



**Northern Ireland  
European Social Fund Programme  
2007 - 2013**

**2007UK052PO003**

**ANNUAL IMPLEMENTATION REPORT 2007**

**Department for Employment and Learning**

## ANNUAL IMPLEMENTATION REPORT 2007

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## 1- Identification

<b>OPERATIONAL PROGRAMME</b>	Regional Competitiveness and Employment Objective
	United Kingdom: Northern Ireland
	1 January 2007 to 31 December 2013
	2007UK052PO003
	Northern Ireland European Social Fund Programme 2007-13
<b>ANNUAL IMPLEMENTATION REPORT</b>	2007
	Date of approval by MC: 6 <sup>th</sup> June 2008

## 2 - Overview of the implementation of the Operational Programme

The Northern Ireland European Social Fund Programme (NIESF) 2007-13 was submitted to the European Commission on 26 July 2007 and accepted on the 26 October 2007. The period covered by this Annual Implementation Report (Annual Report) is therefore 26 October 2007 to 31 December 2007.

In accordance with Council Regulation 1083/2006 a single Monitoring Committee was established for the Northern Ireland ERDF and ESF Programmes under the Regional Competitiveness and Employment Objective. The Northern Ireland Competitiveness and Employment Monitoring Committee (Monitoring Committee) met in shadow form on 5 October 2007.

The information on the implementation of the NIESF, Priority 1: Helping People into Sustainable Employment and Priority 2: Improving Workforce Skills, including the cross cutting themes is detailed in Section 3 of this Annual Report. The information on the implementation of Priority 3: Technical Assistance is included in Section 6.

Due to no activity happening in this period an Annex is attached with the tables which will be present in subsequent AIRs.

## **2.1. Achievement and analysis of the progress**

In the period covered by this Annual Report project activity and expenditure did not take place under Priority 1 and 2 of the NIESF Programme.

- **Information on the physical progress of the Operational Programme:**

As no project activity was undertaken by 31 December 2007 there is no physical progress to report.

- **Financial information**

As no project activity was undertaken by 31 December 2007 there is no financial information to report.

- **Information about the breakdown of use of the Funds**

As no project activity was undertaken by 31 December 2007 there is no information to report on the breakdown of use of the Funds in accordance with Part C of Annex II of EC Regulation 1828/2006.

- **Assistance by target groups**

As no project activity was undertaken by 31 December 2007 there is no information to report by target groups in accordance with Annex XXIII of EC Regulation 1828/2006.

- **Assistance repaid or re-used**

As no project activity was undertaken by 31 December 2007 there is no information to report on assistance repaid or re-used.

- **Qualitative analysis**

As no project activity was undertaken by 31 December 2007 there is no information to report on the achievement of the NIESF Programme targets and indicators, Lisbon process, cross cutting themes and financial indicators.

## **2.2. Information about compliance with Community law**

As no project activity was undertaken by 31 December 2007 no problems relating to compliance with Community law have been encountered.

## **2.3 Significant problems encountered and measures taken to overcome them**

As no project activity was undertaken by 31 December 2007 no problems have been encountered in implementing the NIESF Programme.

## **2.4 Changes in the context of the operational programme implementation (if relevant)**

During the period of this Annual Report there have been no changes in the context of the NIESF Programme.

## **2.5. Substantial modification under Article 57 of Regulation (EC) No 1083/2006 (If relevant)**

During the period of this Annual Report no modifications under Article 57 of Regulation (EC) No 1083/2006 have been detected.

## **2.6 Complementarity with other instruments**

To ensure complementarity with other Structural Funds Programmes and financial instruments, the Monitoring Committee includes representation from:

- European Regional Development Fund Programme Managing and Certifying Authorities, the Department for Enterprise, Trade and Investment ;
- PEACE III and Cross Border Territorial Co-operation Programmes for Northern Ireland Managing Authority, the Special EU Programmes Body;
- European Agricultural Fund for Rural Development Managing Authority, the Department of Agriculture and Rural Development; and
- European Fisheries Fund Managing Authority, the Department of Agriculture and Rural Development; and
- Rural development sector, local Government, Community and Voluntary sector, Trades Unions, Business, Education, Research and those representing equality and environmental interests.

## **2.7 Monitoring arrangements**

The development of an electronic system of data collection for monitoring the NIESF Programme activity is underway. A Project Board was appointed in September 2006 and a service provider has been contracted following a full EU procurement process which ran from April to July 2007. The provider was appointed on 30 August 2007 and work on implementing the database

commenced in September 2007. Monitoring arrangements will have sufficient flexibility to be able to report good quality data from projects at different time periods that is quarterly, annual and cumulative timescales.

The Monitoring Committee will establish an Evaluation Working Group to manage the evaluation needs of the Northern Ireland ESF and ERDF Programmes. The Secretariat to the Monitoring Committee has commenced the necessary arrangements to establish the Working Group, which will be convened during 2008.

### **3- Implementation by priority**

#### **3.1 Priority 1: Helping People into Sustainable Employment**

On 5 October 2007 the Monitoring Committee sat in shadow form and approved the Programme Selection Procedures (CE 03/07) for Priority 1 of the NIESF Programme. The Monitoring Committee also agreed that assistance could be offered for up to three years when a further call for project applications would be made.

The Managing Authority issued the first call for applications under Priority 1 of NIESF Programme on 11 and 12 October 2007. Applicants were advised to complete a Part A application as an expression of interest which was retained on the Northern Ireland Central Database for applications. Furthermore they had to complete two Part B application forms - one in Microsoft Word for descriptive information and one in Microsoft Excel for numerical/financial information. The Managing Authority set up a helpdesk to provide technical advice and guidance to applicants completing applications for assistance.

The deadline for completed applications to be received by the Managing Authority was 23 November 2007. Initially 131 expressions of interest were entered as Part As. When the call closed on 23 November 2007 the Managing Authority had received 86 completed applications from 79 organisations.

The scoring and selection of the applications was undertaken by an independent panel from 28 November to 10 December 2007. Each application was scored against the nine scoring questions contained in the Programme Selection Procedures and assessed against the two non scoring questions (Section 5.10, ESF Promoter's Operating Manual 2007-13, Volume 1 [www.delni.gov.uk](http://www.delni.gov.uk)). A number of applications indicated interest in engaging in Dedicated Innovative activity and trans-national/inter-regional co-operation.

Following scoring, 76 applications (from 69 organisations) were listed as potentially successful subject to a satisfactory economic appraisal of their proposals. These 76 projects represent both a broad geographical range and target group spread across Northern Ireland.

Applicants were notified of the outcome of the scoring and selection process on 14 December 2007. The 76 projects were provisionally offered £30,385,969 (40% ESF) over three years. Match Funding of £19,022,745 (25%) to be provided from the Department for Employment and Learning (DEL) with the balance of £25,071,320 (35%) public match fund to be found by the applicants. The provisional offer was dependent on further examination of costs and for projects forecasting expenditure equal to or exceeding £500,000 / €750,000, an economic appraisal. The further examination of costs and appraisal process is due to be completed by the end of March 2008. The estimated Euro value of this provisional commitment (€42.5m, at a notional exchange rate of €1.4 = £1) shows that over 44% of the ESF value of this priority was ready to be committed in early 2008.

Of the ten unsuccessful applications two were ineligible and the remainder failed to meet the minimum 65% quality threshold (a score of 130). The eight unsuccessful applicants were given the opportunity to seek a debriefing and/or appeal the decision of the scoring panel. Unsuccessful applicants were offered the opportunity to appeal against the decision on the following two possible grounds:

- The decision not to offer funding based on the information provided in the application form is unreasonable; and/or
- The Managing Authority had not followed the procedures outlined to potential applicants and given in Section 5 of the ESF Promoter's Operating Manual 2007 – 2013 Volume 1.

Unsuccessful applicants were given until 18 January 2008 to submit an Appeal.

The selection process for Priority 1 of the NIESF Programme will be completed by the end of March 2008 with project activity due to commence on 1 April 2008.

### **3.1.1 Achievement of targets and analysis of the progress**

- **Information on the physical and financial progress of the priority**

As the selection process for projects under Priority 1 of the NIESF Programme was not completed by the 31 December 2007 there is no information on the physical and financial progress to report. Project activity under Priority 1 is due to commence on 1 April 2008, the Managing Authority will report progress in the 2008 Annual Implementation Report when the data becomes available.

- **Qualitative analysis**

As selection process for projects under Priority 1 of the NIESF Programme was not completed by 31 December 2007 it is not possible to provide analysis of the achievements as measured by the physical and financial indicators, including progress with the cross cutting theme of Gender Equality and Equal Opportunities.

### **3.1.2. Significant problems encountered and measures taken to overcome them**

To ensure that all projects funded under Priority 1 of the NIESF Programme paid due regard to the implementation of the cross cutting themes, the Monitoring Committee asked that certain additional criteria be applied to the Programme Selection Procedures for Gender Equality and Equal Opportunities and Sustainable Development. The Managing Authority incorporated these additions to the scoring criteria for questions 2.7 on Equal Opportunities and 2.8 Sustainable Development. The Letters of Offer to be issued to successful projects in March 2008 will contain specific requirements with regard Equal Opportunities and Sustainable Development.

## **3.2 Priority 2: Improving Workforce Skills**

Activities supported under Priority 2 will directly assist the DEL's Training for Success programme. The Managing Authority plans to put in place a Memorandum of Understanding with Training Programmes Branch (the Branch within DEL responsible for administering Training for Success) during the summer of 2008.

### **3.2.1. Achievement of targets and analysis of the progress**

- **Information on the physical and financial progress of the priority**

As the Memorandum of Understanding covering activity under Priority 2 will not be put in place until the summer of 2008 there is no information on physical and financial progress to report. The Managing Authority will report progress in the 2008 Annual Implementation Report when the data becomes available.

- **Qualitative analysis**

As the Memorandum of Understanding covering activity under Priority 2 will not be put in place until the summer of 2008 it is not possible to provide analysis of the achievements as measured by the physical and financial indicators, including progress with the cross cutting theme of Gender Equality and Equal Opportunities.

### **3.2.2. Significant problems encountered and measures taken to overcome them**

As the Memorandum of Understanding covering activity under Priority 2 will not be put in place until the summer of 2008 there are no significant problems to report in implementing Priority 2.

## **4. ESF programmes: Coherence and Concentration**

As the selection process for projects under Priority 1 was not completed by the 31 December 2007 and the Memorandum of Understanding covering activity under Priority 2 will not be put in place until the summer of 2008 there is no information available to report on coherence and concentration under the NIESF Programme.

## **5. Technical Assistance**

Technical Assistance activities will be supported under Priority 3 of the NIESF Programme. Approximately €7 million (2%) of the total NIESF Programme funding has been allocated to Technical Assistance under Priority 3.

The Department of Finance and Personnel, as Member State, carries out the co-ordination and oversight role in relation to Structural Funds programmes in Northern Ireland and is responsible for managing and recording Technical Assistance expenditure in the following areas of ESF and ERDF cross-programme activity:

- C&E Monitoring Committee
- C&E Working Groups
- Support to Monitoring Committee Members
- Systems 2007 Database
- EU Funding in NI Publicity
- C&E Programmes Evaluation

During the period of this Annual Report Technical Assistance was used to fund expenditure associated with the Systems2007 Database, see table below:

<b>NIESF Programme - Priority 3: Technical Assistance</b>		
<b>Activity</b>	<b>Total Expected Costs</b>	<b>Amount Paid in 2007</b>
Support to Monitoring Committee Members	£4,987.62	£0
Systems 2007 Database	£30,362.53	£13,620.39
Total	£35,350.15	£13,620.39
Value in Euro (€1.4=£1)	€49,490.21	€19,068.55

## **6. Information and publicity**

The information and publicity activity for the NIESF Programme will be integrated into the overall Communications Plan for the Competitiveness and Employment Objective for Northern Ireland. The overall Plan will include the targets and indicators for the NIESF Programme's information and publicity activity and is due to be submitted to the European Commission by 26 February 2008.

During the period of this Annual Report the following NIESF Programme information and publicity activity was undertaken:

- The NIESF Programme's webpage was set up at the DEL website [www.delni.gov.uk](http://www.delni.gov.uk);
- A helpdesk was available to provide technical advice and guidance to applicants throughout the application phase;
- The NIESF Programme logo is available on the webpage;
- The call for Priority 1 projects was launched by a press release from the DEL Minister, Sir Reg Empey on 9 October 2007;

- Public notices were placed in the three main regional news papers on 11 and 12 October 2007 inviting applications for the programme.
- An ESF Information Officer was appointed and will participate on the UK level Regional ESF Publicity Network and liaise with the UK representative on the European level Informal Network of ESF.

**List of Tables to be included in Annual Implementation Reports**

1. Financial Plan of the OP by year Target vs Actual
2. Financial Plan of the OP by Priority
3. Financial Information by Priority Axis
4. Indicative Breakdown of the Contribution of the Funds by Category
5. Earmarking
6. Custom Indicators – Results by Year
7. Data on Participants for Current Year