

# Quality Assurance Process

## 2014 Report

---

*Prepared by the Department of Arts, Heritage and the Gaeltacht in  
compliance with the Public Spending Code*

*October 2015*

## Certification

This Quality Assurance Report for 2014 reflects the Department of Arts, Heritage and the Gaeltacht's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance-related information available across the various areas of responsibility.

Signature of Accounting Officer:

A handwritten signature in black ink, appearing to read 'Danill', is written on the page.

Date: 16 October 2015

## Contents

Certification.....	1
1. Introduction .....	1
2. Overview of the work of the Department .....	3
2.1 Structure and functions .....	3
2.2 Public Spending Code compliance (prior to 2014).....	4
3. Compliance with the Public Spending Code .....	5
3.1 QAP oversight group .....	5
3.2 PSC and QAP training initiatives .....	5
3.3 Engagement with Agencies.....	7
3.4 Evaluation programme .....	8
4. QAP Tasks.....	10
4.1 Expenditure Analysis.....	10
4.2 Procurement Analysis .....	10
4.3 Checklists .....	10
4.4 In-depth Checks .....	11
4.4.1 GPO ‘Witness History’ Interpretive Exhibition Centre.....	12
4.4.2 Built Heritage Jobs Leverage Scheme .....	13
5. Conclusion.....	14
5.1 Assessment of compliance.....	14
5.2 Next Steps – Improving Compliance with the PSC.....	14
Appendices.....	i
Appendix 1 Structure of the Department .....	ii
Appendix 2 Departmental Compliance Checklist.....	iii
Appendix 3 QAP Oversight Group – Membership .....	vii
Appendix 4 Expenditure Inventory .....	viii
Appendix 5 Checklists.....	xiv



## 1. Introduction

The Public Spending Code (PSC) sets out the obligations that each Department must adhere to in spending public money, and in particular at all stages of the expenditure process i.e. where expenditure is under consideration (appraisal), where expenditure is in progress (monitoring and management), and following expenditure (review and evaluation). It applies to both capital and current expenditure and sets out what is required of public service managers at each point of the expenditure lifecycle. In broad terms, it updates and consolidates various elements of public expenditure policy analysis and evaluation including Value for Money Policy Reviews (VFMPR) and Capital Appraisal Guidelines. A new feature of the PSC is the requirement for each Department to put in place an annual Quality Assurance Process (QAP) to ensure that the organisation is meeting its obligations under the PSC.

The Department of Arts, Heritage and the Gaeltacht has prepared this report on the QAP for 2014 as part of its on-going compliance with the PSC. The QAP is designed to evaluate, on an annual basis, the extent to which the Department is meeting its obligations to properly appraise, monitor performance, measure outputs and evaluate the impact of public spending. As such, the QAP is an iterative process whereby areas for improvement are identified and implemented in subsequent years.

The elements of the QAP are set out in the code itself and the accompanying DPER circulars as follows:

- i. Inventory of capital and current expenditure above €0.5 million (at all stages of the life-cycle);
- ii. Inventory of all procurements in excess of €10 million, related to projects in progress or completed in 2014;
- iii. Self-assessment checklists of general Departmental compliance with the code, as well as lower level checklists of a sample of 5 to 10% of capital and current expenditure (including expenditure under consideration);
- iv. In-depth checks of up to 5% of expenditure in the expenditure inventory i.e. above €0.5 million;
- v. Publication of the 2014 QAP report.

This report fulfils the fifth requirement of the QAP for the Department for 2014. Section 3 of the report addresses the Department's overall approach to complying with the PSC, as well as the self-assessed checklist of Departmental compliance with the code. The inventories and self-assessment checks, for a sample of expenditure, with the in-depth checks are considered in section 4 of this report.

It is important to note that 2014 is the first year in which the QAP has been applied, with the primary focus being on establishing robust structures, procedures and practices to ensure that future iterations of the QAP will run smoothly and achieve the objective of improving Departmental



compliance with the code. In that context, the 2014 QAP has focused on assessing compliance with the code within the Department while at the same providing the necessary training and support to Agencies as part of the preparations for the 2015 QAP.



## 2. Overview of the work of the Department

The Department's mission is *to promote and protect Ireland's heritage and culture; to advance the use of the Irish language; to support the sustainable development of the islands; and to develop cultural tourism*. This section outlines the structure and functions of the Department in 2014, as well as highlighting the specific goals and objectives which informed the Department's business plan in 2014.

### 2.1 Structure and functions

The Department comprises four Divisions, as follows, each headed by an Assistant Secretary/Director:

- Arts and Culture Division;
- Heritage Division;
- Gaeltacht Division; and
- Corporate Affairs Division.

These four Divisions are organised into Units, usually headed by a Principal Officer. Many of the Department's activities are carried out on a co-operative basis across Units and Divisions. An organisation chart providing details of the corporate structure, including Departmental Units, is provided at appendix 1.

The high-level functions for each division, arising from the Statement of Strategy 2011 to 2014, are set out in the table below. It is noted, however, that a new Statement of Strategy is in place for the period 2015 to 2017 which will be referred to in the QAP report for 2015.

<b>Division</b>	<b>Function</b>
Arts and Culture Division	To promote and develop Ireland's world-class artistic and creative strengths at home and abroad, maximising their societal, economic and reputational value for the country.
Heritage Division	To conserve and manage Ireland's unique heritage for the benefit of present and future generations, as a support to economic renewal and sustainable employment, and in compliance with legal obligations.
Gaeltacht Division	To support the Irish language, to strengthen its use as the principal community language in the Gaeltacht and to assist the sustainable development of island communities. To maintain, develop and foster North-South co-operation.
Corporate Affairs Division	Management of human resources, training and development, corporate governance, the Department's overall reform programme, as well as overall management of financial resources, IT, evaluation and facilities management,

The expenditure inventory discussed in section 4 of this report is linked to each of these divisional functions.



## **2.2 Public Spending Code compliance (prior to 2014)**

Although this report relates to the Department's compliance with the PSC in 2014, it is considered important to note the work of the Department in this regard in previous years. The Department has, since the introduction of the code in 2013, taken the following actions to ensure that staff were made aware of the code and supported in complying with it:

- Training on the PSC was provided to Departmental staff in February 2013 outlining the main stages of the Public Spending Code and Quality Assurance Process. Staff from all Divisions in the Department attended the seminar which was delivered by the Department of Public Expenditure and Reform (DPER); and
- Other awareness raising activities included office notices to all POs to raise awareness of the requirements of the code within their units and for Agencies under their aegis.



### **3. Compliance with the Public Spending Code**

An important principle underpinning the PSC, and consequently the QAP, is that compliance is a matter for all sections and officers across the civil and public service. As such, by involving line sections in the QAP, it was considered that the Department as a whole will benefit from a greater awareness of and compliance with the PSC. This approach is at the heart of the proposed approach to preparing the 2014 and subsequent QAP reports.

As part of the QAP, the Department has reviewed its overall compliance with the PSC using the checklist at appendix 2. The following sections provide additional detail on the Department's activities in this regard.

#### **3.1 QAP oversight group**

To ensure the necessary buy-in across all line sections for the 2014 QAP, as well as to facilitate greater awareness of the requirement to comply with the PAC, the Department's Management Advisory Committee (MAC) decided to establish a QAP Oversight Group. This group, comprising senior staff from each division, as well as representatives from Finance Unit, Evaluation Unit and Internal Audit Unit, had responsibility for overseeing the 2014 QAP as well as supporting the activities of the Evaluation Unit in providing training on and raising awareness of the PSC. Each Divisional representative had responsibility for ensuring that line sections within that Division provided responses on the various QAP tasks in a timely manner. The group was chaired by the Assistant Secretary with responsibility for Corporate Affairs who provided regular reports on progress to the Department's MAC.

The Group met on three occasions over the period February to July 2015, as well as considering information circulated electronically. Details of the membership of the Group are set out at appendix 3. It is intended that the group will continue in operation for subsequent QAP reports.

#### **3.2 PSC and QAP training initiatives**

To support staff in line sections in complying with the PSC, as well as providing an opportunity to familiarise themselves with the QAP, an information session for POs and APOs was organised for Monday, 9 March 2015. The session was limited to these grades on the basis that it would highlight the importance of the PSC to these grades directly involved in policy and decision-making. In addition, it was envisaged that the provision of training to these grades would yield a trickle-down effect to all staff in sections. It is intended that information sessions in future years encompass a cross-section of staff and that this session's targeted nature would ensure the necessary buy-in from sections to release staff for such training.

The information session took three hours and involved presentations by the Department of Public Expenditure and Reform and by the Department's Evaluation Unit. Three presentations were given, as follows, with opportunities for questions after each:



- Overview of the Public Spending Code (DPER)
- Quality Assurance Process (DPER)
- Implementing the Quality Assurance Process in the Department of Arts, Heritage and the Gaeltacht (Evaluation Unit)

12 staff members attended the session with representatives from all four divisions. The average grade of attendee was APO. In addition, four representatives from DPER attended from both the Central Expenditure Evaluation Unit and the Vote Section. Following a request from the Department of the Environment, Community and Local Government, a representative from that Department also attended. Informal feedback from the session indicated that it was found to be useful and informative, as well as providing a valuable opportunity for staff to engage directly with DPER on particular details of the PSC and QAP. There was additional demand for places on the session from Departmental offices in Killarney, Co. Kerry and Na Forbacha, Galway. It is considered vital that future information sessions are provided to these locations.

A further information session on the PSC and QAP was provided on 8 June 2015. This session saw 10 attendees from both the Department and agencies under the aegis of the Department. The following agencies were represented at the session:

- Údarás na Gaeltachta,
- National Archives
- National Gallery of Ireland
- Foras na Gaeilge
- Waterways Ireland
- Arts Council
- Irish Museum of Modern Art (IMMA)
- An Coimisinéir Teanga.

Again, the information session took three hours and involved three presentations by the Department of Public Expenditure and Reform and by the Department's Evaluation Unit on the PSC, the QAP and the Department's approach to the QAP. The presentations were tailored to address compliance by agencies and included information on the proposed approach to QAP 2015 which will require greater input by agencies. The session saw meaningful engagement from the representatives from the agencies and a greater understanding of the benefits of the QAP for future years. It is intended that a similar information session will take place in 2016 to which all agencies will be requested to send representatives.



### 3.3 Engagement with Agencies

A number of State Boards and Agencies are funded by the Department, and as such, form part of the Department's annual QAP. The following table lists all such bodies and agencies:

Agencies under the aegis of the Department	Cross Border Implementation Bodies under the aegis of the Department
An Coimisinéir Teanga	Waterways Ireland
Údarás na Gaeltachta	An Foras Teanga, which comprises:
The Arts Council	- Foras na Gaeilge
National Archives of Ireland	- Tha Boord o Ulster-Scotch
Irish Manuscripts Commission	
National Museum of Ireland	
Irish Museum of Modern Art (IMMA)	
National Gallery of Ireland	
Crawford Art Gallery	
National Concert Hall	
National Library of Ireland	
Chester Beatty Library	
Irish Film Board	
The Heritage Council	

The Department has highlighted the importance of compliance with the PSC to all of its agencies. In Q1 2015 line sections were requested to advise all agencies of the requirement to comply with the PSC as part of their regular correspondence with agencies. The following text was provided for this purpose:

*“The Department wishes to highlight the importance of ensuring compliance with the Public Spending Code in all expenditure decisions on both capital and current funding, and at all stages of the programme lifecycle i.e. appraisal, planning & design, implementation and post-implementation review. Sponsoring Agencies, that is, agencies with direct responsibility for spending public funding, have overall responsibility for the proper appraisal, planning, management and post-implementation review on all current and capital expenditure and must ensure that the necessary approvals from the Department are in place prior to engaging in any expenditure and that any expenditure is in line with the provisions of the Departmental approval. In addition, I would ask you to note that from 2015, the Department will be required to review compliance with the code by agencies funded by the Department as part of the Department's annual quality assurance process (QAP).”*

*“Is mian leis an Roinn aird a tharraingt ar an tábhacht a bhaineann leis an gCód Caiteachais Phoiblí a chomhlíonadh I ndáil le gach cinneadh caiteachais maidir le cistiú caipitil agus reatha araon, agus ag gach céim de shaol an chláir, i.e. measúnú, pleanáil & dearadh, cur I*



*bhfeidhm agus athbhreithniú tar éis an chuir I bhfeidhm. Tá Gníomhaireachtaí Urraíochta, sé sin, gníomhaireachtaí a bhfuil freagracht dhíreach acu as maoiniú poiblí a chaitheamh, freagrach go foriomlán as measúnú, pleanáil, bainistiú agus athbhreithniú tar éis an chur I bhfeidhm a dhéanamh I gceart ar gach caiteachas reatha agus caipitil agus ní mór dóibh cinnte a dhéanamh go bhfuil an cead riachtanach faighte ón Roinn sula ndéanfar aon chaiteachas agus go bhfuil aon chaiteachas ag teacht le forálacha chead na Roinne. Ina theannta sin, iarraim ort a thabhairt faoi deara go n-éileofar ar an Roinn, mar chuid den phróiseas bliantúil um dhearbhu cáilíochta ó 2015 ar aghaidh, athbhreithniú a dhéanamh lena chinntiú go bhfuil na gníomhaireachtaí a fhaigheann maoiniú ón Roinn ag cloí leis an gcód caiteachais phoiblí.”*

At the training session for agencies' staff (discussed in the previous section), agencies were advised that from 2015 agencies will have to submit reports on their compliance with the PSC as part of the Department's QAP. To do so, each agency will have to establish its own QAP, encompassing the following steps:

- Agencies will submit inventories of capital and current expenditure over €0.5m & procurements over €10m;
- Agencies will undertake self-assessment checklists on compliance with PSC on a sample of the inventory;
- Agencies will be subject to in-depth checks by evaluation unit;
- Agencies will have details of procurements over €10 million published on the Department's website; and
- Agencies will submit a QAP 2015 report to the Department.

For agencies with an administration budget of €5m or less and with limited operational budgets and programmes, agencies may submit a letter of assurance certifying compliance with the code. The letter must:

- Be signed by the CEO; and
- Provide details of the quality assurance process that is in place (broadly based on the self-assessment checklists).

In addition to the measures already highlighted, the Department's Internal Audit Unit (IAU), as part of its agreed internal audit plan for 2015, is also carrying out a study on the monitoring arrangements in place by line divisions of the Department over the respective Agencies for which they have corporate responsibility. Monitoring and reporting measures between the line division and agency to ensure compliance with the PSC will form part of the study.

### **3.4 Evaluation programme**

The Department established a stand-alone Evaluation Unit in 2013 to provide analysis, research and evaluation services to sections across the Department. While the primary objective of the Unit is to foster a culture of evaluation across the Department it does so having regard to the requirement to ensure compliance with the PSC in all expenditure decisions and at all stages of the expenditure life-cycle.



To achieve this, the Evaluation Unit provides advice and support to the Department to ensure compliance with the Code including through the provision of training opportunities for Departmental staff and for Agencies under the aegis of the Department. It also assists colleagues across the Department by providing economic, statistical and analytical support on policies, programmes and projects as they arise.

In addition, the Evaluation Unit undertakes a range of discrete evaluations, based on guidance in the PSC, as follows:

- Value for Money and Policy Reviews
- Focused Policy Assessments
- Ex-post evaluations of key policies, programmes and projects
- Other evaluations linked to business needs.

The Department considers that, despite the limited resources available to it, the maintenance of this Unit is a valuable element of its approach to promoting greater compliance with the PSC as well as ensuring that policy and programme decisions are evidence-based, have clear objectives and are subject to rigorous appraisal, monitoring and evaluation.



## 4. QAP Tasks

### 4.1 Expenditure Analysis

The expenditure inventory is linked to each of the divisional functions identified in section 2 of this report, with the exception of the Corporate Affairs division as it is not concerned with policy and programme expenditure for the Department. It should also be noted that Gaeilge, Gaeltacht and the Islands and North-South expenditure are separated out in the expenditure analysis, although both fall within the remit of the Gaeltacht Division of the Department.

The guidance on the QAP requires that the Department prepare an expenditure inventory listing all projects, schemes and programmes with a value greater than €0.5 million at various stages of the project life-cycle. The following table summarises the aggregate expenditure in 2014 across the divisional programmes. The full inventory of expenditure is presented at appendix 4.

Summary	2014			% of Departmental expenditure
	Capital	Current	Programme Sub-total	
<b>Divisional Programme</b>				
Arts	€ 17,414,737	€ 90,351,161	€ 107,765,898	53.00%
Heritage	€ 14,209,797	€ 9,219,877	€ 23,429,674	11.52%
Gaeilge, Gaeltacht & Islands	€ 8,001,000	€ 26,494,895	€ 34,495,895	16.96%
North-South	€ 3,858,000	€ 33,793,977	€ 37,651,977	18.52%
<b>Department</b>	€ 43,483,534	€ 159,859,910	€ 203,343,444	
<b>As a % of Departmental Expenditure</b>	21.38%	78.62%		
<b>REV 2014</b>	€ 62,374,000	€ 204,358,000		
<b>As a % of the REV</b>	69.71%	78.23%		

### 4.2 Procurement Analysis

As part of the QAP, the Department is committed to publishing summary information on its website ([www.ahg.gov.ie](http://www.ahg.gov.ie)) on all procurements in excess of €10 million. Although the Department held a number of procurement competitions in 2014, however, none exceeded this threshold. The Department also complies with the provisions of Circular 10/2014 (issued by DPER) which requires that all contract award notices over €25,000 are published on the eTenders website on completion of the award.

### 4.3 Checklists

The QAP requires that the following checklists are completed as part of the QAP:

- Checklist 1: Departmental compliance – general obligations not specific to individual projects/programmes;
- Checklist 2: Capital Expenditure being considered - Appraisal and Approval
- Checklist 3: Current Expenditure being considered - Appraisal and Approval
- Checklist 4: Incurring Capital Expenditure
- Checklist 5: Incurring Current Expenditure



- Checklist 6: Capital Expenditure Completed
- Checklist 7: Current Expenditure Completed

Checklist 1 has already been examined in section 2 of this report and is presented at appendix 2. Of the remaining checklists, the following were completed by the relevant line sections:

<b>Checklist</b>	<b>Expenditure Considered</b>
Checklist 2: Capital Expenditure being considered	<i>Considered as part of the in-depth check on the GPO – Witness History – Interpretive Exhibition Centre</i>
Checklist 3: Current Expenditure being considered	<i>New tender for PSO to the Aran Islands</i>
Checklist 4: Incurring Capital Expenditure	<i>Master Development Plan for the National Gallery</i>
Checklist 5: Incurring Current Expenditure	<i>Existing PSO to the Aran Islands</i>
Checklist 6: Capital Expenditure completed	<i>Considered as part of the in-depth check on the Built Heritage Jobs Leverage Scheme</i>

It was not possible to complete a checklist (number 7) for current expenditure completed as there was no such scheme completed in 2014.

The completed checklists show the extent to which the Department's divisions assessed they comply with the PSC. Overall, the self-assessed checklists show a good level of compliance with the PSC, with an average rating of 2.7 across the three checklists. Where there is scope for improved performance, this is addressed in the explanatory comments. In particular, the intention to augment the reporting arrangements for the Master Development Plan to meet the PSC requirement of presenting quarterly reports to both the MAC and the Minister is noted.

It is intended that the 2015 QAP will see the full set of checklists completed and reported on.

#### **4.4 In-depth Checks**

In-depth checks are an important part of the quality assurance process. They provide an opportunity to examine internal procedures, to build on good practice, and to identify areas for improvement.

The following sample of expenditure was the subject of more in-depth review:

- GPO 'Witness History' Interpretive Exhibition Centre (total project cost - €7 million, total expenditure in 2014 - €1.61 million)
- Built Heritage Jobs Leverage Scheme (total scheme cost - €5 million)

The projects accounted for 3.26% of the total inventory expenditure in 2014 and 15.43% of the total capital inventory. It is intended that this percentage will be increased in the 2015 and 2016 reports to ensure a three year average of 5%.



Two specific tools have been used for the 2014 checks – the balanced scorecard which provides for comparisons across expenditure and a PSC process audit (based on figure 1 *Overview of the Project Appraisal and Management Process* set out in the PSC). The advantage of this approach is that it provides a means of comparing compliance across a range of Departmental projects and programmes over time.

#### **4.4.1 GPO 'Witness History' Interpretive Exhibition Centre**

The Department is the sanctioning authority for this project. The project involves the construction and development of an interpretive exhibition centre (IEC) within the GPO complex. The centre will be constructed over two levels, mainly in the East Courtyard of the building, with access to the main building and from a new entrance located at the corner of O'Connell Street and Henry Street. The IEC will house the following, which are included in the overall project costs:

- A permanent 1916 exhibition;
- A new temporary gallery/exhibition space; and
- A raised landscaped sculpture court.

The project also involves a number of enabling works to the existing building (fire and security system upgrades and façade cleaning) as well as the relocation of bicycle/motorcycle parking. There are also temporary relocation costs for staff and executive parking during the construction phase. These elements of the project are to be funded directly by An Post, as is the provision of a €1 million contingency.

The Department has, following Government approval, agreed to provide grant funding of €7 million broken down as follows:

- Design fees, levies and monitoring - €0.91 million;
- Building construction cost - €5.57 million; and
- Exhibition design, creation and installation - €0.52 million.

An Post has committed some €3.98 million as follows - design fees (€0.78m), enabling works (€2.2m) and a contingency of €1 million.

The in-depth check examined this project as follows:

- Using the balanced scorecard to assess the quality of the project's design, its implementation and an analysis of any cross-cutting aspects of the project; and
- An assessment of compliance with the PSC based on the key stages for the appraisal and implementation of projects under the code.

From this analysis the following recommendations are made:



- Performance indicators relating to key milestones in the construction, as well as for the development and operation of the IEC should be developed and agreed with An Post;
- To ensure that expenditure under the IEC project is managed appropriately and that cost variations are considered and addressed in a timely fashion, the Department should seek details of all tenders with confirmation that the tenders were conducted and awarded in line with the Public Spending Code;
- In order to ensure a high standard of appraisal, particularly where MCA or other analyses are commissioned externally, the Evaluation Unit should provide supports to line sections in relation to tendering, undertaking and reviewing appraisals.

#### **4.4.2 Built Heritage Jobs Leverage Scheme**

A special capital allocation of €5m was made available in 2014 from the proceeds of the sale of the National Lottery for the development of a new scheme; the Built Heritage Jobs Leverage Scheme (BHJLS). This scheme was designed to assist with the upgrade and conservation of structures that are protected under the Planning and Development Acts 2000, as amended, and in certain cases works to Architectural Conservation Areas. The Scheme was developed to also create employment in the conservation and construction industries. Local Authorities were tasked with the administration of the scheme, based on allocations made by the Department. A key condition of the scheme was that the total value of all public funding provided for individual projects could not exceed 50% to ensure that the State's investment leveraged private sector funds. A limited amount of funding was available for buildings in public ownership, and could only be used in the event of an under-subscription by private owners to the scheme. The scheme concluded its operation in December 2014.

The in-depth check examined this project as follows:

- Using the balanced scorecard to assess the quality of the project's design, its implementation and an analysis of any cross-cutting aspects of the project;
- An assessment of compliance with the PSC based on the key stages for the appraisal and implementation of projects under the code; and

It is considered that this scheme has met the requirements of the PSC and has performed well against the criteria set out in the balanced scorecard. The following minor recommendations are, however, made:

- To fully understand the resource implications of the scheme an estimate of the staff resources required by local authorities to administer the scheme should be sought;
- Should future iterations of the scheme be introduced, an analysis of the grants provided and the works done should be undertaken to ensure that the qualifying works are sufficient to meet the needs of the target population and the level of grants provided are appropriate to meet the objectives of the scheme; and
- A system of spot checks to be administered either by the local authority, the Department or other suitably qualified public sector body e.g. OPW should be introduced as part of the monitoring arrangements for future iterations of the scheme.



## **5. Conclusion**

### **5.1 Assessment of compliance**

The information in section 3 (Departmental Compliance) and appendix 2 provide an overview of the Department's approach to ensuring compliance with the PSC and implementing the QAP. This is supplemented by information from the other QAP tasks set out in section 4. The Department has also ensured that the QAP was undertaken by an independent unit (Evaluation Unit) in line with the PSC recommendation and that senior level staff were nominated to a dedicated oversight group to ensure the necessary buy-in to the process.

From the information presented, it is considered that the Department has been proactive in implementing the QAP and considers it a useful mechanism to improve awareness of and compliance with the PSC. In addition, the information gathered as part of the QAP tasks show a high level of compliance with the PSC in those areas examined as part of the process. It is intended that the iterative nature of the QAP will ensure that all capital and current expenditure areas will be the subject of either a self-assessed or other check over the coming years.

There are a number of recommendations arising from the 2014 QAP (discussed earlier in this report). These will be raised with the relevant line/section to be addressed in advance of the next QAP. In addition, this report will be circulated to MAC, all POs and APOs for onward circulation to relevant officers to raise awareness of the QAP.

### **5.2 Next Steps – Improving Compliance with the PSC**

Given the positive feedback from the two training sessions, it is intended to offer similar training opportunities in future years. In addition to more general training on the PSC and QAP, it is envisaged that subject specific training will also be offered e.g. on current expenditure appraisal. Such training will be provided in response to specific business needs.

The completion of the inventories and checklists for this first year of the QAP represented a significant coordination task for the Evaluation Unit in terms of preparing response templates, sourcing and collating information, as well as liaising with line sections and divisions. It is envisaged that the administrative burden of the QAP will reduce in future years as the response template will already exist and the process becomes embedded in the annual programme of activities for line sections. In particular, the development of the expenditure inventory provides a useful base from which samples for self-assessment and in-depth checks can be derived. However, it is considered critical that the QAP oversight group continue in existence to ensure that the efforts taken for the 2014 report are not eroded. This is particularly critical for the coming years where there is a requirement to increase the sample size for both the self-assessment and in-depth checks.

The inclusion of agencies under the aegis of the Department in the 2015 QAP will require buy-in from line sections which will have primary responsibility for assessing compliance with the PSC. In that context the role of the divisional representative will be enhanced to include responsibility for these reports as well as reporting on the inventories, checklists etc. The Internal Audit Unit's study on the monitoring arrangements, including PSC compliance, in place by line divisions of the



Department over the respective Agencies for which they have corporate responsibility will also be useful in this regard.

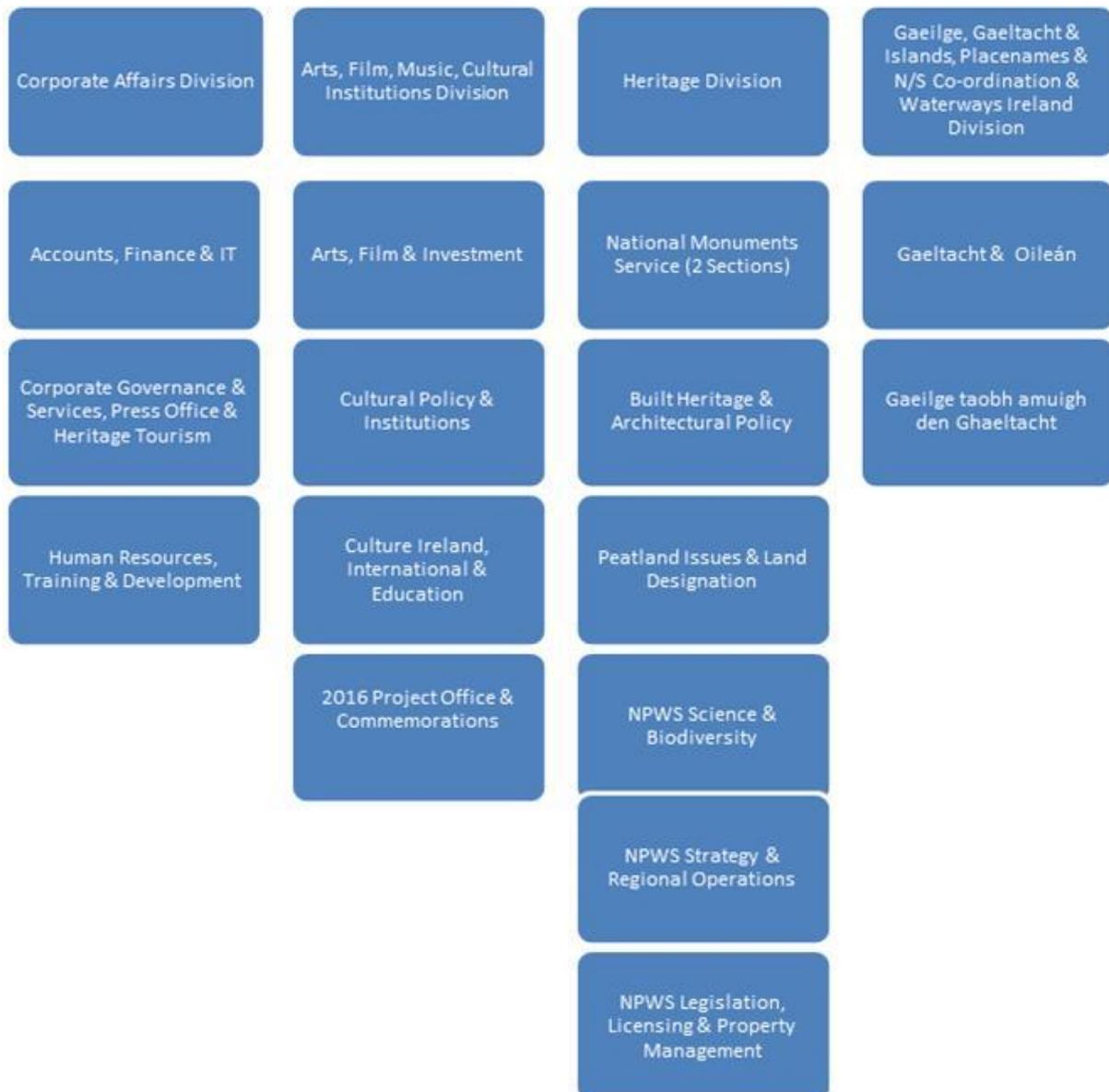


## Appendices



## Appendix 1      Structure of the Department

### Department of Arts, Heritage and Gaeltacht





## Appendix 2 Departmental Compliance Checklist

<b>General Obligations not specific to individual projects/programmes</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Discussion/Action Required</b>
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	The Department continues to highlight the importance of compliance with the Public Spending Code across the Department. The QAP, in particular, has been an agenda item on a number of MAC meetings and the Department has established a dedicated QAP oversight group to oversee the preparation of the 2014 report as well as to raise awareness of the PSC and QAP more generally. POs from all divisions are represented on the QAP oversight group. In addition, over the past 18 months, all POs have been asked to disseminate information on the PSC and QAP to their sections and to remind agencies under the aegis of the Department of the requirement to comply with the code.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	3	The Department organised a half-day seminar, delivered by the Department of Public Expenditure and Reform (DPER), in February 2013 on the PSC and QAP. Staff from all Divisions attended the seminar.  In March 2015, a further training session was organised for senior staff members. Representatives from DPER presented on both the PSC and the QAP at the session.



		<p>In June 2015, a training session was organised for relevant staff in agencies under the aegis of the Department. Again representatives from DPER presented on both the PSC and the QAP at the session. A number of Departmental staff also attended this session.</p>
<p>Has internal training on the Public Spending Code been provided to relevant staff?</p>	<p>3</p>	<p>A representative of the Evaluation Unit also presented at the training sessions in March and June 2015. The presentations focused on the Department's approach to the QAP and encouraged staff and agencies to engage with the Evaluation Unit on matters relating to the PSC.</p>
<p>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?</p>	<p>N/A</p>	<p>No. The Department has found the Code to be sufficient for its need and has not adapted the guidance.</p> <p>The Evaluation Unit has, however, prepared and circulated a guidance note for staff on managing capital projects. It is intended that further guidance notes will be prepared as the Department's business needs require.</p>
<p>Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?</p>	<p>2</p>	<p>The Department has highlighted the importance of compliance with the PSC to all of its agencies. In Q1 2015 line sections were requested to advise all agencies of the requirement to comply with the PSC as part of their regular correspondence with agencies.</p> <p>In addition, the Department organised a dedicated PSC and QAP training session for agencies under the aegis of the Department (held in June 2015). Both DPER and the departmental staff with responsibility for PSC and QAP presented at these sessions.</p> <p>Internal Audit Unit (IAU), as part of its agreed internal audit plan for 2015, is also carrying out a study on the monitoring arrangements in place by line divisions of the Department over the</p>



		respective Agencies for which they have corporate responsibility. Monitoring and reporting measures between the line division and agency to ensure compliance with the PSC will form part of the study.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	3	<p>IAU undertook a number of quality assurance checks on Department assets between 2011 and 2013.</p> <p>IAU, as part of its agreed annual audit plan, reviews the operational and financial management controls in place for both capital and current expenditure programmes in the Department. Findings and recommendations arising from reviews are communicated to relevant management, the Secretary General and the Department's Audit Committee.</p> <p>The Evaluation Unit is also in the process of finalising a value for money and policy review of the Arts Council, the findings of which will be laid before the Houses of the Oireachtas and published on the Department's website.</p>
Have recommendations from previous Quality Assurance exercises been acted upon?	2	IAU conducts follow up audits to all major reviews in the subsequent year to verify that the recommendations in the original report have been implemented.
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	3	The first QAP report for the Department will be submitted for expenditure in 2014.



Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	2	<p>The following sample of expenditure was the subject of more in-depth review:</p> <ul style="list-style-type: none"><li>- GPO 'Witness History' Interpretive Exhibition Centre (total project cost - €7 million, total expenditure in 2014 - €1.61 million)</li><li>- Built Heritage Jobs Leverage Scheme (total scheme cost - €5 million)</li></ul> <p>The projects accounted for 3.26% of the total inventory expenditure in 2014 and 15.43% of the total capital inventory. It is intended that this percentage will be increased in the 2015 and 2016 reports to ensure a three year average of 5%.</p>
Has the Accounting Officer signed off on the information to be published to the website?	3	<p>This checklist is included as part of the 2014 QAP report which is published on the Department's website (<a href="http://ahg.gov.ie">ahg.gov.ie</a>).</p> <p>As there are no procurements worth over €10 million, there is no QAP requirement to publish the procurement inventory for 2014.</p>



## **Appendix 3            QAP Oversight Group – Membership**

Brian Ó Raghallaigh (Chair)	Assistant Secretary, Corporate Affairs
Conor Falvey	Principal Officer, Finance, IT and Evaluation Unit
John Fitzgerald	Principal Officer NPWS Designated Areas & Legislation
Kevin Lonergan	Principal Officer, Cultural Institutions
Beirtí Ó hAinmhire	Principal Officer, Gaeltacht & Oileáin
Sinead O’Hara	Assistant Principal, Internal Audit Unit
Joe Healy	Accountant, Finance Unit
Deirdre Mahony	Assistant Principal, Evaluation Unit



## Appendix 4 Expenditure Inventory

Programme: Arts, Culture & Film				
Expenditure Item (REV)	Expenditure Type	CAPITAL EXPENDITURE	Lifecycle stage	2014 Expenditure Group
A5: IMMA, Chester Beatty Library, National Concert Hall and the Crawford Gallery	Programme	Capital works to maintain and improve the institutions	in progress	€0.5m to €1m
A7: Cultural Infrastructure & Development	Project	Grant to SOLAS under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Grant to Garage Theatre under ACCESS Scheme	completed 2014	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Athlone Art Gallery & studios	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Irish Film Institute under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Smock Alley Theatre under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Theatre Royal Waterford under ACCESS Scheme	completed 2014	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	West Cork Arts Centre under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Droichead Arts Centre under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Scheme	Other projects (less than €0.5m) under ACCESS Scheme	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Gate Theatre (Capital Project)	in progress	Less than €0.5m



A7: Cultural Infrastructure & Development	Project	Wexford Theatre Royal (Capital Project)	completed 2014	Less than €0.5m
A7: Cultural Infrastructure & Development	Project	Abbey Theatre (Capital Project)	in progress	Less than €0.5m
A7: Cultural Infrastructure & Development	Programme	Other capital projects	in progress	Less than €0.5m
A10: National Museum of Ireland	Project	Capital works to maintain and improve the institution	being considered	€0.5m to €1m
A13: National Gallery of Ireland	Programme	Master Development Plan	in progress	€1m to €5m
A14: National City of Culture	Project	Limerick City of Culture	completed 2014	€5m to €20m
A15: Decade of Centenaries	Project	GPO Interpretive Exhibition Centre	in progress	€1m to €5m
A15: Decade of Centenaries	Project	Richmond Barracks	being considered	Less than €0.5m
A15: Decade of Centenaries	Project	The Tenement Museum	being considered	Less than €0.5m
A15: Decade of Centenaries	Project	Renovation of the Kevin Barry Room, National Concert Hall	being considered	€ -
A15: Decade of Centenaries	Project	Development works at the National Archives (phase 1)	being considered	€ -
A15: Decade of Centenaries	Project	Yeats 2015	in progress	Less than €0.5m
A16: Cork Event Centre	Project	Cork Event Centre	being considered	€ -
A17: Expo Milano	Project	Irish participation at Expo Milano	completed 2014	€0.5m to €1m



<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CURRENT EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
A4: National Archives and National Archives Advisory Council	Programme	Grant to National Archives - administration costs	in progress	€0.5m to €1m
A5: IMMA, Chester Beatty Library, National Concert Hall and the Crawford Gallery	Programme	Grant to Irish Museum of Modern Art	in progress	€1m to €5m
A5: IMMA, Chester Beatty Library, National Concert Hall and the Crawford Gallery	Programme	Grant to Chester Beatty Library	in progress	€1m to €5m
A5: IMMA, Chester Beatty Library, National Concert Hall and the Crawford Gallery	Programme	Grant to National Concert Hall	in progress	€1m to €5m
A5: IMMA, Chester Beatty Library, National Concert Hall and the Crawford Gallery	Programme	Grant to Crawford Art Gallery	in progress	€0.5m to €1m
A6: Regional Museums, Galleries, Cultural Centres & Projects	Programme	Annual funding	in progress	€1m to €5m
A6: Regional Museums, Galleries, Cultural Centres & Projects	Programme	Cultural Initiative supports	in progress	€1m to €5m
A7: Cultural Infrastructure & Development	Programme	Grant to Comhaltas Ceoltóirí Éireann	in progress	€1m to €5m
A8: Culture Ireland	Programme	Culture Ireland - Grant Programme	in progress	€1m to €5m
A8: Culture Ireland	Project	President's Concert- Ceiliúradh in London	completed 2014	€0.5m to €1m
A9: Arts Council Ireland	Programme	Grant to Arts Council	in progress	Greater than €20 m
A10: National Museum of Ireland	Programme	Grant to National Museum of Ireland	in progress	€5m to €20m
A11: National Library of Ireland	Programme	Grant to National Library of Ireland	in progress	€1m to €5m
A12: Irish Film Board	Programme	Grant to Irish Film Board	in progress	€1m to €5m



<b>Programme: Heritage</b>				
<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CAPITAL EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
B3: Grant for Heritage Council	Programme	Discovery Programme Funding to Heritage Council	completed 2014	€0.5m to €1m
B3: Grant for Heritage Council	Programme	Other capital funding to Heritage Council to support heritage promotion activities and support for heritage organisations	completed 2014	€0.5m to €1m
B4: Built Heritage	Programme	Built Heritage Capital Programme	completed 2014	€1m to €5m
B5: Natural Heritage	Project	SAC & NHA Studies	in progress	€0.5m to €1m
B5: Natural Heritage	Programme	Conservation management	in progress	€0.5m to €1m
B5: Natural Heritage	Project	BIOS Phase II	in progress	€0.5m to €1m
B5: Natural Heritage	Scheme	CTCCS Compensation and Turf Delivery	in progress	€1m to €5m
B5: Natural Heritage	Scheme	Relocation	in progress	€0.5m to €1m
B5: Natural Heritage	Scheme	Land Purchase - Voluntary Bog Purchase	in progress	Less than €0.5m
B5: Natural Heritage	Project	Killarney House	in progress	€ -
B5: Natural Heritage	Programme	NPWS Capital & Maintenance Projects	completed 2014	€0.5m to €1m
B7: Built Heritage Jobs Leverage Scheme	Scheme	Built Heritage Jobs Leverage Scheme	completed 2014	€1m to €5m
<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CURRENT EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
B3: Grant for Heritage Council	Programme	Grant to Heritage Council	in progress	€1m to €5m



B4: Built Heritage	Programme	Archaeological Protection	in progress	€0.5m to €1m
B5: Natural Heritage	Scheme	Farm Plan Schemes	in progress	€1m to €5m
B5: Natural Heritage	Programme	Conservation management	in progress	€1m to €5m
B5: Natural Heritage	Programme	NPWS	in progress	€1m to €5m

**Programme: Irish Language, Gaeltacht & Islands**

<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CAPITAL EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
C3: Gaeltacht Support Schemes	Project	Capital project to support language and community facilities in Gaeltacht areas - Lárionad Forbartha Bhaile an Fheirtéaraigh	in progress	€0.5m to €1m
C3: Gaeltacht Support Schemes	Programme	Other capital projects to support language and community facilities in Gaeltacht areas	in progress	€0.5m to €1m
C8: Údarás na Gaeltachta (grants for projects, capital exp for premises)	Programme	Programme expenditure by Údarás na Gaeltachta on capital grants, training grants, employment grants, assistance for the building and refurbishment of factories, investment in shares and purchase of fixed assets.	in progress	€5m to €20m
C9: Islands	Programme	Other capital grants to support the development and maintenance of Island Infrastructure	in progress	€0.5m to €1m
C11: Teach an Phiarsaigh	Project	Teach an Phiarsaigh	in progress	Less than €0.5m
<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CURRENT EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
C3: Gaeltacht Support Schemes	Programme	Family Language Support Programme	in progress	€1m to €5m
C3: Gaeltacht Support Schemes	Scheme	Irish Language Learners Scheme	in progress	€1m to €5m



C4: Irish Language Support Schemes	Scheme	Irish Language Support Schemes (C41 and C42)	in progress	€1m to €5m
C4: Irish Language Support Schemes	Programme	Third Level Education in Ireland and Overseas	in progress	€1m to €5m
C5: An Coimisinéir Teanga	Programme	Grant to An Coimisinéir Teanga	in progress	€0.5m to €1m
C6: Údarás na Gaeltachta (admin)	Programme	Grant to Údarás na Gaeltachta - administration costs	in progress	€5m to €20m
C7: Údarás na Gaeltachta (current)	Programme	Grants to support linguistic, cultural and community development in the Gaeltacht	in progress	€1m to €5m
C9: Islands	Scheme	Ferry transport services	in progress	€1m to €5m
C9: Islands	Scheme	Aran Islands Air Service	in progress	€1m to €5m
<b>Programme: North South Cooperation</b>				
<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CAPITAL EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
D4: Waterways Ireland	Programme	Capital Projects	in progress	€1m to €5m
<b>Expenditure Item (REV)</b>	<b>Expenditure Type</b>	<b>CURRENT EXPENDITURE</b>	<b>Lifecycle stage</b>	<b>2014 Expenditure</b>
D3: An Foras Teanga	Programme	Grant to Foras na Gaeilge	completed 2014	€5m to €20m
D3: An Foras Teanga	Programme	Grant to Ulster-Scots Agency	completed 2014	€0.5m to €1m
D3: An Foras Teanga	Project	Clár na Leabhar Gaeilge	completed 2014	€1m to €5m
D3: An Foras Teanga	Project	Colmcille	completed 2014	Less than €0.5m
D4: Waterways Ireland	Programme	Grant to Waterways Ireland	in progress	Greater than €20 m



## Appendix 5 Checklists

### New PSO to the Aran Islands

#### Seicliosta 3: – Caiteachas Reatha atá á bhreithniú – Breithmheas agus Faomhadh

	Grádú Comhlíontachta Féinmheasta: 0 – 3	Tuairim / Gníomh atá de dhíth
Ar leagadh cuspóirí amach go soiléir?	3	
An bhfuil na cuspóirí intomhaiste ó thaobh na cainníochta de?	3	
Ar úsáideadh modh cuí breithmheasa?	3	
Ar ullmhaíodh cás gnó, a bhfuil measúnacht airgeadais agus measúnacht eacnamaíochta ann, do chaiteachas reatha nua?	3	
An ndearnadh measúnú ar an éileamh dóchúil ar an scéim nua / síneadh scéime bunaithe ar fhianaise eimpíreach?	3	
Ar tugadh an cead riachtanach?	3	
An bhfuil clásal éagtha leagtha amach?	2	Beidh coinníoll sa chonradh
An bhfuil dáta roghnaithe don mheasúnú trialach?	2	
An bhfuil an mhodheolaíocht agus na riachtanais bailithe sonraí don mheasúnú trialach comhaontaithe ag tús na scéime?	2	
Má bhí seachfhoinsíú i gceist ar cloíodh leis na Rialacha Soláthair?	3	
Ar sonraíodh Táscairí Feidhmíochta do gach moladh i ndáil le caiteachas reatha nua nó síneadh leis an gcaiteachas reatha a bhí ann, lena gcuirfear deis ar fáil chun éifeachtacht agus éifeachtúlacht a mheas?	3	
Ar cuireadh bearta i bhfeidhm chun na sonraí a bhailiú i ndáil leis na Táscairí Feidhmíochta?	2	



**Master Development Plan – National Gallery**

**Checklist 4:** - capital projects/programmes that were incurring expenditure during the year under review.

<b>Incurring Capital Expenditure</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
Was a contract signed and was it in line with the approval in principle?	3	Yes, the contract was signed between the OPW (the project managers) and John Paul Construction – the builders. The contract details are as per the detailed proposal which was approved in principle by this Department.
Did management boards/steering committees meet regularly as agreed?	3	A Tripartite Steering Group (TSG) meets monthly, or more regularly as the project demands.
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	The TSG meets monthly, or more regularly as the project demands.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	Gerard Kennedy, OPW, is the project manager and reports on progress and issues arising to TSG. He is an Assistant Principal and has experience in managing similar projects for the OPW.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	As this project is worth over €20 million, monthly reports from the TSG are submitted to the Assistant Secretary General in the DAHG as well as to the Board of



		the National Gallery and OPW.
Did the project keep within its financial budget and its time schedule?	N/A	The project is on-going and there may be additional costs involved. To date no additional costs have been agreed by the TSG. This matter is being monitored on a monthly basis.
Did budgets have to be adjusted?	N/A	The project is on-going and some adjustments of the budget may be required. To date no additional costs have been agreed by the TSG.
Were decisions on changes to budgets / time schedules made promptly?	N/A	Yes. These matters are discussed at monthly TSG meetings.
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)	N/A	No. To date, the project is proceeding as per the contract.
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	3	Yes. A robust CBA was prepared as part of the appraisal stage of the project. It was given consideration by the Department of Public Expenditure and Reform prior to the Department's approval in principle of the project, as required by the Public Spending Code.
If costs increased was approval received from the Sanctioning Authority?	N/A	To date there has been no application to change the contract price.



Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?	2	The project board has been made aware of this requirement under the PSC and the reports are being made available to MAC and the Minister (on a quarterly basis) in 2015.



PSO to the Aran Islands

Seicliosta 5: – Caiteachas Reatha atá á Thabhú

	Grádú Comhlíontachta Féinmheasta: 0 – 3	Tuairim / Gníomh atá de dhíth
An bhfuil cuspóirí soiléire ann do gach réimse de chaiteachas reatha?	3	
An bhfuil táirgeachtaí sainithe go maith?	3	
An ndéantar táirgeachtaí a mheas go rialta?	2	Níos mó monatóireachta
An bhuil modh ann chun monatóireacht a dhéanamh ar éifeachtúlacht ar bhonn leanúnach?	2	
An bhfuil na torthaí sainithe go maith?	3	
An ndéantar torthaí a mheas go rialta?	3	
An bhfuil costáil aonaid curtha le chéile le haghaidh monatóireacht feidhmíochta?	1	
An bhuil modh ann chun monatóireacht a dhéanamh ar éifeachtacht ar bhonn leanúnach?	2	
An bhfuil uimhir ann do na measúnuithe foirmiúla luach ar airgead agus d'aon meastóireacht eile atá curtha i gcríoch le linn na bliana atá faoi athbhreithniú?	3	
Ar foilsíodh na measúnuithe foirmiúla luach ar airgead agus na meastóireachta eile go tráthúil	3	
An bhfuil próiseas ag an Roinn chun na moltaí atá sna measúnuithe foirmiúla luach ar airgead agus na meastóireachtaí eile a chur i bhfeidhm?	3	
Cén chaoi a ndeachaigh na moltaí atá sna measúnuithe foirmiúla luach ar airgead agus na meastóireachtaí eile i gcion ar chinntí chionnroinnt acmhainne?	3	Ní fios fós mar nach bhfuil na tairiscintí don chonradh nua faighte fós.



**An Roinn**  
***Ealaíon, Oidhreacht agus Gaeltachta***  

---

**Department of**  
***Arts, Heritage and the Gaeltacht***