

## Annex G – Ex Ante Summary

An Ex Ante Evaluation was undertaken as part of the development of the Cornwall and the Isles of Scilly Convergence Operational Programme. DG Regio's Indicative Guidance notes the purpose of ex-ante evaluation as being:

*"to optimise the allocation of resources and to improve the quality of programming. Ex-ante evaluation should be an interactive process whereby judgement and recommendations are provided by experts on the content of Programmes drawn up by those responsible for their composition. It should also be an iterative process whereby the recommendations of the experts are taken into account by the planners in subsequent drafts of different parts of Programmes".*

The ex-ante evaluation addressed a broad set of questions, including:

- does the Programme represent an appropriate strategy to meet the challenges confronting the region or sector?
- is the strategy well defined with clear objectives and Priorities and can those objectives be realistically achieved with the financial resources allocated to the different Priorities?
- is the strategy coherent with policies at regional, national (including the NSRF) and Community level; how will the strategy contribute to the Lisbon objectives?
- are appropriate indicators identified for the objectives and can the indicators and their targets form the basis for future monitoring and evaluation of performance?
- what will be the impact of the strategy in quantified terms?
- are implementation systems appropriate to deliver the objectives of the Programme?

Ex Ante Evaluation took place over a seven month period and reviewed a number of substantive drafts including:

- a first draft of the socio-economic analysis (September 2006).
- the consultation draft (November 2006).
- a second full draft (April 2007).
- a final draft (May 2007 plus selected subsequent additions).

The following pages present a summary of the substantive points raised at various stages, and the response to the by the key stakeholders.

Ex Ante Evaluation Comments	Response/Action
<b>Socio economic baseline</b> The evaluators considered that the first draft represented a useful starting point, making good use of local research and standard statistical sources. The initial document contained an approach that mixed analysis, assessment of the implications and policy prescription and it was suggested that it would be important to separate these into a more logical flow. There was also a tendency to advocate particular courses of action	As a result of these initial comments, the socio economic profile was substantially revised, with a greater emphasis on conclusion, and less focus on policy presentation. More time series data and benchmarks were included, as suggested by the Ex Ante Evaluation, and more information was included with regard to productivity and competitiveness. Major revisions were also undertaken with regard to the infrastructure and spatial analysis, and this further strengthened the analysis.

prematurely.	
<p><b>SWOT</b> Review of the November draft of the SWOT analysis identified the need for a substantial reworking. A Guidance Note was prepared in December 2006. A further review of the April 2007 draft found that there had been some considerable re-appraisal of the strategic issues since November although further improvements were required.</p>	<p>Substantial revisions were made as a result of the Ex Ante Evaluator's comments. The opportunities and threats were revised to reflect market led opportunities and challenges from external factors such as increased global competition. The strengths and weaknesses were focussed on issues clearly evidenced from the socio economic analysis or where independent evidence was available.</p> <p>The reviewed draft of the Programme made stronger links between the issues with regard to people, place and business identified in the SWOT and the proposed strategy.</p>
<p><b>Priority 1: Innovation and Research and Development</b> The Ex-Ante Evaluation identified that past programmes have not had a strong focus on supporting innovation and technology. In many cases, including Objective One, it was included within the SME support priority and was viewed as a means of increasing business competitiveness. However, specific objectives in relation to innovation were, on the whole, fairly vague.</p>	<p>The Ex Ante Evaluator's core point was that the Convergence Programme was putting forward a significant increase in resources focused on research and development. This was considered by stakeholders, and further work undertaken to emphasise key sectors with the potential for product development, as well as higher educational and research assets. The revised Priority more clearly identified the type of interventions and the balance between actions – stimulation of research, support or SMEs, provision of research facilities including innovation centres.</p>
<p><b>Priority 1: Innovation and Research and Development</b> The Ex-Ante Evaluators identified that there was a prevailing wisdom that the benefits to SMEs from technology and innovation support are medium to long term. It was pointed out that whilst this may be true for interventions that involve early investment in technology and science, the commercial application of technology should produce business outcomes – enhanced GVA, turnover, and employment fairly quickly.</p>	<p>This point is in line with current thinking within the region and there is a strong emphasis on product and process development, reflected in the Priority text and targets.</p> <p>The focus on more immediate benefits arising from product and process development was further emphasised in the proposal for a set on Innovation Centres, able to offer both incubation and facilities and support, and an out-reach services to working with existing businesses. The overall focus is on economic benefits which can be realised within the timeframe of the Operational Programme.</p>
<p><b>Priority 2 Enterprise and Investment:</b> The Ex Ante Evaluator provided substantial comments on business support at various stages. Points include the need for a better understanding of sectors; the need to clarify support under Priorities 1 and 2; and the potential overlap between Priorities 2 and 4 in terms of business accommodation.</p>	<p>Significant additional information was included in the final Programme with regard to the business base and sectors. The final Operational Programme reinforced the focus on sub sector, niches and clusters in a flexible manner taking account of potential.</p> <p>In terms of implementation, Priority 1 will focus on assisting companies with activities to commercialise ideas arising from innovation, research and development, and product and process improvement. The commissioning arrangements for investment will provide a clear demarcation between the Priorities.</p> <p>Priority 2 will support a workspace strategy for rural workspace, County wide, and therefore not as place specific as the approach adopted under Priority 4. In addition, Priority 2 may</p>

	support workspace linked to specific sectors or market failures, again not place specific, and likely to be of a more modest scale than the investment proposed under Priority 4. The removal of the placed based investment fund from Priority 4 has reduced the potential overlap.
<p><b>Priority 3: Transformational Infrastructure:</b> The Ex Ante Evaluator identified the need for a more detailed analysis with regard to transformational infrastructure.</p> <p>The Ex Ante Evaluator also suggested that there was a need to develop clear criteria on when it was appropriate to intervene, and a rationale for the types of interventions proposed.</p>	<p>More information was provided with regard to air travel, broadband and the CUC, drawing upon bespoke research and national research such as "Pipe Dreams? Prospects for Next Generation Broadband Deployment in the UK", 2007, Broadband Stakeholder Group and a recent evaluation of the economic impact of Newquay Cornwall Airport.</p> <p>More information has also been provided in terms of the characteristics of transformational infrastructure and detailed selection criteria was introduced into the Priority text.</p>
<p><b>Priority 4 Unlocking The Economic Potential of Place:</b> The Ex Ante Evaluation expressed a fundamental concern with regard to spatial targeting, and the role of agglomeration in knowledge economies. The broad coverage of potentially 18 centres was not considered to be sufficiently focussed to meet Programme objectives and partly linked to this point, did not concur with the Regional Spatial Strategy, and its focus on the three centres in the west of the County of Falmouth/Penryn, Truro and Camborne/Pool/Redruth.</p>	<p>The evidence in support of spatial concentration was concerned to be more relevant to urban conurbations, rather than the dispersed employment centres of rural economy. The stakeholders considered these issues at some length, and concluded that while the three centres prioritised in the RSS were important, the RSS highlighted their capacity to accommodate significant but not all of the forecast employment growth. The preferred approach was a disturbed employment base, more able to take account of potential and capacity, aligning with local and regional planning priorities, without centring on one or two super-centres.</p> <p>This approach included implicit spatial prioritisation through two strands, with a third strand more flexible in terms of location. This third strand was subsequently removed after discussion with the Commission.</p>
<p><b>Equal Opportunities:</b> in the case of Equal Opportunities, a good analysis of gender and other target groups is provided; proposals for addressing these groups need to be more strongly integrated in the Priority texts.</p>	<p>The original baseline and analysis was strengthened as a result of initial comments made by the Ex Ante Evaluator. Following comments on a revised draft, further work was taken to integrate Equal Opportunities within the Priority text. Each Priority was revised to include text with regard to the types of actions needed to support Equal Opportunities objectives.</p>
<p><b>Environment:</b> in the case of environmental sustainability, the Ex Ante Evaluator suggested cross referencing to the SEA Scoping Report further material to draw out the significance of the environment as a strategic asset, and strengthening the illustration of horizontal integration in some of the Priority texts.</p>	<p>The environmental information was strengthened as a result of the Ex Ante Evaluator comments, and the Operational Programme includes a point by point presence to the issues raised by the SEA. This includes any necessary actions, along with an indicative timetable. As with Equal Opportunities, further work was taken to integrate the Environmental Cross Cutting Theme within the Priority text. Each Priority was revised to include text with regard to the types of actions needed to support Environmental objectives.</p>