



Public Spending Code Quality Assurance Report for 2015

Meath County Council

**To be submitted to the National Oversight and Audit
Commission in compliance with the Public Spending Code**

Certification

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

Signature of Chief Executive Officer

30th May 2016

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1. Introduction

Meath County Council has completed this Quality Assurance Report as part of its on-going compliance with the Public Spending Code. The Quality Assurance procedure aims to gauge the extent to which Meath County Council and its associated agencies are meeting the obligations set out in the Public Spending Code¹. The Public Spending Code ensures that the state achieves value for money in the use of all public funds.

The Quality Assurance Process contains five steps:

1. **Compiling inventories of all projects/programmes at different stages of the Project Life Cycle** (appraisal, planning/design, implementation, post implementation). Expenditure is examined under three headings, namely expenditure being considered, expenditure being incurred and expenditure that has recently ended and the inventory includes all projects/programmes above €0.5m.
2. **Publish summary information on the Council's website of all procurements in excess of €10m, whether new, in progress or completed.**
3. **Checklists to be completed in respect of the different stages.** These checklists allow the Council and its agencies to self-assess their compliance with the code in respect of the checklists which are provided in the PSC document.
4. **Carry out a more in-depth check on a small number of selected projects/programmes.** A number of projects or programmes (at least 5% of the total value of the entire inventory) are selected for closer examination.
5. **Complete a short report for the National Oversight and Audit Commission** which includes an inventory of all projects, the website reference for the publication of procurements above €10m, the completed checklists, the Council's judgement on the adequacy of processes given the findings from the in-depth checks and the Council's proposals to remedy any inadequacies found during the QA process.

This report fulfils the fifth requirement of the QA process for Meath County Council. 2015 is the second year in which the QA process has applied to local authorities. Projects and programmes which predate Circular 13/13² were subject to prevailing guidance covering public expenditure, namely the *Department of Finance Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector 2005*.

¹Public Spending Code, DPER, <http://publicspendingcode.per.gov.ie/>

²Circular13/13: The Public Spending Code: Expenditure Planning, Appraisal and Evaluation in the Irish Public Services – Standard Rules and Procedures.

2. Expenditure Analysis

2.1 Inventory of Projects/Programmes

This section details the inventory compiled by Meath County Council in accordance with the guidance on the Quality Assurance process. The inventory lists all of the Council's projects and programmes at various stages of the project life cycle which amount to more than €0.5m. This inventory is divided between capital and revenue projects and between three stages:

- Expenditure being considered
- Expenditure being incurred
- Expenditure recently ended

An initial inventory of projects and programmes was compiled for the 2014 PSC Quality Assurance Report and the full 2015 inventory builds on this baseline. It can be found in Appendix 1 of this report and appears in the preferred format which has been issued by NOAC. Following a review of the 2014 Public Spending Code Reports by NOAC it was agreed that future inventories would include revenue expenditure under consideration. The 2016 budget figures were used for this review and any increases of €0.5 million or more between the 2015 and 2016 budgets are included in the 2015 inventory. The figure for revenue expenditure under consideration in 2015 is €5.4 million.

For expenditure being incurred Revenue Service Divisions have been included where the increase in expenditure from 2014 to 2015 is greater than €0.5 million. This is in line with the Public Spending Code which confirms that the appraisal requirements do not apply to routine administrative budgets already in place and the focus of the Code is on new or extending current programme expenditure.

As agreed with NOAC there have been no changes made to the guidance in respect of entries for Capital Grant Scheme expenditure. Local Authorities have interpreted this as not relevant to the sector.

In respect of capital projects there are seventeen under consideration, thirteen which are incurring expenditure and eighteen which have recently ended. All water and sewerage capital projects included on the inventory are shown as complete, the vast majority of them having been transferred to Irish Water in February 2014. The values shown in the inventory reflect only the expenditure which appears in the Council's financial management system.

The total value of the 2015 inventory for Meath County Council is €440 million.

2.2 Published Summary of Procurements

As part of the Quality Assurance process the Council is obliged to publish summary information on our website for all procurements in excess of €10m. There were no procurements in 2015 which exceeded this threshold.

3. Assessment of Compliance

3.1 Checklist Completion: Approach Taken and Results

The third step in the Quality Assurance process involves completing a set of checklists covering all expenditure. The high level checks in Step 3 of the QA process are based on self-assessment by the Council and its agencies in respect of guidelines set out in the Public Spending Code. The checklists published in the original spending code publication have been amended. There are seven checklists in total:

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

Checklist 2: Capital Expenditure being considered

Checklist 3: Current Expenditure being considered

Checklist 4: Capital Expenditure being Incurred

Checklist 5: Current Expenditure being Incurred

Checklist 6: Capital Expenditure Completed

Checklist 7: Current Expenditure Completed

The checklists are informed by the Project Inventory. 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 – Checklist 2 Current Expenditure – Checklist 3
B. Expenditure being incurred	Capital Projects/Programmes – Checklist 4 Current Expenditure – Checklist 5
C. Expenditure that has recently ended	Capital Projects/Programmes – Checklist 6 Current Expenditure – Checklist 7

A full set of checklists 1-7 was completed by Meath County Council, copies of which can be found in Appendix 2 of this report. Each question in the checklist is judged by a 3 point scale as follows:

1. Scope for significant improvements
2. Compliant but with some improvement necessary
3. Broadly compliant

In addition to the self-assessed scoring the answers are accompanied by explanatory comments.

3.2 Main Issues arising from Checklist Assessment

The completed checklists show the extent to which the Council and it's agencies believe they comply with the Public Spending Code. Overall, the checklists show a satisfactory level of compliance with the Code.

2015 is the second year that the Public Spending Code has been applied to the Local Government sector and a revised guidance document (Version 2) was produced by the Finance Committee of the County and City Management Association in April 2016. This document incorporates changes agreed by the sector with NOAC following their review of the 2014 Public Spending Code reports. The guidance document highlights the basic principles applicable under the PSC and offers a definition of these principles from a local government perspective. The Council, in implementing the Public Spending Code and in producing this report, have been guided in large part by this document.

Checklist 1 provides an overview of awareness and compliance with the Public Spending Code and it's requirements across the Council. It demonstrates a good level of compliance but acknowledges areas for improvement particularly with regard to training.

Capital expenditure within the Council is project-based and largely funded through capital grants, development levies, provisions from the Revenue Account and borrowing. The checklist for capital expenditure under consideration (checklist 2) suggests satisfactory levels of compliance with the Public Spending Code in regard to the area of appraisal and evaluation.

Current expenditure can be defined as Revenue expenditure which is formally adopted by Council Members each year as part of the statutory budget process. The Public Spending Code confirms that the appraisal requirements do not apply to routine administrative budgets already in place and that the focus of the Code is on new or extending programme expenditure (checklist 3). Only new or extended revenue expenditure to the value of €0.5m or greater is subject to the application of the Code.

For Capital expenditure being incurred (checklist 4) satisfactory levels of compliance are evident in the checklist responses. There is a good level of compliance with internal controls and reporting as well as appropriate liaison with Sanctioning Authorities.

Checklist 5 details responses in relation to current expenditure during 2015. Revenue expenditure is determined by the annual budget process and is subject to National KPIs which are in place in the Local Government sector.

Checklist 6 which deals with capital projects completed during the year under review shows that two post project reviews were carried out in 2015. Both reviews were carried out in respect of projects which were significantly below the €20m threshold. Two projects listed in the Inventory as complete cost more than €20m. Both projects were transferred to Irish Water before they reached completion and Irish Water have full responsibility for these schemes. No post project reviews were completed by Meath County Council in respect of these schemes.

Overall the checklists reveal good levels of adherence to the principals and processes of the Public Spending Code. Responses indicating compliance levels of 2 and under will be followed up and monitored as part of the Quality Assurance process in future years.

3.3 In-Depth Checks

The following section details the in-depth checks which were carried out by the Council as part of the Public Spending Code. The Public Spending Code requires that at least 5% of the total value (lifetime costs) of all projects in the inventory are subject to closer examination and audit each year. The in-depth checks which are summarised here represent 6.4% of the Council's overall inventory and were carried out by the Internal Audit section of the Council in April and May 2016. The two projects which were selected for audit were as follows:

The Boyne Greenway Cycleway

Oldcastle Sewerage Treatment Works

In selecting projects for audit each year an attempt is made to ensure that the sample is reflective of the broad range of activities that the Council carries out. Projects are selected for sample in such a way as to ensure that all of the biggest spending programme groups are represented over a three to five year period. Projects chosen last year were from Housing and Corporate Services. The projects chosen this year come from the Roads Programme and Water Services. This approach to sampling is in keeping with the requirements of the Public Spending Code which requires that over a three to five year period every stage of the project life-cycle and every scale of project is subject to closer examination. The Boyne Greenway Cycleway which is funded by the Department of Transport, Tourism and Sport and the National Transport Authority is shown as an ongoing scheme in the 2015 inventory.

It forms part of a much larger scheme which will provide a cycleway/pedestrian facility linking the towns of Trim, Navan and Drogheda. The new waste water treatment plant at Oldcastle was completed in 2014 with some expenditure continuing to be charged to the scheme in 2015. Responsibility for the scheme transferred to Irish Water on the 21st February 2014 and it is shown as a completed scheme in this year's inventory.

3.3.1 The Boyne Greenway Cycleway

Project planning and appraisal for this scheme was carried out prior to the introduction of the Public Spending Code under Circular 13/13 and was subject to prevailing guidance at the time, namely the *Department of Finance Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector 2005*. The construction contract was awarded in September 2013 and means that the implementation and post-implementation phases of the project should comply with the requirements of the Public Spending Code which was notified to Local Authorities at this time.

Project Description and Status: This project involved the provision of a premium cycle and pedestrian facility between the Drogheda Ramparts and the entrance to the Oldbridge Estate Visitors Centre, County Meath. It forms part of a much larger scheme which will provide a cycleway/pedestrian facility linking the towns of Trim, Navan and Drogheda. Total expenditure against this job is €1.45 million. It is shown as an ongoing scheme in the attached inventory.

Process: The internal audit section carried out an audit of the above scheme in April/May 2016.

Audit Objectives: The objectives of the audit were to assess the quality of the work which was carried out under the above project and to provide an independent opinion on compliance with the Public Spending Code. It examined all aspects of the project including project appraisal, procurement, tendering procedures, payments and project management. This project represents the initial stage of a much larger scheme the full benefits of which will not be apparent until further stages and linkages are completed. Evaluation of project outcomes will be considered as the overall scheme progresses. A judgement had to be made as to whether the initial decision to go ahead with the project was soundly based and whether the project was well managed during implementation.

Assessment: Records held on file and on-line provide evidence of due diligence in the management and execution of this project. Payments are subject to a system of internal controls which exist throughout the organisation and procurement policies and procedures have been fully complied with. Expenditure is reviewed and evaluated on an ongoing basis and controls are in place which should ensure that objectives are fully achieved. The project is broadly compliant with the requirements of the Public Spending Code.

Proposals for Corrective Action: None at this time.

Audit Opinion: It is the opinion of this Council that the initial decision to go ahead with the project was soundly based and that the project was well managed. The project provides Substantial Assurance (see Appendix 3) that there is compliance with the Public Spending Code.

3.3.2 Oldcastle Sewerage Treatment Works

It should be noted that this project predates Circular 13/13: The Public Spending Code and was subject to prevailing guidance at the time covering public expenditure, namely the *Department of Finance Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector 2005*. This project transferred to Irish Water on the 21st February 2014.

Project Description and Status: This project involved the construction of a new waste water treatment plant and associated works at Oldcastle, County Meath. Total expenditure against this job, including payments made through Irish Water, is €8.19 million. It is shown as a completed project in the attached inventory.

Process: The internal audit section carried out an audit of the above scheme in March/April 2016.

Audit Objectives: The objectives of the audit were to assess the quality of the work which was carried out under the above project and to provide an independent opinion on compliance with the Public Spending Code. It examined all aspects of the project including project appraisal, procurement, tendering procedures, payments and project management. Irish Water funded this “in-flight” project to completion and became the Employer for the purposes of the contract on the 21st day of February 2014. A Post Project Review has not been completed by Meath County Council due to the migration of the project to Irish Water who now have full responsibility for the scheme. A judgement had to be made as to

whether the initial decision to go ahead with the project was soundly based and whether the project was well managed during implementation.

Assessment: The project is broadly compliant with the requirements of the Public Spending Code. There were a number of issues which arose during the course of this audit and they are as follows:

Procurement - Evidence of compliance with procurement procedures was sought in relation to six main suppliers. Payments to these suppliers represent approximately 86% of all expenditure against this job. A competitive tendering process was conducted in all cases except in relation to payments made to one small contractor. It is noted that the amount paid is relatively small and that because of this the lack of a competitive tendering process did not breach EU or National procurement guidelines. In the context of a scheme worth over €8m where all other procurement elements examined have been in full compliance with EU and National guidelines departure from internal guidelines in this particular instance is considered to be a minor issue. Both the consultants and the project owner considered that the cost of the works represented good value for money for the Council and the works were carried out satisfactorily and on time.

Financial Measures in the Public Interest Act 2009 - The Financial Measures in the Public Interest Act 2009 required an 8% reduction in Professional Fees with effect from 1st March 2009. The consultants already engaged on the project at this stage, refused to agree to the reduction and were paid their full fees to the end of the contract. Public bodies had no legal powers to withhold the 8% where consultants or other professionals refused to agree to the reduction. The clarification note issued by the Department of Finance in October 2009 acknowledges that contracts could only be terminated if it was legal to do so. When the cost of procuring new consultants is taken into account the potential cost savings of terminating the contract are very small compared to the overall cost of the scheme and the loss of consultancy expertise on this particular scheme could have had unforeseen knock-on consequences both in terms of the quality of the work completed and the overall scheme costs.

Project Expenditure: - An existing job code in the Council's financial management system which related to work carried out on the old treatment plant continued to be used in respect of the new scheme. This is poor practice from a financial and administrative point of view and resulted in the late submission of an internal capital appraisal form to the Finance department.

Proposals for Corrective Action: Following on from recommendations made by the Internal Auditor the Council propose the following corrective measures:

Procurement - The Council's procurement policy and procedures were revised early in 2016 and were circulated to all staff on the 15th March 2016. These revised and updated documents strengthen the existing controls within the organisation and ensure compliance with statutory procurement guidelines. Subject to certain thresholds which are clearly laid out in the revised documents competitive tendering is required for all contracts. Project owners have been reminded that works below threshold limits are subject to internal guidelines which must be followed in all cases.

Financial Measures in the Public Interest Act 2009 – As this is not an on-going issue proposals for corrective action do not arise.

Project Expenditure: - Project owners have been reminded that all projects of this scale and nature require a separate job code to be set up in the Council's financial management system so that all and every expenditure and income item related to the project is recorded against one unique project identifier.

Audit Opinion: It is the opinion of this Council that the initial decision to go ahead with the project was soundly based and that the project was well managed. The project provides Substantial Assurance (see Appendix 3) that there is compliance with the Public Spending Code.

4. Next Steps: Addressing Quality Assurance Issues

The compilation of both the inventory and checklists for the second year of this Quality Assurance process involved liaison with all sections and directorates within the Council. The in-depth checks carried out in 2015 and 2016 were useful in setting out the controls which are in place to ensure compliance with the Public Spending Code and have been incorporated into the Internal Audit annual work programme. The Public Spending Code requires that in-depth checks take a broader evaluation review of projects and programmes assessing such things as project management, project appraisal and post project reviews. Examination of the procurement process across the various spending departments forms an important element of the review process and there is a full time Senior Executive Engineer employed as a Procurement Officer who advises and assists spending departments on all matters relating to procurement.

The projects selected for in depth review aim to be broadly representative of the scale and nature of the projects which the Council undertakes and are selected for sample in such a way as to ensure that all of the biggest spending programme groups are represented over a three to five year period. The in depth reviews undertaken by internal audit this year cover

the required sample percentages under section 4 of the Quality Assurance Process and consider all aspects of the project life cycle for the selected projects. Although the results of the reviews this year indicate substantial compliance with the public spending code they may or may not accurately reflect compliance across the entire organisation due to the small number of projects selected. An overview of general compliance levels is provided in the checklists completed under section 3.

As part of an ongoing educational process in relation to the Public Spending Code within the Council all sections will be made aware of the records management requirements of the Public Spending Code and on the way in which projects should be documented and reported, particularly at key decision points and milestones. All sections will be reminded that work performed at the appraisal and planning stages of a project is crucial and should be thorough and robust, including the setting of project timelines and key milestones. Monitoring during the implementation stage by the project manager through regular team meetings and progress reports is vital in order to ensure that budgeted timeframes and costs are met. Post project reviews aim to confirm whether project objectives have been met, the project has been delivered to the required standard, on time and within budget and to ensure that experience gained can be used on other projects.

A constant review of processes and procedures is carried out across all spending departments in order to ensure high compliance with the Public Spending Code on an ongoing basis. Capital project spending codes will only be created in the Council's financial management system where it can be demonstrated by project owner's that the requirements of the Public Spending Code will be met in full. A number of key personnel throughout the organisation recently attended PSC training organised by the Department of Public Expenditure and Reform and further numbers of staff will receive training in due course.

Management will continue to ensure that Directorates have a greater appreciation of the requirements of the Public Spending Code and full compliance with the Code will continue to be encouraged going forward.

5. Conclusion

The inventory outlined in this report clearly lists the capital and revenue expenditure that is being considered, being incurred and that has recently ended. There were no procurements in excess of €10m in the year under review. The checklists completed by the Council show a satisfactory level of compliance with the Public Spending Code. The in-depth checks carried out on a small selection of projects revealed some minor issues which need to be addressed but concluded that the projects sampled provided substantial assurance that there is compliance with the Public Spending Code. A constant review of processes and procedures will be carried out across all spending departments in order to ensure high compliance with the Public Spending Code on an ongoing basis.

Appendix 1

Inventory of Projects and Programmes above €0.5m

MEATH COUNTY COUNCIL	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current	Capital				> €0.5m			> €0.5m		
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects
			€0.5 - €5m	€5 - €20m	€20m plus						
Meath County Council											
Housng & Building											
Bettystown Phase 1 - 16 Houses			€3.80m								
Remedial Works Alverno Laytown			€2.50m								
St Olivers Park, Ratoath - 16 Houses			€2.80m								
Housing Acquisition Programme 2015								€5.14m			
Local Authority Adaptation Works Scheme 2015								€0.56m			
19 Units at Cherry Court, Summerhill								€3.80m			
32 Units at Connaught Grove, Athboy								€8.90m			
40 Units at Riverside, Kells								€7.80m			
Redevelopment of St. Francis Park, Navan								€3.50m			
Energy Upgrade 2013 Job Stimulus								€3.50m			
Remedial Works, Townspark, Navan											€10.00m
St. Brigid's Villas, Navan, Refurbishment Scheme											€0.75m
Development of Private Sites at Carlanstown											€1.00m
A01 Maintenance/Improvement LA Housing	€0.78m					€4.71m					
A03 Housing Rent and Tenant Purchase Admin.						€0.93m					
A05 Administration of Homeless Service						€0.73m					
A06 Support to Housing Capital Programme						€2.89m					
A07 RAS Programme	€1.77m					€3.84m					
A08 Housing Loans Programme						€2.40m					
A09 Housing Grants						€1.32m					
Road Transportation and Safety											
R153 Farganstown - Metges Road Junction				€4.50m							
Milltown Road Ashbourne			€1.06m								
R153 (Kentstown Road) New Bridge Navan			€1.15m								
Navan Public Realm & Sustainable Transport Enhancements				€12.00m							
Royal Canal Greenway			€2.30m								
Cycling Facilities Meadowbank & The Avenue , Ratoath			€0.75m								
N2 Junctions Slane - Ashbourne			€1.50m								
N2 Slane Bypass								€50.00m			
N51 Dunmoe Realignment Phase 2								€8.53m			
NTA Trim Navan Drogheda Cycleway								€20.00m			
N51/R164 Ballyboy Realignment								€1.70m			
Main Street Ashbourne Phase 1 & 2								€4.00m			
N52 Stephenstown - Fringestown				€5.00m							
N51 Tullaghanstown - Rathmore				€5.00m							
N2 Slane and Approaches Pavement Rehabilitation			€2.50m								
R150 Laytown to Bettystown Spine Road			€4.38m								
N51 Athboy Scheme 2012											€2.19m
East West Interconnector Project - Ratoath Local Roads Overlay											€1.02m
Traffic Calming Schemes Slane & Navan											€2.13m
NE Curtis's Cross Pavement Overlay											€0.66m
N2 Thurstianstown Pavement Overlay											€1.28m
NTA Navan: Cycle Network Development Johnstown											€1.20m
B01 NP Road – Maintenance and Improvement						€0.85m					
B02 NS Road - Maintenance and Improvement						€0.54m					

MEATH COUNTY COUNCIL	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current	Capital				> €0.5m			> €0.5m		
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects
			€0.5 - €5m	€5 - €20m	€20m plus						
Meath County Council											
B03 Regional Roads – Maintenance and Improvement	€2.02m					€9.49m					
B04 Local Road – Maintenance & Improvement						€12.50m					
B05 Public Lighting						€1.87m					
B09 Maintenance & Management of Car Parking						€0.83m					
B10 Support to Roads Capital Programme						€1.17m					
B11 Agency & Recoupable Services						€1.89m					
Water Services											
Navan & Mid Meath Water Supply											€33.19m
Countywide Water Conservation Project											€3.18m
Ashbourne/Ratoath/Kilbride Sewerage Scheme											€16.10m
Oldcastle Sewerage Treatment Works											€7.02m
Major Grouped DBO 8 Scheme											€68.57m
Optimisation of Aeration System at Navan Waste Water Treatment Plant											€1.09m
C01 Water Supply						€3.39m					
C02 Waste Water Treatment						€3.57m					
C03 Collection of Water/Waste Water Charges						€0.52m					
C06 Support to Water Capital Programme						€0.95m					
Development Management											
Navan Town Park											€2.0m
Redevelopment of Civic Space, Kennedy Road, Navan											€6.40m
D01 Forward Planning						€0.79m					
D02 Development Management – Planning						€3.01m					
D04 Operation and Maintenance of Industrial Sites & Commercial Facilities						€0.77m					
D06 Community & Enterprise Function						€0.99m					
D09 Economic Development & Promotion						€1.44m					
Environmental Services											
Burial Ground, Stamullen			€0.50m								
Acquisition of Burial Grounds								€1.30m			
E02 Operation and Maintenance of Recovery & Recycling Facilities						€0.56m					
E06 Street Cleaning						€1.56m					
E07 Waste Regs, Monitoring and Enforcement	€0.85m					€5.66m					
E10 Safety of Structures & Places						€0.57m					
E11 Operation of Fire Services						€3.95m					
Recreation and Amenity											
Ashbourne Community Centre			€0.84m								
Ashbourne Linear Park			€1.10m								
F01 Operation and Maintenance of Leisure Facilities						€0.65m					
F02 Operation of Library & Archive Services						€3.49m					
F03 Outdoor Leisure Areas Operations						€1.29m					
F04 Community Sport & Recreational Development						€0.50m					
F05 Operation of Arts Programme						€0.83m					
Agriculture, Education, Health and Welfare											
G04 Veterinary Service						€0.65m					

MEATH COUNTY COUNCIL	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current	Capital				> €0.5m			> €0.5m		
	> €0.5m	Capital Grant Schemes > €0.5m	Capital Projects			Current Expenditure	Capital Grant Schemes	Capital Projects	Current Expenditure	Capital Grant Schemes	Capital Projects
			€0.5 - €5m	€5 - €20m	€20m plus						
Meath County Council											
G05 Educational Support Services						€0.66m					
Miscellaneous Services											
Meath County Council Civic Headquarters								€15.00m			
H03 Administration of Rates						€5.11m					
H09 Local Representation/Civic Leadership						€2.23m					
H10 Motor Taxation						€1.35m					
H11 Agency & Recoupable Services						€1.07m					

Appendix 2

Self Assessment Checklists

Checklist 1: – to be completed by all Local Authorities

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
Does the Local Authority ensure, on an ongoing basis that appropriate people within the authority and in its agencies are aware of the requirements of the Public Spending Code?	2	Yes.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	3	A number of key personnel recently attended DPER training.
Has internal training on the Public Spending Code been provided to relevant staff?	1	The views of key personnel who attended the external training will be used to inform our internal training requirements going forward.
Has the Public Spending Code been adapted for the type of project/programme that your authority is responsible for? i.e. have adapted sectoral guidelines been developed?	3	A revised guidance document was issued by the CCMA Finance Committee in April 2016.
Has the Local Authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	No projects relevant to the PSC.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Local Authority and to your agencies?	2	Yes.
Have recommendations from previous Quality Assurance exercises been acted upon?	2	Follow up audits are required to verify compliance with previous recommendations.
Has an annual Public Spending Code Quality Assurance Report been submitted to NOAC (National Oversight and Audit Commission)?	3	Yes, report submitted.
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	3	Sample selected was in excess of requirements.
Has the Chief Executive signed off on the information to be published to the website?	3	Yes, CE has signed off.

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

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	Yes.
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	Yes. In conjunction with the relevant government body/agency.
Was a CBA/CEA completed for all projects exceeding €20m?	N/A	The two projects in this category predate the PSC.
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes. In conjunction with the relevant government body/agency.
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	Required to secure funding.
If a CBA/CEA was required was it submitted to DPER (CEEU) for their views?	N/A	No recent projects at this level.
Were the NDFA Consulted for projects costing more than €20m?	N/A	No recent projects at this level.
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	Tenders were in line with approvals.
Was approval granted to proceed to tender?	3	Yes.
Were Procurement Rules complied with?	3	Yes.
Were State Aid rules checked for all supports?	N/A	N/A to Local Government.
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes.
Were Performance Indicators specified for each project/programme that will allow for the evaluation of its efficiency and effectiveness?	2	As part of the capital appraisal process all capital projects include measurable targets/objectives so that efficiency and effectiveness can be evaluated.
Have steps been put in place to gather Performance Indicator data?	2	See comment above.

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

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were objectives clearly set?	3	Yes. The spending programme is defined as part of the annual budget process.
Are objectives measurable in quantitative terms?	2	The degree of measurability varies depending on the type of programme involved but in general objectives can be quantified.
Was an appropriate appraisal method used?	2	Yes.
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	2	All new current expenditure under consideration in 2015 represented an expansion of existing programmes and was examined as part of the annual budget process.
Has an assessment of likely demand for the new scheme/ scheme extension been estimated based on empirical evidence?	2	Yes.
Was the required approval granted?	3	Approval is by way of the annual budget process.
Has a sunset clause been set?		No
Has a date been set for the pilot and its evaluation?	N/A	No relevant projects
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	See comment above.
If outsourcing was involved were Procurement Rules complied with?	3	Yes.
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	2	National KPIs are in place for Local Government.
Have steps been put in place to gather Performance Indicator data?	2	Yes.

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a contract signed and was it in line with the approval in principle?	3	Yes where appropriate.
Did management boards/steering committees meet regularly as agreed?	3	Yes where appropriate.
Were Programme Co-ordinators appointed to co-ordinate implementation?	2	Internal co-ordinating team in place in most cases.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	All projects were assigned a project manager at a suitable senior level.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	2	Progress reports were prepared in most cases.
Did the project keep within its financial budget and its time schedule?	2	Where budget over-runs occur fully documented explanations are available in progress reports and Final Reports.
Did budgets have to be adjusted?	3	Yes.
Were decisions on changes to budgets / time schedules made promptly?	3	Yes.
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)		No.
If circumstances did warrant questioning the viability of a project, was the project subjected to adequate examination?		N/A
If costs increased, was approval received from the Sanctioning Authority?	3	Yes. This is a requirement of funding approval.
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?		No
For significant projects were quarterly reports on progress submitted to the MAC and to the relevant Department?	3	Updates are provided to the Management Team and Council on a monthly basis and to relevant bodies as required.

Checklist 5: - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	Yes. The spending programme is defined as part of the annual budget process.
Are outputs well defined?	2	National KPIs are in place for Local Government.
Are outputs quantified on a regular basis?	2	KPIs are established each year for specific services.
Is there a method for monitoring efficiency on an ongoing basis?	2	Yes. Budget performance and monitoring is in place.
Are outcomes well defined?	2	The Annual Service Plans are reviewed regularly and enhance this measurement.
Are outcomes quantified on a regular basis?	2	The Annual Service Plans are reviewed regularly and enhance this measurement.
Are unit costings compiled for performance monitoring?	2	Some unit costings are included as part of the National KPIs in place for Local Government.
Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes. The spending programme is defined as part of the annual budget process.
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	2	Although no formal VFMs were carried out during the year all revenue expenditure programmes are closely monitored and evaluated on an ongoing basis.
How many formal VFMs/FPAs or other evaluations have been completed in the year under review?		See comment above.
Have all VFMs/FPAs been published in a timely manner?		See comment above
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?		See comment above
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?		See comment above

Checklist 6: - to be completed if capital projects were completed during the year or if capital programmes/grant schemes matured or were discontinued.

Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
How many post project reviews were completed in the year under review?	2 reviews completed	Post project reviews are mandatory for projects with lifetime costs exceeding €20m. The 2 projects in this category shown as complete in the 2015 Inventory transferred to Irish Water before they were completed. Irish Water have full responsibility for these schemes and no post project reviews were completed by Meath County Council in respect of same.
Was a post project review completed for all projects/programmes exceeding €20m?		See comment above.
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?		N/A
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?		Yes.
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?		All lessons learnt will inform practices going forward.
Were project reviews carried out by staffing resources independent of project implementation?		No.

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

Notes:

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

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

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

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

Appendix 3

Audit Assurance Categories and Criteria

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