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**Minutes of the
INTERREG IVA and PEACE III Review Panel Meeting**

Monday 9 February 2009, 10:00
Ormeau Business Park, Belfast

In Attendance:	Pat Colgan	SEUPB (Chair)
	Lucinda Blakiston Houston	Panel Member
	Noel Casserly	Panel Member
	Audrey McKeown	Independent Member
	Lisa McMullan	SEUPB (Secretariat)
	Christine Markey	SEUPB (Secretariat)
Observers:	Lisa Kelly	SEUPB
	Fiona Buggy	SEUPB

1. Agree Agenda

The agenda was agreed.

2. Introductions

The Chair welcomed everyone to the meeting.

3. Register of Interests/Conflicts of Interest

None

4. Reviews

**The Review of Mourne Heritage Trust – Mourne Cooley Gullion Geotourism
(000663)**

Representatives from Mourne Heritage Trust (MHT) and the Joint Technical Secretariat (JTS) were invited to enter the room.

In Attendance:	Martin Carey	MHT
	Brendan McSherry	Louth County Council
	Ron Murray	Regeneration of South Armagh
	Howard Keery	JTS
	Eimear Murphy	JTS

After introductions, the Chair outlined the procedures to be followed at the review meeting. The Project applicants were then invited to outline the reasons for their request for a review.

A representative for MHT presented their case. The main points from this presentation included:

- Key features and benefits of the project including its proximity to Belfast and Dublin, provision of a tourism gateway and developing the border area as an attraction.

- Significant support for the project, including from the North and South Governments including the Minister for the Environment, Heritage and Local Government and the Minister for Regional Development.

- The project's perceived overlap/duplication with East Border Region's (EBR) Multi-Annual Plan (MAP).

- The EBR geo/eco tourism project within the MAP would complement MHT's project.

- The project is genuinely cross-border and strategic in nature and the Steering Committee's views are contrary to many influential stakeholders.

- The concern that there was a failure to appreciate the wider significance and impacts of the project and how it relates to the EBR project.

The Chair thanked the Project Promoters for outlining their points and invited the JTS to respond.

A representative from JTS made the following points:

This theme was heavily oversubscribed and the Steering Committee scrutinised each application closely.

Six applications had been considered and recommended by the Steering Committee on 7 and 8 July 2008, the MHT application was not considered until 5 November 2008.

There was strong competition under this theme and the Steering Committee had to ensure strategic direction as well as liaise with Accountable Departments, who reflect the views of the Northern Ireland Tourist Board (NITB) and Failte Ireland.

Each MAP was subject to an Economic Appraisal which made recommendations on the sub-projects within those. One of the projects within EBR's MAP, approved by the Steering Committee, referred to the preparatory development towards geopark status for the Mourne, Cooley and Gullion region.

MHT made no reference to EBR's MAP in their application and it was deemed by the Steering Committee that some activities in both projects were very broadly similar.

A large amount of money has already been committed for the development of geopark tourism related activities, €780,000 for EBR and €3m for ICBAN. These two projects equate to approximately 13% of the total budget available for the tourism theme.

The Chair thanked the JTS for their comments and asked if the Review Panel had any questions.

A Review Panel Member asked if there was any correspondence between EBR and MHT subsequent to the assessment and asked for confirmation of how the project might work if it were to go ahead.

MHT stated that they had received correspondence from EBR in which it was stated that a small allocation of the money would be for a scoping study of the

region. MHT confirmed that if their project was not funded then they could undertake the scoping study.

MHT also highlighted that they are ready to implement their project and that a scoping study is not needed for that.

A Review Panel Member asked if MHT would be the lead partners and what experience they had in managing projects that had been funded by the EU.

MHT stated that Newry and Mourne Council would be the lead partner and this had been confirmed after the application had been submitted. MHT would be a key player. MHT had delivered €2.4m in sustainable tourism projects across the region from the PEACE II Programme.

The JTS stated that there had been difficulty identifying that both EBR and MHT had worked together or consulted with each other in developing their proposals. It was noted that the MAP came forward much earlier in the selection process.

A Review Panel Member asked MHT how the two projects could be interlinked.

MHT stated that they did not feel it was necessary to refer to the EBR MAP in their application. They trusted that EBR would have made it clear that their work in relation to Mourne Cooley Gullion would be a scoping study. This element remained in EBR's application in case the MHT project was unsuccessful.

A Review Panel Member asked JTS for clarification on the 13% commitment of the total budget highlighting that it had been stated that the €780,000 would not be fully spent on geotourism.

The JTS replied that they did not have that level of information at the meeting.

MHT noted that the EBR MAP did not make a provision for a geopark, however they acknowledged the lack of clarity. MHT felt the confusion had arisen from EBR's application and asked if the situation could be looked at now that there was clarity.

The Chair noted that the match funding comes from the Accountable Departments and their views are important. As this theme deals with tourism then the Accountable Departments look for endorsement from the NITB and Failte Ireland.

MHT stated that they had worked closely with the NITB and had received endorsement from them at a very early stage. It was also noted that the local tourism body in the Carlingford Cooley area and the Department of Foreign Affairs in Dublin had also endorsed the project.

The JTS stated that the Steering Committee Members would have taken the lead from the Accountable Departments and that there had been no strong voices for this project.

A Review Panel Member asked if an Economic Appraisal had been carried out.

The JTS confirmed that an Economic Appraisal had been carried out on the EBR MAP.

The Chair then asked for final statements from both Project Promoters and the JTS.

MHT noted that they felt the application fell down because there was confusion with the EBR MAP and if issues had been clarified they feel this project would have succeeded.

The JTS stated that with the money that was already approved to the EBR MAP there may be a facility for the two to work together. It was also noted that all money had been committed and although there is a possibility of moving monies around, this process is extremely restrictive.

The Chair highlighted that the availability of funds was a programme issue and was not the reason that the application was rejected.

The Chair asked the Project applicants and the JTS if they were happy with the way the Review Panel had been conducted, and if they felt they had been given the opportunity to convey all the main points of their argument. Both the Project applicants and the JTS confirmed that they were happy with the process.

The Project Promoters and the JTS exited the room.

The Review Panel discussed the application and information presented and noted:

- . The project was interesting and there appeared to be considerable support for it.
- . If an Economic Appraisal had been conducted, the most effective way to spend the money across projects may have been identified.
- . The timing of the application had meant that there was not effective coordination of applications.
- . The relationship with EBR MAP was not clear from the application.
- . The applicants have the management skills to oversee this project and their experience was not reflected in the assessment report.

The Review Panel concluded that there had been 'a failure in the adherence to procedures or systems that materially affected or could have affected the decision' in that further information regarding the fit of this proposal with the EBR MAP should have been available to the Steering Committee when considering this application.

The Panel recognised both the strategic importance of projects of this nature and the need to ensure their fit with relevant policies.

Therefore, the Review Panel has recommended that the JTS facilitate discussions with representatives of the project, EBR, the Accountable Departments and any other appropriate policy stakeholders, to explore possible synergies with other projects and to confirm the wider policy fit of the project.

The outcome of these discussions should then be taken to the Steering Committee for consideration.

The Review Panel also asked that information regarding the allocation of funding to geotourism and ecotourism be made available.

The Review of Derry City Council – North West Regional Sports Campus (000311)

Representatives from Derry City Council (DCC) and the JTS were invited to enter the room.

In Attendance:	Oonagh McGillion	DCC
	Barry O'Hagan	DCC
	Niall McGurk	ILEX
	Howard Keery	JTS
	Brenda Hegarty	JTS

The Chair outlined the procedures to be followed at the review meeting. The project applicants were then invited to present the reasons behind their request for a review.

The Representatives for DCC gave a presentation to the Panel. The main points were as follows:

- They were appealing on three areas, the Economic Appraisal completed by KPMG, the assessment completed by the JTS and the Steering Committee's decision.
- There were concerns regarding the content, accuracy and consistency of the Economic Appraisal, it did not reflect the application and a number of factually incorrect statements were made.
- DCC were not given the opportunity to clarify or correct the information in the Economic Appraisal prior to its finalisation.

An independent assessment of the Economic Appraisal suggested that the financial assessment was unsatisfactory, it appeared that the assessor did not have a clear understanding of the wider context of the project, and it was not properly contextualised in the history of sport and division in the North West.

The SEUPB assessment did not reflect the application. No reference was made to equality documents, partnership, non-monetary benefits and construction and design documents. It also refers to the Economic Appraisal which was factually inaccurate.

At the Steering Committee concerns were raised about the displacement activity from existing leisure centres; DCC highlighted that the application was not for a leisure centre.

The Steering Committee minutes requested through Freedom of Information in January had been originally declined and were received three days prior to the Review Panel.

The Chair thanked DCC for outlining their points and invited the JTS to respond.

A Representative from JTS made the following points:

The Economic Appraisal is a key element of the decision-making process. During the assessment a site visit would have been undertaken to see how the project fits with the peace and reconciliation element of the programme. Both the assessment and the Economic Appraisal are taken to the Steering Committee. The assessment scored relatively highly but the final outcome was a Steering Committee decision.

The Steering Committee considered the application in terms of progress towards peace and reconciliation, acting as a catalyst for transforming the local community and being iconic with the capacity to provide a lasting legacy. The Steering Committee felt that the proposal, as presented, did not do as the applicant had suggested.

The Economic Appraisal stated that there was a need for the project and it was also suggested to the applicant, at a pre-meeting in Omagh, that if they

had concerns in relation to the Economic Appraisal then the JTS would go back to KPMG.

The JTS recognised that there was a significant effort in compiling the application but that this needed to be condensed to bring it to the Steering Committee.

The Chair thanked the representatives from the JTS for their comments and asked if the Review Panel had any questions.

A Review Panel Member asked if the JTS accepted that there was a failing in the quality and accuracy of the Economic Appraisal.

The JTS stated that they did not accept this but would reflect on the concerns raised by DCC, and are willing to go back to KPMG for clarification if necessary.

A Review Panel Member noted that £3.3m had already been secured from the overall budget of £8.6m and asked about other potential funders.

DCC stated that they had been in talks with the Department of Arts, Sports and Tourism (DAST) but given the current economic climate these funds had not been secured. They are also drawing up a Business Case for Sport NI. It had been indicated, depending on the strength of the Business Case that more monies may be available.

A Review Panel Member asked what would happen if the project does not receive funding from the PEACE III Programme.

DCC stated that the project would go ahead but on a smaller scale.

A Review Panel Member referred to the location of the site noting that it was on the Waterside and asked how those from the Cityside would avail of the facilities.

DCC stated that the ILEX Foot and Cycle Bridge would provide that connectivity. They also noted that this project was much wider than just the city, it stretched out across the North West Region of Northern Ireland and Ireland.

A Review Panel Member asked if the project applicants were working with any other sporting facilities in the area and what the usage of that would be by the local population at present.

DCC stated that there was a leisure centre but it was very small with limited usage.

DCC stated that this was a cross-border project in nature and highlighted the various partners and stakeholders involved across the entire North West Region, for example, Irish Institute of Sport, Strabane District Council and Donegal County Council.

A Review Panel Member asked how the local people felt about the project.

DCC stated that there had been extensive consultation over the last two years with Neighbourhood Partnership Boards and local sports clubs.

The Chair offered the JTS a chance to respond to the discussion.

The JTS noted that:

- . The measure was heavily oversubscribed and this needed to be taken into consideration by the Steering Committee.
- . The iconic nature of the project was noted on a number of levels.
- . The displacement issue raised was in relation to GAA and soccer pitches that were already available across the region.
- . The assessment is dependent on the quality and accuracy of the Economic Appraisal; Economic Appraisals are required to be robust and highlighted that this one was favourable towards the project.

The Steering Committee had concerns over the relatively small proportion of funding requested from PEACE III in relation to the overall project costs.

The Chair asked about the balance between the elite and non-elite sports.

DCC stated that the main building would house the judo, wrestling and the climbing wall. The facilities as proposed would be able to hold high profile events for these sports. They highlighted that currently there is no full size third generation astroturf (3G) pitch in the region and that this will be the first facility for both GAA and soccer to collaborate and use the same pitch.

The project promoters stated that the 3G pitch would cost £1.6m and £500,000 of that had already been secured.

A Review Panel Member asked which aspect would be the most important to save if they did not receive full funding.

DCC stated that they would not have the same size of a centre but that all the sports activities would still be provided.

The Chair clarified that DCC's fundamental objection was with the Economic Appraisal.

DCC stated that although the Economic Appraisal had a positive recommendation there were a number of inconsistencies and factual inaccuracies that had informed the SEUPB assessment. Therefore the application had been disadvantaged in the scoring process.

The JTS stated that it is up to the Economic Appraisers whether to provide the applicant with a copy of the draft report.

DCC stated that they had requested it three times and had been refused.

The Chair asked if there had been any consultation with KPMG.

DCC stated that there had been a preliminary meeting at the beginning of the process but nothing since then.

The JTS stated that the normal turnaround period for an Economic Appraisal was four weeks and this was standard practice. It was highlighted that the Economic Appraisers have significant experience and substantial knowledge in their field and that both Steering Committee members and SEUPB assessors have significant experience in analysing and reviewing Economic Appraisals.

DCC highlighted that the drop in score from 63 to 53 was significant. The JTS recognised this but stated that it was not unusual for the Steering Committee to make sizeable changes.

The Chair then asked for the final statements from DCC and the JTS.

DCC stated that they felt they had been failed in three key areas; the Economic Appraisal was not robust, the SEUPB assessment did not appear to have full depth of understanding and the Steering Committee therefore did not have all the facts to aid its decision making. They also noted that there was no clear rationale to explain why the project had scored down.

The JTS stated that due process had been followed and the Steering Committee made had made its decision based on the information provided.

The Chair asked the Project Promoters and JTS if they were happy with the way the Review Panel had been conducted, and if they felt they had been given the opportunity to convey all the main points of their argument. Both DCC and JTS representatives confirmed that they were happy with the process.

The Project Promoters and the JTS exited the room.

The Review Panel discussed the application and information presented and noted:

- . The project had the potential to be iconic.
- . The Economic Appraisal should be reconsidered and a quality assurance check completed.
- . The applicants should be given an opportunity to comment on the Economic Appraisal.
- . The applicants had made a strong case and while the Economic Appraisal made a favourable recommendation, there were failings in its content which impacted on the assessment of the application.

The Review Panel concluded that there had been 'a failure in the adherence to procedures or systems that materially affected or could have affected the decision'. The Panel recognised that the Economic Appraisal report is an integral part of the assessment procedure and that although the Economic Appraisal had made a positive recommendation there were failings in its content.

The Panel therefore recommend that:

- . The applicant be given the opportunity to comment on the Economic Appraisal Report;
- . The Economic Appraisal report is revised accordingly;
- . The revised Economic Appraisal report be re-assessed by JTS and presented to the Steering Committee for consideration.

Therefore, the Review Panel request that the JTS facilitate this process by liaising with the applicant and Economic Appraisal consultants.

Also, the Panel noted that information had been sought through the Freedom of Information process. It was agreed that this process should not be required and have recommended that from this point forward the Managing Authority ensures that all relevant information be made available to all parties of the review process.

5. Any Other Business

None

6. Conclusion

The Chair thanked the Review Panel members for attending and informed them that he would write, on behalf of the Review Panel, to inform both project applicants and the Consortium and the JTS of the Review Panel's decisions. He also stated that the minutes from the meeting would be e-mailed to Review Panel members in due course for their approval.