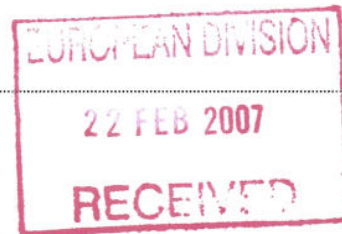


# Annex C - Consultation Response Form



Department of Finance and Personnel, European Division  
[www.europe-dfpni.gov.uk](http://www.europe-dfpni.gov.uk)

## Consultation

**Future European Competitiveness and Employment Structural Funds Programmes in Northern Ireland 2007-2013**

**Information about you**

Please complete the details on the Respondent Information Form below. This will help ensure we handle your response appropriately.

\* indicates required information

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Are you responding As: \*  An individual  On behalf of a group or organisation

**Your Views**

*All questions were responded to in the enclosed documents.*

Question 1: What are your views on the Socio-Economic Analysis relating to the draft **ERDF Competitiveness Programme**?

[Empty text box for Question 1 response]

Question 2: What are your views on the Labour Market Analysis relating to the draft **ESF Employment Programme**?

# Consultation on the EU Structural Funds Northern Ireland

## Competitiveness and Employment Programmes 2007 – 2013

### Introduction

The Democratic Unionist Party, European Office, has taken the opportunity to respond to the various consultations on EU funding streams. Much of the information provided on those occasions is relevant to our response to this consultation. We have taken the opportunity to append those various documents to our response to the current consultation for completeness.

At the outset we would state our disappointment at the level of funding made available to Northern Ireland in this round. It is our view that as the UK's lowest performing region, there is a responsibility on the Government to prioritise funding to Northern Ireland to overcome the economic difficulties experienced here. Failure to prioritise Northern Ireland will simply mean that we will continue to be a poorly performing region within the overall United Kingdom.

### Section 1 – Views on the Socio-Economic Analysis relating to the draft ERDF Competitiveness Programme

We are generally in agreement with the socio economic analysis. It corresponds with our analysis previously supplied to the department.

We are concerned about the low projections for population growth. Some projections indicate a much stronger growth rate for Northern Ireland than is predicted here, taking into account the flow of migrant workers into the economy. In particular the views of members of the Strategic Investment Board seem to be at variance with the projections in the consultation document.

We note the comment that, "It is the unusually small private sector in the local economy that gives rise to the perception of a large public sector." While not disagreeing that the private sector requires significant growth, we cannot share the view that the overall size of the public sector is but a perception. Clearly the public sector can produce efficiencies and can be streamlined.

On the matter of consumer prices we are concerned that the statistics quoted may not be the most up to date. The University of Ulster Survey in December 2006 indicated that average prices were now in excess of £180,000, this is roughly equivalent to the UK average price of £184,000(BBC Website November 2006), with large part of the east of

Northern Ireland experiencing and average price of £227,000. Added to the existing higher costs, this paints a picture of ever increasing consumer pressures.

The conclusion of this section (para 1.33 -1.35), references the main challenges facing the Northern Ireland administration. We are disappointed that no mention is made here, of the productivity gap between Northern Ireland and the rest of the United Kingdom. However described, Northern Ireland lags far behind the rest of the UK in terms of productivity. In this regard we would not concur with the inclusion of GVA performance in the “strengths” section of the NI SWOT Analysis.

## Section 2 – Views on the Labour Market Analysis relating to the draft ESF Employment Programme

Many of the comments made in the section above are relevant in this section also since the basic economic case being made as part of the consultation is the same.

## Section 3 – Views on the proposed strategy, priorities, key areas of expenditure and indicative allocations, with the focus on Lisbon Competitiveness priorities for the ERDF Competitiveness Programme.

Under the spending priorities while there is no disagreement with the areas of focus, there is a distinct lack of tangible outcomes in the document. It is not acceptable that the money spent is not linked to specific and measurable achievements. We understand the activities noted are “indicative”, however it is important that there is clarity as to what achievements are expected.

To assist with this process it may be useful to reflect on the question, what will the economy of Northern Ireland look like in 2013 as a result of the structural funds investment?

From our perspective it is hard to see how a continuation of current policies and approaches, as seems to be indicated by the document as the preferred option, will produce a transformation in the economy. Our view in this would be supported by the reports of the Economy Sub Group of the Hain and Transitional Assemblies.

The financial allocation, as set out in Annexe 1, seems to indicate little actual added value. In fact the view we would take of the allocations is that the EU monies are, under this consultation, acting as a source of departmental funding rather than providing additional funding and adding value. **This is directly contrary to commitments given by the Secretary of State to me in relation to additionality.**

Since the priorities outlined are all current government policy there is an expectation that the responsibility and resources to deliver these should already be in place. What additional outcomes are therefore being delivered by the ERDF funding?

We also have a difficulty in linking the spend allocations back to the Socio Economic analysis in chapter 1 and identifying what impact the indicative spend will have on each of the Socio Economic areas.

#### **Section 4 – Views on the proposed strategy, priorities, key areas of expenditure and indicative allocations, with the focus on Lisbon Competitiveness priorities for ESF Employment Programme.**

Our comments in relation to the lack of targets, links to the socio economic analysis, substituting government expenditure, inadequacy of existing strategies and no clear outcomes are all relevant in relation to the ESF Employment programme. (See section 3 above)

While accepting that the community and voluntary sector (para 3.14) can have a major role in delivering on this programme, we will need to be assured that the priority is to deliver individuals into real and sustainable jobs. Any community and voluntary initiative in this regard must have clear links with, and buy in from, the business community. It is essential the community and voluntary sector initiatives are business led and business focussed to ensure that real employment is achieved.

We particularly welcome initiatives such as that referenced at para 3.15 namely the “preparation of an individual action plan to provide the participant with support, training advice and ultimately work placement or employment.” It is our view that every person currently economically inactive should be dealt with in this method. Obviously on delivery of the individual action plan the individual should be back in constructive employment.

Little, if anything, will be achieved if community initiatives are not focussed on the delivery of real jobs. We have had too much of this unsustainable job creation in the past. The mistakes of the past must not be repeated.

#### **Section 5 – What are your views on the cross cutting themes for both Programmes of ensuring equality, promoting good relations and sustainable development, and creating sustainable communities.**

Cross cutting themes can add unnecessary complexity, bureaucracy and divert funds from effective delivery towards awareness campaigns which will not impact on the areas of economic need. We are of the view that cross cutting themes, in the past, have been used to exclude the unionist community. It is imperative that this does not happen with the new funding!

Our recommendation would be that since these programmes are all to assist with the implementation and delivery of existing strategies, which have themselves had to take

cognisance of Equality, Good Relations, Sustainable Development and Creating Sustainable Communities there is no need for additional implementation or monitoring of Cross Cutting Themes for these specific programme. The delivery of these should be a given. Further monitoring is an added and unnecessary bureaucratic burden.

In particular Sustainable Development, including sustainable communities, priorities affect the whole province and could not be used to prioritise individual projects.

## Section 6 – Views on the proposed management and implementation arrangements for both Programmes, including the simplified delivery structures, coordination arrangements with other Community Programmes and technical assistance proposals.

The overall proposed management structures seem relatively straightforward. We note that DEL will take the lead in the ESF programme and this is sensible given the nature of the programmes involved. Using the same logic we would question why DETI is not in the lead in the ERDF programme. Certainly all of the indicative spending is in activity areas under the authority of DETI.

We note the ability to use Intermediate Delivery Bodies. It is our view that such an approach should be minimised.