

**Minutes of the Human Capital Investment OP
Monitoring Committee meeting
held on the 28th November 2014
at the Absolute Hotel, Sir Harry's Mall, Limerick City.**

CHAIRMAN: Mr. Vincent Landers, Dept. of Education and Skills

Attendance: See Appendix I – Attendance list

1. OPENING REMARKS

Mr. Vincent Landers, Chairman, welcomed the members of the Committee to the fourteenth meeting of the Human Capital Investment OP. He particularly welcomed Ms. Cornelia Grosser Deputy Head of Unit, DG EMPL, and Ms. Renate Schopf, DG EMPL, EU Commission to the meeting.

Apologies:

Mr Jim Deane, D/PER sent his apologies. The Chairman wished to acknowledge and thank him for his significant contribution to the work of the HCI OP Monitoring Committee over the last period. He welcomed Mr Rory O'Rua, D/PER to the Monitoring Committee as his replacement.

2. AGENDA

The Chairman presented the agenda and proposed a change in the order of the Agenda. No additional items for inclusion under AOB were proposed. The Agenda was adopted.

3 MINUTES AND MATTERS ARISING

The Chairman sought the agreement of the Committee to the minutes of the last MC meeting held on the 15th July 2014.

Ms Carole Sullivan noted one amendment to the minutes (p.3), the Equality Authority was now part of the Irish Human Rights Equality Commission. The Chair allowed a week for the submission of written comments to be provided to the Managing Authority and agreed to incorporate minor amendments where received. The minutes were adopted.

Matters arising:

There were no matters arising from the Minutes.

4. FINANCIAL TABLES and SUMMARY REPORT

Comment on HCI OP overall expenditure

The Chairman asked Mr William McIntosh, Head of the HCI OP Managing Authority to introduce the financial reports.

Mr. McIntosh directed the Committee's attention to the Table on page 3 of the Financial Report for the January to June 2014 period. He noted the reference to unallocated expenditure under Priority 1 of the OP which related to funding due to be re-allocated from Activity ESF 1.1 (Skills Training for the unemployed). The Intermediate Bodies would be contacted early in 2015 in relation to any Activities which had funding requiring re-allocation. The Activities in Priority 2 had reached their allocations overall; just some small amounts of funding to be re-allocated. With regard to the Programme overall, the BMW expenditure had reached only 88% of the allocation for the Programme by mid-2014 (see page 5). For Priority 1, the expenditure for the BMW Region (page 9) showed a shortfall of approx. €50 million yet to be spent. By contrast, under Priority 2, (page 13) the expenditure in the BMW Region was ahead of forecast. If the Managing Authority intended to transfer the unspent allocation from Priority 1 to Priority 2, then a formal Commission Decision would be required. The Chairman remarked that the end of the OP was close and the BMW underspend was the only significant problem that remained.

5. Horizontal Principles

The Social Inclusion Horizontal Principle Review was provided to the Managing Authority. In the absence of a representative of the Horizontal Principle Body – Social Inclusion Division, D/SP – the Chairman invited the Committee to address any queries on the Review to the Managing Authority or the Social Inclusion Division of the Department of Social Protection.

6. Partnership Agreement and Draft ESF OP.

Mr. Rory O'Rua, Structural Funds Division, D/PER gave a presentation on Ireland's Partnership Agreement 2014-2020 with the European Commission. The Partnership Agreement, which was the overarching document over the Funds and Operational Programmes, had been approved by the Commission on the 18th November 2014. The draft Operational Programmes were all at different stages of completion with the Commission.

The Cohesion Policy for Europe had an overall budget of €352 billion (or 33% of the total EU budget for the 2014-2020 round). It was the EU's key investment instrument for delivering the Europe 2020 goals, which included job and growth creation, tackling climate change and energy dependence, and reducing poverty and social exclusion. Its primary focus in this round was on results; the EU's targets and milestones (for 2018 and 2023) had to be met or sanctions might ensue. The Policy was also linked to the wider EU economic governance.

The Partnership Agreement (PA) was a written agreement between the Member State (Ireland) and the EU Commission setting out the plan for the use of the ESI funding, with links to the Europe 2020 Strategy. It also set out the thematic objectives, investment priorities and ex-ante conditionalities for the Operational Programmes along with the allocations for the funds and the targets to be achieved. The PA took two years to be agreed; it was commenced before the Regulations, which determined the content, along with existing EU and National Strategies, were finalised. The final document was submitted to the Commission in April 2014 and the draft Operational Programmes (which contributed to the PA and were at the same time governed by the contents of the PA) in July 2014. Several rounds of negotiations took place before the PA was finally approved by the Commission.

The next steps in the process involved the finalisation of the negotiations on the five Operational Programmes, their formal adoption by the Commission and approval by the Government. Then the Implementation phase would commence involving the setting up of national monitoring structures, programme monitoring committees, national eligibility rules, ecohesion, etc. D/PER expected that the ecohesion electronic system between all the bodies involved in the Programmes would be in place by the end of 2015. The Partnership Agreement was available on the D/PER website at:

<http://per.gov.ie/wp-content/uploads/Partnership-Agreement-Ireland-2014-2020.pdf>

The full presentation can be found at:

http://www.esf.ie/en/hci_view_meeting.aspx?article=379dff39-ff0b-4c8f-b833-f455a6a17706&meeting=60

The Chairman thanked Mr. O'Rua for his presentation on the Partnership Agreement. He also thanked the team in D/PER for the assistance with both the negotiations and the overall process.

The Chairman then gave a brief overview of the draft Operational Programme for the next round. The title of the programme had been decided: Programme for Employability, Inclusion and Learning (PEIL) 2014-2020. The ESF OP would receive 57% of the Structural Funds for Ireland in this round; in the previous round, it was 50/50 split. It acknowledged the importance of human capital, particularly during the economic crisis. The ESF allocation amounted to €543m with an additional €68m for the Youth Employment Initiative (YEI). The Chairman outlined the areas of funding within the four main Priorities within the draft OP. The draft OP had been amended a number of times since it was submitted to the EU Commission in July 2014 and the negotiations with the Commission are ongoing.

The Chairman stressed that the requirements governing the funds in this period were very different to the previous round; the primary focus was on results with reporting on Indicators and data collection on participants posing big challenges for all involved in the Programme. An Action Plan would be required to accompany the draft OP to the commission setting out the OP's plans for the collection of all the required data (Annex I and II of Regulation 1304/2013).

Mr. John McGrath, Solas, outlined the problems that they foresaw in relation to the collection of the data (they were currently building a system for data collection, but it would not be operational until 2017). These included data protection legislation and

some non-mandatory questions e.g., involving self-classification by the participant, or relating to disability, jobless households. As all data was now evidenced-based, this posed challenges for all involved.

The Chairman said training would be provided in January 2015 on data collection and other areas. Self-classification was acceptable, but proof was required to back it up. Mr. Neil Heffernan, D/SP stated that they were holding a meeting to discuss data collection, definitions, etc. and he invited the Managing Authority other IBs to attend.

7. Closure of the HCI OP 2007-2013

Mr. Tom Whelan, ESF Certifying Authority, introduced his presentation on the Closure of the HCI OP 2007-13 by stating that the key issue for the closure of the Programme was the achievement of the full drawdown of the ESF allocation to Ireland. He outlined the progress achieved to date in terms of drawdown of ESF funding; €517m eligible expenditure had been declared to the Commission, i.e. 69% of the total €751m. The N+2 target for 2014 was €85m, which had to be achieved before the end of 2014. Expenditure allocated to one Region could not be used to compensate for the other Region. BMW expenditure declared to date was only 46% of the allocation; this left €248m BMW expenditure to be certified before the end of the Programme. He outlined the key dates and deadlines that had to be met to achieve successful closure of the Programme. The ESF Certifying Authority Presentation on closure can be found at:

http://www.esf.ie/en/hci_view_meeting.aspx?article=379dff39-ff0b-4c8f-b833-f455a6a17706&meeting=60

8. A.O.B

Next meeting:

The next meeting of the Monitoring Committee will be held in the BMW Region.

The Chairman thanked those present for their attendance and contributions, the hotel for its service, the sound engineer for his work and the Managing Authority staff for completing the documentation and other logistical arrangements for the meeting.

Appendix I

Attendance List MC Meeting 29th November 2014

Mr. Vincent Landers	Head of ESF; D/ES
Mr. Willie McIntosh	ESF/HCI OP; D/ES
Mr. Tom Whelan	ESF Certifying Authority/DES
Ms. Catherine Ryan	ESF/HCI OP; D/ES
Mr Conor Shiels	ESF/HCI OP; D/ES
Ms. Cornelia Grosser	EU Commission, EMPL/F3
Ms. Renate Schopf	EU Commission, EMPL/F3
Mr. Rory O’Rua	Dept. of Public Expenditure and Reform
Ms Carole Sullivan	IHREC
Ms Mary Kelleher	SFU/DES
Mr Conor Kelly	AA, DES
Mr Gerard Roughneen	Dept. of Justice & Equality
Mr Barry Guckian	BMW Regional Assembly
Mr Joe Gavin	Irish Youth Justice Service
Mr Jason McLoughlin	Irish Youth Justice Service
Mr Patrick O’Leary	GED, Dept. of Justice & Equality
Mr Tom Maguire	
Mr David Dunne	Solas
Mr John McGrath	Solas
Mr Rod Tierney	Solas
Ms Aoife Glennon	D/SP
Mr Neil Heffernan	D/SP
Mr Ciaran Diamond	D/SP
Mr Peter Rigney	ICTU