

**REPORT ON THE CONSULTATION
ON THE DRAFT ERDF OPERATIONAL PROGRAMME
20 November 2006 – 16 February 2007**

Consultation Process

Introduction

A total of 63 formal replies were received as part of the consultation process, including responses from different elements or units of larger organisations. These submissions were in addition to the feedback provided at the three major consultation events (combined attendance of circa 300) and the 28 Task and Finish Groups held between August 2006 and February 2007. In total it is estimated that between 200 and 300 people were involved in the consultation and development process

The formal respondents included the number of the local authorities, locally based delivery agencies, national agencies, environmental organisations and a number of individuals. A list of the respondents follows this brief summary. The formal response added to the considerable feedback at the major briefing events. At each event, various break out groups were held, allowing subjects to be discussed in depth.

The draft Operational Programme issued in November 2006 was substantially amended as a result of the feedback from the consultation process. These include a re-design with regard to economic infrastructure and placed based regeneration, as well as changes in terms of emphasis and content in all of the Priorities.

COMMENTS ON THE DRAFT ERDF OPERATIONAL PROGRAMME

Strategic Framework

The majority of the consultees were happy with the strategic framework and there was a general support for setting an ambitious agenda. There was a very strong endorsement overall of the low carbon and environmental emphasis within the Programme. The environmental and carbon themes were regarded as a distinctive feature with regard to Cornwall and the Isles of Scilly, although there was a greater debate on the appropriateness of setting carbon neutrality as a target.

A significant number of respondents stressed the importance of emphasising the strengths of Cornwall and the Isles of Scilly in terms of culture, identity and environment; and emphasised the importance of keeping Cornwall and the Isles of Scilly as a special place.

There were a number of points raised in terms of the content within which the Programme had to operate and take account of, and the distinctiveness of Cornwall and the Isles of Scilly. These included a belief that culture and creativity were important in both defining Cornwall, and as drivers of change. There was a belief that creativity should be a cross cutting theme within the new Programme. The role of creativity and design is important in the context of Priorities 1 and 2, with a major proposal to develop a Design Centre at the Falmouth University College

one of the proposed CUC investments. Creative and cultural industries are likely to benefit from targeted business support given the growth trajectory for employment.

Creativity, knowledge and enterprise cut across all aspects the Operational Programme, and are key factors in raising business productivity. The focus on creativity under Priority 1 is in addition to any work with creative and digital industries which will be supported under Priority 2. Although there is an overlap between cultural and creative industries, the operational phase of the Programme is likely to distinguish between these sub sectors to take account of Lisbon categorisation.

The emphasis on culture and identity were further emphasised in later iterations of the document, as key factors which influence all types of developments and initiatives within Cornwall. These changes reflected the desire of a number of residents to ensure that the Programme was not a generic, could be anywhere economic development plan.

Priority Axis 1: Innovation, Research and Development

There was a strong support for Priority 1 overall. The most significant points were on the focus for the Priority. There was very strong support for environmental technologies and renewable energy and the potential for Cornwall and the Isles of Scilly to play a major role in developing this sector. There were however a number of responses which were concerned about the size of the sector or over reliance on it. These comments have been reflected in the revised document, where the financial allocations have been weighted towards the other strands.

There were a number of responses made with regard to ensuring that innovation was not over focussed on Higher and Further Education. These responses pointed out the potential for a wide range of organisations, business and individual to contribute to innovation. This has been reflected in the revised Operational Programme with a significant financial allocation to the strand working directly with SMEs, rather than through HE intermediaries. This reflects the feedback on the importance of process and product innovation within businesses.

There was strong support for Proof of Concept funds, as a means of commercialising research.

Other important points related to the potential for health related opportunities and the role of creativity in the innovation process. With regard to health related opportunities, the Peninsula Medical School and MediPark along with the scale of the wider health sector were identified as major opportunities to develop innovative new products and process. The feedback on creativity was centred on the need to capitalise on the business and people base already active in Cornwall and the Isles of Scilly.

The final Operational Programme makes provision for the further development of research centres, including three Innovation Centres. One of the Innovation Centres is likely to specialise in design and related activities relevant to innovation.

Priority Axis 2: Enterprise and Investment

Comments on Priority 2 were positive; although there were a considerable number of points made with regard to particular elements of the Priority and matters regarding effective delivery. There were two major themes which emerged from the responses received. These were enterprise culture and environmental technologies and renewable energy. The need to improve the enterprise culture was mentioned by a high proportion of respondents, including both

working with young people and more broadly in terms of higher growth companies, with less reliance on micro businesses. Although there is a relatively high start up rate in Cornwall and the Isles of Scilly, comments related to the need to raise the ambition of young people and to a lesser extent high growth companies.

The environmental technologies and renewable energy received very positive endorsement from many respondents (as it did under Priority 1). In part, the strong support for these sectors related to the high response rate from organisations with an interest in the environmental theme. As noted under Priority 1 there was a cautionary response from a number of individuals/organisations on the danger of expecting too much from a relatively small sector, and the need to avoid prioritising one sector over others.

There was considerable feedback with regard to sectors. A number of respondents highlighted the potential of particular sectors. These included marine and marine engineering, creative and culture, and health and bio-medical. A number of respondents highlighted the potential and scale of health as a business sector for both Priority 2 and Priority 1 with regard to innovation.

The feedback and consultation process raised a number of concerns with regard to the rural economy and the need to avoid overly-focusing on the large towns and settlements. The importance of rural related sectors such as food and drink, as well as the many knowledge based business based in rural areas, were highlighted as offering opportunities for further growth. The revised Operational Programme identifies a rural workspace programme as an important element of realising rural business potential, the decision not to focus solely on the larger end of the SME base has helped to ensure that rural business will gain full access across the Programme.

The revised Operational Programme included a much stronger sectoral analysis than earlier drafts, reflecting the need to draw out those sectors with economic potential and strengths. The inclusion of high growth strand has been accompanied by further provision for targeted initiatives, likely to be more relevant to some sectors and specialist niches.

A number of respondents raised the importance of Cornwall as a brand, with many positive features associated with the name. Priority 2 has specific provision for the marketing of Cornwall and the Isles of Scilly as one of the key strands of activity.

There were a number of comments on various aspects of Priority 2 such as access to finance, marketing and other types of support. These supported the Priority 2 approach of identifying a broad range of support, rather than focussing on a narrow set of support actions.

Priority Axis 3: Transformational infrastructure

There were a number of issues raised with regard to economic infrastructure and place based regeneration. The main theme from respondents was for sustainable development, with better connectivity including public transport. A number of respondents flagged up the importance of public transport as a means of allowing people access to jobs and as a factor in reducing congestion around key towns.

The Airport was regarded as an important component of improving external connectivity, although this was accompanied by concerns about the environmental consequences of increasing air travel. The revised Operational Programme further strengthened the baseline

data with regard to the Airport and also featured a greater emphasis on sustainability in terms of transport.

There was strong support for the digital strand and this reflects the success of **actnow**. The potential for digital technology to allow people to work at home, and to allow businesses to access markets was considered to be particularly relevant to Cornwall and to rural parts of Cornwall and the Isles of Scilly. The need to guard against a digital divide was also mentioned. The revised Operational Programme provided a more comprehensive analysis of broadband and its potential, and the danger of falling behind other regions. It also incorporated an element in supporting the take and use of the technology reflecting points raised in the consultations to focus of the outcomes of the technology, rather than solely focus on the provision of the infrastructure.

Priority Axis 4: Unlocking the Economic Potential of Place

The feedback with regard to placed based regeneration, which subsequently was re-organised in to Unlocking the Economic Potential of Place, focussed on the dangers of focusing on a limited number of locations, at the expense of other key towns and smaller settlements. There was concern expressed by a number of respondents that focusing on the large towns was inappropriate and would fail to distribute benefits evenly across Cornwall and the Isles of Scilly. Reference was made to the distributed settlement pattern and the need to avoid focusing on towns where growth was already well established.

A further point raised by a number of respondents was the dangers of leaving out smaller settlements, particularly those in more rural areas. A number of respondents identified some smaller settlements with growth potential or where new investment was required.

In the light of the feedback and other discussion, three new strands of intervention were developed for this Priority. The focus on Camborne Pool Redruth and St Austell acknowledges the major challenges facing these two areas, and some respondents specifically mentioned the likelihood of employment decline in traditional industries. The second and third strands proposed a more distributed investment pattern, based on some larger towns, although this was not an exclusive list. Provision was also made for more specific one off investments in the Placed based Invent Fund, and further flexibility has been included through the potential to invest in workspace under Priority 2.

Additionally, the final Operational Programme strengthened the workspace support available under Priority 2 for rural workspace, to ensure that investment was able to support new economic activity across Cornwall and the Isles of Scilly.

Equal Opportunities: there was a general endorsement of the Equal Opportunities approach, although very few detailed comments compared to other aspects of the Operational Programme, notably the environmental theme.

Environment: There was a very strong endorsement for the proposed approach and the role of the environment in the programme. A number of comments noted the wider environmental issues in addition to the focus on climate change and carbon. The need to protect the physical environment and Cornwall and the Isles of Scilly's heritage assets were mentioned by a number of respondents

The term carbon neutrality generated a mixed and often passionate response, although the difference in views was about what was possible, rather than the relevance of carbon reduction. There was strong support for including carbon neutrality as a core objective, both to establish Cornwall as a leader in the field, and to ensure that economic growth was tempered by the need to address the very serious concerns around climate change. The other major view was the need to set objectives which could be met and which would not restrict growth, while at the same time setting new and higher standards in terms of arising climate change issues.

The overall focus was on delivering an approach which was ambitious yet achievable, and most importantly was flexible and able to respond to the changing nature of the agenda.

The final Operational Programme takes account of the views of respondents by ensuring that the environmental theme does not focus solely on climate change, and including a carbon objectives, but moving way from an immediacy with regard to carbon neutrality. This latter approach strikes a balance between the differing views of respondents, while maintaining a very high priority with regard to carbon emissions.

Cornwall Medipark	Newquay For Excellence Training
Cornwall Care	University College Falmouth
Restormel Borough Council	Objective One Partnership Office
Cornwall County Council (multiple)	Helium International
Callington Town Council	Laurie Piper (Individual Response)
Cornwall Area of Outstanding Natural Beauty Partnership	Third Phase Limited
Department of Trade and Industry	Royal Society for the Protection of Birds
Peninsula College	Creative and Cultural Sector
Cornwall Enterprise	Caradon District Council
Met Office	Inclusion Cornwall (c/o Jobcentre Plus)
The Learning Partnership for Cornwall & Isles of Scilly	Cornwall Aerospace Defence Initiative group of companies
Cornwall Marine Network	The Wildplace
Barclays Corporate	Cornwall Film
North Cornwall District Council	Jack Aitken (Individual response)
University of Exeter	Kerrier District Council
Cornwall Arts Centre Trust	British Telecom
Taste of the West in Cornwall	Business Link
South West Regional Development Agency (Policy Europe)	Cornwall & Isles of Scilly Primary Care Trust/Cornwall County Council Public Health Department
Truro College	Environment Agency
Barbara Ellenbroek (Individual response)	Eden Project
Cornwall & Isles of Scilly Economic Forum	Cornwall Agricultural Council
Renewable Energy Office for Cornwall	Organic South West
Community Energy Plus	Truro College
English Heritage SW	Falmouth College
UK Trade and Investment	Cornwall Destination Management Organisation
South West Regional Assembly	St Austell Brewery
University College Falmouth	Rural Cornwall & Isles of Scilly Partnership
Environment Kernow	Penwith District Council
Education Business Partnership	Cornwall Sports Partnership
Tate St Ives	Bert Biscoe (Individual response)