

Cornwall & Isles of Scilly Convergence ERDF 2010 Programme Review – What happened next?

The 2010 Programme Review was commissioned to assess the continued relevance of the rationales behind the Cornwall & Isles of Scilly Convergence and South West Competitiveness 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). Minutes of the Programme Monitoring Committee meetings in late 2010 and early 2011 capture the discussions around the Recommendations. Agreed minutes are held on the Key Documents page of the Convergence section on the DCLG website.

In summary:

Match Funding – there were a number of Recommendations referring to issues relating to match funding. The Local Management Committee (successor to the Programme Monitoring Committee) have agreed an amber risk rating for match funding and review the position at each meeting. BIS are managing contracts that had been awarded Single Pot funding prior to the RDA closing, Convergence had had a high level of early take-up of Single Pot as match funding, which lessened the impact of the loss of this pot as a future source. There are difficulties in obtaining bank finance, but a significant number of private sector proposals are going ahead and opportunities to use Regional Growth Fund as a source of match funding are being followed up. Partners agreed not to formally follow up the possibility of increasing the Programme level intervention rate as a means of decreasing the level of match funding required to draw down the entire ERDF allocation – the pipeline of activity indicated it was not necessary. If circumstances changed dramatically this would still be an avenue open to the Programme.

Low Carbon - The environment cross cutting theme is designed to ensure that programme investments support wherever possible the drive towards a low carbon economy. At the Programme Monitoring Committee workshop held in July 2010 it was clear that partners wished to retain a focus on low carbon initiatives. The 2010 Annual Implementation Report includes an analysis of low carbon activity within the Programme. To date the Programme has invested in transformational activity such as Wave Hub, linked to the Peninsula Research Institute for Marine Renewable Energy, which helped to secure Marine Energy Park status and an Environmental & Sustainability Institute, whilst premises are contracted to meet BREEAM Outstanding or Excellent standards. Cornwall Council is taking the lead on carbon capture mechanisms within the Programme area, which is intended to lead to data that will inform 2014-2020 Programmes.

Business Support activity – a high value high growth definition was devised by business support deliverers and those businesses qualifying as such are producing good GVA results. The Programme Monitoring Committee's response to the Recommendation to consider benefits for the third sector was to recognise the limitations upon direct support from ERDF to this sector, but challenge the Strategic Investment Framework to build in links to the European Social Fund activities, for example, and provide workspace that could be utilised by third sector businesses.

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. Minutes of the Local Management Committee meeting of 20 September 2012 capture this discussion and will be posted on the website once approved. The Review also recommended introducing carbon reduction targets, but partners felt this was too sophisticated for the Programme. Cornwall Council is taking the lead on carbon capture mechanisms within the Programme area, which is intended to lead to data that will inform 2014-2020 Programmes. Technical Assistance targets have not been introduced as no new contracts would be made and existing Technical Assistance investments either had Monitoring & Evaluation Plans or were delivering regulatory activity.

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.