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

The Public Spending Code

Quality Assurance Report for 2016

Contents

Certification

This 2016 Annual Quality Assurance report reflects the Department of Business, Enterprise & Innovation's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

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 projects supported by the Department during 2016.

Dr Orlaigh Quinn
Accounting Officer,
Department of Business, Enterprise & Innovation
Date: July 2018

Overview of the work of the Department

The remit of the Department of Business, Enterprise and Innovation is very diverse. It has a wide range of functions and policy responsibilities which are pursued and delivered through three 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, 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, Work Relations Commission)

The Department's mission is:

"*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 2016 was in the region of €840m, split between capital (grant) supports and current expenditure. The 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 by the DBEI Agencies to assist in the development of Ireland's enterprise and innovation sectors.

The Exchequer provision via DBEI is driving the jobs agenda significantly aiding Ireland's economic recovery and ongoing development. At the end of 2016 the capital supports provided through the enterprise agencies were directly supporting over 435,000 jobs in Ireland, over 1 in 5 jobs. Allowing for the multiplier effect a similar number of jobs are being supported indirectly in sub-supply and services connected to the clients of Enterprise Ireland, IDA Ireland and the Local Enterprise Offices.

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, foreign direct investment attractiveness and ensure that Ireland remains as a globally recognised research performer of high-standing.

The total capital expenditure incurred across the DBEI Vote in 2016 was €547.85 million. This expenditure spanned Enterprise Ireland, IDA Ireland, Science Foundation Ireland, the Local Enterprise Offices, Tyndall National Institute, the National Standards Authority of Ireland, Inter Trade Ireland, the Programme for Research in Third-Level Institutions (PRTLI)* and the Interreg programme.

For the purposes of the 2016 Quality Assurance (QA) report the Department focused on 5 of largest capital programme areas, namely:

- Subhead A5   IDA Ireland
- Subhead A7   Enterprise Ireland (EI)
- Subhead B4   Science Foundation Ireland (SFI)
- Subhead B4   Enterprise Ireland (EI)
- Subhead B5   Programme for Research in Third-level Institutions (PRTLI)[1]

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[1] The Higher Education Authority, an agency of the Department of Education & Skills, administers the PRTLI on behalf of the Minister for BEI since May 2010

Table 1:   2016 Capital Expenditure[2] [3]

Subhead	Agency	Capital Expenditure €million
A5	IDA Ireland	€105.65
A7	Enterprise Ireland	€49.65
B4 (part)	Enterprise Ireland	€117.6
B4 (part)	Science Foundation Ireland	€187.5
B5	Programme for Research in Third-Level Institutions	€30.38
	Subtotal	€490.78
	Other	€ 56.58
	Gross Total Outturn	**€547.36**

Typically, the capital grants provided by EI, IDA Ireland, 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.

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[2] *Includes deferred surrender amounts from 2015*

[3] *Includes supplementary Estimate of €60m*

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 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.

In December 2015, the Enterprise Programmes & Policies Evaluation Unit in DBEI commissioned Technopolis Group to undertake an Ex-Post evaluation of Ireland's participation in FP7 (2007-2013) and an interim evaluation of Ireland's participation in the Eight Framework Programme, Horizon 2020 (2014-2020). The evaluations were undertaken from January to May 2016 and were overseen by a Steering Committee, chaired by DBEI and comprising representatives from IDA Ireland, Enterprise Ireland, Department of Education & Skills, HEA/Irish Research Council, Science Foundation Ireland and DBEI's Innovation, Research and Development Division. Prof. Iulia Siedschlag from the ESRI participated as the independent expert. The Steering Committee met on five occasions during the evaluation process. The evaluations were published in July 2016 *[https://dbei.gov.ie/en/Publications/Evaluations-of-Irelands-participation-in-FP7-and-Horizon-2020.html]*.

The Department has also conducted a study focused on public R&D investments and specifically the economic and enterprise impacts of R&D active firms. This study has been conducted under the guidance of a Steering Committee. The report was published on the website in January 2017 *[https://dbei.gov.ie/en/Publications/Economic-and-Enterprise-Impacts-from-Public-Investment-RD-Ireland.html]*.

The Department also developed a paper on expenditure on Research, Development and Innovation contributing to the Government Spending Review. The paper traces expenditure from its objectives to inputs, outputs, outcomes and impacts between the period 2000 to 2016 *[https://dbei.gov.ie/en/Publications/Review-Capital-Expenditure-Research-Development-and-Innovation-2000-2016.html]*.

In 2017, the Department also commenced a review of Enterprise Agency Economic Appraisal model and an evaluation of the Enterprise Ireland Seed and Venture Capital Scheme (2013-2018), both due for completion in Q1 2018. Both

projects are conducted under the guidance of a Steering Committee. An evaluation of the Enterprise Ireland Lean Transform programme is also intended to be undertaken in 2018.

Evaluations of Enterprise Ireland scaling and internationalisation supports and the Enterprise Ireland client engagement model is also due to commence in 2018. The Department will also provide an additional paper to the Spending Review on the Department's expenditure on Start-Up and Entrepreneurship Supports due for publication in July 2018. **Work on a Review of Innovation Supports for Enterprise was also completed in 2017.**

Under the 2015 – 2017 VFM round the Department committed to the following evaluations:

Year	Evaluation
Completed and published in 2015	**Business Development Suite of Evaluations** *https://dbei.gov.ie/en/Publications/Evaluation-of-Enterprise-Business-Development-Programmes.html* **Synthesis Report of Programme of Evaluations** *https://dbei.gov.ie/en/Publications/Evaluations-of-State-Supports-for-Enterprise-Synthesis-Report-and-Conclusions.html*
Completed and published in 2016	**Evaluation of Ireland's participation in FP7** **Evaluation of Ireland's participation in Horizon 2020** *https://dbei.gov.ie/en/Publications/Evaluations-of-Irelands-participation-in-FP7-and-Horizon-2020.html*
Commence in 2017/ anticipated completion in 2018	**Evaluation the Economic Appraisal Model** **Evaluation of Enterprise Ireland Seed and Venture Capital Scheme 2013-2018**
Anticipated completion in 2018	**Evaluation of Enterprise Ireland Lean Transform Programme**

Quality Assurance Procedure

The Quality Assurance procedure is made up of five steps, which are set out in Section A of the PSC[4].
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 €2m, 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 that will involve annual expenditure of €0.5m or more. Checklists are completed based on a sample of projects from each area of expenditure.

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 their internal auditors Ernst & Young (EY).
- **IDA Ireland** – by their internal auditors Deloitte.
- **Programme for Research in Third-Level Institutions** – by Mazars on behalf of the Higher Education Authority, who administer the PRTLI on behalf of the Minister for Business, Enterprise and Innovation.
- **Science Foundation Ireland** - by the Department's Finance Unit.

Those reports incorporated a more in-depth check on a small number of programmes to comply with the fourth step of the PSC procedure. This report fulfils the fifth requirement of the Quality Assurance process for the Department for 2016 expenditure.

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[4] 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 2016

The first step in the process is to draw up an inventory of expenditure being considered; incurred and recently ended. 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 publish data regarding grant aid on their websites. However, in some cases commercial sensitivity prevented publication.

Enterprise Ireland publishes data regarding grant aid on its website at www.enterprise-ireland.com. See **Appendix 1** of this report for an inventory of the EI grant recipients.

IDA does not publish details of the recipients of grant aid due to commercial sensitivity. However they did publish a summary of grants paid by type, in their Annual Reports which are available on its website at www.idaireland.com. They have also provided an inventory of the grants appraised and approved, by type, in 2016, as follows:

Table 2:   IDA Grants Approved

	€ million
Capital	11.39
Employment	21.17
R&D	143.46
Training	16.49
Environmental Aid	0.00
Total	**192.51**

See also **Appendix 2**.

Details of **SFI** programme expenditure undertaken each year is published in their annual reports. The SFI website also contains a list of the grant recipients for all of their major funding programmes at www.sfi.ie. **Appendix 3** of this report shows the 2016 Capital payments made by SFI by programme.

The **higher education institutions** and the related **PRTLI** funded projects are listed on the Higher Education Authority website at www.hea.ie. **Appendix 4** of this report contains an inventory of PRTLI payments funded by the exchequer.

Public Spending Code: - Procurements over €2m

Section A of the Code also requires that an organisation should publish, annually on its website, summary details of all procurements (capital and current) where the value exceeds €2m.

The Department made no procurements in excess of €2m in the year. For transparency purposes, the Department also publishes a list of payments over €20,000 in any given quarter. These are available at
https://dbei.gov.ie/en/Publications/DBEI-Payments-over-20000.html

Enterprise Ireland did not have any procurement in excess of €2m in 2016. It does, however, publish on its website details of all payments or purchase orders for goods and services over €20,000 on a quarterly basis.

https://enterprise-ireland.com/en/About-Us/Services/Procurement/

IDA publishes details of all payments or purchase orders for goods and services over €20,000 on a quarterly basis on its website under Section C, Financial Information at the following link:
http://www.idaireland.com/information-compliance/

Science Foundation Ireland did not have any procurement in excess of €2m in 2016.

Public Spending Code: - Completion of Checklists

The Quality Assurance process involves the completion of self-assessment checklists by DBEI and its Agencies. These cover all expenditures, capital and current. No significant compliance issues in relation to the Code have been identified in any of the completed Checklist forms. Copies of the completed checklists by DBEI and its Agencies can be found in **Appendix 8**.

Public Spending Code: - Training & DBEI resources

One of the general obligations listed in Checklist 1 refers to training on the Public Spending Code being provided to relevant staff. On 8th December 2014 a training course was run by the Department of Public Expenditure & Reform for members of this Department with a view to providing training in relation to novel aspects of the revised Code as published in November 2013.

Members of the Finance Unit of DBEI attended further meetings with CEEU of DPER, including a Working Group meeting on 9th February 2015 with colleagues from other Government Departments.

Staffing changes within the DBEI Finance Unit in 2016 somewhat constrained the capacity to expand Public Spending Code activity to the level previously envisaged or to deliver it in a timely manner bearing in mind the various other financial reporting commitments required of the Department In this report we have taken on board recommendations of the Irish Government Economic & Evaluation Service (IGEES) and we will strive to make further improvements for future Quality Assurance reports.

From 2017 onwards, Quality Assurance reports for DBEI will be completed by Internal Audit Unit. This will negate the capacity issues in Finance Unit and should lead to a more streamlined process. The Internal Audit Unit will liaise with the Department of Public Expenditure and Reform in relation to further training for the Unit, and the Department's Agencies, in relation to the Code.

Public Spending Code: - Main findings

Arising from the various Quality Assurance checks undertaken by Deloitte, Ernst and Young, Mazars and the Department on samples of 2016 capital expenditure incurred by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Higher Education Authority respectively, the Department is satisfied that key requirements of the Public Spending Code are being met.

Whilst minor issues were identified and discussed with the relevant parties during the reviews, the Department is satisfied that the requirements of the Public Spending Code were met. No issues of significant concern arose from any of the Quality Assurance Checks undertaken

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. EI works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, EI supports sustainable economic growth, regional development and secure employment. A key EI priority is the achievement of export sales growth from Irish-owned companies and EI 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 2016 EI supported companies created 19,244 new jobs in 2016, resulting in a net increase of 9,117 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 (EY), 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 checking. Most of EI's expenditure falls below this threshold.

The Board of Enterprise Ireland has established a robust committee structure for the appraisal and approval of all grants. DBEI is represented on these investment committees. Details of thresholds and approval limits are in **Appendix 5**.

The 2016 Quality Assurance review by EY involved in depth checks on a small number of selected projects/programmes. The cycle chosen was 'current expenditure'. The total value of the sample amounted to €1,993,087, or 27% of the total current projects inventory for this cycle. For their in-depth checks, EY reviewed the relevant documentation and interviewed members of the Procurement & Facilities Department. EY found the processes in place for the implementation and the monitoring of current expenditure to be adequate;

- the basis on which a project was undertaken was sound;
- the expected benefits and outcomes materialised;
- the planned outcomes were the appropriate responses to actual public needs;
- the appraisal and management procedures adopted were satisfactory;
- conclusions can be drawn which are applicable to other projects; to the ongoing use of the asset; or to associated policies.

Enterprise Ireland publishes details on its website of all payments and procurements above €20,000 each quarter.[5] Enterprise Ireland did not make any procurement in excess of €2 million during the period under review.[6]

The Quality Assurance reviews in respect of 2016 Enterprise Ireland funding concluded therefore that Enterprise Ireland complied with the requirements of the Public Spending Code.

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[5] https://enterprise-ireland.com/en/About-Us/Services/Procurement/
[6] https://enterprise-ireland.com/en/About-Us/Services/Public-Spending-Code/

IDA Ireland

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

The IDA's processes and expenditures are subject to a number of controls and assurances each year. These include internal control statement by the Chairman, Internal Audit reports authorised by the audit committee, Annual statutory audit by the Comptroller & Auditor General. In addition, a Quality Assurance review in respect of IDA Ireland was carried out by Deloitte, internal auditors to IDA Ireland. The scope of their review was to conduct a review of Grant Aid Approval procedures. The 2016 review examined 13 projects approved for grant aid, representing 9.5% of the total amount approved of €192.51m - four in 2014, four in 2015, and five in 2016.

The following in depth checks were undertaken by Deloitte:
1. Application received with appropriate form completed
2. Letter of Intent received from applicant
3. Letter of acknowledgement issued by IDA in a timely manner
4. Was a Business Plan submitted to IDA
5. Who prepared/signed the proposal
6. Evidence that independent technical assessment was carried out and on file
7. Technical Assessor is appropriately qualified
8. Did the result of technical assessment support the case for the project
9. Was the FACE (financial analysis) Model used to assess Parent company
10. Was an Economic Model used; is the Model appropriate.
11. Was the project appropriately approved as at Management Investment Committee level
12. Was the relevant coordinator notified of the amount approved
13. If the project exceeded thresholds for Government approval, was the project approved by Government
14. If payments have been made for the project, were approved payment procedures followed
15. Were payments appropriately approved

No findings concerning compliance with the Public Spending Code were identified by Deloitte in the annual review. 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.

The IDA has also completed self-assessment checklists covering capital and current expenditure.

The Board has the power to approve and authorise grants up to €7.5 million Industrial Development Act, 2009 and to recommend grant aid above these specified levels to Government. To further strengthen its procedures, the Board established a Management Assessment 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.

The IDA Ireland publishes details on its website of all payments and procurements above €20,000 each quarter[7]. There were no grants approved in excess of €20m in the period. Details of thresholds and approval limits are in **Appendix 6**.

The Quality Assurance reviews in respect of 2016 IDA Ireland funding concluded therefore that IDA Ireland complied with the requirements of the Public Spending Code.

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[7] http://www.idaireland.com/information-compliance/

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 with its original mandate of funding oriented basic research.

The 2016 Quality Assurance review in respect of Science Foundation Ireland was carried out by a member of staff from DBEI Finance Unit. As part of the Quality Assurance procedure, in depth examination checks were conducted on the appraisal used by Science Foundation Ireland on 8 research project awards, (2 x Centres awards, 2 x Principal Investigator awards, 1 Discover Programme Call, 1 Conference and Workshop grants, 1 smaller award under the SFI Technology and Innovation Development Awards (TIDA) programme and 1 SFI Research Infrastructure Call 2015).

The SFI Research Centres and Centres for Science Engineering and Technology programmes typically span a 5 to 6-year period. The SFI Investigator programme awards typically span a 4-year period. The TIDA programme is a single-year funding award. The SFI Research Infrastructure Call is a single-year funding award. Details of thresholds and approval limits are in **Appendix 7**.

The two large-scale awards chosen were:
- Alimentary Pharmabiotic Centre (APC) – Interfacing Food & Medicine
- I-PIC Irish Photonic Integration Research Centre

The two SFI Principal Investigators projects (awarded in 2016) chosen were:
- Exploiting and conserving deep-sea genetic resources
- Building city dashboards: Addressing fundamental and applied problems

The Discover Programme Call (2016) selected was for €243,850 paid to Stop.watch Television Ltd, to part fund 'Insiders', a TV series aimed at 7-11-year olds to be broadcast by RTE. Insiders takes an entertaining yet educational look at the science, engineering and technology behind the events and places loved by kids.

The conference and workshop chosen was for €13,590 to UCC for "Exploring and Engineering Yeasts for Industrial Application" by UCC to be held in June 2017.

The SFI TIDA award chosen was made in 2013 for €99,922 towards the costs for research into "Farnesoid X-Receptor Agonists in Diarrhoeal Diseases – Novel Agents to Underpin and add Value to an Enabling Patent".

The SFI Research Infrastructure Call selected was for €248,290 paid to Waterford Institute of Technology for two pieces of equipment – a 3500 Genetic Analyzer and the Thermo Scientific Dionex ICS-5000.

The Quality Assurance review found that Science Foundation Ireland carried out a rigorous scientific technical assessment of the proposed projects. These follow standard operating procedure documents which provide scientific staff with guidance in implementing formal eligibility checking and review of applications. For the Centres and Investigator awards each proposal was evaluated by an international Impact Assessment panel and separately an international scientific peer-review panel.

The Impact Assessment Panel comprised seven eminent internationally based scientists with proven track records. (note: SFI does not use Irish scientists to review grant applications in case of any conflict of interest and for the purpose of objectivity). The Panel rated the projects highly and recommended funding.

The TIDA programme is reviewed by way of scientific review and strategic assessment jointly by SFI and Enterprise Ireland, with the primary focus being on commercialisation potential.

As the benefits associated with the projects selected could not be quantified or valued in a financial context, it was therefore not possible for SFI to prepare a formal Cost Benefit Analysis or a financial analysis. Instead Science Foundation Ireland carried out a detailed assessment of the costs associated with the proposed projects. As detailed on pages seven and eight of this report, DBEI has also conducted a number of Agency Programme Evaluations on RD&I expenditure and impacts, relevant to SFI.

Quality Assurance reviews in respect of 2016 concluded that Science Foundation Ireland complied with the requirements of the Public Spending Code.

The Programme for Research in Third-Level Institutions

The Program for Research in Third-Level Institutions (PRTLI) 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 programs across Ireland's higher education institutions. A key aim of the PRTLI is to develop critical mass in key research areas, thereby enhancing collaboration and coherence across Ireland's research system.

The PRTLI was launched in 1998 with cycles of expenditure commencing in 2000. Effectively the PRTLI is a "primer" and complements other significant research initiatives that subsequently can flow from funding sources such as Science Foundation Ireland, Enterprise Ireland, the Health Research Board and the Irish Research Council amongst others. Funding is a mixture of Exchequer and private funding. The programme is also EU co-funded under the European Regional Development Fund Regional Operational Programme 2007–13.

In May 2010 responsibility for the PRTLI transferred from the Department of Education and Science to the Department of Enterprise, Trade and Employment (now DBEI). PRTLI Cycle 5 was initiated in 2011. The programme is administered on behalf of the Minister for BEI by the Higher Education Authority.

Cycle 5 award funding of c. €347 million in total spans 33 distinct projects (through 18 Capital infrastructural projects and 15 Structured PhD/Emergent Technologies projects). It should be noted that approximately €60m of the Cycle 5 funding is private funding with the remainder being an Exchequer commitment. The projects span the following areas:

- Pharma/biopharmaceuticals
- Medical Technologies
- ICT
- Energy and environment
- Translational research biosciences/biomedical
- Social Sciences & Humanities
- Food and Drink
- Engineering, physics and chemistry

Capital expenditure under the PRTLI is subject to regular audit, most regularly for European Regional Development Fund (ERDF) purposes. These ERDF audits

have taken the form of regular Article 13 Transaction Tests under the relevant EU Regulations specific to the Operational Programme period concerned. PRTLI Cycle 5 is relevant to the 2007 – 13 Operational Program. Such checks can also include occasional Systems Audits.

The PRTLI differs from other research grant refund programs operated by other Department Agencies in that 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 PRTLI Capital funding under Cycle 5. The sample chosen by the Higher Education Authority (HEA) in conjunction with the Department was in line with the sampling methodology applied by the HEA vis-à-vis all funded projects based on the following criteria:

For the 2016 audit process, PRTLI Cycle 5 Capital projects to be audited were chosen, where appropriate and applicable, based on the following criteria/guidelines:
- High and Low value projects (i.e. a variety of projects that were subject to Simple Assessment, Single Assessment, MCA and CBA).
- In general, if a project has been previously audited it will not be audited in the current year unless issues were raised in the previous audit that warrants a subsequent audit in 2017.
- Large scale projects may be audited more than once during the lifespan of their projects/programmes.
- Projects on which issues have arisen.
- New Build / Refurbishment / Infrastructure,
- High Tech v Low Tech
- Geographical spread
- Alphabetical

The 2016 examination of PRTLI capital expenditure focused on three of the 18 PRTLI Cycle 5 capital infrastructural projects. Mazars undertook the checks on behalf of the HEA and the three projects chosen were:
- **Dublin Institute of Technology (DIT) - ESHI / Greenway Research Hub - €9.11m**
- **University College Cork (UCC) - Beaufort Building - €6.41m**
- **Dublin City University (DCU) - Nano-Bioanalytical Research Facility - €13.25m**

The 2016 funding provision to these 3 projects represented 22.4% (€0.213m/€1.91m/€3.194m) of the PRTLI Cycle 5 funding provided in year **(See Appendix 4**).

All relevant checklists were completed, including specific checklist 4s for the projects chosen, with no significant issues identified.

The Quality Assurance reviews in respect of 2016 PRTLI funding concluded therefore that the Higher Education Authority complied with the requirements of the Public Spending Code.

APPENDIX 1   Enterprise Ireland Expenditure Inventory

It is important to appreciate that the scale of Enterprise Ireland (EI) operations varies from very small grant supports (e.g. €5k for an Innovation Voucher to a multi-million, multi-annual award supporting enterprise development). As a consequence, EI typically has several thousand "live" grant awards at a given time. Therefore, it is not feasible to list each and every recipient of EI grant supports. Listed below are details of grant recipients with approval amounts in excess of €500k, on projects that incurred some expenditure in 2016.

As part of the QA (as detailed in Section A.04 of the Public Spending Code) the following tests were performed (by Ernst & Young):

Drawing up Inventories of Capital & Current funded projects (including grants) that are or were under consideration during the year, classified as:

  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 between €0.5 - €5m, between €5m - €20m, greater than €20m.

(I.a) Expenditure being considered

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

Payment Type	Scheme (Venture capital payments)	Project ID (Grant)	Approval Period	Amount Approved
Between €0.5 - €5m				
Venture capital payments	Innovation Fund Ireland Scheme 3	n/a	2016	€4,949,534.35

Venture capital payments	SVC Scheme (20132018) 2	n/a	2016	€4,443,577.00
Venture capital payments	Development Capital Scheme 1	n/a	2016	€4,106,457.00
Venture capital payments	SVC Scheme (20072012) 12	n/a	2016	€3,445,200.00
Venture capital payments	SVC Scheme (20072012) 9	n/a	2016	€2,687,465.75
Venture capital payments	SVC Scheme (20132018) 4	n/a	2016	€2,296,193.78
Venture capital payments	Development Capital Scheme 2	n/a	2016	€2,194,710.16
Venture capital payments	SVC Scheme (20072012) 8	n/a	2016	€1,650,000.00
Venture capital payments	SVC Scheme (20132018) 7	n/a	2016	€1,631,579.00
Venture capital payments	SVC Scheme (20072012) 14	n/a	2016	€1,087,500.00
Venture capital payments	Innovation Fund Ireland Scheme 2	n/a	2016	€1,063,569.24
Grant (R&D Revenue)	n/a	160651	2016	€1,000,000.00

Grant (Ordinary Shares Employ)	n/a	160077	2016	€1,000,000.00
Grant (R&D Revenue)	n/a	160433	2016	€566,869.00
Grant (R&D Revenue)	n/a	160467	2016	€590,815.00
Grant (R&D Revenue)	n/a	160103	2016	€521,609.00
Grant (R&D Revenue)	n/a	160328	2016	€963,466.00
Grant (Preference Shares Employ)	n/a	160818	2016	€500,000.00
Grant (R&D Revenue)	n/a	160104	2016	€500,000.00
Between €5m - €20m				
Grant (Capital)	n/a	156349	2016	€7,000,000.00
Venture capital payments	Development Capital Scheme 3	n/a	2016	€8,517,235.47
Venture capital payments	Innovation Fund Ireland Scheme 1	n/a	2016	€7,575,290.66
Greater than €20m				
None				

(I. b) New Current expenditure being considered

New Current expenditure programmes or significant extensions to existing programmes that will involve annual expenditure of €0.5m or more that were considered in 2016:

Supplier Name	Supplier Type	Status	Amount raised on PO to date
Dublin City University (Ref 2016/004)	Client Management Development training	Expenditure Approved	€0
Royal London Mutual Insurance Society L td.	Rent – London Office	Expenditure Approved	€0
VECTOR WORKPLACE & FACILITY MANAGEMENT LTD T/A ARAMARK WORKPLACE SOLUTIONS	Facility Services	Expenditure Approved	€597,000
PROJECT 154297	Training (Grant)	Expenditure Approved	€285,298

(II. a) Expenditure being incurred

Capital projects (including grants for capital purposes) that received their first payment during the period under review.

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

Project No	Grant Type	Approval Amount
Between €0.5 - €5m		
158478	R&D Revenue	€2,802,840.00
155453	Capital	€1,670,000.00
157323	Capital	€1,110,750.00

156349	Capital	€1,105,000.00
159310	Pref Shares Linked Capital	€600,000.00
157004	R&D Revenue	€505,052.00
160104	R&D Revenue	€500,000.00
Between €5m - €20m		
None		
Greater than €20m		
None		

(II. b) Current expenditure incurred

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	€3,101,566
TRAVELPLAN CORPORATE LTD T/A FCM TRAVEL SOLUTIONS	Travel administration	€1,993,087
IRISH MANAGEMENT INSTITUTE	Client Management Development	€832,000
MEDIAVEST	Placement of advertising	€722,848
Beauchamps	Legal Services	€675,680

(III. a) 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 No	Grant Type	Approval Amount
Between €0.5 - €5m		
143675	Capital	€4,544,000.00
143741	Capital	€3,995,000.00
143686	Capital	€3,742,000.00
157369	R&D Revenue	€3,273,440.00
158478	R&D Revenue	€2,802,840.00
143707	Capital	€2,632,000.00
157151	Capital	€1,806,724.00
157373	R&D Revenue	€1,784,378.00
156414	Capital	€1,750,000.00
148829	R&D Revenue	€1,713,665.80
156119	Capital	€1,710,000.00
157371	R&D Revenue	€1,688,356.00
155453	Capital	€1,670,000.00
156450	Capital	€1,656,851.00
157150	Capital	€1,612,175.00

157323	Capital	€1,110,750.00
156349	Capital	€1,105,000.00
158148	R&D Revenue	€1,020,491.00
156776	R&D Revenue	€1,000,000.00
156653	R&D Revenue	€649,985.00
157452	R&D Revenue	€597,951.00
156175	R&D Revenue	€587,626.00
141444	R&D Revenue	€510,200.00
157004	R&D Revenue	€505,052.00
153113	R&D Revenue	€500,145.00
157450	R&D Revenue	€500,043.00
Between €5m - €20m		
156446	Capital	€7,005,044.00
154067	R&D Revenue	€6,896,412.00
Greater than €20m		
None		

(iii.b) Current expenditure schemes or programmes completed

There were no Current expenditure schemes or programmes that were completed during the period in review in excess of €500,000

APPENDIX 2   IDA Ireland Expenditure Inventory

Population and Sample Selection (undertaken by Deloitte)

To determine the population for review, Deloitte sought details of all Grant Aid Approvals from 2014, 2015 and 2016. Deloitte was provided with a spreadsheet prepared by the Planning Department in IDA Ireland. Management indicated that this is the best source for IDA Grant Aid Approvals information.

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 years and each of the grant types and amounted to a total of 9.5%. The sample 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	2014	2015	2016	Total
RD&I	2	1	2	5
Training	-	1	1	2
Capital	1	1	1	3
Employment	-	1	1	2
Environmental	1	0	0	1
Total	**4**	**4**	**5**	**13**

IDA does not publish details of the recipients of grant aid in excess of €2m due to commercial sensitivity. However, the following is a summary of the grants appraised and approved in 2016:

	€ million
Capital	11.39
Employment	21.17
R&D	143.46
Training	16.49
Environmental Aid	0.00
Total	**192.51**

APPENDIX 3   Science Foundation Ireland Expenditure Inventory

Grant Payments & Commitments by Programme - 2016

SFI - 2016 Payments by Programme	**Full list in Annual Report 2016 - Pages 81 to 82**	€ 184,000,000
SFI - 2016 Grant Commitments by Programme	**Full list in Annual Report 2016 - Pages 83 to 100**	€ 194,343,000

http://www.sfi.ie/news-resources/publications/annual-reports/

APPENDIX 4   PRTLI – Cycle 5 Expenditure Inventory

(4. a) PRTLI – Cycle 5: Expenditure by project

Institution	CYCLE 5 Capital	Budget Category	Approved Amounts under Cycle 5	Cumulative HEA Payments to 31/12/16	Outstanding Exchequer Allocation as at 31/12/16	HEA Payments in 2016
DCU	Nano-BioAnalytical Research Facility (NRF-TRH)	Building & Fees	10,365,817	7,180,900	3,184,917	2,628,841
		Equipment	2,889,183	1,890,312	998,871	564,747
NUIM	ICT Infrastructure	Building & Fees	4,206,000	3,194,469	1,011,531	1,103,556
		Equipment	-	-	-	
NUIM	IVI - Phase 2	Building & Fees	1,120,000	853,672	266,328	290,557
		Equipment	-	-	-	#VALUE!
UL	NCAMR	Building & Fees	7,517,630	5,546,595	1,971,035	2,150,351
		Equipment	3,328,370	2,619,570	708,800	724,421
NUIG	Advancing Medicine	Building & Fees	19,839,000	18,594,270	1,244,730	1,357,970
		Equipment	2,851,000	2,390,918	460,082	501,938
NUIG	AHSSRB	Building & Fees	9,888,000	8,639,037	1,248,963	1,362,588
		Equipment	306,000	245,841	60,159	65,632
UCD	SCIENCE CENTRE - Phase 2	Building & Fees	14,791,500	12,657,067	2,134,433	2,269,156
		Equipment	8,232,000	5,314,441	2,917,559	1,716,127
UCD	SCIENCE CENTRE - Link	Building & Fees	4,771,000	4,180,128	590,872	644,627
		Equipment	148,000	92,641	55,359	25,919
UCD	SCIENCE CENTRE - Radio	Building & Fees	-	-	-	#VALUE!
		Equipment	1,800,500	325,278	1,475,222	325,278
UCD	SCIENCE CENTRE - Total	Building & Fees	19,562,500	16,837,195	24,926,233	2,913,783
		Equipment	10,180,500	5,732,361	13,986,060	2,067,324

UCD	NANOREMEDIES	Building & Fees	-	-	-	#VALUE!
		Equipment	561,000	504,985	56,015	54,884
UCD	ITN	Building & Fees	-	-	-	#VALUE!
		Equipment	52,000	44,555	7,445	8,122
TCD	BIOMED	Building & Fees	51,771,000	48,467,091	3,303,909	2,428,302
		Equipment	2,800,000	2,261,732	538,268	408,190
TCD	ITN	Building & Fees	1,302,000	1,247,704	54,296	59,235
		Equipment	944,000	842,869	101,131	110,331
UCC	BSI WEST	Building & Fees	14,671,000	13,441,776	1,229,224	1,341,053
		Equipment	-	-	-	#VALUE!
UCC	ERI@MERC	Building & Fees	6,415,000	4,596,797	1,818,203	1,910,351
		Equipment	-	-	-	#VALUE!
UCC	FOOD &HEALTH	Building & Fees	450,000	333,079	116,921	153,942
		Equipment	2,367,000	1,773,507	593,493	498,959
UCC	TYFFANI	Building & Fees	285,000	260,573	24,427	26,649
		Equipment	3,506,000	3,035,201	470,799	513,631
UCC	ITN	Building & Fees	-	-	-	#VALUE!
		Equipment	260,000	158,187	101,813	56,172
CIT	CREATE	Building & Fees	2,630,000	2,567,111	62,889	68,611
		Equipment	667,000	503,958	163,042	143,704
DIT	EHSI	Building & Fees	6,953,000	6,786,738	166,262	181,388
		Equipment	2,157,000	77,208	2,079,792	31,767
		Total Building & Fees	156,975,947	138,547,007	18,428,940	17,977,177
		Total Equipment	32,869,053	22,081,202	10,787,851	5,749,823
		TOTAL	189,845,000	160,628,209	29,216,791	23,727,000

(4. b) PRTLI – Cycle 5: Expenditure by project

	CYCLE 5	Total approved	HEA Payments to 31/12/15 No payments in 2016	Outstanding Exchequer Funding as at 31/12/15 & 31/12/16
CIT	ED4Life	293,000	278,350	14,650
CIT	INSPIRE	299,000	284,050	14,950
CIT	**CIT total**	592,000	562,400	29,600
DCU	NRF-TRH	885,000	592,892	292,108
DCU	SmartBay	3,823,000	3,419,116	403,884
DCU	Bio-AT	1,384,000	1,314,800	69,200
DCU	INSPIRE	366,000	347,700	18,300
DCU	TGI	560,000	532,000	28,000
DCU	**DCU total**	7,018,000	6,206,508	811,492
DIT	EHSI	1,142,000	795,000	347,000
DIT	NAVR	570,000	541,500	28,500
DIT	GrepEng	416,000	377,605	38,395
DIT	INSPIRE	309,000	293,550	15,450
DIT	TGI	643,000	501,861	141,139
DIT	**DIT total**	3,080,000	2,509,516	570,484
ITTD	Bio-AT	364,000	345,800	18,200
ITTD	**ITTD total**	364,000	345,800	18,200
NUIG	Advancing Med	1,870,000	1,776,500	93,500
NUIG	AHSSRB	636,000	369,523	266,477
NUIG	NAVR	360,000	342,000	18,000
NUIG	BME & RM	1,741,000	1,611,432	129,568
NUIG	DAH	1,478,000	1,404,100	73,900
NUIG	ESI-PhD-ENS	1,176,000	1,117,200	58,800
NUIG	INSPIRE	686,000	611,713	74,287
NUIG	MMI CTRSP	1,080,000	1,026,000	54,000
NUIG	MolCellBiol	1,328,000	1,190,236	137,764
NUIG	SimSci-PhD	863,000	763,822	99,178
NUIG	**NUIG total**	11,218,000	10,212,526	1,005,474
NUIM	NAVR	1,418,000	1,289,098	128,902
NUIM	Bio-At	1,629,000	1,513,047	115,953
NUIM	DAH	748,000	508,402	239,598
NUIM	TGI	741,000	582,397	158,603
NUIM	**NUIM total**	4,536,000	3,892,943	643,057
RCSI	Bio-AT	1,881,000	1,786,950	94,050
RCSI	**RCSI total**	1,881,000	1,786,950	94,050
RIA	NAVR	1,423,000	1,351,850	71,150
RIA	DAH	211,000	200,450	10,550
RIA	**RIA total**	1,634,000	1,552,300	81,700
TCD	Academy	861,000	817,950	43,050
TCD	TCD Biomed	659,000	626,050	32,950
TCD	ITN	1,427,000	1,332,210	94,790
TCD	NAVR	1,410,000	1,339,500	70,500
TCD	DAH	3,081,000	2,822,899	258,101
TCD	DGPP	2,854,000	2,524,933	329,067
TCD	ESI-PhD-ENS	1,357,000	1,289,150	67,850
TCD	GREP-Eng	2,476,000	2,352,200	123,800

TCD	MMI CTRSP	1,079,000	1,025,050	53,950
TCD	MolCellBiol	2,968,000	2,819,600	148,400
TCD	SimSci-PhD	61,000	57,950	3,050
TCD	TGI	1,606,000	1,525,700	80,300
TCD	ERCGI	638,000	540,304	97,696
TCD	Nanoremedies	252,000	239,400	12,600
TCD	**TCD total**	20,729,000	19,312,896	1,416,104
UCC	ERI@MERC	504,000	478,800	25,200
UCC	Food & Health	496,000	471,200	24,800
UCC	TYFFANI	323,000	306,850	16,150
UCC	ITN	498,000	473,100	24,900
UCC	MolCellBiol	1,573,000	1,494,350	78,650
UCC	DAH	878,000	834,100	43,900
UCC	GREP-Eng	685,000	471,827	213,173
UCC	INSPIRE	1,068,000	1,014,600	53,400
UCC	MMI CTRSP	1,079,000	1,025,050	53,950
UCC	TGI	495,000	470,250	24,750
UCC	**UCC total**	7,599,000	7,040,127	558,873
UCD	ScienceCntr	3,561,000	3,382,950	178,050
UCD	Academy	861,000	817,950	43,050
UCD	ITN	686,000	651,700	34,300
UCD	DGPP	1,601,000	1,520,950	80,050
UCD	GrepEng	1,436,000	1,266,538	169,462
UCD	ESI-PhD-ENS	6,210,000	5,821,028	388,972
UCD	MMI CTRSP	1,079,000	1,025,050	53,950
UCD	MolCellBiol	1,432,000	1,346,220	85,780
UCD	SimSci-PhD	2,699,000	2,500,098	198,902
UCD	TGI	717,000	644,655	72,345
UCD	ERCGI	1,945,000	1,781,837	163,163
UCD	IPSE	1,151,000	1,093,450	57,550
UCD	Nanoremedies	1,039,000	987,050	51,950
UCD	**UCD total**	24,417,000	22,839,476	1,577,524
UL	NCAMR	-	-	-
UL	BME&RM	921,000	874,950	46,050
UL	ESI-PHD-ENS	817,000	776,150	40,850
UL	INSPIRE	585,000	555,750	29,250
UL	**UL total**	2,323,000	2,206,850	116,150
WIT	TGI	896,000	820,365	75,635
WIT	**WIT total**	896,000	820,365	75,635
			-	-
	Overall Total	86,287,000	79,288,658	6,998,342

(Note: Exchequer Funding for all PRTLI expenditure is in the form of a capital grant from the Department of Business, Enterprise and Innovation)

APPENDIX 5   Grants/expenditure thresholds/approvals limits: Enterprise Ireland

It should be noted that Enterprise Ireland functions, 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 Enterprise Ireland is provided for in legislation.
2. All administrative decisions of Enterprise Ireland are made by either the Board of Enterprise Ireland, 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 on p32 below).
3. All decisions by the Enterprise Ireland 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. Enterprise Ireland produces an annual report which is laid before the Houses of the Oireachtas through the Minister for BEI, in line with its legislation and with public financial management guidelines and protocol.
8. Strong corporate governance practices and policies are in place and Enterprise Ireland has been awarded the SWIFT 3000 standard for Corporate Governance for the last 3 years.
9. EI Board and senior managers are generally aware of the statutory parameters within which their powers are exercised, and may seek advice from Enterprise Ireland'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. Enterprise Ireland has practice of evaluating its major funding schemes either using internal or external evaluators, and a significant number of these have been published.

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 the following):

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 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 & responsibilities) held within Enterprise Ireland.

EI Board

Any cases of funding recommendations higher than the thresholds permitted at Committee level must therefore be approved by the EI Board.

In general all cases where a proposed EI investment package exceeds €7.5 million (in cumulative funding) it 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 €1.0m+] apply whereby grant approvals in relation to certain forms of Technology Acquisition Grants must be brought to the attention of Government.

APPENDIX 6 Grants/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.

<u>IDA Ireland Approval Limits</u>

- The IDA Ireland Board can approve grants up to €7.5m. Anything above that level requires Government approval.
- The Investment Committee of the Board (ICB) can approve grants from €500,000 up to €1.5m per project.
- The Management Investment Committee (MIC) can approve grants up to €500,000 per project.

APPENDIX 7 Grants/expenditure thresholds/approvals limits–SFI

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

1. **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.

Project Length	Maximum Level
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

2. The SFI Board approves that the **SFI Grant Approval Committee** is delegated the power to approve research capital grant proposals for awards exceeding €1,500,00 Direct Costs to a maximum level of Direct Costs of €8,000,000.

3. The **SFI Board** approves all Capital grant proposals above the value of €8,000,000 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 2, 3, and 5 only. [According to IDA, checklists 1,4,6,7 do not apply)
SFI	Checklists 1 to 7
PRTLI	Checklists 4 to 7. (checklists 1 to 3 not applicable)

Checklist 1: Department of Business, Enterprise & Innovation

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 the requirements of the Public Spending Code?	2	Procurement is done by staff in organisation unit. They are aware of the requirements under various circulars. Most of capital spending is done through the agencies who are required to supply business cases to support grant funding.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	2	The Department and its Agencies have participated in training on the PSC provided by DPER. Responsibility for compiling the annual QA report will pass from Finance Unit to Internal Audit Unit (IAU). IAU will engage with DPER in relation to future training on the Code for both it and the Agencies.
Has internal training on the Public Spending Code been provided to relevant staff?	2.5	Yes, for Staff in Business Services Unit (Fixed Assets and Purchasing Unit). IAU will engage with DPER in relation to future training needs on the Code
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 agencies that it funds comply with the Public Spending Code?	3	This QA 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 your agencies?	2.5	Spot checks and other controls are in place e.g. BSU and Internal Audit committee provide various assurances.
Have recommendations from previous Quality Assurance exercises been acted upon?	3	We have engaged with IGEES in relation to its recommendations as regards the implementation of the Code by the Department and its Agencies. We have worked with our Agencies in relation to the implementation of the recommendations, where possible. We will continue to strive to improve the process in future years.
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	3	Yes, 2013 – 2015 were submitted. This is the fourth such report
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	N/a	No procurements over €500,000
Has the Accounting Officer signed off on the information to be published to the website?	2	Accounting Officer has signed off on the 2013-2015 reports and they are published on the website

Enterprise Ireland - Checklist 1:

<u>Self-Assessed Ratings</u>: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

GENERAL OBLIGATIONS NOT SPECIFIC TO INDIVIDUAL PROJECTS/PROGR AMMES	SELF-ASSESSED COMPLIANCE RATING: 0 – 4	COMMENT/ACTION REQUIRED
Does the Agency 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 Agency ensures appropriate people within the organisation are aware of the requirements of the Public Spending Code indirectly. The policies of its 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 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 Agency.
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

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	n/a	There were no projects appraised in the period that were over €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 form 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
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 will be 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 a recruitment strategy for graduates. Statistics on the recruitment can clearly be identified.
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	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	
Has the methodology and data collection requirements for the pilot evaluation been agreed at the outset of the scheme?	n/a	
If outsourcing was involved were Procurement Rules complied with?	4	Yes. The expenditure followed all of the outlined in the EI procurement policy which are 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 current expenditure which will allow for the evaluation of its efficiency and effectiveness?	4	Yes. A suite of metrics have been defined so ongoing monitoring can be performed. 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 ORGANIZATION 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 approved, 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.
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 approved, 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

INCURRING CURRENT EXPENDITURE	Self-Assessed Compliance Rating: 0 - 4	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	4	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	Fixed price contracts are currently monitored 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?		Building inspection reports drafted following site visits throughout the construction process and following completion of the building.
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 evaluations are performed as part of our process.
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	3	Post project evaluations are performed as part of our process.
Was project review carried out by staffing resources independent of project implementation?	4	Yes, the review is conducted internally by a committee (e.g. Financial Products Review Committee) other than the committee that approved the grant. This process is occasionally outsourced.

IDA Ireland Checklist

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

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 – 3	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	
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	
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
If a CBA/CEA was required was it submitted to DPER (CEEU) 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	
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 the evaluation of its efficiency and effectiveness?	3	
Have steps been put in place to gather Performance Indicator data?	3	

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

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 0 – 4	Comment/Action Required
Were objectives clearly set?	4	
Are objectives measurable in quantitative terms?	4	
Was an appropriate appraisal method used?	4	
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	4	
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?	4	
Has a date been set for the pilot and its evaluation?		N/A
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?		N/A
If outsourcing was involved were Procurement Rules complied with?	4	
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	4	
Have steps been put in place to gather Performance Indicator data?	4	

IDA Checklist 5: - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	
Are outputs well defined?	3	
Are outputs quantified on a regular basis?	3	
Is there a method for monitoring efficiency on an ongoing basis?	3	
Are outcomes well defined?	3	
Are outcomes quantified on a regular basis?	3	
Are unit costings compiled for performance monitoring?		N/A
Is there a method for monitoring effectiveness on an ongoing basis?	3	
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?		N/A
How many formal VFMs/FPAs or other evaluations been completed in the year under review?		N/A
Have all VFMs/FPAs been published in a timely manner?		N/A
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?		N/A
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?		N/A

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

Science Foundation Ireland (SFI)

Checklist 1:   – completed by <u>Science Foundation Ireland</u>

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
Does the Foundation 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?	3	
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	no	It was not deemed necessary due to the type of capital expenditure at SFI – i.e. Capital grants. Should training become available, SFI would be anxious to partake in same
Has internal training on the Public Spending Code been provided to relevant staff?	no	The Department's IAU will liaise with DPER in relation to future training needs
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?	yes	SFI has introduced detailed procedures for the whole life cycle of grant awards covered by SOPs
Has the Department 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 Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	3	Yes – only minor recommendation from 2015 report
Have recommendations from previous Quality Assurance exercises been acted upon?	3	yes
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	n/a	n/a
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	n/a	n/a

Has the Accounting Officer signed off on the information to be published to the website?	n/a	n/a

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

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	Yes covered by external peer review process and internal/Board sign-off
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	Each grant scheme application is reviewed by Peer review prior to Approval/Declination of the Application
Was a CBA/CEA completed for all projects exceeding €20m?	n/a	n/a
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes
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 DPER (CEEU) 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 the evaluation of its efficiency and effectiveness?	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	

SFI: **Checklist 3:** - New **Current expenditure** or expansion of existing current expenditure under consideration - **taken to mean non-payroll expenditure at SFI**

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 0 – 4	Comment/Action Required
Were objectives clearly set?	3	Yes – covered in annual approved budget/Allocation
Are objectives measurable in quantitative terms?	3	
Was an appropriate appraisal method used?		
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?		Business case prepared for major procurement – i.e. approved by Director up to 50,000 in advance of procurement process
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	
Has a sunset clause been set?	n/a	
Has a date been set for the pilot and its evaluation?	n/a	
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	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 which will allow for the evaluation of its efficiency and effectiveness?	3	Where necessary
Have steps been put in place to gather Performance Indicator data?	3	Where necessary

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a contract signed and was it in line with the approval in principle?	3	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 suitable 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 the project keep within its financial budget and its 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 a 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	Generally yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding	3	For large awards there is a mid-term

budget, lack of progress, changes in the environment, new evidence)		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 – (but this happens rarely)
If circumstances did warrant questioning the viability of a project 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 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 – but this has happened rarely to date in SFI.

SFI: **Checklist 5:** - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	
Are outputs well defined?	3	
Are outputs quantified on a regular basis?	3	
Is there a method for monitoring efficiency on an ongoing basis?	3	Monthly Mgt accounts are maintained by SFI – variances are explained - distributed to Exec
Are outcomes well defined?	2	
Are outcomes quantified on a regular basis?	2	
Are unit costings compiled for performance monitoring?	1	
Is there a method for monitoring effectiveness on an ongoing basis?	2	
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	2	
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	n/a	
Have all VFMs/FPAs been published in a timely manner?	n/a	
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	n/a	
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	n/a	

SFI: **Checklist 7:** - to be completed if 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?	3	Final reports are submitted to SFI for review by the SPM. Final payment is only made on the Award subject to satisfactory review.
Did those reviews reach conclusions on whether the programmes were effective?	3	
Did those reviews reach conclusions on whether the programmes were efficient?	3	
Have the conclusions reached been taken into account in related areas of expenditure?	3	
Were any programmes discontinued following a review of a current expenditure programme?	3	For large awards there is a mid-term review and if there are major concerns over the success of the project a decision could be made to terminate the award
Was the review commenced and completed within a period of 6 months?	n/a	

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

Higher Education Authority (PRTLI – Cycle 5)

Checklist 1

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion/Action Required
Does the **HEA** ensure, on an ongoing basis that appropriate people within the **HEA** are aware of the requirements of the Public Spending Code?	2	Yes
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	1	No
Has internal training on the Public Spending Code been provided to relevant staff?	1	The Department's IAU will engage with DPER in relation to HEA's training needs on the Code
Has the Public Spending Code been adapted for the type of project/programme that the **HEA** is responsible for? i.e. have adapted sectoral guidelines been developed?	2	Yes
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	N/A
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the HEA and to the relevant HEIs?	2	Yes
Have recommendations from previous Quality Assurance exercises been acted upon?	3	Yes
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	N/A	N/A
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	3	Yes

Checklist 2
As PRTLI Cycle 5 funding was approved in 2011 and no 'new' funding has been approved post 2011, the HEA's response to this checklist is 'N/A.

Checklist 3
As PRTLI Cycle 5 funding was approved in 2011 and no 'new' current funding has been approved post 2011, the HEA's response to this checklist is 'N/A.

Higher Education Authority (PRTLI – Cycle 5)

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

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a contract signed and was it in line with the approval in principle?	3	Yes
Did management boards/steering committees meet regularly as agreed?	3	Yes
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	Yes
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	Yes
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes
Did the project keep within its financial budget and its time schedule?	3	Yes
Did budgets have to be adjusted?	3	Yes
Were decisions on changes to budgets / time schedules made promptly?	3	Yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	3	No
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	N/A	N/A
If costs increased was approval received from the Sanctioning Authority?	N/A	N/A
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	N/A
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?	N/A	N/A

Higher Education Authority (PRTLI – Cycle 5)

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

Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
How many post project reviews were completed in the year under review?	N/A	**Too early to expect PPRs. The majority of Cycle 5 projects were completed in 2016 with the remaining completed in 2017**
Was a post project review completed for all projects/programmes exceeding €20m?	N/A	**As Above – PPRs for projects >€20m will be requested.**
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?	N/A	**As Above – PPRs for projects >€20m will be requested.**
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	N/A	N/A
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	N/A	N/A
Were project reviews carried out by staffing resources independent of project implementation?	N/A	N/A

Higher Education Authority (PRTLI – Cycle 5)

University College Cork (UCC) - Beaufort Building €6.415m

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

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	A contract was in place and was in line with approval principle
If a construction or ICT project was the contract for a fixed price?	4	GCCC Standard Fixed price contract used.
Are suitable management structures in place, commensurate with the scale of projects?	4	A suitable management structure in place, sample management reports already furnished
Did management boards/steering committees meet regularly as agreed?	4	Monthly CPO meetings, UMTO & FC Meetings
Were Programme Coordinators appointed to co-ordinate implementation?	4	Employers Representative formally appointed under the terms of the contract to manage & co-ordinate the programme. UCC also appointed a CPO Project Manager to oversee the project.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable level for the scale of the project?	4	A CPO Project Manager was appointed with extensive experience of Major Capital Works Projects.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	4	Monthly Progress & Costs reports from Design Team & Fortnightly Architect & Contractor reports. Sample management reports already furnished.
Did the project keep within its financial budget and its time schedule?	3	Project ran over time scale. A significant claim was received from JJ Rhatigan during the later stages of the project. Conciliation is pending.
Did budgets have to be adjusted?	4	Yes
Were decisions on changes to budgets or time schedules made promptly?	4	All Changes made in line with GCCC strict contract timelines.
Did circumstances ever warrant questioning the viability of the project? (exceeding budget, lack of progress, changes in the external environment)	3	Yes. Initial tender returned over budget. Scope/Design and procurement review had to be carried out to ensure viability of the Project.
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	4	Yes a detailed value engineering exercise was carried out along with separation and novation of the Mech and Elec specialists, prior to retendering the main contract.
If costs increased was approval received from the Sanctioning Authority?	4	No additional funding sought from the sanctioning authority.
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	N/A

For projects > €20m were quarterly reports on progress submitted to the MAC or Management Board and to the Minister?	N/A	N/A
Were prescribed annual tables on projects, completed or in progress and > €20m submitted to the Department of Public Expenditure & Reform?	N/A	N/A

Higher Education Authority (PRTLI – Cycle 5)

Dublin Institute of Technology (DIT) - ESHI / Greenway Research Hub

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

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, a contract was signed in line with the approval in principle.
If a construction or ICT project was the contract for a fixed price?	4	Yes, the contract was based on a fixed price Lump Sum submitted by the winning works tenderer.
Are suitable management structures in place, commensurate with the scale of projects?	4	Yes, the GDA & DIT Campus Planning have a suitable management structures in place based upon a hierarchy of approval which are outlined under the governance agreement between the said organisations to deliver the Grangegorman campus of which the Greenway Hub is a small component
Did management boards/steering committees meet regularly as agreed?	4	Yes the GDA/DIT Implementation Board met on a regular basis to discuss all projects including the Greenway Hub.
Were Programme Coordinators appointed to co-ordinate implementation?	4	Project Coordinators for Campus Planning and the GDA were appointed to facilitate the delivery of the project
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable level for the scale of the project?	4	Yes, a Multi-disciplinary Design Team was appointed which included a dedicated Project Management Consultant to deliver the project.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	4	During the construction stage the ER prepared monthly reports based upon the Contractor's own reports that indicated implementation against plan, budget, timescales and quality?
Did the project keep within its financial budget and its time schedule?	4	Yes the project was kept within the budget of €14,433,815.86 including vat and finished 2 months ahead of schedule. There was a very minor cost adjustment of €21,990 including vat post substantial completion necessitated by a DCC Fire Officer request.
Did budgets have to be adjusted?	4	Yes, the original project (ESHI) budget was adjusted to include the increased scope of services/works to deliver the Hot House Incubation units that formed part of the final project.
Were decisions on changes to budgets or time schedules made promptly?	4	Yes. Once the tender sum of the winning works contractor was within budget, the contractor's programme submitted and approved, the budget & programme were adjusted accordingly

		and there was no subsequent alteration to either.
Did circumstances ever warrant questioning the viability of the project? (exceeding budget, lack of progress, changes in the external environment)	4	Yes, a value engineering exercise was undertaken at the end of Stage 2a and a redesign by the MDDT was initiated, at no extra cost, to remove area creep to bring the project back on budget
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	4	An examination of the viability of the project was not deemed necessary once the appointed and funding for the project provided under the PRTLI 5 Cycle
If costs increased was approval received from the Sanctioning Authority?	4	No cost increases were accommodated and hence no approval was sought form the SA
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	4	N/a
For projects > €20m were quarterly reports on progress submitted to the MAC or Management Board and to the Minister?	N/a	N/a the project was under the €20m threshold
Were prescribed annual tables on projects, completed or in progress and > €20m submitted to the Department of Public Expenditure & Reform?	N/a	N/a the project was under the €20m threshold

Higher Education Authority (PRTLI – Cycle 5)

DCU NRF – Nano-Bioanalytical Research Facility

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

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 , Construction Contract signed, hard copy issued to Kate Norton (Mazars) for review November 2017
If a construction or ICT project was the contract for a fixed price?	4	Yes
Are suitable management structures in place, commensurate with the scale of projects?	4	Yes
Did management boards/steering committees meet regularly as agreed?	4	Yes Internal Estates Periodic Project Review Group meetings throughout the Project, also Deign and Site Meeting held periodically throughout the works period
Were Programme Coordinators appointed to co-ordinate implementation?	4	Yes
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable level for the scale of the project?	4	Yes, Bruce Shaw appointed
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	4	Yes, quarterly progress reports issued throughout the Project
Did the project keep within its financial budget and its time schedule?	3	Project delivered on budget, however extension of time was required
Did budgets have to be adjusted?	4	Yes after tender return
Were decisions on changes to budgets or time schedules made promptly?	4	Yes
Did circumstances ever warrant questioning the viability of the project? (exceeding budget, lack of progress, changes in the external environment)	4	The building design was developed around the requirements for a high specification for anti-vibration conditions, a full report was commissioned and recommendations incorporated into design
If circumstances did warrant questioning the viability of a project was the project	4	Yes, a full report on viability of site to achieve anti vibration specification was commissioned and testing was conducted locally ahead of construction

subjected to adequate examination?		
If costs increased was approval received from the Sanctioning Authority?	4	Yes
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	No
For projects > €20m were quarterly reports on progress submitted to the MAC or Management Board and to the Minister?	N/A	N/A
Were prescribed annual tables on projects, completed or in progress and > €20m submitted to the Department of Public Expenditure & Reform?	N/A	N/A