

Newsletter 30: 23rd November 2007

This is part of a fortnightly series of newsletters that will help explain the process and progression towards the Convergence Programmes for Cornwall and the Isles of Scilly. The newsletters will contain the most up to date information about Convergence as it evolves over the coming months. **Updated information will appear in bold blue type.**

Dear Colleague

UPDATE FROM THE MANAGING AUTHORITY

Operational Programme re-submitted

The re-submitted draft of the Operational Programme is with the European Commission and we hope to have it formally approved before the end of the year.

Available to download

The re-submitted draft is now available for download at www.objectiveone.com under 'Towards Convergence' and the final approved Operational Programme will also be posted here in due course.

Convergence will be different

As we approach the start of the ERDF Convergence Programme it is important to remember that the Programme is new and different. It will be delivered through a smaller number of larger investments all designed to make a big and long-term impact on the economy of Cornwall and the Isles of Scilly. At the moment it is envisaged that there will be limited opportunities for projects to bid directly into the Programme and all these investments will be very directly driven by the content of the Operational Programme. These will include investments that provide direct support to businesses.

The initial propositions for ERDF Convergence investment being considered by the Partnership are those that were outlined in the 3 August 2007 Convergence Newsletter (number 24).

**Phil McVey
Director of European Programmes
South West Regional Development Agency**



WHAT WE KNOW ABOUT CONVERGENCE

ERDF Operational Programme formally re-submitted	The revised draft of the Convergence ERDF Operational Programme for Cornwall and the Isles of Scilly has now been formally re-submitted to the European Commission for approval, which is expected in December 2007. It is now available at www.objectiveone.com under 'Towards Convergence'.
Management arrangements for Convergence ERDF	Managing Authority tasks for the ERDF Convergence Programme will be undertaken by the South West Regional Development Agency and a 'shadow' Programme Monitoring Committee (PMC) and 'shadow' Partnership Delivery Board (PDB) have been established to guide the development of the Programme. These structures will be formalised once the Programme goes live.
Commissioning	An important part of the Partnership Delivery Board's role is to develop the commissioning process which will enable the ERDF Convergence Programme to focus investment strategically. Commissioning teams have begun to identify and develop investments which partners believe have the potential to transform the economy of Cornwall and the Isles of Scilly. Once they have been tested and agreed the Programme will commission activity to implement the investments. The Convergence Programme will have fewer, but bigger investments than Objective One to focus on those activities which will make the most difference to Cornwall and the Isles of Scilly's economy.
Match Funding	Public sector match funding is expected to come from a combination of local, regional and national sources.
ESF Operational Programme approved	The national ESF (European Social Fund) Operational Programme – which was submitted to the European Commission in May - has now been agreed. It includes a ring-fenced allocation of ESF investment and specific priorities for Cornwall and the Isles of Scilly. It can be found at www.esf.gov.uk .
Management and delivery arrangements for ESF Convergence	The Managing Authority for the ESF Programme in England will be the European Social Fund Division (ESFD) of the Department for Work and Pensions, supported in this region by Government Office for the South West. A joint ESF / ERDF Programme Monitoring Committee will review the strategy and delivery of the Programme in Cornwall and the Isles of Scilly. Local Programme delivery will take place through the ESF Frameworks and co-financing plans, overseen by the Regional Skills Partnership.
Convergence ESF Framework	Cornwall and the Isles of Scilly's ESF Convergence Framework, which outlines plans for ESF investment in this area, reflects the needs of Cornwall and the Isles of Scilly and has been informed by Strategy and Action and aligned with the Cornwall Local Area Agreement. It can be found at www.swrsp.org.uk .
ESF Co-financing, tendering and procurement	ESF Co-Financing Organisations - the Learning & Skills Council and the Department for Work & Pensions (Jobcentre Plus) – are inviting tenders to deliver elements of the Programme, while Government Office for the South West is working with the Higher Education Partnership in Cornwall to develop a delivery plan for higher education activities supported by ESF. Full details of the tendering and procurement processes can be found on the South West Learning & Skills Council and Department for Work & Pensions websites: www.dwp.gov.uk/supplyingdwp/what_we_buy/notice_to_providers_esfopportunities.asp www.lsc.gov.uk/regions/SouthWest/esf/esfupdates

What activities will be eligible for ESF investment? **The national ESF Operational Programme has been finalised and investment priorities are described in it, with further details provided by the ESF Framework for Cornwall and the Isles of Scilly. Activities will focus on tackling barriers to work and raising the workforce's skill levels.**

Further information about the ESF Programme 2007-13 can be found at www.esf.gov.uk, as can the national ESF Operational Programme. The ESF Framework for Cornwall and the Isles of Scilly is available at www.swrsp.org.uk.

European investment in the Convergence Programmes

The table below summarises European investment in the Convergence Programmes. There is a 70:30 split between ERDF and ESF funding, compared to 75:25 in Objective One.

	£	€
ERDF	c. £311.4 m	c. €458 m
ESF	c. £133.3 m	c. €196 m
Total investment	c. £444.7 m	c. €654 m

The Objective One Programme

The Objective One Programme ran until 31 December 2006 and is followed by Convergence Programmes for the period 2007-2013. Their purpose will be to speed up the economic development of Cornwall and the Isles of Scilly.

Differences between Convergence and Objective One

- **Convergence will consist only of ERDF and the ESF.**
- **The rural and fisheries funds will become part of mainstream UK programmes with ring-fenced allocations for Cornwall and the Isles of Scilly.**
- **Investments will be commissioned by the Programme rather than projects bidding into it.**

National Strategic Reference Framework

The Convergence Programmes are underpinned by the National Strategic Reference Framework (NSRF) which outlines broad priorities, management arrangements and funding allocations for ERDF and ESF Programmes 2007-2013. It can be found at www.dti.gov.uk/consultations/page28796.html.

The role of Strategy and Action

Strategy and Action – the overarching economic regeneration strategy for Cornwall and the Isles of Scilly - informs the ERDF and ESF Convergence Programmes, which will not be able to do everything in Strategy and Action, but will be able to invest in some of it.

The Lisbon Agenda

European and UK economic regeneration policy is increasingly being driven by the Lisbon Agenda where the EU set itself the goal of becoming the most competitive and dynamic knowledge based economy in the world, in response to intensified competition.

Lisbon targets

The Convergence Programmes will need to clearly show how they are contributing to the Lisbon Agenda – this will mean a significant increase in emphasis on business competitiveness and productivity, innovation and a more knowledge based economy. The draft Operational Programme submitted to the European Commission suggests a target of c. 80% of the Convergence Programmes to meet the objectives of the Lisbon Agenda.

Rural Programme

The draft Rural Development Programme for England (RDPE) 2007-13 has been submitted to the European Commission for negotiation and can be found at www.defra.gov.uk/erdp/rdp07_13/index.htm. It has a budget of

approximately £3.9bn and Cornwall and the Isles of Scilly has an allocation of c. £55m (EU investment plus match-funding from the Department for the Environment, Food and Rural Affairs).

The revised Regional Implementation Plan, detailing investment plans for the South West and Cornwall & the Isles of Scilly, will soon be available from the South West Regional Development Agency's website www.southwestrda.org.uk.

- Local Action** Pre-commissioning work has started to identify potential projects and Local Action (Axis 4 of the rural programme, focusing on community action to improve quality of life and economic prosperity) was launched on 1 November 2007. Interested communities now have a target date of 31 December 2007 to submit an expression of interest to the South West RDA.
- Further information** For further information about Local Action , please refer to: www.southwestrda.org.uk/what-we-do/regeneration/eafrd/community-led-develo.shtm.
- Additional information about the rural programme can be found at: www.objectiveone.com under 'Towards Convergence', www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm and www.defra.gov.uk under 'Rural Affairs'.
- Fisheries Programme** Work is underway in the Marine Fisheries Agency (MFA) to develop a European Fisheries Fund (EFF) Operational Programme which will be subject to consultation before approval by the EU. A 'Convergence' allocation will guarantee a level of funding for Cornwall and the Isles of Scilly.
- Further information can be found in the European Cohesion Policy Update which covers all Programmes: www.southwestrda.org.uk/what-we-do/policy/european-funding-pos.shtm.

WHAT WE DON'T KNOW ABOUT CONVERGENCE

- What activities will be eligible for ERDF investment?** **Details of the activities which will be supported by the ERDF Convergence Programme can be found in the ERDF Convergence Operational Programme. It may still be revised a little as it has not been approved yet, but its Priority Axes outline areas for investment. Please see Section 6 of the Operational Programme for further details, which can be found at www.objectiveone.com/O1htm/01-convergence/recentnews.htm.**

More detailed information about Convergence, links to key organisations and websites can be found in the 'Towards Convergence' section of the Objective One website www.objectiveone.com.