

A4e

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

In order to achieve economic growth and workforce development above and beyond the EU average, enabling Northern Ireland to become more competitive within the global market, the ERDF Competitiveness Programme must focus on delivering provision to support an economic shift to a knowledge based and service sector led economy. In review of the Socio-Economic Analysis in relation to the ERDF Competitiveness Programme, we support the viewpoint that EU resources available should be focused on achieving the strategic objectives of:

- . Economic Growth - promoting innovation, R&D and entrepreneurship;
- . Highly skilled and flexible workforce; and,
- . Improvement and equality in living conditions and lifetime opportunities across the entire region.

Economic Structure - The analysis illustrates how Northern Ireland is over reliant upon a number of low value added sectors and industries that are not conducive to high levels of productivity. In order to increase productivity and competitiveness of the province, proactive measures must be taken in making the composition of the economy similar to other regions in the UK i.e. a high value added knowledge based economy.

R&TD: Investment in R&TD is an important factor in this economic shift and traditionally an area of expenditure for larger knowledge based corporations in industries such as pharmaceuticals, biotechnology and IT. Given the low current spend on R&TD in Northern Ireland, high proportion of micro businesses and decline in traditional industries there is an urgent need to invest in R&TD, attract larger corporations and make the knowledge based economy a reality. As a Business Link Operator in two UK regions, we have found that mainstreaming of R&TD is achievable and in Northern Ireland we believe this will require:

- . A collaborative approach - connecting Northern Ireland's research and business communities
- . Cross-border stimulation and high level partnerships to help offset the limitations of scale
- . Development of Government policy coherent in science, technology and innovation

Entrepreneurship: Northern Ireland is dominated by a small business economy; micro businesses account for 88.5% of the total. A4e agree that a segregated approach to entrepreneurship and enterprise development is an

issue that needs to be addressed in Northern Ireland. A4e deliver a range of enterprise support and entrepreneurship programmes and have found the most effective way to communicate is by targeting niche groups and offering advice and guidance relevant to their needs:

- . Business start ups - helping improve survival rates and building entrepreneurial skills
- . Women in enterprise - combating perceived fears and barriers to enterprise
- . High growth businesses - helping to innovate, break into new markets and develop international trade

In addition, an all round approach to enterprise and entrepreneurship will improve competitiveness and job creation in the private sector economy. The ERDF Competitiveness Programme responds to this well in terms of combining a commitment to both Foreign Direct Investment and expansion of indigenous firms.

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

To sufficiently address key labour market challenges in Northern Ireland through the utilisation of EU resources, the ESF Employment Programme must add value to and complement existing employment and skills policies. Duplication in policy initiatives will only lead to the ineffectual allocation and spending of funds in relation to labour market needs. Therefore, in review of the Northern Ireland labour market summary analysis in relation to the ESF Programme, we support the viewpoint that EU resources available should be focused on achieving the strategic objectives of:

- . Reducing persistent and high levels of economic inactivity and long term unemployment
- . Developing the skills base of the Northern Ireland workforce to accommodate a structural shift towards a knowledge based economy, in particular focusing on those with low level or no qualifications at all
- . Addressing barriers to employment within geographical hotspots of concentrated unemployment and, employment gaps within niche groups including people with disabilities and health conditions, lone parents, older workers and women.

Society and Community - The analysis acknowledges that Northern Ireland is one of the most deprived areas of the UK. The community division and tensions at the heart of the political difficulties have very important long term consequences for communities and their prospects for employability. Although many features of multiple deprivation are not dissimilar to areas A4e are familiar with in the UK, the features of sectarianism, racism and paramilitary influence give rise to some distinct and very difficult issues. Some of these issues A4e have experienced directly, delivering employment support and

enterprise creation programmes to 7,000 disadvantaged people in Jerusalem since 2004, others are unique to the current situation in Northern Ireland.

Conclusion - We agree that a coherent approach, implementing inter-related objectives that address employment and skills across the board will help Northern Ireland achieve full employment, an inclusive labour market and improve social and territorial cohesion.

Unemployment and Economic Inactivity - Although long-term unemployment has decreased significantly in Northern Ireland it still remains high in comparison to the UK. Economic inactivity also remains persistent at 26.6%, the highest in the UK (national average 21%). A reliance on public sector jobs, currently in decline and sectors driven by part time employment has exacerbated the situation. An economic shift to knowledge based economies will help Northern Ireland redress this imbalance with the rest of the UK but the implications on the labour market will be significant. A4e has extensive experience in areas faced by structural unemployment and economic crisis - we established in 1986 retraining steel workers affected by industrial decline and structural unemployment in South Yorkshire.

Conclusion - As economic change takes place employment opportunities will improve for the people of Northern Ireland. However inactivity and LTU will still persist if those most removed from the labour market are not offered tailored support into or back to work within the evolving economy. We support the ESF Employment Programme in targeting niche groups and geographic areas susceptible to unemployment and promoting a lifecycle approach to work; essential in preventing recidivism.

Skills Gaps - Skills development is fundamental in achieving full employment and a structural shift in the economy. Currently, Northern Ireland has a high level of working age persons with no qualifications and lower than average levels of on-the-job training compared with the UK. Vocational training and in-work learning have been central to skills development initiatives in England. The employer demand-led Train to Gain programme, brokered by A4e in 5 regions, offers on-the-job training up to NVQ level 2 and is helping improve workforce skills and productivity. Skills for Life training has also played a significant role in raising skill levels amongst those both in and out of work.

Conclusion - A4e fully supports the ESF Employment Programme in its responsiveness to the skills gaps in Northern Ireland both in the workforce and amongst the unemployed including those with no or low level qualifications, new entrants to the labour market, young people classified as NEET, older workers, people entering or in non-traditional sectors and low skilled workers.

Question 3: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ERDF Competitiveness Programme?

The overall strategy of the ERDF Competitiveness Programme is to improve the competitiveness, productivity and sustainability of the Northern Ireland economy by creating a better climate to expand existing business whilst

encouraging new entrepreneurs at the same time - this clearly underpins the Lisbon competitiveness priorities of European economic reform. The prioritisation of EU funding within the programme supports this high level strategy unequivocally by focusing on three interlinked priorities that:

- . Simultaneously respond to the unique economic situation of Northern Ireland AND priorities of the Lisbon Strategy - a clear rationale is provided as to how each priority will achieve programme objectives alongside Lisbon targets such as spending investment in R&TD

- . Include an additional set of aims and objectives at a micro level supported by a range of transparent output targets and performance indicators - in our experience this is essential in measuring outcomes and impact of EU spending against individual priorities, overall programme objectives and contribution towards the Lisbon strategy

- . Facilitate a wide spectrum of indicative activities clearly and directly interlinked with the aims, objectives, targets and indicators of each priority and that also sit within EU Community Strategic Guidelines

! Priority One, Increasing Investment in R&TD and Promoting Innovation - R&TD spending in Northern Ireland is currently well below the Lisbon target for investment in this area - hence a majority stake of low value added sectors. We believe that the challenge faced by Northern Ireland in becoming a high-value added economy and fulfilling the renewed Lisbon strategy for a shift in the economy towards knowledge based activities is sufficiently addressed within priority one of the EFRF Competitiveness programme in terms of spending allocation and indicative activities.

The biggest challenge in increasing R&TD investment and promoting innovation in Northern Ireland is engaging and selling its benefits to the business community, in particular micro businesses and businesses within industries and sectors not traditionally associated with investment in this area to:

- . Raise awareness of the impact of R&TD investment - focusing on tangible and commercial benefits is a selling point that A4e utilise in engaging employers and businesses across a wide spectrum of industries. Ultimately, R&TD investment has to be sold to businesses as a tool to expand and increase their bottom line.

- . Facilitate the exploitation of publicly funded R&TD activities - managing funds of over £200 million on behalf of the UK Government our experience tells us that businesses are more likely to dedicate resources to new areas of business if external funding is made accessible, easy to manage and relevant to their business needs. The challenge in Northern Ireland is gaining buy in from its large numbers of micro businesses. We believe this can be tackled with contributions from organisations with public fund management expertise.

Priority Two, Promoting Enterprise and Entrepreneurship - Investment in R&TD outlined in priority one as well employment and workforce development

priorities outlined in the ESF Employment Programme become redundant activities if business growth and job creation in the private sector does not grow at a relative pace; a weakness identified within the socio-economic analysis. The direct approach of priority two on business start up, survival, growth and FDI through a locally driven economic and enterprise development component will make a significant impact on helping Northern Ireland achieve Lisbon targets and goals for growth and jobs.

We have played a leading role and seen first hand the impact of enterprise development at a regional level in County Durham and the Humber regions in the UK as a Business Link operator. Our contributions at this level have included:

- . Business Start Up Support - helping over 5,000 businesses start up, grow and compete in a global marketplace
- . Intensive Support for High Growth Business - almost 10,000 businesses supported with 'deep change' interventions, helping them become more productive, efficient and profitable
- . Enterprise promotion within under-represented groups - investing in targeting marketing and enterprise support for BME groups, women, and people living in deprived areas.
- . Import / Export Services - A4e manages the UKTI service, supporting hundreds of businesses make their first move into international export markets

We also agree with the viewpoint that a focus on Foreign Direct Investment within priority two and measuring outputs relating to increased investment in this area will have a significant impact on the growth of the private sector - inducing job creation, driving up quality and introducing healthy competition for indigenous business to respond to and grow at a competitive pace.

Priority Three, Improving Accessibility and Protecting and Enhancing the Environment - Sustainable economic development must go hand in hand with protecting the natural environment as standard and we agree that in order to achieve this a market led all-island approach to developing ports, airports, air routes and access needs to be encouraged. A good example where a successful cross border approach has made a significant impact is the development of the City of Derry Airport where the two Governments have jointly committed 15 million Euros of which the benefits have been reaped by communities on both sides of the border in the North West.

We also believe there is an increasing challenge to provide a reliable, secure and competitively priced energy supply on the island of Ireland for businesses and consumers alike. Developing this supply will be key in maintaining and enhancing competitiveness and economic growth. As well as enhancing the interconnection of the electricity and gas supply systems, A4e believe there is a growing need to promote renewable energy in Ireland as priority three

proposes. This includes greater funding to progress initiatives such as micro-generation, bio-fuels and solar, marine and wind generation.

To add to this we believe another important priority area concerns telecommunications and the investment in IT as proposed within priority three. There needs to be a stimulation and investment in high speed telecoms. As well as investment to increase international connectivity links between the island of Ireland and North America and Europe, there is a need to improve accessibility, via advanced communications to rural and marginalised communities.

For too long though there has been a significant under spend and lack of partnership working in these areas. The prioritisation of EU funding in this domain will have a significant impact on addressing weaknesses in Northern Ireland's current infrastructure. This also supports current policy in the form of the Regional Development Strategy for Northern Ireland which calls for active measures on a wide range of issues relating to the key issues set out within priority three in terms of the natural environment, infrastructure and the effect this has in developing sustainable communities. In our experience, coherence between current policy and indicative activities within proposed EU funding is imperative in achieving and maintaining this coherence and overall impact on the region.

Question 4: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ESF Employment Programme?

Strategic Aims - The ESF Employment Programme's overall strategic aim is to help reduce economic inactivity and increase workforce skills. This clearly fits with the programme of economic reform within the Lisbon Agenda, designed to make the EU "the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion". Northern Ireland will be in a better position to contribute to this EU wide agenda through its proposal to prioritise EU funding within the ESF Employment Programme on:

- . Helping people into sustained employment
- . Improving workforce skills and adaptability

In particular, each priority within the ESF Employment Programme clearly supports a number of Integrated Guidelines for Jobs and Growth, approved by the European Council outlined below! .

Priority One, Helping People into Sustained Employment supports the following three guidelines:

1. Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion - The suite of provision proposed within priority one will add significant value to this guideline and also Northern Ireland's existing

employment policy through a tailored approach to individuals and different target groups. A4e fully advocate beneficiary specific activity and as one of the lead providers of New Deal provision in the UK support a mixed economy of provision and innovation across the public, private and voluntary sectors to maximise impact and secure measurable outcomes for each target group.

2. Promote a lifecycle approach to work - Sustainable, geographic and professional mobility of the workforce is essential in ensuring employment for life. In our experience delivering welfare to work provision for over 20 years, where priority one commits to combating "inactivity whatever the underlying cause" and offers support helping people to "enter, remain and progress in sustained employment" it will make significant progress towards a culture of lifelong employment.

3. Ensure inclusive labour markets for jobseekers and disadvantaged people - Priority One proposes to actively support a wide range of beneficiaries into work including disadvantaged groups and groups excluded from the labour market. We believe Northern Ireland can develop a more inclusive labour market by following the lead of employment support delivered by organisations such as A4e in the UK whereby pastoral support is integrated within job search activity; offering individuals an holistic package of support combining both professional and social development support. In order to achieve this we know from our experience that engagement with the Third Sector is a pre-requisite - especially in the most disadvantaged areas where we know effective partnerships produce the greatest results.

Priority Two, Improving Workforce Skills and Adaptability supports the following two guidelines:

1. Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion - The labour market analysis recognises skills as a key factor in improving productivity. Priority two is dedicated to improving the skills and adaptability of the workforce and will contribute significantly to this guideline. We agree with priority two in its focus on targeting and upskilling the existing workforce. It is evident in Northern Ireland that there needs to be a greater emphasis on work based learning - our experience delivering the employer-led skill programme Train2Gain in the UK tells us that this approach is key to building a skilled and competent workforce that can compete in the global market. We also recognise the importance of targeting young people and new entrants to the labour market in securing a skilled workforce of the future and preventing a repetition of the current climate of older low skilled workers.

2. Expand and improve investment in human capital - Priority two indicates significant investment in human capital; targeting specifically beneficiary groups in Northern Ireland most in need of skills development and support. We believe the indicative activities described within priority two will make a significant impact in helping Northern Ireland become one of the most highly skilled regions in the EU. A4e's vision in support of priority two is to become Northern Ireland's leading advocate of lifelong learning transferring best

practice from the UK in Essential Skills training, employability skills and apprenticeships / vocational training from Entry Level one to Level three.

Question 5: What are your views on the cross cutting theme for both Programmes of ensuring equality and promoting sustainable development, and creating sustainable communities?

Integrating both programmes across a wider circumference of strategic aims and objectives in Northern Ireland is a crucial factor in maximising the impact and success of programme implementation. The cross cutting themes identified for both programmes display a clear correlation between proposed allocation of EU funding and wider aims and objectives of Government policy in Northern Ireland.

Equality of Opportunity and Good Relations - We fully advocate the equality considerations taken by both programmes at every stage from programme design to selection, monitoring and evaluation. The theme of equality and good relations is also one addressed directly within priorities of both programmes.

For the ERDF Competitiveness Programme all three priority areas tackle this theme; targeting under-represented groups and exploiting opportunity for minority groups in society and business. The ESF Employment programme equally underpins the theme by targeting hard to reach target groups; allocating funding for reintegration back into employment and society as a whole and also through the opportunities designed to improve workforce skills.

All of the above priorities reflect the core strength and business expertise that A4e have developed over the past two decades and are priorities which we fully support in key spending areas of EU funding.

Promoting Sustainable Development and Creating Sustainable Communities - In both programmes this cross cutting theme reflects closely the key principles of the Northern Ireland Sustainable Development Strategy, providing the crucial link between EU funding and province wide strategies which we fully support.

For the ERDF Competitiveness Programme this theme also directly correlates with priority three ensuring that indicative activities within this priority relate directly to the six guiding priorities of the Northern Ireland Sustainable Development Strategy. A full consideration of the environmental impact the ERDF programme might have, appears to be in the process of moving forward in terms of a Strategic Environmental Assessment (SEA). Although not mandatory, we support the Department of Finance and Personnel in their decision to take this forward.

In terms of the ESF Programme we believe this cross cutting theme is sufficiently translated through both priorities in the development of sustained employment and workforce skills. The indicative activities for both relate to both overall objectives of the cross cutting themes and, guiding principles of

the Northern Ireland Sustainable Development Strategy which combined include:

- . Ensuring a strong, healthy and just society
- . Achieving a sustainable economy
- . Promoting opportunity and innovation
- . An increase economic well being

Question 6: What are your views on the management and implementation arrangements for both Programmes, including the simplified delivery structures, co-ordination arrangements with other Community Programmes and technical assistance proposals?

A4e's response to this consultation question is routed in the contribution we believe we can make in the prioritisation, delivery, implementation and management of EU funded programmes in Northern Ireland. We believe there is always room for improvement in the way service providers deliver and manage EU funding and achieve programme outcomes and performance targets at the same time. The best way in which we feel we can contribute at this initial consultation phase is to lay out our experiences, lessons learned and approaches used within the implementation, delivery and management of a wide range of large scale and often complex public services.

Programme Design - In our experience, each programme must incorporate both demand-led and on-demand activities if they are to be truly responsive and make a positive impact on Northern Ireland's current socio-economic situation. Accountability and contestability of these activities are central issues that must be addressed within both programmes if progress is to be made in the development of economic growth, sustainable communities, employment inactivity and skills development across the province. In order to establish both, this process of consultation in the design and management of programme activities between Government and service providers like A4e is imperative in improving deliverability of EU funds.

Lessons Learned - Over the past two decades A4e has been heavily involved in the design, implementation, delivery and management of a wide range of frontline public services. Our experience has included innovative partnership work in the delivery and management of public services including new emerging roles and service models. Combined our experience tells us that the effective delivery of public services requires:

- . Partnership and joint working from across the public, private and voluntary sector
- . Demand-led strategies that respond to the priorities and needs expressed by different target groups
- . Integration and coherence of objectives that are meaningful and effective at both local and EU wide levels

Partnership and Joint Working - The discussion surrounding public service partnerships is a lively one and one which A4e continue to actively take part in, in both the UK and overseas. This is because we don't believe there is a panacea that will remedy the challenges faced in the delivery of public services. Public service reform should rightly focus on the issue of customer choices as both programmes outlined in the Consultation Document do; responding to the challenges and issues outlined in the socio-economic and labour market analyses of Northern Ireland.

Our experience in the UK and overseas, in all the markets where we work, is that effective integration at both a strategic and operational level from policy design to programme management is the key to successful service delivery. This is a consideration that should be made in the co-ordination and management of activities undertaken within each programme of EU funding on Northern Ireland over the next six years.

In terms of Policy Design the effect of good partnership working could be threefold:

- . Engagement of partners at the design stage improving deliverability through better design, better buy-in at implementation and a shared vision that brings better focus on objectives

- . Earlier risk management with partners of new initiatives and pilot activities - this would ensure risks are shared, skills are captured and a learning environment is created reflecting the importance of failure as a key part of the development cycle.

- . Providing more flexible frameworks would enable more rapid deployment of funded activities - there is an opportunity within both programmes to provide an appropriate "pick'n'mix" of partners which will better enable local procurement, maintaining essential delivery scale and experience.

In terms of Programme Implementation and Management a strong partnership approach could help to:

- . Build effective networks - ensuring working arrangements are in place with local suppliers and partners before programmes start. We also find that less experienced or smaller partners, particularly those not traditionally involved in publicly funded programmes, can become stronger with collaboration for formal alliances with other providers such as A4e.

- . Build in flexibility in the delivery and management of programmes from all relevant stakeholders - even when partners are used to bring more focus or improvement in an area of public service stakeholders need to be mature and flexible and not parochial in their approach.

- . Bring a focus on a shared vision for outcomes of both the ESF and ERDF Programmes - working towards and achieving a shared vision in our experience is more effective than the simple measurement of input/output. However, we also believe the efficiency and impact of EU funding would be

greatly improved if this is supplemented by a consistency when measuring the delivery, management and performance of activities.

Demand Led Strategies - The supply of public services is becoming increasingly more contestable and led by demand - widening choice and opening up supply markets in the provision of public services. A commitment to a demand-led approach is reinforced in the UK through the Governments commitment to a demand-led skills strategy; improving training choices for both employers and learners. A4e have played a significant role in supporting Government in this agenda - taking this approach to service delivery from an aspiration to a practical reality.

A4e believes that the prioritisation of EU funding can be utilised to pilot a demand-led approach to public service delivery in Northern Ireland; in particular, within Priority Two of the ESF Employment Programme. We believe that under this priority the supply of education and training provision could be widened, opening up the market for both employers and learners as seen in the UK through the delivery of the Train to Gain programme. Through our experience managing a supply chain of training providers and brokering provision for Train to Gain in five regions of the UK, we know that this approach works in practice with the right delivery expertise and believe can be replicated with success in Northern Ireland.

We will fully support efforts to create a culture which welcomes a healthy, mixed economy, with both partnership working and healthy levels of competition and contestability operating side by side. Our experience demonstrates that the two are not mutually exclusive and, when combined, can create powerful results for employers, the workforce, the unemployed, learners and communities as a whole.

Integrating Programme Objectives - We believe both programmes have been sufficiently aligned with both local and regional strategies as well as the European wide Lisbon strategy. Alignment of EU funding with existing policies and strategies will maximise the impact of the funding on addressing the challenges and issues outlined in the socio-economic and labour market analyses.

ACET

Agencies in Consortium for Education and Training (ACET) is a consortium of sixteen organisations with membership across the voluntary and statutory sector. The aim of ACET is to promote the citizenship of disabled people by supporting them through Education, training and employment.

Question 2:

What are your views on the labour market analysis relating to the draft ESF Employment Programme?

The ACET Consortium welcomes the recognition that there is a need to reduce the high numbers of economically inactive, improve the skill and qualification levels of existing employees as well as those seeking to enter employment, whether young people are those who are unemployed. This is particularly the case for people with disabilities and this has been recognised by work recently promoted by the Promoting Social Inclusion Disability Working Group of OFMDFM, in particular the Employment Sub Group. The Group has identified the following priority issues to be addressed by government:

- Supporting disabled people into work – transition, preparation, job seeking support, meeting the needs of people with significant disabilities
- Supporting disabled people in work – advocacy, advice and information, adaptations, rehabilitation and return to work, career development
- Supporting employers – including information and advice, assistance with forward planning and policy work, strategies to engage small to medium enterprises
- Wider issues – primarily benefits but also barriers including transport, access and social care
- Culture and attitudes – equality, rights awareness, changing attitudes.

The Voluntary Disability Sector has a significant track record in accessing and deploying ESF funds to build organisational capacity and infrastructure to meet the needs of Disabled People. This has resulted in a comprehensive sectoral response that has been supported by a range of government departments ensuring that the social and economic exclusion of people with disabilities is addressed.

The Consortium recognises the need for a continuum of support for people with disabilities through training, initial job searching, job finding and ongoing support for as long as each individual needs it. The current ESF programmes add significant value to the current range of mainstream programmes, in particular New Deal, Pathways and Jobskills programmes. ***The proposed new ESF programme is ideally placed to create additional added value to this continuum as it can interface effectively with new and emerging***

mainstream programmes including Training for Success, and Workable (NI). However, any reduction in the existing range of provision funded by ESF would have a negative impact on the accessibility of these programmes to disabled people.

Question 4:

What are your views on the proposed strategy, priorities, key areas of expenditure and indicative allocations with a focus on the priorities of the ESF Employment Programme?

The ACET Consortium has fundamental concerns about the proposal to transfer employment and skills activities currently funded under the Peace II Programme to the new ESF programme. The proposed resource allocation is insufficient to meet the needs of the current level of activity and potential transferees. Secondly, the Peace distinctiveness which has made a major contribution to the development of social and economic stability as part of the Peace Process will be lost with this transfer.

It is the view of the sector that there will still be a requirement for the retention of a significant level of delivery within the current Peace III Programme and transfer to the ESF programme without a comparable transfer of resources from ERDF would be detrimental to the current range of provision. ***It would therefore be our strong recommendation that training projects remain within the domain of Peace III as provision has been made under the European Regulations to specifically target training as a fundable Peace initiative. (Ref – Regulation EC 1080/2006)***

The Voluntary Disability Sector has historically targeted those that are furthest from the labour market. This has been particularly highlighted again by the PSI Working Group on Disability and Employment.

The ACET Consortium welcomes the objective to increase employment and reduce unemployment for people with disabilities and health conditions. We welcome the recognition of activities, in particular the intention to develop programmes that are client focused, flexible with outreach, addressing a broad range of essential skills and the intention to provide on-going support.

We note the intention to provide for up to 6 months support after gaining employment. We feel that this is insufficient to meet the needs of those that are furthest from the labour market, in particular those who have complex needs, including underlying long term health care conditions. ***Experience has clearly demonstrated that support over a 1 – 2 year period is often required to sustain employment outcomes for those with more complex disabilities/conditions, for example Traumatic Brain Injury***

We particularly welcome the intention to target those experiencing multiple disadvantage to progress towards the labour market. We welcome the fact that outcomes will be measured in terms of action plans, referrals to

programme and participation in a range of programme activity, such as job taster, self confidence, etc.

It is the experience of the ACET Consortium is that significant progress can be made towards the employment market if a clear focus is placed on building individual capacity, self worth and personal esteem.

We particularly welcome the intention to recognise softer outcomes and that these will be analysed in evaluation studies. A significant amount of work is currently being undertaken in the Voluntary Disability Sector to progress this matter and a range of case studies are readily available to demonstrate the value of different approaches.

Addressing Priority II – Improving Work Force Skills and Adaptability

We note that the objective of Priority II is to develop a skilled and adaptable workforce by improving the acquisition of levels 1, 2 and 3 qualifications. We wish to express considerable concern that people with disabilities are not highlighted as a potential beneficiary group, as this would provide a significant opportunity to enjoin activities under both Priority 1 and Priority 2 with the aim of improving workforce skills and adaptability.

A significant interface has been developed between the Voluntary Disability Sector and Further & Higher Education to promote these opportunities. Inclusion of people with disabilities as a target beneficiary group would provide the opportunity to strengthen and develop this work. However there needs to be an enhanced level of transparency in relation to the allocation of funding with a particular emphasis on the role of the voluntary and community sector in developing Pre-Level 1 skills to enable people with disabilities to access mainstream provision in this environment.

We welcome target 3.28., in particular the recognition that for some participants the outcome will be a qualification, but for others the outcome will be engagement in education or training. For many people with disabilities, the process of engaging in a mainstream inclusive environment is a significant outcome in itself.

Question 5: What are your views on the pros/cost cutting themes for both programmes of ensuring equality, promoting good relationships and sustainable development and creating sustainable communities?
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The majority work in the Voluntary Disability Sector to promote employment opportunities for people with disabilities has been progressed through previous ESF programmes. This has in the main been achieved by progressing cross cutting links between employment and learning and health and social care. The delivery of the new programme will provide the opportunity to strengthen the link between health and social care programmes

and the progress of people with disabilities and long term health care needs to social/economic gain and employment outcomes.

*This work will enable the achievement of a number of objectives espoused in the **DHSS&PS Strategy : A healthier future, a twenty year vision for health and well being in Northern Ireland 2005-2025.** The Strategy particularly focuses on the importance of tackling social exclusion and the harm associated with it.*

Question 6: What are your views on the proposed management and implementation arrangements for both programmes including simplified delivery structures, co-ordination arrangements with other community programmes and technical assistance proposals.

We note in particular section 18 – the ESF programme – it is proposed that the Department of Employment & Learning will be the accountable Department for all proposed expenditure and should carry out the managing authority functions of the programme.

The current arrangements between the Department of Employment & Learning European Unit and the broader Voluntary Disability Sector currently work extremely well. There is a high level of professional engagement with the sector enabling a smooth and efficient delivery of the programme. ***It is essential that the assumption of these additional responsibilities does not have a detrimental impact on the current management arrangements, and sufficient resources are provided to maintain the current high standards.***

Additional Points:

1. Transitional arrangements between BSP and new ESF Programme:

The Voluntary Disability Sector has had significant experience in managing the transition between ESF programmes. Our experience in the past is that this has been extremely challenging for both the managing authority and the delivery agents. It is essential that a smooth transition is achieved between the proposed and current programme. Uncertainty and time delays put at risk the infrastructure and thereby the capacity of the Voluntary Disability Sector to respond effectively to the priorities and challenges of delivering the new programme.

A key recommendation of the Strategic Review of Disablement Advisory Service Programmes and Services (DEL June 2006) by the Disability Liaison Group was that “DEL must work with DFP to ensure that by March 2008 programmes and services presently funded through European Structural Funds are transferred to mainstream funding”.

In the event that a smooth transition cannot be achieved as a result of slippage in planned timetables, it is essential that the Department of Finance and Personnel engage with the appropriate government departments to put in place an appropriate transitional funding regime to assure sustainability of the current infrastructure.

2. New programme funding timescales

It is essential that the managing authority recognises the importance of effective funding timescales to allow the efficient delivery against the proposed objectives. 'Positive Steps' (The Government's Response to *Investing Together*. Report of the Task Force on Resourcing the Voluntary and Community Sector) clearly highlights the importance of having a longer term funding strategy for the sector. ***It is essential that the managing authorities adopt the recommendations outlined within 'Positive Steps' and at the very least provide the opportunity for 3 year funding under the new programme.***

ACOVO

ACOVO is the Association of Chief Officers of Voluntary Organisations in Northern Ireland. With over 170 leaders in the voluntary and community sector part of ACOVO, the organisation is an important voice for leaders in the third sector. Please note that the association is in the process of changing its name to CO3 Chief Officers Third Sector. The following comprises ACOVO's response to the consultation

Question 2:

What are your views on the labour market analysis relating to the draft ESF Employment Programme?

ACOVO welcomes the recognition that there is a need to reduce the high numbers of economically inactive, improve the skill and qualification levels of existing employees as well as those seeking to enter employment, whether young people or those who are unemployed. This is particularly the case for people with disabilities, economically excluded, offenders, prisoners as well as ex-offenders and ex-prisoners, or lone parents. ACOVO supports the identification of priority groups listed on page 29 of the document. ACOVO notes for example, the work recently undertaken by the Promoting Social Inclusion Disability Working Group and Lone Parent Working Group of OFMDFM, in particular the Employment Sub Groups.

The third sector has a significant track record in accessing and deploying ESF funds to build organisational capacity and infrastructure to meet the needs of economically inactive, improve the skill and qualification levels of existing employees as well as those seeking to enter employment, whether young people, lone parents or those who are unemployed. It appears to be also the case that those with criminal and/or prison record have significantly less success in terms of accessing the labour market compared to the mainstream population. These issues have resulted in a comprehensive sectoral response that has been supported by a range of government departments ensuring that the social and economic exclusion of the long term unemployed is addressed.

ACOVO recognises the need for a continuum of support for these client groups through training, initial job searching, job finding and ongoing support for as long as each individual needs it. The current ESF programme adds significant value to the current range of mainstream programmes, in particular New Deal, Pathways and Jobskills programmes. The proposed new ESF programme is ideally placed to create additional added value to this continuum as it can interface effectively with new and emerging mainstream programmes including Training for Success, and Workable (NI). However, any reduction in the existing range of provision funded by ESF would have a negative impact on the accessibility of these programmes to disabled people.

Question 4:

What are your views on the proposed strategy, priorities, key areas of expenditure and indicative allocations with a focus on the priorities of the ESF Employment Programme?

ACOVO has a number of concerns about the suggestion to transfer employment and skills activities currently funded under the Peace II Programme to the new ESF programme. The level of resource proposed is insufficient to support the current level of activity and potential transferees. Secondly, the focus on peace building, which has contributed significantly to the development of social and economic stability as part of the Peace Process, will be lost with this move.

It is ACOVO's view that there is a requirement to retain a significant level of delivery within the current Peace III Programme. To transfer these activities to the ESF programme without a commensurate transfer of resources from ERDF would be very damaging to the current range of provision. **ACOVO would therefore advocate that training projects remain within Peace III. ACOVO notes that provision has been made under the European Regulations to specifically target training as a fundable Peace initiative. (Ref – Council Regulation EC 1080/2006, Article 6.1)**

The third sector has historically targeted those that are furthest from the labour market. This has been particularly highlighted by the PSI Working Group on Disability and Employment. ACOVO welcomes the objective to increase employment and reduce unemployment for people with disabilities and health conditions. We welcome the recognition of activities, in particular the intention to develop programmes that are client focused, flexible with outreach, addressing a broad range of essential skills and the intention to provide on-going support. These interventions include issues such as finance, accommodation, training and employment, health, (some clients experience mental or physical health problems as well as problems relating to drugs and alcohol), behaviour (eg criminal) as well as the requirement to link individuals to welcoming and supportive social networks.

We note the intention to provide for up to 6 months support after gaining employment. We feel that this is insufficient to meet the needs of those that are furthest from the labour market, in particular those who have complex needs, such as lone parents, those from areas of long term unemployment and those with health needs. **Experience has clearly demonstrated that support over a 1 – 2 year period is often required to sustain employment outcomes for those with more complex disabilities/conditions.**

ACOVO welcomes the intention to target those experiencing multiple disadvantage to progress towards the labour market. The focus on measured outcomes, in terms of action plans, referrals to programme and participation in a range of programme activity, such as job taster, self-confidence, etc is also welcome.

It is the experience of ACOVO members that significant progress can be made towards the employment market if a clear focus is placed on building individual capacity, self-confidence and esteem.

The intention to recognise these outcomes, including analysis in evaluation studies is welcomed by ACOVO. A significant amount of work is currently being undertaken in the third sector to progress this work, e.g. NIACRO's evaluation processes or Gingerbread's research and a range of case studies could readily be made available to demonstrate the value of different approaches.

Addressing Priority II – Improving Work Force Skills and Adaptability

ACOVO has noted that the objective of Priority II is to develop a skilled and adaptable workforce by improving the acquisition of levels 1, 2 and 3 qualifications. There is an omission from the potential beneficiary groups, as people with disabilities are not highlighted. The inclusion of people with disabilities would provide a significant opportunity to connect activities under both Priority 1 and Priority 2 with the aim of improving workforce skills and adaptability.

A significant partnership has been developed between the Voluntary Sector and Further & Higher Education to promote qualifications. Inclusion of people with disabilities as a target beneficiary group would provide the opportunity to strengthen and develop this work. However there needs to be an enhanced level of transparency in relation to the allocation of funding with a particular emphasis on the role of the voluntary and community sector in developing Pre-Level 1 skills to enable client groups to access mainstream provision in this 'preferred' environment.

We welcome target 3.28, given the recognition of flexible outcomes for participants; with some gaining a qualification, whilst others achieving by their engagement in education or training. For many people, the process of participating in a mainstream inclusive environment is a significant outcome in itself.

Question 5: What are your views on the proposed cross cutting themes for both programmes of ensuring equality, promoting good relationships and sustainable development and creating sustainable communities?

Previous ESF programmes have provided a testimony to the work of the third sector in promoting employment opportunities to a range of vulnerable groups. This has primarily been achieved by progressing cross cutting links between employment and learning and overcoming disadvantage. The delivery of the new programme will provide the opportunity to strengthen the link between health and social care programmes and the progress of people with disabilities and long term health care needs to social/economic gain and employment outcomes. The promotion of employment and learning will help

to ensure equality, tackling disadvantage for groups previously more likely to be excluded from employment.

This work will enable the achievement of a number of objectives outlined in the a number of Government policies including Lifetime Opportunities; Government's Anti Poverty and Social Inclusion Strategy for NI and DHSS&PS Strategy: A healthier future, a Twenty Year Vision for Health and Well Being in Northern Ireland 2005-2025. These Strategies particularly focus on the importance of tackling social exclusion and the harm associated with it. It is therefore essential that there is cross-departmental liaison between DEL, DHSSPS and DFP to:

1. Assure the sustainability of current programmes.
2. Address longer term stability by developing a joint approach to the issue of progressively enhancing match funding and progressing to mainstreaming during the lifetime of the new programme.

Question 6: What are your views on the proposed management and implementation arrangements for both programmes including simplified delivery structures, co-ordination arrangements with other community programmes and technical assistance proposals.

We note in particular section 18 – the ESF programme – it is proposed that the Department of Employment & Learning will be the accountable Department for all proposed expenditure and should carry out the managing authority functions of the programme.

The current arrangements between the Department of Employment & Learning European Unit and the broader third sector currently work extremely well. There is a high level of professional engagement with the sector enabling a smooth and efficient delivery of the programme. It is important that the assumption of these additional responsibilities does not have a detrimental impact on the current management arrangements, and sufficient resources are provided to maintain the current high standards.

Additional Points:

1. Transitional arrangements between BSP and new ESF Programme:

The third sector has had significant experience in managing the transition between ESF programmes. Our experience in the past is that this has been extremely challenging for both the managing authority and the delivery agents. It is essential that a smooth transition be achieved between the proposed and current programme. Uncertainty and time delays put at risk the infrastructure and thereby the capacity of the Voluntary Sector to respond effectively to the priorities and challenges of delivering the new programme.

A key recommendation of the Strategic Review of Disablement Advisory Service Programmes and Services (DEL June 2006) by the Disability Liaison Group was that “DEL must work with DFP to ensure that by March 2008 programmes and services presently funded through European Structural Funds are transferred to mainstream funding”.

In the event that a smooth transition cannot be achieved as a result of slippage in planned timetables, it is essential that the Department of Finance and Personnel engage with the appropriate government departments to put in place an appropriate transitional funding regime to assure sustainability of the current infrastructure.

2. New programme funding timescales

It is essential that the managing authority recognise the importance of effective funding timescales to allow the efficient delivery against the proposed objectives. ‘Positive Steps’ (The Government’s Response to *Investing Together*. Report of the Task Force on Resourcing the Voluntary and Community Sector) clearly highlights the importance of having a longer term funding strategy for the sector. It is essential that the managing authorities adopt the recommendations outlined within ‘Positive Steps’ and at the very least provide the opportunity for 3 year funding under the new programme.

Antrim Borough Council

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

The Socio-Economic Analysis presents a useful profile of Northern Ireland's current economy in the context of the next round of ERDF monies arriving. However, the assessment of the economy's strengths focuses on high employment levels and the ample supply of labour at a time when the public sector and services overshadow the private sector where sustainable economic growth is expected to come from in the future. The analysis falls short of indicating how any downsizing of jobs in the public sector, which is the present government's aim, can be realistically absorbed by the private sector in the short to medium term. After 30 years of government interventions to grow the private sector in Northern Ireland the region remains the weakest in terms of the levels of business start-up, the quality and quantity of medium sized companies and the performance of added value exports.

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

The Labour Market Analysis presents a gloomy picture of Northern Ireland's prospects for competing effectively in the global economy given the quality of the work force and the lack of investment in on-the-job training by employers generally, especially the fragile private sector. Despite record employment levels there are still significant sections of the working age population without qualifications and skills and dependent on benefits. The number of weaknesses listed in the Labour Market Analysis is more than double the number of strengths.

A recent Public Accounts Committee report found that around £500million of public money was largely wasted on the Jobskills programme alone with little impact on preparing young people for work. Much has been said about Northern Ireland's impressive A Level results year-on-year but this masks poor educational achievement at the other end of the scale that is bound to impact on the ability of employers, particularly those in the private sector, to find the skills they need. Meanwhile, it is reported that the 'brain drain' is accelerating from Northern Ireland as increasing numbers of both undergraduates and graduates prefer to take root in Great Britain and the Republic of Ireland.

Question 3: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ERDF Competitiveness Programme?

The requirement to comply with the Lisbon Agenda means that the EU funding must be directed towards business development whereas there was more flexibility with previous programmes. Given the urgent need to strengthen and grow the private sector in Northern Ireland this new focus should be welcomed providing that the funds are used to best effect in terms

of enabling and encouraging added value enterprise, innovation and research and development. Northern Ireland's track record in these interventions has been disappointing compared to the rest of the UK and Republic of Ireland particularly considering the significant differences in the amount of public funding used; Northern Ireland has typically been able to access greater resources but with lower output! s if measured in net jobs created, new businesses and the presence of world class companies.

Research has established that most new companies will grow up within a cluster rather than in isolated locations. The experience of Silicon Valley in the US for example demonstrates that people working within an innovative cluster are more likely to be entrepreneurial and innovative in their thinking. New business starts will add to the cluster and, in turn, will push up the number of competitive innovative businesses. Clusters will impact on the quality and therefore, the sustainability, of small firms by focusing on specialisms and niche markets.

Northern Ireland is also characterised by a plethora of business development agencies (a symptom of the high levels of public money available) and this has resulted in resources not reaching businesses on the ground. The number of business development agencies should be rationalised and their services joined-up and streamlined if the programme objectives are to be met.

Question 4: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ESF Employment Programme?

Northern Ireland's track record in developing the skills needed for modern industry using EU funding since the 1980's has been poor and ineffectual. As with business development agencies, a disproportionate number of organisations have sprung to deliver a multitude of programmes that have often been fragmented and not strategic. Duplication has tended to characterise delivery at all levels and the lack of real participation by employers, particularly in the private sector, has been a notable failure. Council believes that more emphasis needs to be placed on traditional vocational training skills and modern apprenticeships.

The role played by the third level educational institutions including the two universities must be given pre-eminence to ensure that interventions funded through the new ESF programme are both relevant to the needs of employers and can be sustained into the future. Crucially, the links between the universities and the private sector must be strengthened so that syllabuses are properly developed to meet the changing needs of businesses particularly those that are involved in innovation, research and development and new technologies.

In GB, the DTI has set up a Regional Innovation Fund specifically to encourage clustering by high technology and knowledge-based companies. In terms of the impact on training and also economic inclusion the Higher and Further Education Institutes should be encouraged to respond to the emerging training needs of clustering companies, meanwhile the economically

inactive and underemployed in the disadvantaged areas (urban estates and rural parts of the area) can be targeted with fast-track upskilling programmes in partnership with Councils and the relevant statutory agencies.

A recent report by the RSA highlights that Information Communications Technology (ICT) will challenge how work is done, how organisations work and will have the ability to empower or indeed disempower. Increasingly, organisations will become 'virtual' with remote access for their staff; it will become common for outputs to be contracted to individuals and attendance at a fixed place at a fixed time will be less important. Only the constant updating of skills and education will enable individuals and businesses to cope effectively with this change. Further, it is likely that in future employees will need to re-skill on several occasions during their working life to keep pace with these changes and the new ESF programme must take account of these issues.

Question 5: What are your views on the cross cutting theme for both Programmes of ensuring equality and promoting sustainable development, and creating sustainable communities?

The cross-cutting approach should be welcomed in the interests of reducing duplication and minimising displacement, promoting sustainable development, equal opportunities and economic and social inclusion.

Question 6: What are your views on the management and implementation arrangements for both Programmes, including the simplified delivery structures, co-ordination arrangements with other Community Programmes and technical assistance proposals?

Delivery of the programmes should be increasingly devolved to local and sub-regional bodies including Councils, unlike with previous programmes where the government agencies were allocated large blocks of the EU funding which often replaced Treasury funds for Northern Ireland. In particular, local councils are much better placed to identify real needs and priorities and to work closely with local businesses of all sizes. The new Community Planning powers that councils will assume justify an enhanced role in the delivery of EU funding, as has been the case in Great Britain and in other regions in Europe. It has been a central aim of the European Commission since 1994 for its Structural Funds to be used to build capacity at local level where programmes are delivered on a bottom-up basis. Government agencies should not be allowed to monopolise EU funds especially when they have not been used to best effect under previous programmes.

Ards Borough Council

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

For both questions 1 and 2, Ards Borough Council broadly agrees with the analysis prepared by NISRA and related agencies. It accepts that key issues such as economic inactivity amongst young males, lone parents, women and older workers and lower per capita skills and qualifications in comparison to UK (and ROI) averages need addressing. It accepts that productivity per capita needs improving, and accepts that peripherality to markets and bureaucracy combine to produce greater overheads and investment lead times per employee than anywhere else in the UK. It also acknowledges that many of Northern Ireland's finest entrepreneurs invest and work outside of the province and that the conditions in business terms do not exist to attract them back, whilst accepting that this region of the UK is perhaps one of the most attractive places to set up business anywhere in Europe, from a quality of life perspective.

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

For both questions 1 and 2, Ards Borough Council broadly agrees with the analysis prepared by NISRA and related agencies. It accepts that key issues such as economic inactivity amongst young males, lone parents, women and older workers and lower per capita skills and qualifications in comparison to UK (and ROI) averages need addressing. It accepts that productivity per capita needs improving, and accepts that peripherality to markets and bureaucracy combine to produce greater overheads and investment lead times per employee than anywhere else in the UK. It also acknowledges that many of Northern Ireland's finest entrepreneurs invest and work outside of the province and that the conditions in business terms do not exist to attract them back, whilst accepting that this region of the UK is perhaps one of the most attractive places to set up business anywhere in Europe, from a quality of life perspective.

Question 3: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ERDF Competitiveness Programme?

Ards Borough Council accepts that to help create a more competitive and sustainable Northern Ireland, the Lisbon Jobs and Growth Agenda provides the overall framework to assist this and that the EU's diminishing Structural Funds do accelerate growth in employment and revenue for this region of the UK. The Council sees strategic and operational sense in streamlining the main delivery of the Programme's objectives and has no difficulty with the key themes of developing an innovative and business friendly region, with a highly skilled and flexible workforce, creating sustainable communities and lifetime opportunities for all. How the strategy, priorities and the framework within these are delivered are perhaps in taxpayers eyes less important than the processes under which expenditure is invested. These processes need to be

ever more efficient, effective, flexible and risk taking in their approach, without compromising accountability. One litmus test for Northern Ireland's economy, therefore, will be the outcomes of the Competitiveness Programme, which must include! a drastic reduction in public sector jobs proportionate to the private sector, a lean and effective approach by the public sector policy makers in terms of creating a climate to take decisions swiftly and professionally, and the ability of the commercial public to see tangible change in this small but potentially dynamic part of Europe in terms of the management in an economically responsive and business like manner of initiatives such as the Competitiveness and Employment Programmes.

Question 4: What are your views on the proposed strategy, priority, key areas of expenditure and allocations for the ESF Employment Programme?

Ards Borough Council accepts the proposed strategy and priorities of the Employment programme and believes that the £164 million allocated to helping people into sustainable employment and the £116 million allocated to improving workforce skills and adaptability are also acceptable. However, it calls upon relevant government departments to support in practice developments such as the seven Local Employers Fora, co-ordinated by the Department of Education and Learning, the private sector, local authorities and the Institutes of Further and Higher Education, by approving cross departmental acceptance of local employment action plans, affording them primacy in terms of action on the ground to tackle the long term needs of employers and the workforce as regards skills to create wealth in our

Question 5: What are your views on the cross cutting theme for both Programmes of ensuring equality and promoting sustainable development, and creating sustainable communities?

Ards Borough Council seeks a response concerning the equal per capita allocation across Northern Ireland of the Programmes in view of the exclusion of Targeting Social Need terminology in the main consultation papers. It sees every reason not to sub divide Northern Ireland into geographic social need areas, since delivering local economic development within existing (or proposed) local authority boundaries will enable effective use of resources not further skewed by TSN. That is not to say that the Council is not supportive of targeting resources to the most needed areas and people, but, rather, that this can be done without the wasteful analysis of TSN data that has kept monies out of the commercial community and in the back office administration of such funding. The Council welcomes all aspects of equality, good relations and sustainable development in the cross cutting themes.

Question 6: What are your views on the management and implementation arrangements for both Programmes, including the simplified delivery structures, co-ordination arrangements with other Community Programmes and technical assistance proposals?

Ards Borough Council accepts that a rationalised programme management will benefit the local economy and as such supports the lessening of the

number of government departments involved in the Managing Authority process. For the ESF Employment Programme, it supports the proposal that DEL will be the accountable department but requires the streamlining of the process to be clearly articulated, in terms of savings to be made over and above administrative costs accrued in the period 2000 - 2006. Moreover, it asks that DEL reports six monthly to all key stakeholders, including local authority Chief Executives, in regard to the effectiveness and efficiency of the Managing Authority.

In regard to the Competitiveness Programme, the Council requests that DETI is the Managing Authority but that the mechanics of structuring the programme management is formally discussed and agreed with local authorities, through the Northern Ireland Local Economic Development Forum. This is because the 2000 - 2006 period witnessed ever increasing processes - and resultant costs - surrounding the delivery of many elements of the Structural Funds / Building Sustainable Prosperity Programme, with key initiatives such as the Start a Business programme literally running out of money, with other areas under spent to the tune of over £100 million. As this impact of over management and under performance would not be acceptable in any dynamic, business like environment, it calls upon DETI to work under a Service Level Agreement with all substantial fund holders and to report, as with DEL, on a six monthly basis to all key stakeholders including local authority Chief Executives, NOT JUST on spend and targets, but on back office efficiencies and management costs.

Ards Borough Council recognises that on paper at least, complementarities will exist in regard to the Department of Agriculture's European Agricultural Fund and European Fisheries Funding, but requests that any other funding associated with business and rural development presently managed by DARD is absorbed in management terms by local authorities, DETI and DEL. In making this request, the Council accepts the need to - and asks the Department to recognise also - the DARD / Local Authority transfer of functions groupings now being set up across Northern Ireland.

In regard to the role of Local authorities, Ards Borough Council requests that this role is clarified in respect of funding allocation and required criteria, and calls upon the Department to adopt a two phased approach to the allocation, in as much that phase one be a non competitive allocation on a per capita basis afforded the 26 local authorities from 2007 through to the finalisation of the Review of Public Administration, presently anticipated to be around April 2009. and a second phase to run from the commencement of new Council arrangements through to Programme completion in 2013. It vehemently request that:

- (i) The sum of £25 million is retained for local authority management of local economic development, on the understanding that this amount be matched by local authorities in terms of rates and related funding;
- (ii) Sub regional partnerships, consisting of groupings of local authorities and private / public sector partners, are used to group expenditure with a minimum

of 50% of actual allocations being restricted to partnership working within such parameters.

(iii) Technical assistance is afforded local authorities on a par with central government in terms of allocation per employee.

Ards Borough Council approves and will execute all aspects of the Partnership ethos adopted in the consultation paper (page 12).

In conclusion, the Council has played and will continue to play a key role in the delivery, locally and regionally of local economic development funding. It broadly welcomes the consultation principles but believes strongly in the importance of removing ineffective processes and players and maximising output driven, locally driven, professional projects with the private sector afforded every opportunity to consolidate and grow, and with the local authority, of whatever boundary and size, being afforded statutory powers and primacy in terms of managing and implementing the local programmes in a more cost effective, innovative and tangibly successful way.

Armagh City & District Council

Armagh City & District Council welcomes the opportunity to respond on the Draft Competitiveness & Employment Programme. The significance for Council is considerable. The new Local Economic Development fund proposed is in the region of £50 million, within the Competitiveness (£211m) and Employment (£114m) Programme. It is closely aligned with the Lisbon Agenda which is an EU Strategy designed to promote jobs and growth within a more efficiently and effectively managed programme, which seeks innovation, non-duplication and a demonstrable effort to highlight local economic deficiencies.

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

Armagh City & District Council would agree with the Socio-economic analysis findings highlighting the need for an expanded private sector, increased levels of innovation and enterprise and improving the skills and qualifications of existing employees. The council would further add that in investigating new emerging growth sector the potential offered by tourism, professional services and new technologies be researched. Given the proposed review of Public Administration, if the public sector is going to be streamlined, the private sector needs to be expanding at a similar rate.

The Competitiveness Programme focuses on

- Promoting innovation in all areas
- Increase investment in research and technological development (R&TD) in the public and private sectors
- Promoting enterprise and entrepreneurship
- Creating a better climate for doing business in Northern Ireland

The Employment Programme focuses on

- Additional spending to remove barriers to work
- Equipping people with the necessary skills to enter the workforce
- Improving the existing skills of people already in work

Cross cutting the two programmes are additional themes of the need for equality in addressing the Programmes and the promotion of good relations and sustainable development, and the creation of sustainable communities. These themes act as strategic guidelines for those engaged in the implementation of the Programmes to ensure that the activities to be funded are coherent, not only with the Programme Strategies but with equality legislation and the wider aims and objectives of Government policy in NI.

At least 75% of the Programme's expenditure must be set aside for activities deemed compatible with the Lisbon priorities of promoting competitiveness and employment. The budget for the proposed programme has been reduced due to funds being diverted to new member states – the new level of budget is approximately half of 2000-2006.

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

The Council would agree with the need to address long term unemployment and would further add that steps are taken to ensure the skills training provided matches future industry needs thereby avoiding the creation of employment gaps.

It must also be noted that the workforce in Northern Ireland is changing. The level of immigrant workers is much higher than at the start of previous EU funding programmes. Immigrant workers are now a critical aspect of our economy. The new programme needs to consider their skills gap, support required to make their life easier eg, childcare, language, social infrastructure, healthcare etc. Unless these are addressed the immigrant workers cannot be a fully integrated sector of economy society.

Question 3: What are your views on the proposed strategy, priorities, key area of expenditure and indicative allocations, with the focus on Lisbon competitiveness priorities, for the ERDF Competitiveness Programme?

- Having reviewed Chapter 3 of the draft programme, the Council would be in agreement with the proposed activities detailed under each measure and would make the following additional comments.

Increasing Investment in research and Technological Department of Promoting Innovation.

- The Council welcome the proposal to promote greater linkages between SME's and universities however a creative approach could be adapted to this in the form of outreach provision for Rural settlements in NI. Armagh Council in partnership with Queens University has delivered an exemplar super computer project from a local base in Armagh providing companies in the area with the opportunity to undertake further research and development to promote growth. The local accessibility of the service has broken down perceived barriers of SME's approaching formal institutions and is a model of good practice.

Promoting Enterprise and Entrepreneurship

- The Council would suggest a flexible approach is adopted to promoting entrepreneurship thereby allowing areas to specialise in particular business sectors.

Improving accessibility and Protecting and enhancing the environment.

- The Council welcome the support to realising the further economic potential offered by tourism and would advocate that support is comprehensive – marketing, product offering, niche opportunities – signature projects etc.

The Council would express concern regarding the levels of budget expenditure for the programme. The available allocation as a proportion of

total budget is extremely low. The Council would question this and would encourage mechanisms are in place to transfer powers and funds in line with the RPA Governance Procedures.

Question 4: What are your views on the proposed strategy, priorities, key areas of expenditure and indicative allocations, with the focus on Lisbon Competitiveness priorities, for the ESF Competitiveness Programme?

The budget for the proposed two inter-related priorities of helping people into sustained employment and improving workforce skills and adaptability and the indicative activities are compatible with the Lisbon priorities for promoting employment.

The further development and support to enable the type of employment and skills activities currently funded under programmes such as PEACE II to continue will ensure that currently established good practice and momentum is maintained.

The Council would suggest that DEL utilise the recently developed Regional Workforce Fora as a mechanism to improve workforce skills and adaptability. The Workforce Forum in each area will be developing a skills strategy to meet local needs and it will be important that ESF funds are targeted towards their initiatives.

Question 5: What are your views on the proposed cross cutting themes for both Programmes of ensuring equality, promoting good relations and sustainable development, and creating sustainable communities?

The cross cutting themes of ensuring equality, promoting good relations and sustainable development, and creating sustainable communities is welcomed. Such themes are important across both programmes as economic and social issues are inextricably linked. This should assist in reducing duplication and further the profile of the said themes.

Question 6: What are your views on the proposed management and implementation arrangements for both programmes, including the simplified delivery structures, co-ordination arrangements with other community programmes and technical assistance proposals?

The future delivery of Structural Funds provides an opportunity for Government to utilise the new Local Government arrangements and the new Community Planning Powers. The implementation of the new economic development and sustainable development powers in their regions by the new councils will assist with a more integrated approach to regional economic development. The new council framework mirrors the currently in place delivery arrangements for EU funds on a sub regional basis throughout 2002-2008. These sub regional organisations which involve 6 plus councils have worked on Economic Development Programmes (eg) (South East Economic

Development, SEED, COMET, covering the Belfast Metropolitan area,) Waste Management, (SWAMP, ARC21,) Tourism, Armagh Down Tourism.

A key element is the identification of an enterprise strategy for each local Council. Such an approach ensures that locally based regeneration fits within, and is complementary to, regional strategies. Similar to the delivery methods proposed in the Rural Development Programme, this regional approach will ensure that Councils fulfil their new role as set out in the RPA document. DFP and DETI should begin discussion with the existing Council groupings e.g. SEED, COMET, INNOVATION WEST etc, to agree delivery bodies that are in place in 2007 and can evolve into the new Councils in 2009.

In regard to the Competitiveness Programme, the Council requests that DETI is the Managing Authority but that the mechanics of structuring the programme management is formally discussed and agreed with local authorities, through the Northern Ireland Local Economic Development Forum.

To conclude Armagh City & District Council is a pivotal organisation in the delivery, locally and regionally of local economic development funding. It broadly welcomes the principles of the said programme, however feels more cognisance needs to be taken of the changes facing the wider environment and public administration over the next 2-3 years.

Yours sincerely



Sharon O'Gorman

Strategic Director of Regeneration & Development

Banbridge District Council

Background

The NI Competitiveness and Employment Programmes 2007-2013 will have a budget of £325 million of EU funding. This funding will be targeted at the Lisbon agenda of jobs and growth combined with the Gothenburg agenda for sustainable development.

The Competitiveness Programme focuses on

- Promoting innovation in all areas
- Increase investment in research and technological development (R&TD) in the public and private sectors
- Promoting enterprise and entrepreneurship
- Creating a better climate for doing business in Northern Ireland

The Employment Programme focuses on

- Additional spending to remove barriers to work
- Equipping people with the necessary skills to enter the workforce
- Improving the existing skills of people already in work

Cross cutting the two programmes are additional themes of the need for equality in addressing the Programmes and the promotion of good relations and sustainable development, and the creation of sustainable communities. These themes act as strategic guidelines for those engaged in the implementation of the Programmes to ensure that the activities to be funded are coherent, not only with the Programme Strategies but with equality legislation and the wider aims and objectives of Government policy in NI.

At least 75% of the Programme's expenditure must be set aside for activities deemed compatible with the Lisbon priorities of promoting competitiveness and employment. The budget for the proposed programme has been reduced due to funds being diverted to new member states – the new level of budget is approximately half of 200-2006.

Consultation Questions

1. What are your views on the socio-economic analysis relating to the draft ERDF Competitiveness Programme?

The socio-economic analysis clearly identifies the need to expand the private sector in Northern Ireland so as to realize long-term sustainable economic growth and create the right conditions for businesses to flourish and expand.

There is nothing that Banbridge District Council would object to in the views expressed in the draft ERDF Competitiveness Programme.

2. What are your views on the labour market analysis relating to the draft ESF Employment Programme?

The proposed new programmes need to take account of a differing environment than the beginning of the previous programme in 2000. However, employment issues specific to this region are still there to be tackled. These are not fully set out in the submission. The workforce in Northern Ireland is changing. The level of immigrant workers in the region is much higher than at the start of the last round of programmes. Unemployment has continually decreased and the trend will continue. The following are the key areas which require expansion.

Reference is made to the economically inactive. The needs of the more vulnerable in society to fully participate in the economy in Northern Ireland can be more fully set out. On analysis of those on incapacity benefit, those with disabilities, learning difficulties and how these individuals can be integrated in economic society is still an issue which needs to be addressed in this round of funding.

Immigrant workers are now a critical aspect of our economy. The new programme needs to consider their skills gap, the support required to make their working life easier (eg) childcare, language, social infrastructure, healthcare etc. Unless these are addressed the immigrant workers cannot be a fully integrated sector of economic society.

The vision of Northern Ireland as a dynamic, knowledge based economy can only be realised if Government can set out an action plan of how our workforce can be skilled to meet the needs of the new economy. This requires research on the skills gap today and a futuristic analysis of the skills needed in 5 and 10 years. This should be developed with industry, Further Education College, Universities and training bodies.

ESF funding should target these 3 key areas.

3. What are your 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?

The consultation document makes a good analysis of where funding needs to be targeted within N. Ireland and still remains true to the Lisbon Agenda. An illustrative list is provided of possible indicative areas of expenditure for the seven year programme. The indicative activities are comprehensive and appropriate.

An approach based on commercially focused research and technology development (R&TD) accompanied with cross-sectoral business networks and clusters is proposed. The consultation document recommends that companies become more export-oriented and increasingly competitive in the international marketplace. The need to increase business capability to adopt external knowledge through establishing joint ventures and strategic alliances with overseas partners is promoted. Cross-border economic collaboration is encouraged.

Northern Ireland is moving from an economy with a high reliance on the public sector employment towards a greater private sector emphasis. It has also over the past 5 years seen the decline in its manufacturing sector, particularly textiles and this decline has yet to bottom out. Other sectors are also under threat (eg, agriculture). In particular these

declining sectors are in the more rural and peripheral parts of N. Ireland , and there is a need to support a balanced economic growth throughout N. Ireland.

The document makes particular reference to increasing investment in research and technology development (R&TD) and promoting innovation. Example of action includes specifically targeting the research information base available for both Universities. The development of R&TD linkages with the FE sector is viewed as the method for facilitating the adoption by locally based SME's of a R&TD culture. There is a need to develop this culture further in particularly to ensure the spread of economic growth in the region, and particular in the more deprived rural and border areas.

The key areas of expenditure would be of concern to the Council. Firstly, the Council allocation is £25m out of a total of £211m allocation is a very low percentage. Despite the agreement to a Rural Development Programme managed by DARD, Priority 2.1 includes Rural Enterprise. The Rural Enterprise Programme of the Rural Development Programme 2007-2013 is being delivered by Local Government. The proposal within 2.1 will result in duplication.

Secondly, 2.1 is proposed for delivery through Invest NI. Under the RPA proposals Councils would assume the key role in regard to local economic development in their district. Invest NI only cater for less than 5% of businesses. On this basis the allocation of £27m which is grant through the LED measure should be reviewed and the Local Government measure increased accordingly.

4. What are your views on the proposed strategy, priorities, key areas of expenditure and indicative allocations, with the focus on Lisbon Competitiveness priorities, for the ESF Competitiveness Programme?

The budget for the proposed two inter-related priorities of helping people into sustained employment and improving workforce skills and adaptability and the indicative activities are compatible with the Lisbon priorities for promoting employment.

The further development and support to enable the type of employment and skills activities currently funded under programmes such as PEACE II to continue will ensure that currently established good practice and momentum is maintained.

The Council would suggest that DEL utilise the recently developed Regional Workforce Fora as a mechanism to improve workforce skills and adaptability. The Workforce Forum in each area will be developing a skills strategy to meet local needs and it will be important that ESF funds are targeted towards their initiatives.

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

The participation of social partners and the encouragement of non-government organisation particularly in projects that promote social inclusion, gender equality and equal opportunities is a significant strength to the proposed cross cutting themes for both Programmes. This will ensure equality, good relations and sustainable development.

6. What are your views on the proposed management and implementation arrangements for both Programmes, including the simplified delivery structures, co-ordination arrangements with other Community Programmes and technical assistance proposals?

The consultation document proposes that Structural funds will be developed and delivered in partnership with stakeholders to include economic and social partners, local authorities, voluntary and community organisations, public representatives and staff in the EU commission.

The reduced budget will lead to simplification in both the delivery structure of both programmes and of processes such as the application and selection of projects.

The future delivery of Structural Funds provides an opportunity for Government to utilise the new Local Government arrangements and the new Community Planning Powers. The implementation of the new economic development and sustainable development powers in their regions by the new councils will assist with a more integrated approach to regional economic development. The new council framework mirrors the currently in place delivery arrangements for EU funds on a sub regional basis throughout 2002-2008. These sub regional organisations which involve 6 plus councils have worked on Economic Development Programmes (eg) (South East Economic Development, SEED, COMET, covering the Belfast Metropolitan area,) Waste Management, (SWAMP, ARC21,) Tourism, Armagh Down Tourism.

A key element is the identification of an enterprise strategy for each local Council. Such an approach ensures that locally based regeneration fits within, and is complementary to, regional strategies. Similar to the delivery methods proposed in the Rural Development Programme, this regional approach will ensure that Councils fulfil their new role as set out in the RPA document. DFP and DETI should begin discussion with the existing Council groupings e.g. SEED, COMET, INNOVATION WEST etc, to agree delivery bodies that are in place in 2007 and can evolve into the new Councils in 2009.

The allocation in regard to tourism should be channelled through the Regional Tourism Partnerships which have responsibility to deliver on Product and Market Development and the Signature Tourism Products. This should be in agreement with NITB.

In regard to the Competitiveness Programme, the Council requests that DETI is the Managing Authority but that the mechanics of structuring the programme management is formally discussed and agreed with local authorities, through the Northern Ireland Local Economic Development Forum. This is because the 2000-2006 period witnessed ever increasing processes – and resultant costs – surrounding the delivery of many elements of the Structural Funds/Building Sustainable Prosperity Programme, with key initiatives such as the Start a Business Programme literally running out of money, with other areas under spent to the tune of over £100m. As this impact of over management and under performance would not be acceptable in any dynamic, business like environment, it calls upon DETI to work under a Service Level Agreement with all substantial fund holders and to report, as with DEL, on a six monthly basis to all key stakeholders including local authority Chief Executives, NOT JUST on spend and targets, but on back office efficiencies and management costs.

The Council would refer to the last paragraph of its response to Question 3. Councils should use the main delivery method for 2.1 and 2.2.

Recommendation

It is recommended that the Council respond as outlined above.

THE BUSINESS WOMENS NETWORKS (NI)

We (Women in Enterprise) write as the managing agent for BWN NI. BWN NI is made up of 4 networks from across Northern Ireland, supporting women in and into business. The networks are membership organisations and have both a strategic and operational role. BWN NI is the recognised voice of business women in the region and as such we welcome the opportunity to comment on the ESF and ERDF Programmes.

BWN NI wishes to comment principally on Questions 1, 2, 3, 4 and 5 in the Consultation document.

In relation to Question 1 we fully endorse the socio-economic analysis upon which the presentation of the region is based. There is also some useful analysis' of the region that are found in other EU Programmes such as Peace III and these could be usefully used to paint a fuller picture. However, in many instances the figures produced for Northern Ireland as a region do not reveal sub-regional disparities, which in the case of a number of sub regions represent even greater degrees of socio-economic disadvantage than that found in the Belfast Metropolitan Area.

In addition, and perhaps more importantly for BWN NI, the analysis does not appear to take into account any imbalances in relation to gender. For example the section dealing with Enterprise and Entrepreneurship uses the GEM report for context and benchmarks Northern Ireland against UK and other EU countries with Northern Ireland remaining lower than in the UK but higher than a number of other member states.

The GEM report paints a starker picture in relation to female entrepreneurship in Northern Ireland and BWN NI think this issue should be brought out as one that is targeted for special intervention and support.

In relation to Question 2, again whilst we feel this is an accurate picture in as far as it goes, we feel it would go some long way to identifying real need if the gender imbalances were identified as these are an important factor in the Northern Ireland labor market and needs addressed.

Against this overall socio-economic context and in relation to question 3 and 4 the BWN NI believes that the overall objectives of the Programmes are well founded. Successful implementation will undoubtedly have beneficial outcomes on the issues identified in the analysis. In relation to the priorities etc, BWN NI would stress the need for funding in Northern Ireland and in particular the intervention rates for equality and gender based programmes to remain the same. Changes in intervention rates could result in support for many initiatives tackling inequalities to cease thereby actually propagating the problems indicated in paragraph 3 above. Match funding is difficult to source for these types of initiatives and whilst progress has been made it is much slower than for example non gender specific training programmes. It is essential therefore that there is no detrimental change to the funding methods.

The cross-cutting themes referred to at question 5 are all highly relevant as strategic guidelines for those implementing the Programmes and should ensure that the activities to be funded are consistent not only with the Programme strategies but also with the wider policy aims of Governments. BWN NI will be particularly interesting in the monitoring of the equality aspect, especially in relation to gender.

BWN NI hopes that these comments are helpful and looks forward to the implementation of the programmes.

Yours sincerely

Janice Tracey
Chairwoman
BWN NI