



Ireland's EU Structural Funds
Programmes 2007 - 2013
Co-funded by the Irish Government
and the European Union



Ireland Wales Programme 2007 – 2013

Programme Monitoring Committee (9) Wednesday 5 October 2011

The meeting was held at The Guinness Storehouse Dublin, Ireland.

Attendance is as shown at **Annex 1** while apologies were received from Steve Lloyd, Chriss O'Connell, David Thomas, Tracey Burke, Paul O'Shea, Stephen Blair, Kypros Kyprianou, Martyn Jefferies & Judith Stone, Councillor Paddy Kavanagh, Peter Bunting, Tom Doyle,

Agenda Item 1: Opening and Introduction.

1. David Kelly, Joint Chair, opened the meeting. He welcomed all present and explained that there would be no Commission representation at the meeting.

Agenda Item 2: Minutes of PMC 8 held at Swansea Technium, 16th June 2011.

2. The minutes of PMC 8 had been circulated in advance of the meeting. Cllr Goronwy Edwards said that Gaelle Croisier had been included on the attendance list twice and noted that she should be registered as an observer only. The minutes were agreed as a true record.

Action: Attendance list to be amended to show Gaelle Croisier as an observer only

Agenda Item 3: Matters Arising.

3. Simon Baily reported on the action points from the previous meeting :

Action Points

- a. **ACTION:** PMC members to provide feedback on the AIR 2010 by 27th June 2011 at the latest. JTS will submit AIR 2010 to the European Commission by 30th June deadline. PMC approved AIR 2010 report subject to comments.

Simon Baily confirmed that the AIR report had been

submitted to the Commission on the 29th June. The document had been through the technical appraisal but had not yet been formally signed off.

- b. **ACTION:** That the JTS consider expanding their social media marketing to include Twitter.

Simon Baily confirmed that SERA were looking at various forms of social networking at the moment but there was a need to consider further before following up.

- c. **ACTION:** Update the PMC on any advances relating to future funding, post-2013.

Simon Baily confirmed that an update would be provided under AOB

Agenda Item 4: Programme Update Report including N+2 update

Programme Commitment

- 4. Simon Baily provided the PMC with an overview of the Programme update report. He explained that, as requested previously by the PMC, the report had been provided in a new format suggested by WEFO colleagues which gave a more transparent and detailed overview of the progress of the programme. Simon thanked WEFO for their assistance in this respect.
- 5. The programme commitment level was high at 81%; of allocation with 33 projects having been formally approved €8.3m remained in the 2 main priorities
- 6. Rob Halford suggested a few further tweaks recommending that the traffic light report should also identify projects by theme. A link between expenditure and delivery of outputs would also be useful. In welcoming the revised report, Gwyn Evans said that it would also be helpful to see if projects have claims pending.
- 7. Carys Thomas noted that there were no comments when the projects were on track. It would be good to see some positive comments as well and in cases where there was no colour coding for projects, it would be helpful to explain why.

Action: Traffic light report to be reviewed to explore inclusion of:

- a. **theme under which projects had been approved**
- b. **a link between expenditure and outputs**
- c. **details of claims pending**

d. comments on projects that were not behind spend and information for projects that had no colour coding

Round 5 Pipeline

8. Simon Baily covered progress with the Round 5 applications.
9. The 5th bidding round amounted to 17 bids seeking €16m in grant. These Priority 1 projects were due to be considered by PSC on 24 November and with the quality of bids that had been submitted considered as high, Simon was optimistic that all of the available funding in Priority 1 would be committed. He also considered that a reserve list of projects might be an option to take up any future grant de-commitment coming back into the programme. The possibility of over-committing also needed to be considered before the meeting on the 24th, although any such action would be at the Managing Authority's risk.

Action: SERA to consider potential for over-commitment of grant funding for the 5th bidding round projects before the meeting on 24 November

Financial Progress

10. The figures that were shown in table 3 outlining the N+2 status for the programme were updated. The Committee were advised that since the papers had been issued the amount of claims paid had increased from €3.6m to €5m., giving a current N+2 shortfall figure of €3.1m. This figure did not include the programme technical assistance figure of circa €0.5m for 2011.
11. The JTS did not foresee any major difficulties in bridging this gap and in meeting N+2 for 2011 but there was a need to keep pressing to meet the target – the Programme was still dependent on timely submission of Statements of Expenditure & Payment Claims
12. Rob Halford said that he was delighted with the progress on N+2 following assurances made at the PMC meeting in June. Refinements to the control and payments system had now helped to speed up the process. In thanking the S&ERA for the steps that had been taken, he emphasised the need to continue with robust monitoring of the situation.

Progress against indicators

13. The paper provided details of the progress against the programme indicators to date. Priority 1 Theme 1 had an element of over-reporting whilst in Priority 1 Theme 2 there had been no reporting to date. The Committee was advised that a document containing guidance for applicants on the use of indicators has recently been

finalised by the JTS. There appeared to be considerable under-reporting by projects which amounted to underselling but the message was that outputs were beginning to tell a story and the JTS anticipated that the picture would become more positive as time went by.

14. Rob Halford stated that for understandable reasons, previous meetings had concentrated on N+2 but as there was now a higher level of confidence in meeting targets due to the introduction of more refined control and payments procedures, he felt that it was now an opportune moment to drill down to the output data to identify programme successes.
15. Some interesting statistics were emerging. For example, in Priority 1 Theme 1, the number of new products/processes developed was being reported at 81, with 59 achieved to date against a programme target of 15. Given the current economic climate and that the new draft regulations had now been published with an increased focus on outcomes, the programme needed to look forward. The questions were; could the programme identify what was behind these outputs and was there a good level of understanding about what the outputs meant. Potentially, these were benchmarks from which to build and it was important to begin a process of capturing a qualitative perspective of what the programme was achieving. There was a need to hit the ground running with any new programme and to build on lessons learned as to what was working well at project level and vice versa. Good news stories should also be published and this would help with marketing the Programme.
16. Mike Pollard supported this and said that the idea was aligned to comments he had made at the June PMC, in particular that additional narrative should be introduced to the update report to advise PMC members of the story behind the outputs as descriptions of progress were on the bland side as things stood. Simon Baily endorsed the suggestions and said that in future it may be possible to provide some case studies and examples.
17. Gwyn Evans said there was a need for caution as SERA had provided a caveat on outputs and the figures would need to be verified first and that better data was needed; this would also be important for the Steering Committee deliberations in November. Simon Baily confirmed that the number of outputs predicted was correct but that the total achieved could change, there was the possibility that some outputs had been over-reported.

Action: The JTS to report back to the PMC with a qualitative perspective as to what the programme was achieving and the ingredients of success

Action: Narrative surrounding progress against indicators to be provided in future Progress against indicators reports

Strategic projects update

18. The Committee was updated on the progress of the two strategic projects. On the 18 June 2010 the PMC- had approved two strategic projects; Smart Coasts Sustainable Communities (SCSC) and Winning In Tendering (WIT). These projects were supported on the basis that they had the capacity to be implemented quickly and achieve early spend.
19. To date both projects had been slow in making progress and had not fulfilled their promise for speedy implementation and early spend. Neither project had drawn down funds despite July/August 2010 approval dates. A resolution on the SCSC project was expected; it was beginning to perform and should be on track by the end of the year.
20. The WIT project was experiencing severe difficulties with implementation and the project partnership. The situation was complicated and David Kelly informed the PMC that the Managing Authority intended to move decisively after this meeting to seek a resolution to the difficulties, all options were still open and he welcomed PMC views.
21. Rob Halford said that the lack of progress was very disappointing and supported S&ERA in their determination to remedy the situation. Careful consideration was required as to what course of action to take. Simon Baily provided further details about the difficulties and the PMC debated the issue. It was decided to call an emergency meeting with all of the partners involved to try to iron out difficulties and seek a satisfactory way forward. The JTS would confirm a date and venue and agreed to keep the PMC informed of progress with both projects.
22. The PMC were advised that the two strategic projects had no financial impact on the reported N+2 figures

Action: JTS to convene an emergency meeting with project partners from the WIT project. PMC members to be notified of the outcome and to be updated on a regular basis regarding the progress of the strategic projects.

23. David Kelly summarised some of the key points relating to the operational position. The expectation was that round 5 would effectively commit the remaining programme allocation. There was a competitive bidding situation; options included operating a reserve list and a degree of over-commitment. Things were well on track to meeting the N+2 expenditure target for 2011, with the programme well ahead of the position in 2010; this remained a key priority for the Managing Authority. There were some concerns over the strategic projects, particularly over slow spend which needed further reflection and action.

European Commission Audit

24. The JTS notified the committee that S&ERA had not yet received the audit report from the DG REGIO Audit Team following the audit of the first level control processes in Wales in May

Mid Term Evaluation (MTE) Implementation – follow up

25. Details of the Mid Term Evaluation implementation follow up were provided in the meeting papers. The smaller items that were yet to be actioned would be addressed in the new year

Action: Smaller items in the MTE implementation follow up to be addressed in early 2012

Use of Technical Assistance

26. The committee were advised that the Technical Assistance budget was being effectively managed and that the bulk of costs were for staffing. It was queried whether there was a breakdown of costs for publicity and marketing. Cathal Reilly explained that the figure was an estimate only consisting of five different elements within the publicity and marketing budget

Agenda Item 5: Communication and Publicity

27. Simon Baily updated the Committee on the programme publicity activities that had taken place since the last meeting. Details of press articles released in Ireland and Wales were circulated on the day to PMC members. In particular he drew reference to substantial press coverage on both sides of the water, confirmed that the JTS was still considering options for the further use of social media and flagged up the Annual Event which was the most ambitious one planned to date, 110 attendees were expected and a press agent had been employed to maximise coverage. He stressed the importance of demonstrating and showcasing success and that this was something that S&ERA would continue to pursue in conjunction with WEFO colleagues.

Agenda Item 6: Development Officer Report

28. Roger Seddon updated the PMC on the activities undertaken by the Development Officer team since the last meeting in June. He gave details of the workshop held in north Wales for project management staff. Nineteen people had attended with presentations from: a local SME on marketing to businesses owned by BME proprietors; FS4B on

advice on web marketing. The aim had been:

- to examine Exit Strategies
- to discuss ideas of moving projects from Programme support to the market place
- to discuss the concept of Clustering

29. Simon Baily confirmed that the JTS and WEFO had discussed the use of information in aftercare reports and its use to tell the story of the programme. The intention was to highlight lessons learned and best practice which could provide an early platform for development of a 2014-2020 programme. He explained that the WIN2 networking scheme had now been discontinued for this programme and that a report would be presented in due course. It had been hugely successful; in facilitating partnerships in that most approved projects had started this way. He commended the DO's for the quality of projects which had been received.

Agenda Item 7 Regions for Economic Change

30. Simon Baily provided the PMC with an update on the interlink between the programme and Regions for Economic Change and members were asked to note the content of the paper. David Kelly gave a summary of the principal points and how it affected the Managing Authority. He said that the Managing Authority continued to monitor projects approved under the EU27 IVC and URBACT programmes some of which could contain models for further investigation. In suggesting that links were generally more aligned in transferring best practice from the EU27 programmes into regional Operational programmes, Mike Pollard agreed that the programme should continue to look to consider any opportunities for the transfer of best practice to and from the Ireland/Wales programme.. It was also pointed out that the Ireland/Wales funded ECOJEL project had been nominated for the Regio Stars competition

Agenda Item 8: Any Other Business

31. Rob Halford made a few observations about future planning in that we were at a point where we needed to be thinking about a new programme. He emphasised that the new draft Regulations would be launched the day after this meeting which should included a separate Regulation for European Territorial Co-operation. WEFO would be proactively engaging with colleagues in UK Government on ETC. David Kelly said that S&ERA would be doing likewise with the Department for Public Expenditure and Reform in Ireland. S&ERA and WEFO would pick up discussions bi-laterally and keep the PMC informed of progress.

32. The date for the next meeting was not set but would be in early 2012.
33. David Kelly thanked the members for attending and closed the meeting.

SUMMARY OF ACTIONS

- a. **Action:** Traffic light report to be reviewed to explore inclusion of:
- i. theme under which projects had been approved
 - ii. a link between expenditure and outputs
 - iii. details of claims pending
 - iv. comments on projects that were not behind spend and
 - v. information for projects that had no colour coding
- b. **Action:** MA to consider potential for over-commitment of grant funding for the 5th bidding round projects before the meeting on 24 November
- c. **Action:** The JTS to report back to the PMC with a qualitative perspective as to what the programme was achieving and the ingredients of success
- d. **Action:** Narrative surrounding progress against indicators to be provided in future Progress against indicators reports
- e. **Action:** JTS to convene an emergency meeting with project partners from the WIT project. PMC members to be notified of the outcome and to be updated on a regular basis regarding the progress of the strategic projects.
- f. **Action:** Smaller items in the MTE implementation follow up to be addressed in early 2012

Attendance

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| David Kelly | Southern & Eastern Regional Assembly- Joint Chair |
| Rob Halford | Welsh Government- Joint Chair |
| Cllr. Senan Griffin | Southern & Eastern Regional Assembly |
| Liam Hennessy | Department of Public Expenditure & Reform |
| Alma Murnane | Chambers Ireland |
| Carys Thomas | Children's Rights Alliance |
| Cllr. Goronwy Edwards | Welsh Local Government Association (Conwy County Borough Council) |
| Cllr. Tom Richards | Welsh Local Government Association (Pembrokeshire County Council) |
| Colette Price | Countryside Council for Wales |
| Observer | |
| Gwyn Evans | Welsh Local Government Association |
| Officials | |
| Simon Baily | Joint Technical Secretariat |
| Cathal Reilly | Joint Technical Secretariat |
| Siobhan Rudden | Joint Technical Secretariat |
| Mike Pollard | Welsh European Funding Office |
| Patrick Lilly | Welsh European Funding Office |
| Roger Seddon | Welsh European Funding Office |
| Diana Wilson | Welsh European Funding Office |