



**Northern Ireland
Assembly**

**COMMITTEE
FOR EMPLOYMENT
AND LEARNING**

**OFFICIAL REPORT
(Hansard)**

European Issues

5 October 2011

NORTHERN IRELAND ASSEMBLY

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FOR EMPLOYMENT
AND LEARNING**

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Members present for all or part of the proceedings:

Mr Basil McCrea (Chairperson)
Mr Thomas Buchanan (Deputy Chairperson)
Mr Jim Allister
Mr Sammy Douglas
Ms Michelle Gildernew
Mr Chris Lyttle
Mr Barry McElduff
Mr David McIlveen
Mrs Sandra Overend
Mr Alastair Ross

Witnesses:

Mr Andrew Hamilton) Department for Employment and Learning

Dr Gerry Mulligan) Office of the First Minister and deputy First Minister

The Chairperson:

It is good to see you, gentlemen. Dr Gerry Mulligan is head of the Office of the Northern Ireland Executive in Brussels. Andrew Hamilton is, of course, the deputy permanent secretary in the Department for Employment and Learning (DEL). You are very welcome. Feel free to launch when you are ready.

Dr Gerry Mulligan (Office of the First Minister and deputy First Minister):

Chair, with your permission, I will say a few preliminary words by way of introduction. First of all, thank you for giving us the opportunity to come and give evidence to the Committee on the work of the office in Brussels and, indeed, the office in Belfast. The European division has two units: one that co-ordinates European policy across all Departments and another that focuses much more on our liaison with European institutions in Brussels. Obviously, your focus, as I understand it, is on the work of the Brussels office.

I sent to the Committee in advance a number of papers that deal with three important areas that I think that you will be interested in. The first paper deals with current Executive priorities in Europe for 2011-12. The second paper maps out some key events, starting with the visit of the First Minister and deputy First Minister to Brussels in December 2010 and bringing you up to date with the current position in delivering those Executive priorities. The third paper deals with some details and examples of the work that we have been doing and of the organisations with whom we have been working.

I will comment briefly on each of those areas, if I may. The Executive agreed their priorities following the meeting between the First Minister and deputy First Minister and President Barroso in December 2010. At that time, the President of the European Commission had renewed the Commission's commitment to support us in maximising the benefits that we take from Europe and its various programmes. We aligned the Executive's priorities as closely as possible with Europe's priorities in the 2020 strategy. Therefore, the four priorities that you see in the Executive's paper entitled 'Winning in Europe' deal with increasing competitiveness and employment, promoting innovation and technology, protecting the environment and promoting efficient energy use, and promoting social cohesion. Those priorities align closely with the Commission's own priorities. In so doing, it makes it more likely that we will be successful in drawing down competitive funds against those various areas of activity.

Following the agreement on priorities, we had an inward visit from a number of senior officials from the reactivated task force. The aim of that visit, which took place in March this year, was very much to familiarise them with Departments' work and the challenges that we face. That group is dedicated in the European Commission to helping us, providing advice, helping to get us access to key decision-makers, and, therefore, helping us to deliver the Executive's priorities.

Departments are working on and delivering a number of actions against each of those priorities. Our junior Ministers chair an inter-departmental group called the Barroso task force working group, which will take a progress report against each of those areas later this year. We expect its report in November, and that will be an opportunity for us to say what progress has been made in those areas and, in particular, where we have been able to tap into European programmes.

Our office in Brussels will assist with that work. Through that office, we arrange meetings for Ministers and meetings with Commission officials, and we lobby on behalf of Ministers and their Departments. We also help other organisations and sectors that are in Brussels and that are working on behalf of and with the interests of the region at heart. Therefore, although our primary function is to support Ministers and their Departments, we also provide resources for other sectors, including the private and voluntary sectors, trade unions and any organisation that does business in Brussels.

The next key stage in the process will be that our Ministers will take reports from Departments, which will hopefully be in November. I am happy to take questions on anything to do with the papers or on any aspect of European affairs that you would like to raise.

The Chairperson:

There are a number of issues that I am sure that we will want to cover. I will start with one of those, then I will open the session up to other Committee members and I will come back into the discussion. I ask those members who want to speak to indicate that they wish to do so. I will try to shuffle things around so that everyone who wants a word will have a chance to speak.

The second paper that you have given us is entitled ‘Milestones in European Engagement 2011-2012.’ Under the heading “September 2011”, you have noted that you have gained:

“Agreement to appoint four Thematic Desk Officer posts”,

and that those posts were to be “advertised 19 September” with:

“Officers anticipated to be in post by January 2012.”

That is a fair commitment. Will you talk us through that?

Dr Mulligan:

We see this as a very positive development and a sign of the Executive’s commitment to

capitalising on what is a time-limited opportunity. The Barroso task force gives us, as a region, a unique advantage, and we probably have between two and three years of that advantage. During that period, it is extremely important to have officials working in Brussels and Belfast to identify the opportunities, to work with the task force members and to seek to exploit advantages in each specific area. One desk officer will be appointed to support each of the four broad policy areas, and they will work exclusively on that.

The Chairperson:

We are interested in the costs and in the grade that those officers will be.

Dr Mulligan:

The budget for the four desk officers was established by contributions from all Departments, including the Department of Finance and Personnel (DFP). The initial budget was in the region of £400,000, which would cover —

The Chairperson:

Per annum?

Dr Mulligan:

Yes; roughly £400,000 per annum. That will cover the secondments to the Brussels office, to the European Commission and to other European institutions. It is a broad secondments budget. The priorities agreed by Departments are to, first, appoint the four desk officers, and to ensure that there is sufficient cover for those desk officers, given the need to support the Executive's priorities. Thereafter, other calls will be made on that budget, and I invite Andrew to perhaps comment further on that. When the calls are made on that budget, Departments will collectively decide on the priorities against those calls.

The Chairperson:

Just before Andrew comes in, I must say that £400,000 does not seem to be enough if you are going to be doing other things. So, at what grade are those people? For how long will they be placed? Are they transferring to live in Brussels? What are the implications?

Dr Mulligan:

Departments agreed that the grade should be deputy principal level, and that is giving them

sufficient standing in Brussels to deal with senior officials in the various directorates general. The recruitment process is under way; in fact, today is the closing date for applications. The recruitment was service-wide. They will be based primarily in Brussels and will work in my office. They will be allocated desks and office space in the Executive office in Brussels and will be very much part of the Executive office team. They will work under our direction and supervision but will be line managed by the policy leads in each of those areas back in Departments. Andrew is a policy lead in competitiveness and employment. So, we want to stress that the posts are dedicated to supporting the work of Andrew and his colleagues in those policy areas.

The Chairperson:

I have no argument about what they will do, but I am trying to get to the bottom of how much it will cost us. Is there a paper that breaks down the budget for accommodation, relocation, schooling and so on? Given that this is funded from a number of different areas, is there a budget line that we can look at?

Dr Mulligan:

The budget line will be that that contains the central budget that DFP will manage. The amount that will be paid out in allowances will be determined by the individual's circumstances, such as whether they have children and whether those children will need to be relocated to different schools. The costs of that will be met out of the allowances that are available for overseas placements. The roles will be treated as any overseas placement, and the allowances will have been published. At this stage, we cannot tell you the precise costs until we know which individuals are appointed.

The Chairperson:

OK. Obviously, we do not want to identify individuals, but when the precise costs are available, we will write to you to find out what the cost of the exercise will be.

Dr Mulligan:

I am sure that the Department of Finance and Personnel, which will manage the budget, will be more than happy to provide that information.

The Chairperson:

If the Committee is happy with that, we will write to it on that basis.

Mr Andrew Hamilton (Department for Employment and Learning):

I was going to give you a departmental perspective, Chair.

The Chairperson:

Andrew, you are very keen to get in on this one, but I want to talk to you later.

Mr A Hamilton:

We have always said that, if we are to be successful in this endeavour, we need to invest time and effort. Things will not happen overnight. We need to establish networks, we need to be known, and we need to have a visible presence. This is the first step in that. I think that all Departments would say that this is a very significant step forward, because it is very difficult to do this from Belfast.

The Chairperson:

OK. The case was won, and the Executive decided. We are trying to keep the scrutiny on it. So, we will deal with the issue.

Mr Ross:

I have two questions to ask. The office in Brussels is very good at the networking side of things, including making contacts over there and promoting Northern Ireland. You told us that a large focus is on helping groups to get funding. One of our big concerns about the European Union generally is that legislation comes from the EU and there is very little that we can do about it. So, what influence do you have on the ideas that Commissioners might come up with or on policy formulation in the EU? Obviously, the UK permanent representative is the person who negotiates for the United Kingdom. However, in the case of the Northern Ireland office, what are you doing and —

The Chairperson:

Come back in on your second question; just deal with that first.

Dr Mulligan:

With respect, I do not accept that we do not have an influence on legislation. I think that we can

—

Mr Ross:

In that case, give us a practical example of legislation that you have changed or made better for the people of Northern Ireland.

Dr Mulligan:

Legislation that covers the future of structural funds is being published today, and we hope that it will reflect some changes that we have suggested. Ministers are very anxious to ensure that some of the Peace projects that have been funded under the Peace III programme are catered for in that legislation.

Through our contacts with those drafting the legislation, we remind them of our desire. There is no guarantee that they will accept our recommendations or advice, but we continue to remind them that our Ministers are keen to see provision for those sorts of projects. So, we wait with interest to see the published draft legislation, and I hope that our lobbying will have been influential.

Mr Ross:

Is there formal influence there?

Dr Mulligan:

Formal influence happens through the legislative process. We talk to our MEPs. They exert significance influence on the legislation through their respective Committees, and they have been very helpful and responsive to proposals and suggestions. At the end of the day, they will have their own views, but we will certainly make them aware of Ministers' views on legislation. For example, Mr Nicholson introduced amendments to legislation on pet licensing, and that was to our advantage in allowing us not to have the same restrictions on the movements of pets across borders. That is an example of our having a direct input through our MEPs. Therefore, it is a mixture of formal and informal influence.

Mr Ross:

We were given an Assembly research paper that suggests that Northern Ireland gets the least framework 7 funding of any UK region. Can you explain the reasons for that? It may be because there is a degree of match funding, so perhaps we do not have enough large companies to make use of that. Why are we not doing as well as other regions in the UK in drawing down that sort of funding?

Mr McElduff:

Chairman, rather than duplicating questions, may I ask a supplementary question that is directly relevant to that? It is perhaps the same point. Maurice Maxwell of the European Commission Office continually makes that point in his priority messages. How engaged are businesses and universities in trying to draw down framework 7 (FP7) funding, and who is directing their attention towards it?

Dr Mulligan:

Again, I cannot speak on behalf of the Department of Enterprise, Trade and Investment (DETI). I have no formal brief, but I can certainly give you my personal view. You asked about performance. DETI has set a target for drawing down research and development (R&D) funds for the current period. I do not have the precise figures, but it is about £50 million, and I understand that it has made substantial inroads into it. I am not sure that DETI would accept that that is not a relatively good performance.

You are right about how our performance compares relatively with that in somewhere such as Wales. This is my personal view, but we have fewer universities, which are often the anchor points for research and development, than are in the Republic of Ireland, Wales or Scotland. That perhaps goes some way towards explaining the levels of uptake.

DETI is certainly making very serious efforts to increase uptake. It has appointed —

The Chairperson:

All right, Gerry, we have sort of got the general drift of that. Andrew wanted to say something.

Mr A Hamilton:

I think, yes, DETI is meeting its £50 million target. We recognise that more can be done. The

innovation and technology subgroup is taking this on board. We made £80,000 available to our two universities to provide them with funding to really support the engagement of small and medium-sized enterprises (SME).

One issue that we contend with is that our industry is not making the same contribution to total R&D expenditure as is made elsewhere. Our universities are then carrying the burden of that. In addition, the structure of our industry, with so many SMEs, means that they are not well placed to deal with the bureaucracy that is associated with those schemes. However, we are trying to deal with that.

The Chairperson:

With respect, Andrew, that is Civil Service talk. The issue to consider is what we have to do, with help from Gerry or whoever, to make sure that we get more framework 7 money. What can we do?

Dr Mulligan:

A couple of things are being done. DETI has appointed a dedicated desk officer to help identify funding opportunities through FP7. She is currently in post. She helps to pull partnerships together, which is needed because a lot of research and development funding requires that you work with partner regions. From Brussels, she is able to identify potential partners for projects. She works closely with the universities and has been very effective in helping people to put in applications under the current call for funding. On 14 July, the very day that Commissioner Geoghegan-Quinn announced the current call for around €9 billion in funding, my office held a seminar to bring over academics and businesspeople from here to raise awareness of that as an opportunity. Those are the sorts of activities that will help, and, as Andrew said, the desk officers will be working very much on that area.

The Chairperson:

We will write to you on that specific point, and you can detail what we have done and what we might do. By the way, I did not mean to say that the Civil Service talk was not helpful, but we have got the message. Barry, you are next.

Mr McElduff:

I am content with that.

Mr Douglas:

I thank Gerry for his presentation. Gerry, you mentioned that there had been some contact with MEPs. What is the extent of your dealings with MEPs, and how does that link in to, for example, the potential for a Peace IV for Northern Ireland?

Dr Mulligan:

On the first question, I make a point of meeting MEPs regularly. I have lunch with them and talk informally about topical issues, and I give our perspective. MEPs will also request formal briefings, and we are happy to provide those from Departments on specific issues. If I know that MEPs are speaking in Committee on issues that are relevant to us, I will offer proactively to provide assistance, if they wish. There is a good working relationship, and I want that to develop further. We also make a point of ensuring that, when our Ministers arrive in Brussels, the MEPs meet them if they are there. That is particularly important, given, as I said, the influence that MEPs have through what is now called the co-decision process.

Ministers have written to the responsible Whitehall Minister to request that the UK Government press the case at an early stage for Peace IV. The UK Government have accepted, in principle, that there should be a further round of Peace funding. That was reflected in their response to the cohesion report earlier this year, where they said explicitly that it was the policy of the UK Government to support a further Peace programme. Commissioner Hahn acknowledged that when he visited to open the peace bridge over the River Foyle. So, it looks as though there is an increasing amount of support for further Peace funding, but the negotiations, which are now starting, will determine the detail of that in the months to come.

Mr Douglas:

You said that Wales has more universities than us. What sort of contact do you have with the universities back home?

Dr Mulligan:

We host events where the universities make presentations on some of their key projects. The office is in touch with universities mainly in the area of research and development.

Ms Gildernew:

Thank you, a Chathaoirleach. Gerry and Andrew, you are very welcome. I worked very well with Gerry in my previous job, and I know of the good work that goes on in Brussels. The new office there is conducive to facilitating much more engagement. I think that it is interesting that your paper on the work of the Executive in Brussels states that the office has facilitated 41 ministerial programmes, and the figures that it gives show that the Department of Agriculture and Rural Development (DARD) is head and shoulders above the other Departments in the numbers of programmes it has held. I presume that that is because it has had a member of staff seconded for a number of years. That shows the benefit of having people out there working proactively to seek ways that we can engage better with the European Commission, MEPs and so on. The difference that having someone out there makes is noticeable from that. The £400,000 for the desk officers and other secondments is money well spent in that it gets people out to ensure that they are looking at what can be done. It means that, when issues to do with European regulation come here, we are not simply taking our cue from Westminster, as we did on the agency workers' issue. We were able to go in there and fight. We should have been able to put in a regional variation and put our own stamp on things. I feel that it is because DEL does not have someone out there that we were not able or willing to do that.

So, I would support more engagement at a European level. We miss out, and not just on framework 7 programme funding. The contrast between what Wales gets and what we get is stark. We need to be much more proactive in ensuring that we get that funding. What more could the Minister for Employment and Learning do, Gerry, in your mind? Do you have a feeling for each of the Departments and where we could be making more of an impact in Europe, not just for our universities but for our SME sector, which is hugely important to us, and our further and higher education colleges?

Dr Mulligan:

Again, I would be reluctant to give a view on what the Minister for Employment and Learning should do in the presence of a senior DEL official —

Ms Gildernew:

“Could do” — what about that? Andrew will not tell.

Mr A Hamilton:

You can say whatever you want.

Dr Mulligan:

OK, thank you. You are right about the level of impact that you can have when Ministers come out to Brussels. The first thing that I would recommend to every Minister is that they come out to Brussels. We will put together programmes so that they will have an opportunity to meet Commissioners and directors general, if they are available. That puts our case and keeps us on the radar, particularly when there are issues where our circumstances are different from those in other parts of the UK or Europe. We need to remind the Commission of that, so that, when it comes to look at sensitive issues such as state aid, it recognises that we are not in the same position as other regions.

Now that we have a new Executive, we have offered to organise programmes for our Ministers, and we are confident that they will take up that offer. A number of Ministers will come out to Brussels in the next few months; getting out there is the first thing. Attending Council, as you know from your experience, is also an opportunity to exert informal influence. Although there are protocols that constrain us to the UK line, attending Council is an opportunity to discuss informally with other Ministers issues that are of concern to us. We encourage Ministers to attend Council, and we support that. The desk officers will be able to provide much more support to Ministers attending Council in the future, which is their right.

Ms Gildernew:

We set those protocols aside when we were dealing with the World Trade Organization, but do not tell anyone that either.

I know that today is the closing date for applications, but the person who is seconded to Europe on behalf of DEL and who takes the lead on DEL business — I accept that it is a collegiate approach by all Departments — needs to go to Brussels, get settled in and then come back to talk to the Committee about how we can work together with ideas and suggestions to ensure that that person is actively engaging at the level that we need him or her to so that we ensure that we redress the balance in funding.

Mr A Hamilton:

I am happy to do that. We are developing our action plan under the Barroso task force, which will mean a step up in activity in this area. Once that process is finalised, I will be very happy to talk to the Committee about it.

The Chairperson:

When will that be?

Dr Mulligan:

We are assuming that the desk officers will be available to take up their posts early in the new year, given the usual time that is needed to process things. They need time to settle in, so I expect that it would be spring before they would have something really positive to report back to the Committee. Bear with them for a few months to let them settle in, and then, subject to DEL managing them from Belfast, I am sure there would be no problem.

Mr Allister:

Welcome, Dr Mulligan. I must say that, when I was an MEP, I always found the office helpful. However, I notice that things have obviously improved since you arrived and I left, because I never remember being taken out for lunch with the head of the office, but there you are.

The Chairperson:

I was about to question that.

Mr Allister:

You assume, perhaps, that the Committee understands entirely your current staff complement. It would be useful if you could tell us who is in the office, where they come from and what they do, and then explain how the four new thematic desk officers will fit into that. Can you tell us the current position, who those people are and what they do?

Dr Mulligan:

I am happy to do so. I am head of the office and have overall responsibility. We have a deputy head of office, who is a grade 7, and she has recently taken up that post. Previously, she was the desk officer for agriculture. I think that you may know her — her name is Eileen Kelly.

Mr Allister:

I know her well.

Dr Mulligan:

To allow Eileen to take on a broader set of responsibilities in servicing the Executive as a whole, DARD has agreed to recruit an additional policy officer to assist Eileen. Therefore, there will be an additional dedicated policy officer for agriculture. However, there is not one at the moment, so Eileen is still covering agriculture and some broader issues.

We have a finance officer, who is responsible for the management and administration of the office in Brussels. We have a budget of around £0.5 million for our costs and overheads, and she manages that. We have a deputy principal policy officer, who is spread very thinly and covers transport and environment issues. We hope to look at those responsibilities once the four new desk officers take up their duties. I have a personal assistant — my secretary — and an events officer. The events officer was an important appointment as it allowed us to focus more time and energy on the sorts of events that allow for better networking. We have an event coming up in a week's time, during what is called —

The Chairperson:

Gerry, we are getting a wee bit pressed for time.

Dr Mulligan:

OK. The events officer is a key post.

Mr Allister:

When you distil that down and take out the events officer and the finance officer, who are really doing administrative jobs, there is yourself, Eileen Kelly and the officer who works on transport and the environment. Will the four thematic officers who are going to be appointed be in addition to that? Those appointments will not reduce any of that.

Dr Mulligan:

That is correct.

Mr Allister:

I will put this to you from the DEL perspective. If I recall correctly from my five years in office, there was never anyone in the office who came with DEL expertise, and it sounds as if there still is not. Is it a coincidence that, in consequence, our uptake of the seventh framework programme has been so poor, or is there a connection?

Dr Mulligan:

I suspect that there is no relationship between the level of DEL experience and the uptake. Andrew may want to comment further on that. The policy officer who looks after transport and environment comes from DEL. Although his policy focus is on the environment and transport, we exploit his DEL experience significantly when it comes to employment and learning issues. There is every possibility that the desk officer post will be trawled service-wide, so we could be looking at a DEL employee coming out with that experience. It depends on who is appointed.

Mr Allister:

Yes, but that will not be part of the criteria?

Dr Mulligan:

No, it will depend on the experience of the particular candidates, and we will decide which of the four policy areas they would be most suited to.

Mr Allister:

Just on the four policy areas, it intrigues me that we identified priorities in ‘Winning in Europe’ yet no priority focuses on CAP reform, which could be so critical to our agriculture industry. We are in a crucial period for the CAP, yet it is absent from the document. Why is that?

Dr Mulligan:

Agriculture, as a sector, will feature in each of the priorities. There are issues of competitiveness, employment, innovation and technology in the agriculture sector. You could see agriculture as a cross-cutting sector, and, in a sense, it is represented in each of the priorities. Certainly, the CAP and its future could potentially be a concern for each of the desk officers.

Mr Allister:

Yes, but who will carry that? The danger is that, when it is spread across various desk officers, in

the end, nobody will carry it.

Dr Mulligan:

I assure you that I would be very concerned if CAP issues were not being addressed directly by one or more of the desk officers.

Mr Allister:

So would I. It is one of the most vital issues that you could address.

Dr Mulligan:

Yes. It is vital to us as a region. I can offer the assurance that CAP will not be neglected by the desk officers.

Mr Allister:

I have one final question on the document. One of the key objectives in the competitiveness and employment section is to optimise European programmes and policies for economic development. One of the policies that you appear to be committed to optimising involves the Single Market Act and proposals for a common consolidated corporate tax base. How would a consolidated corporate tax base ever fit with the current campaign to have the right to set a singular and different corporation tax in Northern Ireland?

Dr Mulligan:

Where is that, sorry?

Mr Allister:

The pages of the document are not numbered. It is about four or five pages in, under the heading 'Competitiveness and Employment'.

If you back EU Commission policies for economic development and one of them is the crazed idea of a consolidated corporate tax base, you are working against what is, supposedly, the Executive's position.

Mr Ross:

That is not one of the key aims. The key aims are a separate part; that is key policies. It is not —

Mr Allister:

A key objective for 2011-12 is to optimise European programmes and policies for economic development.

The Chairperson:

The point has been made. The Executive will look at the policy. This is just a get-to-know-you session for all of us, and you have raised some points. We will just leave it at that, Jim. It has been recorded.

Mr Lyttle:

Thank you, Andrew and Gerry, for your presentation. To follow on from Jim, one of the key objectives specifically listed in the European priorities document is:

“Optimise European programmes and policies for employment”.

That is obviously particularly relevant in the current climate. Will you elaborate on why exactly the European social fund is so relevant to DEL and Northern Ireland? Will you speak to the fact that by the start of 2012 we will have drawn down only £50 million of the £165 million from the European social fund that has been earmarked for Northern Ireland for 2007-2013?

Dr Mulligan:

Chair, I need to defer to my colleague on the specifics, as DEL is the managing agent for that fund.

Mr A Hamilton:

You are quite right: £166 million is available over the six years to 2013. We are on target to spend all of that. In doing so, we will meet the objectives that were originally set to improve the lives of 89,000 people. That is where we are in that regard. As you know, we have recently done the second call —

The Chairperson:

I am quite sure that Chris will come in on that. It is not enough just to take your assurance, “Do not worry, we will spend it all.”

Mr Lyttle:

It would be useful to get some detail on that, Chair. Obviously, the £50 million that will have been drawn down by 2012 — with only one year of the six left — is a far way off the £165 million that was stated.

Mr A Hamilton:

Before I came here, I enquired about where exactly we are in that regard. That was the assurance that I was given. There are two major programmes. Priority 1 essentially deals with community and voluntary organisations. We have done our second call, and we have 82 organisations that receive funding for a wide range of activities. In addition, we contribute to the financing of ApprenticeshipsNI and programme-led apprenticeships. The money will be spent, it will be spent for the purposes for which it was given and it will deliver the benefits that we set out to achieve.

Mr Lyttle:

That is useful detail, Andrew. Will you elaborate slightly on exactly what the fund goes towards? You mentioned community and voluntary organisations and apprenticeships, which are obviously important sectors for us at the moment. However, we have a challenge to articulate to the public why our engagement with the EU is as useful as it is. Will you go into a bit more detail on how the fund is relevant on the ground?

Mr A Hamilton:

There are three priorities associated with the fund. Priority 1 addresses employability and giving people who are some distance from the labour market better opportunities and skills so that they are better placed to get into the labour market in the longer term. It is essentially about dealing with a wide range of voluntary and community organisations. People with disabilities clearly benefit as well.

Mr Lyttle:

Does it also fund specific DEL programmes?

Mr A Hamilton:

It is all integrated with our own objectives. We have taken care to ensure that the projects that are funded are aligned with the wider DEL aims and objectives.

Priority 2 funds are essentially for the skills and training of young people in ApprenticeshipsNI and the programme-led apprenticeships. A significant annual contribution is made to the cost of those programmes. If the funding were not made available, we could not afford to deliver the programme at the current level.

The third element is really support. A small amount of money is available to support community groups to develop their applications and things like that. We used that in the second call for priority 1 just recently.

The Chairperson:

I did not want to cut across Chris, because it is his topic. However, we need a little bit more than a verbal report. We will write with the points that Chris has raised and get a breakdown. Chris has said that we have one year left. We would like a breakdown. Andrew, just to be clear: assurances that you will spend the money are not sufficient for the Committee.

Mr A Hamilton:

We can give you the information that you want.

The Chairperson:

We have had discussions before, and that is not what we want to hear. We want to hear that the money will be spent and spent properly, but we need the detail so that we can provide the necessary scrutiny.

Mr Buchanan:

I will follow on from some of the things that have been thrashed out around the table today. In each of your four priority areas, you set out key objectives for 2011-12. How realistic are those? Are you on course to ensure that those will be delivered on time? You also talked about the work that you did in drawing down funding for various bodies. What follow-up work do you do with the different bodies to ensure that the money is spent and will not have to be returned to Europe? So often, money has been returned because it was not spent.

Dr Mulligan:

Generally, performance on spending the money that we draw down from Europe has been good. The objectives that have been set for this year were set by Departments in the knowledge that

those are areas in which Europe could help. Departments will take forward actions against each of the objectives. For example, they will look at individual programmes from which they could draw down funding. The objectives are realistic in that there will be European programmes and policies that could help to achieve them. However, actions need to be taken for us to avail ourselves of those opportunities. In that sense, they are realistic in as much as there are things that Europe can do to help. However, the outcome, particularly as we are working in a competitive environment, is difficult to determine. Like others, we will be competing for funding from programmes, and there is uncertainty about the outcome. However, the objectives are realistic in that there are things that Europe can do to help. They are also achievable if we take the right actions.

Mrs Overend:

I have a couple of questions. One of your key objectives for 2011-12 is to:

“Equip young people with the skills and ambition needed to contribute to the economy.”

That is relevant to this Committee. Will you give us more detail on how you propose to measure that?

Dr Mulligan:

Again, Chair, if I may, I will ask Andrew to answer that question. He will be more familiar with some of the detail.

Mr A Hamilton:

That objective relates to the work that we are doing on ApprenticeshipsNI and programme-led apprenticeships and to the number of qualifications that we intend to deliver. Over 200,000 additional qualifications will be delivered over the next four years, and the European programmes will contribute to that.

In addition, we will try to identify opportunities in which we can bid for new projects with European partners. We have already started that work, and we have submitted a bid under the Progress programme with partners from Italy, Belgium, Spain and Sweden. If we are successful with that bid, it will give us funding of something like €500,000, which will contribute to the overall objective of improving the skills base of the project members. Our training organisations will also link into that project. That is why we need the investment for the recruitment of the desk officers and the work that we are doing locally. We need to tease out the opportunities

better and go for them. The bid under the Progress programme is an example of at least a start in that direction.

Mrs Overend:

On a personal level, I am familiar with the Comenius programme in schools, and the ERASMUS and Leonardo da Vinci programmes are relevant to this Committee. I am aware of how those programmes benefit individual schools and establishments, but how does that feed back to the Department? What connections do you have with those programmes?

Mr A Hamilton:

We encourage our further education colleges and universities to exploit the opportunities that exist. The benefits of those programmes are ultimately enjoyed by the individual participants, because doing part of your degree in Europe will immediately distinguish you from other candidates for jobs who have not done that. The future employability potential of participants is enhanced by those programmes.

Mrs Overend:

Could that increased knowledge and learning be fed back into the policy areas in the Department?

Mr A Hamilton:

The schemes are not just for students; they are also available for lecturers. Clearly, there is a knowledge exchange that feeds into the whole process of learning.

Mr D McIlveen:

Gerry and Andrew, thank you for your presentation. One of the criticisms of European funding that is sometimes levelled at us is that, at times, the process can appear to be sewn up — it is more about who you know than what you know. I am sure that you would vehemently deny that and say that it is not true. The problem that I have is that some of the figures start alarm bells ringing. Take the sustainable competitiveness programme as an example. Belfast City Council and Ards Borough Council have received well over £0.5 million between them, whereas Ballymena, Banbridge, Castlereagh, Coleraine and a few others — effectively a third of councils — have not yet been paid anything.

If we then look at INTERREG, we can see that, between 2008 and 2010, our two main higher

education providers obtained over £1.5 million between them, which they are perfectly entitled to, and I applaud them for getting that. However, Belfast Met, SouthWest College and Northern Regional College got £24,251 each. There just seems to be a huge disparity in who is getting what. I am aware of another programme recently that was —

The Chairperson:

I think, David, we get the general point that there is a disparity. I noticed that as well. Just deal with that first of all. What is going on?

Dr Mulligan:

Inevitably, you will have a disparity in the need in particular district council areas for particular programmes. That will be reflected in the sorts of programmes that they apply for. District councils bidding for cross-border programmes will obviously be at an advantage with partners in the border regions. I am afraid that I do not have access to those figures. I would need to draw on the knowledge of colleagues in the Department of Finance and Personnel to give a specific answer on why there is such disparity across specific programmes and district councils.

The Chairperson:

I realise that you will not have had these figures, and we can sort that out. However, what is the correct channel? Should we ask you? Who should David be asking to explain that?

Dr Mulligan:

With regard to the best route to the right information, I suggest that the Committee for Finance and Personnel ask the question of the Finance Department's officials, who would be in a position to give that detail. I can give only impressions; ultimately, it is the managing authorities that would be on top of the applications and allocations to different district councils.

Mr D McIlveen:

Can the European office do more to reach out and to make those people aware of the funding that they are entitled to? The councils will, largely speaking, do their own thing. What concerns me most, however, is that there is often a debate about the two tiers around further and higher education. That is very much reflected in the funding that is coming through INTERREG. That is my concern. There has been a lot of discussion recently about funding, particularly for young people not in education, employment or training (NEETs) and further education subjects, which

are crying out for additional resources, yet that seems to be reflected very much in what is coming through. What can the European office do to address that?

Dr Mulligan:

The office and I work very closely with the Northern Ireland Local Government Association (NILGA) and will continue to do so. NILGA has an officer who is increasingly raising awareness of the programmes and their relevance to district councils. We will support that officer in that work. Our objective will always be to try to help NILGA to raise awareness among its members. Some district councils have officers who are employed full time to look at funding opportunities and put in applications to draw down funds. That may reflect some of the variability that you are speaking of. However, we will certainly work with NILGA directly to try to improve performance as far as possible.

Mr D McIlveen:

And for the colleges?

Mr A Hamilton:

The point you make, David, is a good one. We do not know the reasons for the disparity, but some organisations are maybe better tuned in than others to the opportunities that exist. Part of our work will be to try to level the playing field in that respect and to bring attention to the opportunities that exist and encourage applications so that the whole of Northern Ireland's population benefits in an equitable way from the opportunities.

At the end of the day, it is a competitive process and there is no guarantee that the applications will be accepted. There will probably still be an uneven distribution of winners and losers, but I think that we have a responsibility to make sure that the individual organisations are aware of the opportunities that exist. That is why we are making the investment: to secure an improvement over the coming years.

Mr McElduff:

The presentation is both general and specific to DEL. On the more general area, a paragraph in your presentation concerning the use of the Office of the Executive in Brussels tells us:

“Since the restoration of devolution, the office has facilitated 41 Ministerial Programmes”.

It strikes me that one is missing: the Department of the Environment (DOE). Is it the case that

there has been no DOE ministerial engagement in Brussels? A large number of directives and a large amount of legislation on the environment emanate from Brussels, but, of the 41 visits, the Environment Minister is not listed. The Agriculture Minister has 19.

The Chairperson:

OK. We have got the point.

Mr McElduff:

It is simply outrageous.

Dr Mulligan:

The 19?

Ms Gildernew:

The nought. *[Laughter.]*

Dr Mulligan:

Chair, I am reluctant to comment —

The Chairperson:

You are quite right. Do not. He is entitled to make the point, and you are entitled not to answer.

It is for the Ministers —

Mr McElduff:

Will you answer it then?

The Chairperson:

If you want to write to the various Departments, highlighting that point, I am quite happy with that. Is that OK?

Mr McElduff:

Yes.

The Chairperson:

I have a couple of specific questions on the European social fund (ESF). Can you explain why the funding per person for Northern Ireland is €92·15, and for Wales it is €298? Why is Wales getting so much more than us?

Dr Mulligan:

Again, I defer to those who know the detail of those programmes. One possible explanation is the type of projects that are funded and the number of people who are involved in them. That would determine the per capita allocation. If we are typically funding larger projects, the per capita allocation would be smaller. However, I do not know the detail because I am not familiar with the specific projects that are funded.

The Chairperson:

We were talking about forthcoming legislation, and members have said that we ought to be ahead of the game on this. One of our research papers is on regulation for the European social fund post-2013. It concerns the third quarter of 2011, which I guess is pretty much now. I wonder what influence we have had on that particular piece of legislation.

Mr A Hamilton:

There has been engagement through meetings with DFP. Our people have been working with them so there is a gateway of influence on that. I do not have any more details with me, but that is the position.

The Chairperson:

The ESF is managed by DEL, is it not?

Mr A Hamilton:

It is.

The Chairperson:

That is you.

Mr A Hamilton:

That is correct.

The Chairperson:

I have a document that indicates that this is of some importance and that it makes up a substantial amount of DEL's budget. Given that we seem to have these huge disparities, I cannot understand why Wales seems to get more per capita than Northern Ireland. We would like to know.

Mr A Hamilton:

I am not party to the comparative figures with Wales, so I cannot answer your question. It may well be to do with a prioritisation of European funds across all its programmes, with us having a different prioritisation.

The Chairperson:

The issue is that we are trying to get ahead of legislation. People talk about that as part of the reason why we are here. Legislation is coming through the Commission for the third quarter of 2011, which is now, and which has massive implications for our budget, and we do not seem to know very much about it. I am telling you that, to my mind, that is an omission, and I would like a response to come back to us about what we will do about it.

Ms Gildernew:

I want to come in on that point, because that then begs a question. If we do not have anybody working specifically on DEL issues in Brussels, we will be left behind.

Mr Allister:

The milestones document tells us that, from July to September:

“Thematic Groups compile Thematic Action Plans.”

Have the action plans been compiled, and do they cover the points that the Chairman is raising? Where are those action plans?

Dr Mulligan:

The action plans are being collated and will be presented to —

Mr Allister:

We are now in October.

Dr Mulligan:

Once we have pulled the action plans together, they will then form a paper that will go to the Ministers who chair the interdepartmental group so that they can review the progress that has been made in the period since the Executive set the priorities.

The Chairperson:

When will we see that paper?

Dr Mulligan:

I expect that, once Ministers have cleared it, that information will be available to all relevant Committees.

The Chairperson:

I am just making a point to you about budgets and legislation, which are what we are supposed to be here to get ahead of the game on. We will supply you with the documentation that members referred to. The revision of the working time directive, which will have a significant impact on employment here, will happen in the fourth quarter of 2011. What has DEL done about that directive's coming through? We had quite a bit of discussion about agency workers before and asked whether we can get in in the early stages. What work have we done on that?

Mr A Hamilton:

Do you want me to answer that now?

The Chairperson:

If you can, you can.

Mr A Hamilton:

I am not briefed on it, Chair.

The Chairperson:

I also mentioned EU nationals from one country being posted to work in other countries, much like what we are talking about will happen with your four people. However, legislation on that will come through in December 2011.

Finally, there is no point in going on, but there are proposals for a decision on the European Parliament and the Council of Europe programme for employment and social solidarity. That will come out in November 2011. It would be interesting to know what input the Department, or whoever, had on that issue, as it directly concerns this Committee.

The point is that we will share the information with you. We need to work out the appropriate way to get our head around the numbers. Money is being spent, and I wonder what on earth it is being spent on. Somebody has to have some sort of information coming forward so that we feel content that the money is being spent appropriately, because we are talking about large sums of money. However, I think that all that is to the benefit. We are looking forward to your office being increased and supported with the new people, but we would really like to be asking some pertinent questions and getting some help from the answers.

Dr Mulligan:

Certainly, Chair. By way of quick response, I will say that the process for determining legislation is lengthy, and it can take up to two years from when the initial consultation begins and proposals are made through to the passage of the legislation. At every stage in that process, there is an opportunity to influence, and we do —

The Chairperson:

The point, Gerry, is that we, in the Assembly, were complaining in the past that European legislation had too often already been made and that we could do nothing about it. So, the argument was made. If we are aware of it, we can influence it and take the point. That applies to legislation, funding, scrutiny and oversight, and I feel that a lot of the issues in question, even on the four areas that you identified, fall into this Committee's remit. We will want to find a way of getting more information that we can engage positively and properly on. I am very grateful for your time. The members are starting to look at these issues, and this is like a starter for 10, as it were. It has been very good of you to give your time, and I thank you for your contribution.

Mr Allister:

I have one quick factual point to make. For how long will the four thematic officers be appointed?

Dr Mulligan:

Two years initially, after which their position will be reviewed.

Mr Lyttle:

Chairperson, may I just note your selective use of statistics? The comparison of €92 ESF funding for each person in Northern Ireland with €298 for each person in Wales is stark. Therefore, the pertinent question is to ask why Wales is doing such an excellent job in accessing funding that is disproportionate to that accessed in Northern Ireland. You also left out Scotland, England and the Republic of Ireland. Northern Ireland has the second highest funding rate in GB and Ireland.

The Chairperson:

You will note, Chris, that the session is being recorded by Hansard. If you read Hansard, which, being the diligent MLA that you are, I am sure you will, you will see that that is, indeed, the question that I asked. Why is Wales able to do so much better than we are? I cannot understand what issues Wales has that trump Northern Ireland's.

Mr Lyttle:

That would be genuinely interesting, because Wales is doing markedly better than a number of countries in the region.

The Chairperson:

I thank you for your support.

Thanks very much to the witnesses for coming. We really appreciate it, and we look forward to having a close working relationship.

Dr Mulligan:

As indeed do I, Chair. Thank you very much for your time.