

ST ANDREWS AGREEMENT REVIEW

TERMS OF REFERENCE 1

REPORT OF EXPERTS/ADVISERS

Please note - this document is a report prepared for consideration by the Review Group set up by NSMC and does not constitute the views of NSMC on the outcome of the Review

ST ANDREWS REVIEW
EMERGING ISSUES
4 APRIL 2008

INTRODUCTION

The reviewers would like to express their thanks to the officials in the North South Ministerial Council for their invaluable help and assistance to the Review Team over the course of the review.

The reviewers would also like to thank those we have met and received submissions from in the course of the review including the management of the implementation bodies, the sponsoring departments, the stakeholders of each body, the social partners and North South development bodies, ICTU and the business sector. Each submission and point made was carefully considered by the reviewers.

FOYLE, CARLINGFORD AND IRISH LIGHTS COMMISSION

This Agency has a cross-jurisdictional function with a heritage stretching back to 1952 when the Foyle Fisheries Commission was established to co-ordinate the management of the fisheries in the Foyle area.

The reviewers are pleased to provide a positive review of the Loughs Agency. The reviewers would like to note particular achievements of the body including their work on pathfinder projects such as the Salmon DNA studies and its use of technology (including fish counters, GIS mapping) in the management of fish stocks. Staff of the agency frequently operate in a hostile environment because of the body's role as a prosecution/enforcement agency.

The agency was recently re-organised into four directorates spanning its complete range of operations and the reviewers are pleased to note that the implementation of this reorganisation is proceeding smoothly.

The Agency has an impressive conviction rate for the prosecution of offences under its remit.

Since the establishment of the Foyle, Carlingford and Lights Commission (FCIL) arising from the Belfast Agreement, difficulties have arisen in relation to the incorporation of the Irish Lights Commission under the aegis of this Body. Arising from this situation, the St Andrews Agreement provided, as part of this review, for the question of a suitable substitute for the Lights Agency to be addressed. In this context, the question of a new name for FCIL and possible additional responsibilities for the agency will be the subject of study in Item 3 of the Reviewers' Terms of Reference.

Management have identified the opportunity to establish & provide services to producer organisations (organisations of individual producers to co-operate on the sale of product for output) for the development of marine products including mussels,

Japanese oysters, squid. Legislative change may be needed to provide for such activities. The reviewers consider that the Loughs Agency's further involvement in the development of the industry should be supported.

Management have suggested that the Magistrates' Courts (Costs in Criminal Cases) Rules (Northern Ireland) 1988 be amended to allow a costs award reflective of the actual costs involved in cases where the Commission brings a successful prosecution; and suggested an amendment to the penalty sections of the original legislation to allow for a fixed penalty regime to be administered by Commission River Watchers.

The Prehen Riverwatch Centre is impressive in its potential for generating an appreciation for marine life among schoolchildren. It seems to the reviewers that the establishment of Lough's Agency's Carlingford Office and particularly the establishment of a Riverwatch Centre for older schoolchildren at Carlingford would be worthwhile. The reviewers note that there may be a possibility to roll out Riverwatch throughout the island in conjunction with schools, and other bodies to provide schoolchildren in all areas with an appreciation of the importance of marine life.

The tourism brief of the agency would seem to require additional investment & staff. The agency has identified the target of having 50% of issued fishing licenses taken up by recreational anglers visiting island. Under the tourism heading, there seem to be fewer staff resources than would be needed for the agency to play its full part in developing the potential of tourism. Interreg funding is an opportunity to establish the infrastructure needed to deliver on the Agency's tourism brief. Because of its remit on both ends of NI and its cross-jurisdictional role, the agency could play a role in co-ordinating angling tourism, for example, developing a project providing anglers with a satellite navigation system pre-loaded with angling destinations. Centralisation of funding for angling tourism may be possible with the agreement of other stakeholders including NITB.

The reviewers note the proposal to establish an Environmental Protection Agency in Northern Ireland (Review of Environmental Governance) incorporating The Loughs Agency. This proposal would have a negative impact on The Loughs Agency because of its unique prosecutorial jurisdiction both North and South. The reviewers consider that the other roles of the Loughs Agency, particularly marine tourism and leisure might not sit well in an EPA environment. The reviewers agree with the view expressed by stakeholders that the environmental role of the body should not be reduced. Instead an extended environmental role for the body in other geographic areas not currently within the body's remit may be warranted.

The reviewers note that an Advisory Forum has helped communications between the Body and its stakeholders but that the relationship between the body and some of its stakeholders was not deemed satisfactory. An increased regulatory role for the body in respect of aqua culture has raised concerns amongst stakeholders already involved in this area. The Loughs Agency should ensure that legitimate concerns in respect of aquaculture management are taken into account via an extensive consultation process.

The Reviewers note and commend the innovative relationship that the Body has developed with the Youth Justice Agency, the Youth Panel, the local judiciary and

police in respect of providing meaningful community based work for young offenders.

SPECIAL EU PROGRAMMES BODY

The reviewers consider that the work of the Special EU Programmes Body merits a positive review. The reviewers would like to note a number of particular achievements by the body in the context of, inter alia, the successful close-off of the Peace I programme, management of Peace II and negotiation of Peace III and INTERREG funding. The body has achieved a successful performance in successive EU audits. The body has managed to maintain an efficient operation by maintaining costs below a level of 5% of funding. The involvement of a Scottish region in the INTERREG IV programme is a step forward for SEUPB and an indication that the EU, its major stakeholder, is satisfied to give additional responsibilities to the body.

The body has managed to achieve a considerable balance in the distribution of funding from a cross-community perspective. According to figures provided by the body, fund administration per community was at a level of 45%/55% Roman Catholic/Protestant on the Peace 1 programme and 52%/48% respectively in relation to Peace II. The body's work to increase the propensity to apply among Protestant communities by conducting roadshows and by working with community representatives is to be commended. The reviewers reiterate the importance of balance and perceived balance in the administration of the funds under management.

The body, as currently formatted, has a work programme extending to 2016. Peace III will run from 2007-2013 and will then require a 2 year close-off period. The organisation will, following a staffing review, grow staff resources to 65 and will wind-down these numbers to 41 staff by 2013.

Because of its competence and experience, the body has the opportunity to pitch to the European Union to manage Transnational/Interregional programmes. This may help the island increase its share of such funding as proximity tends to assist in the marketing of such programmes. The reviewers recommend that legislation governing the SEUPB is altered to facilitate the body's involvement in transnational and interregional projects.. The reviewers understand that the next such opportunity to apply to manage Transnational & Interregional projects will arise in 2010.

The reviewers have been asked by stakeholders to consider the merits of an executive board for the SEUPB. At present the Chief Executive manages the body. The reviewers have considered the merits of such an approach. On the one hand, the body is doing a direct job for both member states (Ireland and the UK) and its operational remit is decided directly by the EU and managed by monitoring committees. Fund providers independently control the body's entire turnover. The body has had 46 audits to date. The reviewers recognise that a board would not have the usual control or responsibility for strategy or operations of the body as its work is controlled directly by the Member States and the EU. On the other hand, a considerable number of stakeholders asked for a board to be put in place for transparency and accountability reasons. On balance, the reviewers consider that

there is a case for a Board to be appointed and recommend that a 12 person board be appointed to lead the body.

The reviewers consider that the over-riding question for SEUPB is its future. If new mandates are not available to the body, its future at this time may be limited to the duration of Peace III and Interreg IV funding programme. The body has made the case to the reviewers for the use of its experience in the co-ordination, management and administration of EU programmes. The reviewers consider that the SEUPB has indeed considerable experience in this area and recommend that the Irish Government and the Northern Executive consider whether there are sufficient efficiency gains and economies of scale to be achieved by entrusting additional responsibility to the SEUPB including on an outsourced basis, particularly as the management of EU funding programmes requires heavy adherence to operational procedures, pre, continuing and post audit, N+2 spending controls and close-off.

If additional substantive roles for SEUPB can be identified as recommended in this review, the name of the Body should be changed or a trading name adopted to reflect those new responsibilities.

The SEUPB funds many community projects. The question arises at this stage about the continuance of these projects post-EU funding. The community and societal needs these projects now address will not end. The body believes such projects can either be mainstreamed (run otherwise than by EU funding) or alternatively become self-funding in time. Should the current cohort of projects funded by SEUPB require, in the opinions of the Northern Executive and the Irish Government, to be continued, the reviewers recommend that the SEUPB should co-ordinate arrangements for the continuance/mainstreaming of these projects and the disbursement of necessary funds to worthwhile community projects first established under Peace I, II or INTERREG when these programmes are complete.

The reviewers note a considerable staff community imbalance in the SEUPB. The reviewers note that the body is aware of the matter and are working to address the issues arising.

The stakeholders raised a lack of customer focus and highlighted a lack of clarity and consistency in communication with the Body. The Reviewers are particularly concerned that intermediate funding bodies could be dissuading groups from applying for funds managed by the Body due to the regulatory burden imposed, particularly where the applicants are small or inexperienced. Delays in processing claims have had the regrettable effect of delayed staff remuneration in some funded organisations - an example was given where one staff member was paid late on four months out of twelve. The reviewers recommend that the views of these stakeholders be taken fully on board in the design of application forms, progress reports and auditing arrangements.

The management of Peace III funding will involve reduced use of intermediate funding bodies. Stakeholders have expressed concerns about the body's ability to discharge this function. We recommend the SEUPB is mindful of these concerns, particularly in the early stages of the implementation of the Peace III programme and perhaps mindful also that organisations heretofore involved as intermediate funding

bodies may be able to provide extra-executive advice and assistance to SEPUB going forward.

THE LANGUAGES BODY

THE JOINT BOARD

The Languages Body was established as two agencies who operate separately - the Ulster Scots Agency and Foras na Gaeilge. Currently the joint board, comprising representatives of each agency, meets once per year for the purpose of agreeing the accounts of the body. We recommend a more meaningful engagement between the boards of each language body with particular attention to joint projects.

The question of having a joint secretariat for the two agencies was raised in the course of the review. This would be complex but a joint secretariat to manage certain shared services e.g. accounting, HR, IT might be worth considering. Foras has expressed to the reviewers that it is experiencing issues with recruitment of suitably qualified professionals who are also fluent in the Irish language. The sharing of services with the Ulster Scots Agency could help to address this issue.

The reviewers understand that the bodies have co-operated on certain operational matters including the preparation of a risk register, research projects, Cultures of Ulster project etc. Further formal interaction might be considered including sharing of board minutes, joint audit committee and attendance at each others' board meetings.

FORAS NA GAEILGE

Foras na Gaeilge on its inception inherited a number of existing organisations with different remits associated with the promotion of the Irish language. Some of the staff involved have only recently formally transferred to Foras. The delay in having a fully integrated organisational structure has undoubtedly impacted on the overall effectiveness of and level of coherence within the agency.

The reviewers would give Foras a positive review overall. The agency can point to important achievements in specific areas, including schemes for supporting the use of Irish in business; an accreditation scheme for translators; a number of electronic – based initiatives such as the website gaeilge.ie and the online terminology database focal.ie and a major project which is underway for the development of a new dictionary.

The review indicated, however, the need for a more strategic approach in the promotion of the language. This will require compilation and conduct where necessary, of adequate research and concrete information on the incidence and level of use and competency in the Irish language, something which seems essential for the setting of goals and the formulation of strategies to achieve them. Foras must by virtue of its position be a key influencer in the development of policies and strategies

in relation to the Irish language and must also develop a strategic approach to its own particular remit in that regard.

Foras has relationships with an extensive range of core-funded organisations working on different aspects of the Irish language. A number of difficulties appear to have arisen in this context in relation to issues such as:

- Provision of information
- Feedback in relation to funding applications
- Accounting and reporting requirements

The need for more effective working relationships with these organisations was raised in the consultation process. Clearly the relationships between all North/South bodies and their stakeholders is crucial to their effective operation. In the case of Foras there is, in our view, a need for some formal consultative/partnership structures to be put in place to ensure that the working arrangements between all those involved are as effective as they could be.

Effective grant administration procedures and processes are essential to effective working relationships between Foras and the bodies it funds. It is also important that funded bodies are subject to appropriate financial and operational scrutiny to ensure value for investment. A detailed consultancy review was carried out in 2004-05 focused on management and control systems with a follow-up review in 2007. We understand that the recommendations arising from the review are being implemented.

The Belfast Office of Foras na Gaeilge employs only 4 people from a current staff complement of 43 and an authorised level of 65. The reviewers believe that a stronger presence is required by the agency on the ground in Northern Ireland.

Foras have not succeeded in achieving their agreed staffing complement. This issue needs to be resolved by the sponsor departments. While recognising the difficulties in hiring functional specialists fluent in the Irish language, we feel the barriers are not so great as to prevent progress on this matter. Currently Foras needs approval for every post it requires to be filled. In as far as this is in itself a reason for the lack of progress on staff assignments, the reviewers recommend that this requirement be relaxed and department control exercised as part of the budgeting process, not on an ongoing basis.

The issue was raised concerning the danger that Foras could be side tracked into funding areas of work which are more appropriately the responsibility of other agencies e.g. Irish medium speech therapy. This general issue was also raised in relation to the Ulster Scots agency. In the reviewers opinion, the organisations should adhere to the mission provided for in the governing legislation.

There has been an issue for some years regarding the preparation of consolidated accounts for the Language Body. At present, legislation requires the preparation of consolidated accounts. It could be argued that consolidated accounts i.e. adding the various line items together for Foras and the Ulster Scots Agency, is a meaningless exercise necessitating time and expense. The reviewers recommend that consolidated

accounts not be prepared and instead that the financial accounts of each agency simply be laid side by side in the annual report of the Languages Body.

The working language of Foras is Irish as provided by the original legislation. This poses certain difficulties for external relations. The reviewers consider that Foras may need flexibility in this regard, recognising the fact that it faces its own internal difficulties in sourcing functional staff with appropriate language skills.

Foras have commented on the lack of people trained to provide services in the Irish language within the Northern Ireland Civil Service. The reviewers note Foras' point on this matter and also the sponsoring department's commitment to address this matter progressively.

Further functions have been and may be allocated to Foras in the future. While the reviewers see this as a positive step for the agency, we recommend that the integration of new functions should be considered in advance so that they may be properly planned for.

As stated above, the reviewers are conscious of the necessity for Foras na Gaeilge to employ good financial and internal control systems necessary to enable it to meet its accountability and governance obligations. It understands that difficulties that arose in the past were due in no small part to issues regarding organisational capability in this area. The Group would support the early deployment of additional staff into the finance/ corporate area to ensure the development of improved systems and structures, as well as the provision of appropriate training/ professional enhancement programmes to meet requirements arising. We also recognise the need for sustained and focused oversight at senior levels in this regard and in that context recommend that this be the focus of management development at senior levels in the organisation.

The decentralisation of staff to Gweedore under the Irish Government's decentralisation programme will present challenges for Foras. The agency is discussing the issues involved, including the staffing issues referred to above and hopes to have the three offices in Dublin, Belfast and Gweedore, fully operational by the end of 2010.

ULSTER SCOTS AGENCY

The reviewers believe the Ulster Scots Agency also merits a positive review. The Agency was a green-field operation in the truest sense.

The reviewers would like to remark positively on its strategy to prioritise the cultural aspect of its mission while making progress on its role in the development of the language. The Agency made the point, to which the reviewers concur, that the cultural side will build confidence in the Ulster Scots Language. The Agency's work on summer schools, after school clubs, newspapers, radio stations, website, academic research etc. is worth particular mention. Support for Ulster Scots is increasing, with 75-80% of people in Northern Ireland regarding the work of the agency as worthwhile.

It appears likely that highland dance will, in particular, be a major growth area for the agency and that additional funding and staffing will be needed to train dance teachers. There is clearly potential for community involvement and for tourism development in this area to be had from highland dancing.

Funding generally is an issue for the agency. A stakeholder raised the possibility of parity of funding with Foras na Gaeilge. The reviewers recognise the job of work to be done by USA and the need for extra funding having regard in particular to the spin-off benefits of community involvement and tourism benefits (particularly in relation to the large Ulster Scots diaspora in the United States). It would appear that the agency has managed its comparatively small budget well and deserves further support. The USA funding request for 2008 is 5.5m increased from 2.9m in 2007 and an increase appears warranted.

The agency has been reluctant to undertake work outside the island of Ireland because of concerns about the governing legislation. Although the sponsor departments are satisfied that there is no legal obstacle to this, the agency would feel more comfortable if the legislation were amended. The reviewers consider that an appropriate amendment might be considered in order to allay any concerns.

Currently the board of the agency is composed of 8 persons. This was raised as an issue affecting not only joint operations with Foras na Gaeilge but also the ability of the agency itself to have effective sub-committee activity and for quorum purposes at Board meetings. The reviewers recommend that favourable consideration be given to increasing the USA's board membership to 12 to allow it to establish meaningful sub-committees including a grants sub-committee and to address the issue related to the quorum at meetings.

The nature of the development work of USA requires the ability to provide rolling, 3 year grant programmes to the groups and organisations they fund, allowing them in turn to plan forwards. The cross-cutting section of this report contains a recommendation in this regard.

It has been estimated that there are 25 million people of Scots/Irish descent in the United States. This has obvious tourism potential unique to the region. Strategic tourism planning in conjunction with Tourism Ireland including the development of Ulster Scots festivals (the Agency has a role to co-ordinate local Ulster Scots groups to plan their activities ahead to give time to market them in the United States) and other specific Ulster Scots tourist attractions are a possibility and the reviewers advocate the consideration of this potential when planning the medium term resources to be made available to the agency going forward.

£12 million has been allocated to the development of an Ulster Scots Academy. Relationships between the Agency and the Academy should be carefully defined as this work progresses. This relationship should recognise the primary position of the statutory agency.

FOOD SAFETY PROMOTION BOARD

The reviewers are pleased to present a positive report of the activities of the Food Safety Promotion Board. In particular, the reviewers would like to commend the body on its work towards encouraging food laboratories to work together on the island and the implementation of the Laboratory Management Information System (LIMS), its food safety marketing campaigns and 60 scientific projects on food research. Research work focuses on knowledge gaps and the co-ordinating role of FSPB allows research work & funds to be allocated in a way which avoids overlap and provide efficiencies.

The sponsoring departments expressed the view that having a single body doing work on food safety promotion across the island has saved money. FSPB was able to provide funds to FSA in NI in order for it to take part in a UK-wide study on food. The body indicated to the reviewers that 38% of its marketing funds are expended in Northern Ireland and 62% in the south.

The fact that FSBP is not directly involved in enforcement is an essential lever to encourage the involvement of the food industry, an example being the Chicken Food Cycle Review which required a significant level of industry involvement. The reviewers do not consider that the role of the body should be expanded to include enforcement.

There is an area of overlap with FSAI with allows the Food Safety Authority of Ireland to promote compliance with food legislation – this may need to be addressed. A concrete example is the “Best Before Date” campaign being conducted by FSAI. The reviewers recommend that work should be co-ordinated and note that FSAI and FSPB have worked harmoniously together in relation to all other marketing areas.

FSA NI have pointed to difficulties where the Irish and British Governments have taken a slightly different approach to nutrition policy. The differences are minor but could potentially confuse the public. The reviewers note each food body is aware of the matter and deal with issues as they arise.

Co-operation between FSPB and FSA NI needs to be undertaken so that overlap on marketing (and consequent diluted expenditure) in Northern Ireland doesn’t occur. As a concrete expression of affiliation with the FSA and the Body’s all-island role, the reviewers recommend that an office of the FSPB be established in Northern Ireland, as suggested by FSA Northern Ireland.

The reviewers note and welcome the agreement of memoranda of understanding between FSA NI and FSPB and between FSAI and FSPB. The reviewers commend also the signing of a MOU between FSA and FSAI in 2005 covering the handling of cross border incidents. The reviewers noted that the last formal meeting of the Chairs and CEOs of the three bodies occurred in November 2005 and believe it would be beneficial for such a meeting to take place on a more regular, programmed, basis.

The reviewers recommend the agreement of a comprehensive memorandum of understanding between the three agencies inter se providing for the conduct of tripartite strategic planning and working arrangements. Successful tripartite joint

initiatives have already taken place on safety, education and training matters and it is submitted by the reviewers that further efficient and effective co-operation is possible.

There is an open question on the formation of an Enteric Reference Laboratory for the Island. Enteric illness is an illness affecting the gastrointestinal tract. An example of how dangerous such illnesses can be was the death of 21 people in Lanarkshire, Scotland, in 1996 due to food poisoning. Testing of cultures collected from patients and suspected vehicles of infection (e.g. food, water) on the island is performed in the Centre for Infections, Colindale, London. The reason for the testing is to identify the vehicle of infection causing human illness to allow control measures to be put in place. A number of options were identified by an Expert Group for the delivery of specialised enteric laboratory services on the island. The Helm Corporation undertook an economic appraisal of the options in 2004 and concluded that the best option was the establishment of a Single Site to provide Enteric Reference Services to the entire island and this approach was then endorsed by the advisory board of the FSPB. It was found that this suggested approach would not meet with the approval of all the necessary stakeholders. FSPB has now recommended the appointment of an independent facilitator from outside the island to explore options and work towards a consensus. The reviewers agree with this approach.

The FSPB currently has an advisory board. In essence, the advisory board has been run as a de facto-executive board. All interested parties including the CEO, the Chairman, the stakeholders and the Sponsoring Departments support the establishment of an executive board for FSPB. The reviewers recommend that the status of the advisory board be amended to accord it executive status. Reasons considered by the reviewers include enhanced accountability, the provision of additional weight to the body's decisions as well as sharing responsibility for decisions of the body.

The FSPB has legislative responsibility to ensure prompt, accurate and complete dissemination of information on national and international food alerts. The point was made by both FSA Northern Ireland and FSAI that such a legislative role for FSPB, without the backing of enforcement powers (held by FSANI and FSPB) could cause confusion in a food-scare situation. The reviewers recommend that legislative imperative is not appropriate for FSPB in food scare situations, but that FSPB be mandated to assist the enforcement agencies North and South in such situations.

INTERTRADE IRELAND

THE REVIEWERS ARE PLEASED TO PRESENT A POSITIVE REVIEW OF INTERTRADEIRELAND. WHEN ITI BEGAN, THE BODY INSTANCED A LARGE AMOUNT OF OVERLAP IN THE PROVISION OF CROSS-BORDER BUSINESS SERVICES BY EXISTING AGENCIES AND GROUPS. ALONGSIDE OVERLAP, THERE WERE SIGNIFICANT GAPS AT THAT TIME. THE REVIEWERS CONSIDER THAT ITI HAVE EFFECTIVELY BUILT A CROSS BORDER MANDATE TO BOTH PROVIDE AND AUGMENT A PROFESSIONAL SERVICE TO THE BUSINESS COMMUNITY NORTH AND SOUTH.

DETI identified ITI's role as vital to NI's business development strategy. It was stated that borders create impediments to trade and that if companies can overcome the impediment of the Irish border as regards trade, it augurs well for their performance internationally. The reviewers believe this is a reasonable view.

THE BODY'S PREDICTION THAT BUSINESSPEOPLE, ONCE INTRODUCED TO ONE ANOTHER, WOULD CONDUCT BUSINESS TOGETHER IS EVIDENCED BY THE RESULTS ACHIEVED.

IN ESSENCE, OVER MANY YEARS, THERE WAS MARKET FAILURE ON BOTH SIDES OF THE BORDER BECAUSE OF THE LOW LEVEL OF BUSINESS CO-OPERATION PRESENT. ITI HAS RECOGNISED THE OLD ADAGE THAT "BUSINESS IS A CONTACT SPORT". THE BODY IS WORKING TOWARDS THE NORDIC IDEAL WHERE NORWAY AND SWEDEN ARE SEEN BY BUSINESS PEOPLE IN THOSE COUNTRIES AS A SINGLE BUSINESS AREA.

THE REVIEWERS WERE IMPRESSED THAT THE MAIN FOCUS OF ITI'S ACTIVITIES IS THE PROVISION OF BUSINESS INFORMATION AND NETWORKING OPPORTUNITIES ON THE BASIS THAT ALL-ISLAND BUSINESS DEVELOPMENT IS CENTRED ON THESE SOFTER ISSUES.

THE BODY'S AIM TO PRODUCE A 6:1 RETURN BASED ON BUSINESS VALUE (THE TOTAL OF INCREASED SALES, REDUCED COST AND INVESTMENT ACHIEVED BY CLIENT COMPANIES) COMPARED TO ITI'S SPEND IS SEEN BY THE REVIEWERS AS A VALID INDICATOR OF THE BODY'S RETURN ON INVESTMENT (FINANCIAL EFFECTIVENESS). THE CURRENT RATIO HAS BEEN CALCULATED BY THE BODY AT 4:1.

There is a high level of demand for ITI's projects from companies. According to the body, their projects are seriously oversubscribed. The key projects of the body include Acumen, Innova, Fusion and Equity Network. The reviewers view the level of over-subscription for ITI's programmes as a key measure of success of the body.

The measurable achievements of the body include the establishment of 20 business networks, 856 companies being helped directly by their projects, and over 12,000 companies involved in the body's work. The reviewers consider these figures to be a strong measure of achievement for the body.

The body makes the point, supported by the Genesis Report of 2005, that individual companies who have substantive dealings with ITI are satisfied with their work. Some of ITI's interventions (for example its role in assisting Harland and Wolff to obtain the contract for renovating the Hapenny Bridge in Dublin) are not susceptible to econometric recording, but are very important nonetheless.

The size of company engaged with ITI is notably smaller than that engaging with either Invest NI or Enterprise Ireland. The reviewers consider that this has the advantage of exposing small, community based enterprises to the highly successful Networks.

The reviewers would like to remark positively on ITI's work on developing growth businesses through the measure of venture capital as evidenced by the Seedcorn Competition. EUR42 million has been raised by companies involved in the programme to date.

In the bellwether "Entrepreneur of the Year" competition, in 2000, there were 2 finalists from Northern Ireland. By 2007, there were 9 finalists. ITI is a sponsor and promoter of the competition. The reviewers see these numbers, while not directly caused by ITI, as a valid indicator of increased confidence and success among entrepreneurs in Northern Ireland.

A key issue for the Body will be the development of a standardised model for the measurement of North/South trade in goods and services. Northern Ireland figures are currently disaggregated from wider UK figures. Going forward, the reviewers would like to identify this as a priority for ITI.

The body is looking forward to new areas including industrial design, the environment, advanced composites (polymers) and agri-business.

The body has identified a role as a catalyst in the development of North South business policy. It makes the point that it is seen in the media as a provider of information on North South trade relations.

The body has a ceiling of 42 people and would like to increase it. The reviewers believe such an increase is warranted given the demand for its services and that the body should be advanced scope, within their budget, to increase its staff complement, particularly where contractors/consultants/management agents are being replaced by full time staff at a lower cost per person. Apart from this, the reviewers do not recommend any significant expansion of ITI's roles or responsibilities on the basis that its current size allows it to approach its mission in a flexible, accessible and non-bureaucratic manner.

ITI admit that it suffers in the South from a perception that it is a northern body. ITI has commissioned a study on the establishment of an office in the South. The reviewers recommend the establishment of an office in Dublin, as well as a presence in other areas of the South. In our meetings with stakeholders, Chambers of Commerce and IBEC professed themselves open to the possibility of accommodating ITI staff and providing outreach services for ITI in their offices in the South and the reviewers recommend that the body take this offer into consideration. It should be noted that the establishment of an office in the South was proposed in a report prepared by Genesis Consultants in 2005.

Fair employment returns of the body point to a significant imbalance in the respective representation of each community in Northern Ireland. The geographical location of the office in Newry mirrors the current spread of religious affiliations among staff working there. The reviewers note that ITI are engaged in affirmative action towards addressing this matter and that ITI aspires to reflect the whole NI population among its staff.

The body maintains that initial issues regarding “turf” have largely been settled. Indeed the body has a MOU in place with Invest NI and Enterprise Ireland. A stakeholder has suggested a tripartite event highlighting this understanding of roles to all interested parties, which seems, to the reviewers, a reasonable suggestion.

An issue remains with ITI regarding participation in inter-agency projects. The reviewers recommend that ITI be accommodated where requested in inter-agency projects in which ITI demonstrates a practical interest and that ITI should be kept informed in a businesslike manner of the work of the other bodies in the enterprise development stake as a matter of courtesy.

The reviewers consider that it would be beneficial to formalise ITI’s name in legislation. At present, it is described in legislation as the Trade and Business Development Body.

TOURISM IRELAND

Tourism Ireland impressed the reviewers with their professionalism and effective approach to their work. The body's efficiency may be measured by the fact that 68% of its budget is spent directly on front-line marketing. The body's effectiveness may be measured by the increases in visitor numbers and visitor spend.

The island punches above its weight in terms of attracting the overseas traveller, evidenced by the fact that the island of Ireland has 0.08% of the world's population but receives 1.04% of the world's travellers. The "promotable" element of the tourist travel market, which Tourism Ireland can influence in its campaigns, has increased from 6.9m to 9.129m from 2001-2007 representing a growth of 4.6% CAGR compared to 4.2% worldwide and 3% in Europe. TI brings 1400 journalists pa to the island to report on the tourist product (their reports generating Eur 89million in Equivalent Advertising Rate coverage). NI funds 1/3 of TILs' core costs and receives 7% of the holiday makers to the island.

There is recent information concerning numbers travelling from Great Britain to Northern Ireland with preliminary estimates for 2007 showing an increase of 26% in the number of holiday visits from GB to NI as well as double digit growth in visitors from mainland Europe and North America. We note that TI has two specific objectives and that concern has been expressed over its' performance in relation to its role in helping NI realising its' tourist potential. However, the delivery of overseas marketing has been characterised as "very successful" by NITB. We note that NITB added a caveat that excluded TI performance in GB from the "very successful" tag.

NI welcomes 75% of out of state visitors from GB and this market is crucial if the growth desired in the NI Programme for Government is attainable. A regional promotion of NI in GB (within the wider island brand) has been identified as one way to meet the challenging PfG targets.

The reviewers note the recently-signed Memorandum of Understanding (MOU) between Tourism Ireland and the Northern Ireland Tourist Board. The reviewers heard the view expressed by NITB that it feels Northern Ireland's unique characteristics are not captured in TI's all-island approach to marketing tourism in Great Britain. Indeed, according to NITB, the island of Ireland brand is causing NI's competitive advantages in GB to be lost. We are also cognisant of NITB's expressed wish to concentrate on developing the tourism product as opposed to assuming direct responsibility for NI tourism marketing in GB. In this context, the reviewers note that recent moves have been put in place by Tourism Ireland to directly fund, in conjunction with NITB, a NI specific campaign for the GB market. Given the previous divergence of opinion between TIL and NITB on the formers' role in GB this is a welcome development which if built on will remove the only point of friction between the two bodies. It is hoped that future TI campaigns in GB recognising that distinctiveness will move public perception from seeing TI as a RoI only body to a truly all-island marketing and promotion organisation.

It is recognised by TI and NITB that the scale of tourism product in Northern Ireland requires development. While tourism product is not the responsibility of TI, the body does have responsibility for marketing NI as a tourist destination and the reviewers

consider that NITB should make full use of the expertise available within TI and their counterparts Failte Ireland in the development of the Northern Ireland tourism product. In the South, a targeted, incentive-based approach was taken to the development of tourism product in previous years which included tax-based incentives. The reviewers consider that TI should have an advocacy role, working with NITB in advancing the case for a similar programme in NI.

Tourism Ireland is not a formal Implementation Body. It was instead established under the Areas of Co-Operation measures in the Good Friday Agreement. In every other way, Tourism Ireland is equivalent to an implementation body.

The future challenges identified by TI seem the same North and South i.e. increased oil costs leading to more expensive flights, the strength of the US Dollar and the competition from 200+ competitors. The reviewers consider, in this context, that a centralised marketing function for the island will be as important in ten years time as it is today.

TI organises attendances and an island presence at tourist trade fairs. The actual attendees are managed by NITB and Failte Ireland (FI). It was suggested by the body that TI should manage the attendees. It is noted that funding for attendances comes separately from NITB and FI. TI hopes more NI tourist providers will attend trade fairs in future and their having responsibility for attendances may facilitate this. It is suggested by the reviewers that a higher attendance rate from NI tourist product providers is essential.

TI brings 1400 journalists to the island each year. This is a key component of the island's tourism promotion strategy, generating EUR 89 million of Equivalent Advertising spend in coverage return. It is estimated that 3-400 journalists cover Northern Ireland, with the remainder covering solely the southern tourism product. It is suggested that greater support and funding by NITB could yield greater amounts of PR for the Northern Ireland tourism product especially given the key role NITB has in hosting such visitors once they are on the island.

TI has made the point to the reviewers that the launching of Aer Lingus direct routes from Belfast International Airport is a huge opportunity for NI tourism but recognises also that this influx may cause capacity constraints unless the tourist product expands. The comment above relating to an advocacy role for TI is relevant in this context.

A key issue for TI is the paucity of tourism statistics available relating to NI. Apparently the sample size in Northern Ireland (extracted from UK-wide information) is extremely low, inhibiting TI from gleaning information normally available by "drilling down" through the raw data. NI tourist information therefore tends to be erratic. The reviewers recommend more resources be allocated to improving the sample size and selection of sample related to the NI tourism market. TI's ability to incorporate the uniqueness of the NI tourism market into its overall marketing strategy is undoubtedly inhibited by the paucity of available information on the visitors to that part of the island.

The statistical gap is further complicated by the lack of information on cross border tourist movement or any measurement of the value or volume of tourism from

Northern Ireland to the Republic. The reviewers recommend that all bodies work together to address this statistical gap.

TI is aware of the possibility of capitalising on the Scots Irish market in the United States and indeed has worked to publicise the anniversary of the Hamilton Montgomery Settlement through a direct marketing campaign to Hamilton and Montgomery families in the United States. The reviewers consider this line of marketing to one drawing particular attention to Northern Ireland in the context of all-island marketing and hope such initiatives will continue.

TI may have a role in the co-ordination of tourism product standards such as tourism training and grading. The reviewers consider that it is desirable that the same standards exist throughout the island. Tourism Ireland may have a role to play in this, given its job to market the product in a unified manner.

Concern has been raised over how the performance of TIL in respect of its' second objective is measured. Clearly defined measurable targets in respect of this objective would shift the focus from activities to outcomes.

WATERWAYS IRELAND

The reviewers are pleased to present a positive review of Waterways Ireland. Of particular note is the solid list of achievements in the management of the waterways under its aegis including the establishment of the offices (Dublin, Carrick, Scarif and Enniskillen), restoration of the Royal Canal, increased mooring for boats, and an increase in the number of boat registrations.

An efficiency indicator North South is the presence of a single corporate services department serving WI – if OPW and Rivers Agency were separate as heretofore, these services would be duplicated.

Waterways Ireland does not have a board of directors. The functions of the body are instead vested in the Chief Executive Officer. Sponsor departments and the stakeholders have made the case for the functions of the body to be carried out by a board of directors.

The reviewers would like to take the opportunity to recognise that a de facto board comprising of officials of the sponsoring departments has been in existence who meet and work to an agenda akin to a board meeting. However, the reviewers recognise that it is not appropriate for officials to constitute the de facto board in the long term.

At present, the internal audit function within the body reports to the CEO, which is not a completely satisfactory situation. On the appointment of a board, the function should report to an audit committee of the board.

As Waterways Ireland has a large staff complement, wide responsibilities and a significant current and capital budget, the reviewers recommend that a 12 person board be appointed to direct and manage its affairs. The reviewers would like to make clear that, in its view, the body is adept in the management of the mechanics of corporate governance.

The governing legislation provides that WI cannot dispose of property without ministerial consent. The legislation has caught minor property transactions including the disposal of minor leases in its net. It is proposed by the reviewers that a de minimis provision would be appropriate for the legislation governing the body.

The legislation covering WI may not be sufficiently clear regarding its ability to develop certain commercial applications of their property. The reviewers recommend that the legislation provides more clearly for WI to be in a position to exploit its resources for commercial purposes.

Certain stakeholders including the Lough Neagh Advisory Committee and the Inland Waterways Association expressed the wish for WI to manage additional waterways including Lough Neagh, the Corrib and Boyne Valley waterways. The reviewers see merit in such an approach as it would utilise the intelligence within the organisation and spread its corporate overhead over a wider level of infrastructural projects.

Key stakeholders reported that communications with them at corporate level have improved in recent months. The reviewers welcome this and trust it is a development

that will be built upon. The previous problems were in marked contrast with the excellent relations enjoyed at local level.

The NITB will have a more structured relationship with WI via the highly thought-of Marketing Advisory Group. The reviewers see considerable merit in involving NITB in WI's plans.

The current high level of maintenance is becoming increasingly expensive, indeed it has been described as already "critical". The reviewers recommend that the body and sponsoring departments are cognisant of this fact when drawing up the budget for the body which should also take account of the responsibility for possible additional waterways being assigned to WI.

The body has experienced significant difficulty in recruitment and retention of engineers given the pay conditions it can offer compared to other opportunities available to engineering graduates. The reviewers recommend that the body be given flexibility, within its budget, to offer attractive terms and conditions as needed to secure the engineering resources required to fulfil its mandate.

CROSS-CUTTING ISSUES

INTRODUCTION

This section of our report deals with issues affecting each North South Body. These issues arose in our review of each body and were discussed in detail with our collective meeting with the CEOs. The reviewers would like to stress the positive nature of our interaction with the CEOs and remark favourably on their progressive outlook on the future of the bodies they lead.

GOVERNANCE AND OVERSIGHT

The work of the Implementation Bodies is cross-jurisdictional but the management and control of the bodies are not. The bodies exist in what has been referred to as a ‘third space’ and the reviewers believe the bodies should be treated not just as a subset of each jurisdiction’s civil service, but as bodies with a mandate in their own right requiring a special governance and control structure, distinct from each civil service.

Each body has succeeded in creating a unique corporate identity, style of operation and relationships with a wide variety of stakeholders. People within the bodies, however are working to two different governance systems related to the civil service in each jurisdiction. The reviewers feel the bodies should be able, in conjunction with the sponsoring departments, to develop their own systems of working commensurate with their unique position.

The reviewers consider that the question of a co-ordinated parliamentary oversight for each Body could be streamlined. Streamlining the mechanics of parliamentary oversight including attendances at various committees at Stormont and Leinster House could be considered.

The reviewers raised the matter of the external audit of the bodies by the Comptroller and Auditor Generals North and South. The joint audit (as distinct from having a single audit conducted by one of the auditors in rotation) does not appear to be a cause of concern for the bodies because the Comptrollers have co-operated in the conduct of their joint audit – a position which is progressing smoothly, according to the bodies.

The bodies’ experience in obtaining a decision from sponsor departments has been problematic at times. Issues of timeliness and consistency have been identified in the way sponsor departments have approached the task of decision making. The ability of departments to respond quickly, comprehensively and in a coherent, synergistic manner to requests by the bodies is vital to the smooth, effective and efficient running of the bodies. It is recommended that in most decision areas, the departments should provide one joint decision to the body, in a timely manner as set out in a memorandum of understanding/service level agreement. The reviewers recommend that the process of engagement between officials in both departments as they take decisions concerning the body be streamlined.

The bodies have identified bureaucratic delays in the process of agreeing their business plans. The reviewers believe it is not acceptable for a body to receive final sign off on its annual business plan during the year covered by the plan itself. The

reviewers recommend that business plans should be requested in good time the previous year and be approved within 3 months of presentation of the plan by the body to the sponsor departments.

The bodies have raised with the reviewers the capacity of the NSMC and sponsoring departments as currently resourced to deal with the growing amount of sectoral and other meetings and the volume of work required for each. The reviewers recommend that staffing and resourcing generally in the NSMC be examined to ensure that sufficient resources are available to deal with this growing amount of work.

FINANCING

Each body is subject to a different funding ratio from the sponsoring departments. In practice, the reviewers have observed some occasions where this has caused difficulty for a body. Should one of the sponsoring departments be unable to fund a particular amount, there occurs a follow-on ratchet effect on the funding plans of the other sponsor department. A small cut in spending, for example EUR200k by an NI department, could have implications of over EUR1million for the overall funding of a body. The reviewers recommend the putting in place of 3 year, multi-annual, rolling budgets for the bodies to ensure that this issue cannot arise suddenly with consequent difficult implications for the bodies' work.

Three- year, multi annual budgeting would enable bodies and sponsor departments to have funding plans agreed for 3 years. Once the initial three year plan is agreed, funding for year four would then be agreed during year one, year five during year two and so on.

The concept of multi-annual rolling budgeting is particularly suitable for the Implementation Bodies as it would advance the smooth working arrangements of the body itself, the two sponsor departments and the two Departments of Finance. These interlocking set of arrangements impose difficulties on the Implementation bodies not experienced by single-jurisdictional counterparts. Multi-annual, rolling budgets agreed by all sides for a three year period, renewed annually on a rolling basis, may be a recommendation arising from this review.

The bodies have raised an issue with the different financial years of the sponsoring departments. Although this issue is not one giving rise to an easy solution, the reviewers would like to point to the differing year ends as an additional reason to advocate a multi-annual budgeting cycle stretching beyond the 15 month period from the beginning of one sponsor's financial year to the end of the other.

The timeliness of the production of annual reports is also an important factor. The reviewers have instanced situations where annual reports have been awaited for several years, which is not acceptable.

The quantum of delegated expenditure levels of the bodies is very low in some instances and it is recommended that the limits be increased to more realistic levels.

The financial memoranda agreed between the sponsoring departments and the body are, in many ways, the amalgam of a set of public sector expenditure restrictions

which are more stringent than those applying to single-jurisdiction bodies. It seems the financial memoranda are product of a battle of stringencies. A new approach is recommended to the setting of budgets and the allocation of responsibilities to boards and management of the bodies. The reviewers are minded to recall that the bodies are approaching their tenth anniversary, have demonstrated their capabilities to manage and deploy public funds in an effective manner and should be empowered to exercise a much greater deal of financial discretion in relation to their budgets.

On financial delegation levels, the bodies have identified timeliness of response from departments as being of equivalent importance to the actual levels of delegations provided for.

An issue identified by the reviewers is the differing approach to financial delegation in the two jurisdictions. In the South, the CEO of the body is given full delegation while in the North, there is a partial delegation to the CEO. The reviewers understand that UK Treasury rules apply, but it is appropriate, given the cross jurisdictional nature of the bodies, that an accommodation could be reached to address the situation.

CENTRALISED RESOURCE

The bodies are subject to a number of concurrent laws e.g. health and safety. The bodies treat this situation as a “fact of life” in relation to many concurrent laws. However the reviewers recognise that particular operational functions within each body e.g. HR officers managing equality and HR related legislation can come under pressure. The reviewers recommend the establishment of a centralised resource within the bodies themselves acting as a group, to advise the bodies as a whole on legislation north and south, especially where the legislation may overlap. Such a recommendation should achieve efficiencies in the provision of advice to the bodies. It should be noted that the centralisation of functions should centre around the “R” in HR, not the “H”. The reviewers would not envisage a situation where a new layer of bureaucracy is visited on the bodies, however benign the initial intention.

PAY AND CONDITIONS

Issues related to pay disparities between individuals working in the Implementation Bodies is, we believe, a critical issue over the medium term. The issue has arisen because grading structures for staff are directly related to grades in the two civil service establishments. Movements in national pay policy in both jurisdictions have led to a divergence in the comparative level of remuneration available to staff in the bodies, depending on the location of the office in which the staff member works. Broadly speaking, persons working in offices located in Northern Ireland are remunerated according to the Northern Ireland Civil Service rates and vice versa in the South.

The reviewers recognise that pay policy is part of the economic development framework managed closely by both Departments of Finance. However, the reviewers believe that the aggregate pay differential covering c 300 staff may not be a significant amount in terms of the budgets of each body, particularly when savings on recruitment, staff turnover and possibly a reduced use contractors and consultants are taken into account. The reviewers note the decision of the NSMC to refer this issue to

the relevant finance departments and would urge active consideration by those departments of the points raised.

Part of addressing the current issues identified in the paper presented by the CEO's is the longer term approach to be taken to staff pay in the bodies. The fact that staff pay in North South bodies remains directly linked to civil service rates may not be appropriate in the longer term, because inevitably the bodies may be engaged in constant uplifted pay calculations depending on which civil service provides the greatest salary and remuneration at a point in time.

The role of the reviewers is primarily to highlight this issue. The issue is, as has been stated by the CEO's collectively, one which lies at the core of the North South bodies.

Alongside pay, there is also an issue related to staff subsistence and travel expenses. Although the issue is interlaced with the two taxation regimes, there may be some scope for improvement in the situation. Firstly, travel expenses (e.g. mileage rates) could be set based on the geographical location of the staff member's work. On the question of subsistence payments, there may be a possibility that NI staff could claim, on a receipted basis, a higher rate, equivalent to the subsistence rate available in the South.

STAFFING ISSUES

The interface between the bodies and the sponsoring departments on HR issues has been identified as a time consuming exercise. The bodies have expressed their wish to be provided flexibility on staffing matters. The CEO's of the bodies would like flexibility on the grading of staff within their overall approved staff complement and their overall budgets. Over-rigid application of civil service grades may not be appropriate in all instances and the reviewers recommend that the CEO's be given greater flexibility in the allocation of the appropriate grades for staff. The reviewers consider the requirement to have every single post within the organisation to require approval by both sets of sponsoring and finance departments to be particularly onerous.

The bodies have expressed dissatisfaction with the need, when recruiting new staff members for the requirement to automatically offer the highest rated applicant, the lowest grade on the pay scale appropriate to their post. The reviewers recommend that management of the bodies have discretion on the level of starting pay offered to new staff, where required, in order that it be in a position to compete effectively in the employment marketplace.

The reviewers wish to draw attention to the establishment by the bodies of the North South Bodies Pension Scheme. The bodies are to be congratulated on the establishment of the scheme, as are the sponsor departments, the NSMC and the two governments. The reviewers wish to point out that the establishment of the pension scheme shows what can be achieved when the will exists to treat North South bodies in a unique fashion.

The Reviewers note the employment imbalance in some of the various bodies surveyed.

CEO REMUNERATION

The remuneration of CEO's of the bodies requires attention. The reviewers understand this project was last undertaken in 2003, when an external firm of experts were hired to provide advice on the appropriate level of remuneration for CEO's. The reviewers recommend the re-engagement of a suitable firm of experts to again advise on CEO remuneration and that this exercise be repeated at appropriate intervals as recommended by such advisers.

BOARD APPOINTEES

It has been the practice to appoint board members for fixed periods to the North South bodies. This has led to the unfortunate effect, in December 2007, of a large turnover of board membership. The reviewers suggest that such loss of institutional acumen coupled with the increased workload of management to facilitate induction of a completely new board should not reoccur. We recommend that, at the conclusion of the first stage in the terms of office of the newly appointed board members, that room be found to appoint new board members so that board turnover is staggered.

SECTORAL MEETINGS – EMERGENCY MEETING PROCEDURES

The reviewers recommend the need for a written facility for the conduct of NSMC sectoral meetings for urgent and pressing matters. The need for personal input by the ministers in the NSMC sectoral meetings is understood and recognised by the reviewers, however the work of the bodies may be adversely affected if urgent matters cannot be addressed by the ministers in a written format, if all ministers agree that the items are urgent. An example identified for such procedures may be the clearance of compulsory purchase orders for Waterways Ireland

ST ANDREWS REVIEW
TERM OF REFERENCE ONE
SUMMARY OF RECOMMENDATIONS
THURSDAY 4TH APRIL 2008

FOYLE, CARLINGFORD AND IRISH LIGHTS COMMISSION

Requiring Legislative Change

1. Management have identified the opportunity to establish & provide services to producer organisations for the development of marine products. Reviewers support legislative change if required for it.
2. Management have asked that consideration be given to an amendment to The Magistrates' Courts (Costs in Criminal Cases) Rules (Northern Ireland) 1988¹ to allow a costs award reflective of the actual costs involved in cases where the Commission brings a successful prosecution; and an amendment to the penalty sections of the original legislation² to allow for a fixed penalty regime to be administered by Commission River Watchers.

Not Requiring Legislative Change

3. Centralisation of funding for angling tourism may be possible with the agreement of other stakeholders including NITB.
4. The reviewers agree that the environmental role of the body should not be reduced (Ref Idea of EPA).
5. An increased regulatory role for the body in respect of aqua culture has raised concerns which should be taken into account via an extensive consultation process

SPECIAL EU PROGRAMMES BODY

Requiring Legislative Change

1. The reviewers recommend that legislation governing the SEUPB be altered to facilitate the body's involvement in EU transnational and interregional projects.
2. On balance, the reviewers consider that there is a case for a Board to be appointed to SEUPB.
3. The reviewers recommend that the Irish Government and the Northern Executive consider whether additional responsibility could be given to the SEUPB in relation to the management of EU funded programmes, including on an outsourced basis.
4. If additional substantive roles for SEUPB can be identified, the name of the Body should be changed or a trading name adopted to reflect those new responsibilities.
5. Should the current cohort of projects funded by SEUPB require to be continued, the reviewers recommend that the SEUPB should co-ordinate

¹ Schedules 1 & 2

² s. 42 Foyle Fisheries Act (Northern Ireland) 1952

arrangements for the continuance/mainstreaming of these projects first established under Peace I, II or INTERREG.

THE LANGUAGES BODY

THE JOINT BOARD

1. We recommend a more meaningful engagement between the boards of each language body with particular attention to joint projects
2. A joint secretariat to manage certain shared services e.g. accounting, HR, IT might be worth considering.
3. Consolidated accounts not be prepared and instead that the financial accounts of each body simply be laid side by side in the annual report of the Languages Body.

FORAS NA GAELIGE

1. There is a need for some formal consultative/partnership structures to be put in place to ensure that the working arrangements between the core-funded organisations and the Body are as effective as they could be.
2. The issue of bringing Foras na Gaeilge up to its full staffing level is impeding its future development and needs to be addressed by the sponsoring departments. The Belfast Office of Foras na Gaeilge employs only 4 people. The reviewers believe that a stronger presence is required by the body on the ground in Northern Ireland.
3. Currently Foras needs approval for every post it requires to be filled. The reviewers recommend that this requirement be relaxed and Departmental control exercised as part of the budgeting process, not on an ongoing basis.

ULSTER SCOTS AGENCY

Requiring Legislative Change

1. The agency has been reluctant to undertake work outside the island because of concerns about the governing legislation. The reviewers consider that an appropriate amendment might be considered in order to allay any concerns
2. The reviewers recommend that favourable consideration be given to increasing the USA's board membership to 12.

Not Requiring Legislative Change

3. The reviewers recognise the job of work to be done by USA and the need for extra funding having regard in particular to the spin-off benefits of community involvement and tourism benefits (particularly in relation to the large Ulster Scots diaspora in the United States). It would appear that the agency has managed its comparatively small budget well and deserves further support.
4. £12 million has been allocated to the development of an Ulster Scots Academy. Relationships between the Agency and the Academy should be

carefully defined as this work progresses. This relationship should recognise the primary position of the statutory body.

FOOD SAFETY PROMOTION BOARD

Requiring Legislative Change

1. The reviewers recommend a change in status for the current board from “advisory” to “executive”.
2. The reviewers recommend that FSPB’s legislative role is not appropriate in relation to food scare situations, but that FSPB be mandated to assist the enforcement agencies North and South in such situations

Not Requiring Legislative Change

3. The reviewers do not consider that the role of the body should be expanded to include enforcement.
4. The reviewers noted that the last formal meeting of the Chairs and CEOs of the three bodies (FSA NI, FSAI, FSPB) occurred in November 2005 and believe it would be beneficial for such a meeting to take place on a more regular, programmed, basis
5. The reviewers recommend that an office of the FSPB be established in Northern Ireland, as suggested by FSA NI.
6. In regard to the question of the establishment of an Enteric Reference laboratory on the Island of Ireland, FSPB has recommended the appointment of an independent facilitator from outside the island to explore options and work towards a consensus. The reviewers agree with this approach.

INTERTRADE IRELAND

Requiring Legislative Change

1. The reviewers consider that it would be beneficial to formalise ITI’s name in legislation. At present, it is described in legislation as the Trade and Business Development Body

Not Requiring Legislative Change

2. A key issue for the Body will be the development of a standardised model for the measurement of North/South trade in goods and services. The reviewers identify this as a priority for ITI.

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3. The body has a ceiling of 42 people and would like to increase it. The reviewers believe such an increase is warranted.
 4. The reviewers do not recommend any significant expansion of ITI's roles or responsibilities on the basis that its current size allows it to approach its mission in a flexible, accessible and non-bureaucratic manner.
 5. The reviewers recommend the establishment of an office in Dublin and that ITI has a presence in other parts of the South, perhaps in conjunction with existing commercial representative organisations.
 6. The body maintains that initial issues regarding "turf" have largely been settled. A stakeholder has suggested a tripartite event highlighting this understanding of roles to all interested parties, which seems, to the reviewers, a reasonable suggestion.
 7. An issue remains with ITI regarding participation in inter-agency projects. The reviewers recommend that ITI be accommodated where requested in inter-agency projects in which ITI demonstrates a practical interest and that ITI should be kept informed in a businesslike manner of the work of the other bodies in the enterprise development area.

TOURISM IRELAND

1. The reviewers note that recent moves have been put in place by Tourism Ireland to directly fund, in conjunction with NITB, a NI specific campaign for the GB market and the reviewers express the hope that such NI specific campaigns would continue as required by NITB under their MOU.
2. The reviewers consider that TI should have an advocacy role, working with NITB in advancing the case for an advanced programme of incentives for the development of the tourist product in NI.
3. It is suggested by the reviewers that a higher attendance rate from NI tourist product providers in tourist trade fairs is essential and that greater resources be given by NITB to the development and scheduling of press visits to Northern Ireland.
4. The reviewers recommend more resources be allocated to improving the sample size and selection of sample related to the NI tourism market to increase the information available on the tourist market in NI.
5. The reviewers consider marketing to the considerable Ulster Scots market in North America to be one drawing particular attention to Northern Ireland in the context of all-island marketing and hope such initiatives will continue.

WATERWAYS IRELAND

Requiring Legislative Change

1. The reviewers recommend that a 12 person executive board be appointed to direct its affairs.
2. The governing legislation provides that WI cannot dispose of property without ministerial consent. It is proposed by the reviewers that a de minimis provision would be appropriate.

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3. Concerns exist as to whether the legislation covering WI is sufficient to allow it to develop certain commercial applications of their property. The reviewers consider that an appropriate amendment might be considered to allay any concerns.
 4. Certain stakeholders expressed the wish for WI to manage additional waterways including Lough Neagh, the Corrib and Boyne Valley waterways. The reviewers see merit in such an approach.

Not Requiring Legislative Change

5. The reviewers recommend that the body be given flexibility, within its budget, to offer terms and conditions as needed when hiring engineers.

CROSS-CUTTING ISSUES

Requiring Legislative Change

1. The reviewers consider that the question of a co-ordinated parliamentary oversight for each Body could be streamlined.
2. In the South, the CEO of the body is given full delegation while in the North, there is a partial delegation to the CEO. It is appropriate that an accommodation could be reached.
3. We recommend that, at the conclusion of the first stage in the terms of office of the newly appointed board members, room be found to appoint new board members so that board turnover is staggered.
4. The reviewers recommend a written facility for the conduct of NSMC sectoral meetings for urgent and pressing matters only. It is understood that, under the “care and maintenance” arrangements in place during the suspension of the Assembly, such a facility existed.

Not Requiring Legislative Change

5. The reviewers feel the bodies should be able, in conjunction with the sponsoring departments to develop their own systems of working appropriate to their needs
6. It is recommended that in most decision areas, the departments should provide one joint decision to the body, in a timely manner as set out in a memorandum of understanding/service level agreement.
7. Sign off on annual business plans must be received in good time in the year previous to the plan.
8. The reviewers recommend that staffing and resourcing generally in the NSMC be examined to ensure that sufficient resources are available to deal with the growing amount of work related to sectoral meetings.
9. The reviewers recommend the putting in place of 3 year, multi-annual, rolling budgets for the bodies. This is essential because North and South Govt year-ends are different and the rigid financing-split can have a negative ratchet effect if triggered suddenly. Once the initial three year plan is agreed, funding for year four would then be agreed during year one, year five during year two and so on.

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10. The quantum of delegated expenditure levels of the bodies is very low in some instances and it is recommended that the limits be increased.
 11. The reviewers recommend the establishment of a centralised resource within the bodies themselves to deal with overlaps with legislation North and South.
 12. There are significant pay disparities at similar grades within the bodies. The reviewers would like to highlight this, and note that, in financial terms, the aggregate disparity is not large.
 13. The fact that staff pay in North South bodies remains directly linked to civil service rates may not be appropriate in the longer term. The role of the reviewers is primarily to highlight this issue.
 14. Staff subsistence and travel expenses differ within bodies. Although the issue is interlaced with the two taxation regimes, there may be some scope for improvement in the situation.
 15. It is recommended that the CEO's/Boards of the bodies have flexibility on the grading of staff within their overall budgets. The reviewers consider the requirement to have every single post within the organisation to require approval by both sets of sponsoring and finance departments to be particularly onerous.
 16. The reviewers recommend that management of the bodies have discretion on the level of starting pay offered to new staff.
 17. The reviewers recommend the re-engagement of a suitable firm of experts to advise on CEO pay and that this be repeated at appropriate intervals.