



Northern Ireland
Assembly

Committee for Employment and Learning

OFFICIAL REPORT (Hansard)

DEL European Policy Developments
including European Social Fund 2014-2020:
DEL Update

16 October 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Thomas Buchanan (Deputy Chairperson)
Mr Sammy Douglas
Mr David Hilditch
Mr Fra McCann
Ms Bronwyn McGahan
Mr Pat Ramsey
Mr Alastair Ross

Witnesses:

Mr Colin Jack	Department for Employment and Learning
Mrs Patricia McVeigh	Department for Employment and Learning
Mrs Briege Rainey	Department for Employment and Learning

The Deputy Chairperson: I welcome Mr Colin Jack, Mrs Patricia McVeigh and Mrs Briege Rainey to our Committee. We have your paper in front of us, so I ask you to give us a brief run-through, and we will then open up the meeting to questions.

Mr Colin Jack (Department for Employment and Learning): Thank you. In the past, we have had a series of quarterly updates on European policy developments, where we have involved the desk officer in the Office of the Northern Ireland Executive in Brussels. There has been a slight change to the system of dealing with that. The desk officers are staff from the Office of the First Minister and deputy First Minister (OFMDFM), and their reports have been submitted to the Committee for the Office of the First Minister and deputy First Minister, which has circulated those to the other Committees.

I am here today to give you an update from the Department's perspective on the European policy developments that affect us and also on the European social fund proposals 2014-2020, because we have a consultation exercise under way on those at the moment.

I will start with the European social fund. The proposals for the new programme were published in a consultation document that was launched on 29 July, and the closing date for responses is 21 October. Officials engaged with a wide range of stakeholders, including other Departments and representatives from the community and voluntary sector and from local government in advance of publishing the document. We have also had a number of consultation meetings as part of the process.

The design of the programme is in line with the regulations that have been emerging from the European Commission and the European institutions, and a set of investment priorities was agreed for the structural funds across Europe by the European Council. Within those priorities, there are 11 thematic objectives. We have taken the view that three of those are relevant to the European social fund: objective 8, which is promoting employment and supporting labour mobility; objective 9, which is promoting social inclusion and combating poverty; and objective 10, which is investing in education, skills and lifelong learning.

We have set out our proposals for the new programme on the basis that priority 1 will address a number of the groups facing barriers to employability that have been targeted by our current European social fund programme. To give an indication of the scale of the money involved in the current programme, we have had €166 million over the seven-year programming period, which increased to just under €190 million. In the new programme, we expect to have roughly the same amount of money — about €183 million — over the programming period. That is a 40% intervention rate. We propose that the Department for Employment and Learning (DEL) will make a 25% contribution. There will be a requirement for a further 35% match-funding from other sources in the new programme. By the time that you add in that match-funding, we expect the total value of the programme to be around €450 million in 2014-2020.

The activity that we intend to support under priority 1 will be looking at engaging people who are unemployed and economically inactive and helping them to attain and sustain employment. We expect an increased emphasis in the new programme on young people, particularly those not in education, employment or training (NEET). We expect a number of the other groups that are facing barriers that we supported under the current programme to be eligible.

Under priority 2, we have a requirement from the Commission to demonstrate that at least 20% of the new programme is targeted at social inclusion. Our view is that everything that we have done historically under the European social fund programme has targeted social inclusion, and we expect that to continue. However, to make sure that we can demonstrate that 20% requirement, we are earmarking 30% for priority 2. We expect that to target particularly those with health conditions and disabilities that are barriers to employment. We also expect some community family support activity to be under priority 2.

Under priority 3, we expect to support the development of apprenticeships, taking into account the outcome of the review of apprenticeships that the Department is carrying forward, and adopt the dual system of people being trained while in employment. That was shown to be effective across Europe.

That is the broad structure of the new European social fund programme. I can pause for questions now or go on to talk about two or three of the other top European policy issues.

The Deputy Chairperson: I have had some indications from Committee members, so perhaps we should pause there for some questions before going on.

Mr F McCann: I am looking for a wee bit of information. I attended a recent seminar held by Martina Anderson MEP on how organisations and groups can tap into the new possibilities that may arise. It was interesting, because a number of issues raised their head. One was that it is not possible for even medium-sized groups in, say, a constituency to sit down and make an application, because it may be outside their ability to do so, and that it is instead better when applying to go for the bigger groups or an amalgamation of a number of groups.

Another issue that she raised was that to draw up applications is near enough a specialism. If groups with the best interests in the world sit down to do it, if it is not done in the European way of doing applications, it will be rejected, and it also costs a fortune to do.

A third issue raised was to get good advice on how to apply and encourage local groups to bond and make multiple applications or an application that encompasses all the work that they are doing. What would the Department be able to do to assist that? I think that one figure quoted for getting an application done was £50,000 or something like that, maybe even more.

Mr Jack: I am not sure whether the focus of that event was on the European social fund or more broadly on —

Mr F McCann: It took in the European social fund programme and spoke about the fund's new possibilities.

Mr Jack: It sounds as if it was probably about the competitive funding opportunities, which generally require a range of partners from different member states. We get feedback that the process can be complex, and I suppose that those are processes that we want to encourage organisations here to take advantage of. The Executive have a target for a 20% increase of those competitive funds, as they are in addition to the structural funds, which we are entitled to. These competitive funds are over and above that, so it is in our interests to get more applications.

Mrs Patricia McVeigh (Department for Employment and Learning): There are different aspects of the competitive funds, and, as Eoin said, we are still waiting for more definitive information on those new funds, which become applicable in 2014. That includes Erasmusplus, which is the lifelong learning programme that many voluntary and community organisations have previously accessed. In the Department, we have looked at why and how people access them, and then we will see how we can improve the knowledge about funding so that people can have it more quickly and have more time to think about it and look at how we can facilitate that.

I also know that OFMDFM is looking at issues around the capacity of groups being able to complete application forms and looking to see whether it can create a fund to support those groups. There are other types of funding, including INTERREG. We are looking at holding workshops on INTERREG and inviting people along to understand and to create partners or to learn from previous successful applicants. As a Department, we will be trying to share knowledge about people who have been successful, and, where possible, we will try to give people longer notice. We will work with OFMDFM, which is responsible for the social cohesion aspect of the funds to see how, collaboratively, we can support voluntary and community organisations to access funding.

Mr Jack: On the European social fund specifically, we will reflect on those views. I appreciate that any funding process can be complex for organisations in the voluntary and community sector. There are opportunities for organisations to work together, and we will certainly look at that in developing our arrangements.

Mr P Ramsey: All the priorities in the thematic objectives seem to be hitting the right notes. Is it Europe that determines the thematic objectives, or is it DEL that makes a bid in those areas?

Mr Jack: Europe determines the objectives, but it is up to DEL to determine, and, ultimately, for the Executive to agree, what specific activities are supported under each objective.

Mr P Ramsey: It is a lot of money: €450 million is the overall amount. Is that purely for DEL to create programmes around?

Mr Jack: No. DEL has been given the job by DFP of drawing up the European social fund programme, but we expect quite a range of organisations to benefit from the money.

Mr P Ramsey: Is administering the money purely down to DEL?

Mr Jack: The managing authority for the European social fund is in DEL.

Mr P Ramsey: We are talking about NEETs and trying to encourage more social inclusion. Do you have a sub-regional stakeholder event at which you can talk to people about how to achieve those objectives?

Mrs Briega Rainey (Department for Employment and Learning): Before the consultation document was published, we attended an event with the community and voluntary sector with cluster groups who look after particular interests, including young people, people with a disability and lone parents. At that stage, we took on board their comments on our proposals before we had anything concrete to publish. We discussed with them in groups what the issues were with the current programme and how they saw things improving and developing.

Mr P Ramsey: Were those groups that were providing training or whatever through the European social fund?

Mr Jack: We facilitate a number of interest groups. There are themes in the organisations that we support under the European social fund, and we have cluster groups that look at those themes. We have also had engagement more broadly with the voluntary and community sector facilitated by the Northern Ireland Council for Voluntary Action (NICVA).

Mrs Rainey: We had an event facilitated by NICVA, which was attended mostly by community and voluntary sector organisations, although it was open to other people. That was after we had published the consultation document. They voiced their concerns and hopes for the new programme.

Mr P Ramsey: Was it one event or was it a series of events across Northern Ireland?

Mrs Rainey: One event was organised by NICVA for people from across Northern Ireland, and there have been individual meetings with other interested parties. There was one event before and another after publication.

Mr P Ramsey: Presumably, there will be discussions as you develop it. I am keen to hear how you would involve young people in determining objectives. It is important that their voice be heard. How will you achieve that?

Mr Jack: We are engaging with young people on an ongoing basis, whether specifically in relation to the European social fund programme or not. We have an event that we are inviting the Committee to, which I mentioned the last time that I gave evidence on the Pathways to Success programme. We have a conference that is due to take place on 21 and 22 November, and we are making sure that we have young people's engagement in that process. That is looking at what provision is made generally under any funding programme for young people not in education, employment or training, and we are seeking to learn lessons from other parts of Europe. We are organising a pre-event the week before the main conference where the young people will have the opportunity to talk through the issues from their perspective and prepare some of their participation in the main conference so that they have an opportunity to think through the issues in a way that is tailored to them and that they have prepared to engage with the policy makers who will be at that conference.

Mr P Ramsey: I am delighted to hear that, but I encourage you to develop a strategy across Northern Ireland to involve young people in different areas.

My final question is on finance. Of the €450 million, is there an early indication of how that will be broken down in respect of the level that the community and voluntary sector would be achieving to deliver programmes? What are the administration costs? What are the various other costs?

Mrs Rainey: We have the allocation that we propose for each of those priorities. For example, priority 1, in the main, will be delivered by the community and voluntary sector; some 28.5% of the allocation will go to priority 1; 30% will go to priority 2; and the other 40% will go to priority 3.

Mr P Ramsey: I have just realised that it is in the report.

Mrs Rainey: Does that answer your question?

Mr P Ramsey: That is fine.

The Deputy Chairperson: How are you making contact with all the young people to ensure their involvement and to ensure that their voice is heard in all the events that you are holding?

Mr Jack: We have not had specific events for young people as part of the development of the European social fund programme, but we are keen to engage with young people more on the policy issues and what provision works for them. The conference next month will be a key opportunity for us to engage with young people, and we are using innovative approaches to do that. We are having the event the week beforehand. We are getting young people involved in the organisation of the conference, and we have arranged for people who are involved in some of our programmes for young people not in education, employment or training to get world host training and be involved in the delivery of the conference.

We think carefully about how we engage with young people on all our policy developments. We take part in a forum that the Commissioner for Children and Young People convenes for Departments and

other public bodies on engagement with young people. We also convene various groups; there is one for young people who come from a care background, and we have engagement mechanisms built in through the trusts on that. We are always alive to the need to engage effectively with young people.

The Deputy Chairperson: We appreciate your work to engage with young people on policy development, but how do you contact young people? How do you advertise? How do young people get to be part of that engagement, that is, young people from all sectors as opposed to just the catchment area that you are looking at?

Mr Jack: We do it through the organisations that we work with and which we support to work with young people. Organisations that run some of our European social fund programmes, as well as collaboration and innovation fund programmes, work with young people daily and recruit them to take part in their programmes. We engage with young people whom we support through our programmes.

Mrs Rainey: We also have engagement through our careers service. We can contact people before they leave school and make them aware of the possibilities even at that stage. There is a great deal of contact.

The Deputy Chairperson: What uptake is there among young people in engaging with you?

Mr Jack: I do not have precise figures. We target young people to engage with us. We can see whether we can provide a better impression in figures.

The Deputy Chairperson: It is important to engage with young people on policy developments and so forth, as you want to get their views. How do you get them encourage them to come? You can hold all the events that you want, but if you do not have the people who you want there, you are defeating the purpose. It is a case of getting them there so that you can engage with them.

Mr Jack: We know from working with organisations such as Include Youth, Opportunity Youth and the Prince's Trust that if we did not engage with young people, listen to them and respond to their needs, we would know about it very quickly.

Mr Douglas: Thank you for the presentation. The consultation closes in four or five days' time. This draft was put together by you and stakeholders. Did anything new arise from the consultation that you will add to the strategy, Colin?

Mr Jack: It is still early days for responses. We had a few, but it is hard to comment on the basis of only a few. We expect the bulk of them to arrive closer to the date. That tends to be the way.

Mr Douglas: Once you formulate agreement on the strategy, it goes right up to 2020.

Mr Jack: Yes.

Mr Douglas: Is that fixed? If you look at how the economy has declined in recent years, is the strategy flexible enough to be changed along the way, depending on circumstances?

Mr Jack: That is a very good question. The years in the title of the programme are slightly misleading in that although the current programme is 2007-2013, we are funding organisations up to March 2015 because an arrangement called N+2 allows extra time to spend the money.

Experience shows that each new round of programmes takes longer to negotiate at European level than the title suggests. Although the budget for the 2014-2020 programme was agreed in June at the European Council meeting, quite a range of detail of the regulations for the funds is still being discussed between the European Parliament, the Commission and Governments at the European Council. We expect the funding to start to flow when the current funding finishes early in 2015. It is then likely to go on beyond 2020, probably into 2022. That is the basis on which we are planning. With the current programme, we had two tranches of funding; the first for three years and the second for four years. Because economic circumstances have changed significantly during the course of the current programme, we need to retain the flexibility to address new challenges that emerge during the programme period.

Mr Douglas: Priority 3 talks about "lifelong learning". How do you envisage rolling that out?

Mr Jack: The priority in the document is that we focus the money under priority 3 on apprenticeships. The scope of that priority could be wider. We could choose to do other things with that money, but the Minister has proposed that we support the apprenticeships programme. It is big amount — €450 million — over seven years. However, in context, it accounts for roughly 7% of the Department's annual budget of £800 million. Therefore we have to be selective about what we will support under the European social fund as opposed to through mainstream resources.

The Deputy Chairperson: Just on that point: how many stakeholders was this consultation sent to? You said that you had a few responses. Will you clarify what "a few" means? I suggest that those "few" would account for at least 50%, because from now until Monday, you are not going to get many more than you already have.

Mrs Rainey: We have a very small number — about seven — in at the minute. We have a list of section 75 consultees that we send documents to, and it went to them first. I cannot give you figures, but it covers a huge number of organisations throughout Northern Ireland. We would then look specifically at the projects that operate at the minute and the organisations that deliver for us, and we sent out to those, as well as political parties and other interested groups. There was a very wide-ranging consultation —

The Deputy Chairperson: Yet, such a low response at the moment.

Mrs Rainey: Yes, but we were made aware at the stage of the pre-consultation event that certain issues that we were proposing did not go down well and we adjusted the document accordingly. At the event after we published, the response to what we were suggesting was positive and supportive. We expect quite a high volume of responses; we are assured that they will all come in the last couple of days. To date, the responses that have come in have been supportive.

The Deputy Chairperson: I admire your faith.

Mr Jack: It reflects our experience. We generally find that responses to consultation exercises come in very close to the date.

The Deputy Chairperson: That is the question on that. You have another couple of points to make.

Mr Jack: I will go over a couple of broader European policy issues. First, there are the other funding programmes. Erasmus + is the new programme for mobility. Members may be familiar with the Erasmus programme, which has been about mobility in higher education. Erasmus was part of a programme called Lifelong Learning, which is the current programme in the further and higher education area. Erasmus+ is the replacement for the Lifelong Learning programme. Rather than have lots of individual strands, as the current programme had — Erasmus, Leonardo, Grundtvig —

Mrs Rainey: Transversal.

Mr Jack: — and Transversal. There were various programmes and it was quite complex to navigate. The new Erasmus + is the only mobility programme. Like the current Erasmus programme, it is for students. It is also for young people who are in training or further education or groups of young people who wish to travel and broaden their experience generally. The arrangements for administering that programme in the UK are being resolved. We want to publicise the opportunities for young people to take part in that programme in future and we are developing a strategy for that.

Horizon 2020 has been mentioned, which is the new research framework programme to follow on from FP7, the current research programme. It is my understanding that Horizon 2020 has a budget of €80 billion across Europe, making it the biggest opportunity for competitive funding. We have put an infrastructure in place in Northern Ireland to maximise the uptake of that funding by universities, businesses and others. Through the work of the Barroso task force committee, we found that organisations in the voluntary and community sector are accessing FP7. The police service has, in fact, successfully funded a project through FP7. That is another main focus for our activities.

There are some other competitive funding programmes that will be of interest to organisations in the DEL sectors. However, I will bring the Committee up to date with a couple of other policy initiatives

that members will have heard of. The first is the youth employment initiative, which is an €6 billion programme across Europe. The budget for it was agreed at the June Council meeting. There is €3 billion in new money and €3 billion that member states have to find from their European social fund allocations.

However, Northern Ireland is not likely to be eligible for the youth employment initiative because it is targeted at regions with youth unemployment above 25%. Our rate at the qualifying date, which was 2012, was 18.9%. We have explored our eligibility from a number of perspectives; there is a 10% flexibility that member states have to use the money at a lower geographical area, at what is called nomenclature of territorial units for statistics (NUTS) 3 level. We have looked into whether any sub-region of Northern Ireland at NUTS 3 level has high enough youth unemployment, but it appears that that is not the case. Nonetheless, we will continue to explore that possibility until it is exhausted. However, the likelihood does not look particularly strong that there will be any money for Northern Ireland from that initiative.

The Youth Guarantee is something that the Commission and the Council have agreed; it is about making an offer of a quality education or training place to every young person under the age of 25 who is unemployed. We are looking at the extent to which we comply with that, but we believe that we have a very broad range of programmes that are tailored to a wide range of groups of young people. We are putting together our evidence at the moment to say to the Commission that we believe that we are delivering on the Youth Guarantee in Northern Ireland. That is our plan for the future.

The Deputy Chairperson: Thank you, Colin. One of the Committee's concerns is, perhaps, that this report is somewhat out of date. We should really be getting a report up to the end of September, rather than to the end of June. On 5 June, we got a report from Gordon Browne, which brought us up to the end of May. The report is out of date, and we have brought it to your attention before that we would like to see more up-to-date reports being brought to the Committee. This came from OFMDFM, and that is where the delay is. We have written to OFMDFM on two occasions. Is that right?

The Committee Clerk: Yes.

The Deputy Chairperson: Yet we have still not received the up-to-date report. It is a cause of concern that we are always on the back foot with these reports.

Mr Jack: I am sure that that concern has been conveyed to the Committee for the Office of the First Minister and deputy First Minister, but we will also convey it to OFMDFM directly. We will update the Committee from our perspective on the engagement that we have had on European issues.

The Deputy Chairperson: Gordon Browne always used to come before us to give us an update. Why has that stopped? Why does he no longer come to the Committee?

Mr Jack: Well, again it reflects —

Mrs McVeigh: As Colin said at the beginning of the meeting, it has been agreed that OFMDFM will collate the reports of the four desk officers. The collated report will go via the Committee for the Office of the First Minister and deputy First Minister and will then be circulated to all the other Committees.

You are right, Chair. If that had happened sooner, Gordon could have been here to talk about his report. I think that it is just about the timing and the mechanisms. We need to improve on those. If you had received the report, Gordon could have been here to talk to you about it. However, as the report has not reached you, we decided that it was not perhaps appropriate for Gordon to come and speak to that report.

The Deputy Chairperson: When will this matter be cleared up? We are way behind on this report, and that is hardly good enough. We cannot get Gordon Browne to come here and update us or to provide a report when we have not got it. It seems that there is a difficulty in another Committee. When will this be sorted out so that we will have the report in time and get the person here to update us on it?

Mr Jack: I suppose that the process of resolving it is not within our control. However, we will convey that to officials in OFMDFM. We will update you from our perspective on the engagement that we have had. Gordon works in support of us on that.

I also understand that the Committee is going to Brussels in the near future and that there will be engagement with Gordon as part of that visit.

The Deputy Chairperson: Is it fair to say that when you come to give us an update, you do not have the same detail as Gordon Browne?

Mr Jack: We —

Mrs McVeigh: We received a copy of Gordon's report that has gone to OFMDFM. I think that what Colin is saying is that although we are not specifically referencing Gordon's report, we give you an overview at these briefings of up-to-date European policy and issues from a DEL perspective. Our briefing is up to date in relation to DEL and the Committee for Employment and Learning, although we are not necessarily articulating exactly what Gordon has said.

Mr P Ramsey: That is a good diplomatic response.

Mr Jack: It is worth saying that much of the European policy development process is very fast-moving. When Eoin was with you earlier, he expressed frustration at his difficulty in accessing documents or finding anything that has been published on some of the policy developments. That is because there are still negotiations under way on details of a number of programmes for the 2014-2020 period. Currently, we have the Lithuanian presidency. The budget was agreed during the Irish presidency, but some of the details have yet to be resolved about how the programmes will work. Negotiations continue. The European Parliament made proposals for changing the rules around some of the new programmes, and the new presidency now has to come up with compromise proposals where those from the Parliament have not been acceptable to the member states in the Council. The position can change on some of the issues from day to day. It is phenomenally complex to keep on top of all that, and capturing it on paper is pretty difficult.

The Deputy Chairperson: No other members have indicated that they want to ask a question. Colin, Patricia and Briege, thank you very much for coming along to the Committee.