



Teach Uí Aogáin,
Rae Mhuineacháin,
An tIúr,
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Comhairle an Iúir & Mhúrn
Newry & Mourne District Council

Cléireach & Príomhfheimeannach - Clerk & Chief Executive
Thomas McCall

Ár dTag / Our Ref:
Bhur dTag / Your Ref: M/4/2
Dáta / Date:
8 March 2007

Mr Terry McKee
Department of Finance & Personnel
European Division
Annexe F
Heath Estates
Stoney Road
Belfast
BT16 1US



Dear Terry

Re: EU Competitiveness & Employment Programme 2007-2013

Further to your recent correspondence on the above please find attached a response from Newry and Mourne District Council.

Thank you for the opportunity to input into this process. We look forward to hearing from you in the future on this new programme.

Yours sincerely

Jonathan McGilly
Enterprise Development Officer
JMCG/MM

Enc

Cc Mr T McCall
Mr G McGivern
Economic Development Committee papers



Response by Newry and Mourne District Council to EU Competitiveness & Employment Programme 2007-2013

In the consultation process six key questions are asked. This paper will address each of the six questions and will also raise a number of other general points which do not fit neatly under the headings but should, none-the-less, be made at this point.

Newry and Mourne District Council has already actively engaged with NILGA in preparation of its response on behalf of local authorities in Northern Ireland. Newry and Mourne District Council is a member of South East Economic Development (SEED) which will also submit a response from the perspective of the Southern Region.

Questions 1 & 2

What are your views on the Socio Economic Analysis relating to the draft ERDF Competitiveness Programme and the Labour Market Analysis for the Draft ESF Employment Programme.

Newry and Mourne District Council broadly accepts the analysis provided and the issues that it flags up that need to be addressed in any future EU programme of this nature, namely, economic inactivity, skills levels, qualifications, productivity gap etc.

There is no doubt that in recent times Northern Ireland has enjoyed an improved economy but its benefits have not reached all. Due to lack of innovation and R & D within our economy, when one compares the region to others in the United Kingdom, the gap has not really been removed to any significant level. This macro economic tool indicates clearly the need for continued intervention, but on a more targeted basis.

Question 3

What are your views on the proposed strategy, priorities, key areas of expenditure and indicative actions, with the focus on Lisbon Competitiveness priorities for the ERDF Competitiveness Programme.

Newry and Mourne District Council accepts that the aims of the Lisbon Agenda and its framework which is targeted at job creation, job growth and increased levels of productivity. We believe that Innovation and R & D is the only way to grow our local economy and enhance sustainability which will over time reduce the reliance on the public sector which is currently the case in Northern Ireland.

In order to do this, the engagement between the chosen delivery agents and the private sector is key. Great care will need to be taken to ensure that these activities and programmes, established to deliver on the objectives of Lisbon, ensure private sector buy-in. The concept of Innovation and R & D sits well with large companies in Northern Ireland that are competing already in the global economy. But in Newry and Mourne the private sector is predominantly made up of SMEs. For many of these organisations, Innovation and R & D is a concept that sounds good on paper but is best left to multi-national corporations, given its cost and demands on time of many owner-managers.

Interventions that this programme develops to encourage innovation must address these operational concerns and also need to ensure that a culture of innovation develops, not just a series of short term initiatives. In our view this must involve the education sector to grow this culture and involve it in all curriculums. This is a major challenge for Government, not just those agencies chosen to deliver this programme.

In order to ensure effective delivery, the number of support agencies for local businesses needs to be rationalised and needs to meet local needs.

Question 4

What are your views on the proposed strategies, priorities, areas of expenditure and indicative allocations, with the focus on Lisbon Competitiveness priorities of the ESF Employment Programme.

The strategy to encourage people into sustainable employment is to be welcomed. In order for this to be effective, again, a real engagement needs to take place with all agencies in this area and with employers forums.

Employment and the aims of this programme needs to be treated as a cross cutting theme across everything that government departments and their agencies do.

We also need a real and meaningful engagement with those involved in education delivery.

Question 5

What are your views on the proposed cross cutting themes of ensuring equality promoting good relations, sustainable development and creating sustainable communities.

Newry and Mourne District Council accepts these cross cutting themes are now commonplace in all of what we do and should be integral to all new initiatives.

Question 6

What are your views on the proposed management arrangements and implementation arrangements, including the Europe-led delivery structures, co-ordination arrangements with other programmes and technical assistance proposals.

From the outset, Newry and Mourne District Council welcomes anything that rationalises delivery structures and decision-making process. However, at the level of this document, it is difficult to see the necessary detail to respond in full on this.

To date, our engagement with DETI on the LED Programme for local authorities has been productive and DETI demonstrates flexibility and innovative approaches to issues with due regard for regulations and audit procedures. As a result, Newry and Mourne

District Council has delivered a value for money, effective programme of locally focused economic development initiatives.

We would call on the relevant departments to clarify the detail of future arrangements as soon as possible as part of this consultation process.

Local authorities have shown a willingness and an ability to co-ordinate and lead LED activity, both at a local district level and in partnership with our neighbouring councils via structures such as SEED. This partnership approach has delivered initiatives at a sub regional level that would not have been sustainable at a local level. Along with the economies of scale, the forum has developed and provided the platform for much greater joined up thinking on a range of strategic issues that affect us all.

Any new structures need to acknowledge this and allow for more joined up activity.

Given the experience that local authorities have developed we believe that, apart from the direct delivery role of this proposed programme under Priority 2.2, Councils should have a real consultative role in all aspects of this priority. Local authorities are at the head of tourism delivery and development and must play a real role in 2.3 and 2.4.

The new structures for the Rural Development Programme recognise the supremacy of Councils and in this region we have established a Joint Committee with our neighbouring Councils in Armagh, Craigavon and Banbridge to set the strategic priorities for the Rural Development Programme in our area. This mechanism will also decide on new delivery structures, hence there is a logical place for local authorities to deliver activity under Priority 2.1.

The other issue that needs to be addressed is now this initiative complements other programmes such as Peace III, Rural Development Programme and Territorial Co-operation. Is there not merit in having clearly defined roles for each with little or no overlap. As it currently stands we do not think this is the case. Structures need to be established now to ensure complementarity and avoid duplication and confusion at the delivery level of these programmes.