is required. Checklists are not required for each project/programme.
- **Step 4** - Carrying out a more in-depth check on a small number of selected projects/programmes based on criteria established within the Public Spending Code.
- **Step 5** - Completing a short summary report for the National Oversight and Audit Commission (NOAC). The report, which will be generated as a matter of course through compliance with steps 1-4 set out above.



## STEP 1 – Project Inventory

This section presents the project inventories of Longford County Council which amount to an excess of €500,000. The inventory is presented in three stages as set out in the attached table which also outlines the Expenditure Category/Band relevant for inclusion in each stage:

Project/Programme Stage	Category/Band
1 Expenditure being considered	Capital Projects between €0.5m - €5m
	Capital Projects between €5m - €20m
	Capital Projects over €20m
	Current Expenditure programme - Increases over €0.5m
2 Expenditure being incurred	Capital Grant Schemes greater than €0.5m
	Capital Projects greater than €0.5m
	Current Expenditure greater than €0.5m
3 Expenditure that has recently ended	Capital Grant Schemes greater than €0.5m
	Capital Projects greater than €0.5m
	Current Expenditure greater than €0.5m

The Project inventory, set out in the format described above, is included in Appendix A. [Appendix A – Inventory of Projects and Programmes Over €0.5m - 2017](#)

The Inventory contains 41 Projects under the three stages and comprises a total value of €55.02M. The following table provides an overview of the number of projects under each Project/Programme stage and under each of the categories/bands in each of these stages. It also provides an overview of the Project Costs under each category.

Project Numbers	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
Expenditure Being considered				7			
Expenditure Being Incurred	23			5			
Expenditure recently ended				6			
<b>Totals</b>	<b>23</b>			<b>18</b>			<b>41</b>

Project Total Values	Revenue Expenditure			Capital Expenditure			Totals
	€0.5m - €5m	€5m - €20m	Over €20m	€0.5m - €5m	€5m - €20m	Over €20m	
	€M	€M	€M	€M	€M	€M	€M
Expenditure Being considered					10.78		
Expenditure Being Incurred	32.03			3.33			
Expenditure recently ended					8.86		
<b>Totals</b>	<b>32.03</b>			<b>3.33</b>	<b>19.64</b>		<b>55.02</b>

## **STEP 2 - Summary of Procurements in excess of €10m**

For 2017 Longford Co Council have reported no projects in this category.

The Quality Assurance Report for 2017 can also be found at this link:

<http://www.longfordcoco.ie/Services/Finance/Finance-Documents/Compliance/>

### STEP 3 – Checklists

Step three of the Quality Assurance procedure for the Public Spending Code involves the compilation of a number of checklists. There are 7 checklists in all. Checklists 2, 4 and 6 are capital related checklists while checklists 3, 5 and 7 are Revenue/Current Expenditure related.

The Checklists are informed by the Project Inventory and the following table outlines the approach taken for the completion of the Checklists

<b>Checklist Completion aligned with Project Inventory</b>	
<b>Expenditure Type</b>	<b>Checklist to be completed</b>
General Obligations	General Obligations - Checklist 1
A. Expenditure being considered	Capital Projects/Programmes & Capital Grant Schemes – Checklist 2 Current Expenditure – Checklist 3
B. Expenditure being incurred	Capital Projects/Programmes & Capital Grant Schemes – Checklist 4 Current Expenditure – Checklist 5
C. Expenditure that has recently ended	Capital Projects/Programmes & Capital Grant Schemes – Checklist 6 Current Expenditure – Checklist 7

All checklists as outlined below have been completed and can be found in [Appendix B](#) of this document.

1. General Obligations Not Specific to Individual Projects/Programmes.
2. Capital Expenditure Being Considered – Appraisal and Approval.
3. Current Expenditure Being Considered – Appraisal and Approval
4. Incurring Capital Expenditure
5. Incurring Current Expenditure
6. Capital Expenditure Recently Completed
7. Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued

### Findings on Completion of Checklists

While the responses included in the Checklist indicates a satisfactory level of compliance there are indications that some additional controls were required in some instances to ensure compliance with the Public Spending Code.

### STEP 4 - In-Depth review of a sample project

Step 4 of the Quality Assurance Process involved examining two projects included on the Project Inventory to test the standard of practices in use and compliance with the Public Spending Code within the organisation.



## **Internal Audit In-Depth Checks**

The Internal Audit Unit of Longford County Council was assigned the task of completing the In-depth checks. The approach taken was to select one capital project and one revenue programme from the inventory.

The In-depth checks have been completed and the projects selected were Turnkey Acquisition of 16 Housing Units (*see Appendix C*) and the revenue expenditure D09 Local Enterprise Office (LEO) (*see Appendix D*). In general there is satisfactory compliance with the Public Spending Code. In some instances, there is scope for improvement and the in depth checks are an opportunity to promote best practice. Listed below are the summaries from these in-depth checks.

### **Summary of Turnkey Acquisition of 16 Housing Units In-Depth Check**

The in depth check involved reviewing the project file and records held by the Council's Housing Department in relation to this turnkey housing project. The Council's financial management system was also checked for payment details to the contractor. A review meeting was held with the Housing Department Director of Services and Administrative Officer responsible for capital projects.

The project was completed on time and the outcome was satisfactory in terms of delivery of sixteen housing units in an area of identified need. There is room for improvement however in the assessment process used to short list proposals received and the level of procurement compliance involved in progressing the project. Financial risks identified by the Council's solicitor were not sufficiently mitigated. A more rigorous assessment of proposals and complete procurement compliance will be required in future turnkey projects. A number of new control mechanisms were identified by housing and have been accepted for implementation by Housing management.

### **Summary of D09 Local Enterprise Office (LEO) Programme In-Depth Check**

The in depth check involved meetings with relevant Council staff. The Council's financial management system was examined in relation to financial transactions in delivering the LEO programme. The procedure manual for LEO operations and the SLA Agreement between Enterprise Ireland and Longford County Council were reviewed. The minutes of the Evaluation and Approvals Committee (EVAC) minutes were examined.

## Conclusion

This report has set out all the requirements of the Quality Assurance aspect of the Public Spending Code.

- An inventory of projects and programmes has been prepared outlining the various projects/programmes – capital and revenue that were being considered, being incurred or recently completed by Longford County Council within the 2017 financial year.
- The relevant publication in relation to procurements over €10m will be placed on Longford County Council's website if applicable.
- The 7 checklists required to be completed under the terms of the Public Spending Code Quality Assurance requirement have been completed and provide reasonable assurance that there is satisfactory compliance with the Public Spending Code.
- An in-depth review of one capital project and one revenue programme contained in the Project inventory has been completed and further confirmed that there is, in general, satisfactory compliance with the requirements of the Public Spending Code.
- The final step of the QA exercise, as required under the Public Spending Code, is the compilation and publication of a summary report outlining the Quality Assurance Exercise undertaken by Longford Co Council. The contents of this report provide an overview on the QA exercise completed which has been certified by the Accounting Officer, Chief Executive.

Overall the QA exercise has provided satisfactory assurance to the management of Longford Co Council that the requirements of the Public Spending Code are being met.



## Appendix A – Inventory of Projects and Programmes Over €0.5m - 2017

Longford County Council	Expenditure		being considered		Expenditure being incurred			Expenditure recently ended			Notes	
	Current > €0.5m	Capital Grant Schemes > €0.5m	€0.5 - €5m	Capital Projects €5 - €20m	Capital Projects €20m plus	Current Expenditure	> €0.5m Capital Grant Schemes	Capital Projects	Current Expenditure	> €0.5m Capital Grant Schemes		Capital Projects
<b>Housing &amp; Building</b>												
Housing Void Programme 2018			700,000									
Capital Repairs 2017												
Disabled Persons Grants 2017											1,063,747	20% local authority contribution
Disabled Persons Grants 2018			794,000									
4 OPD's Lanesborough								992,454				
Houses, Churchview Longford				2,000,000								
2017 Purchase 4 Houses Smithfield Legan									530,929			
2017 Purchase 9 OPDs Market Street Granard				1,531,841								
4 OPDs, Edgeworthstown Road, Ballymahon											827,816	
Turnkey, 16 Houses Millrace Park, Drumlish											3,392,000	
Capital Repairs 2017											1,063,741	
A01 Maintenance Improvement of LA Housing									2,178,938			
A03 Support to Housing Capital and Affordable Prog.									880,992			







## Appendix B – Checklists of Compliance

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

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
1.1 Does the local authority ensure, on an on-going basis, that appropriate people within the authority and its agencies are aware of the requirements of the Public Spending Code (incl. through training)?	2	
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	3	Training has been provided to relevant staff in the last 3 years. Refresher and new staff training would be beneficial.
1.3 Has the Public Spending Code been adapted for the type of project/programme that your local authority is responsible for? i.e., have adapted sectoral guidelines been developed?	2	Some local authority guidance is available.
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?	2	Local Authority does not have a significant role in this regard.
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	2	
1.6 Have recommendations from previous QA reports been acted upon?	2	Internal Audit follow up on implementation.
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	
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	
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.	1	There is room for improvement in relation to post project reviews generally.
1.10 How many formal Post Project Review evaluations have been completed in the year under review? Have they been issued promptly to the relevant stakeholders / published in a timely manner?	1	There have been a limited number of significant capital projects completed in 2017.
1.11 Is there a process to follow up on the recommendations of	1	There is room for improvement in relation to post project reviews generally.

previous evaluations/Post project reviews?		
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	2	Improvement actions have been implemented following post project reviews in the past.



Checklist 2 – To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the past year

Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1 Was a preliminary appraisal undertaken for all projects > €5m?	3	There were no projects greater than €5m.
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	2	There is room for improvement in relation to capital appraisal.
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	3	There were no projects greater than €20m.
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	2	There is room for improvement in relation to capital appraisal
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	
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	3	There were no projects that required CBA/CEA.
2.7 Were the NDFA consulted for projects costing more than €20m?	3	There were no projects greater than €20m
2.8 Were all projects that went forward for tender in line with the Approval in Principle and, if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	3	Council's procurement unit ensures procurement compliance prior to tender.
2.9 Was approval granted to proceed to tender?	3	Council's procurement unit ensures procurement compliance prior to tender.
2.10 Were procurement rules complied with?	2	There was substantial compliance with procurement in most instances. Recommendations for improvements have been issued by the Council's procurement officers.

2.11 Were State Aid rules checked for all supports?	N/A	No evidence that projects had state aid implications.
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	2	More awareness required of using PIs as part of project management.
2.14 Have steps been put in place to gather performance indicator data?	2	More awareness required of using PIs as part of project management.

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

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	N/A	No new current expenditure
3.2 Are objectives measurable in quantitative terms?	N/A	No new current expenditure
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	No new current expenditure
3.4 Was an appropriate appraisal method used?	N/A	No new current expenditure
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	No new current expenditure
3.6 Did the business case include a section on piloting?	N/A	No new current expenditure
3.7 Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	No new current expenditure
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	No new current expenditure
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	No new current expenditure
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	No new current expenditure
3.11 Was the required approval granted?	N/A	No new current expenditure
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	No new current expenditure
3.13 If outsourcing was involved were procurement rules	N/A	No new current expenditure

complied with?		
3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	N/A	No new current expenditure
3.15 Have steps been put in place to gather performance indicator data?	N/A	No new current expenditure



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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1 Was a contract signed and was it in line with the Approval in Principle?	3	Yes
4.2 Did management boards/steering committees meet regularly as agreed?	3	
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes
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?	2	Yes
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	2	Yes
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	
4.7 Did budgets have to be adjusted?	3	Yes, for example if building costs increased.
4.8 Were decisions on changes to budgets / time schedules made promptly?	2	Yes
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	2	Yes. If costs increased and funding available did not meet overall project costs.
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	2	Yes
4.11 If costs increased was approval received from the Sanctioning Authority?	2	Yes



4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No
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Checklist 5 – To be completed in respect of current expenditure programmes incurring expenditure in the year under review

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Budget for current expenditure agreed in advance at annual general meeting of Council and by sponsoring agency where applicable.
5.2 Are outputs well defined?	3	Current expenditure outputs linked to corporate plan and unit objectives. For some projects, KPIs are agreed with Departmental sponsoring agencies.
5.3 Are outputs quantified on a regular basis?	3	Regular reviews are undertaken at operational and management team level.
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes. Spend is compared to budget at regular intervals.
5.5 Are outcomes well defined?	2	Yes. Can be improved in some areas.
5.6 Are outcomes quantified on a regular basis?	2	Yes
5.7 Are unit costings compiled for performance monitoring?	2	More widespread use of appraisal for current expenditure projects are required.
5.8 Are other data compiled to monitor performance?	2	Better use of comparative data could be made.
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	Yes. Regular review of progress at operational and management team level and by external sponsoring bodies.
5.10 Has the organisation engaged in any other 'evaluation proofing' <sup>1</sup> of programmes/projects?	1	This area could be developed more.

<sup>1</sup> Evaluation proofing involves checking to see if the required data is being collected so that when the time comes a programme/project can be subjected to a robust evaluation. If the data is not being collected, then a plan should be put in place to collect the appropriate indicators to allow for the completion of a robust evaluation down the line.

Checklist 6 – To be completed in respect of capital projects/programmes & capital grant schemes discontinued and/or evaluated during the year under review

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1 How many post project reviews were completed in the year under review?	3	More awareness and training on post project reviews is required. Reviews were carried out in Library Service (2) and Housing (1).
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	No capital projects of this size.
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 capital projects of this size.
6.4 Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% (Value) of all other projects adhered to?	N/A	No capital projects of this size.
6.5 If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	1	
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	3	Yes
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	3	Lessons were learned and implemented.
6.8 Were project reviews carried out by staffing resources independent of project implementation?	1	Internal Audit have a role in monitoring post project reviews on capital projects. Improved data on capital projects is required.



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

Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
7.1 Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	None relevant to PSC in 2017
7.2 Did those reviews reach conclusions on whether the programmes were efficient?	N/A	None relevant to PSC in 2017
7.3 Did those reviews reach conclusions on whether the programmes were effective?	N/A	None relevant to PSC in 2017
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	None relevant to PSC in 2017
7.3 Were any programmes discontinued following a review of a current expenditure programme?	N/A	None relevant to PSC in 2017
7.4 Were reviews carried out by staffing resources independent of project implementation?	N/A	None relevant to PSC in 2017
7.5 Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	None relevant to PSC in 2017

Notes:

- (a) The scoring mechanism for the above checklists is as follows:
  - o Scope for significant improvements = a score of 1
  - o Compliant but with some improvement necessary = a score of 2
  - o Broadly compliant = a score of 3
  
- (b) For some questions, the scoring mechanism is not always strictly relevant. In these cases, it is appropriate to mark as N/A and provide the required information in the commentary box as appropriate.
  
- (c) The focus should be on providing descriptive and contextual information to frame the compliance ratings and to address the issues raised for each question. It is also important to provide summary details of key analytical outputs covered in the sample for those questions which address compliance with appraisal/evaluation requirements i.e. the annual number of appraisals (e.g. Cost Benefit Analyses or Multi Criteria Analyses), evaluations (e.g. Post Project Reviews). Key analytical outputs undertaken but outside of the sample should also be noted in the report.

## Appendix C – In Depth Check – Turnkey Acquisition of 14 Housing Units

### Section A - Step 1: Introduction

#### Quality Assurance – In Depth Check

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

<b>Programme or Project Information</b>	
<b>Name</b>	Turnkey Acquisition of 16 Housing Units.
<b>Detail</b>	Following a request for expressions of interest in the provision of social housing units to the Council, Longford County Council acquired sixteen three bed semi-detached units from a developer at Mill Race, Drumlish.
<b>Responsible Body</b>	Longford County Council
<b>Current Status</b>	Project Completed.
<b>Start Date</b>	December 2016
<b>End Date</b>	November 2017
<b>Overall Cost</b>	€3,392,000



## **Project Description**

Tuath Housing Association submitted a funding application under the Capital Assistance Scheme to Longford County Council in July 2016. The application sought approval for the purchase of 14 housing units at Millrace Park, Drumlish. Indicative unit acquisition cost was €226,265 including site cost of €25,500. Ultimately this project did not proceed.

Following a published request by Longford County Council for expressions of interest from developers to submit proposals for the provision of social housing, the Mill Race Park Development (DHCLG) was submitted to the Department of Housing, Planning, Community and Local Government for consideration as a social housing turnkey project. Discussions subsequently took place with the Department of Housing, Planning, Community and Local Government in relation to progressing this particular proposal.

In November 2016 approval was given for the turnkey proposal at Mill Race Park by the Department, comprising the acquisition of 14 three bed units at a cost per unit of €212,000 or €2.968m in total.

Contracts were exchanged in December 2016 and building commenced shortly thereafter.

In May 2017, approval was given by the Department for the acquisition of two additional units on a similar basis to the original 14 units in the Mill Race estate.

The project was described as a turnkey project. The arrangement provided for payment of a deposit and phased acquisition of units which were certified and paid as units were completed. The project was completed on time and on budget. The scheme was completed without incident and fully tenanted in December 2017.

Capital Grant claims applications were made to the Department of Housing, Planning, Community and Local Government (DHCLG) in November 2017 in respect of the original 14 units and the additional 2 units.

## Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Longford County Council have completed a Programme Logic Model (PLM) for the Turnkey Acquisition of 16 Housing Units. 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
Increase social housing supply in an area of high need.	Capital funding of €2.968m and €424k approved by the Department of Housing, Planning, Community and Local Government.	<p>Requesting expressions of interest for provision of social housing.</p> <p>Preliminary assessment of proposals received and selection of preferred proposal.</p> <p>Submission of project proposal and capital assessment to Department for approval.</p> <p>Following approval - purchase of site and entering building agreement to supply the units.</p> <p>Inspection of units during course of construction.</p> <p>Selecting suitable tenants for occupation of units.</p>	16 x 3 bed housing units on time and on budget.	<p>Project approved in November 2016 and fully tenanted in December 2017.</p> <p>Project provided social housing in a larger private estate ensuung a good social mix in the estate.</p> <p>Slow pace of private development in rural counties can be encouraged by turnkey developments.</p> <p>Reduction in social housing waiting list.</p> <p>Income stream from tenant rent.</p>

## **Description of Programme Logic Model**

*Objectives:* The objectives are to provide quality social housing in an area of high demand in a reasonable timeframe.

*Inputs:* The primary input to the programme was the capital funding of €2.968m and €424k which was provided by the sanctioning authority, the Department of Housing, Planning, Community and Local Government.

*Activities:* There were a number of key activities carried out through the project including publishing a request for expressions of interest in providing turnkey social housing units or proposals for the provision of social housing; preliminary assessment and selection of projects from the expressions of interest received; appraisal of the chosen project; engaging with the Department of Housing, Planning, Community and Local Government (DHCLG) in relation to the approval and funding of the selected project; ensuring the project commenced without delay and was completed within an acceptable timeframe; selecting tenants in advance of phased completion and ensuring units were occupied as soon as they were completed.

*Outputs:* Having carried out the identified activities using the inputs, the outputs of the project are the provision of in total 16 housing units in a mixed tenure estate.

*Outcomes:* The outcomes of the project were a completed social housing project on time and on budget. The project also confirmed that well managed turnkey projects have the capacity to deliver quality social housing units in a relatively short time frame.



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

The following section tracks the Turnkey Acquisition of 16 Housing Units from inception to conclusion in terms of major project/programme milestones

July 2016	CAS application submitted by Tuath Housing Association to DHCLG. This application did not subsequently progress.
September 2016	Publically advertised Notice to Developers – Requesting expressions of interest
September 2016	Capital Appraisal Form submitted to DHCLG by Longford County Council
November 2016	DHCLG Approval for proposal for 14 Units
December 2016	Construction commenced
April 2017	Application to DHCLG requesting approval for acquisition on additional 2 units on same terms as original 14 units
May 2017	Approval from DHCLG for acquisition of additional 2 units.
November 2017	Unit construction completed. Claim for funding drawdown submitted to DHCLG.
December 2017	Second phase of 8 Units tenanted.

**Project/Programme Key Documents**

Title	Details
1. Circular N16/2007	DHCLG Circular on Arrangements for Provision of Social Housing through Turnkey Projects.
2. Public Advertisement Notice to Developers	Published notice requesting developers to submit expressions of interest re provision of social housing.
3. Housing Need Lists by Location	Housing Need lists by location extracted from Housing Applications Database
4. Quantity Surveyor Review of Proposed Acquisition of Units	Preliminary review by Peter McHugh & Co re proposed cost of acquisition of units at Mill Race Park, Drumlish.
5. Site Assessment Report by Planning Department Longford County Council	Internal Planning Site Assessment Report on suitability of site for Development.
6. Capital Appraisal	Capital Appraisal Report issued to DHCLG outlining rationale for project.
7. Assessment Report re Proposals for Drumlish	Summary of proposals received for provision of housing in Drumlish following publication of request for expressions of interest.
8. Request to DHCLG for project approval.	Report to DHCLG seeking approval to progress scheme at unit cost of €212K
9. Approval from DHCLG	Approval of proposed project subject to compliance with planning permission, compliance with procurement requirements and assessment of alternative proposals received.
10. Letters of Advice from Council's solicitor on purchase of units.	Detailed advice note from Council's solicitors on contracts for sale and building agreements.
11. Stage Payment Certificates	Architect's certificates for payment in accordance with payment schedule for project.

<p>12. Approval from Department of Environment in relation to two additional units.</p>	<p>Confirmation of approval to purchase two additional units in the scheme to bring total of units acquired to 16.</p>
<p>13. Capital Grant Claim Forms.</p>	<p>Capital Grant Claim forms submitted to DHCLG to draw down funding for acquisition of 14 + 2 units.</p>
<p>14. Post Project Review.</p>	<p>Review of lessons learned by the Council following completion of the project.</p>



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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 the Turnkey Acquisition of 16 Housing Units.

### **Key Document 1: Circular N16/2007**

The Department of Environment Circular outlines in detail the arrangements to be followed for the provision of social housing through turnkey projects. It sets out the procurement options available, the requirements for Departmental approval for proposals, the type of contractual arrangements that should apply with the contracting authority and the contractor and the procedure for recoupment of project expenditure from the Department.

### **Key Document 2: Public Advertisement Notice to Developers.**

Published notice to developers requesting expressions of interest in providing social housing. The notice required developers/landowners to obtain planning permission, comply with design requirements and listed assessment criteria: social housing need, timescale for delivery, value for money and quality and design.

### **Key Document 3: Housing List.**

List of housing applicants by location and family composition etc. to assess housing need requirements for Drumlish. This detailed information is crucial to decision making and appraisal of projects.

### **Key Document 4: Quantity Surveyor Report.**

This report briefly comments on the proposed unit costs as submitted by the contractor in relation to the project. It is not a fully detailed Quantity Surveyor assessment of the proposed costs which is understandable as the submitted costs were summary in nature. It gives a general assurance that the costs are in line with expected costs apart from developer's financing costs and developer's profit which

are described as being slightly on the high side. It would have been more useful if detailed costs were requested by the Council and were submitted by the developer. These costs could then be fully assessed and benchmarked by the Council's Quantity Surveyor.

**Key Document 5: – Planning Department Site Assessment Report**

A Planning assessment of the suitability of the site in terms of zoning, planning history, environmental issues and proposed site design. The overall assessment was that the site was zoned residential and was suitable provided construction was commenced before the expiry of the existing planning permission.

**Key Document 6: Capital Appraisal Report**

Capital appraisal report submitted to Department of Housing, Community and Local Government outlining background to proposal, rationale for the project, the housing need in Drumlish, planning issues and how the project would be managed by the Council. The report is a pre requisite for Departmental approval.

**Key Document 7: Site assessment report re proposals for Drumlish.**

Comparative report using objective criteria to assess proposals received from developers in relation to provision of social housing in Drumlish. Six proposals were assessed and ranked in terms of site suitability, zoning, planning, housing need, timescale for delivery, value for money, quality and design. The proposals received from developers were not sufficiently detailed to allow sufficient analysis of the proposals. In particular pricing was not provided in five of the six proposals so assessment in relation to cost of the project proposal was impaired. The process could have been improved by using an application form which sought core information from developers in relation to their proposals to allow proper preliminary assessment and comparison.

**Key Document 8: Departmental Approval Request**

Request to the Department of Housing, Community and Local Government for cost approval in relation to the Mill Race Park proposal. Controls are required at this stage of the project to provide assurance of compliance with procurement and the Public Spending Code.

**Key Document 9: Confirmation of DHCLG Approval.**



Letter from Department of Housing, Community and Local Government dated 17/11/2016 confirming approval for turnkey acquisition of 14 housing units at Drumlish at cost of €212k per unit (i.e a full commitment of €2.968m) subject to compliance with planning permission, procurement of turnkey units and submission to the Department of all proposal assessments carried out by the Council following their advertisement for expressions of interest.

**Key Document 10: Correspondence from Council's Solicitors.**

Detailed advice notes from Council's solicitors on contracts for sale and building agreements. The advice related to site transfer and building agreement in relation to the project.

**Key Document 11: Stage payment certificates.**

Architect's certificates for payment in accordance with payment schedule for project. The project proceeded with regular stage payments being requested by the developer on foot of architect's certificates confirming sums due in accordance with the building agreement. Payments were approved on confirmation from the Senior Engineer in the Council's Housing Department.

**Key Document 12: Approval from Department of Environment in relation to two additional units.**

During the course of construction of the original 14 units, two additional units became available on similar terms in the same development. Approval was sought from the Department to acquire the additional units and approval was subsequently received from the Department on 15/05/2017.

**Key Document 13: Capital Grant Claim Forms.**

On completion of the project, claims were submitted to the Department for the approved funding to cover the cost of acquisition of the units in accordance with Departmental guidelines.



**Key Document 14: Post Project Review.**

A post project review of the acquisition of the 16 units in total at Mill Race Park was completed. The review stated that delivery time was reduced drastically using the method employed and the project was completed and tenanted in just over 12 months. Turnkey projects were described as a suitable means of housing provision in the current housing crisis. The costs actually incurred should be reviewed in the Post Project Review.

### Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the Turnkey Acquisition of 16 Housing Units. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Housing Need for Area.	To establish the need for housing units and housing type.	Yes.
Standard quantity surveyor costs for housing construction.	To bench mark cost of proposals for housing.	Yes.
Comparative costs for housing construction / acquisition proposed by developers in selected area.	To allow comparison between projects submitted.	No.
Site acquisitions costs of proposals received for turnkey projects.	To allow assessment of site acquisition costs between different projects.	No.
Delivery time for completion of turnkey units.	To allow assessment of project delivery times of alternative proposals.	No.

### **Data Availability and Proposed Next Steps**

Data was available from the Council's housing system in relation to the number of social housing applicants for Drumlish and their housing requirements. General indicative data was also available in relation to general housing construction costs from the Society of Chartered Surveyors of Ireland (SCSI). The headline costs were subject to a basic review by the Council's Quantity Surveyor. There was insufficient data available in relation to comparative housing construction/acquisition costs, site acquisition costs and project delivery timeframes for the different proposals received. This is key information that is required to undertake a full appraisal of the different proposals. Proposals that did not include this key data were assessed and simply ranked lower than the proposal that included costs and which subsequently proceeded. This is a significant weakness in the appraisal process. Best practice would be to engage with the developers who submitted proposals and ascertain costs and timeframes which would allow meaningful comparison between the proposals received by means of a procurement procedure. This could have been achieved by requesting tenders from the shortlisted proposals and subjecting the detailed costs submitted to a rigorous scrutiny by the Council's Quantity Surveyor.



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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 Turnkey Acquisition of 16 Housing Units based on the findings from the previous sections of this report.

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

The appraisal methodology used should have been based on more detailed data in relation to cost, timeframe for delivery, quality and design. While a preliminary appraisal was carried out in relation to six proposals for the Drumlish area, and costs were reviewed by a Quantity Surveyor, there was insufficient comparable data available to fully assess the selected proposal. The costs of other potential viable options were not fully quantified in advance of selecting the project that ultimately progressed. In addition, other solutions apart from turnkey development were not considered as a means of providing housing in areas of high demand as part of this particular project appraisal.

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

More detailed data is required in relation to project proposal costs, time frames for delivery, quality and design.

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

Proper appraisal of projects, involving quantifying the costs of alternative viable options and their risks prior to entering into any commitment is a prerequisite under the Public Spending Code. Following a published request for expressions of interest a public procurement option should be used to identify viable alternatives and select the most appropriate project based on objective criteria which has been advised to the participants in advance. A restricted procurement procedure as provided for in the Public Procurement Guidelines and Public Procurement Regulations would be appropriate in such circumstances.

The project was described as a phased turnkey acquisition of units. Ultimately it turned out to be a site transfer and building agreement contract. In such circumstances standard procurement procedures and thresholds apply and should be adhered to.

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## Section C - Step 6: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Turnkey Acquisition of 16 Housing Units

### Summary of In-Depth Check

The in depth check involved reviewing the project file and records held by the Council's Housing Department in relation to this turnkey housing project. Clarifications were sought from the Housing Department. The Council's financial management system was also checked for payment details to the contractor. A meeting was also held with the Director of Services Housing and the Administrative Officer, Housing Department.

The project was completed on time and the outcome was satisfactory in terms of delivery of sixteen housing units in an area of identified need in the period of a national housing crisis. The houses were acquired on a phased basis which reduced the housing list and provided an income stream from tenant rent. There is room for improvement however in the assessment process used to short list proposals received and the level of procurement compliance involved prior to progressing the project. A more rigorous assessment of proposals and complete procurement compliance will be required in future turnkey projects. Learnings from the in depth review should inform management's approach to future capital housing projects. It is recommended that detailed procedures for the management of capital housing projects should be prepared with input from the Council's Control and Compliance Unit. These procedures need to include detailed procurement and public spending code aspects. Internal Audit have agreed with Housing management a number of new controls which will be applied to future capital projects.

### Overall Assurance Level

	<p><b>Limited Assurance.</b> There are issues within the governance, risk management and control framework which if not addressed could have led to project objectives not being achieved. These issues need to be considered in the context of the requirement of local authorities to take the lead in the delivery of new social housing units under the Government's 2016 Action Plan for Housing and Homelessness.</p>
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## Appendix D – In Depth Check –D09 Local Enterprise Office (LEO)

### 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 Local Enterprise Office programme or project.

<b>Programme or Project Information</b>	
<b>Name</b>	D09 Local Enterprise Office
<b>Detail</b>	2017 LEO Revenue Expenditure Measure 1 and Measure 2
<b>Responsible Body</b>	Longford County Council
<b>Current Status</b>	Revenue Expenditure Being Incurred
<b>Start Date</b>	January 2017
<b>End Date</b>	December 2017
<b>Overall Cost</b>	€978,087



## Programme Description

In April 2014 the existing 35 County Enterprise Boards were dissolved under primary legislation and the functions, assets and liabilities were transferred to Enterprise Ireland (EI) with the Local Authority structure agreeing to carry out these functions on EI's behalf in Local Enterprise Offices (LEOs).

LEOs offer a wide range of experience, skills and services and promote micro enterprise, entrepreneurship and foster a culture of enterprise. LEOs are funded by the Department of Jobs, Enterprise and Innovation (DJEI) through EI and are operated through a Service Level Agreement (SLA) between EI and the Local Authority.

The largest budgets that LEO Longford are responsible for are:

Measure 1

Measure 2.

Measure 1 is direct financial support. Certain grants under this funding have a 30% refundable aid (RA) element which is repayable by the grant beneficiary.

Measure 2 provides funding for general development covering a range of training, mentoring and "in company" supports.

During 2017 the funds which LEO Longford managed help create 116 jobs in County Longford.

## Evaluations and Approvals Committee (EVAC)

The SLA provides for membership of the EVAC and is made up of seven representatives from EI, Longford County Council and the services and business sector. Grant applications that have been evaluated by the Head of Enterprise are considered at meetings of the EVAC. The EVAC also consider time extensions, grant decommitals and Refundable Aid (RA) write offs.

## Income and Expenditure

In 2017 LEO Longford had an overall budget of €978,087. It received grant funding of €734,458 from the Department of Jobs, Enterprise and Innovation via Enterprise Ireland to fund the operational costs of LEO. Other sources of income are fees charged for training and mentoring and the repayment of the refundable aid element of certain grants.

The expenditure consists of LEO administrative costs, grant payments to clients, mentoring and training courses, Ireland's Best Young Entrepreneur awards and trading online vouchers.

The in depth review of revenue expenditure by LEO focused on revenue spend under Measure 1 and Measure 2 grants. The total grant aid allocated to achieve the aims of these programmes was €141,151 in respect of Measure 1 and €168,853 in respect of Measure 2.

### Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit, Longford County Council completed a Programme Logic Model (PLM) for the 2017 LEO Revenue Expenditure Measure 1 and Measure 2. 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>Maximise business potential of client micro enterprises.</p> <p>Provide support, guidance and solutions that facilitate entrepreneurs to identify opportunities and implement actions to start-up, grow and survive within a competitive business environment.</p>	<p>Revenue funding from Enterprise Ireland: Measure 1 €141,151 Measure 2 €168,853</p> <p>Enterprise development support from Enterprise Development Officer and Business Advisor.</p>	<p>Publicising supports available to micro businesses.</p> <p>Engaging with entrepreneurs in relation to business plans, funding available, training and development.</p> <p>Preliminary appraisal of proposals for grant funding under Measure 1 and Measure 2.</p> <p>Evaluation of proposals and decision on grant applications under Measure 1 and 2.</p> <p>Payment of grants in accordance with procedures.</p> <p>Post programme review in conjunction with Enterprise Ireland.</p>	<p>Number of jobs created.</p> <p>Number of participants in training events.</p> <p>Number of businesses participating in mentoring.</p> <p>Number of clients transferred to Enterprise Ireland.</p> <p>Number of schools participating in Schools Young Entrepreneur.</p>	<p>New business start-ups and expansion of existing businesses.</p> <p>Promotion of an entrepreneurial culture.</p> <p>Increased job creation supported by LEO.</p>

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

*Objectives:* The objectives are related to promoting entrepreneurship, fostering business start-ups, developing existing micro and small businesses to drive job creation and to provide accessible high quality supports for your business ideas.

*Inputs:* The main inputs are funding received from Enterprise Ireland, the expertise of the Evaluation and Approvals Committee and business support and advice from Longford LEO staff.

*Activities:* The main activities involve promoting the assistance measures available through Longford LEO, scoping the needs of micro-enterprises and entrepreneurs, assessing and evaluating grant aid applications, making grant payments to successful grant applicants.

*Outputs:* Measureable outputs include the number of jobs created, the number of grant applications approved, the number of participants in training events, the number of businesses participating in mentoring, the number of clients transferred to Enterprise Ireland, the number of schools participating in Schools Young Entrepreneur and the number of trading online vouchers issued.

*Outcomes:* The outcomes are an increase in successful business start-ups, business expansions, an entrepreneurial business culture and an increase in jobs supported by Longford LEO.




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

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The following section tracks the LEO Expenditure Measure 1 and Measure 2 from inception to conclusion in terms of major project/programme milestones



November 2016	Indication of 2017 Budget for Measure 1 & 2 from Enterprise Ireland.
December 2016	Communication to Enterprise Ireland of likely commitments in Quarter 1 2017.
February 2017	Confirmation of Budget from Enterprise Ireland.
April 2017	EVAC meeting to consider the Measure 1 grant applications. The EVAC subsequently met on 2 June, 21 June, 18 July, 29 September, 3 November and 18 December 2017.
June 2017	Review meeting with Enterprise Ireland to monitor programme progress.
January 2018	Report to Strategic Policy Committee on 2017 activities.
January 2018	2017 Performance metrics forwarded to Enterprise Ireland for review.

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

The following section reviews the key documentation relating to appraisal, analysis and evaluation for LEO Revenue Expenditure Measure 1 and Measure 2.

Project/Programme Key Documents	
	Details
1	High level sustainable economic development goals for County Longford.
2	Detailed procedures manual
3	Sets out key priorities and metrics for Longford LEO for the period 2017-2020.
4	Financial Support Instrument policy for use by LEO under Measure 1 Funding.
5	Service level agreement between Enterprise Ireland and Longford County Council.
6	Committee meet to evaluate and approve Measure 1 grant applications.

**Key Document 1:** A detailed high level long term plan that sets out community and sustainable economic goals for Longford. This is a useful document to understand the context of the programme and how it interacts with other community and economic objectives for the County.

**Key Document 2:** The procedures manual compiled by Enterprise Ireland in 2016 outlines the responsibilities, tasks and procedures for all personnel involved in the implementation of financial aid measures to micro-enterprise. The manual complies with European Commission requirements as set out in Circular 08/2015 - National Eligibility Rules for Expenditure Co-Financed by the European Regional Development Fund (ERDF) under Ireland's Partnership Agreement 2014-2020.

It is sufficiently detailed in relation to roles and responsibilities, eligibility for funding and control procedures in relation to payment of grant aid by Longford LEO.

**Key Document 3:** Longford Local Enterprise Development Plan 2017-2020 is a key document used by Longford LEO staff. It sets the medium term priorities of Longford LEO. It outlines the regional and local context in relation to enterprise support and job creation. Strategic objectives for each activity area are set out in detail with targets, outcomes and timescales. Risks to the delivery of objectives are identified and mitigation actions.

**Key Document 4:** DJEI Circular 02/2015 issued in March 2015 and amends Circular No. 3/2011. This Circular reinstates the Financial Support Instrument Policy for use by the LEO under Measure 1 funding. It details the type of Measure 1 funding available, eligible expenditure, grant drawdown requirements and benchmarking.

**Key Document 5:** The LEO office in Longford operates under a Service Level Agreement between Enterprise Ireland and Longford County Council. Under this SLA, Enterprise Ireland plays a significant oversight role in the activities of the LEO.

**Key Document 6:** A highly expertised committee meet throughout the year to evaluate and approve or refuse Measure 1 grant applications. The detailed minutes of these meetings record key information regarding the committee's consideration of the grant applications.



### Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the for LEO Revenue Expenditure Measure 1 and Measure 2. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Objectives and outcomes for delivery of the programme.	To ensure delivery of programme was meeting specified objectives.	Yes. The strategic objectives, actions and activities are detailed in the Longford Local Enterprise Development Plan 2017-2020.
Financial data in relation to programme income and expenditure.	To ascertain the level of income and expenditure incurred in delivering the programme and that the funding available was utilised to achieve objectives of the programme.	Yes. The income and expenditure details of Measure 1 and Measure 2 funding are recorded and available in the Council's financial management system. The funding available for Measure 1 and Measure 2 assists in job creation, business expansion and training. 116 jobs were created in 2017, an additional fourteen jobs on 2016. Twenty three grant applications were approved for Measure 1 funding in 2017 compared to fifteen in 2016. This included two more approvals for Business Expansion grants than 2016. Thirty seven training programmes were delivered to 518 participants in 2017. Seventeen of these programmes are specifically available to clients that target starting and growing a business compared to fifteen such programmes in 2016.
Data / evidence of adequate controls in relation to the delivery of the programme.	To ascertain the level of controls in place to ensure expenditure was correctly incurred.	Yes. The procedure manual incorporates detailed controls in relation to the assessment of grant applications and payment to successful applicants. Regard was also had to the 2017 Internal Audit Report on LEO and the update on implementation of recommendations within the report.

**Data Availability and Proposed Next Steps**

There was adequate data available to review the LEO Revenue Expenditure Measure 1 and Measure 2.

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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 LEO Revenue Expenditure Measure 1 and Measure 2 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. Delivery of the programme is substantially in compliance with Departmental circulars, detailed procedure manual and policy objectives. The evidence reviewed points to adequate appraisal of grant applications prior to grants being awarded, good control procedures during implementation and review of effectiveness of the programme informally and formally through reporting on a regular basis to Enterprise Ireland. The programme is considered compliant with the Public Spending Code.

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

Adequate data is available to facilitate full evaluation of the programme.

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

Some minor improvements were suggested in the 2017 Internal Audit Report on Longford LEO.

- Record complete descriptive details for Refundable Aid debtors and follow up repayments more regularly.
- Further grant aid should not be approved where refundable aid is outstanding from a previously awarded grant.
- Grant beneficiaries must show tax compliance.
- Business sector membership of the evaluation committee provided for in the SLA needed to be reviewed annually.



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### Section C: In-Depth Check Summary

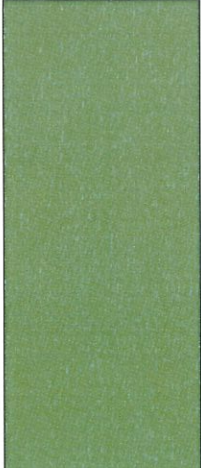
The following section presents a summary of the findings of this In-Depth Check on the LEO Revenue Expenditure Measure 1 and Measure 2.

#### Summary of In-Depth Check

The in depth check reviewed the Longford LEO Revenue Expenditure Measure 1 and Measure 2 for compliance with the Public Spending Code. There was adequate documentation and data available to check compliance and good practice was evident. The key documents in relation to the operation of the programme were reviewed and there was full access to the financial records relating to the operation of the programme. Due consideration was given to the 2017 Internal Audit Report on the LEO prepared by the Council's Internal Audit Section. The low number of minor recommendations and satisfactory assurance therein support the outcome of the in depth check.

It was evident that the programme operated by LEO was compliant with the Public Spending Code. A number of ancillary issues were identified which management addressed and were confirmed as implemented during the follow up report completed by the Internal Audit Section.

#### Overall Assurance Level



#### Reasonable / Satisfactory Assurance

Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified, this should not significantly impact on the achievement of system objectives.