

# COMPETITIVENESS & EMPLOYMENT MONITORING COMMITTEE

## MEETING HELD ON

28 APRIL 2009 - NIACRO

### Attendance

A list of attendees is attached at Annex A. Apologies were received from Andrea Quail (DEL), David Smith (Education Sector), and Local Government representatives Robin Newton, Mealla Bratton, Domhnall O’Cobhthaigh and Maeve McLaughlin.

### 1. Introduction

**The Chair** welcomed everyone to the fourth meeting of the Committee and expressed his thanks to NIACRO for providing the facilities and hosting the meeting. He welcomed Richard Millen (Education) who has taken over duties from Margaret Connolly and also to Marc Vermyle (DG Employ) who will be taking over future duties from Franz Pointer. He advised the purpose of the meeting would be to agree the minutes of the last meeting and note the actions taken; discuss the paper on the review of the programmes in response to the economic downturn; note the progress under the two Programmes, including the AIRs; note progress on activity carried out by the Working Groups and note the Publicity and Communication report 2008.

Items under AOB included the Customer Satisfaction Report 2008, the UK response to the consultation on the Commission’s Green Paper on Territorial Cohesion and an update on the Task Force of which copies of the Action Plan were available at the meeting.

## **2. Minutes from meeting 14 October 2008**

**The Chair** noted that the minutes from the previous meeting had been circulated on 24 October. One minor amendment had been received – Agenda item 6: 2007 AIR - 'T' field targets to be populated for the years 2007 – 2015. No further comments were received and the Chair noted the minutes as agreed.

## **3. Action points from 14 October 2008**

**The Chair** advised that an updated table of the Action Points had been circulated to members with the papers on 8 April. He noted all actions had been addressed.

## **4. Presentation by NIACRO**

Olwen Lyner, NIACRO Chief Executive, gave a presentation on their ESF project. A copy of the presentation will be forwarded to all Members.

**Action: DFP**

## **5. Review of Programmes in Response to Economic Downturn**

**The Chair** set out the background to the paper where the Commission had offered Managing Authorities the opportunity to review their programmes, in light of the economic difficulties, to ascertain that they remained valid. The conclusions to the review, as set out in the paper, indicate that Managing Authorities will meet their expenditure targets for 2009 and 2010 and significant changes to the strategies and priorities of the programmes will not be required. He advised that the current financial planning period ends in 2010/11 and the NI Executive will then undertake a Comprehensive Spending Review to set the priorities for the next 3 years beyond that and at that point the priorities of the EU Programmes will be reviewed to ensure they remain valid. The Commission's decision to advance a further 2½% payment was

helpful in meeting first year targets. However public expenditure rules inhibit use of advance receipts to “frontload” intervention rates for projects early in the programmes.

**The Local Government rep** enquired how it would be possible to access funding available from the EU to benefit the Construction industry and Social Housing.

**The Chair** advised that the Executive has indicated that no new money is available for any particular area without taking it from elsewhere however it will review its spending plans at June Monitoring. Energy efficiency is covered within the current EU programme however building new homes is not eligible.

**The DG Regio rep** advised that there are currently things that can be done to help the Construction industry, e.g. producing invoices for major projects that currently have not been approved by the Commission. Later this year it is expected that a regulatory amendment will be brought forward to permit energy efficiency investment connected to social housing and financial management matters will be lightened in certain elements of project activity. Other measures include amendments to the State Aid de-minimis level and criteria lightened with regard to the risk capital scheme with a review of the Regulatory Framework anticipated by the end of the year.

**The Agri-Rural Rep** enquired as to what impact currency fluctuations would have on the programmes.

**The Chair** advised that if the £/€ ratio remains around its current level then the value of the programmes will increase and thus additional match funding would need to be identified.

## 6. Progress Reports

### 6.1 ERDF Report

**The DETI MA representative** highlighted that the programme is currently on target to meet N+2 targets for both 2009 and 2010. Around 75% of the programme has been designated in terms of the activities and projects that will go into the programme. DETI has reviewed its priorities but are content that they remain valid.

A presentation of the programme progress was delivered and will be issued to Members.

**The DG Regio Rep** raised a number of queries:

- (i) When the proof of concept investment has been made is there any return of funds to the ERDF for future use.
- (ii) 70% of targets have been met but there is only €0.7m spend within Priority 3.
- (iii) 270 Research jobs created in 2007 despite the programme not commencing until 2008.

**The DETI MA Rep** advised that the 70% represented the annualised position of the targets and it is the relevant measures to those initiatives that have currently been designated. Regarding the Research jobs this is a conjectural figure as the actual figure for 2008 will not be available until 2009.

**The InvestNI Advisor** said that the Proof of Concept is a scheme where academic research is taken to conceive if there is future potential and if the scheme can move to the next stage.

**The Voluntary & Community Sector Rep** queried where the Social Economy businesses fit into the ERDF programme. **The DETI Rep** advised that the 'Enterprise' and 'Go for It' schemes are aimed at all aspects of entrepreneurship including the Social Sector and that InvestNI also deliver a Social Entrepreneurship programme.

**The Agri-Rural Rep** commented that it was important to maximise the amount of money to be retained within the NI economy to aid job regeneration and while he accepted it was important to look at off-shore renewable energy it was equally important to look at land-based alternatives.

## **6.2 ESF Report**

**The DEL MA Rep** advised that, under Priority 1, 2 of the 76 projects had withdrawn, 1 due to internal resourcing and the other due to receiving funding from another programme. All remaining projects have received Letters of Offer and only 1 has still to identify match funding. Priority 2, The Apprenticeships Programme, has been impacted upon due to the economic downturn as employers look to reduce costs. DEL has appointed Proteus as a Support Structure and the Progress Report sets out their role.

DEL anticipates being able to meet its 2009 N+2 target but expects the 2010 target to be very challenging. The DEL MA Rep noted that the 'Training for Success' programme will go into Priority 1 in response to the economic downturn and this had been agreed with the Commission. This will have no financial impact upon the existing Voluntary & Community Sector projects within Priority 1 and their existing Letters of Offer will be fully honoured. Further, in response to feedback from the projects in Priority 1, following the seminar held by DEL on 30 January 2009, DEL has requested projects on 13 March to advise whether they wished to bid for further ESF funding, subject to the DEL 25% contribution and the external matched funding being available. Work was on-going on this exercise.

The **Voluntary & Community sector representative** enquired if there is to be a second call and, if so, will there be less money available for Voluntary & Community organisations and if project promoters will have the flexibility to re-profile their spend and targets.

The **DEL MA representatives** advised that the second round of funding would be from April 2011 to March 2014 and hence was outside the existing

budget period. Clearly decisions on the basis and level of that funding would be dependent on a range of factors – the economic downturn, the level of public funding and the mid-term programme evaluation. Re-profiling, where the regulations and budgetary constraints allow, is carried out on a case by case basis.

## **7. Annual Implementation Reports (AIRs) 2008**

**The Chair** advised Members that they will have a period of 2 weeks to look at the AIRs and submit any comments or questions to the Secretariat. A final version of each AIR would then be issued to MC Members for clearance prior to the submission deadline of 30 June 2009.

**Action: Members/Managing Authorities**

Due to the technical problems that the ESF MA was experiencing in recording monitoring data the **Agri-Rural Rep** enquired if Members would have the opportunity to see the relevant information prior to submission.

**The DEL MA Rep** advised that the information was available in hard copy but did anticipate that it would be included in the final draft report.

## **8. Working Groups Reports**

**The Chair** advised that Members had been provided with a draft copy of the revised 'Guide to Mainstreaming Equality in European Structural Funds' and comments are invited from Members to the Equality Working Group by the end of May.

**Action: Members**

The **Environmental WG Chair** advised that the group had met twice since the last monitoring committee and work on the practical issues was progressing well.

**The Equality WG Chair** also reported good progress within the group with 1 of the main elements being the revised Mainstreaming guide. There has been some discussion on the inclusion of the political opinion question within the Equality Questionnaire and it is hoped this will be resolved positively.

**The Innovation & Mainstreaming Chair** advised that progress was continuing on the work plan especially now that Proteus had been appointed and a report should be available for the next meeting.

The Monitoring Committee approved the reports from the Working Groups.

## **9. ESF Evaluation Strategy**

**The DEL MA Rep** informed Members that the strategy sets out the purpose of what evaluation should cover to meet the regulatory requirements of the programme. An Evaluation Working Group will review the strategy annually, decide the optimum time to carry out a mid-term evaluation of the programme and establish any further evaluations as necessary.

It was confirmed that the strategy will cover both programmes,

**The DG Employ Rep** advised that the document will be submitted to the Commission's Evaluation Unit for comment.

**The DG Regio Rep** enquired if there was an ERDF Evaluation Plan and, if so, could it be forwarded to him as soon as possible. **The NISRA Rep** advised that it was currently with the Department to be finalised.

## **10. Communication Plan Report 2008**

**The Chair** advised that the report shows that, in 2008, requirements were met in relation to the launch of the programmes. Significant events are scheduled for this year, including a return to the Balmoral Show to further publicise the programmes.

## **11. AOB**

### **11.1 Customer Satisfaction Report 2008**

**The Chair** updated Members on the findings of the report in relation to the role of the Secretariat.

### **11.2 Territorial Cohesion Consultation**

The UK submission was provided to Members which included the NI view and position.

### **11.3 Task Force Update**

**The Chair** informed members that hard copies of the Action Plan submitted by the First Minister and deputy First Minister to President Barroso were available at the meeting.

## **12. Date of next meeting**

The next meeting will be Autumn 2009. The Secretariat will advise nearer the time. **The Chair** thanked members for their attendance and participation.

## TABLE OF ACTION POINTS

<b>Issue</b>	<b>Action</b>	<b>Responsibility</b>
NIACRO Presentation	Presentation to be forwarded to Members	DFP
Annual Implementation Reports	Members to forward queries to Secretariat	Members
Annual Implementation Reports	Managing Authorities to respond to Members' queries	Managing Authorities
Annual Implementation Reports	Final Version of the report to be sent to members	Managing Authorities
Draft Guide to Mainstreaming Equality	Members to forward comments to Working Group Secretariat	Members
ERDF Evaluation Plan	Plan to be forwarded to DG Regio Rep	ERDF Managing Authority
Evaluation Working Group	ERDF to put forward nominations	ERDF Managing Authority

**ATTENDEES AT THE COMPETITIVENESS AND EMPLOYMENT  
MONITORING COMMITTEE MEETING AT NIACRO  
TUESDAY 28 APRIL 2009**

**Members**

Bill Pauley	Chairperson
Maura Young	Member State
Trevor Cooper	DETI Managing Authority
Paul Brush	DETI Managing Authority
Colette Fitzgerald	DETI Managing Authority
Trevor Connolly	DEL Managing Authority
Owen Gillespie	DEL Managing Authority
Rosemary Mulholland	DEL Certifying Authority
John Doran	Business
Maurice Mulvenna	Research (University of Ulster, Jordanstown)
Richard Millen	Research (Queens University, Belfast)
Malachy McAleer	Education Sector
Tom Gillen	TU
Arnold Hatch	Local Government
Cathal Mullaghan	Local Government
Brian Murphy	Environment
Lisa McElherron	Voluntary & Community
Bob Collins	Equality
Wesley Aston	Agri-Rural

## **Advisors**

Gerard Colgan	NISRA
Charles Hamilton	Invest NI
Franz Pointner	European Commission (DG Employ)
Stephen Langley	European Commission (DG Regio)
Marc Vermyle	European Commission (DG Employ)
Adrian McNamee	SEUPB

## **Observers**

Ken Bishop	NILGA
Damien Ryan	Invest NI
Damian Fitzpatrick	DETI
Paul Carr	DETI

## **Apologies**

Robin Newton	Local Government
Domhnall O'Coibhthaigh	Local Government
David Smith	Education
Mealla Bratton	Local Government
Andrea Quail	DEL Certifying Authority
Maeve McLaughlin	Local Government