Special EU Programmes Body
Foras Um Chláir Speisialta An AE
Boord O Owre Ocht UE Projecks

BUSINESS PLAN 2009

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FOREWORD

The EU Programme for Peace and Reconciliation 2007-2013 for Northern Ireland and the Border Region of Ireland (PEACE III), and the Cross Border Programme for Territorial Cooperation 2007-2013 for Northern Ireland, the Border Region of Ireland and Western Scotland (INTERREG IVA) are fully operational. The implementation structures for PEACE III and INTERREG IVA worked well during 2008 and 2009 will be no less challenging, with the first N+2 targets to be achieved for the new Programmes. The SEUPB would like to express its sincere appreciation to all those involved in the Monitoring Committees and Steering Committees. Their positive and constructive approach to the complex work involved is invaluable in ensuring that these new Programmes achieve their objectives.

The SEUPB has also been actively involved in promoting North South cooperation in taking advantage of the opportunities presented by the transnational (INTERREG IVB) and inter-regional (INTERREG IVC) programmes that are operational across Europe. In particular, project participation in the Northern Periphery Programme, the North West Europe Programme and the Atlantic Area Programme has been promoted by a series of workshops and awareness raising events that we have organised throughout the region in partnership with our colleagues in other organisations. The SEUPB is determined to play an active role in maximising these opportunities and promoting North South cooperation in doing so.

As we close the PEACE II and INTERREG IIIA Programmes 2000-2006, it is an opportune time to acknowledge the extraordinary achievements of all of those involved in both Programmes. Over 7,000 projects were funded in PEACE II and over 300 in INTERREG IIIA. These projects are an indication of the level of commitment that exists across the region for cooperation to build a better society for all of our citizens. This is a solid platform on which we can build for the future of the new programmes that are now underway, and we thank all those who have contributed to this.

SECTION 1

- Overview and Introduction

SPECIAL EU PROGRAMMES BODY - VISION STATEMENT

"*The SEUPB will work as a trusted agent of both governments and the European Commission in the management and delivery of programmes that contribute to the economic and social well being of the region. Its work will be imbued by the values of openness, transparency and accessibility."*

This Business Plan reviews how the SEUPB performed in 2008, focusing on its achievements against set targets, and describes how it plans to deliver in 2009 against the commitments set out in the SEUPB's Corporate Plan 2008-2010.

The Corporate Plan 2008-2010 sets out how the SEUPB has translated its vision into a strategy as well as the SEUPB's key objectives and targets for the period. It also explains how the SEUPB intends to direct its resources in order to fulfil its duties under the legislation which it operates within. As a cross-border Body the SEUPB operates in a complex legislative environment and details of the structure of the SEUPB, the Governance and Accountability arrangements are detailed within the Corporate Plan.

The Business Plan places emphasis on those key actions and associated targets for activity based initiatives for each of SEUPB's Corporate Objectives. The budget for 2009 is driven by the operational activity targets identified for 2009. This Business Plan is a working document and will be developed during the year to meet the challenges that may arise.

The SEUPB also publishes an Annual Report which details the main highlights of the SEUPB's work as well as full, annual accounts; examined and certified by the Comptroller & Auditor General for Northern Ireland and the Irish Comptroller & Auditor General.

As the governmental sponsors of the SEUPB, departmental responsibility for the SEUPB rests with the Department of Finance and Personnel in Northern Ireland and the Department of Finance in Ireland. The SEUPB carries out its functions in compliance with the provisions of the Financial Memorandum and any other agreements with these Departments. The SEUPB also reports to an Audit Committee, including an Independent Chair and Member.

The SEUPB manages and implements funding programmes on behalf of the two governments and the European Union aimed at delivering social and economic improvements to the people in Northern Ireland and Ireland through cross-border, transnational and inter-regional cooperation.

The EU Programme for Peace and Reconciliation for Northern Ireland and the Border Region of Ireland 2000-2004 (PEACE II), as well as the Programme's extension (2005-2006) and the INTERREG IIIA Programme are currently involved in a closure process and it is the SEUPB's responsibility to achieve the strategic actions reflected in the Business Plan which relate to the closure process.

The SEUPB is also responsible for the management and delivery of the EU programmes for the 2007-2013 programming period. This includes the EU Programme for Peace and Reconciliation (PEACE III) and the Cross-Border Territorial Cooperation Programme (INTERREG IVA) which includes Western Scotland. The SEUPB will also support North South participation in transnational and inter-regional programmes (INTERREG IVB and IVC). This will complement broader efforts of the organisation to promote cross-border cooperation and enhance social and economic development in Northern Ireland and Ireland. The Business Plan outlines the key actions to be implemented in the delivery stage of the EU Programmes. The SEUPB has been designated the role of Managing Authority, Certifying Authority, Audit Authority and Joint Technical Secretariat (JTS) for both these programmes and has a much more substantial role compared to previous EU funding rounds in the delivery of the funding directly to the projects on the ground.

MANDATE & AUTHORITY

THE SPECIAL EU PROGRAMMES BODY'S STATUTORY OBLIGATIONS

The Special EU Programmes Body is a North South Body, established under the Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland (the Agreement) on 8 March 1999 and came into effect on 2 December 1999. The Agreement stipulates that the SEUPB will implement the policies directed by the North South Ministerial Council (NSMC) as specified by the North South Cooperation (Implementation Bodies) (Northern Ireland) Order 1999 and the British-Irish Agreement Act 1999, as amended.

In accordance with the SEUPB's Financial Memorandum, the SEUPB is required to prepare a three year Corporate Plan and an annual Business Plan, subject to the approval of the NSMC, including the two Finance Ministers.

The SEUPB will receive grants of money voted by the Northern Ireland Assembly and Dáil Éireann. The NSMC will, with the approval of the two Finance Ministers, make recommendations as to the amount of such grants. The SEUPB will also receive monies directly from the EU Commission, for the designated Programme advance and interim payments; however these funds will be returned to the Government Department's who provided the grant on which this EU income received has been earned.

MISSION

THE MISSION OF THE SPECIAL EU PROGRAMMES BODY IS:

"*To effectively manage and implement funding programmes on behalf of the two governments and the European Union aimed at delivering social and economic improvements to the people in Northern Ireland and Ireland through cross-border, transnational and inter-regional cooperation*."

We intend to achieve our Mission over the period 2009 by:

- Comprehensively implementing the PEACE III and INTERREG IVA Programmes ensuring all targets are achieved.
- Ensuring an effective and successful closure of the PEACE II and INTERREG IIIA Programmes.
- Developing an environment that values participation, partnership, inclusive working, trust and transparency.

KEY ORGANISATIONAL ROLES

The SEUPB continues to promote North South cross-border cooperation and to enhance social and economic development in Northern Ireland and Ireland, by fulfilling two key roles, over the period of the Business Plan. The roles are outlined below and detailed in the following paragraphs:

CLOSURE OF THE PEACE II AND INTERREG IIIA PROGRAMMES (2000-2006)

The PEACE II and INTERREG IIIA Programmes 2000-2006 have both entered the final stage of the programming period. The SEUPB therefore, is focusing on bringing the Programmes to a successful close, including ensuring full expenditure of the programmes. A Closure Team has been effectively implementing this process and preparations are ongoing in producing Closure Reports at Fund level. Overall the SEUPB is satisfied with the progress of the Programmes to date and it is broadly on course to meet all of its targets.

MANAGEMENT AND DELIVERY OF THE PEACE III AND INTERREG IV PROGRAMMES (2007-2013)

The SEUPB is managing and implementing EU funded programmes; the EU Programme for Peace and Reconciliation for Northern Ireland and the Border Region of Ireland 2007-2013 (PEACE III) and the Cross-Border Territorial Cooperation Programme 2007-2013 (INTERREG IV). For both of these Programmes, the SEUPB now has a more substantial role in the delivery of the funding directly to the projects on the ground than under the previous programming period. In addition to this, the SEUPB promotes North South participation in transnational and inter-regional Programmes.

The new Programmes for which the SEUPB has a role in implementation are outlined below:

- **PEACE III:** EU Programme for Peace and Reconciliation for Northern Ireland and the Border Region of Ireland 2007-2013 (PEACE III), (overall financial allocation - €333 million, including €225 million EU ERDF funds). The overall aim of the PEACE III Programme is "to reinforce progress towards a peaceful and stable society and to promote reconciliation in Northern Ireland and the Border Region". Building on the successes and lessons of the PEACE I (1995-1999), PEACE II (2000-2006) and Extension Programmes, the PEACE III Programme has a continued and renewed emphasis on reconciliation and specifically focuses on reconciling communities and contributing towards a shared society. Taking this overall aim forward, the PEACE III Programme focuses on two priority areas, outlined in the following table:

Priority	Focus	Key Activities
Priority 1 - Reconciling Communities (€190,918,300)	The focus is on two key areas: building positive relations at the local level, and acknowledging and dealing with the past.	Key activities facilitate relationships on a cross-community and/or cross-border basis to assist in addressing issues of trust, prejudice and intolerance and accepting commonalities and differences. In addition, key activities seek to acknowledge and deal with the hurt, losses, trauma and suffering caused by the conflict.
Priority 2 - Contributing to a shared society (€122,000,000)	The focus is on two key areas: creating shared public spaces, and key institutional capacities are developed for a shared society.	Key activities address the physical segregation or polarisation of places and communities in Northern Ireland and the Border Region with a view to reclaiming public spaces for all sections of the community and enabling the emergence of vibrant, economically active and social cross-border and cross-community engagement.

- **INTERREG IV:** The Cross-Border Territorial Cooperation Programme 2007-2013 (INTERREG IV), (overall financial allocation - €256 million, including €193 million EU ERDF funds). The primary objective of the INTERREG IV Programme is "to support strategic cross-border cooperation for a more prosperous region and improve access to services so as to enhance the quality of life for those living in the eligible area". Taking this overall aim forward, the programme focuses on two priority areas, outlined in the table overleaf:

Priority	Focus	Key Activities
Priority 1 - Cooperation for a more prosperous cross-border region (€100,670,000)	The focus is on two key areas: enterprise and tourism.	Key activities aim to diversify and develop the economy of the eligible region by encouraging innovation and competitiveness in enterprise and business development and promoting tourism.
Priority 2 - Cooperation for a sustainable cross-border region (€139,999,821)	The focus is on two key areas: collaboration and infrastructure.	Key activities aim to promote cross-border cooperation in policy development and improve access to services so as to improve the quality of life for those living in the eligible area.

- **TRANSNATIONAL AND INTER-REGIONAL CO-OPERATION PROGRAMMES**

  The SEUPB undertakes a broad role to support North South participation in the transnational and inter-regional Programmes, INTERREG IVB & IVC. These Programmes include:

  - The North West Europe Programme (involving France, the UK, Germany the Netherlands, Ireland, Luxembourg, Belgium, and Switzerland);
  - The Atlantic Area Programme (covering the whole of Ireland and Portugal, and those regions within Spain, the UK and France that border the Atlantic Ocean); and,
  - The Northern Periphery Programme (involving parts of Finland, Ireland, Sweden, Scotland and Northern Ireland) - the Special EU Programmes Body has been asked to act as the Regional Contact Point for this Programme.

SECTION 2

- Progress to date on the 2008-2010 Corporate Plan targets

The Corporate Plan 2008-2010 set out the corporate strategy and targets for each aspect of the SEUPB's business. This section of the Business Plan will report, in brief, on the 2007 activities and targets but will concentrate focus on the performance of the SEUPB in the early part of 2008.

The key activities and targets are set out and reported in more detail in Annex A. Section 3 will set out the corporate objectives and targets for 2009.

OUR APPROACH

The SEUPB's mission is to effectively manage and implement funding Programmes, on behalf of the two Governments, aimed at delivering social and economic improvements. To fulfil this role we recognise the importance of efficient and effective corporate services systems and the resources that we have available to us. The SEUPB has robust systems and procedures in place to ensure strategic management of public expenditure and resources.

The SEUPB will continue to maintain policies for the general management and control of the systems within the SEUPB. This will include compliance with the terms and conditions of the Financial Memorandum, development of appropriate structures and systems in line with corporate governance requirements (including Internal Audit and associated audit programs, Audit Committee, Risk Management and Controls Procedures). A full review of reporting arrangements for both programmes and administration systems is being undertaken by corporate finance and is nearing completion to ensure that we adopt best practice were possible.

OUR STAFF

The SEUPB recognises the importance of leading, managing and developing people to ensure they are equipped to deliver the corporate objectives. The SEUPB completed the implementation of the agreed recommendations of the 2007 organisational staffing review and the recruitment of new staff is now completed with all staff in post by mid March 2008.

The key activities and targets for 2008 are outlined below, and progress to date is summarised in the following paragraphs:

A) Implementation and closure of the PEACE II and INTERREG IIIA Programmes (2000-2006);
B) Delivering and achieving the objectives of the PEACE III and INTERREG IV Programmes (2007-2013);
C) Transnational and Inter-regional Programmes; and
D) Corporate Services.

A) IMPLEMENTATION AND CLOSURE OF THE PEACE II and INTERREG IIIA PROGRAMMES (2000-2006)

As the Programmes draw to a close, it is appropriate to report on the outputs and impacts recorded to date.

PEACE II - Programme Outputs and Impacts

The aim of the EU Programme for Peace and Reconciliation for Northern Ireland and the Border Counties of Ireland (PEACE II) is to reinforce progress towards a peaceful and stable society and promote reconciliation.

PEACE II has two specific objectives which include:

- Address the legacy of the conflict; the Programme is intended to address specific problems generated by the conflict in order to assist the return to a normal, peaceful and stable society.

- Take opportunities arising from peace; to encourage actions which have a stake in peace and which actively help promote a stable and normal society where opportunities can be grasped.

Eligibility for funding under the PEACE II Programme required projects to specify how they contributed to the achievement of these objectives and to demonstrate how they contributed towards the promotion of mutual understanding and respect between and within the communities and traditions in Northern Ireland and the Border Counties.

IMPACTS

The SEUPB tracks the progress of the Programme against indicators that have been agreed as part of the Operational Programme. The key findings highlight the following:

There have been 13,502 applications for funding to the PEACE II Programme and to date, 7,103 Letters of Offer have been issued. The Programme is now fully committed with a total expenditure of €938M representing 94% of the total Programme value. The remaining expenditure is being managed closely and final claims have been submitted by projects.

Some of the Programme's quantitative key outputs which were managed by SEUPB are summarised in the following table:

Priority 1 - Economic Renewal
Almost 9,669 small to medium sized enterprises and community businesses have been supported, resulting in the creation of almost 3,474 jobs.

Priority 2 - Social Integration, Inclusion and Reconciliation
Of the 99,453 participants that have taken part in projects, approximately 27,402 have gained qualifications, and over 29,962 have entered or progressed within employment, education or further training.

Priority 3 - Locally Based Regeneration and Development Strategies
Over 2,312 projects have been supported by the Local Strategy Partnerships (LSPs) and County Council Led Taskforces. 1531 groups and 38,345 individuals have participated in reconciliation projects.

Priority 4 - Outward and Forward Looking Region
22 networks have been supported, the majority of which are international. Other networks are specifically aimed at marketing both Northern Ireland and the Border Region as tourist destinations.

Priority 5 - Cross-border Cooperation
Funding has supported 213 new/existing cross-border linkages/networks, with 122 small to medium sized enterprise linkages or clusters created as a *result* of the networks. In addition, over 131,641 people have participated in cross-border activities, of which around 11,096 have received accreditation, and approximately 7,489 have progressed within employment, education or further training.

INTERREG IIIA- Programme Outputs and Impacts

INTERREG IIIA is an EU-wide community initiative supporting cross-border cooperation, social cohesion and economic development between the regions of the European Union. The Northern Ireland/Ireland Cross Border Cooperation Programme (INTERREG IIIA) aims to promote cooperation between the two regions in areas of mutual interest to promote the economic and social welfare of the communities that live in the region.

The Programme is now entering its final stages and has met all of its expenditure targets for each of the years of its existence to date. The INTERREG IIIA Programme expenditure is currently €177M representing 97% of the total Programme value. The SEUPB will be concentrating on the closure of the Programme and is satisfied that all of the money committed by the EU will be spent by the Programme before closure. The target date for closure is June 2009.

IMPACTS

The progress of the Programme is tracked against indicators that have been agreed as part of the Operational Programme. The majority of the targets of the Programme have now been achieved and some of them have been exceeded. The key findings are summarised as follows:

Measure 1.1 - Business and Economic Development
Output and result targets have largely been met or surpassed. Significant impacts include: over 150 new full-time equivalent jobs created, and 550 SMEs assisted through joint tourism initiatives, clusters and marketing and business opportunities, over 500 full-time equivalent jobs created or safeguarded through cross-border rural business initiatives and the expansion of over 2,400 SMEs in terms of product development, increases in sales or job creation.

Measure 1.3 Human Resource and Development Skilling
This measure has, in general, met or exceeded the targets set. In particular, the output and result targets for the education linkages: 3,948 people trained in new skills, re-skilling and lifelong learning activities with 1,136 participants in lifelong learning programmes.

Measure 1.4 - Rural Community Initiative
All output, result and impact targets have been surpassed. It is noted that assisted projects have been particularly successful due to their high level of interaction with existing community organisations. One of the most significant achievements relates to participants involved in cross-border activity, a total of 3,234, where targets have been exceeded by over 600%.

Measure 2.2 - Environmental Protection and Management
Over half of all outputs under this measure have been met. Waste awareness initiatives have had the most notable achievements, with 92% of domestic residents in the INTERREG area receiving advice on how to recycle household waste and 97% of participants achieving Waste Awareness Certificates. There has been 3 international river basin management strategies supported and 8 fishery management projects supported.

Measure 2.3 - Renewable Energy/Energy Efficiency
These targets are unlikely to be achieved. It was originally envisaged that this Measure would attract a high volume of lower spending projects. However, as applications came in, many were for large projects with high grant levels. In addition, projects in receipt of funding have tended to install renewable sources in existing business/organisations or in households. There have been a number of wind energy, solar power and bio-energy projects supported.

Measure 3.1 - Social/Community Infrastructure
All targets have been exceeded in this measure with 21,032 individuals involved in development through projects and 2,386 groups/organisations involved in capacity building projects.

Measure 3.2 - Health and Well-being
The targets have largely been met or exceeded namely: cross-border health and social care networks developed; cross-border training events; health and social care and other professionals trained; development of information systems to promote cross-border working; and cross-border health and social care services facilitated.

PEACE II AND INTERREG IIIA - FINANCIAL TARGETS AND STRATEGIC ACTIONS FOR 2008

CORPORATE OBJECTIVE:

"To ensure the effective and efficient closure of the PEACE II and INTERREG IIIA Programmes in Northern Ireland and the Border Region of Ireland."

A key priority for the SEUPB is the closure of the 2000-2006 Programmes (PEACE II and INTERREG IIIA), ensuring that the Programmes fulfil EU Regulatory requirements and maximise EU receipts. This will involve ensuring all projects have been effectively closed, fund specific reports are written, and a final claim is made to the EU Commission by June 2009.

In response to the current economic climate the EU Commission offered the possibility of granting a six month extension to the Programmes, and the Member States have availed of this proposal to extend the eligibility date to 30 June 2009. SEUPB will avail of this extension to minimise any further exchange issues.

The SEUPB is satisfied that the Programmes are being implemented in a manner that meets the requirements of the EC Regulations, conforms to best practice governance in Ireland and Northern Ireland, and are in conformity with best practice in the area of equality, fairness, openness and transparency.

PRIORITY ACTIVITIES FOR PEACE II AND INTERREG IIIA

FULFIL REGULATORY REQUIREMENTS

By December 2008 the PEACE II and INTERREG IIIA Programmes had fulfilled all regulatory requirements. This has meant that PEACE II has achieved 100% of Article 4 coverage amounting to 9,387 checks, and INTERREG IIIA has achieved 99% of Article 4 coverage amounting to 495 checks carried out to date. All previous audit recommendations up to December 2008 have been followed up. In addition, all irregularities are reported on a quarterly basis to the Member States. The SEUPB does not anticipate any regulatory issues arising in the Programmes during 2008.

MAXIMISE EU RECEIPTS

PEACE II and INTERREG IIIA have met all of their expenditure targets for each of the years of existence to date. Spend is monitored on a monthly basis and reported to the Monitoring Committee every six months. The SEUPB has identified a potential risk to the maximisation of EU receipts in Priority 5 of the PEACE II Programme. This is due to the recent fall in the exchange rates in relation to funding committed and spent in Sterling, but declared to the Commission in Euro. Due to the fall in the rate of drawdown from 1.48 in 2007 to 1.10 at present, €1.5 million has been identified in the Border Region under Priority 5 of not being drawdown from the EU Commission.

The SEUPB has identified a similar potential risk in Priority 1 of the INTERREG IIIA Programme. This is also due to the recent fall in the exchange rates in relation to funding committed and spent in Sterling, but declared to the Commission in Euro. Based on current exchange rates this risk is in the region of €2 million. All possible actions are being taken to mitigate against a loss of EU receipts and the 6 month extension to the Programme closure date, granted by the EU Commission, will greatly assist this process.

The SEUPB is putting the appropriate steps in place to ensure all of the available EU income is earned for both Programmes.

ENSURE THE TIMELY CLOSURE OF THE PROGRAMMES

The PEACE II and INTERREG IIIA Programmes 2000-2006 are now entering their final stages. The SEUPB therefore, is now focusing on bringing the Programmes to a successful close. A Closure Team are actively working on producing Closure Reports at Fund level.

At present, two funds, EAGGF and FIFG have ceased activity and Closure Reports for PEACE II are currently being prepared. ERDF and ESF are the largest funds and expenditure activity will continue in these funds until June 2009. The 13 measures that were extended into 2005 and 2006 are now fully committed. Overall the SEUPB is satisfied with the progress of the PEACE II and INTERREG IIIA Programmes to date.

There are aspects of the Programmes that the SEUPB has implementing responsibility for and all targets indicated in the Business Plan 2008 are being effectively managed and no significant problems in achieving these targets are envisaged**.**

COMMUNICATIONS STRATEGY

The SEUPB has actively participated in the organisation of several high profile events which demonstrate the successful delivery of the PEACE II Programme including, the European Mediation Conference, the European Economic and Social Committee's Recognition Ceremony and consultation conference on the role of the EU in the Northern Ireland peace process. An event focussed on the outcomes of the Programmes took place at the end of 2008.

THE COMMON CHAPTER

CORPORATE OBJECTIVE:

"To enhance North South co-operative actions in Ireland and Northern Ireland in the context of the National Development Plan 2000-2006 for Ireland and the Structural Funds Plan 2000-2006 for Northern Ireland."

The National Development Plan for Ireland (2000-2006) and the Northern Ireland Structural Funds Plan (2000-2006) each contain a chapter of agreed text that appears in both plans. This sets out a strategic framework for building upon and developing North South and wider cooperation across a broad range of sectors and activities.

The Common Chapter reports for 2000/01, 2002/03 and 2004/05 are now complete. An executive summary of each plan has been prepared and widely circulated while the full reports have been published on the SEUPB website.

Following DOF and DFP approval of the Terms of Reference a tendering process was initiated via CPD for the completion of the 2006 report. The successful consultants were engaged in March 2008 and the draft final report has been completed.

B) DELIVERING AND ACHIEVING THE OBJECTIVES OF THE PEACE III and INTERREG IV PROGRAMMES (2007-2013)

CORPORATE OBJECTIVE:

"To ensure the efficient and effective delivery of PEACE III and INTERREG IV Programmes ensuring programme objectives are met and impact is maximised in the regions."

The corporate objective is met through the following strategic actions:

PROVIDE LEADERSHIP TO THE PROGRAMMES

The SEUPB is responsible for ensuring the Programmes are established and functioning effectively in accordance with the EU and Member states regulatory frameworks. This has been a challenge to all involved in the Programmes and at times it has involved lengthy discussions, involving the Member States to finalise the practicalities of the day to day operations. The SEUPB has engaged with this challenge and is committed to successfully implementing the new roles and responsibilities. This includes chairing the Monitoring Committees, who are charged with monitoring Programme objectives. The SEUPB tabled a proposal with the two Member States on the format of a new Monitoring Committee for the PEACE III and INTERREG IV Programmes in accordance with Council Regulation (EC) No 1083/2006 Articles 63, 64 and 65. The inaugural meeting of Monitoring Committees took place on 6 November 2007, and there have been further meetings in April and October 2008.

ENSURE THE EFFICIENT DELIVERY OF THE PROGRAMMES

Implementation of the new PEACE III and INTERREG IVA Programmes began immediately after the programmes were officially approved in November 2007, and continued throughout 2008. Two Steering Committees have been established on a cross border/partnership basis and the members of the Steering Committees have attended induction training. In total 32 Steering Committee meetings have taken place to date, and calls for applications have now been made under all Priorities for each of the Programmes.

At the end of February 2009 a total of 303 applications had been received (230 for Peace III and 73 for INTERREG IVA). The Steering Committee meetings have approved 108 projects, of these, 75 were for the PEACE III Programme and 33 were for the INTERREG IVA Programme. The value of money committed as a result of these project approvals amounted to €166.3 million for PEACE III (representing 49% of the total value of the Programme) and €155 million for INTERREG IV (representing 61%% of the total value of the Programme). As a result of this activity, a total of 74 Letters of Offer have been issued.

ENSURE THE HIGHEST STANDARDS OF PROBITY, ACCOUNTABILITY AND FINANCIAL MANAGEMENT

The SEUPB is responsible for the effective management of public expenditure for the Programmes and set itself challenging expenditure targets for 2008 (€7m INTERREG IV and €9m PEACE III) to ensure that the EU Regulatory target N+2 of €14m for INTERREG IV and €20m for PEACE III is achieved. In mid 2008, it became apparent that expenditure targets as originally set were too high in practice, and would be not be met and the targets were decreased.

A number of issues arose during the latter part of 2007 and throughout 2008 which impacted on the ability of the SEUPB to meet its business plan targets for 2008. These included the delay in the announcement of the configuration of new Local Authority groupings, as part of the Review of Public Administration in Northern Ireland, difficulties in determining the role of Accountable Departments and issues relating to the development of approval procedures.

The management of these issues has had an impact on the original projections for the budgeted levels of Programme expenditure in the 2008 Budget. Whereas both Programmes were each originally budgeted to spend £8.4 million in 2008, it became apparent that due to the delays regarding the issuing of letters of offer these targets would not be achieved. At the end of 2008 PEACE III spent just £0.6 million and INTERREG IVA £0.4 million. The under spend in 2008 will also make the achievement of the December 2009 EU expenditure targets (N+2) all the more challenging, however the under spend in 2008 has been recovered early in 2009.

ENSURE COMPLIANCE WITH THE NEW EU REGULATION 1080/2006 FOR INFORMATION AND PUBLICITY

The SEUPB was responsible for developing a Communications Plan, ensuring that the strategy was in compliance with EC Regulation 1159/2000 so as to avoid a financial correction being levied on the Programme. The Communications Plan details an extensive work plan for the period of the

Programmes and was submitted in March 2008. The PEACE III Programme and INTERREG IVA Northern Ireland/Border Region of Ireland/Western Scotland Programme were formally launched on 14 April 2008 at the Stormont Hotel, Belfast by Danuta Hübner, European Commissioner for Regional Policy, Peter Robinson, Northern Ireland Minister for Finance and Personnel, and Brian Cowen, Tánaiste and Minister for Finance in Ireland. A series of roadshows are being held early 2009 to inform citizens and potential beneficiaries of the existence of the programmes and the added value of the assistance of the Community. The first of these was the Balmoral Show in early May 2008.

OPERATION OF CERTIFYING AUTHORITY FUNCTION FOR BOTH PROGRAMMES

The SEUPB is responsible for developing and implementing a sound financial system to ensure the integrity of the role within the SEUPB. The Certifying Authority submitted a claim for re-imbursement to the Commission by the end of 2008, in keeping with targets set.

C) TRANSNATIONAL AND INTER-REGIONAL PROGRAMMES

CORPORATE OBJECTIVE:

"To promote North South cooperation in all Transnational and Inter-regional Programmes and maximise opportunities for all on the island of Ireland to participate in these programmes."

Drawing on the organisations capabilities and experience in undertaking joint delivery of programmes and facilitating cross-border partnership, the SEUPB will undertake a broad role to support North South participation in transnational and inter-regional Programmes. These Programmes include:

- The North West Europe Programme (involving France, the UK, Germany the Netherlands, Ireland, Luxembourg, Belgium, and Switzerland);
- The Atlantic Area Programme (covering the whole of Ireland and Portugal, and those regions within Spain, the UK and France that border the Atlantic Ocean); and,
- The Northern Periphery Programme (involving parts of Finland, Ireland, Sweden, Scotland and Northern Ireland) - the Special EU Programmes Body has been asked to act as the Regional Contact Point for this Programme.

To date, a database of over 150 contacts has been developed and information is circulated on a regular basis, including partner searches, updates on current and forthcoming calls, and outcomes of Programme Monitoring Committee meetings. In addition, a series of presentations about the Programmes were presented to ERNACT and to the East Border Region Cross Border Group.

To date three Regional Advisory Group meetings have been convened in Northern Ireland to assess projects in the three calls to date for the Northern Periphery Programme (NPP). Overall the NPP has approved 19 projects, eight of which have Northern Ireland partners and five of these have Ireland partners.

In June 2008 a workshop for potential project partners was held in Cookstown with over 40 people in attendance. The event provided practical advice and guidance to potential project applicants from Northern Ireland and the Border Region. The Regional Contact Points from the UK and Ireland for each of the IVB Programmes were present and they held project surgeries to assist applicants with their ideas and queries. The SEUPB also participated in a transnational and inter-regional seminar in Tullamore in October 2008; this seminar organised jointly by BMW and Southern and Eastern Regional Assemblies, attracted over 100 delegates.

D) CORPORATE SERVICES

CORPORATE OBJECTIVE

"Within a framework of Governance and Accountability implement effective Administration, IT, HR and Communication strategies to enhance the business performance of the SEUPB."

The SEUPB is committed to providing training and learning opportunities to all staff and seeks to ensure this is conducted in order to meet organisational needs and to help staff to become more effective in their roles. A training and development plan was identified and was fully implemented in 2008.

In May 2008 the Monaghan office relocated to new premises and as part of a service upgrade the SEUPB implemented a voice over internet protocol (VOIP) service to allow direct communications between offices via extension numbers. An internal IT audit for all three offices was undertaken in 2008. The SEUPB is actively seeking new Belfast based office premises and is planning to finalise arrangements in early 2009.

The SEUPB engaged in an independent review of the SEUPB website to determine the technical specifications for the changes that would be needed in order to improve web-based access to information and interactivity. Following successful tender it is anticipated that these changes will be implemented in 2009.

The SEUPB has been preparing the Description of Management and Control Systems for the Programmes in accordance with Article 71 of Council Regulation (EC) No 1083/2006. The systems, covering in particular the organisation and procedures of the Managing and Certifying Authorities, the Audit Authority and other bodies carrying out audits under its responsibilities, was submitted within the Commission deadline of 6 November 2008.

In accordance with Council Regulation (EC) No 1083/2006, Articles 58 to 62, the Description of Management and Controls Systems will define the functions of the SEUPB; the designation of authorities, paying particular attention to the required segregation of functions; the procedures for ensuring the correctness and regularity of expenditure declared; arrangements for auditing the functioning of the systems; systems and procedures to ensure an adequate audit trail; and the reporting and monitoring procedures for irregularities and for the recovery of amounts unduly paid.

COMMUNICATIONS

The SEUPB recognises the European Commission's renewed emphasis on appropriate information and publicity activities. In response to this the SEUPB developed a communication plan, in accordance with Implementing Regulation 1828/2006, Articles 2-4, which reflects a strategic approach to communication measures and activities of the programmes in order to maximise results. The communication plan was submitted in March 2008 and will form the outline for activities designed to provide information on and publicise the operations of the European Territorial Co-operation programmes PEACE III and INTERREG IV in the 2007-2013 Programming period. A Programme closure event for PEACE II was held in April 2008. Other events took place during 2008 including the compilation of a DVD for both Programmes.

A continued emphasis will be focussed on the monitoring and reporting on compliance with the publicity regulations by all projects and bodies involved in the Programmes and will aim to raise the profile of the SEUPB within the eligible area and beyond.

The SEUPB has undertaken and completed a review of its corporate identity and the changes will be implemented throughout 2009.

SECTION 3

- Delivering on targets in 2009

The Corporate Plan 2008-2010 commits the SEUPB to deliver on the objectives set in all aspects of the SEUPB's work, whilst retaining its core values. The detailed context of how the objectives were developed are contained within the Corporate Plan and only presented in summary within this section. This section translates the Corporate Objectives for 2009 into an operational plan with key actions and targets.

THE SEUPB'S VALUES

As an organisation the SEUPB is committed to undertake its business on the basis of the following values that all staff will strive to uphold:

INCLUSIVENESS

The SEUPB will aim to act in a manner which offers equality of opportunity and accessibility. The SEUPB will act fairly and openly towards any one person or any organisation and wishes to encourage participation from all and respect and diversity.

TRANSPARENCY AND OPENNESS

In all aspects of its work the SEUPB will abide by its policy of transparency and openness and will keep staff, stakeholders customers and the general public aware of its policies and actions through the effective exchange and dissemination of information, communication and consultation. We will endeavour to maintain the trust that has been bestowed upon us by our stakeholders and public.

OUTWARD LOOKING

The SEUPB will work impartially with stakeholders and customers and respond to their needs to ensure that issues are identified and addressed. The SEUPB will continue to develop and enhance cross-border and transnational partnerships and cooperation and to maintain and expand relationships between Northern Ireland and the Border Region of Ireland with the rest of the European Union.

RESPECT FOR OTHERS

The SEUPB is committed to encouraging and embracing understanding and respect between people and organisations in all aspects of its work.

SHARING KNOWLEDGE AND EXPERIENCE

The SEUPB will be open to new ideas, concepts and ways of working whilst retaining and delivering its corporate objectives. The SEUPB will also encourage the sharing of ideas and experience so as to improve and progress both staff and corporate performance through open, two-way communication.

OVERVIEW AND BACKGROUND

This section will briefly outline the operational context for the period of the Business Plan 2009. However, the full extent of the operational context can be found in detail in the Corporate Plan 2008-2010.

ECONOMIC AND SOCIAL CONTEXT

The remit of the work of the SEUPB focuses on Northern Ireland and the Border Counties of Ireland. In the light of this, it is important to acknowledge the economic and social context within the area. This business plan is being prepared against a significant deterioration during 2008 in the international economic climate from which Northern Ireland and the Border Counties of Ireland are not immune. The SEUPB shares with other public sector organisations in the region, the responsibility to achieve the objectives of this plan against this backdrop.

The description of the economic and social context provided within the Operational Programme documents provide an overview of the key issues to be taken into account in preparing and delivering this business plan. These economic and social issues provide both challenges and opportunities for the SEUPB in delivering the objectives and targets of the Corporate Plan 2008-2010 and Business Plan 2009. In addressing these issues the SEUPB has built good foundations with the work of the PEACE II and INTERREG IIIA Programmes, and will continue to deliver tangible results through the PEACE III and INTERREG IV Programmes.

EUROPEAN CONTEXT

One of the most significant developments to occur within the EU in recent years is the enlargement of the Union to 27 member countries, with further countries also being considered as candidate countries for membership.

Given efforts of the EU to promote economic and social cohesion across the EU and reduce the disparities between the levels of development of the various regions, a greater proportion of spending priorities have been directed to the new Member States for the 2007-2013 Programming period. This has inevitably meant that less money is available for Ireland/Northern Ireland and provides a challenge for the SEUPB and its partners to ensure that EU funds are utilised strategically.

Although funding may be reduced compared to previous funding Programmes, the combined investment for the PEACE III and INTERREG IV programmes, including contributions from the two Member States, is €589 million over the 2007-2013 Programming period.

POLITICAL CONTEXT

The North South Ministerial Council (NSMC) met in plenary on 17 July 2007 for the first time since June 2002, and the first NSMC meeting in SEUPB sectoral format, which updated Ministers on progress towards the implementation of the Programmes, was held shortly after on 7 November 2007.

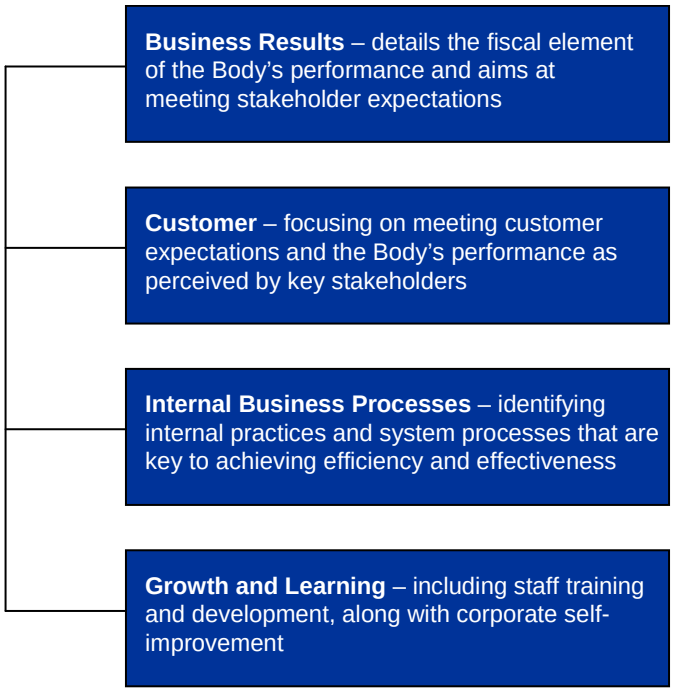
The St Andrews agreement included an undertaking to establish a Review Group to examine the operation of cross-border bodies focusing on: the efficiency and value for money of existing implementation bodies; and the case for additional bodies and areas of cooperation within the NSMC where mutual benefit would be derived. The SEUPB met with the St Andrews Review Group to facilitate the evidence gathering element of the review process and a report was issued by the group in late 2008.

CORPORATE CHALLENGES AND TARGETS IN 2009

The SEUPB's mission is to effectively manage and implement funding programmes on behalf of the two governments and the European Union aimed at delivering social and economic improvements to the people in Northern Ireland and Ireland through cross-border, transnational and inter-regional cooperation.

In working towards this mission, the new funding period 2007-2013 will see the SEUPB effectively and efficiently implementing the PEACE III and INTERREG IV Programmes. The SEUPB will also provide a supporting role in North South participation in transnational and inter-regional cooperation Programmes. The SEUPB's key priority for PEACE II and INTERREG IIIA remains managing the programmes to a successful close and minimising any under spend occurring.

The SEUPB has developed a balanced scorecard to measure the SEUPB's activities against the corporate objectives and targets. By measuring the SEUPB's performance in this way, it can be quantified and appraised, and will assist in tracking the key elements of the business strategy as well as identifying tangible results. The benefits of using a balanced scorecard are that it allows the SEUPB to incorporate strategic objectives into resource allocation processes and increase the understanding of the SEUPB corporate vision and strategy to both internal and external stakeholders. The balanced scorecard is divided into a four-perspective view:



The balanced scorecard is found at the end of Section 3 (page 28).

Taking forward the SEUPB's mission and the key strengths of the SEUPB, corporate objectives were developed as part of the corporate planning process within the Corporate Plan 2008-2010. These objectives specifically relate to the key roles and functions of the organisation in 2009, as presented below and detailed in the following paragraphs:

A) PEACE II and INTERREG IIIA Programmes 2000-2006;
B) PEACE III and INTERREG IV Programmes 2007-2013;
C) Transnational and Inter-regional Programmes 2007-2013; and
D) Corporate Services.

A) PEACE II and INTERREG IIIA Programmes 2000-2006

CORPORATE OBJECTIVE

"To ensure the effective and efficient closure of the Programmes."

The SEUPB has the responsibility of facilitating the closure of the 2000-2006 Programmes (PEACE II and INTERREG IIIA), ensuring that the Programmes fulfil all EU Regulatory requirements and maximise EU receipts in the Final Declaration.

The focus in 2009 will be to produce closure packs for PEACE II and INTERREG IIIA Programmes. PEACE II will require four closure packs, one for each fund (ERDF, ESF, EAGGF and FIFG). One closure pack will be produced in relation to the INTERREG Programme. The EAGGF and FIFG final reports will be submitted to the Commission by June 2009. The ESF and ERDF reports have a later submission deadline of March 2010 as they were two funds included in the PEACE II Extension. The SEUPB will provide a final Programme Recoveries schedule in 2009.

In response to the current economic climate the EU Commission has offered the possibility of granting a six month extension to the Programmes, to 30 June 2009, and the Member States have availed of this extension. SEUPB will utilise of this extension to minimise any further exchange rate issues.

The SEUPB will ensure every Article 4 and audit recommendation is closed by February 2009 and that a final claim on both programmes is made to the EU Commission by March 2009. The SEUPB will work to ensure 100% completeness of the central database. In addition, the SEUPB will publish a document highlighting examples of good practice and benefits delivered by the Programmes which will be a valuable reference tool for key stakeholders.

B) PEACE III and INTERREG IV Programmes 2007-2013

CORPORATE OBJECTIVE

"To ensure the efficient and effective delivery of PEACE III and INTERREG IV Programmes ensuring Programme objectives are met and impact is maximised in the regions."

The SEUPB has gained valuable experience in managing and delivering complex EU funded Programmes and will use this experience to maximise expenditure and commitment within the PEACE III and INTEREG IV Programmes. The SEUPB will ensure the Programmes are functioning effectively in accordance with the regulatory frameworks of the EU and Member States.

During 2009, the SEUPB as Managing Authority will organise at least two Monitoring Committee meetings in relation to each Programme. Two Annual Implementation Reports will be prepared and the Monitoring and Evaluation Working Group will continue to monitor the Programme implementation and report to the Monitoring Committee accordingly.

The SEUPB will achieve the EU Regulatory target for both Programmes N+2 (€20M PEACE III and €14M INTERREG IV, these targets have decreased due to an additional advance amount from the Commission which reduces the N+2 target). This will be a challenging period for the SEUPB, due to the size and complexity of the projects being funded, and will continue throughout 2009. The SEUPB will establish the focus of individual calls for applications on an ongoing basis in 2009. Up to 50 applications will be processed and assessed in 2009 and presented to Steering Committee for recommendation. The SEUPB will actively engage with up to 20 projects and issue letters of offer by the end of 2009**.** Close monitoring of the Programmes will continue throughout 2009 in relation to the delivery of objectives and targets and monitoring reports will be produced quarterly.

A key priority for the SEUPB will be to ensure that the commitment within both programmes is adequate to meet the N+2 targets in 2010. The SEUPB has set targets required for commitment of funding to projects so that expenditure targets in the following years will be achieved successfully. In 2009 the SEUPB will ensure that 60% of funds have been committed, which represents €200 million for PEACE III and €150 million for INTERREG IVA. The SEUPB will also ensure that the cashflow position remains adequate to meet the N+2 targets, as any delays in claims to the Commission for reimbursement of expenditure will affect the cash flow position of the SEUPB.

System audit checks will be carried out on lead partners in line with EU regulation and the SEUPB will monitor activities to allow it to identify and report any irregularities. The audits will be complemented by on the spot visits for claims verification. The Central Payments Unit has revised the length of grant payments made to projects from 10 working days, down to within eight working days in 2009. An overarching target for these Programmes will be the development of measurable efficiency savings. This will be at the forefront and will constantly be reviewed during 2009.

PEACE NETWORK PROJECT

During a visit by the EU Commissioner for Regional Policy, Ms. Danuta Hübner, to Belfast in June 2007 in her capacity as chairperson of the Northern Ireland Taskforce, it was suggested that the SEUPB should work with the Commission to organise an event in Brussels to publicise the work of the PEACE Programmes. This event was a Committee of the Regions OPEN Days event, hosted jointly by the Commission and the SEUPB in October 2007. The idea of organising a Europe-wide network of regions and cities to share the experiences of the PEACE Programmes emerged.

Such a Peace Network Project could provide an opportunity for cities and regions throughout Europe to learn more about the development, management and evaluation of the three EU PEACE Programmes and their achievements in terms of peace-building and promoting reconciliation. This will enable participants to consider the relevance of Special EU PEACE funding to their own situations. The current PEACE III Programme includes a commitment to share this experience in Europe. All of the experience of the PEACE Programmes, can potentially be used to engage with and enrich other regions of Europe that are dealing with conflict, building community relations and creating peaceful societies.

A Steering Committee will be established to manage the network and will ensure delivery of its key outputs. The Special EU Programmes Body, a North South Body with responsibility for managing and delivering Special EU Peace Funding, will coordinate this work and act as Secretariat for the network. This role will be facilitated, in line with their respective responsibilities for EU Peace funding, by the Northern Ireland Executive, the Irish Government and the European Commission.

C) Transnational and Inter-regional Programmes

CORPORATE OBJECTIVE

"To promote North South cooperation in all transnational and inter-regional programmes and maximise opportunities for all on the island of Ireland to participate in these programmes."

A core function for the SEUPB will be to provide advice, assistance and guidance to potential project applicants on each of the transnational and the inter-regional programmes. The SEUPB is aiming to ensure participation of 15 project partners, during the lifetime of each of the IVB Programmes, and five project partners in total within the IVC Programme.

The SEUPB acts as the Regional Contact Point for the Northern Periphery Programme and will continue to meet the requirements of this role which includes assessing preparatory projects and facilitating Regional Advisory Group meetings to assess main projects. The SEUPB will examine the possibility of convening a wider Regional Advisory Group which may result in the increased participation of Northern Ireland partners in the INTERREG IVB and IVC Programmes.

The SEUPB will continue to encourage and facilitate participation in the transnational and inter-regional Programmes by organising a series of workshops designed to communicate, develop and support potential project applicants. In addition, a newsletter will be produced to update partners and potential partners of ongoing developments with each of the Programmes and partner searches will be circulated to the significant database of contacts already developed by SEUPB.

The SEUPB will use opportunities to promote its role across the EU to project partners, Programme secretariats, at PMC meetings and at networking events.

D) Corporate Services

CORPORATE OBJECTIVE

"Within a framework of governance and accountability implement effective administration, IT and HR strategies to enhance the business performance of the SEUPB."

The main focus for corporate services in 2009 is the continuation of support to the SEUPB to enable it to effectively meet its corporate objectives and strategic targets. Further to this corporate services will work to promote the strategic use of resources within the SEUPB. The SEUPB recognises that its staff is one of the most important resources available and it assumes responsibility for assisting and supporting staff in becoming more effective and efficient in their jobs and in the operation of internal systems. In response to this, a training and development plan will be developed in 2009 and reviewed according to the needs of the SEUPB.

It is envisaged that the Belfast office will relocate to new premises in 2009. Corporate services will ensure this move is carried out in a timely and efficient manner, ensuring the appropriate transfer of resources and equipment.

A responsive IT support service will facilitate the communications upgrade and will continue to provide a secure, quality maintenance service to the SEUPB. The upgrading of lines/band width between all three offices will occur by early 2009, enhancing the business performance of the organisation. The SEUPB will also commission the development of the website to ensure that stakeholders have access to quality, relevant information.

The SEUPB is dedicated to the fulfillment of the obligation to promote equality of opportunity and good relations under Section 75 and Schedule 9 of the Act. The SEUPB is committed to allocating resources and taking all necessary steps to ensure that the statutory duties are complied with and

that the Equality Scheme can be implemented effectively. The outcomes of the 2008 five year review of equality scheme will be in place by March 2009 and EQIA's will be conducted in line with annual timetable.

The efficient, effective and strategic use of the SEUPB's resources and the effective management of public expenditure will be achieved through the implementation of robust systems and procedures. The SEUPB is committed to following up and implementing any recommendations resulting from the review of North South Implementing Bodies carried out under the St Andrews Agreement.

In 2009 the SEUPB will ensure that the important work it carries out is communicated to its stakeholders and the widest possible audience. The SEUPB will prioritise the monitoring and reporting on compliance with the publicity regulations by all projects and bodies involved in the Programmes and will aim to raise the profile of the Special EU Programmes Body within the eligible area and beyond. As part of this work the SEUPB will maintain the corporate identity via communications on both the intranet and internet.

The work of the SEUPB is guided by principles of good governance including; equality of opportunity, social inclusion, the highest standards of corporate governance and risk management, and transparency through the compliance with the North South body code for Freedom of Information legislation.

ENVIRONMENT

The SEUPB has developed and implemented an Environmental Policy which looks at using new and existing resources in sustainable ways. The Policy sets out the SEUPB's approach to the management and maintenance of buildings and the procurement of supplies and services. An internal team has been created to drive forward the key objectives of the Policy and to look at ways in which the SEUPB can become more energy efficient. The Environmental Policy will be reviewed regularly to ensure the SEUPB is up to date with new principles and approaches in this field.

SERVICE STANDARDS

Excellence in the delivery of services to its customers and stakeholders is of paramount importance to the SEUPB and it has challenging targets for service delivery.

This is a particular challenge for an organisation delivering a diversity of Programmes and services across a wide spectrum of clients, customers and stakeholders. These service standards will be monitored to ensure that targets are being adhered to internally.

The SEUPB operates in a fast-changing environment where it has to respond quickly, provide high standards of quality and service and be responsive to the demands of its customers and stakeholders.

All staff in the SEUPB are outcome focused, and will continue to seek feedback to help improve operations and to assist in adjusting the Programmes and services so that they meet customer needs and provide the easiest possible access for all. The Balanced Scorecard on the next page set out the detailed targets for 2009 that the SEUPB will strive to achieve.

Balanced Scorecard: Objectives, Actions and Performance Measures 2009

PEACE II AND INTERREG IIIA PROGRAMMES

Perspective	Objective	Key Actions	Performance Measures
BUSINESS RESULTS	To ensure the efficient and effective closure of the 2000-2006 Programmes PEACE II and INTERREG IIIA.	To fulfil the regulatory and financial requirements of all aspects of the programmes that SEUPB has responsibility, including the maximisation of EU receipts.	Submit final claim on both programmes by June 2009. This target was changed due to the six monthly extension and maximise the FX rate Ensure 100% PEACE II and INTERREG IIIA Project Article 4 coverage. Target was achieved Ensure every Article 4 and audit recommendation is closed by June 2009. SEUPB control the Article 4 work and this target was met, we do not control audit work and this target is only partly met. Ensure all irregularities are resolved and provide a Recoveries statement with each claim to the Paying Authority. This target will be met when claims submitted Ensure the Article 10 database is fully populated and reconciled to all Article 10 reports by June 2009.Partly achieved by June , some reports still to be received. Ensure 5% measure/year across the Programme to satisfy requirements per Article 10 EU regulation 438/2001 and Closure Guidelines. Target achieved Provide final Programme Recoveries schedule in 2009, this target will be achieved Provide Final statement to EU Commission of N+2 expenditure in 2009. 6 month extension has superseded this target.

			Reconcile all expenditure records and ensure maximisation of EU receipts in Final Declaration with 2% Closure Flexibility in 2009. The EU Commission has offered the possibility of granting a six month extension to the Programmes, and the Member States have taken advantage of this extension to the eligibility date to 30 June 2009. SEUPB availed of this extension to minimise any further exchange issues. Submit final claim to Paying Authority by June 2009. The 6 month extension has superseded this target. Prepare and submit final statement of expenditure to Paying Authorities in 2009. The 6 month extension has superseded this target. Monitor on an ongoing basis the processing/verification of all expenditure claims within 30 days of receipt. Target achieved on an ongoing basis. Prepare all financial/non financial reports including AIRs, FCRs, irregularity reports, fixed asset register, financial forecasts, and prompt payment reports.Target achieved
CUSTOMER	To ensure the efficient and effective closure of the 2000-2006 Programmes PEACE II and INTERREG IIIA.	To ensure the timely completion of aspects of the programme for which the SEUPB has implementing responsibility and ensure the media is well informed of the SEUPB and programme activities, policies and achievements.	Produce a closure report for ERDF, FIFG, EAGGF and ESF by December 2009. Manage the complete closure of all priorities and measures, and review of associated closure reports (per measure). Monitor service delivery targets on a quarterly basis and ensure receipt of 100% of returns due from projects and implementing bodies. Target achieved Manage the timely closure of 45 self applications by early 2009. Target achieved Manage the timely closure of 39 M6.2a PEACE projects by

			early 2009. Target achieved Manage the timely closure of M4.1, M4.2 & M1.1 INTERREG projects by early 2009. Target achieved Manage the process to ensure receipt of 39 M6.2A implementing bodies closure reports regarding technical assistance by early 2009. Target achieved Publish a composite document of examples of good practice and the benefits delivered by the programmes by March 2009.target achieved Produce 4 editions of Your EU! Magazine in 2009. Target will be achieved Develop an interactive and vibrant website throughout early 2009 with daily review and input of new material from the Programmes and projects. Target achieved
INTERNAL BUSINESS PROCESSES	To continually develop internal processes to improve the efficiency and effectiveness of the SEUPB.		Manage the population of the central database to ensure 100% completeness. Target will be achieved.

PEACE III AND INTERREG IV PROGRAMMES

Perspective	Objective	Key Actions	Performance Measures
BUSINESS RESULTS	To ensure the efficient and effective delivery of the 2007-2013 Programmes ensuring Programme objectives are met and impact is maximised in the region.	Maintain the highest standards of probity, accountability and financial management to ensure the efficient delivery of the Programme. Ensure efficient and effective use of the SEUPB's resources and an effective management of public expenditure through the development and implementation of appropriate systems and procedures.	Initiate verifications of project activity expenditure in 2009 in line with the First Level Control principle. Target achieved Ensure 60% commitment of funds by 2009 (to be arranged with JTS). To monitor on a monthly basis technical assistance spend. Ensure adequate commitment in 2009 to meet the 2010 N+2 target of €46 million for PEACE III and €34 million for INTERREG IV. Monitor and ensure achievement of cumulative expenditure to meet the N+2 target of €14 million for INTERREG IV and €20 million for PEACE III in 2009. Prepare and submit at least four claims per annum to the Certifying Authority for each programme. Maintain the services of the Central Payments Unit to ensure grant payments are made to projects within 8 working days. Ensure all relevant SLAs and agreements are in place with all Accountable departments, and are updated after each Monitoring Committee in 2009. Ensure that system audit checks are carried out on lead partners as per EU regulation. Identify and report irregular activity in 2009 as required by the EU regulations. Maintain integrity of Certifying Authority of Peace III and

			INTERREG IV. Develop measurable efficiency savings.
CUSTOMER	To ensure the efficient and effective delivery of the 2007-2013 Programmes ensuring Programme objectives are met and impact is maximised in the region.	To provide leadership, direction and management to ensure a portfolio of high quality projects in accordance with programme objectives. To ensure compliance with the new regulations for information and publicity regulations, and meet the information requirements and external reporting requirements in relation to both programmes. .	Organise at least two Monitoring Committee meetings in 2009 for both PEACE III and INTERREG IV. Produce the Annual Implementation Report and ensure it is submitted by June 2009. Pro actively identify and engage with key stakeholders to advance up to 20 high quality projects in 2009. Manage public calls for applications throughout 2009. Process the receipt of up to 50 applications by end of 2009. Produce assessment reports for 50 projects. Arrange timely assessments, establish the focus of individual calls and present to Steering Committee to fund 20 letters of offer by end of 2009. Review communication plans of 50 project applications for the new programmes. Organise 6 publicity/communication network meetings in 2009. Proactively seek media coverage and organise a showcase event for each Programme in 2009.
INTERNAL BUSINESS PROCESSES	To continually develop internal processes to improve the efficiency and effectiveness of the SEUPB.	Monitoring the PEACE III and INTERREG IV Programmes to ensure objectives and targets are met in an efficient and timely way.	Ensure the Programmes are monitored throughout 2009 in relation to the delivery of objectives and targets. Reports to be produced quarterly. Representative of the Managing Authority to attend 25% of steering committee meetings to monitor the selection process.

			Managing Authority to monitor and report on the progress of working groups. Conduct a composite evaluation of all communication activities by March 2009.
GROWTH AND LEARNING	To develop internal skills and capabilities to achieve results and improve processes. To develop and operate a Peace Network Project of European regions and cities	To ensure all staff are adequately trained to effectively operate internal systems and contribute to the delivery of the corporate objectives. Ensure the commitment of key partners in a network so that the aims and objectives of the network are met	Continue to update and implement the training plan for all Programme Finance staff in 2009, including the 2007-2013 SFC database. Establish contacts and seek commitment from potential partners Devise a system so as the SEUPB, as Secretariat, can operate the network effectively

TRANSNATIONAL AND INTER-REGIONAL PROGRAMMES

Perspective	Objective	Key Actions	Performance Measures
CUSTOMER	To promote North South Cooperation in all transnational programmes (Northern Periphery/North West Europe/Atlantic Area) and the inter-regional programme and to maximise opportunities for all in Northern Ireland and Ireland to participate in these programmes.	Act as Regional Contact Point for the Northern Periphery Programme. Manage and ensure first level of control for all transnational and interregional programmes. Provide advice, assistance and guidance to potential project applicants and to approved projects. Promote the role of the SEUPB to programme secretariats and to other stakeholders across the EU. Develop effective communication tools for promotion of programmes.	Convene NPP RAG following each Programme call, it is anticipated that this may occur twice in the year. Ensure the participation of 10 project partners, during the lifetime of each of the IVB Programmes. Ensure the participation of 5 project partners, during the lifetime of the IVC Programme. Organise 2 workshops designed to communicate, develop and support projects. Develop an effective system to ensure first level of control for all Northern Ireland partners in all transnational and inter-regional Programmes. Visit each of Programme secretariats and appropriate networking/training events. Develop a transnational and inter-regional newsletter and further develop the SEUPB's website with partner searches for all Programmes.
GROWTH AND LEARNING	To develop internal skills and capabilities to achieve results and improve processes.	To support the business performance of the organisation by ensuring adequate staff numbers required to deliver a quality service, and develop those staff with the knowledge and skills required to maintain that level of service.	Ensure the skills and personnel are in place to meet the financial requirements of the Programmes for 2009.

CORPORATE SERVICES AND RESOURCES

Perspective	Objective	Key Actions	Performance Measures
BUSINESS RESULTS	To support and enhance the business performance of the SEUPB through the provision of quality management and effective administration of financial accountability and corporate governance.	Ensure efficient and effective use of the SEUPB's resources and an effective management of public expenditure through the development and implementation of appropriate systems and procedures.	Provide timely information to accountable departments as specified in Terms and Conditions of Grant document. Ensure budgets are managed to ensure at least 98.5% of planned expenditure. Review certifying authority procedures in respect of new Programmes in 2009 and submit Article 71 report to the Commission. Prepare Business Plan 2010 by September 2009 and the SEUPB Annual Report and Accounts by July 2009, ensuring both adequately reflect the work of the organisation and that the requirements of the Financial Memorandum and budget forecasts are met. Continue to develop measurable efficiency savings across the organisation throughout 2009 and achieve at least 3%, cash and identify non cash efficiency savings on admin budget. Audit committee to meet at least three times annually and ensure issues raised are followed up. Risk registers to be reviewed and updated six monthly. Preparation of 2008 accounts and annual report. Accounts to be prepared and submitted for audit by 31 March 2009 - liaise with external auditors in respect of format of accounts. Monitor on an ongoing basis the processing of all supplier invoices within 30 days of receipt.

			Conduct an information audit of existing records, and design and implement a records management policy and system by August 2009.
CUSTOMER	To deliver an efficient and effective communication strategy for the SEUPB and the Programmes and maintain the corporate identity.	To maintain and promote the corporate identity.	Maintain communications section of the intranet and produce and distribute weekly corporate e-newsletter. Co-ordinate input from all directorates and write, design and publish the SEUPB annual report and publish the business plan as required to fulfil deadlines set by Financial Memorandum.
INTERNAL BUSINESS PROCESSES	To continually develop internal processes to improve the efficiency and effectiveness of the SEUPB.	To adhere to the SEUPB's obligation to promote good relations and fulfil the duties imposed by Section 75. To support the business performance of the organisation by providing a responsive IT support service.	Implement the outcomes of the 2008 five year review of equality scheme by March 2009 and conduct EQIAs in line with annual timetable. Draft a Good Relations Strategy for the Body by August 2009. Ensure that all actions contained in the affirmative action plan as agreed with the Equality Commission in relation to the identified imbalances in the SEUPB's own workforce are fully implemented. Ensure the Annual Progress Report on Section 75 is submitted to the Equality Commission by September 2009. Completion of the SEUPB website development to be compatible with disability standards. Ensure all hardware and software identified by IT audit is upgraded and/or replaced by June 2009 including a VOIP (voice over IP) service allowing direct communications between offices and the upgrading of lines/band width. Annual testing and review of the IT contingency plan for business recovery to be re-written early 2009 following results of tests carried out in December 2008.
GROWTH AND	To develop internal skills	To support the business	Ensure the staffing levels for 2009 are sufficient to enable

LEARNING	and capabilities to achieve results and improve processes.	performance of the organisation by ensuring adequate staff numbers required to deliver a quality service, and develop those staff with the knowledge and skills required to maintain that level of service.	the organisation to meet its corporate objectives. Ensure all corporate finance staff are trained in SUN 5, Sage payroll, and all in house corporate procedures. Prepare annual training plan by 31 May 2009 and implement 2008 training recommendations by end of March 2009 Ensure relocation of the Belfast office in a timely and efficient manner. Ensure smooth transfer of resources, equipment and utilities to be completed by Quarter 1 2009.

SECTION 4
RESOURCES

This section sets out the resources and budget available over the period of the Business Plan 2009.

The Business Plan is prepared within the context of the Comprehensive Spending Review 2007 within UK central government, and similar Government policy within Ireland, and the desire to obtain real cash savings in administration costs. Within this framework, the SEUPB has identified efficiency savings and the PEACE III and INTERREG IV Programmes continue to be implemented in this regard.

EFFICIENCY SAVINGS

The SEUPB operates within the framework of public reform and is committed to pursuing a proactive approach to maximise efficiency savings. These efficiencies are being achieved through:

- Continued improvement of procurement of goods and services practices;
- Improved efficiencies through changes in transactional services and IT developments;
- Simplifying and standardising processes through improved systems; and
- Ensuring that staffing budgets and levels are kept under review to optimise performance.

Consideration is given to progress on efficiency savings on a regular basis through the established systems of corporate governance within the SEUPB. As a Business Plan target for the year, SEUPB has built in a cash efficiency saving through the reduction of its administration budget by 3% (£74k). Senior management will ensure that standards and services are maintained under the reduced budget via update reports on a monthly basis.

The SEUPB has been committed to ensuring potential efficiencies are considered when making all major spending decisions. Some specific examples of new and ongoing efficiencies (quantified where possible) are listed below:

Staffing – Staff salary cost is the largest area of the running cost budget, accounting for approximately 56% of the total budget in 2008 (58% in 2009). The overall efficiency savings associated with the restructuring of the staffing resource required to administer the Programmes (both within the SEUPB and the Implementing Bodies) have been clearly identified within the ASM Horwath review, approx £1.44M per annum, which will continue each year of the 7 year Programming period. More specifically, the SEUPB undertook a recruitment exercise following on from the recommendations of the staffing review, and throughout 2008 approximately 12 posts were filled, the majority being at a low/lowest point on the scale. The represents good practice in terms of efficiency, and also a saving on the budgeted costs in this area.

Staffing - Reduction in staff absence rate from 4% to 3% (compared to accepted good practice rate of 4 %) with an associated non cash saving of approximately £20,000 (based on the annual pay bill)

Office costs – due to restrictions in office space as a result of increasing staff numbers, additional external office space was required from July 2007. The SEUPB incurred additional rental costs of approximately £37,000 over a 9 month period, before taking the decision to convert its conference room into additional office space, and even with having to hire meeting rooms in local venues we are still releasing a pro rata saving of £30,000 per annum. (This relates to savings made in 2008, and early 2009, as it was anticipated that new office accommodation would be in place in mid 2009)
The Business case for the re location discussed the efficiency savings of having all the staff in one office space, as opposed to an option presented, which was to remain in current premises and acquire a second office space in a nearby location. Annual running costs which will be saved

with the new office being located on one site are estimated to be in the region of £ 25-30,000 including items such as annual maintenance charges for ICT links, fire alarm, security alarm, general heating lighting and cleaning as well as savings regarding staff time moving between the two sites for meetings with other staff, collecting paperwork etc, which cannot be as readily quantified but are a reality of the difficulties of a split site.

Postage - 95% all supplier and claim remittances emailed rather than sent by post – associated saving of £700 per annum

Storage costs - Review of storage requirements and appropriate planning of new office accommodation will save approximately £2,500 per annum.

Capital costs – hardware due for replacement at the end of its 3-year life cycle is inspected, and only replaced if performance is unacceptable (i.e. departure from blanket policy of replacement on 3 year cycle) – estimated savings of £21,500 in 2009.

Programme Monitoring & Steering Committees - Papers are made available electronically reducing printing, copying and postage costs, and where practical, Monitoring Committees for each Programme held on same day at same venue, to reduce duplication of lost travel time, and make savings on room bookings etc – associated saving estimated at £4,000 per annum.

Telecommunications – the SEUPB is currently investing in VOIP systems across all of its offices (Omagh and Monaghan currently in operation). This will result in considerable savings in this area over the coming years, particularly in relation to internal calls and calls between the UK and Ireland. The policy regarding the replacement of IT assets after 3 years is being waived when the asset is not in need of replacement.

ADMINISTRATION/OPERATING COSTS OF THE SEUPB

Financial resources in respect of the administration/operating costs of the SEUPB are provided via an agreed budget annually from its Sponsoring Departments; the Department of Finance and Personnel in Northern Ireland, and the Department of Finance in Ireland. The budget for 2009 is set at £2.934 million (€3,762M). This requirement is shown in more detail in Annex B. The resource budget for 2009 remains static at the 2008 level. It was however anticipated in the 2008-10 Corporate Plan that the 2009 budgetary requirement would be £2.5 million. The increase of £434k in potential requirement relates to the additional cost now anticipated to complete the fit-out of the new Belfast office premises (less the 3% efficiency reduction). Originally this capital expenditure had been allocated over 2008 and 2009, but the move did not take place until 2009
The mechanism for financing the North/South Pension Scheme changed from 1 April 2009. ASLCs are no longer paid by the Body. As pensions fall due, or transfers out are required, the Body will seek appropriate funds from its Sponsor Departments based on the Administrator's calculation of the N/S funding ratio. Where pensions falling due can be forecast, the resources required will be included in the administration budget. In the case of outgoing transfers, and unforeseen retirements, the Sponsor Departments will be required to provide funding to meet these obligations as they fall due.
The pension costs included within the 2009 budget reflects the ASLCs for the full year, as the change was not agreed prior to the setting of this budget. 75% of this budget line will therefore be unused in 2009.

The SEUPB will continue to work closely with its sponsoring Departments to ensure that the approved level of resources meets its requirements to deliver the broad range of services. Resources for subsequent years, consistent with its key objectives and targets will be negotiated with the SEUPB's Sponsoring Departments on an ongoing basis.

PROGRAMME EXPENDITURE

The Programme Expenditure figures are based on the value of Euro funds required by the Central Payments Unit, within SEUPB to make payment requests to projects to cover both the annual N+2 targets set by the EU Commission under the Operational Programme and in addition to this, any advance payments required. These forecast figures are based on expenditure projections provided by the Joint Technical Secretariat and targets set for Border Action/CRC.

These have been translated to sterling at 0.78, being the planning rate set down by the Department of Finance and Personnel.

The figures included in Annex B and C reflect the ERDF and match contribution for Ireland and for Northern Ireland.
The efficiency savings identified regarding the administration of the Programme are outlined within staff costs above, and represent €1.44 million per annum each year of the 7 year Programming period.

KEY TARGET

A key business target will be to ensure expenditure of at least 98.5% of planned budget amounts. SEUPB are also planning to examine the 2009-2010 Programme budgets for the possibility of the projects contributing a match element of the cost of the project. This is a change to the funding structure within the Programmes that SEUPB will be encouraging the projects to consider, and may have an impact on reducing the match funding being requested from Accountable Departments.

ANNEX A

DETAILED REPORTING ON THE TARGETS SET WITHIN THE BUSINESS PLAN 2008

BUSINESS PLAN 2008 TARGETS/DELIVERABLES	ACHIEVEMENTS TO DATE
PEACE II and INTERREG IIIA Programmes 2000-2006	
Managing Authority	
Monitor the commitment and expenditure identifying slippage and ensure any actions are taken to avoid under-spend early in 2008.	This was achieved through comprehensive monitoring of expenditure across all Implementing Bodies in PEACE II and Implementing Agents in INTERREG IIIA took place early in 2008. Bilateral and multi-lateral meetings were held with all Implementing Bodies and Implementing Agents to identify areas of significant risk to full expenditure; confirm levels of de-committal; and opportunities for increased expenditure.
Ensure timely issuing of all Letters of Offer required to achieve full commitment of INTERREG IIIA and also PEACE II to manage de-commitment and reallocations.	This was achieved by the Closure Team engaging with all 26 LSPs to secure project proposals for expenditure in measure 3.2. Selection of a range of projects was achieved and approved by the Monitoring Committee in May 2008. Project funding has been confirmed to the LSPs.
Meet cumulative N+2 expenditure target of €182 million for INTERREG III and €994 million for PEACE II.	This was achieved by regular contact being maintained with IBs to monitor developments, changes and to respond to queries and issues of concern.
Ensure effective closure of FIFG funds and produce a closure report.	Full FIFG fund closure report in draft. Target achieved.
Ensure complete closure of Measure 5.2	Closure of projects in Measure 5.2 are being managed by SEUPB Omagh. The measure is being monitored to ensure complete closure in line with all other measures and target was achieved.
Measure closure report produced for Priority 6 by December 2008.	. The original target date of December 2008 for the production of the measure closure report for Priority 6 has been reviewed by the Managing

	Authority and is now set for March 2009. Target partly achieved.
Fund closure report produced. For FIFG and EAGGF including measure closure report produced.	The closure report for FIFG has been drafted. The closure report EAGGF is in draft form. Target achieved.
Close measures that ended in December 2006 for ESF and ERDF funds.	Measure Closure Reports have been received from IBs and reviewed. This target has now been achieved.
All FIFG and EAGGF information archived by Autumn 2008.	Information archiving is an ongoing process.
PEACE II and INTERREG IIIA Programmes 2000-2006	
Financial Management Implement Guidance note 28 and 29 throughout 2008 as each measure closes.	Achieved.
Ensure reconciliation has been undertaken on all measures closed on CPU system, RMA database, Paying Authority.	Reconciling items have been identified for all closed measures with all CPU system items were cleared by June 2008 this target was achieved, work continues on RMA items which remains ongoing, partly achieved.
Ensure an Article 4 check has been carried out on 90% of projects by January 2008 and 100% of projects by June 2008. Ensure Article 4 checks have been carried out on all Implementers by June 2008.	The SEUPB conducts monthly monitoring on an ongoing basis. 100% of PEACE II and 100% of PEACE II Extension projects have had Article 4 checks carried out. 99% of INTERREG IIIA projects have had checks conducted. There have been no coverage issues encountered and the SEUPB is on track to meet this target 5% by closure. Target achieved An Article 4 action plan was put in place in November 2006 and all bodies have been covered including follow up visits. There are a small number of outstanding issues which are expected to be closed by 31 January 2009 Target achieved.
Ensure 5% Programme coverage on Article 10 checks, by December 2008.	Achieved, the SEUPB conducts a monthly programme of Article 10 follow ups, follow up visits took place throughout 2008.
Ensure all audit recommendations are followed up within three months of the final report and at the latest December 2008.	Achieved, a tracking and release database has been created to facilitate monthly monitoring. A spreadsheet of all historic audits and reviews on the programmes has been completed with recommendations progressing. The SEUPB provided a response to NIAO in March and

Provide quarterly irregularity returns to both member states and paying authorities. Prepare and submit at least three claims for INTERREG IIIA to the paying authority during 2008. Provide statement of recoveries with each claim to the Paying Authority.	April 2008 regarding programme costs in the SEUPB accounts and again in November 2008 in preparation of the 2009 accounts. This is achieved by continual ongoing work and no problems have been encountered to date. All returns in 2008 were completed and submitted within the agreed deadline. Target was achieved. In response to exchange rate fluctuations, two claims were submitted in 2008. Two further claims will be submitted in March 2009. The SEUPB continues to maintain the Debtors Ledger and database of recoveries on a quarterly basis. These were submitted with each claim and target is achieved
PEACE II & INTERREG IIIA Programmes 2000-2006 **Joint Technical Secretariat** Manage the population of the central database to ensure 100% completeness. Issue all LOOs required to achieve full commitment of the measures within INTERREG IIIA and also PEACE II for which SEUPB has direct responsibility for administration, to manage de-commitment and reallocations by June 2008. Manage the process of closure to ensure all projects are in compliance with closure guidelines, by December 2008. Article 4 checks to be completed for all projects by December 2008. Continue to monitor service delivery targets on a quarterly basis and ensure receipt of 100% of returns due from projects and implementing	 The management of the central database is ongoing. Claims for TA for both programmes for period to 31 December 2008 will be submitted by end February 2009. Partly achieved as SEUPB changed plans to take advantage of the best FX rates. This was achieved, the SEUPB is on target to meet full commitment and is managing requests for additional funding to minimise de-commitment. Close contact maintained with all IB's and IA's in progress to full closure. PEACE II 97% closed; INTERREG IIIA 82% closed. Target partly achieved due to some projects having irregularities managed to closure. All Article 4 reports have been completed on INTERREG TA external projects. The SEUPB is on target to have Article 4 checks completed for all projects by December 2008. Achieved This is ongoing on a quarterly basis and there are no significant issues

bodies. The returns form the basis for the quarterly service standard report, which is issued within 2 weeks of quarter end.	arising which will prevent this target being achieved.
Process all expenditure claims within 30 days of receipt.	Achieved. The SEUPB will continue to monitor this process on an ongoing basis.
Manage timely closure of 90 self applications by December 2008.	45 self applications are part-closed and are due for complete closure in 1-2 months. This is an ongoing task and the remaining 45 will not be closed until early 2009. Partly achieved
Manage timely closure of 68- M5.2, 43-M6.2a & 9-M6.2b PEACE projects by December 2008.	43 M5.2 PEACE projects are closed; the remaining 25 were offered extensions and will be closed in September 2008. Target partly achieved. There are 43 M6.2a PEACE projects – one is closed, three are due for closure and 39 will close in early 2009. Eight M6.2b PEACE projects are closed one remains open.
Manage timely closure of 22 M4.1, M4.2 & M1.1 INTERREG projects by December 2008.	12 M4.1 INTERREG projects are closed and the remaining projects will be closed by the end of 2008/early 2009. Partly achieved target
Manage the process to ensure receipt of 39 M6.2A implementing bodies closure reports regarding technical assistance by December 2008.	This remains on target to be achieved, and a small number of reports will be received in early 2009, to facilitate a closure date of 31 December 2008. This was achieved.
Ensure receipt of 20 M4.1 & M1.1 closure reports regarding technical assistance by December 2008.	Twelve closure reports have been received and the 8 others for M4.1 and the 3 for M1.1 have been requested and remain on target. Partly achieved.
Prepare all financial/non financial reports including AIRs, FCRs, irregularity reports, fixed asset register, financial forecasts, and prompt payment reports.	All financial/non financial reports have been submitted on time and are otherwise ongoing. Target achieved
Manage a process of identifying slippage and taking appropriate actions to ensure expenditure targets of €11 million are achieved by December 2008.	For the PEACE II Programme slippage has been identified and allocated. LOOs have been issued and all analysis is completed. For INTERREG III the budget is being maintained on a regular basis. Target achieved
PEACE II & INTERREG IIIA Programmes 2000-2006 **Certifying Authority**	

Submit to EU Commission a minimum of three claims for INTERREG IIIA annually.	It is anticipated that in order to manage currency conversion rates effectively, only one claim was submitted in late 2008. Target altered to accommodate more beneficial FX rates

PEACE II & INTERREG IIIA Programmes 2000-2006 **Communications**	
Review the communications strategy for both programmes and ensure the communication plan will satisfy the requirements of stakeholders, and mainly the requirements of the Commission Regulation 1159/2000 on publicity and information measures, so as to avoid a financial correction.	This is ongoing continual work, and this target has been achieved albeit that it must continue.
Ensure the media is well-informed of the SEUPB and programme activities, policies and achievements by a process of engagement with the media and the issuing of regular press releases.	Various activities have been undertaken including; Mediation Conference, European Economic and Social Committee Evaluation Conference, and the Early Years Conference. Press releases have been issued to the media as appropriate. Target achieved and will continue
Organise programme closure events for PEACE II and INTERREG IIIA to demonstrate their successful delivery and identify and exploit media opportunities.	A Programme closure event for PEACE II was held in April 2008, with other events occurring towards the end of 2008. A closure DVD for both programmes was prepared. Target achieved
Proactively issue 15 media releases for both of the closing programmes.	This is ongoing continual work. Targets achieved

BUSINESS PLAN 2008 TARGETS/DELIVERABLES	ACHIEVEMENTS TO DATE
PEACE III AND INTERREG IV Programmes 2007-2013	
Managing Authority	
Arrange at least two Monitoring Committee meetings in 2008 for each programme.	Two Monitoring Committee meetings were held in April 2008; INTERREG IVA, 9 April in Dumfries, Scotland; and, PEACE III, 23 April in Buncrana, Border-Region. A further Monitoring Committee meeting was held in October 2008. Target achieved.
Draft and complete the AIRs and ensure they are submitted by June 2008.	The PEACE III and INTERREG IV AIRs have been approved by the respective Monitoring Committee were submitted by 30 June 2008.target achieved.
Through planning and implementation manage the new Programmes to ensure they are fully functioning in early 2008.	This target was achieved and both PEACE III and INTERREG IVA are fully functioning. The Managing Authority is working effectively and efficiently with both JTS and The Consortium (Intermediate Bodies) to support programme implementation.
Monitor commitment levels effectively to achieve at least 40% commitment by December 2008.	Target exceeded, actual commitment levels at the end February 2009, for each programme was 49% for PEACE III and 61% for INTERREG IVA.
Produce progress reports on both Programmes to Monitoring Committees, and any other reports required by Member States and other stakeholders.	Programme progress reports have been prepared and presented to both PEACE III and INTERREG IVA Monitoring Committees. All additional information requests have been responded to adequately. Target achieved
Draft and implement relevant guidance materials in place by April 2008.	Five guidance notes will be issued by end February 2009 (G1 Project Selection, G2 Project Review, G3 Fraud, G4 Procurement and Tendering, G5 Information and Publicity). Preparation for issuing other guidance notes is ongoing. Target achieved as set.
Make necessary arrangements to hold three training seminars by April	This target was achieved with 3 training seminars have taken place:

2008.	• Induction & training for Steering Committee Members, December 2007; • Information & training for Monitoring Committee members, January 2008; and • Review Panel training for new members, April 2008.
Undertake a planned strategy to manage a public launch of programmes, in early 2008.	This was achieved with a formal launch of the Programmes in April 2008. Managing Authority and JTS staff have participated in a series of information and awareness events across the region, including attendance at the Balmoral Show, May 2008.
Manage three public information events in 2008.	A transnational and inter-regional information seminar was held in February 2008, in Armagh and attended by 130 people. A further workshop for potential project partners was held in June 2008 in Cookstown with over 40 people in attendance. The event provided practical advice and guidance to potential project applicants from Northern Ireland and the Border Region. A further session was also held in October 2008. Targets achieved
PEACE III AND INTERREG IV Programmes 2007-2013 **Financial Management**	
Achieve expenditure of €7 million INTERREG IV and €9 million PEACE III in 2008, representing approx 30% of declaration required end of 2009.	This target was not achieved, as the expenditure recorded was €0.4 million and €0.6 million on INTERREG IVA and PEACE III respectively in 2008. The shortfall will be made up in 2009 to ensure achievement of the first N+2 target.
Produce monthly N+2 expenditure reports by working day 2 of following month.	These will be produced within one month of the acceptance of the issued Letters of Offer, anticipated to occur in October 2008. Target achieved in line with letters of offer and projects incurring expenditure, Although not in this time frame.
All service level agreements and terms and conditions agreed with each Accountable department by January 2008.	This target was not achievable due to the need for further clarification of the cash flow mechanisms, draft documents were issued to DOF in April 2008 and to DFP in May 2008. The SEUPB is in a process of finalising these Agreements with the relevant Departments in Northern Ireland and

Prepare and submit at least one claim for PEACE III and INTERREG IV to the certifying authority by November 2008.	The SEUPB submitted one claim in Quarter 4, 2008. Target achieved
Produce monthly cash reporting by working day 3 to include balances on hand, variances and forecasts to meet Member State, Accountable department and internal needs.	Monthly cash reporting will commence once the letters of offer have been issued and returned. Public expenditure figures were completed in January 2008 and in September 2008. This target was implemented
Provide public expenditure figures to member states and Accountable departments on a monthly or quarterly basis as requested.	The SEUPB responded to further requests throughout 2008, and therefore this target was achieved.
Complete testing of new structural funds database and compatibility with SUN system by January 2008.	RMAs development of the database was delayed by a number of months The compatibility with the SUN system was tested within 1 month of RMA stage 5 being completed. Target only partly achieved
Provision of monthly programme finance accounts to corporate accountant within 8 working days.	Monthly programme finance accounts will be completed once the letters of offer have been accepted, and Service Level agreements with Departments have been signed. Targets not achieved within this time frame, they are prepared quarterly, and 2009 quarter 3 will see the monthly timeframe.
All SEUPB finance staffed trained on SFC 2007-2013 database and EU structural funds central database by March 2008.	The delays encountered with the RMA database have postponed the training of finance staff until Quarter 1 2009. Target partly achieved
Finalise and issue Financial Processes and Procedures manual to implementing bodies and lead partners by September 2008.	This is on target.
Organise a minimum of four financial training seminars throughout the year.	Three internal training sessions have taken place in 2008. Two further sessions are planned for October and November. In addition INTERACT held, in September, a two day external course for all SEUPB staff, with a focus on programme finance. This target was achieved.
PEACE III AND INTERREG IV Programmes 2007-2013 **Joint Technical Secretariat**	
Provide Secretariat function for PEACE III and INTERREG IV and manage up to 12 Steering Committees a year for both programmes.	35 Steering Committees for both programmes had been held as at the end of February 2009, Therefore, the target of at least 12 meetings in

	2008 across all four Steering Committees will be more than doubled this year due to the number of calls open, the need to meet N+2 and the need to meet service delivery standards. Target was achieved
Establish guidance, criteria, systems and procedures by April 2008.	Assessment criteria, and associated systems and procedures have been established. Guidance notes have also been issued. Target achieved
Manage public calls for applications under thematic areas throughout 2008.	Calls for applications have now been made under all Priorities for each of the Programmes. A number of the sub-themes have not yet opened for the INTERREG programme due to ongoing discussions with the Accountable Departments. These are the sub themes of Roads/Transport and Environment and Rural Development. Therefore this target was achieved
Arrange timely assessments, establish criteria and present to Steering Committee to fund 50 letters of offer, by summer 2008.	Criteria has been established and agreed. Assessments were undertaken and presented to Steering Committees in a timely fashion in line with agreed service delivery standards. LOOs on new Programmes issue following the appropriate approvals (Accountable Dept, DFP Economist). Target achieved
Process receipt of applications up to 100 by November 2008. Negotiate with applicants, produce assessment reports for 100 projects and actively engage with up to 50 projects in issuing letters of offer.	Processing of applications is underway in line with targets set. JTS produced approximately 200 appraisal reports across both programmes in 2008. However, by adopting a strategic approach JTS aims to manage expectations and reduce the number of applications received whilst increasing higher quality, more strategic applications. 74 LOOs were issued by the end of February 2009. This target was achieved
Financial Management JTS	
Timely completion of up to 50 system audits within first 6 months of issue of contract Letter of Offer	It is planned to undertake systems audits as a follow up to pre contract reports in the second six months of 2009. These audits will be complemented by on the spot visits for claims verification. Target was achieved
100% verification of one claim within the first year of activity, including a risk assessment to allow sampling of subsequent claims.	The first claims will be received during the first quarter of 2009. Verification will be conducted using on the spot visits of lead partners for the majority of claims. Target achieved

Monitoring projects achievements as per letter of offer, dependent on their timescales Produce quarterly forecasts for managing authority within 2 weeks of quarter end	This is ongoing continual work This is ongoing continual work
PEACE III AND INTERREG IV Programmes 2007-2013 **Certifying Authority** Submit to EU Commission a minimum of one claim in 2008 for each for PEACE III and INTERREG IV. Develop and implement a system in 2008 that will enhance budget holders input into production of regular reports (e.g. management accounts). Prepare monthly corporate cash position statements within three working days of month end. Prepare monthly consolidated management accounts within ten working days of month end. Establish formal monthly reporting format for completion by budget holders. Introduction training on SFC 2007-13 database for all finance staff.	Target was achieved with one claim for each of the new programmes was submitted in 2008. A cost centre system was implemented in January 2008, and TA budget reports are now available monthly by programme and by budget heading. The SEUPB has also designed an accruals capture system which has increased the accuracy of management accounts. Target achieved This is an ongoing continual task and there have been no problems with the preparation of statements to date. This is an ongoing continual task and there have been no problems encountered to date in achieving this target. A new system was created and is now fully operational. Target achieved The SEUPB is currently investigating training options and has obtained training manuals to assist finance staff with the new database. Target achieved
PEACE III AND INTERREG IV Programmes 2007-2013 **Communications** Review the communications strategy for each programme and as laid down by the EU Commission Regulation 1080/2006 create a	The Communications Plan was submitted in March 2008 and reviewed

communication plan to satisfy the requirements of stakeholders within 3 months of the Operational Programmes being approved. Anticipated plan to be created by end February 2008.	and accepted by the Commission. Work is underway on revising the publicity guide. Target achieved
Organise a series of approximately six to eight roadshows to promote all the 2007-2013 programmes for which the SEUPB has a responsibility, in spring 2008.	Roadshows involving all the Northern Ireland EU programmes are being co-ordinated by the NI communications network. This target was achieved.
Review new programmes' project applications, funded in 2008 to ensure compliance with information and publicity regulations.	The SEUPB has devised a checklist for reviewing project application communication plans and budgets. To date one project application has been reviewed. Target achieved
Establish and embed formal Information and Publicity networks • to coordinate the communication activities of the lead beneficiaries; • proactively issue 20 media releases relating to each programme.	The SEUPB has participated in the EC, NI and UK communication networks. The Body is on target to issue the required media releases and there are no problems envisaged in achieving this goal. Local press releases have been issued before and after each of the PEACE III Information Roadshows. The first of the workshops with communications leads from potential beneficiaries was held on 25 June 2008 and an item on publicity and information has been included in Lead Partner Workshops arranged by JTS. Target achieved

BUSINESS PLAN 2008 TARGETS/DELIVERABLES	ACHIEVEMENTS TO DATE
TRANSNATIONAL AND INTER-REGIONAL PROGRAMMES	
Maximise North South participation in transnational and inter-regional programmes, by undertaking the role of regional contact point and assisting potential applicants to access funding in the Programme.	Fifteen meetings have been held in April/May 2008 with potential project applicants to promote participation. As the Regional Contact Point (RCP) for the NPP, the SEUPB has held three Regional Advisory Group meetings to assess projects in the three calls to date for the Northern Periphery Programme (NPP). Overall the NPP has approved 19 projects, eight of which have Northern Ireland partners and five of there have Ireland partners. Target achieved
Work closely with the Border Midlands and Western and South Eastern Regional Assemblies in Ireland to identify North South cooperation opportunities. During early 2008 establish the contacts with the assemblies and Managing Authorities, and establish a way of working to best assist applicants to access the Programmes. Establish guidelines and communication methods to ensure there is an awareness and understanding of the role of the SEUPB in these Programmes.	A workshop was held in June 2008 to provide assistance to project applicants from Northern Ireland and the Border Region on all transnational and inter-regional programmes. The Regional Contact Points from the UK and Ireland for each of the IVB Programmes were present and they conducted project surgeries to assist applicants with their ideas and queries. Target achieved
Produce information/reports as requested.	This is an ongoing continual task and as Regional Contact Point for the NPP an activity report has been submitted for inclusion in the NPP AIR for 2007.

BUSINESS PLAN 2008 TARGETS/DELIVERABLES	ACHIEVEMENTS TO DATE
CORPORATE SERVICES AND RESOURCES	
To implement the agreed recommendations of the SEUPB's staffing review by end of 2008 to ensure the staffing levels are sufficient to enable the organisation to meet its corporate objectives, including, for example, programme delivery targets, and providing a quality service to stakeholders. All methods of recruitment 'Best Practice' will be fully utilised.	The agreed recommendations of the review have been implemented and the recruitment process for new staff has been completed. The process utilised different methods of recruitment including online recruitment, newspaper notices, the use of specialist recruitment websites, and the SEUPB website. All staff were in post by mid-March 2008. Target achieved
To fully implement during 2008 the disability action plan agreed with the Equality Commission in June 2007.	In line with the disability action plan timetable the SEUPB has already implemented key action measures. The SEUPB continued to effectively implement the disability action plan throughout 2008 and have achieved the targets set.
To conduct a structured handover of the North South pension scheme secretariat function by March 2008.	The role of chair of the pension committee was successfully handed over to another North South body in April 2008. Target achieved
Provide training and learning opportunities to staff throughout 2008 to address organisational and personal development needs identified by staff as part of the annual performance appraisal system. This will include Financial and auditing skills, Programme management, and IT training. The SEUPB will develop and enhance the online functionality of the performance appraisal system by the end of April 2008, including preparation of the annual training plan by 30 April 2008.	All training and development needs for staff have been identified within the training plan and this been fully implemented. The enhanced online performance appraisal system became operational in March 2008 and there have been no problems encountered. Target achieved
Review and update staff handbook by September 2008.	The update commenced in January 2008 and the SEUPB is progressing well with the review. The SEUPB will work with sponsor departments and the NSMC to receive approvals during 2009. This work is underway
To carry out an internal ICT audit to assess IT needs in early 2008 and carry out annual contingency planning testing including a review of the plan for business recovery.	The IT audit of all offices was completed in May 2008 and a resulting ICT Expenditure list was drafted, recommendations for replacement hardware and/or software have been established. New Hardware and Software are

	currently being implemented. The SEUPB's annual Business Continuity Plan/Procedures is ongoing in line with recent testing in December 2008. The Plan is under revision due to changes in hardware and software configurations and revised staffing. Target achieved
Review and implement document management/handling systems by late 2008.	Internal document handling procedures/processes are currently under review and key staff have been assigned tasks to ensure the review outcomes are effectively implemented by end 2008.target achieved
Implement upgrade to communications network infrastructure on relocation of new Belfast headquarters.	Achieving this target is highly dependent on the office relocation exercise. The SEUPB has already appointed successful tender for a new VOIP telephony system which has been implemented in the new Monaghan office and in Belfast. An improved WAN connectivity contract has also been implemented. Target partly achieved
Corporate Finance	
Development and Implementation in 2008 of a procedures manual to cover enhanced budgeting and cash flow systems.	A procedures manual for the Certifying Authority (Programme Finance Unit) was completed in 2008. This is being tested and implemented in Q1 2009. A similar manual has been prepared for corporate finance and is in use, therefore the target was achieved
A full review to be undertaken in 2008, of reporting arrangements for both Programmes and administration systems to support effective monitoring arrangements.	The review is complete. Enhanced monthly management packs now include detailed information on the SEUPB TA spend. An amended procedure for requesting reimbursement of technical assistance from CPU has been drafted and is now operational. Target achieved
Upgrade monitoring systems to ensure the accuracy and integrity of monthly reporting output. The SUN system will be upgraded in January 2008, which will improve flexibility of reporting and allocation of costs to cost centres.	The updated SUN 5 system became live in January 2008 along with the new cost centre system. The Body has worked effectively to address any implementation issues arising. Reporting capabilities have been enhanced greatly as a result of the implementation. Target achieved
Achieving efficiency savings i.e. increasing the use of IT and reducing paper usage. This will be reported in house monthly throughout the year.	Recycling activity has increased in 2008 and in a bid to further increase efficiency savings the SEUPB reviewed the mobile phone contracts currently held. As a result tariffs have been reviewed and inefficiencies identified. The SEUPB will continue to correct these inefficiencies and meet the targets set

Audit committee to meet at least three times annually and ensure issues raised are followed up.	The Audit Committee met four times in 2008 and played an active role in the governance of the organisation. Target achieved
Risk registers to be reviewed and updated six monthly.	The register was updated at the end of December 2007 and again in June 2008 and December 2008. Risks were considered and amended as necessary, with new risks added and some old risks removed. The new registers have been shared with the Audit Committee at the meeting held 1 July 2008. Target achieved
Preparation of 2007 accounts and annual report. Accounts to be prepared and submitted for audit by 31 March 2008 - liaise with external auditors in respect of format of accounts.	The first draft of accounts were completed in February 2008 and presented for audit well within the agreed timescale. Subsequently all audit work has been completed. The SEUPB has received the report to those charged with Governance: audit results, with no major issues occurring and the accounts were signed off by both C&AGs in June 2008 with a clean audit opinion. All audit recommendations have been agreed and implementation is ongoing. Target achieved
Review staff training needs annually including completion of training on SUN version 5.	All staff are appropriately trained on SUN 5 therefore this target was achieved.
Full sage payroll training completed for Finance Officer and Clerical Supervisor, by mid 2008.	This target has been met and both the Finance Officer and Clerical Supervisor are fully trained on Sage payroll.
Corporate Communications	
Produce four editions of the Your EU! Magazine throughout 2008.	The Body has met this target and has already produced the four 2008 Editions of Your EU!
Review the re-branding of SEUPB and the use of its trading name and logos, to ensure that we as Managing Authority will be in a position to fulfil the EC Publicity requirements of the new Programmes.	The external consultant appointed to review the re-branding and use of logos by the SEUPB presented the recommendations to senior management in April 2008. The SEUPB will implement a transformational programme following approval from NSMC. Target met
Appoint communication service providers to support the delivery of publicity and communication activities in January 2008.	This target was met with the appointments made in January 2008 to provide support to the communication activities of the SEUPB. Tenders for 2009 service providers are currently underway.
Maintain an interactive and vibrant website with daily input of new	Maintenance of the SEUPB website is an ongoing task and the SEUPB

material from the programmes and projects. Maintain communications section of the intranet and produce and distribute weekly corporate e-newsletter.	completed a web development tender process in which both departments were represented. The production of the weekly corporate e-newsletter and the update of the communications section of the intranet are both ongoing. Target achieved
Write, design and publish SEUPB annual report and publish corporate and business plans as required to fulfil deadlines set by Financial Memorandum.	The Corporate Plan 2008-2010 has been published and circulated and the Annual Report 2007 is completed. A date that is suitable for both departments for simultaneous laying of the Annual Reports and Accounts is currently being sought. The Business Plan 2009 will be put forward for approval at the NSMC. SEUPB completed their targets in respect of these timeframes.
Ensure compliance with Irish language Act in Ireland.	The SEUPB is continually reviewing the implications of the Act and to date all public notices published in Ireland have been translated into Irish.
Organise official visits and other project visits.	The planned visit of the European Parliament President in June was postponed and a re-arranged date is awaited. An invitation to participate in the Open Days 2008 event in Brussels was received and the SEUPB participated at this event which provided an opportunity to share good practice. Target achieved

ANNEX B

Corporate/Business Plan Summary - Proposed 2009 Budget Allocation Pro Forma (Sterling)

North South Body	Agreed Budget 2008			Proposed change +/-			Proposed Budget 2009		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
€1 = £0.78	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Programme Costs									
PEACE III	6,047	2,328	8,375	14,387	4,505	18,892	20,434	6,833	27,267
Northern Ireland	3,854	1,484	5,338	9,170	2,872	12,042	13,024	4,356	17,380
Ireland	2,193	844	3,037	5,216	1,634	6,850	7,409	2,478	9,887
						0			0
INTERREG IVA	5,151	3,224	8,375	(1,823)	12,603	10,779	3,328	15,827	19,154
Northern Ireland	3,729	2,334	6,063	(1,732)	7,162	5,430	1,997	9,496	11,493
Ireland	1,422	890	2,312	(91)	5,441	5,350	1,331	6,331	7,662
Total Programme Expenditure	**11,198**	**5,552**	**16,750**	**12,563**	**17,108**	**29,671**	**23,761**	**22,660**	**46,421**
Pay Costs	1,270	0	1,270	5	0	5	1,275	0	1,275
Pension Costs	0	0	0	0	0	0	0	0	0
Non Pay Administration Costs	838	350	1,188	2	202	204	840	552	1,392
Total Jointly Funded Administration costs	2,108	350	2,458	7	202	209	2,115	552	2,667
(ii) Costs Funded by North Only									
Pay Costs	93	0	93	0	0	0	93	0	93
Pension Costs	152	0	152	1	0	1	153	0	153
Non Pay Administration Costs	20	0	20	1	0	1	21	0	21
Total Administrative Costs Funded By North Only	265	0	265	3	0	3	268	0	268
Total Administrative Costs	2,373	350	2,723	9	202	211	2,382	552	2,934
Overall Total Expenditure (programmes & Administration)	**13,571**	**5,902**	**19,473**	**12,573**	**17,310**	**29,883**	**26,144**	**23,212**	**49,356**
Existing/Projected Staff Numbers			62			3			65

Narrative to support expenditure figures:

- **All figures in £'000 Stg.**
- **The administration costs are funded Northern Ireland 55% and Ireland 45%**
- The Capital budget includes a provision to fit- out the new offices in Belfast (which will be completed in 2009).
- All admin costs (excluding capital) have been reduced by 3% to take account of a cash efficiency saving within the budget. The SEUPB will strive to find further cash and non cash savings throughout the year

The following planning assumptions have been used in relation to the Budgeted total Programme Expenditure:

- The 2008 expenditure on Programmes was decreased in 2008 to €2m (£1.722) and €3m (£2.416) for INTERREG IVA and PEACE III respectively and not the higher amounts as originally projected in the 2008 business plan. This is primarily due to a longer than anticipated approval process for individual projects. The actual expenditure recorded in 2008 was much less and resulted in an underspend of €1.43M (£1.299M) for INTERREG IVA and €2.01M (£1.827M) for PEACE III. These underspends have been included in the 2009 forecasted figures.
- The figures included in Annex B and C reflect ERDF and match contribution for Ireland and for Northern Ireland and the ERDF element only for Scotland where projects provide their own match funding that will not flow through SEUPB.
- For budget planning matched funding for INTERREG IV will be provided from the eligible regions on the basis of Northern Ireland -60%/ Ireland-30%/ Scotland-10%. Bilateral Projects between Northern Ireland and Ireland will be on the basis of 60/40 and key flagship projects such as Kelvin, CAWT, Cross Border partnerships and technical assistance have been allocated on that basis. This assumption is for budget planning purposes and will not be considered during the application and selection process.
- The budget request is based on an analysis of the approved and anticipated approved projects forecasts of expenditure, including consultation with project lead partners. These forecasts are then adjusted by SEUPB to allow for collective slippage on Project expenditure, and to include the cash flow implications of granting advance payments of expenditure to projects to facilitate activity. The current economic climate has seen a marked increase in the number of requests for advance payments of expenditure. The Programme expenditure target imposed by the Commission is the overarching consideration.

ANNEX B

Corporate/Business Plan Summary - Proposed 2009 Budget Allocation Pro Forma (Euro)

North South Body	Agreed Budget 2008			Proposed change +/-			Proposed Budget 2009		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
€1 = £0.78	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Programme Costs									
PEACE III	7,753	2,985	10,737	18,445	5,776	24,221	26,197	8,761	34,958
Northern Ireland	4,941	1,903	6,844	11,757	3,681	15,438	16,698	5,584	22,282
Ireland	2,812	1,082	3,894	6,688	2,095	8,782	9,499	3,177	12,676
						0			0
INTERREG IVA	6,604	4,133	10,737	(2,338)	16,157	13,820	4,266	20,291	24,557
Northern Ireland	4,781	2,992	7,773	(2,221)	9,182	6,961	2,560	12,174	14,734
Ireland	1,823	1,141	2,964	(117)	6,975	6,859	1,706	8,116	9,823
Total Programme Expenditure	**14,356**	**7,118**	**21,474**	**16,107**	**21,933**	**38,040**	**30,463**	**29,051**	**59,515**
Pay Costs	1,628	0	1,628	6	0	6	1,634	0	1,634
Pension Costs	0	0	0	0	0	0	0	0	0
Non Pay Administration Costs	1,074	449	1,523	3	259	262	1,077	708	1,785
Total Jointly Funded Administration costs	2,703	449	3,151	8	259	267	2,711	708	3,419
(ii) Costs Funded by North Only									
Pay Costs	119	0	119	0	0	0	119	0	119
Pension Costs	195	0	195	2	0	2	196	0	196
Non Pay Administration Costs	26	0	26	2	0	2	27	0	27
Total Administrative Costs Funded By North Only	340	0	340	3	0	3	343	0	343
Total Administrative Costs	3,042	449	3,491	12	259	271	3,054	708	3,762
Overall Total Expenditure (programmes & Administration)	**17,399**	**7,567**	**24,965**	**16,119**	**22,192**	**38,311**	**33,518**	**29,759**	**63,277**
Existing/Projected Staff Numbers			62			3			65

Narrative to support expenditure figures:

- **All figures in £'000 Euro.**
- **The administration costs are funded Northern Ireland 55% and Ireland 45%**
- The Capital budget includes a provision to fit- out the new offices in Belfast (which will be completed by mid 2009).
- All admin costs (excluding capital) have been reduced by 3% to take account of a cash efficiency saving within the budget. The SEUPB will strive to find further cash and non cash savings throughout the year

The following planning assumptions have been used in relation to the Budgeted total Programme Expenditure:

- The 2008 expenditure on Programmes was decreased in 2008 to €2m (£1.722) and €3m (£2.416) for INTERREG IVA and PEACE III respectively and not the higher amounts as originally projected in the 2008 business plan. This is primarily due to a longer than anticipated approval process for individual projects. The actual expenditure recorded in 2008 was much less and resulted in an underspend of €1.43M (£1.299M) for INTERREG IVA and €2.01M (£1.827M) for PEACE III. These underspends have been included in the 2009 forecasted figures.
- The figures included in Annex B and C reflect ERDF and match contribution for Ireland and for Northern Ireland and the ERDF element only for Scotland where projects provide their own match funding that will not flow through SEUPB.
- For budget planning matched funding for INTERREG IV will be provided from the eligible regions on the basis of Northern Ireland -60%/ Ireland-30%/ Scotland-10%. Bilateral Projects between Northern Ireland and Ireland will be on the basis of 60/40 and key flagship projects such as Kelvin, CAWT, Cross Border partnerships and technical assistance have been allocated on that basis. This assumption is for budget planning purposes and will not be considered during the application and selection process.
- The budget request is based on an analysis of the approved and anticipated approved projects forecasts of expenditure, including consultation with project lead partners. These forecasts are then adjusted by SEUPB to allow for collective slippage on Project expenditure, and to include the cash flow implications of granting advance payments of expenditure to projects to facilitate activity. The current economic climate has seen a marked increase in the number of requests for advance payments of expenditure. The Programme expenditure target imposed by the Commission is the overarching consideration.

ANNEX C

Corporate/Business Plan Summary - Proposed 2009 Budget and Indicative Allocations Pro Forma

North South Body	Agreed Budget 2008			Proposed Budget 2009			Indicative Budget 2010		
	Current	Capital	Total	Current	Capital	Total	Current	Capital	Total
€1 = £0.78	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Programme Costs									
PEACE III	**6,047**	**2,328**	**8,375**	**20,434**	**6,833**	**27,267**	**27,417**	**12,557**	**39,974**
Northern Ireland	3,854	1,484	5,338	13,024	4,356	17,380	**17,475**	**8,004**	**25,479**
Ireland	2,193	844	3,037	7,409	2,478	9,887	**9,941**	**4,553**	**14,494**
						0			**0**
INTERREG IVA	**5,151**	**3,224**	**8,375**	**3,328**	**15,827**	**19,154**	**16,926**	**12,543**	**29,468**
Northern Ireland	3,729	2,334	6,063	1,997	9,496	11,493	**10,155**	**7,526**	**17,681**
Ireland	1,422	890	2,312	1,331	6,331	7,662	**6,770**	**5,017**	**11,787**
Total Programme Expenditure	**11,198**	**5,552**	**16,750**	**23,761**	**22,660**	**46,421**	**44,342**	**25,100**	**69,442**
Pay Costs	1,270	0	1,270	1,275	0	1,275	**1,275**	**0**	**1,275**
Pension Costs	0	0	0	0	0	0	**42**	**0**	**42**
Non Pay Administration Costs	838	350	1,188	840	552	1,392	**749**	**60**	**809**
Total Jointly Funded Administration costs	**2,108**	**350**	**2,458**	**2,115**	**552**	**2,667**	**2,066**	**60**	**2,126**
(ii) Costs Funded by North Only									
Pay Costs	93	0	93	93	0	93	**90**	**0**	**90**
Pension Costs	152	0	152	153	0	153	**0**	**0**	**0**
Non Pay Administration Costs	20	0	20	21	0	21	**63**	**0**	**63**
Total Administrative Costs Funded By North Only	**265**	**0**	**265**	**268**	**0**	**268**	**153**	**0**	**153**
Total Administrative Costs	**2,373**	**350**	**2,723**	**2,382**	**552**	**2,934**	**2,219**	**60**	**2,279**
Overall Total Expenditure (programmes & Administration)	**13,571**	**5,902**	**19,473**	**26,144**	**23,212**	**49,356**	**46,561**	**25,160**	**71,721**
Existing/Projected Staff Numbers			62			65			**65**

Narrative to support expenditure figures:

- **All figures in £'000 Stg.**
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