Cornwall and Isles of Scilly 2007 - 2013 ERDF Convergence Programme

Thematic Evaluation

Overview Report

April 2015

Cornwall and Isles of Scilly 2007-2013 ERDF Convergence Programme evaluation supported by ERDF Convergence through the Convergence Support Team project, Cornwall Council and Cornwall and Isles of Scilly Local Enterprise Partnership
Cornwall and Isles of Scilly 2007 - 2013 ERDF Convergence Programme

Thematic Evaluation

Overview Report

May 2015

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1 Introduction

1.1 Purpose

AMION Consulting, ICF International and Spirul were appointed by Cornwall Council on behalf of the Convergence Programme Local Management Committee (LMC) to undertake a thematic evaluation of the Cornwall and Isles of Scilly 2007-2013 European Regional Development Fund (ERDF) Convergence Programme. The evaluation results provide information that will assist reporting to the European Commission and help to inform design and delivery of the 2014-2020 European Structural and Investment Funds (ESIF) Programme.

The evaluation has been structured to focus on exploring the impact and difference that the programme has made, and its cost-effectiveness, in the following four thematic areas:

- business support;
- innovation and research and development;
- workspace; and
- transport infrastructure.

In addition it has explored a number of more qualitative and process-related issues in the above areas plus two further thematic areas, namely:

- regeneration / place-based interventions; and
- environment.

A number of evaluations of the Programme have been previously undertaken (notably an ex-ante Evaluation and a Mid Term Evaluation) and have informed the current work. In addition there are a number of significant existing project evaluations - such as the Superfast Broadband evaluation, the Innovation Centres evaluation and the Priority 4 Strategic Investment Fund (SIF) evaluation.

It was agreed that the thematic evaluation would not duplicate these but would cross-refer where appropriate.

The evaluation was overseen by a Steering Group which comprised representatives from the Cornwall and Isles of Scilly Local Management Committee\(^1\), Department for Communities and Local Government (DCLG), Cornwall Council and the Council of the Isles of Scilly.\(^2\)

1.2 Approach

To inform the evaluation a range of data and evidence has been sourced, collated and analysed from a variety of sources, both primary and secondary. This has included:

\(^1\) Who in turn represent the Environment Agency, the Voluntary and Community Sector and Cornwall Council

\(^2\) The Evaluation was funded through the Cornwall Council Convergence Support Team Technical Assistance project
• performance monitoring data returned to DCLG with detailed results, spend, outputs and outcomes for each project in receipt of funding from the programme. This information was tabulated by Priority but was re-sorted to enable analysis by theme;

• detailed information relating to each project - including the original business cases and project appraisals. In some instances this has also included existing evaluation evidence;

• extensive consultations with strategic partners and programme delivery organisations - initially to inform the evaluation process and develop an understanding of the programme and subsequently to explore key evaluation issues for each theme – such as the impacts and additionality of interventions, the relevance of activities, programme linkages, the factors affecting performance and the effectiveness of management and delivery processes;

• surveys of business beneficiaries based on a structured sample of businesses according to type of support received and other characteristics. A total of 354 business surveys were completed. A survey of 111 comparator businesses was also undertaken. Questionnaires were tailored according to the type of support received and explored a range of issues in relation to initial engagement processes, effectiveness and relevance of delivery, the impacts of support and business characteristics and performance;

• case studies of specific projects to highlight aspects of performance and best practice by theme. These included interviews with project staff and other stakeholders as well as more detailed data reviews; and

• econometric analysis of business performance data to supplement survey and other evidence by examining whether a ‘Programme effect’ in terms of a differential in business performance can be identified from published data sources (extracted from the secondary data sets held within the ONS Virtual Microdata Laboratory - VML).

Significant difficulties were encountered both in establishing a suitable comparison group and in undertaking the econometric analysis using secondary data. The major issue was the problem in establishing comprehensive data on which businesses have been assisted and when. Difficulties were also encountered in matching the data within the VML records which further reduced the size of the sample which was eventually available for the econometric analysis. The results of the control group survey and the econometric analyses are reported in the Business Support Theme Report³.

The econometric analyses do suggest that the support which was provided to firms in 2008 and 2009 did have statistically significant impacts on the growth in their turnover but no such impacts are evident in relation to the assistance provided in later years. Assistance provided in 2008, 2010 and 2013 but not in other years apparently had significant positive effects on employment in the assisted businesses. Given the small samples available for analysis, the validity of these findings is though a matter of speculation.

³ ERDF Convergence Programme - Thematic Evaluation: Business Support Theme (April 2015)
1.3 Report contents

This report continues in the following sections:

- Section 2 - The Programme – a summary of the Programme’s structure, management and delivery arrangements and headline performance to date;
- Section 3 - Business support;
- Section 4 - Innovation and research and development;
- Section 5 – Workspace;
- Section 6 - Transport;
- Section 7 – Regeneration;
- Section 8 – Environment; and
- Section 9 – Summary of lessons for the future.
2 The Programme

2.1 Programme structure

The Convergence Programme for Cornwall and the Isles of Scilly 2007 - 2013 succeeded the previous Objective One Programme and has funding of €458.1 million from the ERDF and €196 million from the ESF.

The overall programme objective set out in the Operational Programme was:

‘To establish the momentum for transforming the economy to a high value added economy where knowledge, environment and quality of life underpin sustainable economic growth.’

There are also four operational objectives. These are to:

- transform the economy to a more knowledge based, high value added economy with a broader range of sectors, and a reduced dependence on low paid jobs;
- increase the range and quality of employment opportunities available to the community;
- manage economic growth in a sustainable manner; and
- take a leading role in investing in the drivers of a low carbon economy, including increased carbon literacy, overcoming market failure, and accelerating technological change.

The Programme was structured according to four ‘Priority Axes’ (or Priorities). These were:

- Priority 1 – Innovation and Research & Development - to enable Cornwall and the Isles of Scilly to compete as a centre for creativity, innovation and research and development.
- Priority 2 – Enterprise and Investment - to re-structure the economy to one with a higher proportion of high value added businesses, underpinned by more productive businesses across the business base.
- Priority 3 - Transformational Infrastructure - to develop a limited number of large investments that will provide a platform for a step change in economic performance.
- Priority 4 Unlocking the Economic Potential of Place – to accelerate the regeneration of Camborne Pool Redruth and St Austell and the Clay Country and develop the sustainable economic capacity of key towns.

2.2 Programme management and administration

The ERDF Convergence programme is managed at a national level by the DCLG. There is a local DCLG Convergence Team which includes case officers for each of the Priority Axes and officers working on integration of the environment and equality and diversity cross cutting themes (CCT).
Local partners are brought together through an ERDF Local Management Committee (LMC)\(^5\) which is chaired by DCLG and includes representatives from Cornwall Council, Council for the Isles of Scilly, private sector, community and environmental sectors, trade unions and the European Commission. The LMC\(^6\) is responsible for overseeing strategy and delivery of both the ERDF and ESF programmes. The LMC has been supported at various points by:

- the Partnership Delivery Board (PDB) which oversees the day-to-day management of the programmes (e.g. shaping frameworks, identifying appropriate delivery methods and agreeing key commissioning opportunities);
- commissioning teams that have been established to develop projects through the commissioning process;
- the Endorsement Advisory Group (EAG) – which considers project applications (along with the recommendations from appraisals) and makes recommendations to the LMC on whether to offer support or not; and
- cross programme advisory groups for environmental sustainability and equality and diversity CCTs which work to ensure that the Programme’s objective with regard to the cross cutting themes are upheld.

Ad hoc working groups were also established to focus delivery within parts of the programme. The structures and arrangements for overseeing and delivering the Convergence Programme have changed significantly over the programme period. For example, before it was abolished in 2012 the South West of England Regional Development Agency (SWRDA) acted as an Intermediate Body for the Managing Authority.

Technical Assistance from the Convergence programme was used to fund the costs of programme administration. This is currently used to fund (inter alia) a Convergence Support Team based in Cornwall Council. The application of Technical Assistance is currently subject to a separate evaluation.

As the Managing Authority DCLG is responsible for all processes from pre-commissioning through to paying claims and final evaluation and ensuring clear segregation of duties between project development, selection and delivery, appraisal, claims payment and monitoring requirements.

A commissioning approach, managed by the PDB was adopted to allocate funding with a view to making fewer, more strategic investments. Where necessary pre-commissioning and preliminary work was also undertaken to determine whether a proposal was viable before it could move into the full commissioning phase. At the end of the commissioning phase a full business plan was submitted alongside the ERDF application form which was then appraised by DCLG before being considered by the relevant EAG which made recommendations for funding to the LMC.

An Annual Implementation Report (AIR) was produced each year providing details of achieved and expected programme expenditure and outputs and incorporating a review of management and

\(^5\) Note: this group was called the Programme Management Committee (PMC) from 2008-mid 2011 and the Local Management Committee (LMC) thereafter

\(^6\) PMC then became LMC
delivery issues encountered. Following endorsement by the PMC, the AIR was submitted to the European Commission for approval.

The institutional, policy and economic context changed substantially during the Convergence Programme period. The global financial crisis of 2007 – 2008 resulted in a global recession and contributed to the sovereign debt crisis. The Programme was therefore delivered in a very difficult (and different) economic climate to that in which the Operational Programme was formulated. In addition, the Unitary Cornwall Council was created and the Government Office for the South West and SWRDA were closed during the Programme period.

2.3 Overall performance

Table 2.1 compares the currently projected performance\(^7\) of the Programme\(^8\) with the targets originally set in the Operational Programme. In terms of outputs, it demonstrates a relatively strong performance with regard to the numbers of new businesses assisted and the involvement of businesses with the knowledge base and in collaboration around research and development (R&D). Overall business assists are however down on targets. There has also been a significant underperformance in terms of sites and premises provision. The uncertain economic climate over much of the Programme period will have been a significant factor – particularly as the targets were based on what have subsequently proved to be optimistic economic forecasts.

The main feature of the table is however the significant projected under-performance of the Programme in achieving its target results regarding jobs, Gross Value Added (GVA)\(^9\) and private sector investment. A number of factors are at work here:

- the shortfall in workspace / site provision and a shift towards infrastructure projects which lack direct outputs. Moreover a lot of contracted activity is only beginning to report jobs results and it is likely that achievement will be beyond Programme reporting timescales for many projects;
- the Operational Programme target was set when it was assumed that private sector funding could not be used as match. As the Programme has been able to use significant private sector match, it has been achieving intervention rates below the Programme target but with the consequence that the level of induced private sector investment is lower than anticipated; and finally, and probably most significantly; and
- the targets were set at a time when there was a far more buoyant economic climate than pertained for much of the Programme.

The following sections include an assessment of performance for each theme.

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\(^7\) Based on November 2014 achieved and forecast data.
\(^8\) The focus of the analysis in this section is on those projects included that have been agreed with the Convergence Evaluation Steering Group as being within the thematic scope of this evaluation and therefore excludes a number of projects including technical assistance funding, Cornwall Next Generation Broadband Delivery Management, ICT Digital Infrastructure, HE Central Team (continuation funding), HE Interim Funding for CUC Central Team, CPR Skills Infrastructure, CUC SIF Tremough Shared Space, Penwith College and a number of others.
\(^9\) GVA is a measure of the economic value of goods and services produced in an area. It is defined by the Office for National Statistics (ONS) as “...the difference between the value of goods and services produced and the cost of raw materials and other inputs which are used up in production”.
### Table 2.1 Programme Performance to Date

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Contracted (a)</th>
<th>Achieved (b)</th>
<th>Forecast (c)</th>
<th>Achieved+ Forecast (d) = (b) + (c)</th>
<th>Relevant OP targets (e)</th>
<th>Surplus / Shortfall (f) = (d) - (e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of businesses assisted to improve their performance</td>
<td>5,434</td>
<td>3,450</td>
<td>1,054</td>
<td>4,504</td>
<td>6,440</td>
<td>-1,936</td>
</tr>
<tr>
<td>Number of new businesses assisted</td>
<td>953</td>
<td>1,174</td>
<td>83</td>
<td>1,257</td>
<td>910</td>
<td>347</td>
</tr>
<tr>
<td>Number of environmental goods and services businesses assisted</td>
<td>572</td>
<td>405</td>
<td>41</td>
<td>446</td>
<td>630</td>
<td>-184</td>
</tr>
<tr>
<td>Number of businesses involved in collaborative R&amp;D</td>
<td>356</td>
<td>233</td>
<td>124</td>
<td>357</td>
<td>280</td>
<td>77</td>
</tr>
<tr>
<td>Number of businesses engaged with knowledge base</td>
<td>364</td>
<td>530</td>
<td>29</td>
<td>559</td>
<td>490</td>
<td>69</td>
</tr>
<tr>
<td>Businesses advised on improved environmental performance</td>
<td>391</td>
<td>408</td>
<td>0</td>
<td>408</td>
<td>1400</td>
<td>-992</td>
</tr>
<tr>
<td>Previously developed land prepared or developed</td>
<td>3.7352</td>
<td>0.62</td>
<td>2.15</td>
<td>2.77</td>
<td>10</td>
<td>-7.23</td>
</tr>
<tr>
<td>Hectares of land for development</td>
<td>51.79</td>
<td>7.42</td>
<td>5.2</td>
<td>12.62</td>
<td>58</td>
<td>-45.38</td>
</tr>
<tr>
<td>Sq m of new or upgraded premises / facilities</td>
<td>83,501</td>
<td>38,950</td>
<td>17,666</td>
<td>56,615</td>
<td>153,000</td>
<td>-96,385</td>
</tr>
<tr>
<td>Results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private sector investment (£m)</td>
<td>£64.80</td>
<td>£53.07</td>
<td>£26.04</td>
<td>£79.11</td>
<td>£517m</td>
<td>-£437.9m</td>
</tr>
<tr>
<td>Gross new jobs created</td>
<td>7,383</td>
<td>3,557</td>
<td>1,784</td>
<td>5,341</td>
<td>15,412</td>
<td>-10,128</td>
</tr>
<tr>
<td>Gross jobs safeguarded</td>
<td>1,751</td>
<td>477</td>
<td>764</td>
<td>1,241</td>
<td>8,767</td>
<td>-6,754</td>
</tr>
<tr>
<td>Gross increase in GVA (£m)</td>
<td>£305.79</td>
<td>£97.47</td>
<td>£109.70</td>
<td>£207.17</td>
<td>£539m</td>
<td>-£331.8m</td>
</tr>
</tbody>
</table>
2.4 Comparative performance

Table 2.2 compares the ERDF funding allocated to C&IoS, the levels of expenditure already committed and that already paid to beneficiaries with four other areas of the UK as at the end of 2012. In C&IoS approximately 84% of its ERDF allocation had been committed at the end of 2012 and just under half of the allocation (48%) had been paid to beneficiaries. Only West Wales had committed a greater share of its ERDF allocation - 103% of the allocation available under the programme by the end of 2012.

<table>
<thead>
<tr>
<th>Area</th>
<th>ERDF Allocation (in £m)</th>
<th>% of Allocation Committed/Committed (to end of 2012)</th>
<th>% of Allocation Spent/Paid to Beneficiaries (to end of 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cornwall and Isles of Scilly</td>
<td>£382.7m</td>
<td>83.8%</td>
<td>48.1%</td>
</tr>
<tr>
<td>South West</td>
<td>£102.8m</td>
<td>75.6%</td>
<td>41.0%</td>
</tr>
<tr>
<td>West Wales</td>
<td>€1250.4m</td>
<td>102.9%</td>
<td>-</td>
</tr>
<tr>
<td>Highlands and Islands</td>
<td>€121.9m</td>
<td>75%</td>
<td>-</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>£511.4m</td>
<td>71.3%</td>
<td>42.2%</td>
</tr>
</tbody>
</table>


Table 2.3 compares by area (where meaningful data is available) the original target, the outputs achieved at the end of 2012 and the forecast achievement of contracted investments on completion. There was some significant variance in outputs and results across the different indicators and between different areas:

- Progress in terms of **jobs created** was relatively low across all areas but particularly in C&IoS where only 11% of the original target had been achieved at the end of 2012. West Wales had made the greatest progress in terms of job creation but had still only delivered 35% of its overall target. In the three areas providing forecasts, it was expected that the contracted investments would only deliver around 70% of their respective targets.

- C&IoS had created 25 **research jobs** at the end of 2012 - the lowest of the four areas reporting progress against this indicator.

- C&IoS had performed particularly strongly in terms of the number of **new businesses** supported by the programme at the end of 2012. 848 new businesses had been supported - representing 93% of the 910 new businesses target across priority axes 1 and 2. In comparison, the Highlands and Islands, Northern Ireland and West Wales had each achieved around half of their respective targets for start-ups and the South West 80%.

- £58.6m of **investment** had been induced in C&IoS - 11% of its target and significantly lower than Northern Ireland (46%) and West Wales (83%). However the Programme has been able
to use significant private sector match, thus achieving intervention rates well below the OP target but reducing headline performance on this indicator.

<table>
<thead>
<tr>
<th>Core Indicator</th>
<th>Target / actual</th>
<th>Cornwall and Isles of Scilly</th>
<th>South West</th>
<th>West Wales</th>
<th>Highlands and Islands</th>
<th>Northern Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Jobs created</td>
<td>Target</td>
<td>15,412</td>
<td>9,000</td>
<td>33,200</td>
<td>4,700</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. achieved at end 2012 (%) of target</td>
<td>1,659 (11%)</td>
<td>1,582 (18%)</td>
<td>11,598 (35%)</td>
<td>1,164 (25%)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Forecast achievement on completion (%) of target</td>
<td>11,149 (72%)</td>
<td>6,087 (68%)</td>
<td>3,399 (72%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 - No. of RTD projects</td>
<td>Target</td>
<td>30</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. achieved at end 2012 (%) of target</td>
<td>9</td>
<td>15</td>
<td>17</td>
<td>23 (77%)</td>
<td>1,228 (123%)</td>
</tr>
<tr>
<td></td>
<td>Forecast achievement on completion (%) of target</td>
<td></td>
<td></td>
<td></td>
<td>52 (173%)</td>
<td></td>
</tr>
<tr>
<td>6 - No. of research jobs created</td>
<td>Target</td>
<td>640</td>
<td></td>
<td></td>
<td>1,238</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No. achieved at end 2012 (%) of target</td>
<td>25</td>
<td>69 (11%)</td>
<td>694</td>
<td>2,400 (194%)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Forecast achievement on completion (%) of target</td>
<td></td>
<td>383 (60%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 - No. of start-ups supported</td>
<td>Target</td>
<td>910</td>
<td>600</td>
<td>5,000</td>
<td>150</td>
<td>285</td>
</tr>
<tr>
<td></td>
<td>No. achieved at end 2012 (%) of target</td>
<td>848 (93%)</td>
<td>482 (80%)</td>
<td>2,805 (56%)</td>
<td>70 (47%)</td>
<td>149 (52%)</td>
</tr>
<tr>
<td></td>
<td>Forecast achievement on completion (%) of target</td>
<td></td>
<td>539 (90%)</td>
<td>107 (71%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 – Investment induced</td>
<td>Target</td>
<td>£517m</td>
<td>€135m</td>
<td></td>
<td>€1,378m</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Amount achieved at end 2012 (%) of target</td>
<td>£58.6m (11%)</td>
<td>£12.4m (83%)</td>
<td></td>
<td>€112.1m (83%)</td>
<td>€636m (46%)</td>
</tr>
<tr>
<td></td>
<td>Forecast achievement on completion (%) of target</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Notes: 1 - Sum of SME projects recorded under priority 1 and priority 2 in Northern Ireland
3 Business support

3.1 Overview

Figure 3.1 summarises the ‘logic chain’ underpinning the Convergence Programme’s business support theme – in other words, the relationship between its rationale and objectives, inputs and activities and the outputs and results that have been achieved to date.

Figure 3.1: Overview of the Business Support ‘logic chain’

Some £59.9 million of ERDF has been invested in activities under the business support theme at an average intervention rate of 71.5%.

The projects undertaken have been categorised into the following broad types of activity:

- business advice;
- inward investment and trade;
- start-up support; and
- grant schemes, loans and direct grants.
3.2 Implementation – programme design and quality

The Programme has funded a broad spread of support with no major omissions. Moreover the type of support provided is generally viewed favourably by business survey respondents - as being relevant to business needs:

- 83% of business advice recipients considered the support to ‘very relevant’ or ‘relevant’ to business needs;
- 86% of finance recipients considered the support to ‘very relevant’ or ‘relevant’; and
- 100% of start-up support recipients considered the support to ‘very relevant’ or ‘relevant’.

However, there are indications that a number of projects have struggled to establish credibility with target businesses. This suggests that while the broad design of support is viewed favourably, there are certain issues surrounding business expectations regarding the quality of delivery.

3.3 Performance

The review of performance suggests that:

- output performance is broadly in line with contracted requirements;
- results performance however is lagging – particularly regarding gross job creation and GVA (17% and 32% below contracted levels respectively). Reasons include unrealistic targets, economic and institutional changes and time lags between activities and results;
- a further factor in lagging performance may be under-reporting – there are deficiencies in the monitoring data. Particular difficulties are being experienced by projects in the calculation and attribution of GVA; and
- the definition of a ‘business assist’ (i.e. 12 hours of support) has also led to:
  - under-reporting (by excluding assistance below this level); and
  - an incentive to design interventions at this level (rather than around needs) and not to refer businesses on until after the 12 hours has been completed.

3.4 Beneficiary profile

In terms of the businesses receiving support, the survey results suggest that:

- 86% of beneficiaries are based solely in Cornwall;
- the majority of beneficiaries are micro businesses (less than 10% had more than 25 employees);
- only 1 in 5 businesses receiving support had a turnover in excess of £1 million;
- recipients of financial support tended to be larger (average employees 14) than those that had received business advice (average employees 11) or start-up support (average employees 3);
• most businesses (82%) had 100% of their workforce resident in Cornwall and the Isles of Scilly;
• 78% of businesses have been formed since 2000; and
• 60% of businesses have no sales outside the UK.

3.5 Impacts

The main findings regarding impact are that:

• since receiving support:
  • 70% of business survey respondents had sought to develop new markets;
  • 67% had introduced new products/services;
  • 54% had introduced efficiency measures; and
  • 45% had introduced new production processes.

• if they had not received the support 43% of businesses say they were likely or very likely to have done similar; 51% of businesses to have done similar but later; and 33% of businesses to have done similar but at a lesser scale;

• recipients of finance were least likely to have done the same (or the same but less) but most likely (64%) to have done similar but later (82% of those within two years);

• financial support beneficiaries have tended to report more significant impacts to date than those who received advice – 67% reporting a significant or very significant impact on employment (41% advice beneficiaries); 59% on productivity (51% advice); 59% sales (46% advice);

• the full impacts of support will not be apparent yet – particularly for those in receipt of advisory support (financial support is often linked directly to job-creating investments). Only 36% of advice receipt businesses felt that employment is higher now than it would have been without support whereas 60% anticipate an increase by 2015 and 64% by 2017;

• 51% of advice beneficiaries and 68% of finance recipients plan to increase expenditures with local suppliers; and

• 71% of advice beneficiaries and 84% of finance recipients envisage that the proportion of turnover generated outside Cornwall and the Isles of Scilly will increase.

The net additional impact (based on reported outputs) is set out in Table 3.1:
Table 3.1: Business support impact

<table>
<thead>
<tr>
<th>Achieved</th>
<th>Achieved &amp; forecast</th>
<th>Survey data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross jobs (created and safeguarded)</td>
<td>3,112</td>
<td>4,781</td>
</tr>
<tr>
<td>Net additional jobs (created and safeguarded)</td>
<td>1,531</td>
<td>2,466</td>
</tr>
<tr>
<td>Net additional GVA (3 years persistence)</td>
<td>£170.5m</td>
<td>£272.1m</td>
</tr>
</tbody>
</table>

3.6 Value for Money

The cost effectiveness of business support measures has been calculated as follows:

- Cost per gross job £18,207
- Cost per net additional job £27,660 - £44,460
- Benefit Cost Ratio (one year persistence) 0.8 : 1 – 1.3 : 1
- Benefit Cost Ratio (three year persistence) 2.3 : 1 – 4.0 : 1

The above figures represent poor value for money when compared with national benchmarks. For example, DCLG research identifies an average public sector cost per net additional job for general business support of £13,309 and a BCR, based on three years persistence, of 8.7:1. However the relative isolation of the area may be a significant factor in increasing costs and therefore reducing BCRs (as will be the quality of monitoring data and recording systems).

There was significant variation in cost per job and BCR by project type. In part, this will be because the direct grants and loans assistance was often associated with some form of direct employment – generating investment.

Cost per net additional job Benefit Cost Ratio (three year persistence)

| Business advice | £30,630 - £52,360 | 2.5:1 – 4.3:1 |
| Direct grants and loans | £15,670 - £54,720 | 2.0:1 – 7.1:1 |
| Inward investment | £184,630 - £394,910 | 0.3:1 – 0.6:1 |
| Start-up support | £18,150 - £44,460 | 2.3:1 – 4.0:1 |

3.7 Conclusions

The main conclusions arising from assessment of the business support theme are:

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10 The estimates inevitably vary between the two sources. Factors include an element of double-counting in the monitoring returns due to multiple beneficiaries and the survey returns being as of 2014 rather than the Programme end date of 2015.
the Programme has funded a broad spread of pan-Cornwall and Isles of Scilly Business Support interventions which flow directly from the priorities for support identified in the Programme document;

- provision is perceived to suffer from some degree of fragmentation and overlaps but project quality is generally good;
- following the demise of Business Link there has been no independent mechanism to identify the needs of businesses and route them to the most appropriate form(s) of support/provider;
- organisational change has presented some significant challenges and has contributed to a lack of integration with ESF and weaknesses in the quality of monitoring information;
- commissioning has contributed to a more strategic approach to the development of projects and brought new delivery organisations to Cornwall and helped to raise ambitions. However, it has added to the perceived ‘weight’ of the Programme’s processes;
- most of the projects involved have struggled to achieve their targets – especially in terms of results; and
- on the basis of the information available and analysis undertaken to date, the Business Support activities when compared with available comparators overall do not appear to offer good value for money – although the cost of such interventions is generally likely to be significantly greater in more isolated areas such as Cornwall and the Isles of Scilly than elsewhere and therefore national benchmarks must be used with caution.

3.8 Lessons for the future

Key lessons are that:

- a mechanism to assess the needs of clients, point them to the most relevant service(s) and perhaps play an overall account management role should be put in place as early as possible;
- targets must be realistically achievable – taking account of historic performance for the types of intervention involved and the size of the target group population(s) as relevant;
- the focus on high growth businesses needs to be retained, although consideration needs to be given to whether specific initiatives are needed in relation to the key tourism sector and the creative industries;
- there should be fewer generic business support projects, perhaps focusing on a ‘Growth Accelerator’ project, supplemented by more specialist, niche projects;
- monitoring and reporting processes need to be reviewed to ensure they are understood and there is an appropriate balance struck between their effectiveness and their proportionality to the level of funding involved;
- targets should encompass the quality – as well as quantity - of jobs (i.e. the number earning more than the average salary);
- commissioning and appraisal processes could, where appropriate to scale, incorporate interviews with applicants alongside the appraisal of written bids;

- continuity of support is important – projects would benefit from being delivered over a longer time period (with appropriate break clause(s));

- a mechanism should be developed to reflect the added value (and added cost) to businesses in receipt of support in excess of the 12 hours needed for providers to claim a ‘business assist’ output;

- to facilitate future evaluations it is important that an obligation to provide beneficiary contact details is written into the contracts of delivery organisations.

- detailed monitoring guidance / advice for projects is important for the next Programme along with the knowledge and agreement that this information needs to be shared;

- greater integration is needed between interventions funded by the different structural funds and programmes such as Horizon 2020;

- efforts are required to engage with those businesses with potential for growth which are not currently being reached; and

- a clear additionality test should be included in future decision-making processes on the provision of support – particularly that using financial instruments. More generally, there should be a greater focus on support for businesses with the potential to achieve the majority of their sales growth outside Cornwall and the IoS to increase the effectiveness of interventions in achieving net impacts.
4 Innovation and R&D

4.1 Overview

Figure 4.1 summarises the ‘logic chain’ underpinning the Convergence Programme’s innovation and R&D theme. It sets out the relationship between its rationale and objectives, inputs and activities and the outputs and results that have been achieved to date.

There has been ERDF expenditure of £165.6 million on activities under the Innovation and R&D theme at an average intervention rate of 60.9%. The projects undertaken encompass four strands of activity:

- stimulating R&D by building intellectual capital through enhanced research capacity at higher education institutions (HEIs), providing support to encourage the exploration of new ideas and provide ‘proof of concept’ funding;
- supporting ideas, innovation and knowledge by linking companies to HEI expertise and supporting the management and use of knowledge within businesses;
- providing new and enhanced facilities for innovation and incubation to address the shortage of specialist support available to companies and individuals; and
- developing environmental technologies and renewable energy.
4.2 Implementation – programme design and quality

A broad range of projects have been funded with a particular focus on large-scale capital investments - 16 of the 19 innovation and R&D projects have had a significant capital component.

As well as a substantial investment in the sub-region’s broadband capacity, the Programme has funded some impressive facilities to support the development of innovation and R&D amongst local small and medium sized enterprises (SMEs) and attract students and academics to the area. Other projects have focused on the development of knowledge transfer activities.

However, a possible gap in the scope of activities relates to the lack of good quality, follow-on space for growing businesses – such as those progressing from the Innovation Centres.

A further weakness identified is that the strength of linkages between innovation projects, HEIs and business support projects is varied. There have been significant issues with referrals not occurring across the full suite of projects.

There were relatively high levels of satisfaction among beneficiary businesses:

- 74% of respondents said that the support was relevant (24%) or very relevant (50%) to the needs of their business;
- 82% of respondents said that they found the services easy (41%) or very easy (41%) to access; and
- 77% of respondents said that they were satisfied (28%) or very satisfied (49%) with the quality of the advice received.

4.3 Performance

The headline findings regarding performance are that:

- innovation and R&D projects have already achieved, and are projected to exceed, targets relating to the number of:
  - new businesses assisted;
  - businesses engaged with the knowledge base; and
  - additional firms working in clusters / networks.
- projects are also projected to meet, targets relating to the number of:
  - environmental goods and services businesses assisted;
  - businesses involved in collaborative R&D; and
  - research and innovation centres supported;
- however, projects are projected to fall short of targets relating to the number of:
  - businesses assisted to improve their performance;
  - projects achieving BREEAM “excellent” rating or equivalent;
- patents granted;
- SMEs launching new or improved products;
- gross and net jobs created (in total and in environmental sectors)
- gross jobs safeguarded; and
- gross and net increase in GVA;

Where underperformance (particularly in relation to results) has occurred, the contributory factors include:
- the economic downturn
- delayed starts to the Programme and projects;
- the lack of a holistic approach and the provision of a suite of support services to businesses; and
- lower referrals due to the absence of a central information, diagnostic, brokerage and referral service.

4.4 Beneficiary profile

The main characteristics of business beneficiaries of Innovation and R&D activities based on the business survey responses are as follows:

- 86% of businesses were based solely in Cornwall and the Isles of Scilly;
- businesses were relatively recently established - just over half (51%) those surveyed had been established since 2010 - only 8% were established before 1990;
- the majority of businesses were micro businesses - only 15% had ten or more employees and the average business employed 7.7 people in the UK and 7.2 people in Cornwall and the Isles of Scilly. 47% had a turnover of less than £50,000 per annum;
- the workforce is predominantly male - 45% of employees were men working full-time, 25% were women working full-time, 16% were women working part-time and 14% were men working part-time;
- beneficiaries were concentrated on the ‘arts, entertainment, recreation and other services’ (35%), ‘production’ (25%) and ‘other’ (18%) sectors, particularly when compared to the overall Cornwall and the Isles of Scilly business population; and
- 35% had received other support over the period from 2007 to 2013 - around half of whom reported accessing support from other innovation or business support projects funded through the Convergence Programme.
4.5 Impacts

Levels of direct reported business impacts of Innovation and R&D projects to date are less than those under business support interventions. Since receiving support:

- 47% of business survey respondent had introduced new products/services;
- 29% had introduced new production processes;
- 49% had sought to develop new markets;
- 30% had introduced efficiency measures; and
- 39% of respondents reported a significant or very significant impact from support on their productivity, 34% said there had been a similar impact on their sales/turnover but only 24% reported a significant or very significant impact on employment.

However, impacts may not yet be fully apparent - almost half (46%) of those reporting no significant effects to date expected there to be some in the future – most commonly on their productivity (58%) rather than their employment or sales/turnover (21% for each). Many respondents expected the support to deliver persistent impacts over many years.

The net additional impact (based on reported outputs) is set out in Table 4.1:

<table>
<thead>
<tr>
<th>Table 4.1: Innovation and R&amp;D impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieved</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Gross jobs (created and safeguarded)</td>
</tr>
<tr>
<td>Net additional jobs (created and safeguarded)</td>
</tr>
<tr>
<td>Net additional GVA (3 years persistence)</td>
</tr>
</tbody>
</table>

4.6 Value for Money

The cost effectiveness of Innovation and R&D measures has been calculated as follows:

- Cost per gross job | £181,280 - £287,130 |
- Cost per net additional job | £285,630 - £590,310 |
- Benefit Cost Ratio (one year persistence) | 0.1:1 |
- Benefit Cost Ratio (three year persistence) | 0.3:1 - 0.4:1 |

When compared with benchmarks, the innovation and R&D programme also does not appear to offer good value for money. For example, the average public sector cost per net additional job identified in DCLG’s Valuing the Benefits of Regeneration report in relation to business enterprise

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11 Excludes Next Generation Broadband and Innovation Centres.
12 Note: the cost figures include the £33 million associated with the Wave Hub project which is not contracted to deliver any job impacts.
research and development is £57,209 - significantly lower than the cost per job ratios derived for the innovation and R&D programme.

The projects are expected to generate between £34.5 million and £49.3 million of net additional GVA. This represents a poor return on investment on the total project costs of £124.9 million. However, most projects were large-scale capital investments that will continue to deliver outputs, results and impacts long after the Convergence Programme has finished. The return on investment is therefore expected to increase significantly over time.

4.7 Conclusions

Under the Innovation and R&D theme:

- the Programme has funded a broad range of projects that have significantly increased the innovation asset base in Cornwall and has provided valuable workspace in innovation centres to support local SMEs. Other projects have developed knowledge transfer activities to encourage and support innovation among local entrepreneurs and businesses;

- performance in terms of generating outputs, results and impacts has been mixed. Most of the output targets for innovation and R&D projects have either been achieved or are forecast to be achieved by the end of the Programme. However, there have been issues in terms of generating results and impacts, and particularly achieving employment and GVA targets;

- businesses were generally satisfied with the support they had received, although responses to the beneficiary survey suggested that many would have undertaken the activities anyway in the absence of the support they had received;

- the levels of collaborative working between innovation projects were varied and there could also be closer alignment and greater cohesion between the innovation and business support projects;

- the Programme has helped to create a niche offer for the county focusing on the environment, renewables, health and creative sectors - thus increasing the attraction of Cornwall and the Isles of Scilly for research staff and innovative businesses; and

- the funded projects have made progress in encouraging increased links between HEIs and local SMEs and entrepreneurs and have helped to embed knowledge transfer into mainstream programmes offered by HEIs and research institutions in the county.

4.8 Lessons for the future

The main lessons for future support are that there is a need for

- raising awareness and understanding of the support available;

- offering greater continuity and longer term funding;

- providing greater opportunities to tailor funding and support to meet the individual needs of the business and provide more in-depth or practical support where required;
• closer alignment of projects under the business support and innovation and R&D themes;
• a central ‘Growth Hub’ to assess the needs of businesses and direct them to the most relevant services (see also Business Support thematic evaluation);
• a broader innovation offer within the universities in order to engage a greater number of local businesses;
• a review of output and outcome indicators to ensure that they are indicative of success – for example, outcomes for innovation projects should consider business survival rates as well as start-up rates;
• continued funding for the creative sector to create a critical mass that is better able to compete with other areas; and
• targets that are realistic and achievable and take reasonable account of the structure of the local economy and the size of the target group population.
5 Workspace

5.1 Overview

The ‘logic chain’ underpinning the Convergence Programme’s workspace theme is set out in Figure 5.1. It shows the relationship between the theme rationale and objectives, inputs and activities and the outputs and results that have been achieved to date.

Figure 5.1: Overview of the Workspace ‘logic chain’

Workspace support under the Programme has involved ERDF spend of £68.5 million at an average intervention rate of 48.2%. Support has been pursued under both Priority 2 and Priority 4. The relevant strategic objectives aimed to:

• accelerate the regeneration of Camborne Pool Redruth (CPR) and St Austell and the Clay Country (Priority 4);
• develop in a sustainable manner, the capacity of key towns to accommodate new investment (Priority 4);
• increase the productivity of business (Priority 2); and
increase the scale of investment and re-investment by the private sector (Priority 2).

The overall aim has been to support the delivery of wider Programme objectives relating to high growth, high value added businesses. In addition, developments had to minimise the impact on the environment and generate wider benefits, with the condition that approved projects should achieve BREEAM excellent rating or equivalent.

5.2 Implementation – programme design and quality

The Programme has supported a broad range of activity. There are however suggestions that more site acquisition and servicing should have been undertaken to provide a pipeline of development ready sites that will enable new workspace and associated works to come forward in the next programme period.

Under Priority 2, workspace could be funded across Cornwall and the Isles of Scilly. In contrast, Priority 4 funding was only available within specific areas for which a Strategic Investment Framework (SIF) was developed. Three SIF teams were established to deliver projects within Priority 4: the Isles of Scilly team; CPR Regeneration; and a larger team within Cornwall Development Company (CDC) which had responsibility for the St Austell and the Clay County, Newquay, Bodmin, Penzance and Truro SIF areas.

The availability of ‘development pot’ funding, which was used to undertake viability assessments, valuations and other analyses was critical in supporting projects to progress. The inclusion of a dedicated professional services team within the CDC SIF team also helped in progressing projects. However:

- in general, there was little or no collaboration between the area SIF teams so opportunities for learning and sharing best practice were not taken forward; and
- working relationships between the CDC SIF team and DCLG took a while to establish and be understood internally and externally.

There was no clear commissioning approach to bring forward workspace. A decision was taken to view all projects in the SIF documents as having been ‘commissioned’ without any appraisal of their strategic fit with the Programme.

5.3 Performance

Headline features of performance under the workspace theme include:

- 44 workspace projects were supported of which:
  - 27 were funded under Priority 2: Enterprise and Investment; and
  - 17 were funded under Priority 4: Realising the Potential of Place;
- 36 of the 44 were located in the 7 SIF areas (14 in CPR);
- targets for almost all outputs relevant to workspace have not been achieved and are unlikely to be achieved by the end of the Programme monitoring period;
- approximately 35,000 sq m\(^{13}\) has been contracted to be delivered to date by P2 workspace projects and a total of only some 23,000 sq m is forecast by Programme end – compared with a Priority 2 workspace target of 93,000 sq m.; and

- the number of projects contracted to deliver BREEAM excellent was close to the target of 80%.

Factors affecting programme performance included:

- changes in economic conditions, following the global financial crisis;

- changes in the institutional landscape - with the formation of the Unitary Cornwall Council, and closure of SWRDA; and

- delays due to the introduction of new systems and processes associated with the above changes and policy shifts - the Final SIF Review Report and Delivery Plan (October 2010) represented a very significant shift in focus from the January 2010 Interim Delivery Plan.

5.4 Impacts

While, there are some emerging clusters of activity in Treleigh, Tolvaddon, Falmouth and Newquay Aerohub, few actual clusters to date have been built to a sufficient scale to achieve a shift in perception (except perhaps within Cambourne Pool Redruth).

A positive outcome from the workspace projects supported has been the number taken forward by private sector developers and owner occupiers. This contrasts to the situation under Objective 1 and its reliance under the public sector.

Owing to the deficiencies in monitoring data, two sources have been used to provide estimates of the gross jobs and GVA created and safeguarded by the projects that have received support:

- the programme monitoring database that includes data on outputs, results and impacts by project; and

- the quantum of employment floorspace development by each project.

The resulting estimates of impact are set out in Table 5.1:

\[^{13}\) MCIS Records September 2014\]
### Table 5.1: Gross jobs and GVA increase estimates (25 projects)

<table>
<thead>
<tr>
<th></th>
<th>Achieved (Monitoring returns)</th>
<th>Achieved &amp; forecast (Monitoring returns)</th>
<th>Employment floorspace based</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business advice</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross direct jobs</td>
<td>236</td>
<td>556</td>
<td>1,382</td>
</tr>
<tr>
<td>Net local additional jobs</td>
<td>94</td>
<td>222</td>
<td>551</td>
</tr>
<tr>
<td>Gross GVA</td>
<td>£4.28m</td>
<td>£27.24m</td>
<td>£50.72m</td>
</tr>
<tr>
<td>Net additional GVA 1-year persistence</td>
<td>£3.64m</td>
<td>£8.57m</td>
<td>£21.30m</td>
</tr>
<tr>
<td>Net additional GVA 5-year persistence</td>
<td>£18.19m</td>
<td>£42.85m</td>
<td>£106.51m</td>
</tr>
</tbody>
</table>

#### 5.5 Value for money

The cost effectiveness of workspace measures has been calculated as follows:

- **cost per gross job**: £ 40,380 - £236,440
- **cost per net additional job**: £101,190 - £592,580
- **benefit Cost Ratio (one year persistence)**: 0.07 – 0.38
- **benefit Cost Ration (three year persistence)**: 0.33 -1.91

When compared with benchmarks, the workspace theme does not appear to offer good value for money. The HCA’s Best Practice Note on calculating cost per job identifies a gross cost per net additional job range of £14,200 to £49,900. This is significantly lower than the cost per job ratios derived to date for the workspace programme.

Similarly in terms of BCR, the central valuation benchmark for industrial and commercial property projects identified within DCLG’s Valuing the Benefits of Regeneration report is 5.8:1, assuming benefits duration of five-years. This compares to just 0.8:1 or 1.9:1 under the workspace programme.

#### 5.6 Conclusions

Key findings are as follows:

- workspace provision has been concentrated within the SIF areas and particularly within the Camborne Pool Redruth areas;
- there is evidence of other clusters likely to emerge as a result of ERDF investment around Falmouth and Newquay Aerohub that may generate substantial outputs but these are likely to be beyond the Convergence Programme and may need additional public sector funding;
• the SIF process was not fit for purpose within a short life programme and successful delivery was hampered by institutional changes at a regional and local level as well as policy shifts and frequent organisational restructuring;

• the supported projects are unlikely to deliver the quantum of benefits set out in the Operational Programme;

• there was no ring fencing of SIF funds. However, the IoS SIF team appear to have secured a high level of ERDF funds. This is due - at least in part - to having a discrete professional team within the Council and direct oversight and involvement of councillors and the community;

• there was a clear need for project development support to applicants both from the private sector and the public sector in designing and developing their project to align with objectives and funding requirements. The provision of the Development Pot and its use by the CDC and other SIF teams was a significant factor in bringing forward projects for delivery; and

• the requirement for supported projects to achieve BREEAM excellent or equivalent has helped developers to recognize that this is standard practice rather than a barrier to development and has helped to deliver more environmentally friendly and higher quality developments than would otherwise be the case.

5.7 Lessons for the future

Future programmes and interventions supporting workspace interventions should recognise that:

• In relation to workspace projects coming forward under Priority Axis 4 (SIFs) it is clear that the process of developing strategies with associated projects needs to have clear guidance with regard to their purpose and content. Those with responsibility for delivery should be involved in the development of the strategies to create a sense of ownership and to ensure that the projects are deliverable;

• there is a need for greater clarity about roles and responsibilities – particularly between project development assistance and appraisal where there are new teams and potential confusion;

• a dedicated in-house professional services team is useful in speeding up development and reducing costs;

• more collaboration and learning should be encouraged between teams with related objectives;

• local champions, involvement and accountability are needed to make things happen at a local level; and

• investments of limited resources should be targeted to ensure sufficient clustering of activity to change perceptions.
6 Transport

6.1 Overview

Figure 6.1 summarises the ‘logic chain’ underpinning the Convergence Programme’s transport theme – in other words, it shows the relationship between its rationale and objectives, inputs and activities and the outputs and results that have been achieved to date.

Figure 6.1: Overview of the Transport ‘logic chain’

The Convergence Programme has provided funding for 20 primarily transport projects under Priorities 2, 3 and 4, mainly within the SIF areas - particularly Camborne Pool Redruth. The total ERDF grant committed amounts to some £55 million with an average intervention rate of 55.8%.

There are strong interlinkages between many of the projects involved and with investments under the former Objective One Programme, including, for example:

- building upon past investment to secure the transition of Newquay Cornwall Airport as a commercial airport;
- projects to unlock the continuing regeneration of the CPR area;
- investments to address the congestion problems around Truro associated with economic growth and other ERDF-funded projects; and,
- projects to increase the future resilience of the key transport links to the Isles of Scilly.
6.2 Implementation – programme design and quality

Key aspects of the transport theme’s interventions are that:

- convergence funding has enabled domestically available resources to be spread further, allowing pipeline projects to be implemented more quickly as well as schemes to go forward which might never otherwise have been implemented;

- the availability of a coherent package of ‘spade ready’ projects in the CPR area has been important in taking up Programme resources which would have been difficult to utilise fully for, for example, workspace projects in the depressed economic climate over much of the Programme period; and

- the majority of the interventions are Cornwall Council projects - many originally developed for funding through the Local Transport Plan process. Perhaps inevitably, given ‘match’ resource availability, there has been little effective competition for ERDF funding from other potentially eligible transport projects.

6.3 Performance

Regarding performance it has been found that:

- projects have generally been reasonably free of major cost or timetable overruns;

- the SIF teams have played an important role in bringing forward some of the projects but there is a common perception that there is scope for the planning of transport interventions and other initiatives to be more ‘joined up’;

- relevant projects have been required to be covered by CEEQUAL, the independently verified sustainability rating and assessment system. Both the costs and practical effects of this requirement have varied with the nature of the project concerned; and

- State Aids aspects have not been a major issue over the current Programme period. In the case of the only projects where issues have arisen (the A391 and Newquay Cornwall Airport) these were resolved satisfactorily.

6.4 Impacts

The transport projects have delivered – and are projected to deliver – only very modest recorded outputs and results. This is due to:

- many key objectives, such as the reduction in congestion, not being reflected in Programme targets and so not being picked up by the monitoring system;

- many potential benefits will only be realised beyond the Programme reporting deadline; and

- the impacts of the funding of development projects tending to be entirely attributed to the development funding thus ignoring the contribution of initial enabling investment such as that in transport.
However the investments involved should generate a range of future beneficial impacts in terms of:

- alleviating physical and congestion related constraints on employment and housing development;
- generating time savings and other benefits to the business community, including underpinning the strategically important air links to London which are significant, inter alia, to the area’s ‘offer’ to potential inward investment projects; and
- enhancing the resilience of the crucial sea and air links to the Isles of Scilly.

6.5 Value for money

In the absence of relevant monitoring data, a detailed value for money assessment has not been possible. However some broad observations are possible:

- a reasonable level of economy should have been achieved through the use of OJEU compliant tendering processes, although securing high levels of competition for contracts has reportedly proved problematic on occasions;
- where projects have been subject to an economic appraisal that has considered their transport efficiency benefits in terms of anticipated savings in terms of time, vehicle operating costs and accidents, this typically suggests that projects will have offered reasonable or good value for money in terms of their transport benefits alone. However, at this stage there is very little evidence on how far their projected benefits have been realised in practice; and
- whilst the investments have been crucial in unlocking workspace schemes, the combined costs of delivering these projects looks very high at this stage. Future value for money should be better as more of the development which has been unlocked comes forward and, potentially too, as the gap funding requirements of workspace schemes falls with the recovery of the national economy.

6.6 Conclusions

The key conclusions of the evaluation in relation to the transport theme are:

- the projects supported under these schemes mostly fall into groupings which have substantial shared objectives and, typically, strong linkages with each other, with other projects which have been funded under the current Convergence Programme and/or the predecessor Objective One Programme or which are likely to be brought forward under the new programme;
- the process of developing, assessing and implementing the interventions involved has mostly gone reasonably smoothly with most projects being delivered broadly to budget and timetable;
- projects have delivered only a relatively modest contribution to the Programme targets, exacerbating the wider problem of meeting the high level targets, particularly for Priority 4;
however, the investments will in future help to deliver a wide range of wider economic and social benefits;

the indication is that a good level of economy has been achieved in the delivery of the transport projects, although there are concerns about the lack of effective competition in the tendering process in at least some cases; and

the overall costs of generating economic activity where both major transport investment and gap funding of developments has been necessary look very high relative to established benchmarks, although it is difficult to see how much in terms of regeneration could have been delivered without this investment. The unit costs involved should fall in the future as the economy recovers.

6.7 Lessons for the future

The main lessons identified for the future include:

- closer alignment is required between the objectives of possible transport projects and future Programme targets. The latter need to take greater account of the impacts of potential investments on intermediate objectives such as accessibility improvements and reduction of congestion;

- there should be greater clarity in the presentation of the wider economic case for transport projects;

- the need for a much greater level of ex-post evaluation of how far the projected transport efficiency and wider economic benefits of transport schemes are achieved in practice;

- it is important from the outset that there is a clear framework for assessing transport projects which is consistent with DfT best practice and which is consistently applied wherever this is proportionate to the scale of the expenditure involved;

- where projects are closely linked to other interventions, it would be desirable to undertake an economic appraisal for the package as a whole rather than simply considering the components of the package as separate entities; and

- means of securing a greater level of competition in the tendering process should be reviewed.
7 Regeneration

7.1 Overview

The relationship between the rationale and objectives, inputs and activities and the outputs and results that have been achieved to date or the ‘logic chain’ underpinning the Convergence Programme’s regeneration theme are summarised in Figure 7.1.

Figure 7.1: Overview of the Regeneration ‘logic chain’

There is no ‘regeneration theme’ in the Convergence Programme but the vitality of a ‘place’ is a clear driver in particular within Priority 4 with its focus on realising the potential of a number of ‘centres’ to drive the economy. This involved two broad objectives:

- ‘Integrated Place Regeneration’ - in the areas, of CPR and St Austell and the Clay Country, with a comprehensive approach to place making and regeneration recognising the need for major renewal and long-term significant support; and

- ‘Realising Place Potential’ - in the towns of Bodmin, Truro, Falmouth, Newquay and Penzance and the Isles of Scilly - more limited and specific interventions with actions focused on managing economic growth in a planned and sustainable manner. The towns were selected primarily according to population and business scale and historic and future growth prospects.

The indicative range of resources allocated was:

- Integrated Place Regeneration: 65 million – 98 million euros
- Realising Place Potential: 49 million – 82 million euros
There were, however, no indicative allocations within the different policy foci for individual towns or the different actions to be supported.

In total, 17 projects can be identified as having placed based regeneration as a prime objective. Their ERDF funding allocation was £23.84 million - an intervention rate of 52.4%. A large number of related projects were funded such as workspace and transport in the key towns. These projects are considered separately within the thematic reports for workspace and transport.

7.2 Implementation – programme design and quality

Features of the design of interventions linked to the regeneration theme include:

- all actions supported were required to fit within Sustainable Integrated Development Strategies (which were referred to locally as SIFs) produced for each of the key towns. These were intended to set the framework for investment and to be reviewed and updated periodically;
- this SIF approach was initially led by SWRDA working with local authorities who had responsibility for developing the SIF document for each town (in collaboration with relevant local partners);
- the SIF documents were generally a ‘wish list’ rather than a refined list of clearly articulated projects with a strong strategic fit and focus. Moreover they failed to provide an effective framework to aid project prioritisation;
- as noted above, three SIF delivery teams were funded through Priority 4 funding to directly support the implementation of the SIFs. These included:
  - the Isles of Scilly;
  - CPR Regeneration; and
  - a larger team within Cornwall Development Company which had responsibility for St Austell and the Clay Country, Newquay, Bodmin, Penzance and Truro SIFs.

7.3 Performance and impacts

Overall few regeneration projects were undertaken and even less physical regeneration activity took place. Only 7 of the 17 projects were physical regeneration projects within the SIF areas (the remaining 10 projects identified covered SIF team delivery costs, high level strategy/planning and pilot/demonstrators). 4 physical projects were in the CPR regeneration area. They included:

- Redruth Brewery Quarter Enabling and Public Realm Project;
- Wheal Harmony Remediation and Servicing Project;
- Community Energy Pilot, Tolvaddon; and
- The Elms

The remaining major regeneration investments were:
• Aerohub Business Park Site Servicing and Infrastructure (Newquay);
• Porthcressa Regeneration Phase 1 Public Realm Enhancements (IoS); and
• Falmouth Marine School - Realising Marine Potential.

Factors behind the small number of projects with regeneration as a prime objective include:

• changes in the institutional landscape (such as abolition of SWRDA and the loss of the District and Borough Councils) which hampered the opportunity for regeneration champions to emerge and be encouraged;
• policy changes – including rationalisation of the original SIFs;
• the early and frequent restructuring of the SIF teams - in particular the CDC SIF team – which made delivery more challenging (particularly for a short-life funding programme);
• regeneration and place making outside of CPR and St Austell was not a significant focus for the Convergence Programme; and
• ambitious targets for outputs, results and impacts in a challenging economic context meant that regeneration projects struggled to gain support or to be considered value for money.

Data on impacts is very limited. However, it appears that:

• the only concentrations of activity sufficient to achieve a significant shift in perception occurring appear to be within CPR and (at a lesser scale) the Porthcressa regeneration project in St Mary’s (on the Isles of Scilly); and
• impacts elsewhere have been limited. Whilst two ‘demonstrator/pilot’ projects were supported at the Eden project in the vicinity of St Austell, they are unlikely to have a measurable impact on the visible perception of the area.

7.4 Conclusions

The main conclusions emerging are that:

• substantial efforts have been made to regenerate the CPR area in a sustainable manner through the SIF and with good results;
• aside from CPR, regeneration activity has been generally limited;
• institutional change had a fundamental effect on both the overall objectives of the SIF programme and project delivery mechanisms;
• there was no ring fencing of SIF funds. However, the Isles of Scilly team appear to have secured a high level of ERDF funds. This is due - at least in part - to having a discrete professional team within the Council and direct oversight and involvement of councillors and the community;
• a closer working relationship between those involved in the concept and development stage and the delivery stage may have brought more realism to bear and a clearer understanding of priorities for the Operational Programme and the Towns; and
there was a clear need for project development support for applicants from both the public and private sector in terms of designing and developing their projects to align with the Priority Axis 4 objectives and ERDF funding eligibility. The provision of the Development Pot and its use by the CDC and other SIF team was a significant factor in bringing forward projects for delivery.

7.5 Lessons for the future

Lessons for future activities include:

- there needs to be clear guidance for the development of regeneration strategies and associated projects regarding their purpose and content;
- those with responsibility for delivery should be involved in the development of strategies to create a sense of ownership and to ensure that the projects are deliverable;
- local delivery capacity is essential;
- greater clarity about roles and responsibilities of project development and appraisal teams is required;
- regeneration projects tend to be large, complex, long-term and expensive and this should be reflected in strategies and associated funding and implementation arrangements; and
- regeneration requires both a ‘bottom-up’ and ‘top-down’ approach. Projects need community and institutional champions to be successfully developed and delivered.
8 Environment Cross Cutting Theme

8.1 Overview

The environment is a CCT in the Convergence programme in recognition of both:

- the potential impact of economic regeneration on the environment; and
- the potential economic benefit that the environment can bring.

The environment has also been incorporated as a specific strand of activity within elements of the Programme – for example, the development of the environmental goods and services sector (Priority 1) and raising the environmental performance of businesses (Priority 2);

The Programme has also invested in a number of key initiatives and schemes (under the Business Support and Innovation themes) that also serve environmental objectives, including by:

- improving the environmental performance of buildings (to at least BREEAM/CEEQUAL ‘excellent’ or equivalent);
- improving the resource efficiency of businesses;
- building the research and innovation base in the Environmental Goods and Services (EGS) sector;
- supporting the adoption of environmental technologies through innovation and enterprise support;
- building the capacity of the EGS sector across the region; and
- investing in renewable and low carbon energy.

Projects falling under the above account for some £88 million of ERDF (total cost £130 million) and have been primarily (93%) funded through Priority 1 (Innovation and Research and Development) - reflecting the large capital investments under that axis such as those in the ESI, the Wave Hub and the Innovation Centres.

8.2 Implementation of the CCT

Key findings are that:

- measurement has been an issue. In order to assess whether economic growth was being secured within environmental constraints, a carbon accounting methodology (Carbon Compass) was developed. However the approach was never fully developed into an appropriate tool and largely remained a concept that was applied subjectively to categorise projects according to their carbon “intensity”;

- the approach to integrating environmental sustainability has been further developed during the implementation of the programme, including through:
provision of guidance material;

- a Technical Sub Group which explored the environmental sustainability implications of certain investment types in more detail; and

- use of devolved investment delivery teams and resources (CPR Regeneration Company, CDC and IoS SIF Delivery Teams and CUC) to provide advice and to promote the adoption of environmental sustainability principles.

- the investment delivery team support appears to have been effective in terms of integrating environmental sustainability within certain investments. While documentary guidance provided a useful reference point, it was the personal contact and advise that had the most significant impact;

- however, despite these efforts, the environment CCT has generally been poorly understood and undervalued by applicants and often considered as an add-on in terms of effort and costs. Overall, therefore environmental sustainability has generally been weakly integrated within the Programme and was often seen as a ‘tick box’ exercise. The few projects that have been successful in integrating environmental sustainability considered such aspects early on in the project development process;

- the monitoring of the wider environmental objectives has proved challenging. There is a need for additional support in demonstrating and measuring CO2 equivalent savings;

- the indicators that are used to measure environmental sustainability are also too limited and should form a more integral part of the contractual commitments, particularly for revenue projects. Indeed, with the exception of the capital build projects, there have been few examples of contractual targets in relation to the environmental cross-cutting theme; and

- whilst the environmental sustainability indicators have been monitored on an on-going basis through the PMC, the opportunities for detailed discussions of any variations in achievement have been rare. This in turn has limited the opportunities for knowledge sharing and making improvements to projects.

### 8.3 Performance and impacts

Performance across the main environmental indicators in the Programme has been mixed, and it is likely that most of the OP targets related to the environment CCT will not be achieved:

- environmental goods and services businesses assisted 446 630 (Target)
- businesses advised on environmental performance 408 1,400 (Target)
- gross jobs created in environmental sectors 488 1,260 (Target)

The only output that is likely to be achieved relates to the BREEAM and CEEQUAL ‘excellent’ accreditation which has been delivered for all new capital builds and BREEAM ‘very good’ has been achieved for refurbishment projects.

Those Business Support and Innovation projects identified as having key environmental objectives have generally achieved contracted output targets although there has been a slight
underperformance in terms of business assists. Job targets in such projects however appear unlikely to be achieved. 671 gross jobs have been created or safeguarded as opposed to a contracted target of 1,138. Some three quarters of jobs have been in the environmental sectors.

8.4 Conclusions

The delivery of the Environment CCT within the context of a regional economic development programme has been challenging.

While a number of significant direct investments related to the environment CCT have been delivered successfully, overall, the Convergence Programme has failed to achieve its environmental sustainability objectives – particularly in terms of their integration across the Programme as a whole.

Progress towards the achievement of the environmental objectives has, however, not been helped by the impact of the economic crisis and the institutional/governance changes that took place halfway through the programme.

8.5 Lessons for the future

Key implications for future activities include:

- better knowledge is required on how to measure and assess carbon savings and other environmental impacts, particularly for revenue projects (and not only those that support direct environmental sustainability investments);

- in terms of capital projects, BREEAM and CEEQUAL standards, while valuable, are not always applicable and do not cover the full range of environmental sustainability aspects. It is important that that there are equivalent and additional standards that can be adopted;

- generally, the environment CCT needs to be better understood and valued by all stakeholders involved in the decision-making, appraising, implementing and monitoring operations. In particular there is a need for greater recognition that environmental sustainability is an economic driver enabling more resilient businesses through reducing costs and providing opportunities for growth.

- it is important that the environment objectives and targets are appropriate and relevant to individual projects; and

- resources are necessary to support dedicated teams working with the environment CCT. Experiences from the Convergence Programme has shown that the personal contact and support provided by these dedicated teams can have a significant impact on the adoption and delivery of environmental obligations.
9 Lessons for future programmes

This thematic evaluation has identified a wide range of implications for future delivery. As well as lessons for the delivery of specific thematic interventions, these include some important general considerations that need to be reflected in the design, management and delivery of future Programmes. These include:

- commissioning and appraisal processes should be established that incorporate interviews with applicants alongside the appraisal of written bids to gain insight into proposed delivery teams;
- greater integration is needed between interventions funded by the different structural funds and other programmes. There is also a need for closer alignment of projects within a future Programme - such as between business support and innovation themes;
- where projects are closely linked to other interventions, it would be desirable to undertake an economic appraisal for the package as a whole rather than simply considering the components of the package as separate entities (e.g. transport and workspace projects);
- greater attention should be paid to the likely net impacts of interventions on the Cornwall and the Isles of Scilly economy - a clear additionality test should be included in future decision-making processes on project support;
- there is a need for greater continuity and longer term funding;
- investments of limited resources should be targeted to ensure maximum impacts and clustering of activity;
- targets must be realistically achievable – taking account of historic performance for the types of intervention involved and the size of the target group population(s) as relevant;
- monitoring and reporting processes need to be reviewed to ensure they are understood by project managers and there is an appropriate balance struck between their effectiveness and their proportionality to the level of funding involved;
- whilst it is noted that ESIF has only output and results the links between output (and outcome) indicators should reflect targets and vice-versa;
- those with responsibility for delivery should be involved in the development of strategies to create a sense of ownership and to ensure that projects are deliverable (i.e. integration between strategy and delivery teams);
- dedicated in-house professional services teams are useful in speeding up development and reducing costs;
- more collaboration and learning should be encouraged between teams and projects with related objectives, for example the SIF teams, technical assistance teams and business support providers;
• local champions involvement and accountability are needed to make things happen at a local level particularly where regeneration or community economic development aims are important; and

• dedicated teams are required to ensure that CCTs are better understood and valued by all stakeholders involved in the decision-making, appraising, implementing and monitoring of operations. Objectives and targets need to be appropriate and relevant to individual projects.
### Appendix A – List of consultees

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Consultee</th>
<th>Role/ Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>DCLG</td>
<td>Jane Caro</td>
<td>Innovation</td>
</tr>
<tr>
<td>DCLG</td>
<td>Josie Gough</td>
<td>Workspace/Business Support</td>
</tr>
<tr>
<td>DCLG</td>
<td>Ian Whale</td>
<td>Workspace/Business Support</td>
</tr>
<tr>
<td>DCLG</td>
<td>Michelle James</td>
<td>Strategic/Evaluation Steering Group</td>
</tr>
<tr>
<td>DCLG</td>
<td>Badder Alfaresi</td>
<td>Appraisal Team</td>
</tr>
<tr>
<td>ESI Exeter University (previously SWRDA )</td>
<td>Alex Huke</td>
<td>Environment</td>
</tr>
<tr>
<td>SWRDA, Director of European Programmes</td>
<td>Phil McVey</td>
<td>Strategic / PMC</td>
</tr>
<tr>
<td>Cornwall Council</td>
<td>Jo Banks</td>
<td>Strategic/Evaluation Steering Group/Regeneration</td>
</tr>
<tr>
<td>Cornwall Council</td>
<td>Emily Kent</td>
<td>Strategic/Evaluation Steering Group</td>
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<tr>
<td>Cornwall Council</td>
<td>Sarah Corbett</td>
<td>Strategic/Evaluation Steering Group</td>
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<td>Cornwall Council</td>
<td>Janet Bowen</td>
<td>Strategic/Evaluation Steering Group</td>
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<tr>
<td>Cornwall Council</td>
<td>Jenny Milligan</td>
<td>Strategic/Evaluation Steering Group</td>
</tr>
<tr>
<td>Cornwall Council</td>
<td>Glenn Caplin</td>
<td>Regeneration</td>
</tr>
<tr>
<td>Private sector</td>
<td>Thelma Sorensen, CBP</td>
<td>Business Support/Strategic/PMC</td>
</tr>
<tr>
<td>Voluntary sector</td>
<td>Mark Richardson, CVSF</td>
<td>Strategic/ESF/Voluntary sector/Evaluation Steering Group/LMC</td>
</tr>
<tr>
<td>Environment Agency</td>
<td>Judy Proctor</td>
<td>Environment/Strategic/ Evaluation Steering Group/LMC</td>
</tr>
<tr>
<td>Cornwall and the Isles of Scilly LEP</td>
<td>Chris Pomfret</td>
<td>Strategic – LEP; Joint Deputy Chair of the LMC</td>
</tr>
<tr>
<td>Council of the Isles of Scilly (previously Head of Growth Tem, DCLG)</td>
<td>Theo Leijser</td>
<td>Strategic/IoS</td>
</tr>
<tr>
<td>Council of the Isles of Scilly (previously SWRDA Head of Convergence)</td>
<td>Diana Mompoloki</td>
<td>Strategic/IoS /ESF business support/workspace/transport/regeneration/environment/innovation</td>
</tr>
<tr>
<td>Institute of Directors (previous head of Convergence Partnership Office TA project)</td>
<td>Carleen Kelemen</td>
<td>Strategic –</td>
</tr>
<tr>
<td>Chief Exec C&amp;IoS LEP (ex-Head of Economic Development Cornwall Council)</td>
<td>Sandra Rothwell</td>
<td>Strategic / LEP business support, workspace, regeneration, environment</td>
</tr>
<tr>
<td>Ex SWRDA (Chief Exec)</td>
<td>Jane Henderson</td>
<td>Regeneration/business support/ESF</td>
</tr>
<tr>
<td>Ex SWRDA</td>
<td>Abi Williams</td>
<td>Head of Evaluation ESF, regeneration</td>
</tr>
<tr>
<td>CDC</td>
<td>Iain Mackelworth</td>
<td>Workspace/transport/regeneration</td>
</tr>
<tr>
<td>Falmouth University</td>
<td>John Dobson</td>
<td>Alacrity Falmouth: Creating new high growth businesses in Cornwall; The Performance Centre</td>
</tr>
<tr>
<td>YTKO</td>
<td>Matt Giles/Kate McEwan</td>
<td>Business Collaborative Networks; Fit for Finance/Get set for growth; Intensive Start Up Support; Intensive Start Up Support 2012-2015</td>
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<tr>
<td>Organization</td>
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<tr>
<td>Oxford Innovation</td>
<td>Andrew Farmer</td>
<td>Coaching for High Growth; Starting a High Growth Business</td>
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<tr>
<td>Invest in Cornwall CDC</td>
<td>Lucy Hunt</td>
<td>Cornwall Marketing; Cornwall Marketing 2012-2015</td>
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<tr>
<td>Serco Regional Services Ltd</td>
<td>Amanda Ratesy</td>
<td>Deeper Broader IDB Growth (interim) Service for Cornwall &amp; IOS; Deeper Broader IDB in Cornwall; Improving Your Resource Efficiency Revenue; Improving Your Resource Efficiency SW Capital Grants</td>
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<tr>
<td>SWIG</td>
<td>John Peters</td>
<td>Finance for Business</td>
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<tr>
<td>UKTI/Peninsula Enterprise</td>
<td>Ray Gore/Lenna Bithell</td>
<td>Globalisation; Globalisation 2012-2015</td>
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<tr>
<td>Serco Regional Services Ltd / Peninsula Enterprise</td>
<td>Sebeail Fowell</td>
<td>Superfast Cornwall Business Support</td>
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<td>Plymouth University</td>
<td>Mark Smith</td>
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<td>CDC</td>
<td>Nick Blandford</td>
<td>Transition to Business Support Simplification</td>
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<tr>
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<td>Phil Moore, Eleanor Jubb, Kamran Harandy, Adrian Bossey, Nick Dixon</td>
<td>Academy of Innovation Research</td>
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<tr>
<td>The Design Programme</td>
<td>Anna Traylor</td>
<td>Design and Innovation for Business Sustainability</td>
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<td>University of Exeter</td>
<td>Ross Champion</td>
<td>Environment and Sustainability Institute</td>
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<tr>
<td>University of Exeter</td>
<td>Emma Bland</td>
<td>European Centre for Environment and Human Health Phase 2</td>
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<tr>
<td>Universities South West</td>
<td>Robin Bower</td>
<td>Knowledge Escalator SW</td>
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<td>Plymouth University</td>
<td>Bob Baggott</td>
<td>Peninsula Research Institute for Marine Renewable Energy (PRIMaRE)</td>
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<td>Plymouth University</td>
<td>Bernard Curran</td>
<td>The Innovation Centres</td>
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<td>CM International</td>
<td>Dylan Henderson</td>
<td>Consultant for Evaluation of C&amp;IoS Innovation Centres</td>
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<tr>
<td>University of Exeter</td>
<td>Jean Taylor</td>
<td>Strategic / RD&amp;I Strategy Board</td>
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<tr>
<td>CDC</td>
<td>Miles Carden</td>
<td>Airport and Aerohub workspace</td>
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<td>Cornwall Council</td>
<td>Rebecca Lyle</td>
<td>Transport</td>
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<td>Neil Clark</td>
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<td>Mark Allott</td>
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<td>Natalie Warr</td>
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<td>Natalie Russell</td>
<td>Superfast Cornwall Delivery Team</td>
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<tr>
<td>Cornwall Council</td>
<td>Nicola Yeates</td>
<td>East Hill / A30 junction improvements / CPR East-West link road / A391 Carluddon (St Austell)</td>
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<tr>
<td>Robot Mother Ltd</td>
<td>Andrew Marston</td>
<td>Jubilee Warehouse (workspace / regeneration / refurbishment)</td>
</tr>
<tr>
<td>Cornwall Council</td>
<td>Sue Patton</td>
<td>CDC SIF Environment Role</td>
</tr>
<tr>
<td>FX Plus (wholly owned sub of Exeter and Falmouth Universities)</td>
<td>Karen Clowes</td>
<td>CPR Environment Role</td>
</tr>
</tbody>
</table>
**Business Support Provider** | **Contact** | **ERDF Project**
--- | --- | ---
Universities South West | Robin Bower | Knowledge Escalator SW
Cornwall Development Company | Brent Treloar | Business Investment for Growth (Vouchers)
Cornwall Development Company | Nicky Pooley | Finance for Business (SWIG – Loans)
Cornwall Development Company | Nick Blandford | Transition to Business Support Simplification: Marine, Food, Creative Industries
Cornwall Marine | Paul Wickes | Transition to Business Support Simplification: Marine
Cornwall Development Company | Emma Kehyaian | Transition to Business Support Simplification: Food
Cornwall Arts Centre Trust | Jane Sutherland | Transition to Business Support Simplification: Creative Industries
Cornwall Development Company | Scott James | SMART Cornwall Development Team
Combined Universities in Cornwall | Nicola Kneebone | The Engine Room
Combined Universities in Cornwall | Lucy Ellis | SW Innovation Accelerator Project
Environment Agency | Michael Frye | Envision Phase 3
University of Exeter | Emma Bland | European Centre for Environment and Human Health Phase 1&2
University of Exeter | Ross Champion/Belinda Broughton | Environment and Sustainability Institute
Falmouth University | John Dobson | Alacrity Falmouth: Creating new high growth businesses in Cornwall; AIR; Enhancing the Creative Knowledge Base/The Performance Centre
Invest in Cornwall | Kathryn Lister | Cornwall Marketing
Oxford Innovation | Andrew Farmer | Starting a High Growth Business; Coaching for High Growth
Peninsula Enterprise | Pam Cole | Social Enterprise Focus Cornwall & Isles of Scilly
Peninsula Enterprise | Rachael Harvey | Deeper Broader IDB Growth (interim) Service for Cornwall & IOS; Deeper Broader IDB in Cornwall; Improving Your Resource Efficiency Revenue; Improving Your Resource Efficiency SW Capital Grants; Superfast Cornwall Business Support
Peninsula Enterprise | Paul Jewell | Globalisation
Plymouth University | Rupert Lorraine | Peninsula Research Institute for Marine Renewable Energy (PRIMaRE)
Plymouth University | Mark Smith | The Enterprise Programme
South West Manufacturing Advisory Service | Phil Townsend / Martyn Pearson | South West Manufacturing Advisory Service
The Design Programme | Anna Traylor | Design and Innovation for Business Sustainability
YTKO Group | Matt Giles | Business Collaborative Networks; Fit for Finance /Get set for growth; Intensive Start Up Support (Outset); Intensive Start Up Support 2012-2015 (Outset)
## Evaluation Steering Group Members

<table>
<thead>
<tr>
<th>Name</th>
<th>Agency</th>
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<tbody>
<tr>
<td>Julian German</td>
<td>LMC, Cornwall Council, Local Enterprise Partnership</td>
</tr>
<tr>
<td>Mark Richardson</td>
<td>LMC, Cornwall Voluntary Sector Forum</td>
</tr>
<tr>
<td>Judy Proctor</td>
<td>LMC, Environment Agency</td>
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<td>Michelle James</td>
<td>DCLG</td>
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<td>Jenny Milligan</td>
<td>Cornwall Council</td>
</tr>
<tr>
<td>Diana Mompoloki</td>
<td>Isles of Scilly Council</td>
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