



An Roinn Gnó,  
Fiontar agus Nuálaíochta  
Department of Business,  
Enterprise and Innovation

# Quality Assurance Report for 2018

Submitted to the Department of Public Expenditure and  
Reform in compliance with the Public Spending Code



<b>Certification</b>	<b>1</b>
<b>Overview of the work of the Department</b>	<b>2</b>
<b>Overview of the Department’s Spending Programme</b>	<b>3</b>
<b>Agency Programme Evaluations</b>	<b>5</b>
<b>Quality Assurance Procedure</b>	<b>8</b>
<b>Public Spending Code - Inventory of Projects for 2018</b>	<b>9</b>
<b>Public Spending Code: - Procurements over €10 million</b>	<b>10</b>
<b>Public Spending Code: - Completion of Checklists</b>	<b>11</b>
<b>Public Spending Code: - Training</b>	<b>11</b>
<b>Public Spending Code - Main findings</b>	<b>11</b>
<b>Public Spending Code: - Agency level detailed findings</b>	<b>12</b>
<b>Enterprise Ireland</b>	<b>12</b>
<b>IDA Ireland</b>	<b>12</b>
<b>Science Foundation Ireland</b>	<b>13</b>
<b>The Programme for Research in Third-Level Institutions</b>	<b>14</b>
<b>APPENDIX 1 Enterprise Ireland In-Depth Check and Expenditure Inventory</b>	<b>15</b>
<b>APPENDIX 2 IDA Ireland In-Depth Check and Inventory</b>	<b>22</b>
<b>APPENDIX 3 Science Foundation Ireland In-Depth Check and Inventory</b>	<b>23</b>
<b>APPENDIX 4 PRTL I – Cycle 5 In-Depth Check and Inventory</b>	<b>25</b>
<b>APPENDIX 5 Grant expenditure thresholds/approvals limits: Enterprise Ireland</b>	<b>27</b>
<b>APPENDIX 6 Grant expenditure thresholds/approvals limits: IDA Ireland</b>	<b>29</b>
<b>APPENDIX 7 Grant expenditure thresholds/approvals limits:</b>	<b>31</b>
<b>Science Foundation Ireland</b>	<b>31</b>
<b>APPENDIX 8 Checklists – DBEI &amp; Agencies</b>	<b>32</b>

## Certification

This Quality Assurance report for 2018 reflects the Department of Business, Enterprise & Innovation's annual 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.

Specifically, it confirms that Quality Assurance checks have been successfully carried out on expenditure incurred by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Higher Education Authority on capital and current projects supported by the Department during 2018.



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**Dr Orlaigh Quinn**

**Accounting Officer**

**Department of Business, Enterprise & Innovation**

**Date: 18 February 2020**

## Overview of the work of the Department

The remit of the Department of Business, Enterprise and Innovation (the Department) is very diverse. It has a wide range of functions and policy responsibilities which are pursued and delivered through three distinct high-level programme areas. These in turn are delivered through a number of agencies under the Department's aegis, as follows:

- A. **Jobs and Enterprise Development** (*includes Enterprise Ireland, IDA Ireland, Local Enterprise offices, InterTrade Ireland, National Standards Authority of Ireland*)
- B. **Innovation** (*includes Science Foundation Ireland, EI Research, the Programme for Research in Third-Level Institutions and Ireland's membership of certain international research organisations*)
- C. **Regulation** (*includes Companies Registration Office, Office of Director of Corporate Enforcement, Competition & Consumer Protection Commission, Workplace Relations Commission*).

The Department's mission is as follows

*"We will lead on the creation and maintenance of high quality and sustainable full employment across all regions of the country by championing enterprise and innovation across government, by supporting a competitive business base to incentivise work, enterprise, trade, innovation and investment and by promoting fair and competitive markets as well as best business practice through the regulatory and enforcement work of the Department, its Offices and its agencies."*

## Overview of the Department's Spending Programme

The Department's expenditure in 2018 was €779 million, split between capital supports (€527m) and current expenditure (€252m). Current expenditure is used to meet the day-to-day running costs of the Department and its agencies. The capital provision is provided through a range of grant funded programmes administered by the Department's agencies to assist in the development of Ireland's enterprise and innovation sectors.

The Exchequer provision managed by the Department is driving the jobs agenda and is significantly aiding Ireland's economic recovery and ongoing development. At the end of 2018 the capital supports provided through the enterprise agencies were directly supporting over 454,500 jobs in Ireland, an increase of 5.2% over 2017<sup>1</sup>.

The key science, technology and innovation supports, provided by Science Foundation Ireland, Enterprise Ireland and through the Programme for Research in Third-level Institutions, are some of the principal enablers of our future jobs capability and foreign direct investment appeal which ensure that Ireland remains as a globally recognised research performer of high-standing.

The total capital expenditure incurred across the Department's Vote in 2018 was €527 million. This expenditure spanned EI, the IDA, Science Foundation Ireland (SFI), Local Enterprise Development, Tyndall National Institute, the National Standards Authority of Ireland, Inter Trade Ireland, subscriptions to International organisations and the Programme for Research in Third-Level Institutions (PRTLl).

For the purposes of the 2018 Quality Assurance (QA) report the Department focused on 5 of the largest capital programme areas, namely:

- Subhead A5                      IDA Ireland
- Subhead A7                      Enterprise Ireland
- Subhead B4                      Science Foundation Ireland
- Subhead B4                      Enterprise Ireland
- Subhead B5                      Programme for Research in Third-level Institutions<sup>2</sup>

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<sup>1</sup> Annual Employment Survey 2018 (*page 38*)

<sup>2</sup> The Higher Education Authority, an agency of the Department of Education & Skills, administers the PRTLl on behalf of the Minister for the Department since May 2010.

**Table 1: 2018 Capital Expenditure**

<b>Subhead</b>	<b>Agency</b>	<b>€million</b>
A5	IDA Ireland	113
A7	Enterprise Ireland	26
B4 (part)	Enterprise Ireland	122
B4 (part)	Science Foundation Ireland	175
B5	Programme for Research in Third-Level Institutions	18
	<b>Subtotal</b>	<b>454</b>
	Other	73
	<b>Total</b>	<b>527</b>

Typically, the capital grants provided by EI, the IDA, SFI are multi-annual in nature, often spanning a 3 to 5-year timeframe. The respective agency grants typically follow a competitive and rigorous review process at the outset of a programme call or an investment decision by the agency. When the awarded project is underway progress is also periodically reviewed by the relevant agency, sometimes with external expertise, such as utilisation of internationally recognised scientific experts in the case of SFI. There is often cross-agency strategic assessment input on certain enterprise grant programmes.

## Agency Programme Evaluations

It is important to appreciate that the enterprise agencies undertake regular assessment, ongoing reviews and formal evaluations of their programme portfolio to ensure that the programme offerings are:

- in line with Government policy - on foot of Government spending reviews
- meeting a national strategic need
- represent best use of resources available to the agency
- effective, and can be delivered to ensure best value for money for the Exchequer.

### Spending Review 2019 - Focused Policy Assessment of Capital, Employment, and Training Supports: 2005/2006 – 2018

#### DEPARTMENT OF BUSINESS, ENTERPRISE AND INNOVATION

##### AUGUST 2019

This Focused Policy Assessment (FPA) reviews the direct financial capital, employment and training (CET) supports to industry delivered through Enterprise Ireland (EI) and the IDA<sup>3</sup>. From 2006-2018 EI has approved €780 million of CET supports, while from 2005-2018 IDA has approved €1.07 billion of such supports. For EI and IDA separately the FPA sets out the rationale for Government direct financial CET supports. It focuses on the level of demand for these supports and the associated expenditure. Finally, the efficiency, effectiveness and appropriateness of EI and IDA CET supports is examined based on a review of the existing evaluation evidence base.

### Analysis of Science Foundation Ireland Research Grants

#### DEPARTMENT OF PUBLIC EXPENDITURE AND REFORM IGEES UNIT AND DBEI VOTE

##### AUGUST 2019

This paper<sup>4</sup> reviews the rationale of public support for innovation; analyses the overall funding dynamics of SFI; analyses SFI grant awards by grant characteristics and activities; and analyses selected activities and outputs from SFI programmes, with a focus on those that can be linked to enterprise. There has been an emphasis in recent years on investment in science being aligned with the needs of the economy and society to deliver economic and social impact.

Also, the **Budget 2020 Expenditure Report**<sup>5</sup> included the following paragraph on Page 32:

Enterprise Supports – One area of the enterprise supports landscape that has stood out as a success is Science Foundation Ireland (SFI). A 2019 spending review paper in this area finds that SFI appears to have intensified links with the enterprise base, effectiveness as measured by

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<sup>3</sup> <https://assets.gov.ie/27042/81a07f7e31ea444aa3f7af58b1799f81.pdf>

<sup>4</sup> <https://assets.gov.ie/25647/b041ef6d714c4414ac0cbe0eaf329795.pdf>

<sup>5</sup> [http://budget.gov.ie/Budgets/2020/Documents/Budget/Parts%20I-III%20Expenditure%20Report%202020%20\(A\).pdf](http://budget.gov.ie/Budgets/2020/Documents/Budget/Parts%20I-III%20Expenditure%20Report%202020%20(A).pdf)

publications and quality of scientific research has improved, and by a number of measures the organisation appears to be operating efficiently.

### **Focused Policy Assessment of Start Up and Entrepreneurship Expenditure**

#### **DEPARTMENT OF BUSINESS, ENTERPRISE AND INNOVATION**

**JULY 2018**

This paper<sup>6</sup> presents the Focused Policy Assessment of Capital Expenditure by the Department of Business, Enterprise & Innovation (DBEI) on supports for Start-up and Entrepreneurship.

The objectives of this FPA are to take a top down analysis of total DBEI funding of Start-up and Entrepreneurship expenditure and to trace that investment through its main activities, outputs and impacts across the main themes of investment. This Focused Policy Assessment concentrates on the financial supports given by Local Enterprise Offices and Enterprise Ireland to entrepreneurs and start-up businesses in Ireland.

### **Review of the Enterprise Agencies Economic Appraisal Model**

#### **INDECON RESEARCH ECONOMISTS FOR THE DEPARTMENT OF BUSINESS, ENTERPRISE AND INNOVATION**

**2018**

The Economic Appraisal Model is used in the grant decision-making process for projects supported by Enterprise Ireland and IDA (Ireland) as part of their system of appraisal for investment projects. The model represents an important tool in ensuring the best use of scarce economic resources. This review<sup>7</sup> of the model is the first since 2003 with reviews to update the cyclical elements of the model being completed since, most recently in 2014.

The publication of the review of the Economic Appraisal Model outlines the changes of the parameter values that make up the model in 2018.

### **Indecon Evaluation of the Enterprise Ireland Seed & Venture Capital Scheme**

Indecon/London Economics were appointed by the Department of Business, Enterprise and Innovation, following a competitive tender, to undertake an independent evaluation of the Enterprise Ireland Seed and Venture Capital Scheme on behalf of the Irish Government. Indecon produced their report for the Department in May 2018.

The Enterprise Ireland Seed and Venture Capital (SVC) Scheme has been in operation since 1994 and there have been four distinct programme periods. Across these programme phases,

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<sup>6</sup> <https://dbei.gov.ie/en/Publications/Focused-Policy-Assessment-of-Start-Up-and-Entrepreneurship-Expenditure.html>

<sup>7</sup> <https://dbei.gov.ie/en/Publications/Review-of-the-Enterprise-Agencies-Economic-Appraisal-Model.html>

Enterprise Ireland has committed approximately €470 million and the funds have raised a total of €1.98 billion since 1994.

The scheme was evaluated and a decision made to extend for a 2019 to 2024 programming period following consultation with all stakeholders.

## Quality Assurance Procedure

The Quality Assurance procedure is made up of five steps, which are set out in Section A of the Public Spending Code (PSC)<sup>8</sup>

1. Draw up inventories of projects/programmes at different stages of the Project Life.
2. Publish summary information on the website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.
3. Complete a set of checklists, contained within the PSC guidance document, which cover both capital and current expenditure with annual expenditure of €0.5m or more.
4. Carry out a more in-depth check on a small number of selected projects/programmes.
5. Based on the above steps, complete a short summary report including a quality assurance assessment.

In accordance with the requirements of the PSC, a Quality Assurance review of the appraisal of projects approved for grant aid has been carried out at the direction of the Department by the following evaluation teams:

- **Enterprise Ireland** - by its internal auditors Ernst & Young.
- **IDA Ireland** – by its internal auditors Deloitte.
- **Programme for Research in Third-Level Institutions** – by the Higher Education Authority (who engaged the auditing firm, Deloitte to assist), who administer the PRTLTI on behalf of the Department.
- **Science Foundation Ireland** - by the Department's Internal Audit Unit.

These evaluations incorporate an in-depth check on a small number of programmes to comply with the fourth step of the PSC procedure, which are included in this Report. This Report, which assesses the Department's compliance with the Spending Code for expenditure in 2018, fulfils the fifth step of the Quality Assurance process.

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<sup>8</sup> The Public Spending Code "Expenditure Planning, Appraisal & Evaluation in the Irish Public Service: Standard Rules and Procedures". Central Expenditure Evaluation Unit, Department of Public Expenditure and Reform.

## Public Spending Code - Inventory of Projects for 2018

The first step in the process is to draw up an inventory of expenditure being considered; incurred and recently completed. These inventories should in turn be broken down by their anticipated cost (between €0.5m - €5m, between €5m - €20m, greater than €20m).

A number of the agencies provided or published data regarding grant aid expenditure on their websites. However, in some cases commercial sensitivity prevented such publication. This is expanded upon below.

**Enterprise Ireland** publishes general information on grant aid schemes (application process etc.) on its website<sup>9</sup>. See **Appendix 1** of this report for an inventory of the EI grant recipients and details of its in-depth review for Step 4 of the process.

**IDA Ireland** does not publish details of the recipients of grant aid due to commercial sensitivity concerns. The Agency has, however, provided a full inventory of the grants appraised and approved, by type, for the three years 2016 – 2018 to the Department’s Internal Audit Unit. This satisfies Step 1 of the process. IDA Ireland also provided to the Internal Audit Unit detail on the monetary value of the grant expenditure sample which was selected for the in-depth review for Step 4 of the process.

Information on the in-depth review conducted by IDA Ireland’s internal auditors is set out in **Appendix 2** of this report. IDA Ireland publishes details of its leading investments in its Annual Reports which are available on its web site<sup>10</sup>.

Details of the **Science Foundation Ireland** in-depth check and expenditure inventory is set out in **Appendix 3** of this report. Programme expenditure for SFI is published in its annual reports and its web site also contains a list of grant recipients for all of its major funding programmes<sup>11</sup>.

Details of the **Higher Education Authority** in-depth check and an inventory of PRTL payments funded by the Exchequer expenditure inventory is set out in **Appendix 4** of this report. Information relating to PRTL research grants is available on page 43 of the HEA Annual Report for 2018<sup>12</sup>.

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<sup>9</sup> [www.enterprise-ireland.com](http://www.enterprise-ireland.com)

<sup>10</sup> <https://www.idaireland.com/>

<sup>11</sup> [www.sfi.ie](http://www.sfi.ie)

<sup>12</sup> <https://hea.ie/assets/uploads/2019/10/HEA-2018-Annual-Report.pdf>

## Public Spending Code: - Procurements over €10 million

Step 2 of the QA Procedure states “Publish summary information on the website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.” It is also a requirement that the Department should publish details of the website references where its agencies have placed information on procurement over €10 million.

**The Department** had no procurement in excess of €10m.

The Department publishes on its website a list of payments over €20,000 in any given quarter<sup>13</sup>.

**Enterprise Ireland** did not have any procurements in excess of €10 million in 2018<sup>14</sup>.

Enterprise Ireland publishes details of all procurements in excess of €2m on its website<sup>15</sup> and of all payments or purchase orders for goods and services over €20,000 on a quarterly basis<sup>16</sup>.

**IDA Ireland** had one procurement in progress in 2018 where the value over the lifetime of the contract/framework exceeded €10 million. The details of this procurement are published on its website<sup>17</sup>.

IDA Ireland publishes details of all payments or purchase orders for goods and services over €20,000 on a quarterly basis on its website<sup>18</sup>.

**Science Foundation Ireland** did not have any procurements in excess of €10 million in 2018.

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<sup>13</sup> <https://dbei.gov.ie/en/Publications/DBEI-Payments-over-20000.html>

<sup>14</sup> <https://enterprise-ireland.com/en/About-Us/Services/Public-Spending-Code/Public-Spending-Code-2017.pdf>

<sup>15</sup> <https://enterprise-ireland.com/en/About-Us/Services/Public-spending-code>

<sup>16</sup> <https://enterprise-ireland.com/en/About-Us/Services/Procurement/>

<sup>17</sup> <https://www.idaireland.com/corporate-governance>

<sup>18</sup> <http://www.idaireland.com/information-compliance/>

## **Public Spending Code: - Completion of Checklists**

The Quality Assurance process involves the completion of self-assessment checklists by the Department and its agencies. These checklists cover all expenditures, to include both capital and current expenditure projects. No significant issues in relation to compliance with the Spending Code have been identified in any of the completed checklist forms submitted by Enterprise Ireland, IDA Ireland, SFI or the Higher Education Authority. Copies of the completed checklists by the Department and the agencies sampled are provided at **Appendix 8**.

## **Public Spending Code: - Training**

One of the general obligations listed in Checklist 1 refers to the provision of training on the Public Spending Code to all relevant staff.

A member of the Internal Audit Unit of DBEI attended a workshop on the revision of the Public Spending Code in July 2019.

The Internal Audit Unit contacted the Department of Public Expenditure & Reform (DPER) in January 2020 and were advised that DPER are reviewing training requirements for the new Public Spending Code, following its revision in 2019, and they will revert with an update on the outcome of that review.

## **Public Spending Code - Main findings**

Various Quality Assurance checks on 2018 expenditure projects have been undertaken by Ernst and Young (Enterprise Ireland), Deloitte (IDA Ireland & the Higher Education Authority) and the Department's Internal Audit Unit (Science Foundation Ireland). Whilst minor issues were identified and discussed with the relevant parties during the review, there were no significant issues of concern arising from any of the Quality Assurance checks undertaken in the various agencies.

The Department is reasonably satisfied that the key obligations and provisions set out in the Public Spending Code are being satisfactorily met based on the sample testing and evaluation of expenditure by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Higher Education Authority in 2018 as presented in this report.

More specific findings at agency/programme level are set out in the remainder of this report.

## Public Spending Code: - Agency level detailed findings

### Enterprise Ireland

Enterprise Ireland (EI) is the government organisation responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, it supports sustainable economic growth, regional development and secure employment. A key priority is the achievement of export sales growth from Irish-owned companies and assistance is geared toward helping Irish companies win international sales. This is all the more important given the UK's decision to leave the EU. In 2018, EI supported companies created 19,332 new jobs, resulting in a net increase of 10,309 in the number of people employed within their client base.

A Quality Assurance review of the appraisal of grant aided projects by EI was carried out by Ernst & Young, internal auditors. In accordance with the requirements of the Public Spending Code, only grant approvals in excess of €500,000 were included in the population from which the sample was selected for in-depth checking. Most of EI's grant aided expenditure falls below this threshold.

The Board of EI has established a robust committee structure for the appraisal and approval of capital grants. The Department is also represented on these investment committees. Details of the grant expenditure thresholds and grant approval procedures are outlined in **Appendix 5**.

EI has completed self-assessment checklists covering capital and current expenditure (**see Appendix 8**).

The Quality Assurance review in respect of EI funding in 2018 concluded that the Agency complied with the requirements of the Public Spending Code.

### IDA Ireland

The IDA's main objective is to encourage investment into Ireland by foreign-owned companies as well as maintaining current levels of foreign direct investment and jobs in the country. The IDA works as a strategic partner and provides consultancy and support services free of charge to help organisations set-up and grow their businesses.

The IDA's processes and expenditures are subject to a number of controls and assurances each year. These include an internal control statement by the Chairman, internal audit reports authorised by the audit committee and an annual statutory audit by the Comptroller & Auditor General. In addition, a quality assurance review in respect of the IDA was carried out by its internal auditors, Deloitte. The scope of Deloitte's review encompassed a review of grant aid approval procedures in 2018. The review consisted of an examination of 16 projects (5 in 2016, 6 in 2017, and 5 in 2018). The monetary value of these samples was considered commercially sensitive and was not published but full details, however, were provided to the Department's Internal Audit Unit. The monetary value of the sample approved for grant aid, represented 10% of the total grant contracts exceeding €500,000 signed by IDA Ireland during the 3-year period 2016 to 2018. Please see **Appendix 2** for details on the in-depth check and the inventory of grant approvals.

The IDA has completed self-assessment checklists covering capital and current expenditure (**see Appendix 8**).

Details of thresholds and approval limits are set out in **Appendix 6**.

The Quality Assurance review in respect of the IDA's funding in 2018 concluded that the Agency complied with the requirements of the Public Spending Code.

### **Science Foundation Ireland**

Science Foundation Ireland (SFI) is Ireland's national foundation for investment in scientific and engineering research. SFI invests in academic researchers and research teams who are most likely to generate new knowledge, leading edge technologies and competitive enterprises in the fields of science, technology, engineering and maths (STEM). In 2013, SFI's legal remit was extended to include applied research in areas of importance to Ireland's economy to complement its original mandate of funding only oriented basic research.

As the benefits associated with the projects selected could not be quantified or valued in a financial context, it was not possible for SFI to prepare a formal cost benefit analysis or a financial analysis. Instead, it carries out a detailed assessment of the costs associated with the proposed projects. As detailed on pages 5 and 6 of this report, the Department has also conducted a number of agency programme evaluations on RD&I expenditure and the outcomes of these evaluations are relevant to SFI.

The Department's Internal Audit Unit undertook an in-depth review of SFI programmes using samples of awards which incurred expenditure in 2018. Details of this review and an inventory of expenditure in SFI in 2018 is shown in **Appendix 3**.

The Quality Assurance review in respect of SFI expenditure in 2018 concluded that the Agency complied with the requirements of the Public Spending Code.

## The Programme for Research in Third-Level Institutions

The Programme for Research in Third-Level Institutions (PRTL) supports the provision of top-class research infrastructure (buildings, laboratories and cutting-edge equipment) as well as human capital development through structured PhD/Emergent Technology programmes across Ireland's higher education institutions. A key aim of the PRTL is to develop critical mass in key research areas, thereby enhancing collaboration and coherence across Ireland's research system.

The PRTL was launched in 1998, with five cycles of expenditure to date. In addition to supporting the provision of top-class research infrastructure (buildings, laboratories and cutting-edge equipment), PRTL saw significant investment in human capital development, through Structured PhD/Emergent Technology programmes across Ireland's Higher Education Institutes (HEIs).

The current Cycle of PRTL (Cycle 5) was announced in 2010 and has involved exchequer expenditure of approx. €277m with a further €59m of private investment. Cycle 5 projects have now been completed and the Department of Business Enterprise & Innovation is addressing the remaining payments associated with these awards. The 2018 allocation to PRTL is €14.3m with a portion of this being used to part pay outstanding bills for PRTL Cycle 5 projects.<sup>19</sup>

The PRTL differs from other research grant refund programmes operated by the Department's other agencies as there are no new awards made until a new cycle of funding is initiated. Therefore, for the purposes of this Quality Assurance Report there is a distinct number of projects (18) in receipt of PRTL capital funding under the Cycle 5 programme.

The HEA selected 3 PRTL Cycle 5 projects for the purposes of the in-depth check. Details of these checks are set out in **Appendix 4** of this Report.

Relevant checklists were completed, specifically in respect of the three projects selected, with no significant issues identified (please see **Appendix 8**).

The Quality Assurance review in respect of Higher Education Authority's spending in relation to the PRTL Cycle 5 was provided as evidence that it complied with the requirements of the Public Spending Code.

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<sup>19</sup> <https://www.oireachtas.ie/en/debates/question/2018-05-08/219/>

## APPENDIX 1 Enterprise Ireland In-Depth Check and Expenditure Inventory

The 2018 Quality Assurance review by Ernst & Young involved in-depth checks on a small number of selected projects/programmes. Both Current and Capital Expenditure were reviewed as follows:

### Current:

- Sample selection for Current Projects: €2,125,828
- Total Value of Current Project Inventory: €11,465,393
- % of Current Projects Selected: 18.54%

### Capital:

- Sample Selection of Capital Projects: €11,247,339.91
- Total Value of Capital Project Inventory: €149,308,957.56
- % of Capital Projects selected: 7.5%

Based on the documentation reviewed, the auditors concluded that the process in place for the implementation and the monitoring of current and capital expenditure are adequate.

The expenditure inventory listed on pages 16 to 21 of this report includes details of grant recipients with approval amounts in excess of €500k that incurred expenditure in 2018. The inventory of capital and current projects (including grants) are broken down by:

- i. Expenditure being considered
- ii. Expenditure being incurred
- iii. Expenditure that has recently ended

These capital and current projects (including grants) are then further divided into intervals of between €0.5 - €5m, between €5m - €20m and greater than €20m.

**i. Expenditure being considered**

**New Capital projects (including grants for capital purposes) that were considered during the period in review:**

<b>Payment Type</b>	<b>Project ID</b>	<b>Approval Period</b>	<b>Approval Amount</b>
<b>Between €0.5 - €5m</b>			
Ordinary Shares R & D	162438	Jan-18	€500,000.00
Employment Grant	162481	Feb-18	€646,070.00
Capital Grant	162524	Mar-18	€613,600.00
Employment Grant	162585	Mar-18	€1,500,000.00
Training Grant	162589	Mar-18	€901,734.00
Capital Grant	162591	Mar-18	€1,455,000.00
Employment Grant	162773	May-18	€2,377,940.00
Capital Grant	162783	May-18	€625,900.00
Capital Environmental	162837	Jun-18	€853,204.00
Capital Environmental	162838	Jun-18	€1,799,543.10
R&D Revenue	162856	Jun-18	€522,363.00
Employment Grant	162894	Jun-18	€600,000.00
R&D Revenue	162895	Jun-18	€549,495.00
Capital Environmental	162903	Jun-18	€4,271,400.00
Employment Grant	162974	Mar-18	€552,500.00
Employment Grant	163051	Jul-18	€560,960.00
R&D Revenue	163114	Jul-18	€632,748.00
Employment Grant	163118	Jul-18	€1,008,000.00
Capital Grant	163182	Jul-18	€632,800.00
Capital Grant	163313	Sep-18	€566,000.00
R&D Revenue	163332	Sep-18	€649,206.00
Ordinary Shares	163376	Sep-18	€500,000.00
R&D Revenue	163432	Sep-18	€785,904.00
R&D Revenue	163479	Oct-18	€648,007.00
Capital Environmental	163550	Sep-18	€3,257,889.00
Capital Environmental	163561	Oct-18	€2,153,432.00

Capital Environmental	163567	Oct-18	€1,659,899.00
R&D Revenue	163802	Nov-18	€624,723.00
Capital Grant	163803	Nov-18	€585,000.00
Training Grant	163811	Nov-18	€624,895.00
R&D Revenue	163880	Dec-18	€644,357.00
R&D Revenue	163884	Dec-18	€562,795.00
Employment Grant	163903	Dec-18	€510,000.00
R&D Revenue	163912	Dec-18	€549,576.00
Training Grant	163913	Dec-18	€777,074.00
Training Grant	163962	Dec-18	€539,600.00
Pref Shares Capital	163986	Nov-18	€600,000.00
Capital Grant	164027	Nov-18	€736,000.00
Employment Grant	164029	Nov-18	€780,000.00
Capital Grant	164032	Nov-18	€1,089,600.00
Capital Grant	164038	Nov-18	€704,240.00
Capital Grant	164039	Nov-18	€1,256,360.00
Capital Grant	164046	Nov-18	€1,600,000.00
Capital Grant	164063	Nov-18	€1,280,000.00
Capital Grant	164064	Nov-18	€1,675,200.00
Capital Grant	164073	Nov-18	€1,315,600.00
Capital Grant	164110	Nov-18	€1,520,000.00
<b>Between €5m - €20m</b>			
Capital Grant	162825	Mar-18	€7,200,000.00
Capital Environmental	162826	Mar-18	€5,112,699.00
Capital Grant	162902	Jun-18	€7,400,000.00
Seed & Venture	163625	Sep-18	€10,000,000.00
Seed & Venture	163871	Sep-18	€10,000,000.00
<b>Greater than €20m</b>			
None			

New Current expenditure programmes or significant extensions to existing programmes that will involved annual expenditure of €0.5m or more that were considered in 2018:

Supplier Name	Supplier Type	Status	Amount raised on PO to date	Framework Value for maximum duration
Beauchamps Solicitors	Legal services	Expenditure Approved	1,120,000	0
Dublin Business Innovation Centre	Programme management services for the HBAN Programme	Expenditure Approved	942,833	18,500

ii. Expenditure being incurred

Capital projects (including grants for capital purposes) that received a payment during the period in review:

Project ID	Payment Type	Payment Sub-type	Approval Amount
<b>Between €0.5 - €5m</b>			
140696	Seed & Venture	Seed & Venture Capital (2007 - 2012)	€595,890.41
154635	Seed & Venture	Innovation Fund Ireland	€546,105.82
154635	Seed & Venture	Innovation Fund Ireland	€758,750.92
155049	Seed & Venture	Seed & Venture Capital (2007 - 2012)	€831,600.00
155049	Seed & Venture	Seed & Venture Capital (2007 - 2012)	€577,317.00
155084	Capital	Company Expansions excluding R&D	€654,396.10
155383	Seed & Venture	Development Capital Fund	€1,360,640.40
155383	Seed & Venture	Development Capital Fund	€2,686,699.51
155471	R&D Revenue	Company Expansions including R&D	€566,349.36
156029	Capital	Company Expansions including R&D	€1,903,776.93
156350	Seed & Venture	Innovation Fund Ireland	€589,621.83
156447	R&D Facility	Company Development	€1,804,350.80
156463	Capital	Company Development	€2,100,120.00
156603	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€1,031,833.91
156603	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€523,183.39
156603	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€857,439.45
156757	Seed & Venture	Seed & Venture Capital	€621,962.00

		Fund 2013 - 2018	
157508	R&D Revenue	Company Development	€1,590,285.60
158382	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€686,316.00
158382	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€534,737.00
159381	Capital	Company Development	€1,270,700.38
159381	Capital	Company Development	€574,515.48
159463	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€756,698.46
159463	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€813,041.03
159463	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€737,082.59
159514	Capital	Incubation Centres	€735,613.14
159514	Capital	Incubation Centres	€572,402.93
159625	Capital Environmental	Company Development	€528,769.80
159625	Capital Environmental	Company Development	€528,769.80
159805	Capital	Company Development	€699,780.80
159932	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€632,099.00
160215	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€734,258.00
160215	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€504,121.00
160218	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€632,951.00
160218	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€527,460.00
160218	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€843,935.00
160651	R&D Revenue	R&D Fund	€559,919.67
160665	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€866,702.11
160936	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€1,147,119.59
160936	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€681,066.50
161378	Capital	Company Development	€2,954,265.20
162230	Pref Shares Capital	Company Development	€707,200.00
163625	Seed & Venture	Seed & Venture Capital Fund 2013 - 2018	€3,804,512.00
<b>Between €5m - €20m</b>			
None			
<b>Greater than €20m</b>			
None			

Current expenditure schemes or programmes that are incurring expenditure during the period in review in excess of €500,000:

Supplier Name	Supplier Type	Amount raised on PO to date
EAST POINT DEVELOPMENT (TWO) LTD	Lease	3,484,874
MINDSHARE MEDIA IRELAND LTD	Media Strategy, Planning and Buying Services	2,797,200
VECTOR WORKPLACE & FACILITY MANAGEMENT LTD T/A ARAMARK WORKPLACE SOLUTIONS	Facilities management	639,516

### iii. Expenditure that has recently ended

Capital projects (including grants for capital purposes) that were completed during the period under review in excess of €500,000:

Project ID	Payment Type	Payment Sub-type	Payment Amount
<b>Between €0.5 - €5m</b>			
152677	Capital Grant	Company Expansions excluding R&D	€867,330.70
143682	Capital Grant	Beef & Sheepmeat Fund	€3,544,000.00
143675	Capital Grant	Beef & Sheepmeat Fund	€4,335,118.85
155451	Capital Grant	Company Expansions including R&D	€1,598,850.00
156611	Capital Grant	Company Development	€949,383.00
156558	Employment Grant	Company Development	€700,000.00
157149	Training Grant	Company Development	€1,084,000.00
159285	R&D Revenue	R&D Fund	€592,126.00
160103	R&D Revenue	R&D Fund	€521,609.00
160330	R&D Revenue	Company Development	€502,436.00
161898	Pref Shares Employ	HPSU Package	€500,000.00
162003	Regional Accelerator	Regional Accelerator Scheme	€625,000.00
161106	Ordinary Shares R & D	R&D Fund	€500,000.00
161278	R&D Revenue	R&D Fund	€593,431.00

161725	Pref Shares R & D	R&D Fund	€750,000.00
163376	Ordinary Shares	Innovative HPSU 2014-2020	€500,000.00
<b>Between €5m - €20m</b>			
None			
<b>Greater than €20m</b>			
None			

**Current expenditure schemes or programmes that were completed during the period in review in excess of €500,000:**

<b>Supplier Name</b>	<b>Supplier Type</b>	<b>Amount raised on PO to date</b>
The Continuous Learning Group, Inc. (CLG)	Business Advisory Coaching services	1,632,586
Dublin Business Innovation Centre	Project management services for the HBAN programme	1,406,406
ICT Project Services	ICT Support Services	1,486,312

## APPENDIX 2 IDA Ireland In-Depth Check and Inventory

Deloitte sought details of all grant aid approvals for the period 2016 to 2018 in order to determine the population for the in-depth review. Deloitte was provided with a schedule showing all EU grant notifications for grants exceeding €500,000. The inventory prepared of grant aid approvals is considered to be commercially sensitive and is not published in this report. However, the information contained in the inventory was separately provided to the Internal Audit Unit in the Department for verification purposes.

The sample for review was selected randomly in compliance with the most recent version of the Value for Money Code guidelines for a 5% spot check. The sample covered grant types from each of the three years from 2016 to 2018 and each of the grant types and amounted to an average of 10% of total grant funding over this period. Details of the monetary value of the samples selected was provided to Internal Audit Unit in the Department for verification purposes. The sample of grants selected for this review had not been selected for review in prior years. The breakdown of the categories/years selected is as follows:

Grant Type	2016	2017	2018	Total
RD&I	2	3	2	7
Training	2	1	-	3
Capital	-	-	1	1
Employment	1	2	2	5
<b>Total</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>16</b>

The annual review conducted by Deloitte confirmed full compliance with the obligations under the Public Spending Code. The controls evaluated were deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

## APPENDIX 3 Science Foundation Ireland In-Depth Check and Inventory

The 2018 Quality Assurance review in respect of Science Foundation Ireland (SFI) was undertaken by staff in the Internal Audit Unit in the Department. As part of the Quality Assurance procedure, in depth examination checks were conducted on the appraisal/planning stage of the SFI awards programmes for 2018 of the SFI Research Infrastructure Programme.

A weighted sample of three projects were selected from this programme. The sample included a small, a medium and a high cost proposal, it also included both declined and awarded proposals, as follows:

Proposal ID	Value	Award status	Grantee
18/RI/5797	€16 million	Awarded	Tyndall National Institute
18/RI/5766	€1.6 million	Reserve List	*
18/RI/5725	€0.5 million	Declined	*

Checks were conducted based on the Standard Operating Procedures on each stage of the award process. This included access to proposals on the SFI award application and tracking system as well as access to relevant internal documentation as required as per the following table:

- Expressions of Interest to assist with reviewer sourcing
- Full proposals checked by SFI staff for eligibility
- Two stages of independent international review panels followed by SFI consideration of the ranked proposals
- Proposals listed for approval, reserve list and declined list
- Review relevant Memos to SFI Executive Committee, Grants Approval Committee and SFI Board.

The SFI Research Infrastructure Programme is normally granted for a 12-month period. Details of thresholds and approval limits are set out in **Appendix 7**.

All proposals are evaluated by an external independent Panel. These evaluations follow a standardised process for which there are Standard Operating Procedure (SOP) documents for each type of award programmes. These SOP provide guidance to technical and non- technical staff in implementing formal eligibility checking and review of applications.

All research awards are evaluated by annual report and all of the multi-annual awards have a mid-term site visit by international experts to evaluate their progress. These reports are used to gather sufficient information to ensure that the research awards are progressing effectively and achieving the objectives

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\* IAU had access to all documentation relating to this proposal. The details are not published due to commercial sensitivity.

of the programme. Similar reports are used for other programmes and reflect the specific objectives of those programmes.

<b>Grant Payments &amp; Commitments by Programme - 2018</b>		
SFI - 2018 Payments by Programme	Full list in Annual Report 2018 Page 70	€ 181,020,000
SFI – 2018 Grant Commitments by Programme	Full list in Annual Report 2018 Pages 71	€ 132,077,000

Science Foundation Ireland’s Annual Report 2018 can be accessed on its website<sup>20</sup>.

The Quality Assurance review in respect of the appraisal/planning stage of the SFI awards programmes for 2018 concluded that Science Foundation Ireland complied with the requirements of the Public Spending Code.

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<sup>20</sup> [https://www.sfi.ie/research-news/publications/annual-reports/sfi-AR-18-\(web\)-NEW-\(3\).pdf](https://www.sfi.ie/research-news/publications/annual-reports/sfi-AR-18-(web)-NEW-(3).pdf)

## APPENDIX 4 PRTLTI – Cycle 5 In-Depth Check and Inventory

The Higher Education Authority (HEA) sought assistance from their Internal Auditors in carrying out capital transaction audits, involving project systems and transactions, on a selection of HEA PRTLTI Cycle 5 capital projects where Exchequer funding has been disbursed by the HEA to higher education institutions in 2019. The primary objective was to gain assurance over the procedures, processes and controls in place in Higher Education Institutions (HEIs) in relation to capital projects.

The reviews sought to determine that, for a sample of projects selected by the HEA:

- The relevant key steps of the project life cycle were completed as per the Capital Appraisal Guidelines including:
  - Appraisal Stage – (Preliminary and Detailed)
  - Planning Stage
  - Implementation Stage
  - Post Project Review
- Key elements of Design Team Guidelines were in place, including technical evaluation reports.
- Key elements of the Capital Works Management Framework were in place.
- Public procurement of the Capital Works Management Framework was in place.
- Sufficient financial management and control procedures were in place, including management of expenditure,
- funding and monitoring of cash flows.
- Procedures for the management of capital projects were adequately documented and include all the elements tested above.

These objectives were set-out in the Terms of Reference for Capital Spot Checks reviews provided to the Internal Auditors by the HEA.

The HEA selected the following PRTLTI Cycle 5 capital projects in **University College Dublin (UCD)** & **University College Cork (UCC)** for the scope of the review:

### UCD:

- Nanoremedies – Equipment only expenditure of €555,292
- ITN – Equipment only expenditure of €52,000

*(\*Given that these two projects related to equipment only expenditure, a number of the control objectives which related to capital projects as set out in the Terms of Reference as provided by the HEA were not relevant.)*

### UCC:

- BSI West – project expenditure of €14.671m (procurement element)

These reviews resulted in 1 medium rated finding and 3 low rated findings being reported to the HEA.

The medium rated finding related to procurement issues for 2 transactions > €25,000 where procurement guidelines were not fully adhered to.

Two of the low rated findings related to administration omissions related to procurement processes and the other low rated finding related to a lack of documentary evidence of a review of a Cost Benefit Analysis (CBA).

## **APPENDIX 5 Grant expenditure thresholds/approvals limits: Enterprise Ireland**

It should be noted that Enterprise Ireland (EI) functions, including certain funding thresholds and related requirements, are underpinned by the Industrial Development (Enterprise Ireland) Act 1998 and the Science and Technology Act 1997.

1. The composition of the Board of EI is provided for in legislation.
2. All administrative decisions of EI are made by either the Board of EI, or by a committee to which powers have been delegated by the Board or, for approvals of smaller amounts, by managers exercising express delegated powers (which provide for such approvals to be counter-signed by a senior manager) (see Note 1).
3. All decisions by the EI Board are minuted formally. All delegated committees of the Board operate within approved written terms of reference, and all decisions are minuted. All management approvals are counter-signed by Department managers or above.
4. The Audit Committee has approved a 3-year audit plan which is implemented by the Internal Audit department. The IA department completes between 15 and 20 internal audits across the organisation annually, assisted by independent internal auditors (at present from EY).
5. The EI Board sign off on the Statement on Internal Control annually.
6. The C&AG audits the annual accounts of Enterprise Ireland annually.
7. EI produces an annual report which is laid before the Houses of the Oireachtas through the Minister for the Department, in line with its legislation and with public financial management guidelines and protocol.
8. Strong corporate governance practices and policies are in place and EI has been awarded the SWIFT 3000 standard for Corporate Governance since 2011.
9. EI Board and senior managers are generally aware of the statutory parameters within which their powers are exercised and may seek advice from EI's in-house solicitor if there are any queries or concerns in this regard.
10. Letters of offer for financial approvals or shareholders purchase agreements will not be issued by the relevant contracts unit (which is separate from the unit which sought approval for the proposal) until signed minutes are in place.
11. There is also a separation between approval and payment functions.
12. All payments (whether grant or equity) are subject to an inspection process and only eligible expenditure is used for determining either the payment of grants or the successful validation of equity investments.
13. EI has the practice of evaluating its major funding schemes either using internal or external evaluators. A number of these evaluations have been published in recent years.

## Note 1: Enterprise Ireland Committees & approvals

- i. **Investment Committee** - Total funding packages of up to €1.25 million, subject to previous accumulated funding approvals for one undertaking being €3.25 million within the previous 2 years.
- ii. **R&D Committee is a sub-committee of the Investment Committee** - Funding is in the form of an R&D Grant. The maximum grant available is €650,000 at a maximum grant rate of 45% (50% for collaborative projects).
- iii. **The Job Expansion Committee - a sub-committee of the Investment Committee** - Funding for the Job Expansion Programme is in the form of an employment grant. The maximum grant available under the Job Expansion Fund is €150,000, with a maximum grant of €15,000 per job.
- iv. The Capital Investment Initiative Committee is a sub-committee of the Investment Committee - The minimum grant available is €20,000 subject to a maximum grant of €250,000.
- v. **Industrial Research and Commercialisation Committee (IRCC)** - Range: Up to €1.25 million, subject to previous accumulated funding approvals for one undertaking being €3.25 million within the previous 2 years. The IRCC considers grant applications for all programmes which are supported under the Science and Technology Act 1987.

## Line Management Approval Powers

The Board delegates to the Chief Executive, who may in turn delegate to; a Director, Divisional Manager or Department Manager (as appropriate) with line responsibility for the company/client on the recommendation of the Development Advisor for the company, (or his/her line manager) and the approval being ratified by any one of the following; the Section Manager, Client Services Unit or the Manager of the Grants Administration Department or in their absence, the Secretary, the Head of Corporate Services or a Director. There are various threshold approval amount limits set per senior grade (i.e. per post and responsibilities) held within Enterprise Ireland.

## Enterprise Ireland Board

Any cases of funding recommendations higher than the thresholds permitted at Committee level must be approved by the EI Board. In general, all cases where a proposed EI investment package exceeds €7.5 million (in cumulative funding) must be recommended to Government by the EI Board. This is applicable to funding packages covering the areas of Employment grants, Training Grants, R&D grants and purchase of shares. There are some exceptions where lower thresholds (> €0.5m and > €1m) apply whereby grant approvals in relation to certain forms of Technology Acquisition Grants must be brought to the attention of Government.

## **APPENDIX 6 Grant expenditure thresholds/approvals limits: IDA Ireland**

### **Controls Environment**

The IDA Board has taken steps to ensure an appropriate control environment is in place by:

- establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation
- clearly defining and documenting management responsibilities and powers
- developing a strong culture of accountability across all levels of the organisation.

The Board has also established processes to identify and evaluate business risks. This is achieved in a number of ways including:

- working closely with Government and various agencies and institutions to ensure that there is a clear understanding of the IDA goals and support for the Agency's strategies to achieve those goals
- carrying out regular reviews of strategic plans both short and long term and evaluating the risk to bringing those plans to fruition
- setting annual and longer-term targets for each area of our business followed by regular reporting on the results achieved
- establishing and enforcing extensive standard procedures and provisions under which financial assistance may be made available to projects, including provisions requiring repayment if the project does not fulfil commitments made by the promoter
- A risk management policy and a revised risk register have been developed in line with Strategy 2020.

The system of internal financial control is based on a framework of regular management information, administrative procedures, including segregation of duties and a system of delegation and accountability. In particular, it includes:

- a comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and other performances
- clearly defined capital investment control guidelines
- formal project management disciplines.

The IDA has outsourced the Internal Audit function, which reports directly to the Audit, Finance & Risk Committee of the Board. This committee meets on at least a quarterly basis to review reports prepared by Internal Audit and other departments. The Audit, Finance & Risk Committee in turn keeps the Board informed of the matters that it has considered.

The Internal Audit function operates in accordance with the principles set out in the revised Code of Practice on the Governance of State Bodies. A rolling three-year Internal Audit work plan is determined by the Audit, Finance & Risk Committee and revised annually where required. The current work plan takes account of areas of potential risk identified in a risk assessment exercise carried out by management and reviewed by the Audit, Finance & Risk Committee and the Board. The Internal Audit function provides the Committee with quarterly reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal financial control and the recommended corrective measures to be taken where necessary.

The Board conduct an annual review of the System of Internal Financial Controls (SIFC) including Corporate Risks. The monitoring and review of the effectiveness of the SIFC by the Board is informed by the work of the Internal Audit function, the Audit, Finance & Risk Committee, which oversees the work of the Internal Audit function, and the executive managers within IDA Ireland who have responsibility for the development and maintenance of the financial control framework.

### **IDA Ireland Grant Approval Limits**

The Board has the power to approve and authorise grants up to €7.5 million for all grant types - bar capital grants for which the Board has the power to approve and authorise grants up to €15m - as per the Industrial Development Act 2014 and to recommend grant aid above these specified levels to Government. To further strengthen its procedures, the Board established a Management Investment Committee, chaired by the Chief Executive Officer of the IDA. This Committee reviews all proposals for grant assistance before making recommendations to the Board. Under powers delegated by the Board, this Committee also approves grants up to a maximum of €500,000.

## APPENDIX 7 Grant expenditure thresholds/approvals limits: Science Foundation Ireland

The following Thresholds approval limits are in place at Science Foundation Ireland (SFI) for the purposes of approval of Capital Grant proposals.

**The SFI Executive Committee** has delegated power to approve project capital grant proposals up to the maximum levels of Direct Costs set out in the table below:

<b>Project Length</b>	<b>Maximum Level</b>
Over 60 months	€1,500,000
49- 60 months	€1,250,000
37 – 48 months	€1,000,000
25 – 36 months	€750,000
13 – 24 months	€500,000
Up to 12 months	€250,000

The SFI Board approves that the **SFI Grant Approval Committee** is delegated the power to approve research capital grant proposals for awards exceeding €1,500,000 and Direct Costs to a maximum level of €8,000,000.

The **SFI Board** approves all Capital grant proposals above the value of €8,000,000 for Direct Costs.

## APPENDIX 8 Checklists – DBEI & Agencies

Name of Body	Which checklists provided
Department of Business Enterprise & Innovation	Checklist 1
Enterprise Ireland	Checklists 1 to 7
IDA Ireland	Checklists 1 to 7
SFI	Checklists 1 to 7
PRTL I	Checklists 4 only (for each of the PRTL I projects under review). Rest of Checklists deemed to be not applicable.

### Scoring Mechanism for checklists

Organisation	Self-Assessment Ratings	
	Scoring Mechanism	
Enterprise Ireland use a compliance rating 0–4	0	Not Done
	1	<50% compliant
	2	50-75% compliant
	3	>75% compliant
	4	100% compliant
All other organisations use a compliance rating 1–3	1	Scope for significant improvements
	2	Compliance but with some improvement necessary
	3	Broadly compliant

## Department of Business, Enterprise & Innovation – 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
Does the Department ensure, on an ongoing basis, that appropriate people within the Department, and in its agencies, are aware of their requirements of the Public Spending Code (incl. through training)?	1	<p>A member of the Internal Audit Unit of DBEI attended a workshop on the revision of the Public Spending Code in July 2019.</p> <p>The Internal Audit Unit contacted the Department of Public Expenditure &amp; Reform (DPER) in January 2020 and were advised that DPER are reviewing training requirements for the new Public Spending Code and they will revert with an update on the outcome of that review.</p>
Has internal training on the Public Spending Code been provided to relevant staff?	1	No. The Internal Audit Unit contacted the Department of Public Expenditure & Reform (DPER) in January 2020 and were advised that DPER are reviewing training requirements for the new Public Spending Code and they will revert with an update on the outcome of that review.
Has the Public Spending Code been adapted for the type of project/programme that your Department is responsible for, i.e., have adapted sectoral guidelines been developed?	n/a	
Has the Department in its role as Sanctioning Authority satisfied itself that the agencies that it funds comply with the Public Spending Code?	3	Yes. This Quality Assurance Report is evidence of this work.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to agencies?	n/a	No recommendations received in past three years from DPER from previous reports on in-depth reviews (old spot checks).
Have recommendations from previous Quality Assurance exercises been acted upon?	n/a	No recommendations received in past three years from DPER.

Has an annual Public Spending Code Quality Assurance Report been submitted to and certified by the Department's Accounting Officer and published on the Department's website?	3	Yes, Quality Assurance Reports for the years 2013 – 2017 have been certified by the Department's Accounting Officer and published on the Department's website. This is the sixth such report.
Was the required sample of projects/programmes subjected to in-depth checking as per Step 4 of the QA process?	3	Yes, as outlined in the Quality Assurance Report and in the reports from the agencies.
Is there a process in place to plan for ex post evaluations?	n/a	For agencies to undertake.
How many formal evaluations have been completed in the year under review? Have they been published in a timely manner?	n/a	See above.

## Enterprise Ireland – Checklist 1

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
Does the Department ensure, on an ongoing basis that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	2	The Department ensures appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code indirectly. The policies of the procurement and grants departments are in line with the guidelines set out in the Code. Based on the sample of projects tested as part of the checklist step and the overall QA process, it is evident that the underlying principles of the Public Spending Code are being adhered to.
Has training on the Public Spending Code been provided to relevant staff?	2	There is no Public Spending Code specific training but training is provided to relevant persons involved with expenditure. This training provided is in line with the requirements set out in the Public Spending Code.
Has the Public Spending Code been adapted for the type of project/programme that your Department is responsible for? i.e. have adapted guidelines been developed?	0	Adapted guidelines are currently being drafted for the Department.
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	4	Grants are approved on the basis that the funds provided constitute good value for money. There is a thorough assessment for the allocation of funds during the approval process.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	4	Yes. All previous Quality Assurance reports are discussed at quarterly Audit Committees and are circulated where appropriate.
Have recommendations from previous Quality Assurance exercises been acted upon?	4	Yes
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	n/a	Report to be submitted to Parent Department (DBEI) .
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	4	Yes.

## Enterprise Ireland – Checklist 2

### TO BE COMPLETED IN RESPECT OF CAPITAL PROJECTS OT CAPITAL PROGRAMME/GRANT SCHEME THAT IS OR WAS UNDER CONSIDERATION IN THE PAST YEAR

**Note:** There were no capital projects in excess of €500,000 considered in the period. All expenditure under this heading relates to grants for capital purposes.

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
Was a Preliminary Appraisal undertaken for all projects > €5m	4	Yes comprehensive preliminary appraisals are carried out for all projects greater than €5m
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	4	A thorough appraisal process is carried out when an application is received. The investment appraisal team will assess the feasibility of the application and approve it on that basis. The application must also meet the requirements set out under the Terms of Reference for that grant type. The vast majority of grants received above this threshold are completed in line with the specific requirements set out by the Department. There is ongoing communication between the applicant and the Department to ensure that the requirements of the Department are met.
Was a CBA completed for all projects exceeding €20m?	n/a	There were no projects appraised in the period that were over €20m
Were all Programmes with an annual value in excess of €30m and of 5 years or more duration subjected to an ex-ante evaluation?	n/a	There were no projects appraised in the period that were over €30m
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase?	4	Yes. An approval in principle was granted and recorded. Board minutes for the approval are also recorded from the Investment Committee meeting.
If a CBA was required was it submitted to the CEEU for their view?	n/a	No CBA was performed as there were no projects appraised in the period that were over €20m
Was the NDFA Consulted for projects costing more than €20m?	n/a	There were no projects appraised in the period that were over €20m

<b>CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL</b>	<b>SELF-ASSESSED COMPLIANCE RATING: 0 – 4</b>	<b>COMMENT/ACTION REQUIRED</b>
Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?	n/a	Not applicable as all projects (over €500k) relate to grants which are subject to robust application, approval and validation processes.
Was approval granted to proceed to tender?	n/a	Not applicable as all projects (over €500k) relate to grants which are subject to robust application, approval and validation processes.
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	n/a	Not applicable as all projects (over €500k) relate to grants which are subject to robust application, approval and validation processes.
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	3	Every grant is governed by conditions. The grantee must adhere to these conditions in order to receive grant payments. Prior to the issuing of a grant payment, a site inspection may be carried out to ensure that the grantee is adhering to the conditions outlined in the grant agreement. If these conditions are being met, the grant payment may be approved.
Have steps been put in place to gather the Performance Indicator	4	Site visits are conducted to ensure that grantees are following the conditions outlined in the grant agreement.

## Enterprise Ireland – Checklist 3

### New Current expenditure or expansion of existing current expenditure under consideration

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
Were objectives clearly set?	4	In the sample selected, the objectives and the requirements were clearly identified in the request for tender.
Are objectives measurable in quantitative terms?	4	Yes. The procurement relates to Legal Services and Programme Management Services. Activity and objectives under these projects were clearly identified in the tender documentation.
Was an appropriate appraisal method used?	4	Yes. A scoring system was used that is in line with Enterprise Ireland methodology which is consistent with the Public Spending Code.
Was a business case prepared for new current expenditure?	4	A business case was prepared and sent for committee approval (finance and operations). The business case was reviewed and signed off by the committee.
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	4	Independent evaluation of previous programmes conducted and the need for the expenditure is detailed in the business plan that was approved as part of a submission to the finance and operations committee. The business case describes the need for the service with adequate reasoning.
Was the required approval granted?	4	Yes. Approval was received from the finance and operations committee.
Has a date been set for the pilot evaluation?	n/a	Regular review meetings to monitor progress are scheduled to take place.
Has the methodology and data collection requirements for the pilot evaluation been agreed at the outset of the scheme?	n/a	Methodology and data collection requirements have been considered.
If outsourcing was involved were Procurement Rules complied with?	4	Yes. The tender for Procurement Services followed the EI procurement policy which is in line with the guidelines set out in the Public Spending Code.
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing	4	Yes. A suite of metrics have been defined so ongoing monitoring can be performed.

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
current expenditure which will allow for the evaluation of its efficiency and effectiveness?		Metrics are relevant to the objectives set and the terms of the agreements.
Have steps been put in place to gather the Performance Indicator data?	4	Yes. Each contract owner has developed their own toolset to gather the necessary data to measure the KPI's.

## Enterprise Ireland – Checklist 4

Complete if your organisation had capital projects/programmes that were incurring expenditure during the year under review.

**Note:** There was no capital project in excess of €500,000 considered in the period. All expenditure under this heading relates to grants for capital purposes.

INCURRING CAPITAL EXPENDITURE	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
Was a contract signed and was it in line with the approval in principle?	4	Yes. Contracts are signed for each grant agreement. Each contract signed is in line with the approval in principle
If a construction or ICT project was the contract for a fixed price?	n/a	There were no construction or ICT projects completed in the period under review above the €500k threshold.
Are suitable management structures in place, commensurate with the scale of projects?	4	There are suitable management structures in place commensurate with the scale of projects.
Did management boards/steering committees meet regularly as agreed?	4	Yes. Each grant type has a dedicated committee who meet on a monthly basis. The investment committee also meets on a monthly basis who discusses all grant types at high level.
Were Programme Co-coordinators appointed to co-ordinate implementation?	4	Yes. A DA is appointed for each grant. The DA manages the approval and implementation of the grant.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable level for the scale of the project?	n/a	The grantee is responsible for delivering the project.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	4	Once a grant claim is received, there is a site visit to ensure the grant provided was used for its intended purpose. A grant report is submitted indicating the performance of the grant.
Did the project keep within its financial budget and its time schedule?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.
Did budgets have to be adjusted?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.
Were decisions on changes to budgets or time schedules made promptly?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.

<b>INCURRING CAPITAL EXPENDITURE</b>	<b>SELF-ASSESSED COMPLIANCE RATING: 0 – 4</b>	<b>COMMENT/ACTION REQUIRED</b>
Did circumstances ever warrant questioning the viability of the project? (exceeding budget, lack of progress, changes in the external environment) (Y/N)	n/a	Not as part of the sample selected. A grant will not be paid if the grantee does not adhere to the conditions of the grant.
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	4	Yes. Once a grant claim is received, there is a site visit to ensure the grant provided was used for its intended purpose. A grant report is submitted indicating the performance of the grant.
If costs increased was approval received from the Sanctioning Authority?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.

## Enterprise Ireland – Checklist 5

### For Current Expenditure

<b>INCURRING CURRENT EXPENDITURE</b>	<b>Self-Assessed Compliance Rating: 0 - 4</b>	<b>Comment/Action Required</b>
Are there clear objectives for all areas of current expenditure?	4	Tender documentation clearly sets out all activities expected under the contract. Objectives for large current expenditure are set out in the business case which must get approval from the relevant committee.
Are outputs well defined?	4	The outputs for the supplier will be defined as part of the RFQ process.
Are outputs quantified on a regular basis?	4	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier.
Is there a method for monitoring efficiency on an ongoing basis?	4	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier.
Is there a method for monitoring effectiveness on an ongoing basis?	4	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier. Quarterly account management meetings are held with key suppliers to discuss any issues.
Have formal VFM evaluations or other evaluation been completed in the year under review?	4	Spend under contracts are monitored against agreed pricing schedules using the monthly reporting structure and regular face-to-face meetings to ensure that the contract is delivering on expectations as set out in the tender documentation.
Are plans for new evaluations made in good time to ensure that they are completed in time to feed into the annual Budget cycle?	4	Plans are made in good time to ensure that they feed into the budget cycle.

## Enterprise Ireland – 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: 0 – 4	Comment/Action Required
Were the required post-project reviews carried out?	4	Building inspection reports drafted following site visits throughout the construction process and following completion of the building.  Separate review in terms of objectives achieved? Documentation focuses on administration of grant expenditure as opposed to outputs achieved by completed project.
Was a post project review completed for all projects/programmes exceeding €20m?	n/a	There were no projects completed in the period with a total value in excess of €20m.
If sufficient time has not elapsed to allow a proper assessment of benefits has a post project review been scheduled for a future date?	3	A post project appraisal is completed within five years of the project being completed. The grants department receives a notification four years after the last payment of a grant. The outcomes of the grant payment are then reviewed on a sample basis.
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	3	Post project appraisals/inspections are performed as part of our process, as set out above. EI are satisfied that the present grants post-project appraisal/inspection process is robust and satisfies due diligence requirements.
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	3	There were no changes in approach made as the outcome of the appraisal/inspection process indicates full compliance to-date.
Was project review carried out by staffing resources independent of project implementation?	4	Yes, the review is conducted internally by grant inspection staff that are independent of project implementation.

## Enterprise Ireland – Checklist 7

To be completed for current expenditure programmes over €500,000 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: 0 – 4	Comment/Action Required
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued ?	4	Programmes were reviewed at various points throughout contracts including effectiveness and economic evaluation.
Did those reviews reach conclusions on whether the programmes were effective?	4	The reviews looked at the effectiveness of the programmes in terms of achieving the objectives of the programme.
Did those reviews reach conclusions on whether the programmes were efficient?	4	The reviews determined that the programmes were cost efficient in delivering the objectives of the programme.
Have the conclusions reached been taken into account in related areas of expenditure?	4	Yes – The reviews provided learnings for future programmes and an estimate of future level of funding required.
Were any programmes discontinued following a review of a current expenditure programme?	4	Mainly no. The ICT programme was discontinued.
Was the review commenced and completed within a period of 6 months?	4	Yes

## IDA Ireland – Checklist 1

To be completed in respect of general obligations not specific to individual projects/programmes.

This checklist relates to capital grants (> €500k) paid by IDA Ireland in 2018

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1–3	Discussion/Action Required
Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements of the Public Spending Code (incl. through training)?	2	All appropriate people are aware – The CFO, Compliance manager and the Secretary to the Board
Has internal training on the Public Spending Code been provided to relevant staff?	1	No, but it is intended in conjunction with DBEI to provide such training in 2020
Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for? i.e. have adapted sectoral guidelines been developed?	3	Yes – as it applies to relevant capital grant awards.
Has the organisation in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	-	N/A IDA Ireland is not a Sanctioning Authority
Have recommendations from previous Quality Assurance reports (incl. old Spot-Checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes
Have recommendations from previous Quality Assurance reports been acted upon?	3	Yes
Has an annual Public Spending Code Quality Assurance Report been submitted to and certified by the organisation's Accounting Officer and published on the organisation's website?	-	N/A
Was the required sample of projects/programmes subjected to in-depth checking as per Step 4 of the QA process?	3	Yes – a sample of at least 5% (in fact 10%) was subjected to in-depth checking in 2018
Is there a process in place to plan for ex post evaluations?	-	N/A
How many formal evaluations have been completed in the year under review? Have they been published in a timely manner?	-	N/A
Is there a process to follow up on the recommendations of previous evaluations?	-	N/A

<p>How have the recommendations of Value for Money Reviews, Focused Policy Assessments and other evaluations informed resource allocation decisions?</p>	<p>-</p>	<ul style="list-style-type: none"> <li>• Ex ante technical assessment by qualified and independent assessor.</li> <li>• Ex ante detailed economic appraisal performed by Project Executive.</li> <li>• Ex ante financial analysis and evaluation of the proposed grantee company performed by Project Executive.</li> <li>• Proposal considered by Management Investment Committee and recommended to Board of IDA Ireland for approval.</li> </ul>
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## IDA Ireland – Checklist 2

To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration (i.e. approved) in the year of review.

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 – all grant approvals >5M go to the MIC and Board
Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant scheme?	3	See above
Was a Cost Benefit Analysis/Cost Effectiveness Analysis completed for all projects exceeding €20m?	-	N/A – no projects in excess of €20M
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes – see above
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	-	N/A – not a Sanctioning Authority.
If a Cost Benefit Analysis/Cost Effectiveness Analysis was required was it submitted to the relevant Vote Section in DPER for their views?	-	N/A
Were the NDFA Consulted for projects costing more than €20m?	-	N/A
Were all projects that went forward for tender in line with the Approval in Principle, and if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	-	N/A –checklist relates to grant approvals
Was approval granted to proceed to tender?	-	Same as above
Were Procurement Rules complied with?	-	Same as above
Were State Aid rules checked for all supports?	3	Yes
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	-	N/A
Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	3	Yes – set out in grant agreement with grantee.
Have steps been put in place to gather performance indicator data?	3	Yes

### IDA Ireland – Checklist 3

To be completed in respect of new current expenditure under consideration in the year of review.

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were objectives clearly set out?	3	Yes in agreement
Are objectives measurable in quantitative terms?	3	Yes in agreement
Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	N/A	Payment in accordance with grant agreement.
Was an appropriate appraisal method used?	N/A	
Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	
Did the business case include a section on piloting?	N/A	
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	
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	
Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	
Was the required approval granted?	3	Yes
Has a sunset clause been set?	3	No – subject to State Aid rules, existing approvals may be re-activated which enables the State to compete with competing jurisdictions.
If outsourcing was involved were procurement rules complied with?	-	N/A
Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programmes which will allow for a robust evaluation at a later date?	3	Yes – set out in agreement
Have steps been put in place to gather performance indicator data?	3	Yes – e.g. Client Survey, Employment Survey and ABSEI Survey

## IDA Ireland - Checklist 4

To be completed in respect of capital projects/programmes & capital grant schemes incurring expenditure (i.e. grants paid out) in 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
Did management boards/steering committees meet regularly as agreed?	N/A	All grant payments paid in arrears.
Were programme co-ordinators appointed to co-ordinate implementation?	N/A	
Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	N/A	
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	N/A	
Did the project/programme/grant scheme keep within their financial budget and time schedule?	3	Yes
Did budgets have to be adjusted?	N/A	
Were decisions on changes to budgets / time schedules made promptly?	N/A	
Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. Cost Benefit Analysis/Cost Effectiveness Analysis? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	N/A	
If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	N/A	
If costs increased was approval received from the Sanctioning Authority?	N/A	
Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No – Company must comply fully with grant agreement.

## IDA Ireland – Checklist 5

To be completed in respect of current expenditure (over €500k) programmes incurring expenditure in the year under review.

**There were no such programmes in IDA Ireland in 2018**

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	N/A	There were no such programmes in IDA Ireland in 2018
Are outputs well defined?	N/A	
Are outputs quantified on a regular basis?	N/A	
Is there a method for monitoring efficiency on an ongoing basis?	N/A	
Are outcomes well defined?	N/A	
Are outcomes quantified on a regular basis?	N/A	
Are unit costings compiled for performance monitoring?	N/A	
Are other data compiled to monitor performance?	N/A	
Is there a method for monitoring effectiveness on an ongoing basis?	N/A	
Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	N/A	

## IDA Ireland - Checklist 6

To be completed in respect of capital projects/programmes & capital grant schemes discontinued in the year under review.

**No grant types or schemes were discontinued in 2018**

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

## IDA Ireland - 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
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	No grant programme reached the end of its planned timeframe in 2018
Did those reviews reach conclusions on whether the programmes were efficient?	N/A	
Did those reviews reach conclusions on whether the programmes were effective?	N/A	
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	
Were any programmes discontinued following a review of a current expenditure programme?	N/A	
Were reviews carried out by staffing resources independent of project implementation?	N/A	
Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	

## Science Foundation Ireland – 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
Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements of the Public Spending Code (incl. through training)?	N/A	
Has internal training on the Public Spending Code been provided to relevant staff?	N/A	It was not deemed necessary due to the type of capital expenditure at SFI – i.e. Capital grants.
Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for? i.e., have adapted sectoral guidelines been developed?	3	SFI has introduced detailed procedures for the whole life cycle of grant awards covered by SOPs.
Has the organisation in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	
Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	N/A	
Have recommendations from previous QA reports been acted upon?	N/A	
Has an annual Public Spending Code QA report been submitted to and certified by the organisations Accounting Officer and published on the organisation's website?	N/A	
Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	IAU in DBEI carry out this exercise in respect of SFI.
Is there a process in place to plan for ex post evaluations?	N/A	
How many formal evaluations been completed in the year under review? Have they been published in a timely manner?	N/A	
Is there a process to follow up on the recommendations of previous evaluations?	N/A	
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	N/A	

## Science Foundation Ireland – 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
Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes covered by external peer review process and internal/Board sign-off - Documented in the Standard Operating Procedures for SFI.
Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Each grant scheme application is reviewed by Expert Peer review prior to Approval/Declination of the Application.
Was a CBA/CEA completed for all projects exceeding €20m?	N/A	
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	All research proposals subject to external peer review which may be postal and in some cases a sitting panel. Each proposal is rated a score and the proposals are evaluated based on these scores. SFI receives a recommendation from the Programmes team to fund based on the recommendations of the expert panel
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes covered by approval of annual grants budget.
If a CBA/CEA was required was it submitted to the relevant Vote Section in DPER for their views?	N/A	
Were the NDFA consulted for projects costing more than €20m?	N/A	

Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?	N/A	
Was approval granted to proceed to tender?	N/A	
Were procurement rules complied with?	N/A	
Were State Aid rules checked for all supports?	3	Yes.
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	N/A	
Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	N/A	Each year Annual Scientific Reports are submitted to SFI and twice yearly Financial reports are submitted to SFI.
Have steps been put in place to gather performance indicator data?	N/A	

## Science Foundation Ireland – 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
Were objectives clearly set out?	3	Yes – covered in annual approved non-payroll budget/Allocation.
Are objectives measurable in quantitative terms?	3	For each years budget process each department seeking budget approval for non-payroll current expenditure prepares a justification/business case for large projects. All approvals in excess of €50,000 must be approved by the Executive Committee.
Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure?	3	Where appropriate.
Was an appropriate appraisal method used?	3	Competitive tendering Procedures complied with.
Was an economic appraisal completed for all projects exceeding €20m or an annual spend of €5m over 4 years?	N/A	
Did the business case include a section on piloting?	N/A	
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	
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	
Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	

Was the required approval granted?	3	All current expenditure is approved in accordance with the SFI Funding and Procurement Thresholds Table. This covers approval of the Purchase Order in advance of any commitments plus approval of invoices when expenditure incurred. These limits are set up on iprocurement a module of Exchequer.
Has a sunset clause been set?	N/A	
If outsourcing was involved were procurement rules complied with?	3	Publish in eTenders for projects >€25k.
Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust at a later date?	3	Where necessary.
Have steps been put in place to gather performance indicator data?	3	Where necessary.

## Science Foundation Ireland – 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
Was a contract signed and was it in line with the Approval in Principle?	3	All awards made by SFI require a Letter of offer signed by the Research Body and Principal Investigator.
Did management boards/steering committees meet regularly as agreed?	3	All awards made are approved by the SFI Executive. SFI Board approves awards >€20m.
Were programme co-ordinators appointed to co-ordinate implementation?	3	All programme Calls have SFI Scientific Programme Managers assigned to each Call until the Letters of Offer are signed by the RB and the awards go "Live".
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 awards have SFI Scientific Programme Managers assigned to each award).
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes each year Annual Scientific Reports are submitted to SFI and twice yearly Financial reports are submitted to SFI.
Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	SFI monitors each award on an individual basis and if projects are falling behind due to recruitment or other issues then the applicant can apply for a No Cost Extension to the award – (with no extra budget).
Did budgets have to be adjusted?	3	There can be some adjustments to the timing of the budgets and the movement of funds between categories but the budgets are never increased.
Were decisions on changes to budgets / time schedules made promptly?	3	Yes.

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.)	3	For large awards there is a mid-term review (attended by overseas expert reviewers) and if there were major concerns over the success of the project a decision could be made to terminate the award.
If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	Yes see above through a Site review.
If costs increased was approval received from the Sanctioning Authority?	3	If extra costs are to be assigned to an award it would be through the granting of a supplementary award with a separate approvals process.
Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	There could be various reasons why an award could be terminated i/e. if the Investigator left the country – but this has not happened frequently to date in SFI.

## Science Foundation Ireland – 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
Are there clear objectives for all areas of current expenditure?	3	Yes a detailed budget for each year is prepared by Finance and submitted to Executive and Board for approval.
Are outputs well defined?	3	Budgets are set by department and actuals reported on by department each month and compared to budget
Are outputs quantified on a regular basis?	3	This is demonstrated by the monthly management accounts process where accounts are prepared in conjunction with the line managers and monthly management accounts are submitted to the Executive Committee for approval.
Is there a method for monitoring efficiency on an ongoing basis?	3	Monthly Mgt accounts are maintained by SFI –variances are explained - distributed to Executive & Board.
Are outcomes well defined?	3	The review of actual versus budget expenditure is monitored by department and reports are sent to line managers for information.
Are outcomes quantified on a regular basis?	3	See above reporting is done on a monthly basis.
Are unit costings compiled for performance monitoring?	N/A	
Are other data compiled to monitor performance?	N/A	
Is there a method for monitoring effectiveness on an ongoing basis?	3	Monthly management accounts with report on ytd budget variances to Executive.
Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	N/A	

## Science Foundation Ireland – Checklist 6

To be completed in respect of capital projects/programmes & capital grant schemes discontinued in the year under review.

Capital Expenditure Recently Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
How many post project reviews were completed in the year under review?	3	See comment below - Post project reviews carried out on Research Centre awards (largest awards).
Was a post project review completed for all projects/programmes exceeding €20m?	3	None for 2018 – 6-year site visits carried out - 12 Research Centres reviews carried out in 2019 as first 7 research centres funded in late 2012 expired in 2019.
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?	3	See above comment.
Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% of all other projects adhered to?	N/A	
If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	N/A	
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority? (Or other relevant bodies)	N/A	
Were changes made to practices in light of lessons learned from post-project reviews?	N/A	
Were project reviews carried out by staffing resources independent of project implementation?	N/A	

## Science Foundation Ireland – 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
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	
Did those reviews reach conclusions on whether the programmes were efficient?	N/A	
Did those reviews reach conclusions on whether the programmes were effective?	N/A	
Have the conclusions reached been taken into account in related areas of expenditure?	N/A	
Were any programmes discontinued following a review of a current expenditure programme?	N/A	
Were reviews carried out by staffing resources independent of project implementation?	N/A	
Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	

## Higher Education Authority – Checklist 4

\*Checklists 4 only completed by HEA as other Checklists deemed not relevant for projects under review.

### PRTL Cycle 5 – UNIVERSITY COLLEGE DUBLIN (UCD) – Nanoremedies and ITN (Equipment only expenditure)

To be completed in respect of general obligations not specific to individual projects/programmes.

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	
Did management boards/steering committees meet regularly as agreed?	3	Capital Projects Group, FRAMC and the Governing Authority meet at least six times a year.
Were programme co-ordinators appointed to co-ordinate implementation?	3	Expenditure was monitored with co-ordinators receiving quarterly reports.
Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	N/A	Equipment only.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Reports were prepared quarterly.
Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes
Did budgets have to be adjusted?	N/A	There were no adjustments to budgets.
Were decisions on changes to budgets / time schedules made promptly?	N/A	
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	
If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	N/A	
If costs increased was approval received from the Sanctioning Authority?	N/A	
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	

## Higher Education Authority – Checklist 4

### PRTL Cycle 5 – UNIVERSITY COLLEGE CORK (UCC) – BSI West Phase 2 Fit-Out Contract.

To be completed in respect of general obligations not specific to individual projects/programmes.

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	No Action
Did management boards/steering committees meet regularly as agreed?	3	No Action
Were programme co-ordinators appointed to co-ordinate implementation?	3	No Action
Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	No Action
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	No Action
Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	No Action
Did budgets have to be adjusted?	3	Formal approval sought
Were decisions on changes to budgets / time schedules made promptly?	3	No Action
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.)	3	No Action
If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	N/A
If costs increased was approval received from the Sanctioning Authority?	3	No increase to HEA, however UCC costs increased and formal approval was sought from Finance Committee.
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