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**NORTHERN IRELAND AND THE BORDER REGION OF IRELAND
EU PROGRAMME FOR PEACE & RECONCILIATION
(2014 - 2020)**

CCI No: 2014TC16RFPC001

**MINUTES MONITORING COMMITTEE MEETING
TUESDAY 22ND NOVEMBER 2016**

Attendance

A list of attendees and apologies is attached at Annex II.

Welcome and introduction by Chairperson

The Chair welcomed attendees to this second meeting of the PEACE IV Programme Monitoring Committee 2014 -2020, and introduced **the European Commission Desk Officer, Tamara Pavlin**, and the new SEUPB **Head of Corporate Services, Paul Sheridan**.

The Chair provided an update on developments in relation to the Programme since the exceptional PMC meeting on 07 September 2016. The Chair reminded members of the release of a press statement on 03 October 2016 by HMT, which gave assurance that projects approved up the date of the UK's exit from the European Union would be funded for their full duration, provided they demonstrate value for money and are a regional priority.

On this basis, the PEACE IV Programme has opened all remaining calls for applications and the first Letter of Offer for funding has issued under the Victims and Survivors theme.

The Chair took the opportunity to thank the Finance Ministers and their officials, the Monitoring Committee, the Steering Committees and also the SEUPB staff for their diligent work in moving the programmes forward in the period of great uncertainty since the UK's referendum decision on the EU.

1. Agree Agenda

The Agenda was adopted.

2. Conflict of Interest Declaration

The Chair requested that any outstanding Code of Conduct and Conflict of Interest forms be returned to the SEUPB Secretariat, and that in the interim any Conflicts of Interest be declared verbally.

The Equality Commission NI representative informed the Chair of her previous employment with Belfast City Council, which was in receipt of substantial funding under the PEACE III Programme and will be discussed during the meeting.

3. Minutes of the previous meeting – 02 March 2016

The minutes of the previous meeting were agreed as a true and accurate record.

The Chair informed Members that the minutes of the exceptional PMC meeting on 07 September 2016 have been approved, separately, via written procedure.

Both sets of minutes will be uploaded to the SEUPB website.

4. Matters Arising

The Committee noted the matters arising from the previous meeting, all of which have been resolved.

5. Update on implementation of PEACE IV 2014 – 2020 Programme

The JS Head of Unit also wished to place on record his thanks to the Steering Committees of both Programmes. He presented the paper on programme implementation to Members.

Addressing the resource challenges highlighted in the JS Head of Unit's presentation, **the Chair** assured Members that the SEUPB's Head of Corporate Services, in conjunction with the DOF and DPER, are working to ensure that appropriate resources are in place to efficiently conduct the parallel processes of Stage 2 assessments and project mobilisation.

The Director, MA, was invited by the Chair to provide a presentation on the Children and Young People Specific Objective.

The Head of Unit, JS, informed Members that the assessment process is adhering to the 36 week timeframe with one exception, which involved a delay at the project's request.

The Chair drew Members' attention to the following updates within the Implementation Update paper;

- The 2015 Annual Implementation Report (AIR) was submitted to the EU Commission prior to the regulatory deadline;
- With regards to e-cohesion, the Project Board are working to implement an Online Monitoring System in early 2017;
- Extensive communications activity has taken place to advertise the open calls for applications, deliver funding workshops and provide stakeholders with information and guidance following the UK's EU Referendum, and;
- The Communications team continue work to develop a new corporate website;

Members of the Monitoring Committee made the following observations:

- In relation to the Children and Young People (14-24) Call for Applications, clarification was sought on the consortia approach, its requirements and any support being provided. Members also queried the arrangements in place to manage the consortia and the risk to the Programme if consortia were to disband;
- Members also cautioned the SEUPB to account for participants who have left the educational system aged 16 and risk falling into a gap between SEUPB and ESF funding;
- Sought an explanation for the "variable" quality of incoming applications across the Programme, and the impact on the Programme;
- Queried SEUPB's level of confidence in the quality of incoming applications, and expressed concern that projects of an inadequate quality could be progressed due to the pressures around time constraints;
- Acknowledged the challenges regarding SEUPB resources and expressed concern that the Steering Committees may have insufficient time to conduct thorough assessment if continuing to work to an accelerated timetable;

- Queried whether Steering Committees can defer projects, to allow projects to return with an application of higher quality;
- Queried how the SEUPB are managing fluctuations in exchange rates, and;
- Advised the SEUPB to consider ethnic minorities within the Children and Young People theme, as well as Catholic and Protestant participants.

The EU Commission representative made the following observations relating to the Programme Update report;

- Congratulated the SEUPB on issuing their first Letter of Offer under the PEACE IV Programme and acknowledged the significant amount of work involved in getting to that stage;
- Queried the two applications under the Shared Education theme, and if both working distinctly could fulfil the €30m allocation and the required targets;
- Requested clarification on the lowered targets in Phase 1 of the Children and Young People theme;
- Noted the first LoO of the Programme has been awarded under the Victims and Survivors theme. She queried whether this was awarded to the Victims and Survivors Service, as the main benefactor named in the Cooperation Programme, and whether the agreed scrutiny of governance capacity and necessary eligibility checks had taken place, and;
- Expressed concern that both designation and implementation of the Online Monitoring System have experienced slippage and asked SEUPB to clarify exactly when the system would be implemented.

The Chair,/JS Head of Unit/ MA Director provided the following responses;

- The Children and Young People call encourages applicants to form joint bids on a cross-border basis however, there is no requirement for pre-existing consortia. There is sufficient time before the submission of Stage 1 applications to form appropriate consortia from among organisations with experience in the field. There is additional time to develop the application for Stage 2. The SEUPB do not have a direct role in forming consortia, it remains the responsibility of the applicants;
- The variable quality of applications received does not impact upon the Programme. Investigations show a broad range of reasons behind the variable quality however, JS are unable to attribute this to a single reason at this stage. The issue around “variable quality” applications should not be construed as low quality overall; there is range of high quality to poor applications.

- Incoming applications are subjected to rigorous assessment and the SEUPB are confident in the quality of projects which complete the process. While the competitive process can prove challenging , all aspects of the Programme are over- subscribed, and the SEUPB are confident in meeting targets with quality projects;
- The Steering Committees are given ten days or more in which to review application documentation prior to meetings, and their assessment discussion can be as in-depth as they decide is required;
- With regards to the Online Monitoring System, Members were informed that the aim is to establish a live system by the end of January 2017;
- Confirmed, with regards to the Victims and Survivors Service, that an independent Corporate Governance review was conducted, resulting in two minor recommendations which do not impact on overall assurance;
- Target numbers for Phase 1 of the Children and Young People theme were slightly reduced to account for the four/five months slippage in Programme implementation however, the SEUPB are confident in the ability to achieve the overall objectives over the remaining Programming period;
- The SEUPB cannot provide detailed comment on the two applications under Shared Education as they remain under assessment. The Steering Committee will meet to discuss these projects in December and will ensure adherence to Programme objectives;
- Members were assured that the JS will utilise all the time available in order to assess the two Shared Education projects, as appropriate to the €36m investment and extensive outputs, and award the LoO to an applicant or applicants with the ability to deliver the outputs;
- Exchange rate fluctuations are being discussed with Member States and two options are under consideration; setting the rate as per the date of the Steering Committee, or utilising an annual planning rate. The potential effects of either option on projects will be assessed;
- The SEUPB worked with the relevant departments to identify appropriate target participants in the Children and Young People theme, and are aware of the various journeys of those marginalised participants. The programme can support those young people who should be in education but whose attendance is minimal;
- A benefit of the Programme is the ability to engage with young people immediately after they leave school and provide them with the competencies to continue into more traditional training, such as those provided by ESF or other statutory Programmes;
- Participants in the Children and Young People (14-24) theme will be reflective of various demographics and a range of religions and ethnicities, which reflects another benefit of the consortia approach

The DoF representative welcomed the progress in Programme implementation and made the following points:

- Requested that the full value of funding including the 15% match funding contribution to be included in figures within future update papers,
- Referred to section 3.3; Review of Budget Allocations and the Children and Young People budget allocation. He informed Members that the issue is currently under discussion with relevant Departments and will require Executive approval, and;
- Queried whether approval of the budget reallocations via written procedure was appropriate to the level of business.

The EU Commission representative stated she has not yet seen a detailed proposal in relation to the budget reallocation in order to judge the significance of the budget amendments. However, she expressed concern in further delaying implementation of this theme by waiting until the next PMC in May 2017 for Members to approve.

The Chair stated the SEUPB's view that the amendments do not constitute any modification of the Programme financial tables, nor do they affect the outputs, and therefore remain appropriate for a written procedure. Discussions with Member States around the amendments are commencing, and they will define the approach taken.

The Director, MA, clarified that budget reallocations were included within the papers in order to keep the PMC informed of the process, should approval via written procedure be required. He informed Members that SEUPB should be in a position to provide further detail on this matter in early 2017.

The Monitoring Committee;

- **Noted** the progress in programme implementation;
- **Noted** progress with regards to the Regulatory Requirements of the Programmes including SEUPB's development of the eMS as its Online Monitoring System; and
- **Noted** the Communications Activity since the last Programme Monitoring Committee meeting.

AP 1: MA

6. Evaluation Plan (2014 – 2020 Programmes)

The Chair introduced the PEACE IV Evaluation Plan, as previously approved by the Evaluation Steering Group.

The Director, MA, provided a presentation on the contents of the Evaluation Plan before opening the floor to comments.

The EU Commission representative thanked the MA Director, and stated her intention to share the Evaluation Plan with the Commission's Evaluation experts in the interests of transparency. She highlighted the importance of the Evaluation Plan as a monitoring tool, and reminded PMC members of their regulatory role in scrutinising data resulting from the evaluations.

The Monitoring Committee members made the following observations;

- Urged the SEUPB to consider the outcomes over the outputs when considering the evaluation data, and;
- Queried the usefulness of a 2018 impact evaluation report, given the short time span in project implementation.

The MA Director provided the following responses;

- Noted and agreed with the Member's point on outcomes;
- Stated that the 2018 impact evaluation report is considered an interim report, to be followed by a more substantive evaluation in 2020 and 2022. He stressed the importance of appointing an evaluator early in the Programme cycle, and maintaining the same evaluator throughout the Programme for each of the individual impact evaluation. This approach will facilitate the evaluator to engage with SEUPB and projects in addressing data collection and methodological issues.

The Chair assured Members that, though the current Programme position is positive, the UK's exit from the EU remains at the forefront of consideration, and the PMC will receive updates of business requiring their attention.

The Monitoring Committee:

- **Approved** the Evaluation Plan for the PEACE IV Programme;

- **Noted** progress in relation to the implementation of the Plan.

7. Closure of PEACE III 2007 – 2013 Programme

- **Final Implementation Report (FIR)**
- **Peace III Programme Summary Video**

The Chair and the Director, MA, introduced the draft PEACE III Final Implementation Report (FIR), the review of which is the responsibility of the Monitoring Committee.

The MA Director made the following main points;

- Significant audit work has taken place across the Programme, ahead of the closure submission deadline in March 2017;
- All audit recommendations have been assessed and closed, with the exception of those relating to four projects, which the MA are working to resolve;
- The MA has responsibility for the preparation of the FIR in line with regulatory requirements on structure and reporting on outputs;
- Certifying Authority preparation of the final claim for expenditure should conclude before the end of the year. The final claim will then be submitted to the Audit Authority (AA) for their opinion on accuracy and reliability;
- AA work should conclude early in 2017, substantially in advance of the March 2017 regulatory deadline, and;
- He asked the Committee to approve the FIR, subject to further minor changes which may be required following further Audit work;

The EU Commission representative thanked the MA Director and made the following points in relation to the Final Implementation Report;

- The report conveys a positive outcome of the PEACE III Programmes and 99.2% implementation, despite the significant challenges faced;
- Congratulated the SEUPB on a robust report, containing detailed information and analysis;
- Reserved the right to comment further, pending a more detailed review of the report;

- Commented that the FIR is one aspect of a three document “closure package” submitted to the EU Commission, also including the Audit Authority’s Control Report and the Final Claim, she highlighted the need for consistency across the three documents, to avoid delays and requests for corrections, and;
- Queried whether there are any incomplete or non- functioning projects remaining post- closure;
- Identified an issue in reconciling ERDF amounts with those mentioned in the summary, for later discussion;
- Requested clarification on the magnitude of the four open irregularities, and;
- Requested clarification on the overall Programme error rate.

The Director, MA, provided the following responses;

- The remaining open audit recommendations within four projects were identified during Audit Authority Article 16 checks, and are not anticipated to have financial implications on the Programme;
- The error rate has consistently fell under the 2% threshold throughout the Programme period and is expected to remain low overall, and;
- He clarified there are no non-functioning projects remaining.

The Monitoring Committee;

- **Noted** the progress in closing the PEACE III Programme; and
- **Approved** the Final Implementation Report (FIR) for the PEACE III Programme, subject to any requested amendments and any final changes required to reconcile the report with the final claim.

8. A.O.B.

The Chair introduced a brief video representing the projects funded under the PEACE III Programme, as requested at the previous PMC meeting.

9. Date of next meeting

The next meeting of the PEACE IV Programme Monitoring Committee will take place in spring 2017.

In conclusion, **the Chair** thanked Members for attending, and extended her thanks and best wishes to PMC Advisor Edel Hendry (NISRA), who is moving on to another role within the Northern Ireland Civil Service.

ANNEX I

**ACTION POINTS/ISSUES OF CLARIFICATION
ARISING FROM MONITORING COMMITTEE**

Tuesday 22nd November 2016, Radisson Blu, Belfast

ACTION POINTS

| <u>Agenda Item</u> | <u>Action Point</u> | <u>Responsibility</u> |
|--|--|--|
| Update on implementation of PEACE IV 2014 – 2020 Programme | 15% match funding contribution to be included in figures within future update papers, in order to acknowledge the contribution from the Executive and the Irish Government | Managing Authority <u>COMPLETE</u> |

ANNEX II

Attendance – PEACE IV Programme Monitoring Committee, 22nd November 2016, Radisson Blu, Belfast

Chair

Gina McIntyre SEUPB

Members

| | |
|-------------------------|--|
| Wesley Aston | Ulster Farmers Union |
| Ivan Cooper | The Wheel |
| Cllr Dermot Curran | NILGA |
| Michael D’Arcy | IBEC |
| Cllr Frank Dolan | Northern Western Regional Assembly (NWRA) |
| Alderman Freda Donnelly | NILGA |
| Pamela Dooley | ICTU Northern Ireland |
| Damian Duffy | Confederation of British Industry (CBI) |
| Frank Duffy | Department of Finance and Personnel (DFP) |
| Hazel Francey | Equality Commission for Northern Ireland (ECNI) |
| John Greer | Joint Secretariat, SEUPB |
| Shaun Henry | Managing Authority, SEUPB |
| Denis Leamy | Pobal |
| Jenny McEaney | NICVA |
| Dr Aedín McLoughlin | Environmental Pillar |
| Gearoid O’Keeffe | Department of Public Expenditure & Reform (DPER) |
| Martin O’Rourke | ICTU Ireland |
| Paul Sheridan | Head of Finance and Corporate Services, SEUPB |
| Emily Smyth | Council for Nature Conservation & the Countryside (CNCC) |

Advisors

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|----------------|--|
| Andrew Bell | Department of Education (DE) |
| Donna Blaney | The Executive Office |
| Declan Crowe | Department of Children and Youth Affairs (DCYA) |
| Paul Geraghty | Department of Housing, Planning & Local Government (DHPLG) |
| Brenda Hegarty | Joint Secretariat, SEUPB |

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| Edel Hendry | NISRA |
| Andrew Johnston | Department for Communities (DfC) |
| John McCandless | Communications, SEUPB |
| Dominic McCullough | Department of Finance and Personnel (DFP) |
| Declan McGarrigle | Managing Authority, SEUPB |
| Laurence O'Grady | Department of Education and Skills (DES) |
| Siobhan O'Higgins | Department of Public Expenditure & Reform (DPER) |
| Tamara Pavlin | European Commission |
| Jim Wilkinson | Department for the Economy (DfE) |

Observers

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|--------------------|--|
| Mark Beattie | Diane Dodds MEP representative |
| John Carson | International Fund for Ireland |
| Kevin Coyle | International Fund for Ireland |
| Colette Fitzgerald | Northern Ireland EU Commission, Belfast |
| Cathy Geagan | Department of Public Expenditure & Reform (DPER) |
| Barry Guckian | North West Regional Assembly (NWRA) |
| Marie Matthews | The Executive Office |
| Alistair MacKenzie | Financial Controller, SEUPB |
| Emer McGeough | North South Ministerial Council (NSMC) |
| John O'Farrell | ICTU Northern Ireland |

Secretariat (SEUPB)

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| Tara McCormick | Managing Authority (minutes) |
|----------------|------------------------------|

Apologies

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| Alderman Angus Carson | NILGA |
| Cllr Tommy Byrne | Eastern & Midlands Regional Assembly (EMRA) |
| Cllr Garath Keating | NILGA |
| Tom Lavin | Irish Rural Link |
| Donal Rice | Irish Human Rights and Equality Commission (IHREC) |

ANNEX III

Glossary of acronyms used in the minutes:

| | |
|------------------|---|
| CNCC | Council for Nature Conservation and the Countryside |
| DARD | Department of Agriculture and Rural Development |
| DETI (NI) | Department of Enterprise, Trade and Investment |
| DFP | Department of Finance and Personnel (Northern Ireland) |
| DJEI | Department of Jobs, Enterprise and Innovation |
| DOE (NI) | Department of the Environment |
| DoH | Department of Health |
| DPER | Department of Public Expenditure and Reform |
| FIR | Final Implementation Report |
| ICTU | Irish Congress of Trade Unions |
| NICCY | NI Commissioner for Children and Young People |
| NICVA | Northern Ireland Council for Voluntary Action |
| NILGA | Northern Ireland Local Government Association |
| NISRA | Northern Ireland Statistics and Research Agency |
| NSMC | North South Ministerial Council |
| NWRA | Northern Western Regional Assembly |
| SCVO | Scottish Council for Voluntary Organisations |

