



An Roinn Iompair,
Turasóireachta agus Spóirt
Department of Transport,
Tourism and Sport

Quality Assurance Process 2018

Main Report

June 2020

Prepared by the Department of
Transport, Tourism and Sport

www.dttas.ie

Certification

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

Signature of Accounting Officer:


Graham Doyle

Irish Government Economic & Evaluation Service

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Executive Summary

This report fulfils a requirement under the Public Spending Code (PSC) for each Department to put in place an internal, independent, quality assurance (QA) procedure that reports annually on how the Department and its agencies are meeting their PSC obligations. This is the sixth QA report to be published by the Department of Transport, Tourism and Sport (DTTAS) since the PSC came into effect in September 2013 [Department of Public Expenditure and Reform (DPER), Circular 13/13].

The main findings of the report are summarised below under the five key steps required to be completed under the QA procedure.

Step 1 — Inventory of Expenditure

In 2018, DTTAS had 451 projects/programmes valued in excess of €500,000 across the three different spending categories identified in the PSC in its portfolio, yielding a total projected inventory value of approximately €25bn¹. There were 143 projects/programmes in the appraisal, planning or design phase (**Expenditure Being Considered**), 253 on-going projects/programmes (**Expenditure Being Incurred**), and 57 projects/programmes that were concluded or discontinued in 2018 (**Recently Ended Expenditure**)².

The 143 projects/programmes in the **Being Considered** spending category accounted for €10.9bn of the total inventory value, with 93 of the projects/programmes being road improvement projects with a combined value in excess of €6.4 billion. In terms of sustainable mobility, Iarnród Éireann was considering several major projects regarding the electrification and expansion of the DART, with a combined projected cost of approximately €3bn. Actual expenditure on the appraisal, planning and design of these 143 projects/programmes in 2018 was approximately €144.6m³.

On-going projects and programmes in the **Expenditure Being Incurred** spending category accounted for approximately €10.5bn of the total inventory value, with 113 road-related and 38 public transport and sustainable transport projects/programmes again comprising the bulk of the inventory. Elsewhere, 17 projects/programmes in the Department's Sport portfolio accounted for over €130m in total projected expenditure, while 57 projects/programmes in the Department's Tourism portfolio had a combined total projected expenditure of approximately €90m³. Total 2018 current and capital expenditure on the 253 on-going projects/programmes was approximately €3.4bn.

¹Of the 451 projects/programmes in the inventory, 18 projects/programmes whose total value has yet to be determined and 49 rolling expenditure programmes have not been included in the projected inventory value. However, these projects/programmes are included in the actual expenditure figures which follow.

²The numbers assigned to each category of expenditure (Being Considered, Being Incurred and Recently Ended) add up to 452 rather than 451. This is due to the Tourism Ireland Web and Creative Development Project being classified as Expenditure being considered/Expenditure being incurred and therefore counted under both categories.

³Both of these figures include the Tourism Ireland Web and Creative Development Project however it has only been counted once in the total inventory value.

The combined whole life-cycle expenditure on the 57 **Recently Ended** projects/programmes in 2018 was €3.6bn, which was €486m below the total budgeted cost of €4.1bn. Some projects came in significantly below their projected cost, such as **Newlands Cross**, which had a projected cost: €81.2m, and an actual cost of €23.4m (71% less than projected), and **Motorway service areas Tranche 1** which had a projected cost of €112.4m and an actual cost of €303m (73.3% less than projected). However, in both of these cases the actual cost quoted does not include other payments due under the PPP agreement. Actual 2018 expenditure on these projects/programmes amounted to approximately €115m.

Further inventory details may be found in Section 3, and an itemised copy of the Inventory of Expenditure arranged by budget subhead is also provided in **Appendix A**.

Step 2 — Procurements valued in excess of €10 million

In total, DTTAS and the agencies under its remit held 44 procurement contracts valued in excess of €10 million in 2018. Only one of these contracts were directly held by DTTAS—the Irish Coast Guard Helicopter Search and Rescue Service contract. The majority of the remaining procurement contracts were held by the National Transport Authority (NTA), Iarnród Éireann (IÉ), and Transport Infrastructure Ireland (TII) for the provision of public transport services and road maintenance and construction.

New procurement contracts include a contract with Go-Ahead Transport Services for the provision of public transport services on Waterford City Routes.

Further details regarding these contracts may be found in Section 4 and **Appendix B**.

Step 3 — Self-Assessed Compliance Checklists

The PSC contains a set of seven checklists that allow Departments and their agencies to self-assess their level of compliance with the PSC. While **Checklist 1** refers to the Department's obligations as a whole and is not specific to individual projects/programmes, **Checklists 2–7** refer to capital and current expenditure at different stages of the expenditure life-cycle and were completed by all DTTAS divisions and agencies sponsoring Exchequer expenditure.

In terms of **Expenditure Being Considered**, **Expenditure Being Incurred** and **Recently Ended Expenditure** DTTAS is satisfied that its Divisions and Agencies demonstrated high levels of compliance with the PSC. High levels of compliance were evident in checklist responses for both current and capital expenditure, although some Divisions and Agencies have highlighted areas where further improvement could be made in terms of project monitoring and reporting. These areas, as identified through the self-assessment checklists, will be internalised by divisions and agencies and acted upon as necessary.

Further details regarding these checklists are provided in Section 5 and **Appendix C**.

Step 4 — In-Depth Checks

As part of the QA process, each year a subset of projects/programmes are selected for in-depth checks of their compliance with the PSC. The primary aim of these checks is to evaluate the standards employed in the financial management, planning and implementation of the selected projects/programmes. The PSC stipulates that in-depth checks should analyse 5% of the total inventory value per annum, or ensure that 15% of the total inventory value is evaluated over a 3-year cycle.

Four projects were selected for in-depth checks in this year's report, comprising 12.4% (i.e., €3.1bn) of the total inventory value. While this is much larger than the 5% guideline, the MetroLink project for which there is currently a €3bn budget allocation, comprises the vast majority of this value. DTTAS considered that there would be greater value added through also completing checks on a series of less costly projects, in addition to Metrolink, which without this large project would struggle to meet the 5% target even as a bundle.

- **Roads — Shannon Crossing Bridge, Killaloe Bypass, R494 Improvement**
 - Expenditure Being Incurred, projected cost of €62m.
- **Tourism — Tourism Ireland Web and Creative Development Project**
 - Expenditure Being Considered/Expenditure Being Incurred, project cost of €4m.
- **Sustainable Transport — MetroLink**
 - Expenditure Being Incurred, allocation of €3bn.
- **Sport — National Indoor Arena Phase 2**
 - Expenditure Being Incurred, total actual expenditure of €25.1m.

These checks conclude that, generally, the projects assessed are in compliance with the Public Spending Code. During the review of Killaloe Bypass, Shannon Bridge Crossing and R494 Improvement project, some PSC requirements which had not been met were identified. However, this project was recently reviewed by SRAD, as part of the project appraisal standard review process and the amendments required for PSC compliance were identified, and communicated to the sponsoring authority. The bulk of PSC discrepancies can be attributed to the fact that this project predates the implementation of the PSC (it is a pre-2013 project), but had been on hold until recently due to funding shortfalls. Following SRA's review an updated business case is being drafted, and it is anticipated that the final version of this document will achieve PSC compliance.

The in-depth check of National Indoor Arena Phase II Project is an example of the unsuitability of CBA in the appraisal of some large scale sports infrastructure projects, due to the difficulty in monetising their benefits. This difficulty has been previously identified within the in-depth check for Páirc Uí Chaoimh, completed as part of the 2017 QAP process. The completion of this project faced a number of delays, primarily due to a legal dispute and the resulting conciliation process between the construction contractor and Sport Ireland. Additionally, the appraisal process could have been more efficient had a CEA been identified as the appropriate method of appraisal at an earlier stage. There is a need within DTTAS, to develop improved appraisal guidance for the appraisal of large scale sports capital infrastructure, to assist with the monetising of the benefits arising from

these projects, and to ensure the most appropriate methods of economic appraisal are identified at the earliest possible stage in the appraisal process.

In the case of this project, once a combined MCA/CEA appraisal process was identified as appropriate, and included in the final business case, it was reviewed by the EFEU/SRAD and found to be compliant with the Public Spending Code. This method was identified as appropriate by SRAD for the appraisal of Dalymount Park Redevelopment, another large scale capital infrastructure project in 2018 at an early stage in the appraisal process, indicating that insights and learning gained from earlier projects are being implemented.

These in-depth checks are summarised in Section 6, and copies of the completed reports are available in **Appendix D**.

Step 5 — Summary Report

The publication of this report fulfils the Department's obligation to produce a summary report outlining its expenditure and level of compliance with the PSC. Overall, DTTAS is satisfied that the divisions and agencies under its aegis had a high level of compliance with the PSC in 2018.

1. Introduction

This report has been compiled by the Department's Strategic Research and Analysis Division (SRAD), whose high-level function is to provide DTTAS with an internal strategic, analytic and research resource to ensure that the Department's policy and programme development, monitoring and evaluation mechanisms are evidence-based and objectives-led. As one of the compliance mechanisms identified in the PSC, the QA process aims to consider the extent to which Departments and their associated agencies are meeting their obligations as set out in the PSC, and assess whether the State is achieving value-for-money in its use of public funds.

The QA process comprises five steps:

1. **Compiling an inventory of expenditure of all projects/programmes valued in excess of €500,000.**
This inventory should incorporate projects/programmes at every stage of the project/programme life-cycle (i.e., planning, design, appraisal, implementation and post-implementation), and these phases are mapped onto the three stages of expenditure spending identified in the PSC, i.e., **Expenditure Being Considered, Expenditure Being Incurred** and **Recently Ended Expenditure**.
2. **Publication of summary information of all procurement contracts valued in excess of €10 million.**
Summary information of all such procurements, whether new, in progress or completed in the year under review, must be published on the Department and relevant agencies' websites.
3. **Completion of self-assessed compliance checklists.** This set of seven checklists enables Departments and agencies under their remit to self-assess their level of compliance with respect to capital and current expenditure PSC obligations at each stage of the expenditure life-cycle.
4. **In-depth checks on a subset of projects/programmes.** The primary aim of these checks is to evaluate the standards employed in the economic appraisal, and general PSC compliance of projects/programmes across their entire life-cycle. On average, the combined value of the projects/programmes selected for in-depth checks should account for 5% of the total inventory value, or ensure that an average of 5% per annum of the inventory value is reviewed over a three-year period.
5. **Publication of an annual Quality Assurance Report.** An annual QA report that summarises Steps 1–4 above and that flags any potential compliance issues. The summary report must be approved by the Department's Accounting Officer before publication and return to DPER for review.

The publication of this report thus fulfils the fifth QA requirement with respect to the Department's expenditure and level of PSC compliance in 2018.

1.1 Agencies/Bodies Subject to the Quality Assurance Process

Over the course of the QA process, SRAD engaged with all DTTAS divisions, and through them, with each agency and (semi-)state body under the Department's aegis⁴

⁴ <https://www.gov.ie/en/collection/0533ba-agencies-under-the-aegis-of-the-department-of-transport-tourism-and-/>

As the main agencies in receipt of Exchequer funding and responsible for the implementation of the majority of the Department's projects/programmes, the following six agencies were automatically subject to a full QA review:

National Transport Authority
Iarnród Éireann
Transport Infrastructure Ireland
Tourism Ireland
Fáilte Ireland
Sport Ireland

As with the Department's previous QA reports, it was agreed that the National Transport Authority would also complete the process on behalf of Iarnród Éireann for its Greater Dublin Area expenditure, and with respect to Bus Éireann and Dublin Bus expenditure (i.e., the Córas Iompair Éireann group of transport operators). The Road Safety Authority was also subject to a complete QA review.

With respect to self-funded commercial state bodies overseen by the Department, DPER has previously advised that a full QA review is not required and a letter of assurance confirming their compliance with the PSC is sufficient. Divisions charged with oversight of the respective bodies thus either confirmed that they did not have any projects/programmes valued in excess of €500,000 in 2018, or sought similar letters of assurance confirming their compliance with the PSC.

Finally, as commercial bodies, the seven port companies overseen by DTTAS in 2018 were not required to undergo a full QA review. As five returned statements from the Chairpersons of their Boards confirming their compliance with the *Code of Practice for the Governance of State Bodies*, in addition to completing a Corporate Governance checklist that queries the port's financial controls and level of PSC compliance, letters of assurance were not sought from these ports. Similar returns from the two remaining port companies, Dún Laoghaire Harbour Company and New Ross Port, were not sought as oversight of these companies was being transferred to the Dún Laoghaire–Rathdown and Wexford local authorities, respectively.

2. Inventory of Expenditure

This section details the Department's inventory of expenditure in greater detail. The inventory was compiled in accordance with DPER guidance on the PSC and QA process and itemises all 2018 expenditure on DTTAS projects/programmes that are valued in excess of €500,000. It is further differentiated into three expenditure thresholds (i.e., €500,000–€5m, €5m–€20m, and above €20m) and for each of the three stages of the expenditure life-cycle.

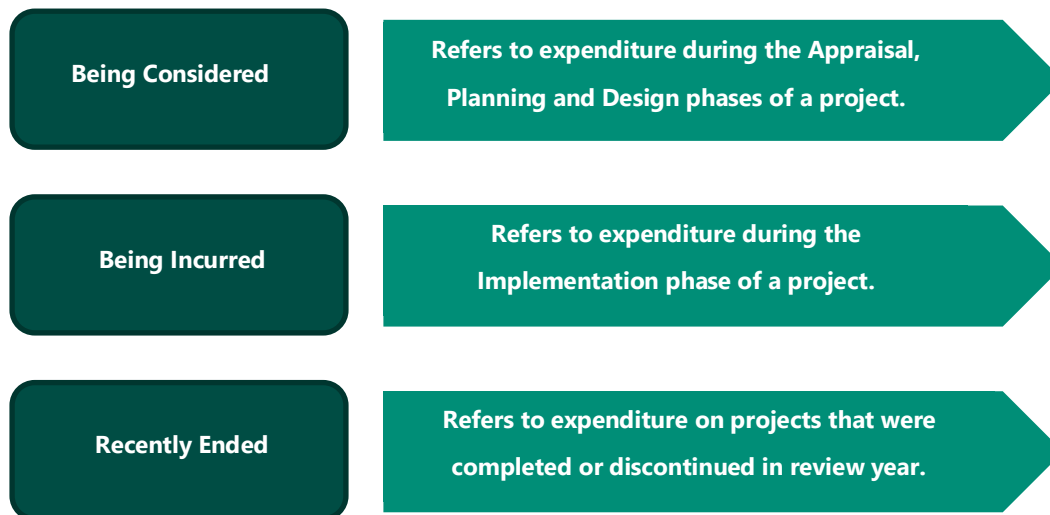


Table 1 details the actual 2018 expenditure on projects/programmes listed in the inventory and the total projected inventory value according to the life-cycle phase. In total there were 451 projects/programmes valued in excess of €500,000 in the Department's portfolio in 2018, of which 65 were current and 378 were capital expenditure projects/programmes.

The total inventory value is projected to be in excess of €25 billion. This value does not incorporate the 90 rolling expenditure projects⁵ and 22 projects/programmes whose projected costs have yet to be determined.

Table 1: Actual 2018 Expenditure and Projected Inventory Value by Life-Cycle Phase

	2018 Current	2018 Capital	Projected Value
Being Considered	€90,957,056	€4,471,551,676	€10,891,895,829
Being Incurred ⁶	€2,068,497,229	€1,388,448,649	€10,515,931,854
Recently Ended	-	€65,193,414	€3,616,131,906

⁵ Rolling expenditure items are programmes which are scheduled to occur indefinitely; therefore there is no estimate of their full lifetime cost as the duration of their lifetime is undetermined.

⁶ This figure includes the Tourism Ireland Web and Creative Development project (€4 million), which has been categorised as Expenditure Being Considered/ Being Incurred following an in-depth check.

Total Expenditure	€2,159,454,285	€5,925,193,739	€25,023,959,589
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2.1 Expenditure Being Considered

Table 2 provides a summary of the projects/programmes valued in excess of €500,000 that were in the appraisal, planning or design phase in 2018, arranged by budget subhead. There were a total of 143 projects/programmes in the **Expenditure Being Considered** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- The vast majority of projects in the appraisal, planning or design phase in 2018 were capital expenditure projects. Of the 138 capital projects, 92 related to road improvements and upgrades and 13 related to public transport projects, including one multi-billion project in the NTA's portfolio—the DART Expansion programme, and a wide range of Iarnród Éireann projects and programmes dedicated to upgrading existing infrastructure or services .
- Only three current expenditure projects/programmes valued in the €500,000–€5m expenditure bracket were under consideration: the provision of training in the use of night-vision equipment for the Irish Coast Guard (IRCG) ⁷, and two Tourism Marketing Fund programmes from Tourism Ireland, including Tourism Ireland Web and Creative Development project which has been categorised as Expenditure Being Considered/Being Incurred.
- There were 13 road projects under consideration whose projected costs have yet to be determined, due to the early stage in the project lifecycle. These projects are primarily realignment or road improvement projects and a combined total of €460,000 was spent on these projects in 2018.
- There were no new civil aviation projects/programmes valued in excess of €500,000 under consideration in 2018.
- In addition to IRCG's current expenditure programme for lease of telecommunication lines, other projects under consideration in the Maritime sector included the construction of a series of Coast Guard buildings, and the replacement of aged IRCG radio equipment.
- There were two projects under consideration valued in excess of €500,000 in the Department's Sports portfolio in 2018, the Large Scale Sport Infrastructure Fund and another by Sport Ireland, construction of a national velodrome and badminton centre with a projected cost of €16m.
- Potentially the largest programme under consideration by DTTAS in the Tourism sector was the Greenway Strategy, where it is planned to issue grants in excess of €500,000 to local authorities to support the development of local greenways. The total projected budget of this programme is to be determined.

⁷ This project is referred to under two expenditure categories- 'Being Considered' and 'Being Incurred'. The Being Considered component comprises one project milestone and its corresponding budget and expenditure, whereas the Being Incurred component includes a different project milestone and the corresponding budget and expenditure

An itemised inventory with further details on all projects/programmes that were under consideration in 2018 is available in **Appendix A**.

Table 2: **Expenditure Being Considered – number of projects/programmes by budget subhead**

Subhead		Current Expenditure				Capital Expenditure					Count
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A3	Regional Airports	0	0	0	0	0	0	0	0	0	0
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	0	0	22	25	32	0	13	92
B4	Road Safety Agencies	0	0	0	11	7	0	0	0	0	18
B5	Vehicle and Driver Licensing	1	0	0	0	0	0	0	0	0	1
B6	Carbon Reduction	0	0	0	0	1 ⁸	0	0	0	0	1
B7	Public Service Provision Payments	0	0	0	0	0	0	0	0	0	0
B8	Public and Sustainable Transport	0	0	0	0	3	1	9	0	0	13
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C3	Maritime Admin. and IRCG	1	0	0	0	8	0	0	0	0	9
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	0	0	0	0	0	0
D4	Large Scale Sporting Infra. Fund	0	0	0	0	0	0	1	0	0	1
D5	Sport Ireland	0	0	0	0	0	1	0	0	0	1
D6	Dormant Account Funding	0	0	0	0	0	0	0	0	0	0
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	0	0	0	0	0	1	0	0	0	1
E4	Tourism Ireland	0	0	0	0	0	0	0	0	0	0
E5	Tourism Marketing Fund	0	1	1	0	0	0	0	0	0	2
E6	Tourism Product Development	1	0	0	0	1	1	0	0	0	3
E7	Greenways	0	0	0	0	0	0	0	0	1	1
Total no. of projects/programmes		3	1	1	11	42	29	42	0	14	143

⁸ A delay in the delivery of hybrid buses meant that this expense was actually incurred in 2019, not 2018 as originally anticipated.

2.2 Expenditure Being Incurred

Table 3 provides a summary of the number of projects/programmes valued in excess of €0.5 million that were in the implementation or roll-out phase in 2018, arranged by budget subhead. As the table identifies, there were a total of 252 projects/programmes in the **Expenditure Being Incurred** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- Of the 252 schemes listed in the inventory, 201 involved capital expenditure and 51 involved current expenditure, yielding a roughly 80:20 split in the Department's ongoing capital and current project/programme distribution.
- The bulk of ongoing DTTAS projects/programmes are in the land transport category, which accounted for 172 of the 252 projects and a projected inventory value in excess of €9.7bn.
- DTTAS' Regional Airports programme required €4.5m and €3.7m in operational and capital grants, respectively, and an additional €7.25m in payments for the provision of PSO air services to Kerry and Donegal airports. It is worth noting that the operational expenditure included two emergency payments of €375,000 to Waterford Airport, as it is one of four bases for the operation of search and rescue services.
- Actual expenditure on the 113 road improvement/maintenance schemes being undertaken in 2018 amounted to almost €1bn. Approximately €800m was allocated through TII to national roads and PPP payments, with the remainder being allocated to regional and local roads through the Department's Roads Division.
- Within public transport, Public Service Obligation (PSO) payments amounted to €299m in 2018. While these programmes are in effect rolling current expenditure programmes⁹, as contracts are in place with programme operators, they have been listed in accordance with their projected contract value.
- Approximately €300m was spent on 27 public and sustainable transport capital investment projects in 2018, including €75m on heavy rail projects and programmes, €90m on upgrading the bus fleet and €65m on Luas Cross City and Green Line upgrades. The projected inventory value of these 27 schemes amounts to €11bn.
- DTTAS' Maritime sector had four ongoing projects/programmes, all with the IRCG. These were the Coast Guard's Helicopter Search and Rescue programme, night vision imaging training for the equipment on the helicopters¹⁰, replacement of coast guard vehicles, and the provision of courses for volunteers.
- Actual 2018 expenditure on projects/programmes in the Department's Sports portfolio amounted to €128.5m. This included €765,000 to Castlebar Swimming Pool and Leisure Centre, and a series of other

⁹ Subhead B7 includes the Smarter Travel, Green Schools and Rural Transport schemes, in addition to the PSO public transport programmes.

¹⁰ This project is referred to under two expenditure categories- 'Being Considered' and 'Being Incurred'. The Being Considered component comprises one project milestone and its corresponding budget and expenditure, whereas the Being Incurred component includes a different project milestone and the corresponding budget and expenditure.

grants for sporting bodies including €6.5m for Kerry Sports Academy and €3.4m for Pairc Ui Chaoimh. Approximately €57.1m of this expenditure was spent on Sport Ireland programmes.

- Of the 56 projects/programmes in the Department's Tourism portfolio, 13 were current expenditure programmes being run by Fáilte Ireland at a cost of approximately €26m.
- 2018 capital expenditure on tourism included 38 Tourism Development and 5 Greenway schemes. These schemes include €50,000 on Galway's Cultural Tourism District, €68,000 on Newgrange Visitor Hub, and €280,000 on Dublin Orientation Programme. The total projected values of three of the five Greenways have yet to be determined; the two Waterford Greenway projects have a combined total projected value of approximately €3m.

An itemised inventory with further details on all projects/programmes in the implementation phase in 2018 is available in **Appendix A**.

Table 3: Expenditure Being Incurred – number of projects/programmes by budget subhead

Subhead		Current Expenditure				Capital Expenditure					Count
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A3	Regional Airports	1	1	0	0	1	0	0	0	0	3
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	2	0	20	31	22	37	1	113
B4	Road Safety Agencies	10	1	0	0	5	0	1	0	0	17
B5	Vehicle and Driver Licensing	1	0	0	0	0	0	0	0	0	1
B6	Carbon Reduction	1	0	0	0	2	0	0	0	0	3
B7	Public Service Provision Payments	0	0	0	0	0	0	0	0	0	0
B8	Public and Sustainable Transport	0	0	11	0	0	11	16	0	0	38
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C2	Maritime Admin. Non-Pay	0	0	0	0	0	0	0	0	0	0
C3	Maritime Admin. and IRCG	2	0	1	0	1	0	0	0	0	4
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	2	1	2	0	0	4
D4	Large Scale Sporting Infra. Fund	0	0	0	0	0	0	0	0	0	0
D5	Sport Ireland	0	0	0	7	3	0	1	1	0	12
D6	Dormant Account Funding	0	0	0	0	0	0	0	0	0	0
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	0	0	0	13	0	0	0	0	0	13
E4	Tourism Ireland	0	1	1	0	0	1	0	0	0	3
E5	Tourism Marketing Fund	0	0	0	0	0	0	0	0	0	0
E6	Tourism Product Development	0	0	0	0	33	4	0	1	0	38
E7	Greenways	0	0	0	0	2	0	0	0	3	5
Total no. of projects/programmes		15	3	15	20	69	48	42	39	4	252

2.3 Expenditure Recently Ended

Table 4 provides a summary of the number of projects/programmes valued in excess of €500,000 that were in the post-implementation or project-review phase in 2018, arranged by budget subhead. As the table identifies, there were a total of 57 projects/programmes in the **Recently Ended Expenditure** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- All 57 projects/programmes that were completed in 2018 were capital expenditure projects, of which four were Fáilte Ireland Tourism Development Product projects, and the other fifty-three were in the land transport sector, which includes roads and public/sustainable transport.
- Actual 2018 expenditure on these projects amounted to almost €83m, while the combined whole life-time cost of these projects/programmes was approximately €3.6bn. The combined total of whole life-time cost was €500m below the projected business case costs.
- 37% of completed schemes (i.e., 21 projects/programmes) were in the €0.5m-5m expenditure bracket, 33% (19 projects/programmes) were in the €5–20m expenditure range, and 31.6% (18 projects/programmes) had a life-time cost in excess of €20m.
- Seven of the 42 roads projects completed in 2018 were the construction of a bypass, nine were road realignments, three were bridge improvements, and two were roundabout construction. Almost all road projects were completed in line with or in some cases, seemingly significantly below their budgeted costs; Such as the Motorway Service Areas (Tranche 1), and Newlands Cross which both came in at less than 30% of their projected cost, at actual costs of €30,331,979.00 and €23,443,758.00 respectively. In both of these projects the discrepancy between total expenditure figures quoted in the inventory of expenditure, and the projected costs can be largely attributed to the delivery model used for these projects. The projected costs were based on a traditional delivery model, however the Motorway Service Areas (Tranche 1), and Newlands Cross were delivered via a PPP model in which the upfront expenditure will later be followed by a series of other payments which are not included in the headline figure quoted within the inventory of expenditure underpinning this report.
- For public transport, two of the 10 projects came in significantly above their projected costs. Both of these over-budget projects were smarter travel and sustainable transport measures, at a combined actual cost of approximately €2.6m. The combined projected/budgeted cost of these measures was €1.5m. In the case of the High Density Cycle Parking Project, the budget over run is attributed to a significant increase in the scale of the project beyond what had been originally envisioned, and the cost of requirements to comply with fire access and other items, such as personal security requirements were larger than initially envisaged. This resulted in larger than expected construction costs. In the case of the Luas Cross City Associated Traffic Measures project, the increase the costs were due to the additional construction works required during 2017, 2018 and 2019 to address operational issues such as traffic signalling adjustments, additional security and CCTV requirements and other telecommunication changes necessary to accommodate Light Rail provision in the City Centre; and additional pavement

works were necessary in a number of locations throughout the City Centre to accommodate safe cycling.

An itemised inventory with further details on all projects/programmes in the post-implementation or project-review phase in 2018 is available in **Appendix A**.

Table 4: Recently Ended Expenditure – number of projects/programmes by budget subhead

Subhead		Current Expenditure				Capital Expenditure					Count
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A3	Regional Airports	0	0	0	0	0	0	0	0	0	0
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	0	0	12	13	17	0	0	42
B4	Road Safety Agencies	0	0	0	0	0	0	0	0	0	0
B5	Vehicle and Driver Licensing	0	0	0	0	0	0	0	0	0	0
B6	Carbon Reduction	0	0	0	0	0	0	0	0	0	0
B7	Public Service Provision Payments	0	0	0	0	0	0	0	0	0	0
B8	Public and Sustainable Transport	0	0	0	0	5	4	1	0	0	10
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C3	Maritime Admin. and IRCG	0	0	0	0	0	0	0	0	0	0
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	0	0	0	0	0	0
D4	Large Scale Sporting Infra. Fund	0	0	0	0	0	0	0	0	0	0
D5	Sport Ireland	0	0	0	0	0	0	0	0	0	0
D6	Dormant Account Funding	0	0	0	0	0	0	0	0	0	0
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	0	0	0	0	0	0	0	0	0	0
E4	Tourism Ireland	0	0	0	0	0	0	0	0	0	0
E5	Tourism Marketing Fund	0	0	0	0	0	0	0	0	0	0
E6	Tourism Product Development	0	0	0	0	4	0	0	0	0	4
E7	Greenways	0	0	0	0	0	0	0	0	0	0
Total no. of projects/programmes		0	0	0	0	21	18	18	0	0	57

3. Procurement Contracts

As required under the QA process, DTTAS has published summary information on our website of all procurement contracts valued in excess of €10m. In total, DTTAS held one procurement contract valued in excess of €10m in 2018:

- The Irish Coast Guard Helicopter Search and Rescue Service contract with CHC Ireland Ltd., valued at €630m and due to expire in 2022.

As set out in Table 5 below, agencies under the Department's remit held 43 procurement contracts valued in excess of €10m in 2018.

Table 5: DTTAS agency procurement contracts valued in excess of €10 million

No. of procurement contracts valued in excess of €10 million	
Agency	Count
National Transport Authority	6
Iarnród Éireann	7
Transport Infrastructure Ireland	25
Sport Ireland	1
Fáilte Ireland	2
Tourism Ireland	2
Total Count	43

Further details regarding these procurement contracts are provided in **Appendix B**, or through the following link:
<https://www.gov.ie/en/organisation-information/a7eabb-procurement-over-10-million/>

4. Self-Assessed Compliance Checklists

4.1 Self-Assessment Checklists

The third step in the QA process involves completing a set of high-level checklists covering all expenditure valued in excess of €500,000. The seven checklists allow Departments and agencies under their aegis to self-assess their compliance with their obligations with respect to the expenditure of public money, as set out in the PSC. The seven checklists cover:

- **Checklist 1** — General obligations not specific to individual projects/programmes;
- **Checklist 2** — Capital Expenditure Being Considered;
- **Checklist 3** — Current Expenditure Being Considered;
- **Checklist 4** — Capital Expenditure Being Incurred;
- **Checklist 5** — Current Expenditure Being Incurred;
- **Checklist 6** — Recently Ended Capital Expenditure; and,
- **Checklist 7** — Recently Ended Current Expenditure.

Each question in the checklist is judged in accordance with the following 3-point scale:

- 1 — Scope for significant improvements;
- 2 — Compliant but some improvement necessary; and,
- 3 — Broadly or fully compliant.

Checklist 1 was coordinated and completed by SRAD on behalf of DTTAS, while all divisions and agencies that directly sponsored expenditure were tasked with completing Checklists 2-7 in relation to their own expenditure. As with previous QA reports, the National Transport Authority completed Checklists 2-7 on behalf of Dublin Bus, Bus Éireann and Iarnród Éireann (for GDA expenditure).

Tables 6–12 present an aggregated summary of each Divisional and Agency return. It should be noted that no current expenditure projects/programmes were concluded in 2018 and so no returns were received for Checklist 7.

The self-assessed scores presented in Tables 6-12 are as provided by each division and agency. It should be noted that as not all questions in each checklist were applicable to the responding division or agency, or capable of being reconciled with the designated 3-point scale response required, readers should review the additional commentary provided by divisions and agencies in **Appendix C** for further clarity in relation to the presented scores.

Table 6: Self-Assessed Compliance Checklists

Checklist 1: General Obligations		
Question	Rating (0-3)	Comment
Does the Department ensure, on an on-going basis, that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	3	All relevant staff are aware. In addition, the Department's Strategic Research and Analysis Division provides internal economic appraisal expertise and support to policy units and assesses all Business Cases valued in excess of €5m for compliance with the Public Spending Code.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e., DPER)	3	Appraisal training in CBAs, MCAs and Business Cases, have been delivered through the IGEES network.
Has internal training on the Public Spending Code been provided to relevant staff?	3	Yes. Training was provided in 2018 that covered a number of aspects of the PSC and appraisal best practice.
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?	3	Sectoral guidelines are provided in the Department's Common Appraisal Framework for Transport Projects and Programmes (CAF), which was published in 2016. The CAF is aligned with the PSC and updated parameters and guidance notes are being prepared to further improve the Department's appraisal methodology. The CAF is currently being updated to be brought into line with the updated 2019 Public Spending Code.
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	Overall, DTTAS agencies demonstrate a high level of compliance with the PSC. Agencies are assessed through the annual Quality Assurance process, via Value for Money and Policy Reviews and Focused Policy Assessments, and all project appraisals with a value exceeding €5m are checked for compliance with the PSC.
Have recommendations from previous Quality Assurance exercises (incl. old spot-checks) been disseminated, where appropriate, within the Department and to your agencies?	3	Yes. The results of all in-depth checks and spot-checks are shared and discussed with the relevant Division/Agency.
Have recommendations from previous Quality Assurance exercises been acted upon?	2	Broadly, yes. The Department's sectoral guidance is currently being updated to ensure compliance with newest version of the PSC, which was published in late Q4 2019
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure and Reform?	3	Yes
Was the required sample subjected to a more in-depth review, i.e., as per Step 4 of the QA process?	3	Yes
Has the Accounting Officer signed off on the information to be published to the website?	3	Yes

Table 7: Self-Assessed Compliance Checklists

Checklist 2: Capital Expenditure Being Considered							
Question	Rating						
	NTA	IÉ	RSA	Roads¹¹	TII	Sport Ireland	Fáilte Ireland
Was a Preliminary Appraisal undertaken for all projects valued in excess of €5m?	3	3	3	N/A	3	3	3
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	3	3	N/A	3	3	3
Was a CBA/CEA completed for all projects valued in excess of €20m?	3	3	N/A	N/A	3	3	3
Were appraisal processes commenced at an early stage to facilitate decision-making? (i.e., prior to the decision)	3	3	N/A	N/A	3	3	3
Was Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase (e.g. procurement)?	3	3	3	N/A	2	3	3
If a CBA/CEA was required, was it submitted to DPER's Central IGEES Unit for their views?	3	N/A	N/A	N/A	3	3	N/A
Were the NDFA consulted for projects costing more than €20m?	N/A	3	N/A	N/A	3	3	N/A
Were all projects that went forward for tender in line with the Approval in Principle, and if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	N/A	3	N/A	N/A	2	3	N/A
Was approval granted to proceed to tender?	N/A	3	3	N/A	2	3	N/A
Were procurement rules complied with?	N/A	3	3	N/A	3	3	3
Were state aid rules checked for all supports?	N/A	3	N/A	N/A	N/A	N/A	3
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	N/A	3	3	N/A	3	3	3
Were performance indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	N/A	3	3	N/A	2	3	3
Have steps been put in place to gather performance indicator data?	N/A	3	3	N/A	3	N/A	2

¹¹ In the case of the Roads Division, the N/A response to Checklist 2 is explained by the division acting as the sanctioning authority for regional and local road grant expenditure, rather than sponsoring expenditure directly. Therefore, the procurement and self-assessment sections are not applicable.

Table 8: Self-Assessed Compliance Checklists

Checklist 3: Current Expenditure Being Considered		
Question	Ratings	
	RSA	Fáilte Ireland
Were objectives clearly set?	3	3
Are objectives measurable in quantitative terms?	3	3
Was an appropriate appraisal method used?	3	3
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	3	3
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	3
Was the required approval granted?	3	3
Has a sunset clause been set?	3	3
Has a date been set for the pilot and its evaluation?	N/A	N/A
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	N/A
If outsourcing was involved, were procurement rules complied with?	3	3
Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	3	3
Have steps been put in place to gather performance indicator data?	3	3

Table 9: Self-Assessed Compliance Checklists

Checklist 4: Capital Expenditure Being Incurred											
Question	Rating										
	Airports	ISD	DVCSD	NTA	IÉ	RSA	TII	CCU	Sport Ireland	Tourism Dev.	Fáilte Ireland
Was a contract signed and was it in line with the approval in principle?	3	3	3	3	3	3	3	3	3	2	3
Did Management Boards/Steering Committees meet regularly as agreed?	N/A	3	3	3	3	3	3	3	3	1	3
Were programme coordinators appointed to facilitate implementation?	3	3	3	3	3	3	3	3	3	3	3
Were project managers responsible for delivery appointed, and were the project managers at a suitable senior level for the scale of the project?	N/A	3	3	3	3	3	3	3	2	3	3
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	2	2	3	3	3	3	2	2	3	2	3
Did the project keep within its financial budget and its time schedule?	3	2	3	3	3	3	3	2	3	2	2
Did budgets have to be adjusted?	3	3	3	3	3	3	3	Yes	3	2	2
Were decisions on changes to budgets/time schedules made promptly?	3	3	3	3	3	3	3	3	3	3	2
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	Yes	3	3	3	N/A	No	3	No	3	2	3
If circumstances did warrant questioning the viability of a project, was the project subjected to adequate examination?	Yes	N/A	N/A	3	N/A	N/A	3	N/A	3	2	N/A
If costs increased, was approval received from the Sanctioning Authority?	Yes	3	N/A	3	3	N/A	3	3	3	3	3
Were any projects terminated because of deviations from the plan, budget or because circumstances in the environment changed the need for the investment?	N/A	3	N/A	3	3	No	3	Yes	3	2	3
For significant projects, were quarterly reports on progress submitted to the Management Board and to the Minister?	N/A	N/A	N/A	3	3	N/A	3	N/A	3	N/A	2

Table 10: Self-Assessed Compliance Checklists

Checklist 5: Current Expenditure Being Incurred										
Question	Rating									
	Airports	ISD	DVCSD	IÉ	RSA	NTA	CCU	TII	Sport Ireland	Fáilte Ireland
Are there clear objectives for all areas of current expenditure?	3	3	3	3	3	3	N/A	3	3	3
Are outputs well-defined?	3	3	3	3	3	3	N/A	2	3	3
Are outputs quantified on a regular basis?	3	3	2	3	3	3	N/A	2	3	3
Is there a method for monitoring efficiency on an on-going basis?	3	3	2	3	3	3	N/A	2	3	3
Are outcomes well defined?	3	3	3	3	3	3	N/A	2	3	2
Are outcomes quantified on a regular basis?	3	3	2	3	3	3	N/A	3	3	2
Are unit costings compiled for performance monitoring?	3	1	2	3	Yes	3	N/A	2	N/A	2
Is there a method for monitoring effectiveness on an on-going basis?	3	3	2	3	3	3	N/A	2	3	3
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	2	1	1	3	N/A	3	N/A	2	3	2
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	N/A	N/A	N/A	N/A	N/A	3	N/A		N/A	N/A
Have all VFMs/FPAs been published in a timely manner?	N/A	N/A	N/A	N/A	Yes	3	N/A	3	N/A	N/A
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	N/A	N/A	2	3	Yes	3	N/A	3	N/A	N/A
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	N/A	N/A	2	N/A	Yes	3	N/A	3	N/A	N/A

Table 11: Self-Assessed Compliance Checklists

Checklist 6: Capital Expenditure Recently Ended							
Question	Rating						
	DVCSD	NTA	IÉ	TII	Tourism Dev.	Sports Ireland	Fáilte Ireland
How many post project reviews were completed in the year under review?	3	3	3	3	3	3	1
Was a post project review completed for all projects/programmes valued in excess of €20 million?	N/A	3	N/A	3	N/A	3	N/A
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?	3	3	3	3	3	3	N/A
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	2	3	3	3	3	3	1
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	2	3	N/A	2	3	3	N/A
Were project reviews carried out by staffing resources independent of project implementation?	2	3	3	2	3	3	2

Table 12: Self-Assessed Compliance Checklists

Checklist 7: Current Expenditure Recently Ended¹²	
Question	Ratings
	Division/Agency
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	-
Did those reviews reach conclusions on whether the programmes were effective?	-
Did those reviews reach conclusions on whether the programmes were efficient?	-
Have the conclusions reached been taken into account in related areas of expenditure?	-
Were any programmes discontinued following a review of a current expenditure programme?	-
Was the review commenced and completed within a period of 6 months?	-

¹² No current expenditure was 'recently ended' during 2018

4.2 Analysis of Checklists and Issues Arising

The completed checklists demonstrate that DTTAS divisions and agencies consider themselves to have a high level of compliance with the PSC.

Checklist 1 — General Obligations

Overall, DTTAS has been proactive in implementing its general obligations as set out in the PSC. DTTAS considers 2017–2019 to represent a three-year cycle, and is well on track to reach the target of conducting in-depth checks on 15% of the inventory value over three years. Although the 5% annual target was not achieved in 2017 (in-depth checks represented 4.3% of inventory value in 2017), 12.4% of the inventory value has been subject to in-depth checks in the 2018 QA process. In both years, the 5% target was considered alongside the aim of reviewing projects from a broad range of programme categories.

Checklist 2 — Capital Expenditure Being Considered

Seven bodies under DTTAS's remit had capital projects/programmes in the appraisal, planning or design phase in 2018, with combined 2018 expenditure on these projects/programmes amounting to €145m

Checklist 3 — Current Expenditure Being Considered

Two checklist responses were received with respect to current expenditure projects/programmes in the Being Considered phase, from the RSA and Fáilte Ireland. Both bodies report full compliance with their PSC obligations. Tourism Ireland have not completed this checklist as all of Tourism Ireland is effectively one project and that is managed/monitored via the annual budgeting process and ROMI/brand tracker.

Checklist 4 — Capital Expenditure Being Incurred

DTTAS had seven divisions and five agencies directly sponsoring on-going capital expenditure projects/programmes in 2018. Actual expenditure on these projects amounted to €1.37bn and, overall, a high level of compliance was reported. However, DTTAS' Tourism Development Division which funded several Greenway construction projects, noted that the Management Boards/Steering Committees should meet more regularly and that there is room for improvement on the monitoring and evaluation of projects, particularly in cases where projects have deviated from projected budgets, timelines or project plans.

Checklist 5 — Current Expenditure Being Incurred

DTTAS incurred €534.7m on current expenditure projects/programmes in 2018, of which bus, air and rail PSO, regional airports and other Rural Transport commitments amounted to €310m. Tourism spending amounted to €26 million, and Sports spending was €35.2m in 2018. Overall, a high level of compliance was reported by all divisions and agencies. It should be noted that almost all DTTAS current expenditure projects/programmes are rolling programmes such as the PSO contracts or yearly maintenance programmes, which are subject to on-going performance monitoring and periodic evaluation.

Checklist 6 — Capital Expenditure Recently Ended

Six DTTAS bodies reported having recently ended capital expenditure projects/programmes in 2018. Final payments incurred in 2018 amounted to approximately €83m, and overall the combined life-cycle cost of €3.57bn was below the total projected project/programme expenditure of €4.08bn. Overall, a high level of compliance was reported, however due to the nature of the large capital infrastructure projects, sufficient time will need to elapse before post-project reviews can be undertaken.

Checklist 7 — Current Expenditure Recently Ended

No DTTAS current expenditure projects/programmes were concluded in 2018.

Copies of the responses received by each division and agency containing additional commentary are provided in **Appendix C**.

5. In-Depth Checks

The following section provides an overview of the four in-depth checks which were carried out as part of the QA process. After outlining the methodology behind the in-depth checks, a summary of each of the in-depth checks is presented.

The projects/programmes selected for review were:

- Shannon Crossing Bridge, Killaloe Bypass, R494 Improvement (Roads);
- Web and creative development (Tourism);
- National Indoor Arena Phase II (Sports); and,
- MetroLink (Public Transport).

Table 13: Overview of Projects/Programmes Selected for In-Depth Checks

In-depth Checks	
Project/Programme	Value
Roads	
Killaloe Bypass, Shannon Bridge Crossing and R494 Improvement	€62m
Tourism	
Tourism Ireland Web and Creative Development project	€4m
Public Transport	
MetroLink	€ 3bn
Sports	
National Indoor Arena Phase II	€25.1m
Total Value of In-depth Checks	€3.1bn
Projected Inventory Value	€25bn
% of Inventory Reviewed	12.4%

5.1 In-Depth Check Methodology

As part of the 2015 QA report, the Department's Economic and Financial Evaluation Unit (EFEU)—since renamed the Strategic Research and Analysis Division—drafted and implemented a standard methodology for carrying out in-depth checks. The 5-step methodology has been applied uniformly across each in-depth check and is based on the principals and guidance of the PSC and best-practice evaluation.

The 5 steps of each in-depth check are:

Step 1: Mapping the Programme Logic Model

Each project/programme is mapped to a Programme Logic Model (PLM) that defines the objectives, inputs, activities, outputs and impacts of a process into a coherent framework and facilitates best practice evaluation. PLMs are standard practice in evaluation and are utilised as a means of distilling information. The publication of these PLMs in the QA report will support further evaluation and assist the selection and completion of future reviews and other analyses.

Step 2: Establishing a summary timeline of the project/programme's life-cycle

A project timeline along each stage of the expenditure life-cycle—i.e., Expenditure Being Considered, Expenditure Being Incurred and Expenditure Recently Ended—is mapped out. The types of major events considered include the dates associated with decisions to proceed with certain analysis, project options and milestones, the publication of supporting the project/programme, and the finalisation of relevant reports.

Step 3: Analysing key project/programme documentation

Having outlined the project stages through the life-cycle, the in-depth check then examines in detail all material that has been compiled in order to plan, assess or implement the programme. In practice, this involves reviewing and analysing key documentation including business cases, cost-benefit analyses, evaluations or post-project reviews. The assessment of these documents will assist in the completion of the key evaluation questions.

Step 4: Conducting a data audit

In step 4, the in-depth check defines the data requirements for future evaluation and the current level of data availability. This assists in the identification of any data gaps and, steps to alleviate any issues are considered. The findings from this section are also used by SRAD to inform ongoing work on Departmental and sectoral data.

Step 5: Answering key evaluation questions

As a final step, the in-depth check assesses the programme on the basis of the three key evaluation questions listed below:

1. Does the delivery of the project/programme comply with the standards set out in the PSC?
2. Is the necessary data and information available such that the project/programme can be subjected to a full evaluation at a later date?
3. What improvements are recommended such that future processes and management is enhanced?

5.2 Killaloe Bypass, Shannon Bridge Crossing and R494 Improvement

Project/Programme Summary	
Name	Killaloe Bypass, Shannon Bridge Crossing and R494 Improvement
Description	<p>The scheme was proposed by Clare County Council and North Tipperary County Council to provide the appropriate road infrastructure for Killaloe and Ballina, whose historical character and community infrastructure is threatened by heavy traffic. The scheme proposes to cater for the planned local, regional and national development in this area. The proposed scheme has three elements:</p> <ul style="list-style-type: none"> • A new road crossing of the River Shannon, south of Killaloe, relieving the congested Old Killaloe Bridge; • A western bypass of Killaloe, connecting the new bridge with the R463 along the west bank of Lough Derg, removing through traffic from Killaloe; and, • On-line improvements to the R494, connecting this new bridge with the M7 link road at Birdhill.
Responsible Body	Clare County Council
Current Status	Expenditure being considered
Start Date	2005
End Date	2023
Projected Overall Cost	€69.5m

Analysis of the submissions to date for the Killaloe Bypass, Shannon Bridge and R494 identifies a number of further requirements need to be met before the project can be deemed to be compliant with the Public Spending Code and the Common Appraisal Framework. These requirements largely concern the setting of objectives, the lack of a financial appraisal and assessment of options for the R494 section and the application of shadow prices. The Sanctioning Authority should ensure that these requirements are met before allowing the project to proceed to Phases 4 and 5 in TII's project cycle. At the time of writing, a revised business case is currently being prepared by the project sponsors.

There are also a number of areas with regard to data collection for the project where considerable work remains. While collision data is available via the RSA and traffic counts have been conducted to allow for the generation of a cost-benefit analysis, other related studies, such as pedestrian and cyclist activity in the project study area, remain to be carried out. In addition, data on emissions and noise pollution, particularly in the urban environments of Killaloe and Ballina, has not been collected. These data should be collated both prior to implementation and post-completion of the project to facilitate an effective ex-post assessment of the impact of the project. It should also be noted that while the business case outlines a method to derive the scheme's impact

on tourism activity, accurately isolating the scheme's impact on tourism is likely to be difficult. The Sanctioning Authority in this case should ask for evidence to support the assessment method being proposed and more clarity on the proposed evaluation of the project in general.

Further details regarding this in-depth check are presented in **Appendix D**.

5.3 Tourism Ireland Web and Creative Development project

Project/Programme Summary	
Name	Tourism Ireland Creative Development project
Description	Development of creative communications platform
Responsible Body	Tourism Ireland
Current Status	Expenditure Being Considered/Expenditure Being Incurred
Start Date	October 2017
End Date	December 2019
Projected Overall Cost	€1.8m

The purpose of this in-depth check was to assess Tourism Ireland's (TI) initiative to develop a new creative communications platform to support wider TI efforts to increase the numbers of tourists visiting Ireland and help counter the erosion of TI's brand performance.

Overall, this review finds that TI identified a clear project need, had a robust internal assessment process in place, and that the procurement stage was carried out in accordance with OJEU regulations. We recommend that TI continue efforts to ensure appropriate records management and document retrieval procedures are put in place to ensure that the temporary loss of key personnel does not hinder wider project administration, but overall, we are satisfied that the creative development aspects of the project were conducted in line with PSC guidance.

Further details regarding this in-depth check are presented in **Appendix D**.

5.4 MetroLink

Project/Programme Summary	
Name	MetroLink
Description	MetroLink will be a north-south urban railway service running between Swords (a north county Dublin suburb) and the city centre, connecting high demand destinations such as Dublin Airport, Dublin City University, the Mater Hospital, Dublin city centre, and providing interchange with the Luas Green Line at Charlemont.
Responsible Body	Transport Infrastructure Ireland (TII)/ National Transport Authority (NTA)

Current Status	Expenditure Being Incurred
Start Date	2018 ¹³
End Date	2027
Projected Overall Cost	€3bn

The MetroLink is a project in the 'Expenditure Being Incurred' phase of the project lifecycle, as some of the project budget has already been spent. However, the project is still at an early stage and therefore the full business case is not yet available. Therefore this in-depth check evaluates the PSC compliance of the project so far, and references what should be included in the completed business case to ensure that the project is compliant as it progresses.

The Public Spending Code requires that projects are appraised to an appropriate level, depending on their projected cost. With a projected cost of over €3bn, MetroLink is an example of a mega project and requires a cost-benefit or cost-effectiveness analysis (required for projects costed at €20m or above), within which a range of options are appraised, including a do nothing/do minimum option. MetroLink's business case will include a CBA, and this document will be reviewed by SRAD to ensure compliance with the PSC. As the project is costed at above €100m, it will also be subject to technical review by the Investment Projects and Programmes Office within the Department of Public Expenditure and Reform.

The business case must include a comprehensive evaluation plan in which specific metrics/indicators are assigned to each of the project objectives, to ensure that the project can later be evaluated fully. The project appraisal plan supplied indicates that such an evaluation plan will be developed.

Overall, the documentation supplied for this in-depth check indicates that MetroLink is in compliance with the PSC at this stage of the project. As the project progresses, SRAD will review the economic appraisals developed as part of the business case to ensure continued compliance. This project commenced in 2018 and has so far operated under the requirements of the Public Spending Code published in 2013; however a revised version of the PSC was published in December 2019. Therefore future documents will be reviewed with reference to the 2019 iteration of the PSC in line with Circular 24/2019 which announced both the publication of the new PSC and the date from which it would be effective (1st of January 2020)

Further details regarding this in-depth check are presented in **Appendix D**.

5.5 National Indoor Arena Phase II

¹³ This project has had numerous iterations; however this in-depth check is concerned only on the latest version of this project -MetroLink- which commenced in 2018.

Project/Programme Summary	
Name	National Indoor Arena Phase II Project
Description	Capital project to build state-of-the-art indoor facilities that cater for a number of Irish sports teams
Responsible Body	Sport Ireland
Current Status	Expenditure Incurred
Start Date	July 2017
End Date	June 2019
Projected Overall Cost	€25.1m

The Project was completed in June 2019. It encountered a number of difficulties with PSC compliance as early drafts of the Business Case and related CBA analysis were found to have a number of technical issues such as the limited number of options assessed, the framing of project objectives, and application of the correct social discount rate.

The project encountered a number of delays mostly due to a legal dispute and resulting conciliation process between the construction contractor and Sport Ireland.

Following extensive correspondence between Sport Ireland and the EFEU, the business case was revised and a new appraisal methodology was agreed which used MCA and a CEA to decide on which option to proceed with. On this basis a revised business case was submitted to the EFEU in May 2017. Following an assessment by the EFEU this business case was adjudged to have been conducted in line with the guidance contained in the PSC and CAF.

It is worth noting that the estimated total cost of the project has been €25.1m, but given that the project is still in its final accounting stage and some invoices are still outstanding this is likely to increase slightly. This figure is broadly in line with the €28.5m estimated expenditure outlined in the project's final business case.

Further details regarding this in-depth check are presented in **Appendix D**.

6. Other Quality Assurance Items

6.1 Financial Spot Checks

In addition to the in-depth checks carried out as part of this QA process, the DTTAS Finance Division conducts financial spot-checks in relation to three areas of expenditure: Regional and Local Roads, the Sports Capital Programme, and Public Transport Investment and Sustainable Transport projects. This work supports the grant drawdown procedures as set out in the Department's Procedures for Internal Financial Controls (PIFCO).

These spot-checks provide a mechanism to assist with the auditing of financial systems and processes for projects/programmes in the Department's portfolio. This process differs from the in-depth check analysis which is more focused on the assessment of how PSC requirements are being met during the different phases of the project/programme life-cycle. The complementary nature of the two review mechanisms thus improves overall DTTAS oversight of the projects/programmes in its portfolio.

The following is a summary of spot-checks carried out in respect of 2018 expenditure

6.1.1 Regional and Local Roads

Spot checks are conducted to assess compliance with the relevant guidance within different expenditure areas. In the case of Regional and Local Roads, the Memorandum for Grants for Regional and Local Roads sets out the terms and conditions associated with the different grant programmes operated by the Department. The version of the Memorandum which was applicable for 2018 expenditure was effective from the 1 January 2018. The spot checks comprise a mix of desk checks and on-site inspections of regional and local road projects in receipt of grant funding by the policy vision, to review compliance with the funding Memorandum. In 2018 a sample of €36.8 million in expenditure was checked.

Table 14: Regional and Local Road Expenditure Spot-Checks

Spot-Checks of 2018 Regional and Local Road Expenditure	
County Council	Expenditure Examined
Longford	€83,754
Kilkenny	€498,409
Offaly	€140,900
Wexford	€1,962,566
Meath	€393,649
Wicklow	€6,224,123
Mayo	€5,681,758
Donegal	€21,804,245

Total RLR Examined	€36,789,404
2018 RLR Allocation	€416,800,000
% of 2018 RLR Allocation Examined	8.83%

6.1.2 Sports Capital Programme

The Finance Division completes checks on a sample of grants on an annual basis. However, the timeline for these checks runs from April to April, and therefore at the time of this report's compilation (March 2020) the checks on 2018's expenditure have not yet been completed.

6.1.3 Public Transport Investment and Sustainable Transport

As DTTAS's Public Transport Investment Division was the subject of a Comptroller and Auditor General report in 2017, in addition to an EU audit of expenditure on a major investment project, an internal spot-check of PT Investment expenditure was considered to be a duplication of those processes was therefore not undertaken in 2017.

Following the 2017 QA process it was intended to reintroduce a spot-check process (to be conducted by the policy division) for 2018 Public Transport Investment expenditure. However, no spot-check process was reintroduced for 2018 PT Investment expenditure as had been envisaged due to resource constraints and work programme pressures in other areas of the divisional business plan.

6.2 Implementation of VfM and FPA Recommendations

In December 2017, DTTAS published a VfM of the Driver Testing Service (DTS)¹⁴. The terms of reference for the review were to identify the rationale and objectives of the programme, to define the programme's inputs, to assess the efficiency of the use of these inputs, to examine the extent to which the programme is effective in meeting its objectives, to analyse relevant management and policy choices, and to specify future performance indicators for the programme's operation.

The VfM review presented a clear and robust assessment of the DTS and specified 24 recommendations and an implementation plan to improve the future performance and management of the programme. The Road Safety Authority (RSA) updated SRAD with regard to the implementation of the VfM's recommendations in January 2020, and a summary of their progress is presented below:

- **Improve Operation and Efficiency:** At the end of 2018, of the seven recommendations in this area, one had been completed, three were in progress, two required further scoping, and one awaited an update from DTTAS.
- **Improve Effectiveness:** At the end of 2018, of the five recommendations in this area, two were in progress and three required further scoping.

¹⁴ The Value for Money and Policy Review of the Driver Testing Service is available on the IGEES website: <https://igees.gov.ie/wp-content/uploads/2018/05/Driver-Testing-Service.pdf>

- **Data Collection:** At the end of 2018, of the three recommendations in this area, two had been completed and the remaining action required further scoping.
- **Future Monitoring and Evaluation:** At the end of 2018, of the nine recommendations in this area, four were in progress, one required further scoping and four required an update from DTTAS.

Further details regarding the DTS recommendations are presented in **Appendix E**.

6.3 Other Initiatives

In addition to the items described above, a number of initiatives related to Public Spending Code compliance were also implemented in 2018:

- A member of the Department's Strategic Research and Analysis Division delivered a presentation on the appraisal process for newly recruited IGEES AOs as part of their induction training. This training is designed to equip them in preparing or reviewing appraisals to ensure PSC compliance both within DTTAS and across the public service.
- SRAD contributed to an initiative by a group of Local Authorities in partnership with Carlow IT, to design a diploma course on transport evaluation and appraisal (particularly for roads). As part of this, a presentation was developed for colleagues from a range of Local Authorities, to better inform them of the relevant PSC guidelines for transport appraisals, thereby contributing to an improvement in PSC compliance at an early stage in the appraisal process.
- SRAD provided full-day PSC and appraisal training to DTTAS staff, covering the PSC and appraisal best-practice.
- SRAD continued work to update the Department's Common Appraisal Framework (CAF) for Transport Projects and Programmes, in consultation with the Department of Public Expenditure and Reform (DPER) who were in the parallel process of updating the PSC.

7. Summary and Recommendations

In summary, DTTAS is satisfied that it and its agencies are meeting their obligations as set out in the PSC. As part of an on-going effort and commitment to continually improve and ensure that requirements are met in full, SRAD has identified the following areas of work:

- DTTAS will maintain its other evaluation activities, such as Spending reviews and FPAs, to ensure that the activities of DTTAS and its agencies remain compliant with the PSC;
- Issues identified through the self-assessment checklists will be internalised by divisions and agencies and acted upon as necessary.
- In the case of the Killaloe Bypass, Shannon Bridge and R49, this project was the subject of an in-depth check in parallel to being reviewed as part of SRAD's standard project appraisal review process. Since the completion of this in-depth check, an updated business case has been drafted in response to comments arising from SRAD's review. The latest business case has been reviewed, and been deemed to have achieved PSC compliance given its status as a pre-2013 project.
- The findings and recommendations of the four in-depth checks will be shared with the relevant divisions and agencies and used to improve the current and future delivery of existing (and similar) projects/programmes.
- SRAD are currently in the process of updating the Common Appraisal Framework, to bring it in line with the latest version of the PSC, published in December 2019.
- Future QA reports will continue to assess the implementation of previous VfM, Spending Review and FPA recommendations. As such, future QA reports will review the implementation of recommendations arising from the completed Tourism Marketing Fund VfM.
- SRAD recommend that the spot-check process be reintroduced as planned for PT Investment expenditure, when resourcing allows.
- SRAD staff will avail of external training provided by DPER and will in turn continue to facilitate internal training on the PSC, QA and appraisal process to ensure that all divisions, units and agencies are aware of their PSC obligations.