



European Union
Structural Funds

**Tuesday 17 April 2007
Cultra Manor, Holywood**

Agreed Minutes

1. Attendance

A list of attendees is attached at Annex A. Apologies were received from Brian Murphy, Environment, Brendan Mackin, Trade Unions, Chrissie McCann, Business, Trevor Polley, LGSFG and Dave Bradley, DE.

2. Introduction

The Chair welcomed everyone to the nineteenth meeting of the Monitoring Committee.

3. Minutes and Matters Arising

3.1 The minutes of the meeting were accepted subjected to the following two amendments:-

Item 1 Paragraph 1 Attendance

Add **Kieran McMahan, DOE** to the list of Apologies.

Item 4 Bullet point 10 Priority 5 Environment

Paragraph should now read, **The DRD representative advised the Committee that the DRD element of this measure was largely complete and the final project, Carrin Hill Water treatment works would be officially opened in April 2007.**

The Chair updated the Members on progress on the Action Points from the previous meeting.

4. Progress Report on Implementation of the Programme

A **Managing Authority representative** updated the Committee with a brief overview covering the financial progress of the Programme, key issues including the closure of the programme.

- *Programme Commitments*

Members were advised that since the last meeting of the Committee, the programme commitments have risen by 8.3% to 103%. All funds commitments continue to rise and the Managing Authority expects the current progress rate to lead to full commitment and expenditure by the closure of the Programme.

- *Applications*

The Committee were informed that the approval percentage of projects now stands as 53.7% with a total of 1,354 projects now approved.

- *Financial Progress by Priority*

The **Managing Authority representative** provided updates on the progress of each priority including the commitments and the amount of expenditure declared to the European Commission.

- *Technical Assistance*

Members were advised that Technical Assistance continues to support the European Officer in NILGA and a further grant has been awarded to CONCORDIA to support social partnership representatives on the Monitoring Committees.

It was added that Technical Assistance is also being used to assist events associated with the development and consultation on the new 2007 Competitiveness and Employment programmes.

- *N+2/Expenditure Forecasts*

The Committee were informed that all funds exceeded the 2006 N+2 targets and that the surpluses would contribute towards the targets for 2007.

Members were also advised that the Managing Authority continues to carry out exercises requesting Departments to supply quarterly forecasts of expenditure by measure. This enables them to closely monitor the situation and propose remedial action as soon as possible.

- *Closure of the Programme*

The **Managing Authority representative** outlined the actions being carried out to help manage closure of the programme. The Managing Authority is working closely with Departmental Heads of Audit to develop a closure guidance pack for Implementing Bodies on the information/documentation which will be required facilitate the successful closure of the Programme.

- *Publicity*

The Committee were informed that the Managing Authority will be producing the final edition of the Programme newsletter in the summer to highlight successful projects during the implementation of the Programme from the beginning.

- *Working Groups*

Members were advised that the Information Society Working Group had commissioned a follow-up report on Information Society activity. This report has been presented to the Working Group and the final report will be submitted to the Monitoring Committee for their information.

Following a query from the **Local Government representative**, the **DRD representative** advised that they are currently examining the options available to help make up the current projected shortfall in Measure 1.6a Roads.

The **DSD representative** agreed to provide details of projects which had been extended to help absorb the remaining funding available in Measure 3.2 Advice and Information Services.

Following a query from the **Voluntary and Community representative**, the **Managing Authority representative** confirmed that they encourage Implementing Bodies to distribute the Equality questionnaire to all promoters but added that the participant's completion of the questionnaire was voluntary.

The **Managing Authority representative** advised that they continue to work with DARD on an agreed way forward to help complete the outstanding Article 4 checks within their measures.

Following a query from the **European Commission representative** on ERDF spending forecasts, the **Chair** advised that the Managing Authority is monitoring the levels of expenditure available and continues to encourage Implementing Bodies to over-commit Measures to ensure that each priority is able to over-spend by 2% as the EC closure guidelines permit, therefore allowing for balancing between over- and under-performing measures.

The Chair repeated that a response is still awaited from the European Commission auditors on a number of issues which affect the programme and declaration of expenditure. The **European Commission representative** advised that the response from the auditors would be received soon.

Following a query from the **Voluntary and Community representative**, the **Chair** provided an outline of the important role of Internal Audit and

the need to ensure that all the issues raised and their recommendations are acted upon. They added that would help to alleviate any possible penalties which may occur following the Closure Audit by the European Commission.

- *Priority 1 Economic Growth and Competitiveness*

The **DETI representative** advised their measures were progressing well towards their targets. They added that INVEST NI are currently carrying out an EU compliance exercise to enable them to fully populate the non-financial section of the database by 30 June. They added that following this exercise, there may be funding reallocations required within the sub-measures in Measure 1.1.

They also advised that they are considering reallocations between sub-measures in Measure 1.3 and highlighted the shortfall within Measure 1.4 which has been caused by exchange rate losses throughout the lifetime of the programme.

The **DRD representative** advised that their schemes funded are either complete or substantially complete within the measure. They added that they continue to investigate the options available to absorb the remaining funding within the measure.

- *Priority 2 Employment*

The **DEL representative** advised the Committee on the progress made in their measures. The Committee were informed that 2 ESF claims are currently in process and these would significantly reduce the expenditure required to meet N+2.

They also advised that they had resolved the issue of verifying claims under Measure 2.4. They added that Measure 2.4 would not be able to meet the beneficiaries targets which had been set for the measure but DEL continue to work to achieve the maximum amount possible.

- *Priority 3 Urban and Social Revitalisation*

The **DSD representative** advised that the Department may extend the end date of some projects to help absorb the current shortfall on Measure 3.2. They added that the major exercise which was undertaken by the departments to examine the audit trails for each project funded under Measure 3.3 has now been completed and a significant drawdown on this measure will take place during April.

- *Priority 4 Agriculture, Rural Development, Forestry and Fisheries*

The **DARD representative** updated the Committee on the progress within Priority 4. He advised that current forecasts show that DARD would meet its N+2 targets for EAGGF and FIG. He added that Measure 4.1 Training was closed on 31 March and the Department is in the process of preparing the final claim for this measure.

The Committee were informed that DARD (Fisheries Division) continue to look to identify further projects to help make up the shortfall of private expenditure within Measure 4.13 Fisheries.

- *Priority 5 Environment*

The **DRD representative** advised that they completed the full drawdown of expenditure of their element of this measure by 31 March 2007. They also advised that from 1 April 2007, the Water Service became a private limited company wholly owned by the Department and will be known as Northern Ireland Water Limited (NIWL). This change which does not affect the status of the company insofar as it will be a non-profit making organisation has been notified to the Commission as required.

The **DOE representative** advised substantial progress has been on their element of the measure and they are confident that full spend will be achieved during 2007.

Following a query from the **European Commission representative**, the Managing Authority advised that they will respond to the Commission queries on C2K expenditure shortly.

The **Monitoring Committee agreed** the new indicators for the EAGGF Measures following the reallocation of funding in October 2006.

The **Monitoring Committee noted** the progress and development outlined in the progress report.

5. Report on ERDF Measures Progress

The **Chair** outlined the paper and advised the Committee that ERDF support to the Programme finished in 2005, one year before the other funds. Accordingly expenditure should be completed and claimed from the European Commission by the end of 2007. The Managing Authority continues to meet with Implementing Bodies to discuss the various issues around the closure of ERDF Measures and will continue to monitor the situation closely to ensure full spend of the fund. Members were also advised that possible reallocations between Measures may be required and that these proposals will be circulated to the Monitoring Committee for their approval in writing.

Following a query from the **Local Government representative**, The **DETI representative** advised that the anticipated expenditure shortfall for Measure 1.4 Local Economic Development was caused by exchange rate losses over the lifetime of the programme.

The **Monitoring Committee noted** the contents of the ERDF Measures progress paper.

6. Annual Implementation Report 2006 (AIR)

The **Chair** outlined the proposed way forward regarding the Annual Implementation Report.

The Monitoring Committee **noted** the contents of the 2006 AIR and **agreed** to provide comments on the report to the Managing Authority by 2 May.

It was also **noted** that the final draft report would be issued for written approval before the end of May before submission to the Commission by end-June 2007.

7. AOB

The **Chair** advised the Committee that DFP would be writing to nominating organisations and social partners to request nominations for the new Competitiveness and Employment Monitoring Committees following the meeting of the Consultation Partnership Group which would take place later today (17 April 2007).

8. Date of the next Meeting

The **Secretariat** will contact the Members of the Monitoring Committee to advise them on the date, time and venue of the next meeting of the Committee to be held in the autumn.

ACTION POINTS ARISING FROM BSP MONITORING COMMITTEE

TUESDAY 17 APRIL

CULTRA MANOR, HOLYWOOD

ISSUE	ACTION	TIMING
18 October 2006 Draft Minutes	Secretariat to make agreed changes to the draft minutes and circulate to the Monitoring Committee	Immediate
Progress Report	DSD to provide details of the projects which have had their funding extended under Measure 3.2	Immediate
C2K project	The Managing Authority to provide response to the Commission queries on the C2k project	Immediate
BSP Programme Complement	The Managing Authority to amend Programme Complement to reflect changes agreed by the Monitoring Committee and forward the revised Programme Complement to the Commission	Within 1 Month
BSP Annual Implementation Report 2006	Members to provide comments/amendments to Monitoring Committee Secretariat on draft AIR	By 2 May 2007
Date of next meeting	The Secretariat to provide details of the next meeting	September 2007

**List of Attendees at the BSP Monitoring Committee Meeting
Cultra Manor, Holywood 17 April 2007**

Members

Bill Pauley	Chair
Linda Wilson	Deputy Chair
Colette FitzGerald	BSP Managing Authority
Miceal McCoy	Agri-Rural
Frances McCandless	Voluntary & Community
Lucinda B Houston	Environment
Arnold Hatch	Local Government
Sean Neeson	Local Government
Mealla Bratton	Local Government
Shaun Henry	PEACE II Managing Authority
Rodney Scott	Paying Authority (EAGGF & FIFG)
Paula Hill	Paying Authority (EAGGF & FIFG)
Margaret McKenna	Paying Authority (ERDF)
John Neill	Paying Authority (ESF)

Observers/Advisors

David Yormesor	European Commission
Howard Keery	DETI
Kieran McMahon	DOE
Pat Delaney	DRD
Peter Neeson	DSD
Gerard Colgan	NISRA

Other Attendees

Teresa Lennon	NILGA
Peter Munce	for Jim Nicholson MEP
Christopher Stalford	for Jim Allister MEP
Pamela Flannigan	DRD
Alison Hanna	DSD

Apologies

Gerry Maclochlainn	Local Government
Brendan Mackin	Trade Unions
Trevor Polley	Local Government Structural Funds Group
Brian Murphy	Environment
Dave Bradley	DE