



Special EU Programmes Body  
Foras Um Chláir Speisialta An AE  
Boord O Owre Ocht UE Projecks

# **CORPORATE PLAN**

## **2014-2016**

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## CHIEF EXECUTIVE'S FOREWORD

I am delighted to present this, the Special EU Programmes Body Corporate Plan for the years 2014-2016. It sets out the core aims and objectives of the SEUPB for the next three years. The plan will encompass the move from one programming period (2007-2013) to the next (2014-2020) for both the European Union's PEACE and INTERREG Programmes.

Given the current economic climate and the need to deliver more for less within the public sector; the twin virtues of value for money and efficient working practices have been embedded within our overall strategic vision, as outlined within this plan.

Our primary focus, going forward, will be to continue the effective management of the EU's Programme for Peace and Reconciliation, alongside the EU's Cross-Border Programme for Territorial Co-operation.

Both of these programmes, which are now fully committed, have made a tangible impact upon the lives of hundreds of thousands of people living across Northern Ireland, the Border Region of Ireland and Western Scotland. The projects that have been supported, under the programmes, are creating a long-lasting legacy, which will have a positive transformative effect for many decades to come.

With a value of €333 million the EU's PEACE III Programme has provided support for a wide-range of projects including many large-scale, capital build projects; to regional-wide peace and reconciliation initiatives; as well as thousands of smaller local community focused projects that are helping to overcome sectarianism and combat racism. This hugely diverse range of support has reinforced peace and stability and supported the continuation of the peace process throughout Northern Ireland and the Border Region of Ireland.

The €256 million INTERREG IVA Programme has also been able to provide much needed support to a wide-range of projects and initiatives. Spanning a number of different sectors including enterprise, tourism, healthcare, the environment and infrastructure the programme has been able to increase the overall prosperity and sustainability of its entire eligible area. Many of the projects funded within both the PEACE III and INTERREG IVA will begin to conclude in 2014, making way for the PEACE IV and INTERREG VA Programmes; each with their own unique set of aims and objectives. We are currently helping to develop the content, structure and overall goals of these programmes.

This process was started in late 2012 when we, in line with our legislative remit, were requested by the UK and Irish Member States to prepare the content of the new programmes. Over 1,000 participants were involved in a consultation exercise with the general public and a sizeable number of written submissions were received by the SEUPB from a wide-range of key stakeholders.

It is anticipated that the consultation process will be concluded by early 2014 with draft operational programmes, ready for approval by the Northern Ireland executive, the Irish Government, and for the INTERREG Programme also the Scottish Government in early 2014.

These programmes will be formally submitted to the European Commission for approval in 2014, with a view to ensuring the programmes will be 'open for business' in the latter part of 2014. There are many different individuals, public sector bodies and other organisations involved in assisting the SEUPB in the delivery of the aims and objectives of the EU funded Programmes.

I would particularly like to express my continued gratitude however, to the members of our Monitoring and Steering Committees, all of the Accountable Departments, North and South, the Scottish Government, and of course our own Sponsor Departments, the Department of Finance and Personnel in Northern Ireland and the Department of Public Expenditure and Reform in Ireland.

I would also particularly like to convey my admiration to all of the staff at the SEUPB, without whom, we would not be able to deliver upon this our new Corporate Plan.

A handwritten signature in black ink, appearing to read 'Pat Colgan', with a horizontal line underneath.

Pat Colgan,  
Chief Executive  
Special EU Programmes Body

# **SECTION ONE**

OVERVIEW OF THE WORK OF THE SEUPB

## SEUPB Mission Statement:

*“To effectively manage and implement funding programmes on behalf of the two Governments aimed at delivering social and economic improvements to the people in Northern Ireland, Ireland and parts of Western Scotland through cross-border, transnational and inter-regional co-operation.”*

## SEUPB Vision Statement:

*“The SEUPB will work as a trusted agent of both Governments and the European Commission in the management and delivery of programmes that contribute to the economic and social well being of the region. Its work will be imbued by the values of openness, transparency and accessibility.”*

## Our Guiding Principles:

These describe the essence of how we work. They define our culture and core beliefs and are firmly embedded within the strategic and business objectives outlined within this Corporate Plan. Our guiding principles have been developed through consultation with staff members and consideration of the dynamic environment within which we operate.

- *Financial integrity*
- *Customer/Stakeholder focused*
- *Equality in opportunity and accessibility for all*
- *Efficiency and value for money*
- *Transparency and openness in governance*
- *Collaboration, sharing and learning*
- *Respect for all*

## **INTRODUCTION**

This Corporate Plan sets out the activities that the Body will carry out during 2014-16 to support the delivery of its vision, strategies and business objectives as determined by its legislative remit. The Corporate Plan details specific targets and measurable performance indicators for each business objective along with the budgets and staffing arrangements of the SEUPB.

The SEUPB has successfully delivered on objectives and targets as set out in its 2011-2013 Corporate Plan and supplementing Business Plans. Building on this progress, activity during 2014-16 will continue to focus on the management and implementation of the PEACE III and INTERREG IVA Programmes as well as other responsibilities under the INTERREG transnational and inter-regional Programmes. SEUPB is also charged by way of its legislation, to advise both Member States for future cross border and other related programmes as preparations are made for the next EU funding period starting in 2014.

## **GOVERNANCE ARRANGEMENTS AND STATUTORY RESPONSIBILITIES**

The SEUPB is a North/South Body established under the 1999 Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland (The Agreement). The Agreement stipulates that the SEUPB will implement the policies as directed by the North/South Ministerial Council (NSMC) as specified by the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 and the British-Irish Agreement Act 1999, as amended.

The SEUPB carries out its functions in compliance with the Financial Memorandum and other agreements with its Sponsor Departments. The Financial Memorandum is designed to ensure the proper use of public monies and sets out financial procedures and accountability arrangements which govern the operating and financial relationships between the North/South Ministerial Council, the Department for Finance and Personnel (DFP) and the Department of Public Expenditure and Reform (DPER) in their roles as both Sponsor and Finance Departments, and the SEUPB.

The SEUPB will receive grants of money voted by the Northern Ireland Assembly and Dáil Éireann. The NSMC, with the approval of the two Finance/Public Expenditure Ministers, will

make recommendations as to the amounts of such grants. The SEUPB will also receive monies from the EU Commission, for the designated programme payments. The funds are recorded within the relevant government departments' votes.

The SEUPB is required to prepare a three year Corporate Plan and an annual Business Plan. All plans are subject to the approval of the NSMC, including the two Finance/Public Expenditure Ministers. The Body is also required to produce an Annual Report on its activities and a Statement of Accounts. This is examined and certified by the Comptroller and Auditor General for Northern Ireland and the Irish Comptroller and Auditor General. Copies of the report are submitted to the NSMC and laid before the Northern Ireland Assembly and the Houses of the Oireachtas.

In line with best practice, an embedded risk management system culminates in the Chief Executive making an annual Assurance Statement. Reporting to an enhanced Audit Committee, with an independent Chair and Membership, the SEUPB will continue to enhance its corporate governance and risk management systems as it strives to attain the Body's corporate objectives.

## **ORGANISATIONAL STRUCTURE**

The Chief Executive of the SEUPB is appointed by the NSMC. The Chief Executive is the Accountable Person for the SEUPB with responsibility for all matters of financial propriety and regularity and for all considerations of prudent and economic administration of the organisation.

The SEUPB's Headquarters is located in Belfast and a further two offices are situated in Omagh and Monaghan.

## **KEY ORGANISATIONAL ROLES**

The primary role of the SEUPB is to manage cross-border European Union Structural Funds Programmes in Northern Ireland, the Border Region of Ireland and parts of Western Scotland.

### **Current Programmes (2007-2013)**

The two current programmes (2007-2013) are the European Union's Programme for Peace and Reconciliation (otherwise known as the PEACE III Programme) and the European Union's Cross-Border Programme for Territorial Co-operation (INTERREG IVA Programme).

### **PEACE III**

The EU Programme for Peace and Reconciliation for Northern Ireland and the Border Region of Ireland 2007-2013 (PEACE III) has an overall financial allocation of €333 million, including €225 million EU ERDF funds. The Programme's main objective is aimed at reinforcing progress towards a peaceful and stable society and promoting reconciliation.

### **INTERREG IVA**

The Cross-Border Territorial Co-operation Programme 2007-2013 (INTERREG IVA) has an overall financial allocation of €256 million which includes €193 million EU ERDF funds. The main aim of this Programme is to support strategic cross-border co-operation for a more prosperous and sustainable region.

The Steering Committee had approved funding to eligible projects to the full value of both programmes and SEUPB will continue to monitor the implementation of projects to ensure they meet expenditure targets and deliver the agreed outputs. At this stage in the programme life cycle some projects are complete and the SEUPB is now preparing these projects for the closure process.

In managing the PEACE III and INTERREG IVA Programmes, SEUPB's work is divided into four main areas:

**1. Managing Authority** - which has overall responsibility under EU regulation EC 1080/2006 for the management and implementation of the Operational Programmes. It has a number of responsibilities, and the most current of which include:

- Establishing and monitoring procedures to ensure that project expenditure has been properly and legally incurred, claimed and paid;
- Maintaining systems to store data on all aspects of programme implementation including financial management, audit, monitoring and evaluation;
- Ensuring proper evaluation of the programmes;
- Preparing annual and final reports on implementation; and
- Ensuring that information and publicity requirements established by European Regulations are met.

**2. The Joint Technical Secretariat (JTS)** - which oversees the day-to-day implementation of the PEACE III and INTERREG IVA Programmes, supporting both the Managing Authority and Lead Partners in the monitoring of projects. The Programme Support Unit was responsible for project assessment; provision of secretarial services to the Steering Committees; issuing contracts to successful applicants; and currently is focused on project monitoring.

**3. Corporate Services** - which incorporates a range of different roles which support the implementation of the programmes. The SEUPB's Communications, ICT and HR teams all lie within Corporate Services. A key part of the directorate is the **Certifying Authority**.

**The Certifying Authority** has responsibility for the certification of all expenditure claims submitted to the EU Commission ensuring eligibility with EU National Rules. It also controls the cashflow of the programme, including making payments to lead partners, drawdown of funds from the European Commission and subsequent reimbursement to each Member State.

#### **INTERREG IV Transnational and Inter-regional**

In addition to the above, the SEUPB had a role in maximising North/South participation in the following INTERREG IVB and IVC Programmes:

- The North West Europe Programme
- The Atlantic Area Programme
- The Northern Periphery Programme
- The INTERREG IVC Inter-regional Programme

Currently the SEUPB continues to be involved with these programmes in its role of monitoring and verifying the expenditure of projects based in Northern Ireland.

## **DEVELOPING FUTURE PROGRAMMES POST 2014**

The SEUPB, via its legislative remit, has been tasked with advising the North/South Ministerial Council (NSMC) and the Government of Northern Ireland and Ireland on the preparation of future EU Programmes. The SEUPB received a formal request from DFP and DPER to begin the work of programme development on a future INTERREG cross border programme and a future PEACE programme.

The SEUPB will continue to fulfil the role of managing authority and certifying authority for the new programmes however the delivery structures for implementation are still to be finalised. Establishing the administrative architecture for the programmes will be the key cornerstone that will determine the nature of the role and activities that SEUPB will be required to undertake during this corporate planning period. These arrangements are currently being developed along with the Departments of Finance, and the functions and services that SEUPB will be required to undertake will be set out in each annual business plan as arrangements are finalised.

# **SECTION TWO**

Review of Performance

## **REVIEW OF PERFORMANCE AGAINST THE 2011-2013 CORPORATE PLAN**

This chapter provides a brief review of the SEUPB's performance against the measurable targets outlined within the SEUPB's 2011-2013 Corporate Plan. The SEUPB has comprehensively delivered against its targets as outlined within the 2011-2013 Corporate Plan. A summary of the key outputs against each of the four key corporate objectives is outlined below and overleaf.

### **1. Implementing the PEACE III and INTERREG IVA Programmes**

*To ensure the efficient and effective delivery of the PEACE III and INTERREG IVA Programmes ensuring Programme objectives are met and impact is maximised in the regions.*

The SEUPB is responsible for the effective management of the public expenditure associated with the PEACE III and INTERREG IVA Programmes. It has established clear structures and systems to ensure that the highest standards of financial management are adhered to. To date, a total of 304 projects have been approved with a combined value of €577.3m.

In respect of the PEACE III Programme, the N+2 targets for 2011 and 2012 were achieved, with total cumulative expenditure of €163.3m recorded, a surplus of €26.1m. Current forecasts indicate that the cumulative 2013 N+2 target of €193.1m (annual target €29.7m) will be met, however the increasing annual N+2 targets in both 2014 (€56.9m) and in particular 2015 (€82.9m) create a challenge and will require a surplus to be built up during 2013 to carry forward into these years.

In respect of the INTERREG IVA Programme, the N+2 targets for 2011 and 2012 were achieved, with total cumulative expenditure of €106.6m recorded, a surplus of €3.5m. Current forecasts indicate that achievement of the cumulative 2013 N+2 target of €146.4m will be challenging, and appropriate steps are being put in place to mitigate against any risk of non-achievement of this target.

The N+2 target for future years rises significantly in comparison with previous year's targets. This increase in annual target means there remains a potential risk to the achievement of the 2014 – 2015 requirements. The achievement of the 2015 requirement for PEACE III

(€82.9m) in particular provides a significant challenge. In order to achieve the 2015 requirement, it is anticipated that a significant level of surplus will need to be built during 2013 and 2014.

At the project level, the financial control unit initiated verifications of project activity expenditure in 2011, 2012 and 2013. System audit checks were carried out on lead partners on an annual basis and the appropriate systems were maintained to ensure the proper identification and reporting of irregular activity.

### **Meeting Information Requirements**

In line with EU requirements, the SEUPB produced and developed Annual Implementation Reports in line with commission timeframes. The 2011 and 2012 reports have been submitted and accepted by the European Commission.

A range of evaluation and research projects have also been undertaken or are under way to ensure that the programmes are functioning effectively. Research included Mid Term Evaluations; Community Uptake Analysis; Attitudinal Surveys and theme specific research.

### **Communications Activity**

The most significant communication events during the period 2011-2013 are outlined below.

#### **2011 - PEACE III Conference**

On 24 June 2011 the SEUPB co-ordinated a major conference in the City Hotel, Derry-Londonderry. The event, which took place the day before the official launch of the EU funded Peace Bridge, included presentations from a number of international speakers from as far afield as Bosnia and Herzegovina, Ireland, Northern Ireland and Sweden.

#### **2012 – PEACE III Conference**

On 13 November 2012 the SEUPB co-ordinated a major conference, in consultation with the 14 PEACE Partnerships across Northern Ireland and the Border Region of Ireland. The event took place in Belfast City Hall.

#### **2013 – PEACE III Conference**

On the 3 January 2013 the SEUPB helped to co-ordinate a major conference for the European Commission in the Charlemagne Building in Brussels. The event called "Bringing

Divided Communities Together" highlighted the impact and success of the EU's PEACE Programme within Northern Ireland and the Border Region of Ireland.

### **2011 – INTERREG IVA Conference**

The SEUPB alongside the Centre for Cross-Border Studies co-ordinated a major two-day conference on 'Cross-Border Training and Impact Assessment in Ireland and Europe' in Cavan on the 27<sup>th</sup> and 28<sup>th</sup> October.

### **2012 – INTERREG IVA Conference**

In order to help celebrate European Territorial Co-operation Day the SEUPB, in partnership with the Border, Midland & Western Regional Assembly and the Southern & Eastern Regional Assembly, organised a conference which demonstrated the success of the INTERREG Programme across the regions of Northern Ireland, Ireland, Scotland and Wales.

### **2013 – INTERREG IVA Conference**

To help promote the enterprise priority of the INTERREG IVA Programme the SEUPB part-sponsored one of the biggest international innovation conferences in Northern Ireland this year, alongside NORIBIC (Northern Ireland Business and Innovation Centre).

## **2. Transnational and Inter-regional Responsibilities**

*To promote North/South Co-operation in all Transnational and Inter-regional Programmes and maximise opportunities for all on the Island of Ireland to participate in these programmes.*

The SEUPB has continued to promote and maximise North/South participation in the INTERREG IVB and IVC Programmes. To date, the SEUPB is working with 54 projects and has secured 67 project partners across the four relevant programmes. The additional ERDF which these projects bring to Northern Ireland totals over €11 million as at the end of 2012. A wide range of organisations are involved, including local authorities, universities, government departments and community and voluntary organisations.

Of these 54 projects, 35 have a North/ South partnership. There are 4 projects with Lead Partners from Northern Ireland. The SEUPB has been working closely with the two

Regional Assemblies in Ireland to promote the remaining opportunities in the programmes and to highlight the successes of the programmes.

The SEUPB continues to manage the First Level of Control process for Northern Ireland partners in the transnational and interregional programmes and is continuing to carry out vouching and verification visits for the 67 project partners. In addition, the SEUPB is carrying out the 'On the Spot' checks on all transnational projects.

The Northern Periphery Programme (NPP) has issued letters of offer to 8 Preparatory projects which have Lead Partners/ Partners based in Northern Ireland. These Projects are preparing for the call for the New Programming period, due in March 2014, and will require verification and monitoring by SEUPB.

### **3. The preparation of Future Programmes**

*To advise the North South Ministerial Council and the two Governments on the preparation of any future programmes related to the remit of the SEUPB.*

From August to November 2012, the SEUPB received a formal request from the Department of Finance and Personnel and the Department of Public Expenditure and Reform to begin the work of programme development on a future INTERREG cross border programme and a future PEACE Programme.

In line with the requirements of DFP and DPER, the SEUPB has established a single Programme Development Steering Group which is made up of a range of key stakeholders. The role of the group is to manage and discuss the programme development process and review draft findings and documents. This group met 3 times during 2012, and has met 3 times to date in 2013.

This group will be responsible for managing the second consultation on the final draft of the Operational Programme, together with inputting into the Strategic Environmental Assessment, and the Equality Impact Assessment.

Between January 2013 and end March 2013, the SEUPB collated all consultation responses and produced a summary of the responses.

The SEUPB has been working throughout 2013 on the drafting of the detailed content of the Operational Programmes for approval of the NI Executive, Irish Government and Scottish Government (INTERREG only).

#### **4. Corporate Governance and Services**

*Within a framework of governance and accountability implement effective administration, Communication, IT and HR and Communication strategies to enhance the business performance of the SEUPB.*

The Corporate Services Directorate incorporates a range of services to aid and enhance the business performance of the SEUPB. The SEUPB is complying fully with its Corporate Governance requirements. Annual Accounts for 2010 and 2011 have been laid in the Northern Ireland Executive and the Irish Government. The Accounts for 2012 have been signed by the Comptrollers and Auditor Generals, and the Annual Report 2012 is prepared. The 2014 Business Plan and 2014-2016 Corporate Plan have all been drafted in consultation with Sponsor Departments for approval by the NSMC. The SEUPB has also worked diligently to ensure that workplace efficiencies are achieved in line with those outlined within its Efficiency Savings delivery plan.

In relation to Human Resources, Sponsor Departments commissioned a staffing review of the SEUPB in 2010 where it was agreed SEUPB could continue with 65 staff for the remainder of 2011 and 2012. A further staffing review was carried out in 2012 to confirm precise staffing numbers going forward. The recommendations of this staffing review were for 60 staff in 2013 and 57 staff in 2014. Ministers agreed, at the NSMC Sectoral meeting on the 6<sup>th</sup> December 2013, SEUPB staffing levels would be 60 in 2013 and 57 in 2014 and that SEUPB should explore other opportunities with both sponsor departments to gain additional efficiencies through implementation of the staffing review recommendations and the development and implementation of the new 2014-20 Programmes.

# **SECTION THREE**

**SETTING OBJECTIVES FOR THE 2014-  
2016 CORPORATE PLAN**

## **Setting Strategic Objectives and Goals for 2014-2016**

In setting the Strategic Objectives for the 2014-2016 period, due consideration was given to:

- The Vision and Mission of the SEUPB.
- The SEUPB's objectives and results during the 2011-2013 period.
- The operational environment within which the SEUPB will be required to operate for delivery of the 2014-2016 plan; and
- Alignment with the objectives and targets of the Sponsor Departments.

### **Economic and Public Expenditure Context**

Undoubtedly the major challenge facing the SEUPB as with all public bodies in both Northern Ireland and Ireland is the economic and public expenditure context within which they will be required to operate. As both UK and Irish Governments deploy policies stimulus to aid economic recovery and address significant budget deficits, there will be considerable impact on the available resources available for the planning period.

The Northern Ireland Executive faces significant public expenditure challenges in the coming years as a consequence of the Government's plans to reduce public sector borrowing. The UK Spending Round 2013 published in June 2013 has specified Departmental spending which means that Northern Ireland Departments will need to deliver significant additional savings in order to address cost pressures and fund improvements in public services.

The deterioration in the economic environment has had a serious impact upon the public finances in Ireland and Budget 2014 is the latest in a series of budgetary adjustments aimed at stabilizing the public finances and returning sustainability to the fiscal position over the coming years. The Irish Government is committed to continuing with this process of budgetary consolidation in order to reduce the deficit to below 3% of GDP by 2015. In this vein, the Government is continually examining how public services are delivered, making major efficiency gains while ensuring the protection of essential services as far as possible.

Corporate Objectives contained within this plan are therefore to be considered within a context of spending cuts and increased pressures on departmental budgets for decision makers in Great Britain, Northern Ireland and Ireland. A robust and effective Efficiency Savings Delivery Plan is also required to demonstrate the SEUPB's continued commitment to deliver value for money and adjust to the changing public expenditure environment.

## **European Context**

Going forward into the next Corporate Planning period, the ongoing debate on the future of EU Cohesion Policy will inevitably have relevance on the future work of the SEUPB. The EU wide debate on the future of Cohesion Policy post 2013 is well underway. A key milestone in the development of policy was the publication of the Fifth Report on Economic, Social and Territorial Cohesion in November 2010. This report contained proposals for Cohesion Policy for the period 2014 to 2020. During 2011 the Commission conducted widespread consultation on these proposals. This culminated in the publication in October 2011 of a legislative package of draft Regulations and a draft budget for the period 2014-2020, referred to as the *Multi Annual Financial Framework* (MFF).

Common provisions regulation, fund specific regulations for the European Regional Development Fund (ERDF), European Social Fund (ESF), and Cohesion Fund, and regulations for European Territorial Cooperation (ETC) and European Grouping of Territorial Cooperation (EGTC). The adoption of the package is subject to agreement through the co-decision procedure between the Council and the European Parliament. Significant progress was made during Ireland's Presidency of the European Union in advancing the dossier with agreement on four of the six regulations. The progress made under the Irish Presidency is facilitating the conclusion of discussions by the Lithuanian Presidency. Political Agreement on the MFF was also achieved under the Irish Presidency on the 27<sup>th</sup> June 2013. The allocation for Cohesion Policy in 2014-2020 will be €325.1 billion.

## **Political Context**

During the period covered by this Corporate plan there will be a number of elections both in the United Kingdom and Ireland. Firstly European Parliamentary elections are scheduled for 22-25 May 2014 and these may be accompanied by an election in Northern Ireland to the new Councils which will see the reduction from 26 Councils to 11. These elections will be followed by a General election for Westminster on 7 May 2015.

In June 2013, the UK Government and the Northern Ireland Executive agreed a package of proposals to strengthen the Northern Ireland economy and secure a shared future. This Economic Pact recognised the importance of PEACE funding in promoting reconciliation, and allocated an additional €50 million from the UK 2014-20 European Territorial Cooperation budget to support and enhance the PEACE IV Programme.

The Irish Government's local government reform plan, "Putting People First", was launched in October 2012 and will see a modernisation of Irish local government including a reduction in the number of councils and councillors. Subsequent to this, the Local Electoral Area Boundary Commission Report published in 2013 recommends boundary changes to local electoral areas. It is expected that local and European elections will be held in Ireland in May 2014, a general election will also be held during this corporate planning period, with the Irish Government elected in 2011 coming to the end of its term in 2016.

It is expected that this corporate planning period will continue to see politicians facing challenging decisions in the prioritisation of public service delivery in both Ireland and Northern Ireland.

### **Alignment with Sponsor Departments' Objectives**

The SEUPB is very aware of the importance of ensuring that the SEUPB's targets are in alignment with its Sponsor Departments. Both Departments are in the process of preparing new strategies for the 2014-2016 period and therefore targets within the plan have been considered in light of previous Departmental targets. The SEUPB will continue to monitor its objectives in line with those of its Sponsor Departments.

Relevant objectives for the 2012-13 period as outlined within the DFP's Balanced Scorecard include:

- *R1: Support the Executive in the securing, allocation and effective use of available resources.*
- *IP1: Manage the resources available to DFP efficiently and effectively and deliver required savings.*

Within the Department of Public Expenditure and Reform's Statement of Strategy 2011-14, the following objectives are outlined:

- *To manage public expenditure at more sustainable levels in planned, rational and balanced manner in support of Ireland's economic performances and social progress.*
- *To have public administration and governance structures that are transparent, efficient, accountable and responsive.*

## **Priorities for SEUPB in establishing Corporate Objectives for 2014 -2016**

Throughout the process of establishing the corporate objectives for the next 3 years, SEUPB carefully considered its key regulatory functions, which are bestowed upon it, by way of statutory legislation and EU regulations for the effective management of EU funding Programmes. The work activities currently ongoing within SEUPB were appraised against a backdrop of the regulatory functions and the decreasing resources available to SEUPB, and decisions were taken with regard to activities and services, that SEUPB could undertake and deliver in 2014.

Until the critical decisions surrounding SEUPB's future resources and role within the 2014-2020 are finalised, SEUPB cannot set out the detail of the strategic targets for 2015 and 2016. However as the future role and functions for SEUPB are finalised, the detail of the targets will be set down in the annual business plans during the period.

The key functions for SEUPB are set out below, and it is fair to say that these will be the minimum functions that SEUPB will undertake during this corporate planning period. Therefore the following functions do assist in establishing the corporate objectives for this planning period:

- 1.** To act as the Managing Authority, Certifying Authority and First level of Control (verification) within the current PEACE III and INTERREG IVA Programmes. The current Programmes are in full implementation mode, and therefore the funded projects require support from SEUPB to enable them to fulfil the objectives of the letter of offer, meet the required expenditure targets set for each project, and undertake their activities in line with EU and member state regulations. If the projects deliver what they have been funded to do, the overall objectives of the programmes will be met, however this requires consistent monitoring and intervention from SEUPB to assist the projects in that delivery. This remains a significant role for SEUPB during this planning period, with almost €100 million to be verified for eligibility from funded claims to maximise the EU receipts in 2014, and €150 million in 2015.
- 2.** During this corporate planning period, the projects will be completing and must be closed effectively, to ensure that the programmes can be closed in such a way as to maximise EU receipts for both Member States.

3. SEUPB has a corporate team for key functions including finance, human resources, communications and IT. SEUPB has a significant role in ensuring that the highest standards of public accountability and financial management are adhered to meet the expectations of its' many stakeholders.

4. Joint Technical Secretariat (JTS) provides services in relation to project assessment (largely complete) and support to projects. This role of supporting and assisting projects to deliver their objectives is inextricably linked to the Managing Authority role set out above. The JTS unit is established by the Managing Authority and the work directly face to face with projects that they undertake, has been delegated by the Managing Authority to the JTS unit. The role of JTS in the new programmes is yet to be established, however during this planning period there remains a significant role with current funded Lead Partners to assist them complete their projects effectively.

5. Support to projects applying to and implementing transnational programmes. The role undertaken by SEUPB in assisting projects access funding within the Transnational Programmes has always been considered as a key role for the organisation. SEUPB have an ongoing commitment with regard to the verification of the 67 funded projects within these Programmes for those projects based in Northern Ireland, and this role must continue until those projects are complete.

6. SEUPB has also been requested by the Member States to develop, draft and implement the New Programmes 2013-2020. This role in 2014 will involve a significant work load to ensure that the 2014-2020 programmes will be ready for the first applications in late 2014. In 2014 the SEUPB must complete the drafting of the Operational Programmes, the SEAs and the EQIAs, and have these ratified and approved by the Northern Ireland Executive, the Irish Government, the Scottish Government ( INTERREG only) before formal submission to the European Commission for approval. Running co-terminously alongside this activity is the essential development of the architecture of the Programmes delivery mechanisms, administrative and governance arrangements.

The funding database for the New Programmes, must be specified, procured, developed and implemented by late summer 2014, this in itself is a significant task, given that the delivery mechanisms, and administrative arrangements are still in the process of development and discussion. The delivery mechanisms must be agreed, and possibly procured, to ensure that the application and assessment process, including all funding guidance and associated

administration arrangements will be ready for late 2014, to ensure the timely implementation of these programmes. It is anticipated that the first applications will be made to these programmes for funding, in late 2014. 2015 and 2016, will see the new programmes in full delivery mode and all the relevant mechanisms must be implemented and working during this period.

The SEUPB have established 5 corporate objectives for 2014 to 2016, which reflect the essential elements of the role and functions of the organisation.

### **Corporate Objectives for the 2014-2016 Period**

Five overarching Strategic / Corporate objectives have been identified for the 2014-2016 period. These are outlined below. Further detail on the actions to be taken under each of the strategic objectives is outlined in Annex A.

#### **CORPORATE OBJECTIVE 1**

Effectively achieve the objectives of the PEACE III and INTERREG IVA Programmes, by providing guidance and support to the approved projects to enable them to maximise their contribution to society.

#### **CORPORATE OBJECTIVE 2**

To ensure that funded projects are provided with support and guidance to enable their functioning in accordance with EU and Member State Regulatory Framework.

#### **CORPORATE OBJECTIVE 3**

To ensure effective business processes for closure are implemented for the 2007-13 Programmes which will result in a maximisation of EU receipts for both Member States.

#### **CORPORATE OBJECTIVE 4**

Enhance business performance of SEUPB and its staff through the implementation of effective and efficient administrative processes within a corporate governance framework designed to meet accountability requirements.

#### **CORPORATE OBJECTIVE 5**

To ensure the development of effective administrative structures and processes which will facilitate the implementation of future Programmes for the period 2014-2020, in accordance with the regulatory frameworks of the EU.

## BALANCED SCORECARD

The SEUPB will continue to use a balanced scorecard to assist with business planning for 2014 to 2016. The Balanced Scorecard allows the SEUPB to incorporate strategic and business objectives and their associated activities into resource allocation processes, therefore increasing the understanding of the SEUPB's Corporate Vision and Strategy to both internal and external stakeholders. The Balanced Scorecard is divided into a four perspective view comprising Business Results; Customer Requirements; Internal Business Processes and Growth and Learning.

### SEUPB Balanced Scorecard 2014-16

BUSINESS RESULTS	CUSTOMER REQUIREMENTS
<p><b>BR1:</b> Ensure the efficient and effective delivery of the 2007-2013 PEACE III and INTERREG IVA Programmes.</p> <p><b>BR2:</b> Ensure effective business processes for closure are implemented for the 2007-13 programmes.</p> <p><b>BR3:</b> Ensure programmes are functioning in accordance with EU and member state Regulatory Framework.</p> <p><b>BR4:</b> Develop effective processes to facilitate the implementation of future programmes.</p>	<p><b>CR1:</b> Manage the implementation of high quality projects in all Programmes.</p> <p><b>CR2:</b> Ensure projects are provided with the support and guidance to meet the demands of their Letter of Offer.</p> <p><b>CR3:</b> Ensure projects are provided with the support to enable their functioning in accordance with EU and member state Regulatory Frameworks.</p> <p><b>CR4:</b> Ensure compliance with the new regulations for information and publicity for the programmes.</p> <p><b>CR5:</b> Meet any information and reporting requirements as stipulated within SEUPB's Financial Memorandum and other governing documents.</p> <p><b>CR6:</b> Consult extensively in the development of the new Operational Programmes.</p>
INTERNAL BUSINESS PROCESSES	GROWTH AND LEARNING
<p><b>IP1:</b> Ensure good corporate governance and effective management of resources.</p> <p><b>IP2:</b> Continually develop internal processes to improve the efficiency and effectiveness of SEUPB.</p>	<p><b>GL1:</b> Develop the skills, capabilities and knowledge of staff to achieve the organisational objectives.</p> <p><b>GL2:</b> Train staff on the implementation of the new regulations and administrative arrangements for the new programmes.</p>

# **SECTION FOUR**

## **RESOURCING THE PLAN**

## **RESOURCING THE PLAN**

### **Administration/Operating Costs of the SEUPB**

Financial resources in respect of administration/operating costs of the SEUPB are provided annually via an agreed budget allocated from its Sponsoring Departments (The Department of Finance and Personnel in Northern Ireland, and the Department of Public Expenditure and Reform in Ireland). Tables outlining proposed budgets for 2014 and indicative allocations for 2015, 2016 can be found in Annexes C and D.

The SEUPB have agreed to put in place measures to ensure the required 12% cumulative reductions in administration costs in 2014, 15 & 16, against the 2013 baseline budget are achieved.

The baseline funding of £2,051k in 2013 will therefore reduce to £1,969k in 2014, £1,887k in 2015 and £1,805k in 2016. The annual reductions to be implemented total £82k in each of the three years.

### **Delivering Efficiencies**

Achievement of these reductions will be through a series of efficiency measures, combined with a review of apportionment policies. The SEUPB operates within the framework of public reform and is committed to pursuing a proactive approach to maximise efficiency savings. These efficiencies are being achieved through:

- Ensuring that staffing budgets and levels are kept under review to optimise performance;
- Continued improvement of procurement of goods and services practices;
- Improved efficiencies through changes in transactional services and IT developments;
- Simplifying and standardising processes through improved systems;
- Ensuring that expenditure on publicity and consultancy is minimised;
- Continual review of business processes in an attempt to gain efficiencies; and
- Developing implementation structures and business processes in the future EU Programmes for 2014 to 2020 which will result in efficiencies.

The SEUPB will continue to work with Sponsor Departments to ensure that efficiency and value for money is achieved in all business areas.

## **Programme Expenditure**

The Programme expenditure figures are based on the value of Euro funds required by the Central Payments Unit within the SEUPB to make payment requests to projects to cover both the annual N+2 targets set by the EU Commission under the Operational Programme and in addition to this, any advance payments required. These have been translated to sterling at 0.86, being the planning rate set down by the Department of Finance and Personnel and the Department of Finance.

Programme expenditure is 'ring-fenced' – i.e. sufficient expenditure must be incurred to the level which will maximise Member State 'EU Receipts' for both Programmes. Programme expenditure takes account of the apportionment of funding between the Member States.

# **SECTION FIVE**

Monitoring, Evaluating and Communicating  
the 2014-2016 Corporate Plan

## **MONITORING, EVALUATING AND COMMUNICATING THE PLAN**

Implementation of the objectives outlined within the 2014-16 Corporate Plan will be monitored and evaluated through a series of both internal and external measures.

### **Internal Measures**

The Senior Management Team consider and report on progress against Corporate Plan Targets at monthly meetings, primarily through the monitoring of the annual Business Plan targets. The Business Plan targets are set on an annual basis in a manner which ensures that they align closely with the Corporate Plan Targets. Meeting all Business Plan targets will therefore ensure delivery of the Corporate Plan objectives. The Senior Management Team assesses the risks associated with all targets on a monthly basis, using a detailed Risk Register, and agrees/approves mitigating actions to be taken. At the end of each year within the Corporate Plan cycle, consideration is given to any Business Plan targets which have not been achieved, and any remedial action required to reduce the impact upon the associated Corporate Plan target.

The SEUPB considers the Corporate Plan to be a working document and the annual business planning days allow the opportunity for all staff members to discuss progress against the Corporate Plan targets. This also provides the SEUPB with the opportunity to amend and discuss targets in light of changing operational environments. The business plans which are produced and reported on annually are another useful tool to track progress against the corporate objectives and annual targets set in the Corporate Plan.

### **External Measures**

In line with best practice, the Accounting Officer has established an Audit & Risk Committee to support him in his responsibilities for issues of risk, control and governance and associated assurance issues. Membership of the Committee is independent and includes representation from both Sponsor Departments. The Committee meets four times per annum and completes activity in accordance with stipulations outlined within its agreed Terms of Reference (which has been updated during 2013).

In addition, the SEUPB provides progress reports on implementation of the programmes and objectives outlined within the Corporate and Business Plan to the North South Ministerial Council and Sponsor Departments as required. It is also subject to appearance before Northern Ireland Assembly and Oireachtas Scrutiny Committees as and when required.

### **Communicating the 2014-2016 Corporate Plan**

The SEUPB is very aware that in order to deliver the 2014-2016 Corporate Plan within the context of the challenging environment will require strong and visible leadership by all SEUPB Managers. As outlined above, the SEUPB Senior Management Team is committed to communicating the Plan to both staff and stakeholders alike.

Annual business and corporate planning events enable objectives and targets to be communicated to all staff members and upon approval of the plan, it will be published and issued to all members of staff. The plan will also be published on the SEUPB website and in line with standard procedure, will be available in alternative formats to ensure accessibility by all.

The SEUPB will also avail of other opportunities to promote and communicate the vision, mission and principles outlined within the plan and the associated targets and activities. This will include the posting of key messages in communal areas within the three SEUPB premises and notification that the Corporate Plan has been published in existing external and internal publications.

# **ANNEX A**

## **DETAILED BALANCED SCORECARD FOR CORPORATE PLAN 2014-2016**

### CORPORATE OBJECTIVE 1

Effectively achieve the objectives of the PEACE III and INTERREG IVA Programmes, by providing guidance and support to the approved projects to enable them to maximise their contribution to society.

Corporate Scorecard	Strategic Action	Target & Activities			2014	2015	2016	Owner
BR1	Monitor and achieve cumulative N+2 expenditure targets for PEACE III and INTERREG IVA Programmes.	<b>Year</b>	<b>PEACE III</b>	<b>INTERREG IVA</b>				MA/CS/ JTS
		2014	€56,901,439.00	€44,580,992.00	✓			
		2015	€82,857,094.00	€65,012,000.80		✓		
	Ensure adequate commitment to meet N+2 targets.				✓	✓	✓	MA/CS/ JTS
	Monitor the delivery of programme objectives.	Chair and provide secretariat support to the Programme Monitoring Committees (PMC). Two meetings to be held each year per programme.			✓	✓	✓	MA
		Provide secretariat support for the Monitoring and Evaluation Working Group (MEWG). Four meetings to be held each year.			✓	✓	✓	
		Implement the programme monitoring and evaluation plans.			✓	✓	✓	
		Produce an Annual Implementation Report for each programme in line with requirements and timescales set out by the European Commission.			✓	✓	✓	
		Organise and facilitate Programme Committee Steering Committee meetings as and when required.			✓	✓	✓	JTS
BR3/CR4	Ensure both Programmes are functioning in accordance with the EU and Member States Regulatory Frameworks.	Ensure financial and operational regulations are being adhered to both at programme and project level .i.e. EC 1080/2006 and EC 1083/2006.			✓	✓	✓	MA
		Ensure the compliance with information and publicity requirements as outlined within the Communications Strategy			✓	✓	✓	

**CORPORATE OBJECTIVE 2**

To ensure that funded projects are provided with support and guidance to enable their functioning in accordance with EU and Member State Regulatory Framework.

Corporate Scorecard	Strategic Action	Target & Activities	2014	2015	2016	Owner
BR2	Ensure a framework of closure procedures is established.	Ensure adequate guidance is in place to facilitate closure in line with regulatory and programme requirements by January 2014.	✓	✓	✓	MA
BR2 / IP1 /IP2	Fulfil regulatory requirements.	Ensure all Article 4 and 10 requirements are completed by June 2015.		✓	✓	MA/JTS
	Maximise EU receipts.	Provide final Programme Recoveries Schedule by December 2015.		✓		MA/JTS
		Monitor and achieve N+2 expenditure targets by 31 <sup>st</sup> December 2014 and 2015.	✓	✓		
		Reconcile all expenditure records and ensure maximisation of EU receipts in Final Declaration with 2% Closure Flexibility in December 2016.			✓	
		Submit final interim claim to Certifying Authority in September 2015, with final claim in early 2016.		✓	✓	
		Prepare and submit final statement of expenditure to Audit Authority by December 2016.			✓	
	Produce closure reports and submit to the European Commission.	Complete closure report by December 2016.			✓	MA

**CORPORATE OBJECTIVE 3**

To ensure effective business processes for closure are implemented for the 2007-13 Programmes which will result in a maximisation of EU receipts for both Member States.

Corporate Scorecard	Strategic Action	Target & Activities	2014	2015	2016	Owner
BR3/CR2	Deliver effective and efficient services that meet the needs of our stakeholders and customers.	Work with applicants and other relevant organisations to deliver high quality projects.	✓	✓	✓	JTS
CR3	Ensure the highest standard of financial accountability with regards to the implementation of programme funds.	Carry out First Level Control vouching and verification of expenditure.	✓	✓	✓	MA/JTS/ CS
CR3	Ensure adherence to EU Member States Regulatory Framework.	Ensure operational regulations are being adhered to at project level.	✓	✓	✓	MA/JTS/ CS
		Manage the First Level of Control process for NI partners of all Transnational and Inter-regional projects.	✓	✓	✓	

**CORPORATE OBJECTIVE 4**

Enhance business performance of SEUPB and its staff through the implementation of effective and efficient administrative processes within a corporate governance framework designed to meet accountability requirements.

Corporate Scorecard	Strategic Action	Target & Activities	2014	2015	2016	Owner
IP1/IP2	Effective financial strategies implemented to improve business performance.	<p>Make payments to suppliers on a prompt basis.</p> <p>Make payments to Lead Partners on a prompt basis i.e. within 7 weeks.</p> <p>Achieve efficiency savings as determined by NSMC.</p> <p>Ensure that all procurement is in accordance with regulation and best practice.</p> <p>Prepare at least four expenditure claims on an annual basis.</p> <p>Provide a recovery statement by project with each EU claim.</p>	✓	✓	✓	CS
IP1/IP2	Effective internal control and management of organisational risk.	<p>Ensure that Risk Register is maintained and update Business Continuity Plan.</p> <p>Ensure all relevant SLAs and agreements are in place with all Accountable Departments.</p>	✓	✓	✓	CS
CR4	Meet all information and reporting requirements as stipulated within the Financial Memorandum and governing documents.	<p>Carry out corporate and business planning to enhance business performance.</p> <p>Prepare and publish an Annual Report in line with conditions set out in the Financial Memorandum.</p> <p>Prepare Annual Accounts for each year of the planning period and submit to the NIAO for Audit.</p>	✓	✓	✓	CS

		All requests for information to be answered within agreed timeframes.	✓	✓	✓	
		Adhere to the Freedom of Information Code of Conduct for all North South Bodies.	✓	✓	✓	
IP1/IP2	Effective IT Strategy and equipment to service the needs of the organisation.	Ensure the ICT Department provides an effective IT management and support service.	✓	✓	✓	CS
IP1/IP2	Fulfil all requirements of the Communications Strategy 2014.	Maintain and enhance corporate communications activity as identified within the Communications Strategy during 2014.	✓	✓	✓	CS
IP1	Legislation compliance control.	Complete annual progress report to Equality Commission.	✓	✓	✓	CS
		Maintain a working environment which is health and safety compliant for both staff and members of the public.	✓	✓	✓	
		Full compliance with Data Protection principles.	✓	✓	✓	
IP2	Appropriate systems in place to enable the effective audit of SEUPB business services.	SEUPB Audit & Risk Committee to meet on a regular basis.	✓	✓	✓	CS
IP1	Efficient delivery of organisation's key targets.	Ensure effective monthly monitoring and evaluation of overall Business Plan and Corporate Plan targets.	✓	✓	✓	All
IP1/IP2	Processes in place to allow organisation to fulfil all budgetary requirements.	Ensure expenditure of at least 98.5% of budgeted amounts.	✓	✓	✓	CS
		Ensure 4% per annum minimum cumulative cash releasing efficiency savings.	✓	✓	✓	
GL1	Achieve results in delivering business services through appropriately trained staff.	Maintain staffing levels throughout the planning period in line with the agreed staffing compliment.	✓	✓	✓	CS
		Prepare training plan to ensure that each staff member receives training.	✓	✓	✓	

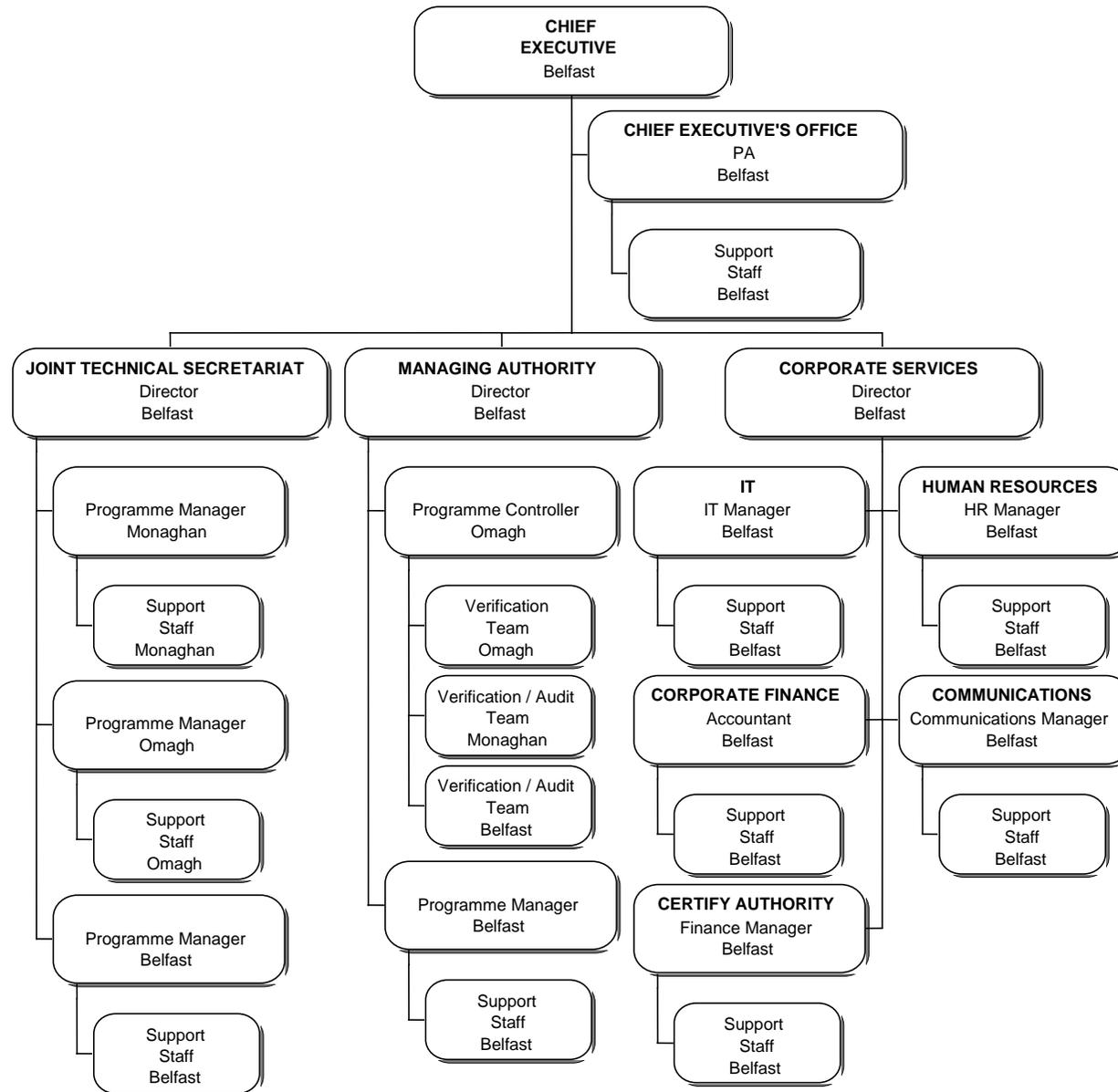
**CORPORATE OBJECTIVE 5**

To ensure the development of effective administrative structures and processes which will facilitate the implementation of future Programmes for the period 2014-2020, in accordance with the Regulatory Frameworks of the EU.

Corporate Scorecard	Strategic Action	Target & Activities	2014	2015	2016	Owner
BR4/ GL1/ IP1 / CR5	Provide leadership on the implementation of the new programmes.	Ensure the programmes are established and functioning appropriately in accordance with EU and Member State regulatory frameworks by late 2014.	✓	✓	✓	MA / JTS
BR3	Ensure adherence to EU and Member States regulatory framework.	All regulatory reports submitted by dates specified by the European Commission during 2014.	✓	✓	✓	All
BR4	Ensure the highest standards of financial accountability are applied to the implementation of programme funds.	Monitor and achieve expenditure targets for each programme. Targets.  Monitor and achieve N+2 targets for each programme.	✓	✓	✓	MA/ JTS/CS

# **ANNEX B**

# **ORGANISATIONAL CHART**



# **ANNEX C**

## **PROPOSED BUDGET ALLOCATION (£ and €)**

**Corporate/Business Plan Summary - proposed 2014 budget and Indicative Allocation Pro Forma (Sterling)**

North South Body  €1 = £0.86	Approved Budget 2013	Proposed Budget 2014			Indicative Budget 2015			Indicative Budget 2016		
	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Programme Costs</b>										
<b>Peace III</b>	54,985	49,149	-	49,149	42,699	-	42,699	-	-	-
Northern Ireland	35,048	31,327	-	31,327	27,216	-	27,216	-	-	-
Ireland	19,937	17,822	-	17,822	15,483	-	15,483	-	-	-
										-
<b>Interreg IVA</b>	40,761	28,979	23,415	52,394	24,868	16,468	41,336	-	-	-
Northern Ireland	31,746	22,123	17,633	39,756	19,203	12,709	31,913	-	-	-
Ireland	9,435	6,855	5,783	12,638	5,664	3,759	9,423	-	-	-
<b>Total Programme Expenditure</b>	<b>95,746</b>	<b>78,128</b>	<b>23,415</b>	<b>101,543</b>	<b>67,567</b>	<b>16,468</b>	<b>84,035</b>	-	-	-
<b>New Programme Costs</b>	-	-	-	-	4,300	-	4,300	21,500	-	21,500
<b>Peace IV</b>	-	-	-	-	2,150	-	2,150	10,750	-	10,750
<b>Interreg V</b>	-	-	-	-	2,150	-	2,150	10,750	-	10,750
<b>Total Programme Expenditure</b>	<b>95,746</b>	<b>78,128</b>	<b>23,415</b>	<b>101,543</b>	<b>71,867</b>	<b>16,468</b>	<b>88,335</b>	<b>21,500</b>	-	<b>21,500</b>
Pay Costs	1,290	1,202	-	1,202	1,111	-	1,111	1,011	-	1,011
Pension Costs	7	7	-	7	7	-	7	21	-	21
Non Pay Administration Costs	611	583	40	623	599	40	639	609	40	649
<b>Total Jointly Funded Administration costs</b>	<b>1,908</b>	<b>1,792</b>	<b>40</b>	<b>1,832</b>	<b>1,717</b>	<b>40</b>	<b>1,757</b>	<b>1,641</b>	<b>40</b>	<b>1,681</b>

<b>(ii) Costs Funded by North Only</b>										
Pay Costs	110	103	-	103	95	-	95	88	-	88
Pension Costs	33	34	-	34	35	-	35	36	-	36
Non Pay Administration Costs	-	-	-	-	-	-	-	-	-	-
<b>Total Administrative Costs Funded By North Only</b>	<b>143</b>	<b>137</b>	<b>-</b>	<b>137</b>	<b>130</b>	<b>-</b>	<b>130</b>	<b>124</b>	<b>-</b>	<b>124</b>
<b>Total Administrative Costs</b>	<b>2,051</b>	<b>1,929</b>	<b>40</b>	<b>1,969</b>	<b>1,847</b>	<b>40</b>	<b>1,887</b>	<b>1,765</b>	<b>40</b>	<b>1,805</b>
<b>Overall Total Expenditure (programmes &amp; Administration)</b>	<b>97,797</b>	<b>80,057</b>	<b>23,455</b>	<b>103,512</b>	<b>73,714</b>	<b>16,508</b>	<b>90,222</b>	<b>23,265</b>	<b>40</b>	<b>23,305</b>
<b>Proportion payable by NI</b>	<b>69%</b>	<b>68%</b>	<b>75%</b>	<b>70%</b>	<b>67%</b>	<b>77%</b>	<b>67%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
<b>Proportion payable by IRL</b>	<b>31%</b>	<b>32%</b>	<b>25%</b>	<b>30%</b>	<b>33%</b>	<b>23%</b>	<b>29%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
Existing/Projected Staff Numbers	60			57			57			57

Narrative to support expenditure figures:

- **All figures in £'000 Stg and a planning rate of €1=£0.86 has been used.**
- **The administration costs are funded Northern Ireland 53% and Ireland 47%**

The following planning assumptions have been used in relation to the Budgeted total Programme Expenditure:

- The figures included in Annex C reflect ERDF and match contribution for Ireland and for Northern Ireland and the ERDF element only for Scotland, where projects provide their own match funding (that will not flow through SEUPB).
- The budget request is based on an analysis of the approved and anticipated approved projects forecasts of expenditure, including consultation with project lead partners. These forecasts are then adjusted by SEUPB to allow for collective slippage on Project expenditure, and to include the cash flow implications of granting advance payments of expenditure to projects to facilitate activity. The Programme expenditure target imposed by the Commission is the overarching consideration.
- Nominal figures for the new programmes have be included for 2015 & 2016, using a 50/50 N/S split, and assigned as 100% 'Current'. The correct N/S splits and Capital/Resource splits are not yet available.

Admin costs incorporate 12% efficiency savings over 3 years, against the 2013 baseline.

**Corporate/Business Plan Summary - Proposed Revised 2014 Budget and Indicative Allocation (Euro)**

North South Body  €1 = £0.86	Approved Budget 2013	Proposed Budget 2014			Indicative Budget 2015			Indicative Budget 2016		
	Total	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Programme Costs</b>										
<b>Peace III</b>	<b>67,055</b>	<b>57,150</b>	-	<b>57,150</b>	<b>49,650</b>	-	<b>49,650</b>	-	-	-
Northern Ireland	42,741	36,427	-	36,427	31,647	-	31,647	-	-	-
Ireland	24,314	20,723	-	20,723	18,003	-	18,003	-	-	-
										-
<b>Interreg IVA</b>	<b>49,708</b>	<b>33,696</b>	<b>27,227</b>	<b>60,923</b>	<b>28,916</b>	<b>19,149</b>	<b>48,065</b>	-	-	-
Northern Ireland	38,202	25,725	20,503	46,228	22,330	14,778	37,108	-	-	-
Ireland	11,506	7,971	6,724	14,695	6,586	4,371	10,957	-	-	-
<b>Total Current Programme Expenditure</b>	<b>116,763</b>	<b>90,846</b>	<b>27,227</b>	<b>118,073</b>	<b>78,566</b>	<b>19,149</b>	<b>97,715</b>	-	-	-
<b>2014 -2020 Programme Costs</b>	-	-	-	-	<b>5,000</b>	-	<b>5,000</b>	<b>25,000</b>	-	<b>25,000</b>
<b>Peace IV</b>	-	-	-	-	2,500	-	2,500	12,500	-	12,500
<b>Interreg V</b>	-	-	-	-	2,500	-	2,500	12,500	-	12,500
<b>Total Programme Expenditure</b>	<b>116,763</b>	<b>90,846</b>	<b>27,227</b>	<b>14,695</b>	<b>83,566</b>	<b>19,149</b>	<b>102,715</b>	<b>25,000</b>	-	<b>25,000</b>
Pay Costs	1,573	1,398	-	1,398	1,292	-	1,292	1,176	-	1,176
Pension Costs	9	8	-	8	8	-	8	24	-	24
Non Pay Administration Costs	745	678	47	724	697	47	743	708	47	755
<b>Total Jointly Funded Administration costs</b>	<b>2,327</b>	<b>2,084</b>	<b>47</b>	<b>2,130</b>	<b>1,997</b>	<b>47</b>	<b>2,043</b>	<b>1,908</b>	<b>47</b>	<b>1,955</b>

<b>(ii) Costs Funded by North Only</b>										
Pay Costs	134	120	-	120	110	-	110	102	-	102
Pension Costs	40	40	-	40	41	-	41	42	-	42
Non Pay Administration Costs		-	-	-	-	-	0	-	-	-
<b>Total Administrative Costs Funded By North Only</b>	<b>174</b>	<b>159</b>	<b>-</b>	<b>159</b>	<b>151</b>	<b>-</b>	<b>151</b>	<b>144</b>	<b>-</b>	<b>144</b>
<b>Total Administrative Costs</b>	<b>2,501</b>	<b>2,243</b>	<b>47</b>	<b>2,290</b>	<b>2,148</b>	<b>47</b>	<b>2,194</b>	<b>2,052</b>	<b>47</b>	<b>2,099</b>
<b>Overall Total Expenditure (programmes &amp; Administration)</b>	<b>119,264</b>	<b>93,089</b>	<b>27,274</b>	<b>120,363</b>	<b>85,714</b>	<b>19,195</b>	<b>104,909</b>	<b>27,052</b>	<b>47</b>	<b>27,099</b>
<b>Proportion payable by NI</b>	<b>69%</b>	<b>68%</b>	<b>75%</b>	<b>70%</b>	<b>67%</b>	<b>77%</b>	<b>69%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
<b>Proportion payable by IRL</b>	<b>31%</b>	<b>32%</b>	<b>25%</b>	<b>30%</b>	<b>33%</b>	<b>23%</b>	<b>31%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
Existing/Projected Staff Numbers	60			57			57			57

Narrative to support expenditure figures:

- **All figures in £'000 Stg and a planning rate of €1=£0.86 has been used.**
- **The administration costs are funded Northern Ireland 53% and Ireland 47%**

The following planning assumptions have been used in relation to the Budgeted total Programme Expenditure:

- The figures included in Annex C reflect ERDF and match contribution for Ireland and for Northern Ireland and the ERDF element only for Scotland, where projects provide their own match funding (that will not flow through SEUPB).
- The budget request is based on an analysis of the approved and anticipated approved projects forecasts of expenditure, including consultation with project lead partners. These forecasts are then adjusted by SEUPB to allow for collective slippage on Project expenditure, and to include the cash flow implications of granting advance payments of expenditure to projects to facilitate activity. The Programme expenditure target imposed by the Commission is the overarching consideration.

- Nominal figures for the new programmes have be included for 2015 & 2016, using a 50/50 N/S split, and assigned as 100% 'Current'. The correct N/S splits and Capital/Resource splits are not yet available.

Admin costs incorporate 12% efficiency savings over 3 years, against the 2013 baseline.

# ANNEX D

## EFFICIENCY TABLE

NORTH/SOUTH BODY: **Special EU Programmes Body**

This Delivery Plan describes the measures Special EU Programmes Body will implement to achieve its target savings for 2014 – 2016.

## Efficiency Programme

The Body will realise total efficiencies of **£'000s / €' 000s** from 2014-2016 as shown in the Total Efficiency Table below.

Sterling					Euro				
<u>Total Efficiency Targets</u> <u>(4% p.a., 12% cumulative)</u>	Baseline & Total Efficiencies	2014 Efficiency Savings	2015 Efficiency Savings (Cumulative)	2016 Efficiency Savings (Cumulative)	<u>Total Efficiency Targets</u> <u>(4% p.a., 12% cumulative)</u>	Baseline & Total Efficiencies	2014 Efficiency Savings	2015 Efficiency Savings (Cumulative)	2016 Efficiency Savings (Cumulative)
	£'000s	£'000s	£'000s	£'000s	€'000s	€'000s	€'000s	€'000s	€'000s
Baseline (2013 approved budget)	<b>2,051</b>				Baseline (2010 approved budget)	<b>2,385</b>			
Total Efficiencies Required	<b>246</b>	<b>82</b>	<b>164</b>	<b>246</b>	Total Efficiencies Required	<b>286</b>	<b>95</b>	<b>191</b>	<b>286</b>