



An Roinn Fiontar,
Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

Quality Assurance Report for 2020

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

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Certification

This Quality Assurance Report for 2020 reflects the Department of Enterprise, Trade and Employment's annual assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

Specifically, it confirms that Quality Assurance checks have been successfully carried out on expenditure incurred by Enterprise Ireland, IDA Ireland and Science Foundation Ireland on capital and current projects supported by the Department during 2020. Funding provided to these three agencies accounted for 78% of the Department's gross expenditure in 2020.



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Date: 23 September 2021

Departmental Overview

Following the formation of the new Government in June 2020, the Department of Business, Enterprise and Innovation (DBEI) changed its name to the Department of Enterprise, Trade and Employment (DETE).

The Transfer of Function Orders resulted in the following changes for DETE:

Transferred in

- responsibility for Trade promotion was transferred in from the Department of Foreign Affairs
- responsibility for employment rights, including the Low Pay Commission and Insolvency and Redundancy policy, transferred in from the Department of Social Protection
- the Balance for Better Boards Group transferred in from the Department of Justice and Equality
- the Trading Online Vouchers transferred in from the Department of Environment, Climate and Communications

Transferred out

- certain research and innovation functions, which includes Science Foundation Ireland and the Programme for Research in Third Level Institutions, transferred out to the newly created Department of Further and Higher Education, Research, Innovation and Science.

Note: This report was compiled during the course of 2021, and it focuses on spending in the fiscal year 2020. DETE is used throughout the report to reference work carried out by the Department during the calendar year 2020.

The remit of DETE is diverse. It has a wide range of functions and policy responsibilities that are pursued and delivered through three distinct high-level programme areas. These in turn are delivered through a number of agencies under the Department's aegis. During 2020 these included:

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

The Statement of Strategy 2021-2023 describes DETE's mission as follows:

We will lead on sustainable economic development and recovery through the creation and maintenance of high quality employment across all regions of our country:

- By championing enterprise
- Ensuring a competitive business base to incentivise work, enterprise, innovation and investment
- Strengthening global connections and promoting trade
- Promoting fair and competitive markets, best business practice
- Safe, flexible and decent workplaces through the regulatory and enforcement work of the Department, its Offices and its Agencies.

Overview of DETE's Spending Programme

DETE's net expenditure in 2020 (net of Appropriations-in-Aid) was €1.715 billion, split between capital supports (€1.431 billion) and current expenditure (€0.284 billion). Current expenditure is used to meet the day-to-day running costs of DETE and its agencies. The capital provision is provided through a range of grant funded programmes administered by DETE's agencies to assist in the development of Ireland's enterprise and innovation sectors.

The Exchequer provision managed by DETE is driving the jobs agenda and is significantly aiding Ireland's economic recovery and ongoing development. At the end of 2020, the capital supports provided through the enterprise agencies were directly supporting over 485,903 jobs in Ireland, an increase of 1.6% over 2019.¹

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

The total capital expenditure incurred across DETE's Vote in 2020 was €1.431 billion. This expenditure spanned EI, IDA Ireland, SFI, Local Enterprise Development, Tyndall National Institute, the National Standards Authority of Ireland, Inter Trade Ireland, subscriptions to International organisations, the PRTL and Disruptive Technologies.

For the purposes of the 2020 Quality Assurance (QA) report DETE focused on the largest capital programme areas, namely:

- Subhead A5 IDA Ireland
- Subhead A7 Enterprise Ireland
- Subhead B4 Science Foundation Ireland
- Subhead B4 Enterprise Ireland

¹ DETE Annual Employment Survey 2020 (page 36) - <https://enterprise.gov.ie/en/Publications/Publication-files/Annual-Employment-Survey-2020.pdf>

Table 1: 2020 Capital Expenditure

Subhead	Agency	€ million
A5	IDA Ireland	135
A7	Enterprise Ireland	756
B4 (part)	Enterprise Ireland	123
B4 (part)	Science Foundation Ireland	183
	Subtotal	1,197
	Other capital subheads	234
	Total Capital Expenditure	1,431

Typically, the capital grants provided by EI, IDA Ireland and 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 the utilisation of internationally recognised scientific experts in the case of SFI. There is often cross-agency strategic assessment input on certain enterprise grant programmes.

Spotlight on 2020²

The 2020 strategic plan for the Department was impacted significantly with the onset of the COVID-19 pandemic. While the focus on Brexit preparedness continued as a major priority, the Department responded from an early stage across all aspects of its remit to support business during the pandemic. This included sectors in which the Department has not traditionally been involved and it engaged broadly in all areas possible to support business and the national effort.

Covid-19 Response - Assistance for Business

Working closely with our Offices and Agencies, our colleagues across Government and enterprise stakeholders, the Department participated in many cross-government groups to address key risks arising in the context of COVID-19. In the very early days, DETE supported the procurement and distribution of PPE and supply chain issues arising from the impact of the pandemic. A wide range of new policies and enterprise advisory and funding schemes were developed by the Department, agreed by Government and delivered rapidly. This included a suite of funding and advisory schemes for businesses, including new grant, liquidity and loan financing schemes to assist impacted businesses during the pandemic. Regulatory and legislative amendments to support companies were agreed and enacted, while major work was completed in relation to health and safety in the workplace.

² Department of Enterprise, Trade & Employment Annual Report 2020:
<https://enterprise.gov.ie/en/Publications/Publication-files/DETE-Annual-Report-2020.pdf>

Preparing for Brexit

In 2020, the Department continued its extensive work to ensure a coordinated and coherent approach to Brexit across the Department and its Offices and Agencies including engagement across Government on Brexit readiness in preparation for all Brexit outcomes, including a no-deal. This included intensive engagement with the Department's stakeholders to assist businesses to get Brexit ready by the end of 2020. This work involved Ministerial engagement through key stakeholder groups such as the Enterprise Forum on Brexit and Global Challenges and the Retail Forum; as well as with the Department's enterprise and regulatory Agencies.

Enterprise and Employment Creation

In 2020, global economic output is estimated to have fallen by between 3.25% - 3.4%, which represents a far larger shock to economies than the recession in the wake of the global financial crisis. At the peak, in April 2020, the COVID-adjusted unemployment rate was 30.5%, with over 1.2 million of the workforce in receipt of some form of income support. Over the course of last year, the unemployment rate has fallen and at year end year-end the COVID-adjusted unemployment rate was 20.4%.

The level of State support over the course of the year was substantial to insulate businesses and workers from the worst of the pandemic. The cost to the State over the course of the year was €25 billion, which included €8.8 billion of income supports via the Employee Wage Subsidy Scheme, its precursor the Temporary Wage Subsidy Scheme and the Pandemic Unemployment Payment.

Among the headline schemes launched by the Department in 2020 were the Restart Grant, the Sustaining Enterprise Fund, the COVID-19 Products Scheme, the Ready for Customs Scheme, and the Business Continuity Scheme. The increased funding also allowed the Department to broaden its suite of access to finance measures by extending the facilities available under the Future Growth Loan Scheme, the Working Capital Scheme, the Microfinance Ireland Loan Scheme as well as introducing the discrete COVID-19 Credit Guarantee Scheme.

The expectations according to recent forecasts for 2021, suggest that the economy has weathered the worst of the COVID-19 pandemic, with forecasts suggesting that Irish GDP will grow by between 4.4% and 4.9% in 2021, and by between 4.5% and 5.2% in 2022.

IDA Ireland

IDA Ireland performed strongly in 2020 with client companies creating 20,123 gross new jobs on the ground. The net gain was 8,944 additional jobs. Total foreign direct investment employment in Ireland at the end of 2020 stood at 257,394, the highest ever number employed in the multinational sector, exceeding targets set by Government contained in IDA Ireland's Strategy – Winning: Foreign Direct Investment 2015-2019. Of the 246 new investments won in 2020, 128 (52%) were in regional locations. Every region, except the border region, grew employment in 2020. The mid-East showed the strongest growth rate at 6.2%.

Enterprise Ireland

Job creation closely matched the performance in 2019, with 16,496 new jobs created in Enterprise Ireland supported companies. However, in a challenging year, with a significant COVID-19 impact, job losses increased to 17,368 which resulted in net job losses of 872 in client companies. Total employment in Enterprise Ireland supported companies was 220,613 at the end of 2020, a decrease of 0.4%.

Enterprise Ireland client companies in some sectors saw significant growth in 2020, including Life Sciences (6.8%), Cleantech (6%) and Construction (4.7% employment growth). 65% of total employment was outside Dublin.

In 2020, the challenge for Enterprise Ireland was to assist companies weathering the storms of COVID-19 and Brexit. This was mainly achieved through the liquidity assistance provided to companies via the Sustaining Enterprise Fund which was negotiated by the Department. The main objective of the fund is to sustain business so that companies can return to viability and contribute to the recovery of the Irish economy. €124m in funding helped sustain 418 companies and 17,710 jobs across the country.

During 2020, the Local Enterprise Offices (LEOs) focused on assisting business owners to identify the initiatives available to them to respond to this unprecedented crisis and help them keep their businesses viable. During what was a challenging year, a total of 5,585 new jobs (gross) were created by LEO clients, with a net decrease of 1,494 jobs.

Science Foundation Ireland

Research and Innovation, in health, academia and industry, continues to have a significant role to play in the national and global response to COVID-19. A key element of the SFI's plan was the COVID-19 Rapid Response Research and Innovation Funding programme. SFI assisted researchers across the system undertook a vast array of actions to assist and deal with the challenges that were faced as the country responded to the pandemic.

SFI has continued to deliver significant investments including: assisting Centres for Research Training and Centres for Doctoral Training to deliver the skills needed for the future of the economy; assistance to the network of world leading SFI Research Centres, new awards to assist excellent independent researchers to conduct discovery research; the introduction of dynamic funding models designed to address national and global challenges; and strategic partnerships to assist research projects of scale in strategically important areas.

SFI provided significant funding for key areas including: a €4.8m investment into a research partnership that investigates the immunology of COVID-19; SFI co-funded a €5m climate change project called Terrain-AI with Microsoft; an award was granted which aims to advance cancer research skills and bring new findings to clinical trials that will benefit cancer patients in Ireland and globally.

SFI continued to assist the network of 16 SFI Research Centres, which have been at the core of transformational change in how we help research across the Higher Education Institutions – with a drive to undertake excellent research with economic and societal impact. The 16 SFI Research Centres have been part of Ireland's success at drawing down EU Horizon 2020 funding.

Agency/Department Programme Evaluations

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

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

DETE and DPER Spending Review 2020: State-Supported Loan Schemes (July 2020)

This Spending Review paper,³ published in October 2020, covers five State-supported loan schemes in Ireland: the Agriculture Cash-Flow Loan Supports scheme; the Brexit Loan Scheme / COVID-19 Working Capital Loan Scheme; the Future Growth Loan Scheme; the Microenterprise Loan Fund scheme; and the SME Credit Guarantee Scheme.

The paper goes into the specifics of these schemes to clarify their stated objectives, to examine the profile of recipients, to assess the approaches and data needed for comprehensive evaluation, and to determine the potential implications of scheme design for the incentives of private lending institutions and borrowers. The key findings arising from this review can be found on Page 2 of the Report.

Spending Review 2021: DETE Capital Expenditure Review 2006-2020 (July 2021)

A review of DETE's expenditure from 2006 to 2020 is being published under the Spending Review process this year. The high-level objective of this review is to provide a strategic assessment of whether the system of capital supports for enterprise, and the capital expenditure allocation across programmes, align with the new and emerging economic challenges and strategic objectives of DETE. The review examines the Department's expenditure thematically by assigning each programme to a single thematic area. It also analyses expenditure by policy instrument type, associate agency, beneficiary type, target firm size, sectoral criteria and award count.

This paper is an update of an internal review undertaken in 2020 and includes additional expenditure data for the period 2019-2020. This update was undertaken due to the changing profile of the Department's expenditure and functions in 2020.

³ <https://assets.gov.ie/94877/5414f6b7-3ffb-459e-a39d-c128e85368e1.pdf>

Spending Review 2021: Review of State-Supported Loan Schemes (DPER Paper, July 2021)

This paper will provide an update to a DPER paper from 2020 which reviewed activity under State-supported loan schemes – the majority of which were funded through DETE. Using data for 2020, the paper will give an overview of the latest developments in the various schemes including their uptake, exchequer exposure, and a profile of applicants. The paper will compare results of State-supported loans analysis to data made available through the Central Bank of Ireland on SME lending to assess how State-supported loans schemes fit into the broader context of business liquidity and credit in Ireland. The paper will also examine the shifts in scheme demand, use and risk since the advent of the COVID-19 pandemic.

Spending Review 2021: Distribution of Enterprise Supports (DPER Paper, July 2021)

This paper will seek to fill a gap in the literature by taking a closer look at beneficiaries of DETE agency expenditure in order to generate a better profile of the firms availing of these supports. Subject to data availability the paper will examine firm level characteristics such as firm size; ownership by country, the regional spread of firms supported and their sectoral composition. This analysis will focus on those firms supported by Enterprise Ireland, the IDA and Local Enterprise Offices.

Spending Review 2021: Framework for Evaluation of Loan Schemes (October 2021)

As State Supported loan schemes are increasingly utilised as a policy instrument it is important that they are appraised and evaluated as rigorously as any of the Department's enterprise supports. This paper proposes to formalise how State-supported loan schemes are appraised and evaluated by setting out proposals on a framework for the evaluation of these schemes. This will build on the 2020 DPER Spending Review paper 'State-Supported Loan Schemes', and on ex-ante cost-benefit analysis work on State-supported loan schemes carried out in DETE. A number of the State supported loan schemes will come up for evaluation over the next number of years, and it is important that they are evaluated on a similar basis. This will involve a common view of the inputs, outputs and outcomes of such schemes, the data requirements for evaluation as well as advising on methodology for evaluating the schemes – reflecting the international context and developments in State supported finance.

Exploratory paper on capturing the carbon impact of Enterprise Agencies client supports (Q3 2021)

This paper will explore Irish and international guidance on climate appraisal for enterprise – particularly in relation to the granting of public funds and how this guidance is brought into practice. It will consider the appropriate scope for the appraisal of emissions and will examine the ability of enterprise agencies to capture data in this area. The paper aims to make recommendations towards a workable model of climate appraisal for agency clients and whether such appraisal would be integrated directly into an overall assessment within the current Economic Appraisal Model which is used to assess the economic benefits and costs of assessing support to enterprise agency clients.

Quality Assurance Procedure

The Quality Assurance procedure is made up of five steps, which are set out in Section 1.1 of the 'Public Spending Code (PSC) Quality Assurance Process'⁴

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

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

- **Enterprise Ireland** - by its internal auditors.
- **IDA Ireland** - by its internal auditors.
- **Science Foundation Ireland** - by DETE's Internal Audit Unit.

These evaluations incorporate an in-depth check on a small number of programmes to comply with the fourth step of the PSC procedure, which are included in this report. This report, which assesses DETE's compliance with the PSC for expenditure in 2020, fulfils the fifth step of the Quality Assurance process.

As referenced on page 3 of this report, SFI transferred out to the newly created Department of Further and Higher Education, Research, Innovation and Science in January 2021.

DETE continued to have oversight of all current and capital expenditure for SFI during the 2020 calendar year, and as such, the SFI QA compliance has been included in this report.

⁴ The Public Spending Code Quality Assurance Process, Department of Public Expenditure and Reform
<https://www.gov.ie/en/publication/public-spending-code>

Public Spending Code - Inventory of Projects for 2020

The first step in the process is to draw up an inventory of areas of expenditure in excess of €500,000 being considered, incurred, and recently completed. This should include expenditure relating to capital projects, grant schemes for capital purposes and new current expenditure programmes or significant extensions to existing programmes.

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

Enterprise Ireland publishes general information on grant aid schemes (application process etc.) on its website⁵. See **Appendix 1** of this report for an inventory of the EI grant recipients and details of its in-depth review for Step 4 of the process.

IDA Ireland does not publish details of the recipients of grant aid due to commercial sensitivity concerns. The Agency has, however, provided a full inventory of the grants appraised and approved, by type, for the three years 2018 – 2020 to DETE's Internal Audit Unit. This satisfies Step 1 of the process. IDA Ireland also provided to the Internal Audit Unit detail on the monetary value of the grant expenditure sample which was selected for the in-depth review for Step 4 of the process.

Information on the in-depth review conducted by IDA Ireland's internal auditors is set out in **Appendix 2** of this report. IDA Ireland publishes details of its leading investments in its Annual Reports which are available on its website.⁶

Details of the **Science Foundation Ireland** in-depth check and expenditure inventory is set out in **Appendix 3** of this report. Programme expenditure for SFI is published in its annual reports and its website also contains a list of grant recipients for all of its major funding programmes.⁷

⁵ <https://www.enterprise-ireland.com>

⁶ <https://www.idaireland.com>

⁷ <https://www.sfi.ie>

Public Spending Code - Procurements over €10 million

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

DETE had no procurements in excess of €10m during 2020. Enterprise Ireland and Science Foundation Ireland had no such procurements during this timeframe either.

IDA Ireland had one procurement greater than €10m in 2020. It consists of a property solution for lease / sale to IDA client and the projected final cost is €13m. The expected completion date is Q3 2021. The details of this procurement are published on its website.⁸

⁸ <https://www.idaireland.com/corporate-governance>

Public Spending Code - Completion of Checklists

The Quality Assurance process involves the completion of self-assessment checklists by DETE and its agencies. These checklists cover all expenditures, to include both capital and current expenditure projects. No significant issues were identified in relation to compliance with the Public Spending Code in any of the completed checklist forms submitted by Enterprise Ireland, IDA Ireland and SFI. Copies of the completed checklists by DETE and the agencies sampled are provided in **Appendix 7**.

Public Spending Code - Training

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

DETE has liaised with DPER in relation to the provision of training and while guidance. DPER has advised that information is available through documentation on its website⁹. No formal specific training on the Quality Assurance procedures element of the Code is currently available but if Departments/Agencies have a particular query in relation to this particular area and how it should be applied, Government Accounting Unit in DPER can provide assistance.

Public Spending Code - Main findings

Various Quality Assurance checks on 2020 expenditure projects have been undertaken by Internal Auditors in Enterprise Ireland and IDA Ireland; and DETE's Internal Audit Unit in relation to SFI expenditure.

Whilst minor issues were identified and discussed with the relevant parties during the review, there were no significant issues of concern arising from any of the Quality Assurance checks undertaken in these agencies.

DETE is reasonably assured that the key obligations and provisions set out in the Public Spending Code are being satisfactorily met for grant funding to Enterprise Ireland, IDA Ireland and Science Foundation Ireland based on the sample testing and evaluation carried out by its own Internal Audit Unit; and the Internal Auditors engaged by the relevant agencies.

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

⁹ <https://www.gov.ie/en/publication/public-spending-code/>.

Public Spending Code - Agency level detailed findings

Enterprise Ireland

Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, it supports sustainable economic growth, regional development and secure employment. A key priority is the achievement of export sales growth from Irish-owned companies and assistance is geared toward helping Irish companies win international sales. Overall, employment in EI's client companies reached 220,613 in 2020, this was a 0.4% reduction on 2019 but represented relative stability at a time of significant disruption due to the Covid-19 pandemic and the uncertainty caused by the ongoing negotiations in relation to Brexit. During 2020, a total of 16,496 jobs were created in EI supported companies, with 65% located outside of Dublin.

EI's Internal Auditors obtained the 2020 Inventory listing of current and capital expenditure and randomly selected a sample of projects for in-depth checking in accordance with the recommended sampling sizes in the Public Spending Code. Only grant approvals in excess of €500,000 were included in the population from which the sample was selected for in-depth checking.

The Board of EI has established a robust committee structure for the appraisal and approval of capital grants. DETE is also represented on these investment committees. Details of the grant expenditure thresholds and grant approval procedures are outlined in **Appendix 4**.

EI has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

The Quality Assurance review in respect of EI funding in 2020 concluded that "Generally, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met".

IDA Ireland

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

IDA Ireland's processes and expenditures are subject to a number of controls and assurances each year. These include an internal control statement by the Chairman, internal audit reports authorised by the audit committee and an annual statutory audit by the Comptroller & Auditor General. In addition, a quality assurance review in respect of IDA Ireland was carried out by its Internal Auditors. The scope of the Internal Audit review encompassed a review of grant aid approval procedures in 2020. The review consisted of an examination of 14 projects (5 approved in 2018, 4 in 2019, and 5 in 2020). The monetary value of these samples was considered commercially sensitive and was not published. However, full details were provided to DETE's

Internal Audit Unit. The monetary value of the sample approved for grant aid, represented 7% of the total grant-aided projects approved by IDA Ireland during the 3-year period 2018 to 2020. Please see **Appendix 2** for details on the in-depth check and the inventory of grant approvals.

The review also consisted of an examination of current expenditure projects. To determine the population for review, IDA's Internal Auditors were provided with the IDA Ireland Contracts Register showing all current expenditure projects exceeding €500,000 in value. There is a requirement to select a sample that is at least 1% of the total current expenditure projects for the year under review. IDA's Internal Auditors selected sample provided an overall coverage of 2% of the total current expenditure projects exceeding €500,000 in 2020.

Details of thresholds and approval limits are set out in **Appendix 5**.

IDA Ireland has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

The Quality Assurance review in respect of IDA Ireland's funding in 2020 concluded that "Generally, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met".

Science Foundation Ireland

Science Foundation Ireland is Ireland's national foundation for investment in research in the areas of science, technology, engineering and mathematics (STEM), which assists in the development and competitiveness of industry, enterprise and employment in Ireland. It also promotes and supports STEM education and engagement to improve awareness and understanding of the value of STEM to society and to support the STEM careers pipeline.

As the benefits associated with the projects selected could not be quantified or valued in a financial context, it was not possible for SFI to prepare a formal cost benefit analysis or a financial analysis. Instead, it carries out a detailed assessment of the costs associated with the proposed projects.

DETE's Internal Audit Unit undertook an in-depth review of SFI programmes using samples of awards that incurred expenditure in 2020. Details of this review and an inventory of expenditure in SFI in 2020 is shown in **Appendix 3**.

Details of the grant expenditure thresholds and grant approval procedures for SFI are outlined in **Appendix 6**. SFI has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

The Quality Assurance review in respect of SFI expenditure in 2020 concluded that the Agency complied with the requirements of the Public Spending Code.

APPENDIX 1 EI In-Depth Check and Expenditure Inventory

The 2020 Quality Assurance Review by EI's Internal Auditors involved in-depth checks on a small number of selected projects/programmes. Both Current and Capital Expenditure were reviewed as follows:

Current:

- Sample selection for Current Projects: €5,797,204
- Total Value of Current Project Inventory: €36,466,155.55
- % of Current Projects Selected: 16%

Capital:

- Sample Selection of Capital Projects: €17,269,476
- Total Value of Capital Project Inventory: €158,369,673
- % of Capital Projects selected: 11%

Based on the documentation reviewed, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

The expenditure inventory listed on pages 17 to 24 of this report includes details of grant recipients with approval amounts in excess of €500k that incurred expenditure in 2020. The inventory of capital and current projects (including grants) is broken down by:

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

i. Expenditure being considered

New Capital Projects

Grant Type	Project No	Project First Approved Date	Approval Amount €
Capital	167073	4/17/2020	€1,008,700
Capital	172130	11/20/2020	€1,103,270
R&D Revenue	172055	11/20/2020	€690,566
Capital	166997	4/3/2020	€1,019,000
R&D Revenue	169987	9/4/2020	€504,948
R&D Revenue	166600	2/12/2020	€787,061
Lean Transform	166604	2/12/2020	€513,183
R&D Revenue	169415	9/2/2020	€542,018
Capital Environmental	166779	3/6/2020	€920,871
R&D Revenue	169315	7/8/2020	€523,862
Lean Transform	169324	7/8/2020	€1,441,475
R&D Revenue	172961	12/18/2020	€639,856
Lean Transform	171698	10/30/2020	€659,353
Capital	172126	11/13/2020	€750,600
Capital	172127	11/20/2020	€1,158,148
Capital	169793	6/10/2020	€2,930,554
Repayable Advance	171994	12/4/2020	€600,000
R&D Revenue	168764	7/10/2020	€500,000
Repayable Advance	170722	11/6/2020	€600,000
Capital	172313	11/26/2020	€1,240,050
Employment	169608	9/4/2020	€661,200
R&D Revenue	172630	11/13/2020	€565,012
Repayable Advance	172546	12/18/2020	€600,000
Lean Transform	173009	12/18/2020	€806,075
R&D Revenue	168180	7/1/2020	€500,000
R&D Revenue	166369	2/5/2020	€612,316
Capital	172728	12/9/2020	€3,000,783
R&D Revenue	166380	2/5/2020	€597,811
R&D Revenue	169095	8/5/2020	€550,000
R&D Revenue	172654	12/8/2020	€649,998
Convertible Loan Note	171815	11/27/2020	€600,000
R&D Revenue	168227	4/8/2020	€1,470,960

R&D Revenue	168230	4/8/2020	€1,209,336
R&D Revenue	168233	4/8/2020	€1,629,622
Loan Note De Minimis	170328	6/5/2020	€600,000
R&D Revenue	169417	9/2/2020	€599,951
R&D Revenue	169096	7/31/2020	€707,960
Seed & Venture	171915	10/14/2020	€2,050,000
Employment	169194	6/26/2020	€1,591,600
Capital	169237	7/8/2020	€5,000,000
Capital	169239	7/8/2020	€2,400,000
Capital	169240	6/19/2020	€5,313,857
Employment	169814	6/10/2020	€748,800
Capital	169817	6/10/2020	€2,024,835
R&D Revenue	169098	7/31/2020	€531,794
Employment	169808	6/10/2020	€561,600
Capital	169811	6/10/2020	€1,178,974
Capital	172128	12/9/2020	€6,624,750
Employment	170001	9/25/2020	€1,092,000
Capital	170004	9/25/2020	€828,000
Employment	169747	6/10/2020	€969,629
Capital	169750	6/10/2020	€3,342,934
Pref Shares	172307	12/8/2020	€800,000
R&D Revenue	167874	06/03/202	€502,336

New Current Expenditure:

Reference	Type	po Value €
2017/GOV/01/03	Extension of, or request for an increase in value to, an Existing Contract Mindshare December 2020.	€ 2,988,700.00
2020/018/00/00	To design, develop and deliver a range of innovative initiatives, programmes and supports to foster an awareness and understanding of entrepreneurship in the primary school's education sector nationwide.	€ 2,420,000.00
2020/GOV/04/00	Renewal of existing Microsoft Licensing Agreement.	€ 2,333,000.00
2018/GOV/07/02	Contract Novation for 8020.	€ 1,600,000.00
2019/037/00/00	Provision of legal services relating to Enterprise Ireland's investment in Irish and international private equity, seed and venture capital funds and advice in relation to private equity and debt instruments.	€ 1,476,000.00

n/a	Approval for Fit-out and 9 year lease for the new Ireland House in Mumbai.	€ 1,298,585.00
2018/046/02/00	Legal services tender for state aid advice.	€ 1,230,000.00
2019/035/00/00	Multi-party framework agreement for the provision of recruitment services for administration placements in Enterprise Ireland.	€ 1,210,000.00
2020/007/00/00	Establishment of Three Single Party Frameworks for Coordination and Facilitation Services to the EI Mentor Network Programme.	€ 871,200.00
2019/GOV/16/01	Mini Competition for internal audit services for Enterprise Ireland.	€ 861,000.00
2019/028/00/00	The development and delivery of Innovation Training for Enterprise Ireland client companies.	€ 730,000.00
N/A	Renewal of the Dusseldorf lease for a period of 5 years.	€ 704,445.00
2020/NTD/02/00	West Park Shannon 2020 Rent, Service Charges, Energy costs and Rates Approval.	€ 687,660.55
2019/038/00/00	Establishment of a Multi-Party framework agreement for Audio-visual Content Creation Services for Irish National and International Audiences.	€ 615,000.00
2019/011/00/00	Eurozone Cohorts 2-4: The Design and Delivery of Training Supports, aimed at the Enterprise Ireland client base, to facilitate Market Entry into Core Eurozone Markets.	€ 535,500.00
2019/006/00/00	Establishment of a Multi-Party Framework Agreement for the provision of Design & Delivery of Customs Export & Import Procedures workshops for businesses and clients of the Local Enterprise Offices.	€ 500,000.00

ii. Expenditure being incurred

Capital Projects

Client Offer	Project No	Payment Amount €
Development Capital Fund	155383	€814,498
Development Capital Fund	155775	€514,496
Innovation Fund Ireland	154635	€1,642,292
Innovation Fund Ireland	153621	€535,780
Seed & Venture Capital Fund 2013 - 2018	158772	€1,000,000
Seed & Venture Capital Fund 2013 - 2018	159463	€1,350,605
Seed and Venture Capital Investment (2019-2024)	165767	€636,043
Seed & Venture Capital Fund 2013 - 2018	156603	€2,085,467
Seed & Venture Capital Fund 2013 - 2018	156757	€1,414,144
Seed & Venture Capital Fund 2013 - 2018	159932	€1,813,715
Seed & Venture Capital Fund 2013 - 2018	160215	€1,933,169
Seed and Venture Capital Investment (2019-2024)	166080	€3,663,148
Seed & Venture Capital Fund 2013 - 2018	160218	€2,320,823
Seed & Venture Capital Fund 2013 - 2018	160936	€2,066,680
Seed & Venture Capital Fund 2013 - 2018	163625	€1,965,000
Seed & Venture Capital Fund 2013 - 2018	163871	€1,088,154
Seed and Venture Capital Investment (2019-2024)	165808	€2,515,887
Seed & Venture Capital (2007 - 2012)	155052	€745,899
Seed & Venture Capital (2007 - 2012)	154891	€572,631
Company Development	162902	€2,141,477
Company Development	162825	€780,117
Company Development	159805	€657,715
Company Expansions including R&D	154067	€771,372
Company Development	162826	€1,122,684
Company Development	157508	€2,103,490

Seed and Venture Capital Investment (2019-2024)	171916	€4,500,000
Company Development	162903	€3,038,171
Company Development	160831	€808,002
Disruptive Technology Innovation Fund	166697	€1,203,875
Company Development	157369	€577,613
Incubation Centres	159515	€1,077,995
Disruptive Technology Innovation Fund	166667	€987,796
Company Development	163555	€636,852
Seed and Venture Capital Investment (2019-2024)	171914	€2,500,000
Disruptive Technology Innovation Fund	166679	€787,958
Company Development	165786	€721,062
Regional Enterprise Development Fund 2017 – 2020	162106	€1,348,591
Disruptive Technology Innovation Fund	164747	€620,367
Company Development	164531	€1,688,428
Company Development	162838	€1,079,720
Disruptive Technology Innovation Fund	166669	€592,047
Company Development	163567	€1,161,929
Regional Enterprise Development Fund 2017 – 2020	162131	€1,006,952
Company Development	162591	€1,295,797
Disruptive Technology Innovation Fund	164562	€521,874
Disruptive Technology Innovation Fund	164610	€644,738
Sustaining Enterprise Fund	170540	€800,000
Seed and Venture Capital Investment (2019-2024)	171860	€630,000
Company Development	162783	€625,900
Sustaining Enterprise Fund	168976	€600,000
Sustaining Enterprise Fund	170382	€600,000
Sustaining Enterprise Fund	170532	€600,000
Sustaining Enterprise Fund	170402	€600,000
Sustaining Enterprise Fund	170530	€600,000

Sustaining Enterprise Fund	170388	€600,000
Sustaining Enterprise Fund	170718	€600,000
Sustaining Enterprise Fund	171349	€600,000
Sustaining Enterprise Fund	171789	€600,000
Sustaining Enterprise Fund	170889	€600,000
Sustaining Enterprise Fund	169492	€600,000
Sustaining Enterprise Fund	172290	€600,000
Sustaining Enterprise Fund	172017	€600,000
Sustaining Enterprise Fund	170222	€600,000
Sustaining Enterprise Fund	170863	€600,000
Sustaining Enterprise Fund	170056	€600,000
Sustaining Enterprise Fund	171854	€600,000
Sustaining Enterprise Fund	169034	€600,000
Sustaining Enterprise Fund	170506	€600,000
Sustaining Enterprise Fund	169179	€600,000
R&D Fund	165118	€506,056
R&D Fund	164146	€572,274
Sustaining Enterprise Fund	170211	€550,000
Company Development	162895	€516,350
Sustaining Enterprise Fund	170688	€500,000
R&D Fund	165291	€500,000
Innovative HPSU 2014-2020	166791	€500,000
Innovative HPSU 2014-2020	167925	€500,000
Innovative HPSU 2014-2020	168011	€500,000

Current Expenditure

Vendor Name	Contract Ref No.	Billed Amount €
Atomic Advertising Ltd	2018/Gov/07/01	€1,109,708
EAST POINT Development (Two) Ltd	Office Rent	€3,426,931
FGPO IRELAND General Partner 6 T/A Fine Grain Property Ireland Ltd	Office Rent	€606,989
Mindshare Media Ireland Ltd	2017/Gov/01/03	€2,494,863

iii. Expenditure that has recently completed

Capital Projects

Project No.	Type	Project Last Payment Date	Payment Amount €
Between €0.5m - €5m			
143255	Seed & Venture	10/7/2020	€27,188
162208	R&D Revenue	12/8/2020	€51,566
156446	Capital	8/31/2020	€51,757
156450	Capital	9/30/2020	€55,469
160409	R&D Revenue	8/31/2020	€75,652
155469	R&D Revenue	8/31/2020	€159,656
139729	Seed & Venture	8/31/2020	€171,289
162101	Capital	12/31/2020	€183,416
145607	Seed & Venture	8/31/2020	€193,964
160994	Seed & Venture	8/31/2020	€199,068
162284	R&D Revenue	12/15/2020	€203,936
155474	R&D Revenue	8/31/2020	€231,092
156029	Capital	8/31/2020	€351,159
166791	Pref Shares	2/26/2020	€500,000
162783	Capital	11/18/2020	€625,900
159515	Capital	12/30/2020	€1,077,995
162591	Capital	9/21/2020	€1,295,797
157508	R&D Revenue	8/31/2020	€2,103,490

Current Expenditure

Supplier Name	Ref No.	Amount Paid €
Between €0.5m - €5m		
"Framework Agreement - 4	2016/014/00/00	€936,884
Irish Management Institute	2013/046/00/00	€1,781,579
Mindshare Media Ireland Ltd	2019/015/00/00	€1,998,056
"Framework Agreement - 17	2016/022/00/00	€1,345,158
Flight Centre Travel Group (IRL) Ltd T/A FCM Travel Solutions (aka Travelplan)	2013/044/00/00	-
Micromail Ltd	2017/GOV/04/01	€770,273
PricewaterhouseCoopers	2016/GOV/04/07	€205,656
FGPO Ireland General Partner 6 T/A Fine Grain Property Ireland Ltd	2020/NTD/02/00	€727,642
Vodafone Ireland PLC	2015/GOV/02/01	€489,524
Technological University Dublin	2015/040/00/01	€511,802

APPENDIX 2 IDA Ireland In-Depth Check and Inventory

IDA Internal Auditors sought details of all grant-aided projects approved for the period 2018 to 2020 in order to determine the population for the in-depth review. They were provided with a schedule showing all EU grant notifications for grants exceeding €500,000. The inventory prepared for grant aid approvals is considered to be commercially sensitive and is not published in this report. However, the information contained in the inventory was separately provided to the Internal Audit Unit in DETE for verification purposes.

Capital Grants

The sample for review was selected randomly in compliance with the most recent version of the Public Spending Code guidelines for a 5% spot check. The sample covered grant categories from each of the three years from 2018 to 2020 and provided overall coverage of approximately 7% of total grant funding over this period. Details of the monetary value of the samples selected were provided to the Internal Audit Unit in DETE for verification purposes. The sample of grants selected for this review had not been selected for review in prior years. The breakdown of the categories/years selected is as follows:

Grant Type	2018	2019	2020	Total
RD&I	2	1	2	5
Training	1	1	1	3
Capital	1	1	1	3
Employment	1	1	1	3
Total	5	4	5	14

Current Expenditure Projects

The selected sample for review provided an overall coverage of approximately 2 % of the total current expenditure projects exceeding €500,000 in 2020. This is in excess of the 1% required under the Public Spending Code guidelines. Details of the monetary value of the samples selected were provided to the Internal Audit Unit in DETE for verification purposes.

Summary

Based on their review, the auditors identified two minor areas for improvement. Generally, however, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

One area of improvement related to a minor control weakness in relation to the Grant Aid Approvals process, this has been reported as implemented by management. The second area of improvement related to a minor design weakness in relation to the current expenditure programme process, management accepted the recommendation.

APPENDIX 3 SFI In-Depth Check and Inventory

The 2020 Quality Assurance review in respect of Science Foundation Ireland was undertaken by Internal Audit Unit in DETE. As part of the Quality Assurance procedure, in-depth examination checks were conducted on projects that were ongoing during 2020.

IAU reviewed a listing of all projects ongoing during 2020 and reviewed six individual grant payments, in excess of €500,000, to research bodies/institutions, for compliance with PSC guidelines. The total value of the projects selected amounted to €10 million or 6% of the total payments. A weighted sample was used for the in-depth examination of grant awards to ensure the sample contained Award Programmes that received a high level of funding as well as awards that received a lower level of funding. Consideration was also given to including new awards that were introduced in response to emerging needs due to the Covid-19 pandemic. Following Programme selection, a sample was selected to ensure that a broad range of research bodies was included as well as a geographical spread, as follows:

Proposal ID	Payment amount in 2019	Project Lifetime Award	Programme	Grantee
20/COV/0054	€477,212	€ 544,823	Covid Rapid Response Funding Call	University College Dublin (UCD)
20/COV/8436	€1.1 million	€1.2 million	Covid Rapid Response Funding Call	University College Dublin (UCD)
20/SPP/3685	€1.25 million	€4.9 million	Strategic Partnership Programme	Trinity College Dublin (TCD)
19/FFP/6820	€ 177,225	€1 million	Frontiers for the Future	University College Cork (UCC)
12/RC/2275_P2	€5.9 million	€30 million	SFI Research Centres Phase 2	University of Limerick (UL)
17/RP/5368	€1.2 million	€5.9 million	Research Professorship Programme	National University of Ireland, Galway (NUIG)

Checks were conducted based on reports and other documentation relating to each award. This included access to proposals on the SFI Award Application and Tracking System.

Grant Payments & Commitments by Programme - 2018		
SFI - 2020 Payments by Programme	Full list in SFI Annual Report 2020	€ 198,911,000
SFI – 2020 Grant Commitments by Programme	Full list in SFI Annual Report 2020	€ 312,291,000

Science Foundation Ireland's Annual Report 2020 can be accessed on its website.¹⁰

The Quality Assurance in-depth review conducted by DETE's Internal Audit Unit in respect of the SFI awards programmes concluded that Science Foundation Ireland complied with the requirements of the Public Spending Code.

¹⁰ <https://www.sfi.ie/research-news/publications/annual-reports>

APPENDIX 4 EI Grant expenditure thresholds/approval limits

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

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

Note 1: Enterprise Ireland Committees & approvals

- i. **Investment Committee** - Total funding packages of up to €3 million, subject to previous accumulated funding approvals for one undertaking being €5 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 Management Approvals Committee (MAC)** - The MAC is a sub-committee of the Investment Committee.
- iv. 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.
- v. Funding for the Capital Investment Initiative is in the form of a capital grant. The minimum grant available is €20,000 and the maximum grant is €250,000.
- vi. Funding for the suite of Exploring Opportunities grants are funded up to a cumulative maximum of €150,000 for any one client over a 12 month rolling period.
- vii. **Industrial Research and Commercialisation Committee (IRCC)** - Range: Up to €3 million, subject to previous accumulated funding approvals for one undertaking being €5 million within the previous 2 years.

Line Management Approval Powers

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

Enterprise Ireland Board

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

APPENDIX 5 IDA Grant expenditure thresholds/approval limits

Controls Environment

The Board of IDA Ireland 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 IDA Ireland's 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.

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

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

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

IDA Ireland Grant Approval Limits

IDA Ireland Board can approve grants over €900,000 up to €7.5 million. The grant amount of €7.5 million is defined as the aggregate of all previous grants approved within each grant type - not the aggregate of all grants approved for the company. For example, the Board can approve aggregate grants for RD&I up to €7.5 million before Government approval is needed. If there is a previous Government approval for aggregate RD&I grants greater than €7.5 million, then the previous approval turns the clock back to zero; and additional RD&I grants can be approved up to another €7.5 million before Government approval is again needed.

In addition to the above limits, the total amount of monies to be paid in respect of the following; Capital grants; Grants for fixed assets leased; Employment and Shares cannot exceed €15 million in aggregate without obtaining Government approval.

To further strengthen its procedures, the Board established a Management Investment Committee, chaired by the Chief Executive Officer of IDA Ireland. 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 €900,000.

APPENDIX 6 SFI Grant expenditure thresholds/approval limits

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

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

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

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

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

APPENDIX 7 Checklists – Department and Agencies

Name of Body	Which checklists provided
Department of Enterprise, Trade and Employment	Checklist 1
Enterprise Ireland	Checklists 1 to 7
IDA Ireland	Checklists 1 to 7
SFI	Checklists 1 to 7

Scoring Mechanism for checklists

	Self-Assessment Ratings	
	Scoring Mechanism	
A compliance rating of 1–3 is used	1	Scope for significant improvements
	2	Compliant but with some improvement necessary
	3	Broadly compliant

Department of Enterprise, Trade and Employment – Checklist 1

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

	General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating 1 - 3	Discussion/Action Required
1.1	Does the Department ensure, on an ongoing basis, that appropriate people within the Department, and in its agencies, are aware of their requirements of the Public Spending Code (incl. through training)?	1	No formal specific training on the Quality Assurance procedures element of the Code is currently available but Departments/ Agencies should refer to the DPER website for information. ¹¹
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	1	No. As set out above.
1.3	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	
1.4	Has the Department in its role as Sanctioning Authority satisfied itself that the agencies that it funds comply with the Public Spending Code?	3	Yes. This Quality Assurance Report is evidence of this work.
1.5	Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to agencies?	n/a	No recommendations received in past three years from DPER.
1.6	Have recommendations from previous Quality Assurance exercises been acted upon?	n/a	No recommendations received in past three years from DPER.
1.7	Has an annual Public Spending Code Quality Assurance Report been submitted to and certified by the Department's Accounting Officer and published on the Department's website?	3	Yes, Quality Assurance Reports for the years 2013 – 2019 have been certified by DETE's Accounting Officer and published on DETE's website. This is the eighth such report.

¹¹ <https://www.gov.ie/en/publication/public-spending-code/>

1.8	Was the required sample of projects/programmes subjected to in-depth checking as per Step 4 of the QA process?	3	Yes, as outlined in the Quality Assurance Report and in the reports from the agencies.
1.9	Is there a process in place to plan for ex post evaluations?	3	Yes. See pages 8 and 9 of this report for Agency Programme Evaluations.
1.10	How many formal evaluations have been completed in the year under review? Have they been published in a timely manner?	3	Two evaluations noted in reference to year under review which were published in 2020/21.

Enterprise Ireland – Checklist 1

Checklist 1 – To be completed in respect of general obligations not specific to individual projects/programmes.

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	3	All relevant staff are aware of the requirements of the Public Spending Code. The key managers are involved in the annual audit and brief their staff members.
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	3	Completed as required when roles change.
1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	3	All EI processes comply with the code.
1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	DETE obligation under Code.
1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes. All findings are reported to and monitored by the ARC.
1.6	Have recommendations from previous QA reports been acted upon?	3	Yes, as part of our Issue tracking process which is overseen by the Audit and Risk Committee.
1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities Accounting Officer and published on the Approving Authorities website?	n/a	DETE obligation under Code.
1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes

1.9	Is there a process in place to plan for ex post evaluations?	2	On a cyclical basis all EI offers are evaluated ex-post. The EI Policy team will engage with DETE on the incorporation of new offers into planning for future evaluations.
1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	3	Two – Disruptive Technologies Innovation Fund (DTIF) and Research, Development and Innovation Fund (RD&I). Both published.
1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	3	Final reports presented to Management team of Enterprise Ireland. Actions are taken arising from these presentations.
1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	3	The decision makers are aware of all significant risks through the Corporate Risk Register.

Enterprise Ireland – Checklist 2

Checklist 2 – To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the year under review.

	Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
Q 2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	3	Yes – capital projects are subjected to detailed preliminary appraisal and are reviewed for approval by the Investment Committee/Board.
Q 2.2	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date? Have steps been put in place to gather performance indicator data?	3	Yes
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	3	Yes
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	3	Yes
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	3	Yes
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	3	Yes
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3	Yes
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	3	Yes
Q 2.9	Was the evidence base for the estimated cost set out in each business case? Was an appropriate methodology used to estimate the cost? Were appropriate budget contingencies put in place?	3	Yes
Q 2.10	Was risk considered and a risk mitigation strategy commenced? Was appropriate consideration given to governance and deliverability?	3	Yes – captured in the Corporate Risk Register.

Q 2.11	Were the Strategic Assessment Report, Preliminary and Final Business Case submitted to DPER for technical review for projects estimated to cost over €100m?	n/a	No such projects.
Q 2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	3	Yes.
Q 2.13	Were procurement rules (both National and EU) complied with?	3	Yes.
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	n/a	No such projects.
Q 2.15	Were State Aid rules checked for all support?	3	Yes.
Q 2.16	Was approval sought from the Approving Authority at all decision gates?	3	Yes – within agreed delegated power limits
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	3	Yes.
Q 2.18	Was approval sought from Government through a Memorandum for Government at the appropriate decision gates for projects estimated to cost over €100m?	n/a	No such projects – COVID schemes were approved by Government.

Enterprise Ireland – Checklist 3

Checklist 3 - To be completed in respect of new current expenditure proposals under consideration in the year under review.

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
3.1	Were objectives clearly set out?	3	Yes
3.2	Are objectives measurable in quantitative terms?	3	Yes
3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	3	Yes
3.4	Was an appropriate appraisal method used?	3	Yes
3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	3	Yes
3.6	Did the business case include a section on piloting?	3	Where appropriate.
3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	2	COVID emergency response did not allow for pilot of COVID response schemes
3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	No such pilots
3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	n/a	No such pilots
3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	Additional funds have been allocated for Sustaining Enterprise Fund (SEF) based on empirical evidence.
3.11	Was the required approval granted?	3	Yes
3.12	Has a sunset clause been set?	3	Schemes have a finite date.
3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	Yes
3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	3	Yes
3.15	Have steps been put in place to gather performance indicator data?	3	Yes

Enterprise Ireland – Checklist 4

Checklist 4 – To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
Q 4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3	Yes – a signed Letter of Offer is required for all capital projects.
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3	Yes
Q 4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes – a Development Advisor or dedicated program manager co-ordinates implementation.
Q 4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Yes
Q 4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes – time extensions are considered by committee and may be granted in exceptional circumstances.
Q 4.7	Did budgets have to be adjusted?	3	A twice annual reallocation process is standard practice. There was significant additional budget in 2020 for SEF and other offers associated with the emergency response.
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes
Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?	3	No
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	n/a	n/a

Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3	There was significant extra demand for SEF funding and approval was sought from DETE and DPER for extra funding to respond to this demand.
Q 4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No.

Enterprise Ireland – Checklist 5

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

	Incurring Current Expenditure	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
5.1	Are there clear objectives for all areas of current expenditure?	3	Yes
5.2	Are outputs well defined?	3	Yes
5.3	Are outputs quantified on a regular basis?	3	Yes
5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Yes
5.5	Are outcomes well defined?	3	Yes
5.6	Are outcomes quantified on a regular basis?	3	Yes, through regular meetings with Project Manager.
5.7	Are unit costings compiled for performance monitoring?	3	Yes, where relevant.
5.8	Are other data compiled to monitor performance?	3	Yes, where relevant.
5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes, mostly through formal scheduled reviews.
5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	3	Ongoing discussions with DETE and our policy team on schedules of evaluations and methodologies to be used.

Enterprise Ireland – Checklist 6

Checklist 6 - To be completed in respect of capital projects/programmes that completed during the year & capital grant schemes discontinued in the year under review.

	Capital Expenditure Recently Completed	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
Q 6.1	How many Project Completion Reports were completed in the year under review?	3	The capital projects are all grant or Seed and Venture Capital related. Grant Projects are reviewed as standard before payment. S&VC reviews are presented to the Board of EI.
Q 6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3	Any new funding proposal going to committee for an existing client includes an update on previous projects. S&VC reviews include outcomes and recommendations where relevant.
Q 6.3	How many Project Completion Reports were published in the year under review?	3	One for each grant that ended.
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	n/a	This would only be relevant for programs which ended. There were none.
Q 6.5	How many Ex-Post Evaluations were published in the year under review?	3	DTIF and RD&I were published – these programs are still operational.
Q 6.6	Were lessons learned from Ex-Post Evaluation reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3	Yes
Q 6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	3	Yes
Q 6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	n/a	No such projects.

Enterprise Ireland – Checklist 7

Checklist 7 - To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

	Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	2	It is standard for the contract manager to review the effectiveness of their contract when it is complete. These reviews are not always documented.
7.2	Did those reviews reach conclusions on whether the programmes were efficient?	3	Yes
7.3	Did those reviews reach conclusions on whether the programmes were effective?	3	Yes
7.4	Have the conclusions reached been taken into account in related areas of expenditure?	3	Yes
7.5	Were any programmes discontinued following a review of a current expenditure programme?	n/a	No – there is a continuing need for the services provided.
7.6	Were reviews carried out by staffing resources independent of project implementation?	2	No – this would be standard for some contracts but not all e.g., Internal Audit outsourcing would be reviewed by the CFO with the program manager.
7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	3	No – this would be standard for some contracts but not all e.g., Internal Audit outsourcing would be reviewed by the CFO with the program manager.

IDA Ireland – Checklist 1

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

	General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1–3	Comment/Action Required
1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	2	All appropriate people are aware – The CFO, Compliance manager and the Secretary to the Board.
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	1	No formal specific training on the Quality Assurance procedures element of the Code. Departments/ Agencies may refer to the DPER website for information.
1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	3	Yes – as it applies to relevant capital grant awards.
1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	IDA Ireland is not an Approving Authority.
1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes
1.6	Have recommendations from previous QA reports been acted upon?	3	Yes
1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities Accounting Officer and published on the Approving Authorities website?	n/a	DETE obligation under Code.
1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes – a sample of at least 5% was subjected to in-depth checking in 2020.
1.9	Is there a process in place to plan for ex post evaluations?	n/a	All projects are reviewed upon completion. However, a formal ex post evaluation may not be carried out
1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	n/a	
1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	n/a	
1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	n/a	

IDA Ireland – Checklist 2

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

	Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	2	A Formal SAR was not completed. However, planned expenditures are included in the IDA Property Strategy & the IDA Property Budget planning cycle
2.2	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date? Have steps been put in place to gather performance indicator data?	2	The take-up (commercial outcome) of land and buildings Within IDA's Property portfolio is monitored on a regular basis. An economic cost benefit analysis on the building programme was undertaken during the period of the last strategy (approved by the Board in June 2021).
2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	2	Yes. Business Cases are developed as part of the IDA Property strategy development process, thus approved by Government & again through the annual budget planning cycle. The case for development of buildings remains under constant review up to the point of construction contract commitment.
2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	3	Yes. The IDA Strategy, the IDA Property Strategy and all property investments are aligned to the NPF and national sustainability objectives.

2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	2	Yes. Business Cases are developed as part of the strategy development process, thus approved by Government & again through the annual budget planning cycle. The case for development of buildings remains under constant review up to the point of construction contract commitment.
2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	3	Yes. Business Cases are developed as part of the strategy development process, thus approved by Government & again through the annual budget planning cycle. The case for development of buildings remains under constant review up to the point of construction contract commitment. IDA Property develop buildings due to market failure. We are a developer of last resort and deliver quality sustainable solutions in regional locations. Commercial attractiveness is always considered as part of the strategy development process.
2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3	Yes. Business cases are developed as part of the strategy development process.
2.8	Were sufficient options analysed in the business case for each capital proposal?	3	Yes. Options are considered based on client demand, opportunities, commercial property supply, Brexit impact, existing IDA client clusters, the NPF, location of education institutions, areas of economic need, market failure, budget among other considerations.

2.9	Was the evidence base for the estimated cost set out in each business case?	3	Yes. The cost of all property developments is considered in the context of the quality, scale and sustainability standards of proposed developments. All developments are independently reviewed in advance of entering a construction contracts.
	Was an appropriate methodology used to estimate the cost?	3	Yes. External experts are engaged on all projects to advise on cost. Recently completed projects of a similar scale and quality are generally benchmarked when developing budget plans. Some are benchmarked to tender price inflation, property market inflation, among others.
	Were appropriate budget contingencies put in place?		Yes
2.10	Was risk considered and a risk mitigation strategy commenced?	3	Yes
	Was appropriate consideration given to governance and deliverability?	3	Yes
2.11	Were the Strategic Assessment Report, Preliminary and Final Business Case submitted to DPER for technical review for projects estimated to cost over €100m?	n/a	There were no projects estimated to cost over €100 million.
2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	3	Yes
2.13	Were procurement rules (both National and EU) complied with?	3	Yes
2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	3	Yes
2.15	Were State Aid rules checked for all support?	3	Yes

2.16	Was approval sought from the Approving Authority at all decision gates?	3	Yes. DETE approves an annual budget allocation to IDA Ireland. The budget allocation across Departments and projects is then approved at Executive Committee and Board Level. Any changes to the initial budget figures is approved at the appropriate Committee/Board. The Industrial Development Acts require IDA to obtain the permission of Government to offer grants to companies over certain cumulative amounts.
2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	3	Yes. All approvals are based on recommendations of external professional experts. Projects and programmes are reviewed at each decision stage.
2.18	Was approval sought from Government through a Memorandum for Government at the appropriate decision gates for projects estimated to cost over €100m?	n/a	There were no projects estimated to cost over €100 million.

IDA Ireland – Checklist 3

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

	Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
3.1	Were objectives clearly set out?	3	Yes, in Invitation to tender (ITT). In addition, all property objectives are set out in the IDA strategy, the property strategy & the budget planning cycle.
3.2	Are objectives measurable in quantitative terms?	3	Yes
3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	3	Payments in accordance with budget approved by Executive Committee/Board. Business Cases are developed as part of the strategy development process, thus approved by Government & again through the annual budget planning cycle.
3.4	Was an appropriate appraisal method used?	3	Yes. All valid tenders received are reviewed by an evaluation panel and scored on the pre-defined evaluation criteria included in the ITT in order to ascertain the most economically advantageous tender. In addition, a detailed assessment of the property market and offering per above is completed for every IDA strategy.
3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	3	There are no new current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.

3.6	Did the business case include a section on piloting?	n/a	There are no new current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	n/a	There are no new current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	There are no new current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	n/a	n/a
3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	n/a	n/a
3.11	Was the required approval granted?	3	Yes – approved at appropriate IDA Committee/Board.
3.12	Has a sunset clause been set?	2	All contracts for property, goods and services are for a specified period.
3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	Yes
3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	3	Yes – set out in signed contract.
3.15	Have steps been put in place to gather performance indicator data?	3	Yes, including performance reviews clauses detailed in the contract, where appropriate.

IDA Ireland - Checklist 4

To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3	Yes. Contracts are put in place in all such cases in line with the relevant approval.
4.2	Did management boards/steering committees meet regularly as agreed?	3	Yes
4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes
4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Yes. Project managers reporting to the budget holder are in place for all relevant projects.
4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes – Project managers reporting to the budget holder are in place for all relevant projects.
4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes
4.7	Did budgets have to be adjusted?	n/a	No
4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes
4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?	3	Yes. IDA Property Division constantly reviews its investment decisions right up to the point of construction contract commitment.
4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	Yes
4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3	Yes. Any changes are approved by the appropriate Committee, where required.
4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	n/a	No

IDA Ireland – Checklist 5

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

	Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1	Are there clear objectives for all areas of current expenditure?	3	Yes. All expenditure >€500k is approved at the appropriate IDA Committee. The Committee document sets out clear objectives. These are then incorporated in the relevant contract. In advance of this the budget is approved at the appropriate level. In addition, all property related expenditure is agreed through the Property Strategy, Tender & the Budget planning process.
5.2	Are outputs well defined?	3	Yes
5.3	Are outputs quantified on a regular basis?	3	Yes, through Contract Management measures.
5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Yes, including performance reviews and Contract Management measures where appropriate.
5.5	Are outcomes well defined?	3	Yes, in the contract.
5.6	Are outcomes quantified on a regular basis?	3	Yes, through Contract Management measures.
5.7	Are unit costings compiled for performance monitoring?	3	Yes, where appropriate
5.8	Are other data compiled to monitor performance?	3	Yes, where appropriate
5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes, through Contract Management & monitoring measures.
5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	3	Yes – marketing of all property is monitored on a regular basis to ensure projects are addressing market gaps and meeting client demands.

IDA Ireland - Checklist 6

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

	Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1	How many Project Completion Reports were completed in the year under review?	2	All projects are reviewed upon completion. However, formal project completion reports were not prepared.
6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	n/a	n/a
6.3	How many Project Completion Reports were published in the year under review?	n/a	n/a
6.4	How many Ex-Post Evaluations were completed in the year under review?	n/a	All projects are reviewed upon completion. However, formal project completion reports were not prepared.
6.5	How many Ex-Post Evaluations were published in the year under review?	n/a	n/a
6.6	Were lessons learned from Ex-Post Evaluation reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	n/a	n/a
6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	n/a	n/a
6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	n/a	There were no projects with a value in excess of €50 million.

IDA Ireland - Checklist 7

To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

	Current Expenditure that (i) reached the end of its planned timeframe or (ii) Was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	2	Yes. Final account reviews were approved by relevant Committees & Boards for programmes that matured and were discontinued. Other current expenditure programmes that matured in 2020 were reviewed regularly during the contract period and were not discontinued as new contracts were put in place.
7.2	Did those reviews reach conclusions on whether the programmes were efficient?	2	Yes, for programmes that matured and were discontinued.
7.3	Did those reviews reach conclusions on whether the programmes were effective?	2	Yes, for programmes that matured and were discontinued.
7.4	Have the conclusions reached been taken into account in related areas of expenditure?	2	Yes, for programmes that matured and were discontinued.
7.5	Were any programmes discontinued following a review of a current expenditure programme?	n/a	No
7.6	Were reviews carried out by staffing resources independent of project implementation?	2	Yes – by external QA Team for programmes that matured and were discontinued.
7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	n/a	No

Science Foundation Ireland – Checklist 1

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

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	n/a	It was not deemed necessary due to the type of capital expenditure at SFI i.e., capital grants
Q 1.2	Has internal training on the Public Spending Code been provided to relevant staff?	n/a	It was not deemed necessary due to the type of capital expenditure at SFI i.e., capital grants.
Q 1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	n/a	SFI has introduced detailed procedures for the whole life cycle of grant awards covered by SOPs.
Q 1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	
Q 1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	n/a	No recommendations from prior year reports.
Q 1.6	Have recommendations from previous QA reports been acted upon?	n/a	
Q 1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities Accounting Officer and published on the Approving Authorities website?	n/a	DETE obligation under Code.
Q 1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	IAU in DETE carry out this exercise in respect of SFI.
Q 1.9	Is there a process in place to plan for ex post evaluations?	n/a	No ex post evaluations for grants – only research centres as appropriate.
Q 1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	n/a	No formal evaluations of programmes have been carried out in 2020.

Q 1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	n/a	
Q 1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	n/a	No ex post evaluations for grants – only research centres as appropriate.

Science Foundation Ireland – Checklist 2

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

	Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 2.1	Was a Strategic Assessment Report (SAR) completed for all capital projects and programmes over €10m?	n/a	As SFI awards research grants the evaluation process includes an external peer review process and internal/Board sign-off - documented in the Standard Operating Procedures for SFI.
Q 2.2	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date? Have steps been put in place to gather performance indicator data?	3	Yes - KPIs are set for the large Research Centre awards which are monitored on a regular basis throughout the award, including external site visits every two years.
Q 2.3	Was a Preliminary and Final Business Case, including appropriate financial and economic appraisal, completed for all capital projects and programmes?	n/a	See Q2.1 above.
Q 2.4	Were the proposal objectives SMART and aligned with Government policy including National Planning Framework, Climate Mitigation Plan etc?	n/a	
Q 2.5	Was an appropriate appraisal method and parameters used in respect of capital projects or capital programmes/grant schemes?	3	Yes - see Q2.1 above.
Q 2.6	Was a financial appraisal carried out on all proposals and was there appropriate consideration of affordability?	n/a	The appraisals carried out are scientific in nature – the financial budget is reviewed as well.
Q 2.7	Was the appraisal process commenced at an early enough stage to inform decision making?	3	Yes - see Q2.1 above
Q 2.8	Were sufficient options analysed in the business case for each capital proposal?	n/a	See Q2.1 above
Q 2.9	Was the evidence base for the estimated cost set out in each business case?	n/a	See Q2.1

	Was an appropriate methodology used to estimate the cost? Were appropriate budget contingencies put in place?	n/a	See Q2.1 above
Q 2.10	Was risk considered and a risk mitigation strategy commenced? Was appropriate consideration given to governance and deliverability?	3	Yes - see Q2.1 above
Q 2.11	Were the Strategic Assessment Report, Preliminary and Final Business Case submitted to DPER for technical review for projects estimated to cost over €100m?	n/a	
Q 2.12	Was a detailed project brief including design brief and procurement strategy prepared for all investment projects?	n/a	Not relevant for scientific research proposals
Q 2.13	Were procurement rules (both National and EU) complied with?	n/a	Not relevant for scientific research proposals
Q 2.14	Was the Capital Works Management Framework (CWMF) properly implemented?	n/a	Not relevant for scientific research proposals
Q 2.15	Were State Aid rules checked for all support?	n/a	Yes - for future awards a detailed checklist for State Aid Compliance will be required to be completed for all awards. All programmes have been reviewed from a legal perspective and SFI will carry out Ex-Ante and Ex-Post State Aid compliance checks.
Q 2.16	Was approval sought from the Approving Authority at all decision gates?	3	Yes, as appropriate in accordance with SFI Approval Thresholds
Q 2.17	Was Value for Money assessed and confirmed at each decision gate by Sponsoring Agency and Approving Authority?	n/a	
Q 2.18	Was approval sought from Government through a Memorandum for Government at the appropriate decision gates for projects estimated to cost over €100m?	n/a	

Science Foundation Ireland – Checklist 3

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

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 3.1	Were objectives clearly set out?	3	Yes – covered in annual approved non-payroll budget/allocation.
Q 3.2	Are objectives measurable in quantitative terms?	3	For each year's budget process each department seeking budget approval for non-payroll current expenditure prepares a justification/business case for large projects. All approvals in excess of €50,000 must be approved by the Executive Committee.
Q 3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	n/a	There were no Business cases prepared in 2020 for large current expenditure proposals.
Q 3.4	Was an appropriate appraisal method used?	n/a	
Q 3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	n/a	
Q 3.6	Did the business case include a section on piloting?	n/a	
Q 3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	n/a	
Q 3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	
Q 3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	n/a	
Q 3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	n/a	
Q 3.11	Was the required approval granted?	n/a	

Q 3.12	Has a sunset clause been set?	n/a	
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	n/a	
Q 3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	n/a	
Q 3.15	Have steps been put in place to gather performance indicator data?	n/a	

Science Foundation Ireland – Checklist 4

To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 4.1	Was a contract signed and was it in line with the Approval given at each Decision Gate?	3	All awards made by SFI require a Letter of Offer signed by the Research Body and Principal Investigator.
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3	All awards made are approved by the SFI Executive and GAC. SFI Board approves if awards >€20m.
Q 4.3	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".
Q 4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	All awards have SFI Scientific Programme Managers assigned to each award.
Q 4.5	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.
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	SFI monitors each award on an individual basis and if projects are falling behind due to recruitment or other issues then the applicant can apply for a No Cost Extension to the award – (with no extra budget).
Q 4.7	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 (Budget reallocation Requests) but the budgets are never increased.
Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes

Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)?	3	For large awards there is a mid-term review (attended by overseas expert reviewers) and if there were major concerns over the success of the project a decision could be made to terminate the award.
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	Yes - see above.
Q 4.11	If costs increased or there were other significant changes to the project was approval received from the Approving Authority?	3	You cannot exceed the original approved amount for an award - 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.
Q 4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	There could be various reasons why an award could be terminated i.e., if the Investigator left the country – but this has not happened frequently to date in SFI.

Science Foundation Ireland – Checklist 5

To be completed in respect of current expenditure programmes incurring expenditure in the year under review.

	Incurring Current Expenditure	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 5.1	Are there clear objectives for all areas of current expenditure?	3	Yes, they would be set out as part of the approval process – memo to individual Director or to the Executive committee depending on level of expenditure. All expenditure requests over €50k are approved by the Executive Committee.
Q 5.2	Are outputs well defined?	3	Yes, as part of the approval process see Q5.1 above
Q 5.3	Are outputs quantified on a regular basis?	3	The Department Heads would regularly review the outputs of the service received and would deal directly with the supplier of that service.
Q 5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Monthly Mgt. accounts are maintained by SFI –variances are explained - distributed to Executive & Board.
Q 5.5	Are outcomes well defined?	3	Yes, reports on meetings held and emails between Finance and Department Heads.
Q 5.6	Are outcomes quantified on a regular basis?	3	On a monthly basis.
Q 5.7	Are unit costings compiled for performance monitoring?	n/a	
Q 5.8	Are other data compiled to monitor performance?	n/a	
Q 5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Monthly management accounts with report on YTD budget variances to Executive.
Q 5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	3	The Strategy department has from time to time initiated external reviews of specific programmes i.e. Last review undertaken of the SFI Discover Programme was undertaken in 2018.

Science Foundation Ireland – Checklist 6

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

	Capital Expenditure Recently Completed	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 6.1	How many Project Completion Reports were completed in the year under review?	3	For the 2013 Research Centres which expired in 2020 a Post Audit / Year 6 review was undertaken in 2020.
Q 6.2	Were lessons learned from Project Completion Reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3	Yes, lessons were learned from the 2012 Research Centres 6 year evaluation reviews which happened in 2019.
Q 6.3	How many Project Completion Reports were published in the year under review?	3	5 Research Centres 6 year evaluation reviews happened in 2020.
Q 6.4	How many Ex-Post Evaluations were completed in the year under review?	3	Site visits are carried out for all multiyear awards once during the life of the award. SFI do not undertake post project review for these individual awards.
Q 6.5	How many Ex-Post Evaluations were published in the year under review?	n/a	See above Ex post reviews are not “published” by SFI.
Q 6.6	Were lessons learned from Ex-Post Evaluation reports incorporated into sectoral guidance and disseminated within the Sponsoring Agency and the Approving Authority?	3	SFI take learnings from all external site visits on board for future planning of site visits.
Q 6.7	Were Project Completion Reports and Ex-Post Evaluations carried out by staffing resources independent of project implementation?	3	All post project reviews were carried out by external expert reviewers in the research area who are all based overseas.
Q 6.8	Were Project Completion Reports and Ex-Post Evaluation Reports for projects over €50m sent to DPER for dissemination?	n/a	Not applicable for 2020.

Science Foundation Ireland – Checklist 7

To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

	Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	n/a	Most of the current expenditure in SFI relates to either Programmes Management costs which happen every year or for IT or accommodation costs which are contracted for. SFI cannot identify major current expenditure programmes that were discontinued during the year.
Q 7.2	Did those reviews reach conclusions on whether the programmes were efficient?	n/a	
Q 7.3	Did those reviews reach conclusions on whether the programmes were effective?	n/a	
Q 7.4	Have the conclusions reached been taken into account in related areas of expenditure?	n/a	
Q 7.5	Were any programmes discontinued following a review of a current expenditure programme?	n/a	
Q 7.6	Were reviews carried out by staffing resources independent of project implementation?	n/a	
Q 7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	n/a	