



Public Spending Code
Quality Assurance Report for 2016
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.

A handwritten signature in black ink, appearing to read 'M. McGuire', is written over a circular stamp or seal.

Signature of Chief Executive Officer

29th May 2017

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1. Introduction

Meath County Council has completed this Quality Assurance Report as part of it's on-going compliance with the Public Spending Code. The Quality Assurance procedure aims to gauge the extent to which Meath County Council and it's 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 it's 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 capital inventory and at least 1% of the total value of the revenue 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 completed in-depth check templates, 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. 2016 is the third 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 inventory of projects and programmes was compiled for the 2015 PSC Quality Assurance Report and the 2016 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. The revenue expenditure being considered which amounts to €1.07 million and appears under miscellaneous services is related to the new accounting treatment of pension related deductions and does not represent an increase in a revenue expenditure programme.

For expenditure being incurred revenue service divisions have been included where the increase in expenditure from 2015 to 2016 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.

It has been agreed with the Department of Public Expenditure and Reform that the Capital Grant Scheme element of the project inventory will only be used in exceptional circumstances where a local authority commences its own grant scheme or primarily funds such a scheme. All other grant schemes are related to schemes commenced at Departmental level and are accounted for in the capital programme column of the QA inventory. There were no Council funded capital grant schemes in 2016.

In respect of capital projects there are fifteen under consideration, thirty two incurring expenditure and one which has recently ended. The value of all capital projects at all stages of the project life cycle in 2016 is €253 million. Revenue programmes amount to €108 million.

The total value of the 2016 inventory, both capital and revenue funded, for Meath County Council is €361 million.

2.2 Published Summary of Procurements

As part of the QA process the Council is obliged to publish summary information on our website for all procurements in excess of €10m. There were no procurements in 2016 which exceeded this threshold. A note to this effect has been added to <http://www.meath.ie/CountyCouncil/Publications/FinancePublications/PublicSpendingCodeQualityAssuranceReports/>

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.

A revised guidance document (Version 3) was produced by the Finance Committee of the County and City Management Association in February 2017 to assist local authorities in meeting their obligations under the Code. This document incorporates changes agreed by the sector with NOAC following their review of the 2015 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 that the process in place to plan for post project reviews could be improved.

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. The inventory shows only one revenue service division under miscellaneous services that has increased by more than €0.5m between budget 2016 and budget 2017. This increase is related to the new accounting treatment of pension related deductions and does not represent new or extended programme expenditure.

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 2016. Revenue expenditure is determined by the annual budget process. National Key Performance Indicators are in place for the Local Government sector and they supplement the internal management and monitoring framework already in place.

Checklist 6 deals with capital projects completed during the year under review. The inventory shows only one capital project completed in 2016 with an outturn cost of €1.98 million.

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. There has been a change to the sample requirements for 2016 in that the value of the projects selected for in depth review must follow the criteria set out below:

- Capital Projects: Projects selected must represent a minimum of 5% of the total value of all capital projects on the project inventory.
- Revenue Projects: Projects selected must represent a minimum of 1% of the total value of all revenue projects on the project inventory.

The requirement to sample a certain percentage of revenue projects is new. As the minimum is an average over a three year period it was necessary to split the 2014, 2015 and 2016 inventories into their capital and revenue components in order to calculate revised sample averages over the 2014 – 2016 period. The following table summarises the results of this exercise and shows the capital and revenue sample averages achieved.

	Capital	Revenue
Inventory 2014	309,235,000	94,600,000
Inventory 2015	343,270,365	97,144,100
Inventory 2016	253,037,342	108,582,245
Total value of Inventory 2014 - 2016	905,542,707	300,326,345
Value of projects audited 2014 -2016	61,478,690	4,044,247
% achieved over period 2014 -2016	6.79%	1.35%

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. In summary the programme groups that have been sampled over the 2014 – 2016 period are as follows:

2014 Housing & Corporate Services

2015 Roads & Water Services

2016 Housing & Environment

This approach to sampling is in keeping with the requirements of the Public Spending Code.

This report sees the introduction for the first time of an in-depth check methodology that local authorities are required to use in their quality assurance reports. The methodology is based on the principals and guidance in the Public Spending Code and best practice evaluation tools. As part of this methodology an outline template must be completed by the evaluator when carrying out an in-depth check as part of the Quality Assurance Process. The templates once completed are the in-depth check and are attached as an appendix to the Quality Assurance Report. The two projects which were selected for in-depth check this year were as follows:

Housing Development at Connaught Grove, Athboy, Co. Meath

Knockharley Landfill Levy

The in-depth checks were carried out by the Internal Audit section of the Council in April and May 2017. Full copies of these in-depth checks can be found in Appendix 3.

3.3.1 Housing Development at Connaught Grove, Athboy, Co. Meath

This project involves the construction of 32 housing units at Connaught Grove, Athboy Co. Meath and has an approved budget figure of €8,278,690 from the Department. The main works contract was signed on the 26th April 2017 and work commenced on site in early May. The current project work programme shows the scheme at practical completion stage by June 2018. The project is shown as an ongoing scheme in the attached inventory. As construction has just started on this project only the Appraisal and Planning & Design Stages can be reviewed in terms of the Public Spending Code. The project appears to have been guided in large part by the Sanctioning Authority which in this case is the Department of Housing, Planning, Community and Local Government. The project records do not clearly show when the appraisal of alternative options was examined by the Council, however, the conclusion reached in the appraisal report is that the only practical way to even partially meet the current housing need is to build new units on Council owned lands.

Audit Opinion: This opinion was formed by a review of records held on file by the Council's housing section and by discussions held with staff involved with this project. It is considered that the initial decision to go ahead with the project was soundly based and that the project has been well managed during the planning and design phase. The project provides Satisfactory Assurance (see Appendix 4) that there is compliance with the Public Spending Code.

3.3.2 Knockharley Landfill Levy

This in-depth check involved examining Meath County Council's compliance with the Waste Management (Landfill Levy) Regulations 2015. Initial appraisal for this programme was carried out at national level as part of the country's overall waste management policy. Likewise analysis and evaluation of the programme is carried out at national level and the Council is required only to comply with the regulations as part of the implementation of national policy. There are a number of key activities to be carried as per the Regulations. Returns are made to the Council monthly by the company operating the landfill site in question. These show a detailed breakdown of all tonnages received including the source of the waste and how it was categorised. Payment is made based on the category of waste subject to the levy. A monthly return is made to the Department of the Environment by the Council and the levy collected is paid into the Environment Fund on a monthly basis. On site audits are carried out by the Council on a sample of the returns submitted by the landfill operator and an annual report is prepared for the Department.

Audit Opinion: In so far as the Council's compliance with the Waste Management (Landfill Levy) Regulations 2015 contributes to national waste management policy implementation it is considered that the programme provides Substantial Assurance (see Appendix 4) 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 third year of this Quality Assurance process involved liaison with all sections and directorates within the Council. The in-depth checks carried out over the period 2014 - 2016 were useful in setting out the controls which are in place to ensure compliance with the Public Spending Code and the in-depth checks which form part of the quality assurance process are part of the Internal Audit annual work programme. The Public Spending Code requires that the in-depth checks take a broader evaluation review of projects and programmes assessing such things as project management, project appraisal and post project reviews.

The in depth reviews undertaken by internal audit this year cover the required sample percentages under section 4 of the Quality Assurance Process. Although the results of the reviews this year indicate substantial compliance with the public spending code in respect of one project and satisfactory compliance with the public spending code in respect of the other project this may or may not accurately reflect compliance across the entire organisation due to the small number of projects sampled. 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 internal training was provided in 2016 to relevant staff and key personnel within the local authority. 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 are only created in the Council's financial management system where it can be demonstrated by project owner that the requirements of the Public Spending Code will be met in full. It is hoped that the Department of Public Expenditure and Reform will organise PSC training in 2017 for all local authorities and Council staff will participate to the fullest possible extent in all PSC training offered. Management will continue to ensure that Directorates comply fully with the requirements of the Public Spending Code.

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 overall showed a satisfactory level of compliance with the Public Spending Code. 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.

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											
Housing & Building											
Bettystown Phase 1 - 16 Houses								€3.80m			
Bettystown Phase 2 - 12 Houses			€2.60m								
4 Houses - Proudstown Road, Navan			€0.78m								
CALF 24 Units Station Road Dunboyne			€1.58m								
Remedial Works Alverno Laytown			€4.00m								
St Olivers Park, Ratoath - 16 Houses								€3.66m			
Housing Acquisition Programme 2016								€10.52m			
Local Authority Adaptation Works Scheme 2016								€0.62m			
19 Units at Cherry Court, Summerhill								€3.80m			
32 Units at Connaught Grove, Athboy								€8.27m			
40 Units at Riverside, Kells								€7.80m			
Redevelopment of St. Francis Park, Navan								€3.50m			
Energy Upgrade 2013 Job Stimulus								€3.50m			
CALF 67 Units, Milltown, Ashbourne								€4.26m			
CAS 7 Units, Knightsbridge, Longwood Road, Trim								€0.96m			
CALF 20 Units, Mill Lane, Navan								€0.60m			
CALF 25 Units, Tuberclaive Meadows, Navan								€1.20m			
CALF 25 Units, Seabury Lawns, Mornington								€1.60m			
A01 Maintenance/Improvement LA Housing						€7.49m					
A03 Housing Rent and Tenant Purchase Administration						€0.63m					
A05 Administration of Homeless Service						€0.97m					
A06 Support to Housing Capital Programme						€2.66m					
A07 RAS Programme						€5.07m					
A08 Housing Loans						€2.47m					
A09 Housing Grants						€1.60m					
Road Transportation and Safety											
R153 Farganstown - Metges Road Junction				€5.68m							
Milltown Road, Ashbourne			€1.06m								
R153 (Kentstown Road) New Bridge Navan								€1.15m			
Navan Public Realm & Sustainable Transport Enhancements								€12.00m			
Ratoath Outer Relief Road LIHAF				€5.00m							
Duleek Main Street Upgrade			€1.00m								
National Cycle Network - Royal Canal Greenway								€2.30m			
Cycling Facilities Meadowbank & The Avenue , Ratoath			€0.75m								
Boyne Valley to Lakelands County Greenway (Navan - Kingscourt)			€3.38m								
N2 Junctions Slane - Ashbourne								€1.50m			
N2 Slane Bypass								€50.00m			
N51 Dunmoe Realignment Phase 2								€16.30m			
NTA Trim Navan Drogheda Cycleway								€20.00m			
N51/R164 Ballyboy Realignment											€1.98m
Main Street Ashbourne Phase 1 & 2								€4.50m			
N52 Stephenstown - Fringestown								€15.00m			
N51 Tullaghanstown - Rathmore								€5.00m			
N2 Slane and Approaches Pavement Rehabilitation								€2.50m			
R150 Laytown to Bettystown Spine Road								€4.38m			
B01 NP Road – Maintenance and Improvement						€0.67m					

MEATH COUNTY COUNCIL	Expenditure being considered					Expenditure being incurred			Expenditure recently ended		
	Current > €0.5m	Capital Grant Schemes > €0.5m	Capital Capital Projects			> €0.5m			> €0.5m		
						Current Expenditure	Capital Expenditure Schemes	Capital Projects	Current Expenditure	Capital Expenditure Schemes	Capital Projects
			€0.5 - €5m	€5 - €20m	€20m plus						
Meath County Council											
B02 NS Road - Maintenance and Improvement						€0.69m					
B03 Regional Road – Maintenance and Improvement						€8.68m					
B04 Local Road – Maintenance & Improvement						€12.47m					
B05 Public Lighting						€2.20m					
B09 Car Parking						€0.76m					
B10 Support to Roads Capital Programme						€1.29m					
B11 Agency & Recoupable Services						€4.06m					
Water Services											
C01 Water Supply						€3.36m					
C02 Waste Water Treatment						€3.39m					
C06 Support to Water Capital Programme						€0.96m					
C07 Agency and Recoupable Services						€0.90m					
Development Management											
D02 Development Management						€3.77m					
D03 Enforcement						€0.53m					
D04 Operation and Maintenance of Industrial Sites & Commercial Facilities						€0.79m					
D06 Community & Enterprise Function						€5.56m					
D09 Economic Development & Promotion						€1.16m					
D11 Heritage and Conservation Services						€0.56m					
D12 Agency and Recoupable Services						€0.63m					
Environmental Services											
Burial Ground, Stamullen			€1.10m								
Burial Ground, Dunboyne			€1.20m								
Remediation of illegal Landfill - Tymooole, Rathfeigh				€6.00m							
Remediation of illegal Landfill - Ballinakill, Rathcore			€3.05m								
Basketstown Leachate System								€0.50m			
E02 Operation and Maintenance of Recovery & Recycling Facilities						€0.61m					
E06 Street Cleaning						€1.39m					
E07 Waste Regulations, Monitoring and Enforcement						€9.93m					
E11 Operation of Fire Service						€3.91m					
Recreation and Amenity											
Ashbourne Community Centre								€1.00m			
Ashbourne Linear Park								€1.30m			
Bettystown Beach Infrastructure								€2.30m			
East Meath Community Facility/Library			€3.00m								
F01 Operation and Maintenance of Leisure Facilities						€0.65m					
F02 Operation of Library & Archival Services						€3.53m					
F03 Outdoor Leisure Areas Operations						€1.26m					
F04 Community Sport & Recreational Development						€0.55m					
F05 Operation of Arts Programme						€0.84m					
Agriculture, Education, Health and Welfare											
G04 Veterinary Service						€0.69m					

Appendix 2

Self Assessment Checklists

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	Yes
1.2 Has training on the Public Spending Code been provided to relevant staff within the authority?	3	Internal training was provided in 2016 to relevant staff and key personnel within the local authority.
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	A revised document was issued by the CCMA Finance Committee in February 2017.
1.4 Has the local authority in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	No projects or programmes relevant to the PSC.
1.5 Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the local authority and to agencies?	3	Yes. The recommendations from previous reports have been submitted to the relevant sections.
1.6 Have recommendations from previous QA reports been acted upon?	2	Follow up audits are required to verify compliance with previous 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, full report submitted within time period specified.
1.8 Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes, the total sample selected over the period 2014 – 2016 was in excess of PSC requirements.
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.	2	This is programme dependent - process is in place in Housing but no formal process in other programme groups.

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?	2	None. Post project reviews are only mandatory for projects with lifetime costs exceeding €20m. The 2016 inventory shows only 1 project completed with an outturn cost of €1.98m.
1.11 Is there a process to follow up on the recommendations of previous evaluations/Post project reviews?	2	No formal follow up process in place.
1.12 How have the recommendations of previous evaluations / post project reviews informed resource allocation decisions?	2	Where cost variances occurred lessons learned have been factored into similar type projects going forward.

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	Yes
2.2 Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes, in conjunction with the relevant government body/agency
2.3 Was a CBA/CEA completed for all projects exceeding €20m?	N/A	The two projects in this category predate the PSC but appraisals were carried out under the guidelines pertaining at the time.
2.4 Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes. In conjunction with the relevant government body/agency.
2.5 Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Required to secure funding.
2.6 If a CBA/CEA was required was it submitted to the relevant Department for their views?	N/A	No recent projects at this level.
2.7 Were the NDFA consulted for projects costing more than €20m?	N/A	No recent projects at this level.
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	Tenders were in line with approvals.
2.9 Was approval granted to proceed to tender?	3	Yes
2.10 Were procurement rules complied with?	3	Yes
2.11 Were State Aid rules checked for all supports?	N/A	Not applicable to Local Government.
2.12 Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be	3	Yes.

delivered?		
2.13 Were performance indicators specified for each project/programme that will allow for a robust evaluation at a later date?	2	As part of the capital appraisal process most capital projects include measurable targets/objectives so that outputs and outcomes can be evaluated.
2.14 Have steps been put in place to gather performance indicator data?	2	See comment above.

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

Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
3.1 Were objectives clearly set out?	N/A	The current expenditure being considered which appears in the 2016 inventory under miscellaneous services is related to the new accounting treatment of pension related deductions and does not represent new or extended programme expenditure.
3.2 Are objectives measurable in quantitative terms?	N/A	See comment above.
3.3 Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	See comment above.
3.4 Was an appropriate appraisal method used?	N/A	See comment above.
3.5 Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	See comment above.
3.6 Did the business case include a section on piloting?	N/A	See comment above.
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	See comment above
3.8 Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	See comment above
3.9 Was the pilot formally evaluated and submitted for approval to the relevant Department?	N/A	See comment above
3.10 Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	See comment above
3.11 Was the required approval granted?	N/A	See comment above

3.12 Has a sunset clause (as defined in section B06, 4.2 of the Public Spending Code) been set?	N/A	See comment above
3.13 If outsourcing was involved were procurement rules complied with?	N/A	See comment above
3.14 Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	N/A	See comment above
3.15 Have steps been put in place to gather performance indicator data?	N/A	See comment above

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 where appropriate.
4.2 Did management boards/steering committees meet regularly as agreed?	3	Yes where appropriate.
4.3 Were programme co-ordinators appointed to co-ordinate implementation?	3	All capital programmes are managed by programme co-ordinators at a suitably senior level in the organisation.
4.4 Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	All capital projects were assigned a project manager at an appropriate level in the organisation.
4.5 Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Project reports were prepared in most cases.
4.6 Did projects/programmes/grant schemes keep within their financial budget and time schedule?	2	Where budget over-runs occur fully documented explanations are available in progress reports and Final Reports.
4.7 Did budgets have to be adjusted?	3	Yes.
4.8 Were decisions on changes to budgets / time schedules made promptly?	3	Generally yes.
4.9 Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	N/A	No.
4.10 If circumstances did warrant questioning the viability of a project/programme/grant scheme, was the project subjected to adequate examination?	N/A	N/A. See comment above.
4.11 If costs increased was approval received from the Sanctioning Authority?	3	Yes. This is a requirement of funding approval.

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

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1 Are there clear objectives for all areas of current expenditure?	3	Yes. The spending programme objectives are set out as part of the annual budget process. They are also included in the Corporate Plan and Service Delivery Plans.
5.2 Are outputs well defined?	3	Annual Service Delivery Plans define outputs for each revenue expenditure programme. National KPIs are in place for the Local Government sector.
5.3 Are outputs quantified on a regular basis?	3	Service Delivery Plans are reviewed on a yearly basis. KPIs for specific services are kept under review nationally on a continuous basis.
5.4 Is there a method for monitoring efficiency on an on-going basis?	3	Yes. Budget performance and ongoing monitoring is in place. Internal and external auditing is also in place.
5.5 Are outcomes well defined?	2	Outcomes are defined in policy documents and programmes of work adopted by the council.
5.6 Are outcomes quantified on a regular basis?	2	Ongoing monitoring is undertaken by revenue programme co-ordinators.

5.7 Are unit costings compiled for performance monitoring?	3	Some unit costings are included as part of the National KPIs in place for the Local Government sector.
5.8 Are other data compiled to monitor performance?	2	Some other data is compiled and is programme dependent.
5.9 Is there a method for monitoring effectiveness on an on-going basis?	2	Combination of all of the above.
5.10 Has the organisation engaged in any other 'evaluation proofing' ¹ of programmes/projects?	2	KPI data on revenue programmes is readily available using the management reporting framework already in place and is monitored on a regular basis.

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?	2	None. The 2016 inventory shows only one capital project completed with an outturn cost of €1.98m.
6.2 Was a post project review completed for all projects/programmes exceeding €20m?	N/A	No recent projects at this level.
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 recent projects at this level.
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?	2	No. There was only one capital project completed in 2016 and as no post project review was carried out on this particular project the 5% requirement was not fulfilled.
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?	2	No.
6.6 Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	N/A	N/A in light of the comments above.
6.7 Were changes made to practices in light of lessons learned from post-project reviews?	N/A	N/A in light of the comments above.
6.8 Were project reviews carried out by staffing resources independent of project implementation?	N/A	N/A in light of the comments above.

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	No programmes relevant to PSC in 2016.
7.2 Did those reviews reach conclusions on whether the programmes were efficient?	N/A	No programmes relevant to PSC in 2016.
7.3 Did those reviews reach conclusions on whether the programmes were effective?	N/A	No programmes relevant to PSC in 2016.
7.4 Have the conclusions reached been taken into account in related areas of expenditure?	N/A	No programmes relevant to PSC in 2016.
7.5 Were any programmes discontinued following a review of a current expenditure programme?	N/A	No programmes relevant to PSC in 2016.
7.6 Were reviews carried out by staffing resources independent of project implementation?	N/A	No programmes relevant to PSC in 2016.
7.7 Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	No programmes relevant to PSC in 2016.

Notes:

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

Appendix 3

In-Depth Checks

Meath County Council

Internal Audit



Public Spending Code for 2016

In-Depth Checks

Housing Development at Connaught Grove, Athboy, Co. Meath

Knockharley Landfill Levy

May 2017

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 Development Phase 1, Connaught Grove, Athboy, Co. Meath
Detail	Capital Investment Programme to construct 32 units to provide social housing for applicants on the Council's housing waiting list
Responsible Body	Meath County Council
Current Status	Capital Expenditure being incurred
Start Date	Approved in principle by the Department in May 2015
End Date	Scheduled for completion by June 2018
Overall Cost	€8,278,690

Project Description

The housing development at Connaught Grove, Athboy forms part of the overall housing construction programme undertaken by the Council in response to the need for suitable, high quality accommodation for families who are currently on the Council's waiting list. The 4 acre site for this development has been in the ownership of Meath County Council since January 2008 and is zoned for housing.

The proposed phased development is located along Connaught Street (R154), Athboy and consists of a total of 79 housing units. The project which is the subject of this in-depth check represents phase 1 of this development and consists of 32 housing units which are a mixture of four bed, three bed and two bed units. The houses are timber framed, triple glazed, A rated and energy efficient, will be constructed to the highest standards and will have a 60 year lifespan. The development when completed can be managed and maintained at reasonable cost and the mix of houses reflects the categories with the greatest housing need in the Athboy area.

All applications for capital funding for social housing made to the Department of Housing, Planning, Community and Local Government advance through four principal approval stages. These stages are appropriately aligned and consistent with the requirements of the Public Spending Code, the Capital Works Management Framework, Public Financial Procedures, and EU and National Procurement Requirements. As it is currently structured, housing schemes move through each stage of the four-stage approval process in turn. Progress through stages is assessed against criteria appropriate to each stage as the scheme advances. The stages can be summarised as follows:

Approval Stage 1 – Confirm approval for Design Expenditure

Approval Stage 2 – Assess Project prior to Statutory Approval Submission

Approval Stage 3 – Approve Detailed Design Solution and Pre-Tender Cost Estimate

Approval Stage 4 – Review Tender Returns in Advance of Contract Award

The project was approved in principle by the Department in May 2015 (Stage 1 approval). A Part 8 planning application was made in March 2016 and included the entire development proposed for the site, i.e. phases 1 and 2 which consist of 79 housing units in total. It received Council approval in June 2016.

On the 19th May 2016 Stage 2 approval was received from the Department. Stage 3 approval was received on the 19th September 2016. On the 1st February 2017 Stage 4 approval was granted by the Department with an approved budget of €8,278,690. The main works contractor was procured following a competitive tendering procedure. The contract was signed on the 26th April 2017 and work commenced on site in early May. The current project work programme shows Phase 1 of the scheme at practical completion stage by June 2018. This is dependent on there being no unexpected issues or delays.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit, Meath County Council completed a Programme Logic Model (PLM) for the Housing Development Project at Connaught Grove, Athboy, Co. Meath. 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
To provide 32 social housing units at Connaught Grove, Athboy, Co. Meath. This will reduce the number of people on the housing waiting list in the area which currently stands at 229 families and individuals.	Budgeted all in cost of €8,278,690 including Council administrative costs.	Activities follow the Social Housing Approval Process as outlined by the Department. Approvals are required at all 4 stages from initial capital appraisal, design of the scheme, part 8 approval, tendering and award of contract. Project management and administration of the contract during the construction phase. Upon completion carry out post project review.	Construction of 32 high quality houses which are a mixture of four, three and two bed units along with a main access road, shared services and the provision of green spaces.	<p>Reduce homelessness/housing waiting lists.</p> <p>Provide better standard of housing than alternatives.</p> <p>Improvements to health, wellbeing, educational outcomes and better community cohesion.</p>

Description of Programme Logic Model

Objectives: The objectives of the project are to provide 32 social housing units at Connaught Grove, Athboy, Co. Meath. This will reduce the number of people on the housing waiting list in the area which currently stands at 229 families and individuals.

Inputs: The primary input to the programme is the capital funding of €8.27 million which will be provided by the sanctioning authority who are the Department of Housing, Planning, Community and Local Government.


Activities: There are a number of key activities to be carried out throughout the project and these follow closely the Social Housing Approval Process as outlined by the Department in a recent document entitled *Social Housing Design, Approval and Delivery: Process and Procedures Review* published in February 2017. In addition the contract must be project managed and administered during the construction phase and upon completion a post project review should be carried out.

Outputs: Having carried out the identified activities using the inputs, the output of the project will be the construction of 32 high quality houses which are a mixture of four, three and two bed units along with a main access road, shared services and the provision of green spaces.

Outcomes: The envisaged outcomes of the project are to reduce homelessness and to provide a better standard of houses than the alternatives suggested by the initial options review. The provision of good quality affordable housing offers a foundation for a family or individual and enhances life choices and opportunities for those that are housed and the communities that they live in. Higher satisfaction with housing provision is associated with higher life satisfaction and well-being. Health benefits associated with improved housing include reduced problems with self-care and reduced anxiety and depression. Other benefits of improved housing provision include better educational outcomes for children and better community cohesion.

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

The following section tracks Phase 1 of the Housing Development at Connaught Grove, Athboy, Co. Meath from inception to conclusion in terms of major project/programme milestones



January 2008	Land purchased.
May 2015	Stage 1 approval from Department. van Dijk Architects appointed as consultant design team.
March 2016	Part 8 Planning Approval Received.
May 2016	Stage 2 approval received from Department.
September 2016	Stage 3 approval received from Department.
February 2017	Stage 4 approval received from Department.
April 2017	Contract signed.
May 2017	Construction Commenced.
June 2018	Project programmed for completion.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for Phase 1 of the Housing Development at Connaught Grove, Athboy, Co. Meath.

Project/Programme Key Documents	
Title	Details
Appraisal of Options Report/Capital Appraisal Form	Options for the provision of housing accommodation in the Athboy area examined. Appraisal form outlines project justification.
Contractor Procurement/Report on Tenders	Contractor Procurement process examined including Contract Notice, Completed Suitability Questionnaires, Tenders and Report on Tenders.
Minutes of Design Team Meetings	Design Team Meetings held from May to November 2015.

Key Document 1: Appraisal of Options Report/Capital Appraisal Form

The Appraisal of Options Report is undated and it is unclear when it was completed. It was submitted to the Department of Housing, Planning, Community and Local Government on the 18th January 2016 and examines three options for the provision of accommodation for persons on the housing waiting list in Athboy, Co. Meath. It starts by putting the need for social housing in the area in context. Athboy is a small town consisting of 2,397 persons as per the 2011 census figures. The current waiting list in the town is 229 families and individuals. It goes on to outline each of the three options in turn which are 1. Purchase units on the open market 2. Rent Units on the open market and 3. Build new units. Options 1

and 2 are ruled out as there are no units either for sale or for rent in Athboy which are suitable for social housing. The Council own a suitable green field site close to the town centre which is zoned for housing and on which they are paying loan interest since the time of purchase. The report concludes by stating that the only practical way to even partially meet the current housing need is to build new units on these Council owned lands. The proposal for 32 houses will reduce the housing waiting list by approximately 14%.

The other document examined here is the Council's internal Capital Appraisal Form which is required to be completed by project owners before a new capital job code is created in the Council's Financial Management System (Agresso). The form is dated the 29th July 2015. At this stage approval in principle from the Department had already been received (May 2015) and what is included on the form is little more than a summary of what has already been agreed with the Department to date. It is only by examining the totality of information on file that an assessment can be made regarding overall compliance with the appraisal requirements of the public spending code.

Key Document 2: Contractor Procurement/Report on Tenders

The main works contractor was procured using the restricted procedures set out in the European Communities (Award of Public Authorities Contracts) Regulations 2006. A contract notice for the project was published on the eTenders public procurement website and in the Official Journal of the European Union on the 29th June 2016. Candidates wishing to participate were required to complete a Suitability Assessment Questionnaire that was attached to the eTenders notice. A total of 19 candidates returned submission proposals for this competition. All met the minimum criteria set out in the Suitability Assessment Questionnaires. Tenders were then invited from 9 shortlisted candidates and 8 tenders were received. One tenderer subsequently withdrew from the competition leaving 7 valid tenders to be assessed. The Report on Tender by McGahon Surveyors dated the 14th December 2016 recommended the "Most Economically Advantageous Tender" which was submitted by Cunningham Contracts Ltd in the sum of €4,789,400 exclusive of VAT.

Competitive tendering is required for all contracts. Procedural requirements involved in the tendering process have been complied with in respect of the appointment of the main works contractor for this project.

Key Document 3: Minutes of Design Team Meetings

A number of design team meetings were held between May and November 2015 and included representatives from the Council. The minutes provide a comprehensive record of those present, matters discussed, outcomes agreed and actions required along with assigned responsibilities. Plans for the design of the houses and the estate layout have gone through several iterations and show the importance placed by the team on the overall design elements. Lessons learned from other social housing schemes, particularly in relation to social interaction and community cohesion, have been incorporated into the overall design. Adjoining landowners were contacted by the Council regarding the development and their concerns and views were also considered by the design team. Depending on demand a number of the houses can be adapted to cater for persons with special needs. Provision for extensions to the rear of properties has also been factored into the overall design plan in order to incorporate adaptability for future needs. Good design is crucial to the long term success of all social housing schemes and the minutes show that numerous such factors have been taken into account in the design of this scheme.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for Phase 1 of the Housing Development at Connaught Grove, Athboy, Co. Meath. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Total project outturn versus budget	Assess project appraisal and management overall	Yes
Capital cost per tenant accommodated	Benchmark with other schemes and other local authorities	Yes
Outturn capital cost per social housing unit	Compare with Department guidelines and industry norm	Yes

Data Availability and Proposed Next Steps

It can be seen from the table above that the data required to evaluate the project is readily available. The social benefits of any social housing scheme are always a lot more difficult to quantify as there are issues around identifying causality. While the available evidence supports that good quality affordable housing delivers multiple benefits the quantified evidence base is relatively limited in some areas preventing a full and robust cost-benefit analysis of this area.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Phase 1 of the Housing Development at Connaught Grove, Athboy, Co. Meath 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)

As construction has just started on this project only the Appraisal and Planning and Design Stages can be reviewed in terms of compliance with the standards set out in the Public Spending Code. The project appears to have been guided in large part by the Sanctioning Authority which in this case is the Department of Housing, Planning, Community and Local Government. The Department approached local authorities throughout the country in early 2015 with a view to progressing social housing schemes on council owned lands which were already zoned for residential use. The project was approved in principle by the Department in May 2015. The project records do not clearly show when the appraisal of alternative options was examined by the Council, however, the conclusion reached in the appraisal report is that the only practical way to even partially meet the current housing need is to build new units on Council owned lands. The Department have expressed concern at the large concentration of social housing in one area which is not advised in the Department's QHSC Guidelines (Quality Housing for Sustainable Communities) or in the development of sustainable mixed tenure communities. They have advised that Phase 1 be developed and occupied for a period of time before Phase 2 is considered. They have also requested the Council to submit a post project review for Phase 1 and to clarify the total percentage of units in the surrounding residential areas which are social housing post occupation of Phase 1.

Audit Opinion: This opinion was formed by a review of records held on file by the Council's housing section and by discussions held with staff involved with this project. It is considered that the initial decision to go ahead with the project was soundly based and that the project has been well managed during the planning and design phase. Given the comments above in relation to the initial appraisal process the project provides Satisfactory Assurance (see Appendix 4) that there is compliance with the Public Spending Code.

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

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

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

The process by which capital job codes are set up in Agresso could be improved with better linkages to the requirements of the public spending code. In this respect it is noted that the Council's internal Capital Appraisal Form has been revised since the job code for this project was set up in the Council's Financial Management System. Staff should be reminded that compliance with the code needs to underpin every stage of the project life cycle.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on Phase 1 of the Housing Development at Connaught Grove, Athboy, Co. Meath.

Summary of In-Depth Check

This project involves the construction of 32 housing units at Connaught Grove, Athboy Co. Meath and has an approved budget figure of €8,278,690 from the Department. The main works contract was signed on the 26th April 2017 and work commenced on site in early May. The current project work programme shows the scheme at practical completion stage by June 2018. The project is shown as an ongoing scheme in the attached inventory. As construction has just started on this project only the Appraisal and Planning and Design Stages can be reviewed in terms of the Public Spending Code. The project appears to have been guided in large part by the Sanctioning Authority which in this case is the Department of Housing, Planning, Community and Local Government. The project records do not clearly show when the appraisal of alternative options was examined by the Council, however, the conclusion reached in the appraisal report is that the only practical way to even partially meet the current housing need is to build new units on Council owned lands.

Audit Opinion: This opinion was formed by a review of records held on file by the Council's housing section and by discussions held with staff involved with this project. It is considered that the initial decision to go ahead with the project was soundly based and that the project has been well managed during the planning and design phase. The project provides Satisfactory Assurance (see Appendix 4) that there is compliance with the Public Spending Code.

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	Knockharley Landfill Levy
Detail	The subject of this audit is the Council's compliance with the Waste Management (Landfill Levy) Regulations 2015 in respect of the Knockharley Landfill site at Kentstown, Co. Meath for 2015.
Responsible Body	Meath County Council
Current Status	Revenue Expenditure being incurred
Start Date	January 2015
End Date	December 2015
Overall Cost	€4,044,247 (amount of landfill levy remitted to the Environment Fund in respect of 2015)

Programme Description

Under the Waste Management Act 1996 the Landfill Levy Regulations were introduced in Ireland in 2002. The levy was designed to encourage the diversion of waste away from landfill and generate revenues that could be applied in support of waste minimisation and recycling initiatives. This aim is driven by the challenging targets set for Ireland in the EU Landfill Directive (1999/31/EC) and the levy has played a key role in realising the country's waste management policy over the last fifteen years.

The latest Waste Management (Landfill Levy) Regulations, 2015 came into effect on the 1st June 2015 and continued to impose a landfill levy at a rate of €75 per tonne of waste disposed of to landfill. The Regulations specify the type of facilities liable for payment of the levy and provide for exemption of the levy for specific waste types and waste activities. The levy applies to both authorised and unauthorised landfill sites and the Regulations provide mechanisms for overseeing the levy's proper administration. Local authorities are required to administer the levy for the Minister in a number of important aspects including the following:

- To collect and transmit levy funds to the Environment Fund
- To furnish monthly returns
- To audit privately owned sites each year
- To report to the Minister on each inspection and audit undertaken
- To publish an annual report no later than the 28th February the following year

To meet the costs of levy collection and enforcement where a local authority oversees the operation of a privately operated landfill the authority may retain up to 2% of annual landfill levy revenue paid subject to a maximum of €50,000 per annum.

The landfill site which is the subject of this in-depth check is located at Knockharley, Kentstown, Co. Meath and is run by a private operator. It is the only authorised operational landfill site in the county. The amount of landfill levy remitted by the Council to the Environment Fund in respect of this site for the calendar year 2015 was €4,044,247 (representing €4,094,247 collected less retention of €50,000 as per Section 8(3) of the Regulations). This revenue expenditure is included in Service Division E07 – Waste Regulations, Monitoring and Enforcement under Programme Group five. Due to timing differences in the pay over of the levy €3,414,798 appears in the 2015 Revenue Inventory and €629,449 appears in the 2016 Revenue Inventory.

Section B - Step 1: Logic Model Mapping

As part of this In-Depth Check, Internal Audit, Meath County Council completed a Programme Logic Model (PLM) for the Knockharley Landfill Levy. 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
To ensure compliance with the Waste Management (Landfill Levy) Regulations 2015 in respect of Knockharley Landfill site, Kentstown, Co. Meath.	Technical and administrative staff costs.	<p>Collect and transmit levy funds.</p> <p>Furnish monthly returns (Form EF09) to the Department.</p> <p>Audit the Knockharley site each year in respect of at least 2 calendar months including inspecting certification relating to weighbridge accuracy.</p> <p>Submit Annual Report and Form EF14 to the Department by 28th Feb the following year.</p>	<p>Records from Landfill site detailing tonnages received during the month in question.</p> <p>Record of monthly EF09 Forms submitted to the Department.</p> <p>Audit Reports for at least 2 calendar months every year.</p> <p>Annual Report and Form EF14 yearly.</p>	<p>Realisation of the country's waste management policy.</p> <p>Reduce the percentage tonnage of municipal waste managed for disposal.</p> <p>Improve environmental quality through the reduction in greenhouse gas emissions leading to improvements in public health.</p>

Description of Programme Logic Model

Objectives: The objectives of the project are to ensure compliance with the Waste Management (Landfill Levy) Regulations 2015 in respect of Knockharley Landfill site, Kentstown, Co. Meath.

Inputs: The primary inputs are staff time and resources both technical and administrative.

Activities: There are a number of key activities to be carried out as per the Regulations. Returns are made to the Council monthly by the company operating the landfill site in question. These show a detailed breakdown of all tonnages received including the source of the waste and how it was categorised. Payment is made based on the category of waste subject to the levy. A monthly return (Form EF09) is made to the Department by the Council and the levy collected (subject to 2% retention up to a maximum of €50k p.a.) is paid into the Environment Fund. On site audits are carried out by the Council on a minimum of two calendar months every year and an annual report and form EF14 is prepared for the Department on a yearly basis outlining the activities that the Council has taken to fulfil the requirements of the Regulations.

Outputs: The outputs of the project are the monthly records from the landfill site, the monthly returns to the Department (Form EF09s), the audit reports, and the annual report and form EF14 that is submitted to the Department on a yearly basis.

Outcomes: The overall outcome of the programme is to realise the country's waste management policy. It sets out policy goals for a sustainable resource and waste policy which can be summarised as the desire to minimise waste generation, raw material usage, energy use and pollution and to maximise economic benefit as well as creating opportunities for enterprise reuse, remanufacture and reprocessing. Improvement in environmental quality through the reduction in greenhouse gas emissions will have significant public health benefits. The principal effect of the landfill levy is to move the country away from its historic dependence upon landfill which is the least desirable method of disposing of waste.

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

The following section tracks Knockharley Landfill Levy from inception to conclusion in terms of major project/programme milestones

Monthly	Returns submitted by the operator of the landfill site to the Council. Payment to the Council of Landfill Levy. Returns (Form EF09) submitted to the Department. Monies remitted to the Environment Fund.
Periodically	On site audit carried out in respect of at least 2 calendar months which includes inspection of the relevant certification and verification relating to the weighbridge accuracy at the landfill.
Annually	Annual Report and Form EF14 submitted to the Department by 28 th Feb the following year.

Section B - Step 3: Analysis of Key Documents

The following section reviews the key documentation relating to appraisal, analysis and evaluation for Knockharley Landfill Levy.

Project/Programme Key Documents	
Title	Details
Monthly returns from Landfill site and monthly returns to the Department (Form EF09)	Details of tonnages received and amounts subject to the landfill levy.
Landfill Levy Audit Reports and Annual Return for 2015 (Form EF14)	Audit Reports for May 2015 and August 2015. Annual Return including Form EF14 for 2015
Financial Reports generated from FMS (Agresso)	Expenditure and income details for revenue job code 05113002 – Knockharley 2% Landfill Levy

What follows is a review of the documentation held by Meath County Council in relation to their compliance with the Waste Management (Landfill Levy) Regulations 2015. Appraisal for this programme was carried out at national level as part of the country's overall waste management policy. Likewise analysis and evaluation of the programme is carried out at national level and the Council is required only to comply with the regulations as part of the implementation of national policy.

Key Document 1: Monthly returns from Landfill site and monthly returns to the Department (Form EF09)

Because of restrictions on capacity Knockharley landfill site was closed from January 2015 through to April 2015. The monthly returns from May 2015 through to December 2015 were examined. They include details of all tonnages received during the months in question including the source of the waste and how it was categorised. Payment was made each month based on the category of waste subject to the levy. A monthly return

(Form EF09) was made to the Department by the Council for each of the months in question and the levy collected (a total of €4,094,247) was paid into the Environment Fund subject to the retention of €50,000 as per Section 8(3) of the Waste Management (Landfill Levy) Regulations 2015. No interest on late payment of the levy was required to be paid by the operator of the landfill site during the period under review. All payments made by the Council into the Environment Fund in respect of the levy collected in 2015 were made within the time period specified in the Regulations save for the one in respect of July 2015 which was late by 4 days. Apart from this the returns for 2015 comply with the requirements of the Waste Management (Landfill Levy) Regulations 2015.

Key Document 2: Landfill Levy Audit Reports and Annual Return for 2015 (Form EF14)

An on-site audit was carried out by the Council on the 27th November 2015 and it examined the returns for May 2015 and August 2015 which is the minimum audit coverage required by the Regulations. The audit involved inspecting the relevant certification and verification relating to the weighbridge accuracy at the landfill which was found to be in order. The full breakdown of the waste accepted at the landfill during the two months in question was examined and verified against weighbridge dockets provided by the landfill operator. There were a small number of issues that arose during the course of the audit such as the certification relating to street cleansing waste and the certification and classification of certain other waste streams. All issues were either dealt with on the day of audit or sometime thereafter. Following the on-site audit and clarifications received from the landfill operator the Council were satisfied that the returns made for the months of May and August 2015 were in compliance with the Waste Management (Landfill Levy) Regulations 2015.

An annual report and form EF14 for 2015 was prepared for the Department and was submitted to them on the 27th April 2016. It is noted that this is well outside the time period set under Section 17(1) of the Regulations which requires submission of the Annual Report by the 28th February the following year. The annual report is simply a one page prescribed form that has to be completed which summarises the activities that the Council has taken to fulfil the requirements of the Regulations. Form EF14 is a standardised form which summarises each monthly return and shows the tonnage to which the levy applies, the levy applied, the retention amount, the interest on late payment of the levy (if any) and the total remitted to the Environment Fund.

Circular Letter WP 3/16 refers to Section 17(1) of the Regulations and states that local authorities must publish an annual report on its levy related activities during the preceding year. It defines the term “publish” to mean placing the report on a local authority website or making a hard copy available to the public. At time of audit the 2015 Annual Report was not available on the Council’s website and no hard copies were

available to the public. While a copy of the report would be made available on request and without charge this aspect of the Regulations was not complied with.

Key Document 3: Financial Reports generated from FMS (Agresso)

Expenditure and income details for revenue job code 05113002 – Knockharley 2% Landfill Levy for 2015 and 2016 were printed and used to verify that the figures contained in the 2015 Annual Report were accurately reflected in the Council's Financial Management System. All were found to be in order.

Section B - Step 4: Data Audit

The following section details the data audit that was carried out for Knockharley Landfill Levy. It evaluates whether appropriate data is available for the future evaluation of the project/programme.

Data Required	Use	Availability
Details of tonnages received, waste classification and amounts subject to the landfill levy.	Evaluation of national policy	Yes
Details of issues raised during audits of landfill sites	To feed into national policy making decisions	Yes

Data Availability and Proposed Next Steps

It can be seen from the table above that the data required to evaluate national waste management policy is readily available. Should further data be required then the Council will follow Department instructions and guidelines in this respect.

Section B - Step 5: Key Evaluation Questions

The following section looks at the key evaluation questions for Knockharley Landfill Levy 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)

Initial appraisal for this programme was carried out at national level as part of the country's overall waste management policy. Likewise analysis and evaluation of the programme is carried out at national level and the Council is required only to comply with the regulations as part of the implementation of national policy.

Audit Opinion: In so far as the Council's compliance with the Waste Management (Landfill Levy) Regulations 2015 contributes to national policy implementation it is considered that the programme provides Substantial Assurance (see Appendix 4) that there is compliance with the Public Spending Code.

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

Yes. There are a number of criteria by which the success or otherwise of the programme can be measured here in County Meath and this is replicated nationally. Compilation of the necessary data is very straightforward using the management reporting framework already in place to manage compliance with the Waste Management (Landfill Levy) Regulations 2015.

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

The timelines for payment specified in the Waste Management (Landfill Levy) Regulations 2015 need to be adhered to in all cases. It is recommended that Annual Reports be submitted to the Minister in accordance with the time deadline set in the Regulations and that they are published on the Council's website as a matter of course.

Section: In-Depth Check Summary

The following section presents a summary of the findings of this In-Depth Check on Knockharley Landfill Levy.

Summary of In-Depth Check

This in-depth check involved examining Meath County Council's compliance with the Waste Management (Landfill Levy) Regulations 2015. Initial appraisal for this programme was carried out at national level as part of the country's overall waste management policy. Likewise analysis and evaluation of the programme is carried out at national level and the Council is required only to comply with the regulations as part of the implementation of national policy. There are a number of key activities to be carried as per the Regulations. Returns are made to the Council monthly by the company operating the landfill site in question. These show a detailed breakdown of all tonnages received including the source of the waste and how it was categorised. Payment is made based on the category of waste subject to the levy. A monthly return is made to the Department of the Environment by the Council and the levy collected is paid into the Environment Fund on a monthly basis. On site audits are carried out by the Council on a sample of the returns submitted by the landfill operator and an annual report is prepared for the Department.

Audit Opinion: In so far as the Council's compliance with the Waste Management (Landfill Levy) Regulations 2015 contributes to national waste management policy implementation it is considered that the programme provides Substantial Assurance (see Appendix 4) that there is compliance with the Public Spending Code.

Appendix 4

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.