

Lead topic: Structural Funds	Sub-topic: Technical Cost of Regional Assemblies	Contact: <ul style="list-style-type: none"> • Gearoid O’Keeffe Ext: 5004 • Patricia Hennessy Ext: 5737
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- **The amount of €814,000 paid by means of grant-in-aid to the two Regional Assemblies for Technical Assistance exceeded the estimate provision of €650,000.**

- The estimate provision of €650,000 was divided between the two Regional Assemblies:

- €350,000 for the BMW Assembly; and
- €300,000 for the Southern & Eastern Regional Assembly.

As is customary, the 2014 profile of €650,000 was compiled by the two Assemblies in 2013 and was based on the normal day-to-day work they carry out as Managing Authorities for the 2007-2013 Regional ERDF Operational Programmes.

- However, during the course of 2014, **work on programme planning for the 2014-2020 round of the European Structural & Investment Funds**, including the development of Ireland’s Partnership Agreement and Operational Programmes, proved far more extensive than had originally been envisaged.
- This included the costs of engaging external expertise and managing the development of the needs analyses and ex-ante evaluations required under EU Regulations for each Regional Operational Programme. (The decision as to whether this would be done centrally or externally had not been confirmed when the profiles were finalised in 2013.)
- It also included the requirement for the Regional Assemblies to work closely with the Department of Public Expenditure & Reform and the European Commission on the drafting of Commission Regulations and on the development of the Irish Partnership Agreement and Operational Programmes. This gave rise to significant additional costs related to attendance at numerous meetings in Dublin and Brussels. These were essential to ensure that Ireland could submit its Partnership Agreement and Regional Operational Programmes for Commission approval in compliance with the Regulations.
- As a result of this, **additional once-off costs of €164,000 were incurred by the two Assemblies**, 50% of which may be reclaimed from the Commission.
- Notwithstanding the provisions of *Public Financial Procedures*, **the Department sanctioned a virement** to cover the excess expenditure on the grant-in-aid subhead. The sanction was conveyed in this case on the basis of the merits of the application and the availability of savings to facilitate it.
- The *Public Financial Procedures* manual is intended to guide Departments and public bodies in the appropriate and optimal management of public money. The situation outlined in relation to virement and grants-in-aid reflects an administrative rather than a legal requirement, and the **Minister for Public Expenditure & Reform has discretion to authorise or prohibit viring into a grant-in-aid subhead.**

