



Public Spending Code
Quality Assurance Report for 2019
Longford County Council


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

August 2020

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 August 2020

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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
		Capital Grant Schemes greater than €0.5m
3	Expenditure that has recently ended	Capital Projects greater than €0.5m
		Current Expenditure greater than €0.5m
		Capital Grant Schemes 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 - 2019](#)

The Inventory contains 51 Projects under the three stages and comprises a total value of €98.80M. 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	1			5			6
Expenditure Being Incurred	24	1		11	2		38
Expenditure recently ended				6	1		7
Totals	25	1		22	3		51

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	1.42			9.06			10.48
Expenditure Being Incurred	34.00	8.14		22.40	11.13		75.67
Expenditure recently ended				5.84	6.81		12.65
Totals	€35.42m	€8.14m		€37.30m	€17.94m		€98.80m

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

For 2019 Longford County Council have reported no projects in this category.

The Quality Assurance Report for 2019 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

Checklist Completion aligned with Project Inventory	
Expenditure Type	Checklist to be completed
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 33 Houses Knock Manor, Lanesboro (*see Appendix C*) and the Revenue Expenditure B05 Public Lighting (*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 and recommendations have been made. Listed below are the summaries from these in-depth checks.

Summary of Turnkey Acquisition of 33 Houses Knock Manor, Lanesboro In-Depth Check

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of this project acquiring thirty-three units for social housing as part of the Social Housing Targets 2018-2021 under the Rebuilding Ireland programme. The main objective of this project was the acquisition of social housing units in a cost-effective manner to contribute to the targets set out and to reduce the number of approved applicants on the Council's housing list.

The Council complied with Circular 11/2018 - Social Housing Investment Programme – Acquisition of properties for Social Housing.

The project was 61 weeks in duration and the houses were available for immediate occupancy. Thirty-three families (forty-four adults and forty-one children) were appointed tenants from 1 March 2019, resulting in an additional €2,212.50 rental income per week for the Council. Thirty-three families were removed from the Council's housing list. The development has contributed to a sustainable village community in accordance with national and local statutory planning policy.

Summary of Operation of Public Lighting Revenue Expenditure 2019 Programme In-Depth Check

From the analysis and examination of Public Lighting operations, it is the opinion of Internal Audit that public lighting operations are carried out in satisfactory compliance with the Public Spending Code.

Public lighting accounts for 28% of the Councils total energy spend including electricity, gas, heating oil and motor vehicle fuel.

In 2019 Longford County Council spent €929,000 on public lighting electricity and in 2018 these costs were approx. €894,000 representing an approx. **4% increase** in expenditure year on year. However, in 2019 the Council used 2,126,000 kilowatt hours (kwhrs) of electricity on public lighting and in 2018, 2,253,000 kwhrs representing an approximate **6% reduction** year on year. This picture is complicated by the fact that unmetered electricity rates are increasing and masking the effectiveness of the work being done by the Roads section in achieving energy efficiencies.

House-keeping issues regarding record retention and ease of access to records were the only issue raised in the review and Internal Audit will follow up on the recommendation of implementation of a filing/document management system.

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 2019 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 projects 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 – 2019

Longford County Council	Expenditure being considered		Expenditure being incurred		Expenditure recently ended		Notes
	Current > €0.5m	Capital Grant Schemes > €0.5m	Current Expenditure	Capital Grant Schemes > €0.5m	Current Expenditure	Capital Projects > €0.5m	
	€0.5m	€0.5 - €5m	€5 - €20m	€20m plus			
Housing & Building							
Housing Void Programme 2020		800,000					
Essential Repairs Grants 2020		1,300,000					
5 Houses Church Street, Edgeworthstown		918,000					
6 OPD's Rose Cottage, Ballinalee		1,181,493					
16 Farnagh Hill, Longford		3,357,138					
Essential Repairs Grants 2019							
22 Houses Smithfield, Legan					6,049,085		20% local authority contribution
17 Houses Clos Naomh					3,167,297		
14 Units and 2 Commercial Units Greville Court, Granard					2,032,662		
25 Houses , Carragh, Granard					5,084,672		
4 OPD's Lanesboro							
33 Houses Knock Manor, Lanesboro						730,319	
12 Houses Mill Race Park, Drumlish							
4 Houses 106-109 Abhainn Glas, Edgeworthstown						6,811,556	
						2,399,045	
						792,931	

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)?	3	Email sent to all staff.
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.
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?	3	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 yet.
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	2	Yes
1.6 Have recommendations from previous QA reports been acted upon?	3	Audit Findings Tracker used to follow up p on recommendations.
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
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes
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	A limited number of significant capital projects completed in 2019.
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	1	There is room for improvement in relation to 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 for using PIs as part of project management.
2.14 Have steps been put in place to gather performance indicator data?	2	More awareness required for 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?	3	Additional expenditure under one existing programme
3.2 Are objectives measurable in quantitative terms?	3	
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	Additional expenditure under one existing programme
3.4 Was an appropriate appraisal method used?	N/A	Additional expenditure under one existing programme
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	Additional expenditure under one existing programme
3.6 Did the business case include a section on piloting?	N/A	Additional expenditure under one existing programme
3.7 Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	Additional expenditure under one existing programme
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	Additional expenditure under one existing programme
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	Additional expenditure under one existing programme
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	Additional expenditure under one existing programme
3.11 Was the required approval granted?	N/A	Additional expenditure under one existing programme
3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	Additional expenditure under one existing programme
3.13 If outsourcing was involved were procurement rules complied with?	N/A	Additional expenditure under one existing programme
3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	2	Additional expenditure under one existing programme will be evaluated at the end of the year.
3.15 Have steps been put in place to gather performance indicator data?	2	Yes the programme is already measured on outputs

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	One went over budget
4.7 Did budgets have to be adjusted?	3	Yes
4.8 Were decisions on changes to budgets / time schedules made promptly?	2	Yes, the DHPLG was notified of the revised budget as soon as tenders received
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	Only in one case
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	Still under negotiation with the DHPLG
4.12 Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No

Checklist 5 – To be completed in respect of current expenditure programmes incurring expenditure in the year under review

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Budget for current expenditure agreed in advance at statutory budget 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. Budget and expenditure are regularly monitored.
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' ¹ of programmes/projects?	1	This area could be improved.

¹ 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?	1	None. Will be highlighted to staff with responsibility for capital projects. Awareness and training on post project reviews is required.
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?	N/A	
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	1	
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	1	
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 2019
7.2 Did those reviews reach conclusions on whether the programmes were efficient?	N/A	None relevant to PSC in 2019
7.3 Did those reviews reach conclusions on whether the programmes were effective?	N/A	None relevant to PSC in 2019
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	None relevant to PSC in 2019
7.3 Were any programmes discontinued following a review of a current expenditure programme?	N/A	None relevant to PSC in 2019
7.4 Were reviews carried out by staffing resources independent of project implementation?	N/A	None relevant to PSC in 2019
7.5 Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	None relevant to PSC in 2019

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 – 33 Houses Knock Manor, Lanesboro

Quality Assurance – In Depth Check

Section A: Introduction

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

Programme or Project Information	
Name	Housing Capital Programme.
Detail	Acquire a turnkey development of six four-bedroom, fifteen three-bedroom and twelve two-bedroom houses at Knock Manor, Lanesboro, Co Longford for €6,772,930.
Responsible Body	Longford County Council
Current Status	Capital Expenditure Recently Completed.
Start Date	March 2018
End Date	May 2019
Overall Cost	€6,811,556

Project Description

The project involved the turnkey development of properties for social housing as part of the targets set out by the Department of Housing, Planning and Local Government (DHPLG) in their Social Housing Targets 2018-2021 under the Rebuilding Ireland programme. The target set for Longford County Council for social housing builds, acquisitions and leasing in 2018 was 69 units.

The initial development consisted of six, four-bedroom, thirteen, three-bedroom and twelve, two-bedroom dwellings in Knock Manor, Lanesboro, Co. Longford commencing in May 2018 and completed in May 2019.

The development site was situated on a disused mushroom farm located between the Fire Station and Curraghrua housing estate along the N63 Longford/Lanesboro road. This was a serviced site from a previous planning application. Faughnan Construction were further granted planning permission to complete the development in 2017. In 2018 the Council placed an advert on its' website inviting developers to submit proposals for turnkey developments. Faughnan Construction submitted details of the development at Knock Manor, Lanesboro. Following an appraisal of all projects submitted, based on site layout and house design, site suitability, zoning, existing planning permission, housing need, timescale for delivery and value for money, the turnkey development of houses at Knock Manor, Lanesboro was selected for an all-in budget of €6,351,391. This was subject to the approval of the Department of Housing, Planning and Local Government (DHPLG) and the availability of grant funding. Approval for the turnkey development was received from the DHPLG on 29 March 2018.

The construction of two additional three-bedroom houses on a green area within the development was negotiated between both parties during the project. The Council initially purchased the site from Faughnan Construction so a Part VIII was completed for the two extra houses. DHPLG approval was sought for the purchase of the additional two properties at a cost of €413,271 plus associated costs of €8,265 and was granted on 21 March 2019. The land was purchased by means of a sale contract and the building works completed through a building agreement.

A balance of €38,626 remains outstanding on the relevant job code. This is due to the omittance of legal fees in the approved budget cost claim for the initial development along with extra works required on the main sewer line servicing the development. Recoupment of the outstanding balance was sought from the DHPLG at the time of in-depth check.

The project was funded as a Capital Housing project and was delivered under the Local Authority Housing Capital Programme.

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 development of thirty-three housing units. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

Description of Programme Logic Model

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> Acquire social housing to meet the social housing need in County Longford in a reasonable timeframe. Reduce the number of approved applicants on the Council's housing list. 	<ul style="list-style-type: none"> Capital funding of €6,772,930 plus associated costs approved by the DHPLG. Circular 11/2018 Social Housing Investment Programme – Acquisition of Properties for Social Housing. Letter from DHPLG outlining Social Housing Targets 2018-2021 under the Rebuilding Ireland programme Technical and administrative staff support. 	<ul style="list-style-type: none"> Invitation to supply Housing Schemes by Turnkey Developments advertised on Longford County Council's website. Project appraisal of turnkey proposals received and selection of preferred proposal. Obtain independent valuation report. Submission of project proposal and capital appraisal to the DHPLG for approval. Additional information sought from DHPLG. Invitation to supply Housing Schemes by Turnkey Developments re-advertised on Longford County Council's website. Renegotiate on development costs with developer. Submit additional information to DHPLG. Funding approval received from DHPLG. Engage with legal advisors re contract preparation, agreement and completion. Ongoing inspection of site works by Longford County Council technical staff. Certification of completed works by consulting engineer. Submit completed and certified forms to the Department for recoupment of project payments. Transfer ownership of the development to Longford County Council. 	<ul style="list-style-type: none"> Six new four-bedroom houses. Fifteen new three-bedroom houses. Twelve new two-bedroom houses 	<ul style="list-style-type: none"> Thirty-three families (44 adults and 41 children) provided with social housing. Thirty-Three families removed from the housing list. Additional income for Longford County Council from rent. A vacant site was developed improving the visual appearance of the village.

Description of Programme Logic Model

Objectives: The main objective of the project was to acquire properties in a turnkey development for social housing in a cost-effective manner, in order to house applicants on Longford County Council's housing list and reduce the number of approved applicants on the Council's housing list.

Inputs:

1. The primary input to the programme was the capital funding of €6,772,930 plus the administration fees of €40,000 which was provided by the sanctioning authority, the DHPLG.
2. Longford County Council had to adhere to the provisions of Circular 11/2018 Social Housing Investment Programme – Acquisition of properties for Social Housing issued in February 2018.
3. Administrative and technical support from the housing staff was also required throughout the project.

Activities: Key activities performed throughout the project included:

1. Publishing an invitation to supply Housing Schemes by Turnkey Developments on Longford County Council's website.
2. Assessing the proposals received and proceeding with preferred proposal.
3. Obtaining an independent valuation report.
4. Submit the Capital Appraisal for the project to the DHPLG for approval.
5. Renegotiating the development costs and providing additional information to the DHPLG.
6. On receipt of DHPLG approval, liaise with the Council's legal advisors regarding the contract preparation, agreement and completion.
7. Payment of one third of the development costs to the developer on the signing of the contract.
8. The site is purchased from the developer.
9. Ongoing inspection of site works by the Council technical staff.
10. Certificate of Compliance with Planning Permission and Building Regulations completed by the Consulting Engineer.
11. Payment to the developer for units as they are delivered. These payments are raised through the Financial Management System Agresso and paid directly to the developer.
12. Completion of HCA3 and HCA4 forms and submit to the DHPLG for recoupment of funds.
13. Transfer the ownership of the development to Longford County Council.

Outputs:

1. Longford County Council acquired thirty-three houses between May 2018 and May 2019.

Outcomes: There were a number of outcomes from the project including:

1. Provision of thirty-three social housing units for thirty-three families on the housing list in a relatively short time frame.
2. The housing list was reduced by thirty-three families (eighty-five persons).
3. Additional rental income of €2,212.50 per week (€115,050 per annum) is received by Longford County Council.

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

The following section tracks the turnkey acquisition of thirty-three housing units from inception to conclusion in terms of major project/programme milestones

2017	Invitation to supply Housing Schemes by Turnkey Development was advertised on the Council's website.
December 2017	Expression of interest received from Faughnan Construction Ltd. regarding a development in Knock Manor, Lanesboro.
December 2017	Project appraisal scoring summary. Submission on the proposed housing development is sent to the DHPLG.
December 2017	Further information is sought by the DHPLG.
January 2018	Independent valuation received from Dalton Auctioneering for €5,111,000.
January 2018	The Council respond to the DHPLG with the additional information requested.
January 2018	PRO 1 form set to DHPLG for the sum of €6,611,000 plus €35,000 legal fees, total €6,646,000.
February 2018	Further information is sought by the DHPLG for the Capital Appraisal Stage.
February 2018	The Council renegotiate the development costs with the developer.
February 2018	The Council re-advertise the Invitation to supply Housing Schemes by Turnkey Development on the website, increasing the maximum number of houses from fifteen to forty.
February 2018	The DHPLG issue Circular 11/2018 on Social Housing Investment Programme – Acquisition of properties for Social Housing detailing new guidelines to be adhered to when acquiring properties for social housing. Updated cost guidelines for acquisitions were also issued for each local authority area, superseding cost guidelines in Housing Circular 41/2016.

February 2018	Independent valuation received from DNG for €6,200,000.
February 2018	The Council respond to the DHPLG with the additional information requested.
March 2018	Further submission to the DHPLG with a new negotiated price of €6,351,392 along with independent valuation.
March 2018	Revised PR01 sent to the DHPLG for the sum of €6,351,373.
March 2018	Approval received for the housing scheme for the sum of €6,351,391 subject to the conditions set out by the DHPLG and assurances given by the Council.
April 2018	Letter received from the DHPLG setting out the collective three-year Social Housing Targets 2018-2021 under the Rebuilding Ireland programme for each local authority under all Social Housing delivery streams. Separate targets were also set out for 2018. Longford County Council's targets for 2018 were Build (44), Acquisition (10), Leasing (15), Total (69).
April 2018	Revised PR01 sent to DHPLG for the sum of €6,351,391.
May 2018	Contracts are signed and a payment of €2,024,659 is made by the Council to the developer Faughnan Construction.
May 2018	Part VIII notice is advertised for two additional houses in Knock Manor, Lanesboro with submissions closing on 20 July 2018.
July 2018	Payment of €310,000 is made by the Council to their legal representative for the site purchase.
August 2018	Confirmation is received that the site at Knock Manor, Lanesboro is transferred into the ownership of Longford County Council with Land Registry.
September 2018	Payment of €578,584 is made by the Council to the developer for No.'s 1-4 Knock Manor, Lanesboro.
September 2018	HCA3 & HCA4 forms for 1-4 Knock Manor valued at €819,534 sent to DHPLG along with compliance certificates.

September 2018 Part VII report issued allowing the proposed development for two additional houses to proceed.

October 2018 €819,534 funding received from the DHPLG.

October 2018 Payment of €858,258 is made by the Council to the developer for No.'s 10-15 Knock Manor.

November 2018 HCA3 & HCA4 forms for 10-15 Knock Manor valued at €1,294,183 sent to the DHPLG along with compliance certificates.

December 2018 €1,294,183 funding is received from the DHPLG.

December 2018 Payment of €2,579,890 is made by the Council to the developer for No.'s 24-33 Knock Manor.

December 2018 HCA3 & HCA4 forms for 5-9, 16-19, 22-33 Knock Manor valued at €4,237,674 sent to the DHPLG along with compliance certificates.

December 2018 €4,237,674 funding received from the DHPLG.

January 2019 Capital Appraisal sent for two additional houses, 20 & 21 Knock Manor, Lanesboro.

March 2019 DHPLG approval of €421,539 received for two additional houses at the same development subject to the same assurance and conditions of the original approval.

May 2019 Payment of €413,274 is made by the Council to the developer for No.'s 20 & 21 Knock Manor, Lanesboro.

May 2019 HCA3 & HCA4 forms for 20 & 21 Knock Manor valued at €421,539 sent to the DHPLG along with compliance certificates.

May 2019 €421,539 funding received from the DHPLG.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for the turnkey development of thirty-three housing units.

Project/Programme Key Documents	
Title	Details
1. Circular 11/2018	DHPLG Circular on Social Housing Investment Programme – Acquisition of properties for Social Housing outlines the criteria to be adhered to when acquiring properties for social housing and details the updated cost guidelines for acquisitions for each local authority area.
2. Means to meet need	Invitation to supply Housing Schemes by Turnkey Development was advertised on Longford County Council’s website.
3. Letter from the DHPLG April 2018	This letter from the DHPLG sets out the Social Housing Targets 2018-2021 under the Rebuilding Ireland programme for each local authority under all Social Housing delivery streams. Separate targets were also set out for 2018.
4. Housing Need Analysis	Longford County Council’s targets for 2018 were Build (44), Acquisition (10), Leasing (15), Total (69).
5. Project Appraisal Scoring Summary	Examined the housing need in the area for mixed size accommodation Appraisal of turnkey proposals received and selection of preferred proposal based on scoring mechanism.
6. Independent Valuation Report	Independent Valuation Reports obtained for thirty-one houses Knock Manor, Lanesboro.
7. Submission to DHPLG for turnkey scheme to DHPLG	Submissions prepared and submitted to the DHCLG outlining the rationale for choosing this turnkey project to provide thirty-three social housing units at a fixed price of €6,351,391 & €413,274.

8. Letter of approval from DHPLG	Letter of approval of received from the DHPLG for the proposed project subject to compliance with building regulations, planning permission, procurement requirements and appraisal of alternative proposals received.
9. Certificates of Compliance from Consulting Engineer	Certificate of Compliance with Planning Permission and Building Regulations by Consulting Engineer are received for each housing unit.
10. HCA3 and HCA4 forms	Both forms were completed and submitted to the DHPLG at intervals during the project.
11. Letter of confirmation from DHPLG regarding recoupment of monies	Letter received from DHPLG confirming recoupment of monies for payment made by Longford County Council for turnkey development of 33 housing units at Knock Manor, Lanesboro.
12. Registration of Title	Confirmation that Land Registry Folio 4781F has been transferred into the ownership of Longford County Council.

Key Document 1: Circular 11/2018

The DHPLG issued Circular 11/2018 on the 8th February 2018 titled Social Housing Investment Programme – Acquisition of properties for Social Housing. This circular sets out the guidelines and parameters for acquiring properties for social housing. The circular also includes the updated cost guidelines for acquisitions for each local authority area. Longford County Council was obliged to comply with the criteria set out in this circular when they acquired the thirty-three housing units at Knock Manor, Lanesboro.

Guidelines of the circular:	Longford County Council Fully Complied with Circular 11/2018
Updated cost guidelines for the local authority area	- Lower €98,800 – Upper - €222,300
Selecting acquisitions for Social Housing	<ul style="list-style-type: none"> • Project appraisal of turnkey proposals received and selected preferred proposal based on scoring mechanism. • Need identified from the housing needs analysis for mixed size housing for approved applicants on the housing list.
Application of Acquisition Cost Guidelines	Longford County Council paid €204,884 per unit, within the cost guidelines.
Acquisitions under the Capital Assistance Scheme	N/A
Part V Acquisitions	N/A
Recoupment of Acquisition Costs	Costs associated with the turnkey acquisition of the thirty-three housing units were recouped from the DHPLG based on vouched expenditure.
Making a claim to the Department for Capital Funding	<ul style="list-style-type: none"> • HCA3 forms was complete and submitted to the DHPLG. • Independent valuation report was submitted to the DHPLG • HCA4 forms was completed to draw down funding for the capital costs associated with the thirty-three housing units at Knock Manor, Lanesboro.
Applicable Date	Contract closed on 17/05/2019 as per HCA3 form.
Market Check	Independent valuation report obtained and valuation considerations included in the submission for the turnkey scheme.
Audit	Value for Money was achieved.
Registration of Title	Development has been transferred into the ownership of the Council.
Statistical Returns	The development has been included in the quarterly department returns.

Key Document 2: Means to meet need

In an effort to meet the high demand for social housing in particular locations and to achieve a faster turnaround by developers, an invitation to supply Housing Schemes by Turnkey Developments was advertised on Longford County Council's website.

Key Document 3: Letter from the DHPLG April 2018

This letter set out the Social Housing Targets under the Rebuilding Ireland programme for Longford County Council under all Social Housing delivery streams. The three-year target 2018-2021 for Longford is 309.

The target for 2018 was set at 69 – Build (44), Acquisition (10), Leasing (15). The 33 units at Knock Manor, Lanesboro were included in the total output achieved by Longford County Council for 2018 – Build (54), Acquisition (28), Leasing (35).

Key Document 4: Housing Need Analysis

Lanesboro village is a location option on Longford County Council's housing need application form and there was a total of 80 applicants with Lanesboro as their preferred option. The analysis of accommodation required by applicants consisted of 30 two-bedroom units, 49 three-bedroom units and 1 four-bedroom unit.

Key Document 5: – Project Appraisal Scoring Summary

An appraisal of turnkey proposals received was completed and the preferred proposal was selected. The scoring mechanism considered:

Site layout and house design, site suitability, zoning, existing planning permission, housing need, timescale for delivery, value for money.

Key Document 6: Independent Valuation Report

An Independent Valuation Report was obtained for the turnkey acquisition of thirty-one houses at Knock Manor, Lanesboro. Valuation considerations on sales of similar properties in the area were unable to take place as there were none in the area at that time, showing a need for housing in the area.

Key Document 7: Capital Appraisal Report

Submissions along with a Capital Appraisal Report was prepared and submitted to the DHCLG outlining the rationale for choosing this turnkey project to provide thirty-three social housing units at a fixed price of €6,351,391 & €413,274. This complied with the guidelines set out in Circular 11/2018 as this project proposal exceeded the €600,000 threshold for purchasing a number of units in a single transaction.

Key Document 8: Letter of approval from DHPLG

Letters of approval were received from the DHPLG for the proposed project subject to compliance with building regulations, planning permission, procurement requirements and appraisal of alternative proposals received. All matters were complied with.

Key Document 9: Certificates of Compliance from Consulting Engineer

In order to draw down funding for the completion of units, the Consulting Engineer inspected the finished units and issued Certificates of Compliance with Planning Permission and Building Regulations.

Key Document 10: HCA3 and HCA4 forms

- **HCA3 form**

As the number of units purchased in a single transaction exceeded the €600,000 threshold referenced in Circular 11/2018, the HCA3 form and the Capital Appraisal Report were submitted to the DHPLG.

- **HCA4 forms**

In compliance with Circular 11/2018 the HCA4 form was completed to draw down funding for the capital costs associated with the thirty-three housing units at Knock Manor, Lanesboro based on vouched expenditure.

Key Document 11: Registration of Title

Confirmation is on file that Land Registry Folio LD4781F was transferred into the ownership of Longford County Council effective 17th August 2018

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the turnkey development of thirty-three Housing Units. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Relevant Housing Legislation	To check compliance by the Council.	On files
Project Appraisal Scoring Summary	To ensure that all submissions received have been objectively assessed based upon the predetermined appraisal criteria. This demonstrates transparency for unsuccessful parties.	On file
Housing Need Analysis	To establish there is a need in the area for housing and for what type of housing.	On file/iHouse
Independent Valuation Report	To ensure that acquisitions do not exceed the market value for the properties. The valuation also assisted the Council in demonstrating they have achieved value for money (VFM) as valuation considerations are also included in the report.	On file
Capital Appraisal Report	Submissions prepared by the Director of Services for housing along with the report prepared by the Housing technical staff considers all relevant issues with the acquisition and has regard to the Quality Housing for Sustainable Communities document.	On file
Correspondence from and to the DHPLG	<ul style="list-style-type: none"> To confirm approval was sought in a timely manner. To confirm that requests for information from the DHPLG were complied with. To confirm that recoupment of monies from DHPLG was completed. 	On file
Financial data from the Council's financial management system, Agresso.	<ul style="list-style-type: none"> To check payments was made to the Developer. To confirm recoupment monies were received by the Council. At the time of review there was a balance outstanding on the account of €38,626. Recoupment of this amount has now been sought from the DHPLG. To check the rental income charged for each of the housing units at Knock Manor, Lanesboro. 	On file / Agresso, the financial management system

Data Availability and Proposed Next Steps

The in-depth check involved reviewing the project file and records held by the Housing department in relation to this turnkey housing project. Records are maintained in hard copy file and most data is recorded electronically. All housing data is available on iHouse, the housing management system and database. The housing needs analysis was available on file and a check were carried out in iHouse for the number of residents living in the thirty-three housing units. All financial records are available on Agresso, the financial management system including payment made to the developer, receipts from the DHPLG and weekly rent charge for the housing tenants. Meetings were held with the Senior Executive Engineer, the Clerk of Works and the Administrative Officer in the Housing department.

Internal Audit is satisfied that appropriate data is available for the future evaluation of the project and assurance is provided that project was undertaken in line with Public Spending Code guidelines.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for turnkey development of thirty-three 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)

Delivery of the programme does comply with the standards set out in the Public Spending Code. The project involved the acquisition of thirty-three units for social housing as part of the Social Housing Targets 2018-2021 under the Rebuilding Ireland programme. A target of forty-four acquisitions was set for the Council for the year, total build output was 54 for 2018. Compliance was outlined under Key Document 1: Circular 11/2018 above. The project was selected following a project appraisal of turnkey proposals received. The preferred proposal was selected based on the scoring mechanism.

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

There is sufficient data and information available to ensure that the project can be subject to a full evaluation at a later date. There is a clear audit trail on file from the start of the project to the confirmation that the land registry folio has been transferred into the ownership of the Council.

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

There was substantial compliance with Circular 11/2018 – Social Housing Investment Programme – Acquisition of properties for Social Housing and there was a clear audit trail on file.

The payment of one third of the contract price to the developer on signing the contracts was an unusual practice and against the advice of the legal representative. The risk was mitigated by paying the developer for the site and transferring ownership to Longford County Council immediately.

A procedure has been put in place to ensure the oversight to recoup the final balance does not reoccur. Quarterly meetings are now scheduled between the Senior Executive Engineer, Administrative and Senior Staff Officer in Housing and the Administrative Officer, Control and Compliance Unit and Project Accountant to review housing capital accounts.

I can acknowledge that improved practices and procedures were noted in the management of capital housing projects during the in-depth review process and I continue to recommend that involvement of the Council's Control and Compliance Unit is maintained.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this in-depth check on the turnkey development of thirty-three Housing Units.

Summary of In-Depth Check

It is the opinion of Internal Audit that there is satisfactory compliance with the Public Spending Code in respect of this project acquiring thirty-three units for social housing as part of the Social Housing Targets 2018-2021 under the Rebuilding Ireland programme. The main objective of this project was the acquisition of social housing units in a cost-effective manner to contribute to the targets set out and to reduce the number of approved applicants on the Council's housing list.

The Council complied with Circular 11/2018 - Social Housing Investment Programme – Acquisition of properties for Social Housing.

The project was 61 weeks in duration and the houses were available for immediate occupancy. Thirty-three families (forty-four adults and forty-one children) were appointed tenants from 1 March 2019, resulting in an additional €2,212.50 rental income per week for the Council. Thirty-three families were removed from the Council's housing list. The development has contributed to a sustainable village community in accordance with national and local statutory planning policy.

Overall Assurance Level

	Satisfactory Assurance - Overall there is a satisfactory system of governance, risk management and control. Residual risk identified should not significantly impact on the achievement of objectives.
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Quality Assurance – In Depth Check

Section A: Introduction

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

Programme or Project Information	
Name	Provision of Public Lighting 2019
Detail	Revenue Expenditure Code B05 Public Lighting
Responsible Body	Infrastructure, Environment and Emergency Services Directorate, Longford County Council
Current Status	Revenue Expenditure being Incurred
Start Date	January 2019
End Date	December 2019
Overall Cost	€878,383

Project Description

Longford County Council is responsible for the operation, maintenance and provision of public lighting throughout the County of Longford. Public lighting includes street lights, pedestrian lighting and street lights in housing estates taken in charge by the Council. The Council provides approx. 5,600 public lights which service rural and urban communities across the county and also on the National Primary and Secondary traffic routes.

Staff within the Roads section manage the programme and are responsible for all public lighting activities comprising maintenance, energy and upgrades to the network.

The National Energy Efficiency Action Plan 2009-2020 requires that the public sector improves its energy efficiency by 33% by 2020. Longford County Council has already upgraded 2,800 lanterns to LED. The lights that have been targeted for upgrade were the larger, high wattage and more expensive lanterns which has assisted in exceeding the set target alongside reducing energy costs.

Energy Supply

A tender competition for a Multi Supplier Framework Agreement for the supply of electricity to public bodies is initiated by the Office of Government Procurement (OGP). All energy contracts are now procured through this framework agreement. The following contracts were signed in 2018:

Metered Electricity – SSE Airtricity for the period 1 November 2018 to 31 October 2021.

Unmetered Electricity – Viridian Energy Ltd., T/A Energia for the period 1 November 2018 to 31 October 2021.

Maintenance and Related Services

Longford and Westmeath County Councils collaborated in respect of the tender for maintenance on the public lighting network in 2013, with Westmeath being the lead authority. At the time as the combined estimated cost of the service for both counties was above the EU threshold of €200,000 the tender was published on the OJEU and eTenders website. Following evaluation of tenders received the contract was awarded to Electric Skyline. The initial contract commenced on 26 June 2013 for one-year with the option to extend the contract for a further two years.

The procurement process for a new maintenance contract commenced in June 2016, with Longford County Council as the lead authority. This was the subject of a judicial review which lead to a delay in securing a new maintenance contract and the subsequent collapse of that tender competition. In 2018 Longford County Council retendered on behalf of both local authorities. Before the tender assessment was completed in late 2018, Westmeath County Council withdrew from the process and the tender was collapsed on the advice of Crowleys DFK, external advisory service to the Procurement section.

Longford County Council have tendered for maintenance services in 2020 and will shortly be assessing tenders received.

The initial contract is still being used for maintenance purposes with extensions approved, up to and including December 2020.

The following services are provided under this contract:

- Routine reactive maintenance to public lighting faults.
- Provision of online fault reporting facility.
- Electrical testing and certification.
- Taking in charge lighting assessments.
- New public lighting works.
- Inventory surveys.
- Public lighting design services.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, [Unit Name] have completed a Programme Logic Model (PLM) for the Public Lighting Programme 2019. A PLM is a standard evaluation tool and further information on their nature is available in the [Public Spending Code](#).

Objectives	Inputs	Activities	Outputs	Outcomes
<ul style="list-style-type: none"> • To provide cost effective public lighting throughout the county. • To provide a safer environment for road users, pedestrians and cyclists. • To maintain and improve the public lighting network in the County. • To continue the programme of upgrading public lighting to LED in the interest of energy efficiency. • To improve security in towns and villages and reduce incidences of crime and anti-social behavior at night. 	<ul style="list-style-type: none"> • Revenue funding of €878,383. • Staff resources. • Two energy suppliers. • Maintenance contractor. • DeadSure public lighting management system. 	<ul style="list-style-type: none"> • Tendering for the supply of electricity and for the provision of public lighting maintenance and related services, ensuring value for money. • Monitoring, maintenance and upgrading of public lighting including cable repairs and replacement, column and bracket replacement, lantern replacement with LED's. • Liaising with the Regeneration department regarding unfinished estates, taking in charge works and coordinating operations ensuring greater value for money. • Online public lighting fault reporting facility available to the public via the DeadSure app on Electric Skyline website. • Processing payments and recouping expenditure from Transport Infrastructure Ireland (TII) and Sustainable Energy Authority of Ireland (SEAI). 	<ul style="list-style-type: none"> • Provision of approx. 5,600 public lights in 2019 in County Longford with the number increasing annually. • Approx. 50% of the lanterns have been upgraded to LEDs. • Inventory of all public lighting maintained on DeadSure public lighting management system. 	<ul style="list-style-type: none"> • Supply of public lighting throughout the county. • Cost savings on energy bills through public procurement. • Achieving targets in relation to energy efficiency. • Safer environment for road users, pedestrians and cyclists. • Faults repaired promptly due to availability of online fault reporting facility. • Value for money is achieved in the provision and improvement of public lighting through the coordinated approach with the Regeneration department.

Description of Programme Logic Model

Objectives:

The objectives of the Public Lighting programme are to provide cost effective public lighting throughout the county of Longford, to provide a safer environment for all road users, pedestrians and cyclists, to maintain and improve the existing public lighting infrastructure, to achieve greater energy efficiencies and to reduce incidences of crime and anti-social behaviour.

Inputs:

Financial Input:

The elected members approved an allocation of €878,383 for Public Lighting at the Statutory Budget Meeting on 26 November 2018.

Human Input:

Longford County Council staff members are assigned responsibility of the Public Lighting programme.

Systems Input:

- The Council use DeadSure, a public lighting management system that holds a register of all the existing public lighting infrastructure in the County. It records the pole number, wattage, light type, location and meter point reference number (MPRN). It is also used to log faults and manage the workflow.
 - All payments and recoupments are processed in Agresso, the Financial Management System.
 - The unmetered Register (UMR) holds the asset register of the country's entire unmetered electricity supply and is a section of ESB Network that administers the unmetered public lighting in Ireland.
- There is also input from the two energy suppliers, SSE Airtricity and Energia and the maintenance provider Electric Skyline.

Activities:

The OGP tender for the supply of electricity for all public bodies. Longford County Council tenders for public lighting maintenance services.

The public lighting network is monitored, maintained and upgraded as required.

The Roads department works in a coordinated manner with the Regeneration department regarding unfinished estates and other regeneration projects to ensure that works are organised and managed for an effective and efficient use of resources.

An online public lighting fault reporting facility is available through Electric Skyline via the DeadSure app. This means that members of the public and elected members can report a fault immediately. There is also a facility on the Council's website to report faults to a designated email address at publiclighting@longfordcoco.ie

The administrative staff in Roads manage the public lighting budget. Payments relating to energy costs, maintenance and improvements are processed. Recoupments of grant funding are made from TII and SEAL.

Outputs:

Public lighting is operating throughout the county.

The repairing of faults and the progression of 259 upgrades in 2019.

The provision of 35 additional lights in 2019.

Outcomes:

The provision of well designed, well maintained and efficient public lighting throughout the county.

Reducing energy consumption by utilising LED technology.

Public lighting faults are repaired promptly due to the availability of the online fault reporting service.

Additional and improved public lighting provides a safer environment for pedestrians, cyclists and road users and reduces crime and anti-social behaviour at night.

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

The following section tracks the Public Lighting Programme 2019 from inception to conclusion in terms of major project/programme milestones

July 1999	The Commission for Energy Regulation (CER) is established. This is Ireland's independent energy regulator whose economic role is to protect the interests of energy customers and maintain security of supply.
February 2005	The electricity market is opened fully to competition. This means that suppliers can enter the market and compete for business.
2009	The National Energy Efficiency Action Plan 2009-2020 requires that the public sector improves its energy efficiency by 33% by 2020.
April 2011	All sectors of the electricity supply market are deregulated.
2013	Longford and Westmeath County Councils collaborate in respect of the tender for the public lighting maintenance contract with Westmeath being the lead authority.
June 2013	Following assessment of the tenders received, Electric Skyline is awarded the public lighting maintenance contract for the two councils for a duration of one year with an option to extend the contract for a further two years.
June 2016	Procurement process was undertaken for the tender of the public lighting maintenance contract that ultimately collapsed due to a judicial review.
October 2017	Following the commencement of the Energy Act 2016, the CER changes its name to Commission of Regulation of Utilities (CRU) to better reflect the expanded powers and functions of the organisation.

2018	Procurement process was undertaken by Longford County Council for the tender of the public lighting maintenance contract. The procurement process collapsed due to Westmeath County Council withdrawing from the competition.
2018	New energy supply contracts signed for metered and unmetered lighting.
2019	Roads Management Office (RMO) launch the National Public Lighting Energy Efficiency Project. This project proposes to retrofit 280,000 public lights with energy efficient LED lanterns over three to four years in 24 local authorities across Ireland. The project will be delivered in three geographical regions – southern, eastern and north-west, each led by a contracting local authority. Longford is based in the eastern region and has yet to sign a Section 85 Agreement.
2019	Annual Report 2019 on Public Sector Energy Efficiency Performance acknowledges that Longford County Council is one of sixteen local authorities that are more efficient than baseline and on track to meet the 2020 energy efficiency target.

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 2019.

Project/Programme Key Documents	
Title	Details
Contract for the provision of public lighting maintenance and related services with Electric Skyline.	Contract with Electric Skyline extended to December 2020.
Contract for unmetered electricity signed with Viridian Energy Ltd T/A Energia.	Goods contract for unmetered electricity supplies for the period 1 November 2018 to 31 October 2021.
Contract for metered electricity signed with SSE Airtricity.	Goods contract for metered electricity supplies for the period 1 November 2018 to 31 October 2021.
Midland Energy Agency Public Lighting Specification 2017	This document outlines the principles and standards required for street lighting installations. It provides a checklist for developers seeking planning approval for public lighting designs.
Agresso financial reports	General ledger reports detailing income and expenditure for public lighting.

Key Document 1: Contract for the provision of public lighting maintenance and related services with Electric Skyline.

Longford County Council's contract with Electric Skyline signed in October 2013 stipulated that the contract was for one year with an option to extend for two further periods of one year. A procurement process was undertaken in 2016 which collapsed due to judicial review and in 2018 a further tender process collapsed due to the withdrawal of Westmeath County Council, one of the tendering parties. The existing maintenance contract has now been extended to December 2020 by Longford County Council to facilitate another tender process that closed in July 2020. Tenders received will shortly be assessed. The delay in awarding a new contract for the provision of public lighting maintenance and associated works has been unavoidable due to the collapse of previous tenders.

Key Document 2: Contract for unmetered electricity signed with Viridian Energy Ltd T/A Energia.

The supplementary request for tender (SRFT) UEL001F-13 under the OGP framework agreement for the supply of electricity to public bodies in Ireland, relating to the electricity supply contracts for unmetered supplies was issued on 11 June 2018. The contract was awarded to Viridian Energy Ltd. T/A Energia for the period 1 November 2018 to 31 October 2021.

Key Document 3: Contract for metered electricity signed with SSE Airtricity.

The supplementary request for tender (SRFT) UEL001F-14 under the OGP framework agreement for the supply of electricity to public bodies in Ireland, relating to the electricity supply contracts for metered supplies was issued on 16 July 2018. The contract was awarded to SSE Airtricity Ltd. for the period 1 November 2018 to 31 October 2021.

Key Document 4: Midland Energy Agency Public Lighting Specification 2017

This document outlines principles and standard required for street lighting installations. It provides a checklist for developers seeking planning approval for public lighting designs.

Key Document 5: Agresso financial reports

General ledger reports detailing income and expenditure for public lighting were reviewed. The review confirmed all recoupments were made for all projects undertaken.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for the Public Lighting Programme 2019. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Financial reports for income and expenditure analysis on public lighting.	To monitor expenditure to budget. To review spend on energy. To confirm grant funding received.	Available on Agresso.
Data on public lighting supply, faults reported and repaired.	To monitor performance including: •Type of faults logged and closure of repair requests. •Turnaround times on faults and progress on maintenance.	Available on DeadSure.
Upgrades to the network	To monitor performance on energy management.	Available on DeadSure.

Data Availability and Proposed Next Steps

The data listed above is available from Agresso, the financial management system and from the DeadSure database. The financial information is used to monitor expenditure versus budget allocation and also to ascertain energy costs. The information on DeadSure assists with monitoring performance of the maintenance contractor which is relevant to informing the procurement process for future contracts. Data from DeadSure also informs the Council on performance regarding energy efficiency targets.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Public Lighting Programme 2019 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 delivery of the public lighting programme complies with the standards set out in the Public Spending Code. The Council has a statutory responsibility to provide public lighting throughout the County. Procurement of energy is carried out by the OGP and the Council has entered contracts with both energy suppliers procured through the framework agreement.

The contract for maintenance of public lighting and related services was procured through a nationally advertised tendering process. Although maintenance and related services are currently provided on an extension of the original contract, the service provider continues to perform in a proficient and competent manner.

The staff in the Roads section liaise with the Regeneration department regarding unfinished estates, taking in charge works and other regeneration projects and coordinate operations ensuring greater value for money is achieved when installing and upgrading public lighting.

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

Data and information are readily available from Agresso and DeadSure, the two main sources of data required to monitor the public lighting programme. At the time of audit, contracts were available for the maintenance of public lighting and for the supply of metered electricity. Other back up documents were unavailable and the implementation of a filing/document management system has been recommended to facilitate record retention and ease of access to records.

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

The Council has recently written a Climate Change Adaption Strategy and the Climate Action Charter was signed by the Chief Executive and the Cathaoirleach in December 2019. Energy efficiency targets for the Council are exclusively being met by the upgrading of public lighting to LED lanterns however the Council does not currently have a Public Lighting Policy in place. To promote and sustain this programme of upgrading, a Public Lighting policy should be provided to corroborate that the public lighting strategy aligns with the corporate objective of making Longford a greener county.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on the Public Lighting Programme 2019.

Summary of In-Depth Check

From the analysis and examination of Public Lighting operations, it is the opinion of Internal Audit that public lighting operations are carried out in satisfactory compliance with the Public Spending Code.

Public lighting accounts for 28% of the Councils total energy spend including electricity, gas, heating oil and motor vehicle fuel. In 2019 Longford County Council spent €929,000 on public lighting electricity and in 2018 these costs were approx. €894,000 representing an approx. **4% increase** in expenditure year on year. However, in 2019 the Council used 2,126,000 kilowatt hours (kwhrs) of electricity on public lighting and in 2018, 2,253,000 kwhrs representing an approximate **6% reduction** year on year. This picture is complicated by the fact that unmetered electricity rates are increasing and masking the effectiveness of the work being done by the Roads section in achieving energy efficiencies.

House-keeping issues regarding record retention and ease of access to records were the only issue raised in the review and Internal Audit will follow up on the recommendation of implementation of a filing/document management system.

Overall Assurance Level

	Satisfactory Assurance - Overall there is a satisfactory system of governance, risk management and control. Residual risk identified should not significantly impact on the achievement of objectives.
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