

## **South West Competitiveness ERDF 2010 Programme Review – What happened next?**

The 2010 Programme Review was commissioned to assess the continued relevance of the rationales behind the South West Competitiveness and Cornwall & Isles of Scilly Convergence European Regional Development Fund Programmes, determine whether the Programmes were on course to reach Programme targets, identify risks to delivery, review the effectiveness of governance and management arrangements and make recommendations for improved Programme performance. The Review was not a formal interim evaluation, but partners felt the work would usefully direct activity for the second half of the Programmes.

In broad terms the Review concluded that despite the economic upheaval and more recent administrative and institutional changes, the Operational Programme and associated strategic objectives remained valid for the remainder of the programme. The Review did not signal a need for any significant change to the programme's aims or objectives, or the overarching mission to transform the economy to a high value added economy where knowledge, environment and quality of life underpin sustainable economic growth.

The Review's recommendations focused on three areas of issues: Strategic Delivery; Targets and Management & Administration. The Programme Monitoring Committee reviewed the Recommendations and agreed the actions they wished to take in each case, not all Recommendations were accepted by the Programme Monitoring Committee and some Recommendations have been overtaken by events such as the transfer of direct management of the ERDF Programmes to DCLG following the demise of the South West Regional Development Agency (RDA). The minutes of the Programme Monitoring Committee meeting in October 2010 capture the discussion around the Recommendations. Agreed minutes are held on the Key Documents page of the Competitiveness section on the DCLG website.

In summary:

Delivery of Priority Axis 3 – partners deferred taking action whilst investigating the possibility of establishing a JESSICA fund, but once it was established there was insufficient time to put the mechanisms in place, partners looked at other solutions. Partners did not agree with the option to vire funds from Priority Axis 3 into other Priorities; however, following a detailed review of the Strategic Investment Framework (SIF) proposals, it was agreed that alongside delivery of proposals in the SIF areas there should be two open calls in 2012 for proposals in the wider Programme area, but not excluding the SIF areas.

Low Carbon – An analysis of investments at the end of 2010 established that 70% of Competitiveness projects fell within the definition of low carbon. The demise of South West RDA has meant that the Carbon Compass as a tool for the Programme has been lost, but the principles of the carbon triangle for categorising and monitoring carbon activity are still being used by the SW Programme Delivery Team.

Targets – the Review identified a number of areas where Programme targets would not be met. Partners decided not to reduce the targets and maintain the ambition, but the Local Management Committee and its sub-groups have reviewed detailed information relating to the targets and recognise the factors that have impacted on achievement, but overall contracted targets have fared better than predicted in the Review. Minutes of the Local Management Committee meeting of 11 October 2012 capture the discussion on targets and will be posted on the website once approved.

Match funding - match funding issues are kept under review, the Local Management Committee receives a Programme level update and risk rating for match funding at each meeting. The change in the role of Business Link led to the early closure of one business support project, but other investments that were not directly linked to Business Link and were funded through Regional Development Agency Single Pot funding are being supported with BIS funding until the end of the contract. Private sector match funding has been reported in the Annual Implementation Reports (see key documents). Other projects have come forward under the Business Technology Centre initiative that have brought match funding and are delivering against Priority 1 objectives. Overall sufficient schemes have come forward with match funding to draw down the full Priority 1 and 2 ERDF allocations.

Governance and Administration – the Recommendations in this area have been overtaken by the transfer of programme administration to DCLG. Programme Monitoring Committees have been replaced by Local Management Committees and DCLG have introduced a standardised ERDF process across all English ERDF Programmes in response to observations directly from the European Commission.

**South West Programme Delivery Team  
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