

Newsletter 26: 21st September 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

Developing the Programme

Whilst discussions with the European Commission on the revised draft Convergence ERDF Operational Programme are continuing, the important focus locally remains on developing the areas for early Programme investment which were reported in edition 24 of this newsletter. These include providing support for the development of enhanced business productivity, new business opportunities and start ups, and boosting the connectivity of Cornwall and the Isles of Scilly.

Workshop

This work is being taken forward on behalf of partners by a number of commissioning teams. Following the success of an event held in June, a further practitioner workshop is being planned to explain changes in the Operational Programme as a result of the negotiations as well as to explore the Lisbon focus of the Programme and what it means for commissioning and delivery.

Governance structures

In addition, work is continuing to make sure we have the right governance structures in place to be able to deliver the Convergence Programme with maximum effect. Feedback from partners and stakeholders reflects a strong desire to see all European Programmes working closely together and this is being reflected in the emerging structures that will be considered by the 'shadow' Programme Monitoring Committee (PMC) which is due to meet next week. Once the Operational Programme is approved by the European Commission this will become a formal PMC and will include membership from across the public; private; and community and voluntary sectors. A summary of its discussions will be available in the Towards Convergence section of the Objective One website.

**Phil McVey
Head of European Programmes
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WHAT WE KNOW ABOUT CONVERGENCE

ERDF Operational Programme update	Following negotiations the Convergence ERDF Operational Programme for Cornwall and the Isles of Scilly has been informally re-submitted to the European Commission, awaiting feedback. It will then be formally submitted for approval.
National Strategic Reference Framework approved	The UK's National Strategic Reference Framework (NSRF), detailing priorities and plans for Cohesion Policy 2007-13, has been approved by the European Commission. The NSRF describes how UK authorities plan to invest €9.9bn over seven years in line with the Lisbon Strategy for growth and jobs. The NSRF proposes 22 programmes, including Cornwall and the Isles of Scilly's Convergence Programmes which are expected to be agreed by the Commission in the autumn. More information is available at www.europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1195&format=HTML&aged=0&language=EN&guiLanguage=en
Report on ERDF Convergence consultation	A report collating responses to last year's consultation on the ERDF (European Regional Development Fund) Convergence Operational Programme has now been published. The responses informed the final draft of the Operational Programme which was submitted to the European Commission in May for negotiation. The consultation report can be found at www.objectiveone.com under 'Towards Convergence'.
Convergence ERDF Operational Programme submitted	Negotiations to finalise the Convergence European Regional Development Fund (ERDF) Operational Programme, which outlines future ERDF investment in Cornwall and the Isles of Scilly, are expected to end in the autumn, allowing the Programme to 'go live'. The draft Operational Programme can be found at www.objectiveone.com under 'Towards Convergence'.
Management arrangements for Convergence ERDF	The South West Regional Development Agency will carry out Managing Authority tasks for the ERDF Convergence Programme. A 'shadow' Programme Monitoring Committee (PMC) and 'shadow' Partnership Delivery Board (PDB) have been established.
Commissioning	To achieve a smaller number of more strategic investments, some will be commissioned. The commissioning process is being developed by the Partnership Delivery Board and the Programme Monitoring Committee.
Match Funding	Public sector match funding for the ERDF Convergence Programme 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. The final version of the ESF Operational Programme can be found at www.esf.gov.uk .
ESF consultation & Government response	The Government's response to the consultation on the England ESF Programme (held 30/10/06 – 22/1/07) summarises stakeholders' responses, the Government's position and modifications made to the draft Operational Programme in light of stakeholders' views. It can be found at www.esf.gov.uk .
Management arrangements for Convergence ESF	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 the region by Government Office for the South

West. It is proposed that a combined ESF / ERDF Programme Monitoring Committee will review the strategy and delivery of the Programme in Cornwall. Delivery of ESF Convergence will take place at local level through the ESF Frameworks and co-financing plans overseen by the Regional Skills Partnership. Cornwall and the Isles of Scilly will have its own ESF Framework and committee.

Convergence ESF Framework

The ESF Convergence Framework has been developed for Cornwall by partners in Cornwall, including the Regional Development Agency, Cornwall County Council, the Learning Partnership, Cornwall Voluntary Sector Forum, Cornwall and the Isles of Scilly Economic Forum, the Trades Union Congress and the private sector. This Framework reflects the needs of Cornwall & the Isles of Scilly and has been informed by Strategy and Action and aligned with the Cornwall Local Area Agreement. The final European Social Fund (ESF) Framework for Cornwall and the Isles of Scilly, outlining more detailed plans for ESF investment in the region, can be found at www.swrsp.org.uk.

ESF Co-financing, tendering and procurement

Co-Financing Organisations' Plans will need to be submitted to Government Office for the South West by the end of September for approval by October. Full details on the tendering and procurement processes can be found on the South West Learning & Skills Council and Department for Work & Pensions (Jobcentre Plus) websites; including dates and, in due course, the full tender specifications. www.dwp.gov.uk/supplyingdwp/what_we_buy/notice_to_providers.asp www.lsc.gov.uk/regions/SouthWest/esf/esfupdates/

European investment in the Convergence Programmes

	<i>£</i>	<i>€</i>
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

There is a 70:30 split between ERDF and ESF funding. In Objective One 75% was allocated to ERDF and 25% to ESF.

The Objective One Programme

The Objective One Programme ran until 31 December 2006 and will be 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.

NSRF published

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 and has now been approved by the European Commission.

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.

Rural Programme

The draft Rural Development Programme for England (RDPE), outlining European Agricultural Fund for Rural Development (EAFRD) investment 2007 to 2013, has been submitted to the European Commission for negotiation and can be found at www.defra.gov.uk/erdp/rdp07_13/index.htm. The rural programme in England 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 Defra). Further information can be found at www.objectiveone.com under 'Towards Convergence'.

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

The European Cohesion Policy Update covers all Programmes: www.southwestrda.org.uk/what-we-do/policy/european-funding-pos.shtm.

Rural Programme:

www.southwestrda.org.uk/what-we-do/regeneration/eafrd/introduction.shtm and www.defra.gov.uk under Rural Affairs.

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.

WHAT WE DON'T KNOW ABOUT CONVERGENCE

What activities will be eligible for funding?

Detailed priorities for Cornwall and the Isles of Scilly are contained in the ERDF Operational Programme, which is in the final stages of development and negotiation with the European Commission.

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