

**EXPERT EVALUATION NETWORK
DELIVERING POLICY ANALYSIS ON THE
PERFORMANCE OF COHESION POLICY 2007–2013**

YEAR 1 – 2011

**TASK 2: COUNTRY REPORT ON ACHIEVEMENTS OF
COHESION POLICY**

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**A report to the European Commission
Directorate-General Regional Policy**

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LIST OF ABBREVIATIONS

- AIR Annual Implementation Report(s)
- BIS Department for Business, Innovation and Skills
- CPPs Community Planning Partnerships
- DCLG Dept for Communities and Local Government
- EAG Evaluation Advisory Group
- ELC Enterprise and Learning Committee
- ERDF European Regional Development Fund
- ICT Information and communication technologies
- iNETs Innovation Regional Networks
- JEREMIE Joint European Resources for Micro to Medium Enterprises
- JESSICA Joint European Support for Sustainable Investment in City Areas
- LEP Local Enterprise Partnership(s)
- LGF London Green Fund
- MTE Mid Term Evaluation
- OP Operational Programme(s)
- PMC Programme Monitoring Committee
- RDA Regional Development Agencie(s)
- R&D Research and developments
- RGF Regional Growth Fund
- RME Research, Monitoring and Evaluation
- RTDI Research Technological Development and Innovation
- SEEDA South East England Development Agency
- SETs Spatial European Teams
- SME Small and Medium Enterprise(s)
- TSG The Technical Sub Group
- VCLF Ventrue Capital Loan Fund
- WEFO Welsh European Funding Office

EXECUTIVE SUMMARY

The regional development policy pursued

The UK Government has argued that the main problem facing the less-well off regions is that they grow too slowly and that their relative competitiveness has to be improved by adopting regional policy measures that will address the drivers of skills, enterprise, innovation, competition and investment. The drivers approach has been applied across *all* UK regions and thus those eligible for support under both the Convergence and Competitive Objectives of Cohesion Policy. Over the last year there has been considerable change to the shape and form of regional development policy in much of England with the announcement in May 2010 that the Regional Development Agencies (RDA) that have been responsible for the monitoring and evaluation of Cohesion Policy in England are to be abolished by March 2012. The Government Offices for the Regions were closed in March 2011. In June 2010 HM Government asked local authorities to submit proposals for Local Enterprise Partnerships (LEPs). Some 37 LEPs have now been established across England but it has been decided that they will not be assigned responsibility for managing Cohesion Policy at the present time. Responsibility for the management of the European Regional Development Fund (ERDF) is now with the Department of Communities and Local Government using staff from the RDA local ERDF Secretariats. The staff will remain based in the regions. The current position in England is thus one of transition. Delivery arrangements remain the same in Scotland, Wales and Northern Ireland where regional development policy remains the responsibility of the Devolved Administrations.

Progress made in carrying out planned expenditure

The effects of the economic recession triggered by the Financial Crisis in 2008 have affected the relatively weaker regions in the United Kingdom harder than the more prosperous regions. In a new age of austerity HM Government is reducing public expenditure and this is also impacting on regional economic development. These impacts are both direct as reductions in public expenditure reduce local demand but also indirect, in that they are affecting the ability of economic development agencies and others to find funding to match the contribution made by ERDF. The economic climate in which ERDF is operating is thus very different to that which existed when the original Operational Programmes (OPs) were produced.

In the **Convergence regions** the largest share of funds has been allocated to stimulating enterprise. Other significant commitments are to territorial development, transport and environment and energy. In the **Competitiveness and Employment regions** the largest share of funds was also allocated to stimulating enterprise. Within this broad policy area particular attention has been given to support for innovation in Small and Medium Enterprises (SMEs).

Amounts contracted and amounts paid by end March 2011

In terms of amount of funds contracted and paid as at March 2011 across the whole of the United Kingdom 62.5% of all ERDF had been contracted and this had increased from 40.4% at end March 2010. There was considerable variation by region across the United Kingdom. In Wales nearly 75% committed (compared with 49% by the end March 2010) and a similar proportion in Scotland (compared with 43.6% as at end March 2010). The England average was 57.6% (Compared with 34.9% end of March 2010). Some 25% of funds had been paid out by end March 2011, up from 15% at the end of 2010.

The output and results achieved from the expenditure undertaken

The output monitoring data shows a substantial increase relative to 2009 in outputs being delivered, particularly in gross jobs and enterprise assistance. However, there is still a considerable way to go in relation to the targets. Throughout 2010 progress was constrained by the adverse economic climate and problems of securing matched funding for projects. Given the overall volume of outputs delivered by the end of 2010 it is unrealistic to expect that ERDF has been able to make a significant impact on the number of jobs in the regions assisted at the present time but the level of support to business and innovation is substantial.

There are many examples in both the Convergence and Competitiveness regions of projects that are improving their competitive advantage by encouraging knowledge transfer and innovation and providing investment that has the potential to make a significant impact. It is also important to recognise the strategic added value that has arisen through improvements in partnership working, both at the project and programme level and in both the Convergence and Competitiveness regions.

Evaluations carried out in the programming period

Since the 2010 Report some further Mid-Term evaluations have been undertaken and also some important research to assess how the impact of ERDF Programmes on job creation, business growth and helping people into employment can be modelled. A number of local ERDF secretariats have signalled their intention to move to commissioning evaluation research that will identify the additional impacts of that ERDF on the economic development of their regions. There is an urgent need for more evidence on the impact that Cohesion Policy has been able to make. There is a strong argument for a national evaluation of ERDF Cohesion Policy in the United Kingdom. There would be a number of advantages from this. At the present time evidence is fragmented across regions and different approaches are adopted by consultants to assess impact across the regions. Summing achievement is very difficult and it is unlikely that a coherent national picture can be obtained without a more systematic national evaluation, particularly when it comes to assessing additionality and ultimately Value for Money.

The main challenges that Cohesion Policy is facing

At the present time the economic climate in which ERDF is operating is challenging and this will constrain progress for the rest of 2011. It is also the case that the austerity measures being applied in the United Kingdom to reduce public expenditure are constraining matched funding. Some of the regions receiving Cohesion Policy are particularly vulnerable to job-loss in the public sector.

1. THE SOCIO-ECONOMIC CONTEXT

The main features of the socio-economic situation and the nature and scale of regional disparities

The 2010 country report outlined the nature of regional disparities in the United Kingdom and we do not repeat this analysis here but rather comment on any significant changes. The two **Convergence regions** in the United Kingdom are Cornwall and the Isles of Scilly and West Wales and the Valleys. GDP per head in the Convergence regions overall was 75% of the EU27 average in 2000 but has fallen further to 72% by 2008. Unemployment in the UK convergence regions has increased since 2008 from 6.1% to 8.1%. This is the result of a significant increase in West Wales from 6.2% to 8.9% whilst unemployment in Cornwall actually fell slightly. The evidence shows that West Wales and the Valleys with its industrial legacy are continuing to find it more difficult to restructure relative to the more rural area of Cornwall. Both Cornwall and West Wales have a smaller proportion of employment in private services than the national average and a larger proportion of employment in public services which had increased throughout the study period, a factor that makes them particularly vulnerable to cut-backs in public expenditure. It should also be emphasised that R&D expenditure in these two regions continues to languish.

The Highlands and Islands is the only Phasing-Out region in the United Kingdom and is a predominantly remote rural region and GDP per head was 80% of the EU27 average in 2000 which has continued to improve by 2008 when it was 13% below the EU27 average. The growth of GDP per head over 2007–8 was actually better than the UK at 1.4% compared to –0.7% for the UK. GDP per person employed has risen from 18% below the EU27 average in 2000 to some 7% below in 2008. R&D expenditure continues to be much lower than either the EU27 or UK average in 2009. Unemployment has not been considered a significant problem since it has been well below both the UK and EU27 averages however the rate of increase has been significantly faster between 2008 and 2009 than the nation as whole, nearly doubling.

It is difficult to provide a concise summary of the baseline position for the Competitiveness areas since there are a very large number of them and regional development policy in the UK covers the whole of the country and not just lagging regions. All regions are seeking to restructure away from an industrial past and the main difference between them is the extent of the difficulties that they face in doing this. Two of the regions facing the most difficult problems are the West Midlands and Merseyside since they have both suffered severely from deindustrialisation. Over the period 2007–2008 the West Midlands Competitiveness region experienced a decline of –3.7% in GDP per head compared with the national average of –0.7% and an average for all the Competitiveness and Employment regions in the United Kingdom of –0.6%. As a consequence of the recession unemployment in the region rose to 13.1% compared with the national and all Competitiveness regions average of 7.6% by 2009.

In the period 2007–9 the Merseyside Competitiveness region had a faster decline in GDP per head compared to the national and all Competitiveness region averages (–1.5% compared to –0.7% and –0.6% respectively). The region has long suffered from relatively high levels of unemployment and in 2009 the rate had reached 9.4% compared to the national and all Competitiveness averages of 7.6% and 7.6% respectively. It is worrying that the region has a relatively high level of employment in the public sector at 41.3% in 2008 compared with a national and all Convergence region average of 34.9% and 34.7% respectively. Like the West Midlands it also had a relatively high proportion of its working age population with only a basic level of educational attainment (some 29.7% in 2010 compared with the national average of 23.9% and an all Convergence region average also of 23.9%). The region is heavily dependent on public sector employment at a time of cuts to public expenditure.

Macroeconomic factors

The UK Government has placed emphasis on ensuring a stable macroeconomic environment to help the process of regional development. However, the period since the financial crisis has been particularly difficult for the United Kingdom. After declining more than other parts of the EU in the recession economic growth continued to recover more slowly. Moreover, the UK was one of the first countries in the West to reduce public expenditure and there is concern about the impact of this on the ability to provide matched funding. A recent analysis has shown that many of the more depressed regions have higher shares of public sector employment than their more prosperous counterparts and this proportion has tended to increase in recent years (Guardian, 2011). The implication is that reductions in public sector employment as a result of austerity measures might well hit those regions in the United Kingdom that are least able to substitute private sector jobs for job loss in the public sector. Moreover, recent research undertaken by the European Commission has also indicated that the adverse effects of the recession on unemployment has tended to be felt the most by those regions that already had relatively high levels of unemployment before the recession (Bubbico and Dijkstra, 2011). This has happened because the sectors that they have tended to specialise in were relatively adversely affected by the recession. Annex Table D shows a pronounced core–periphery impact in the change in unemployment over 2007–2010.

The macroeconomic environment in which ERDF has been deployed has thus been harsh and the evidence is that the economically weaker regions in the United Kingdom have been hit badly by the recession. The economic climate in which ERDF has been operating has been completely different to that which existed in 2006 when the Operational Programmes were produced.

2. THE REGIONAL DEVELOPMENT POLICY PURSUED, THE EU CONTRIBUTION TO THIS AND POLICY ACHIEVEMENTS OVER THE PERIOD

THE REGIONAL DEVELOPMENT POLICY PURSUED

Regional development policy in the United Kingdom and the contribution of ERDF

- Regional policy across the United Kingdom has focused on increasing regional competitiveness by addressing the drivers of skills, enterprise, innovation, competition and investment. The drivers approach has been applied across all UK regions and thus those eligible for support under both the Convergence and Competitive Objectives of Cohesion Policy. Each individual devolved delivery agency has decided how much of its resources (both ERDF and those that it has received from National regional Development policy funds) it wishes to allocate to address each individual driver (skills, innovation etc...) and where, in its region it wishes to allocate these funds.
- The allocation of Cohesion Policy funding across the United Kingdom (and corresponding national funding for regional development) reflects the broad severity of regional problems and, in line with the drivers approach, the extent of the competitiveness shortfall. In the majority of cases it is not possible to distinguish the impact of ERDF from other sources of regional development funding.

Throughout this Report we refer to progress according to the four countries of England, Scotland, Wales and Northern Ireland. In England at the start of the 2007–2013 Programming Rounds there were nine Regional Development Agencies but in May 2010 HM Government announced the RDAs were to be abolished by March 2012 and the Government Offices for the Regions were to close by March 2011. The current position is thus now one of transition. Delivery arrangements remain the same in Scotland, Wales and Northern Ireland where regional development policy remains the responsibility of the Devolved Administrations.

In June 2010 HM Government asked local authorities to submit proposals for Local Enterprise Partnerships (LEPs) to be responsible for local economic development. The objective being that local authorities should work together with the private sector and other interested parties to stimulate economic growth and create jobs. In October 2010 the Department for Business, Innovation and Skills published a White Paper that outlined Government plans to create a Regional Growth Fund (RGF) (BIS, 2010) to support initiatives at the local level that would help to stimulate growth and create jobs. The fund is allocated through a competitive bidding process to which LEPs, business and other interested parties can respond. The fund has EUR 1.6 billion available over three years but this level of funding represents a significant reduction compared to the funds that have been available from the Single Programme that underpinned the activities of the RDAs. The amount of matched–

funding available from other regional policy support funding is thus now much less. Support from the RGF for ERDF projects has not figured prominently as yet.

Although 37 LEPs have now been established across England it has been decided that they will not be assigned responsibility for managing Cohesion Policy at the present time, although they will be able to have members on the Programme Monitoring Committees (PMCs) in England. Responsibility for the management of ERDF is now with the Department of Communities and Local Government using officers from the RDA local ERDF Secretariats. The officers remain in the regions.

Changes in priorities during the last year

Shifts in priorities and/ or the allocation of EU funding

The last year has been a difficult time for the economically more distressed regions of the United Kingdom. The effects of the economic recession triggered by the Financial Crisis in 2008 have been severe. Moreover, as HM government has sought to reduce the level of public expenditure in a new age of austerity this itself is having impacts on regional economic development. These impacts are both direct as reductions in public expenditure reduce local demand but also indirect in that they are affecting the ability of economic development agencies and others to find funding to match the contribution made by ERDF. A further issue is that in England the new Coalition Administration elected in 2010 has changed the institutional format through which regional development policy is delivered with the abolition of the Regional Development Agencies. The impact of these effects has varied by region and priority.

Convergence regions

The United Kingdom has two Convergence regions and a Phasing-Out region. In the Highlands and Islands Phasing Out region there have not been any significant change in priorities that are the focus of ERDF but in line with its Economic Recovery Plan the Scottish Government has indicated that ERDF has 'played an important role bringing additional resources to our initiatives to counter the recession while supporting activities that will improve the long term competitiveness of the economy' (AIR, 2010). An example quoted is support for renewable energy infrastructure that is encouraging the private sector to pursue opportunities in offshore wind, wave and tidal developments using these assets as a platform for construction, repair and maintenance. Overall, there have not been any significant changes on priorities since by the end of 2010 virtually all of the ERDF had been allocated.

In West Wales and the Valleys *Convergence* region there has been a change in the way in which the Welsh Assembly Government is supporting businesses. In Economic Renewal: A New Direction the Assembly Government advocated a reduction in direct support to business and a move to a more targeted sector based approach. Flexibility in the ERDF

programme has meant that change has been accommodated relatively easily. The main change is a reduction in business support in Priority 2 by EUR 48 million of ERDF grant, a refocusing on sectors and away from grants, and this being made available for additional transport infrastructure in Priority 3. A further EUR 12 million grant for Regeneration in Priority 5 was also possible due to efficiency savings identified under Priority 6 Technical Assistance.

In Cornwall and the Isles of Scilly Convergence region whilst there have not been any fundamental shift in priorities a depressed economic climate coupled with reductions in public expenditure and in particular those affecting the Single Programme has constrained new investments through a lack of co-finance.

Competitiveness and employment

The United Kingdom has thirteen Competitiveness and Employment regions. In the Lowlands and Uplands the Scottish Government has followed the same policy as in the Highlands and Islands and sought to ensure that ERDF is used partly in a counter-recessionary manner. Within the framework of its Government Economic Strategy it is believed that ERDF has played a 'key part' in the delivery of the Economic Recovery Plan by helping to 'front-load' capital expenditure programmes.

In the Northern Ireland Competitiveness region programme priorities have remained much as originally envisaged given the importance attached to the economy by the new administration. It has been established, however, that some of the programme indicators are not now adequate to reflect some aspects of the programme.

In England, the South East Competitiveness region the broad programme priorities have remained the same, although the availability of obtaining matched funding has been constrained by the cut backs in public expenditure. The East of England Competitiveness programme was also affected by the economic climate and proposed reductions in public expenditure with a small number of project withdrawals and a number of projects having to reflect the changed economic circumstances. The broad priorities of the programme have remained the same, under-pinned as it is by the low carbon agenda. The North East Competitiveness region Operational Programme has also highlighted the problems caused by the economic climate and significant reductions in the availability of public expenditure and the changes to the match-funding landscape this has produced. Although the broad priorities of the programme have remained in place the Mid-Term Evaluation has highlighted the constrained business environment and the impact on survival rates and employment growth. Accessing finance remains a major problem and the region hopes that the Joint European Resources for Micro to Medium Enterprises (JEREMIE) initiative launched in early 2010 will gradually begin to improve things. The ERDF Programme Secretariat has been seeking to maintain momentum as originally planned and the programme is seen as a key instrument in 'enabling the region to strike a balance between dealing with the

recession, preparing for the upturn and maintaining a focus on partners' longer term economic ambitions (AIR, 2010)'

The programme in the London Competitiveness region has not experienced any significant change in priorities. In the West Midlands Competitiveness region as a result of reductions in public expenditure and the availability of matched funding ERDF Investment Frameworks have been reworked to reflect those instances where projects were scaled down or failed to find an alternative source of match funds. Overall, however the broad priorities behind the programme remain the same. In the North West Competitiveness region the economic climate and budget cuts across the public sector, including crucially the RDA Single Programme, have again meant that individual projects have had to be re-scoped although again the broad priorities remain the same. An Interim Evaluation undertaken in mid 2010 identified the need to revise some elements of the Investment Frameworks taking account of changes to national policies and delivery mechanisms. The programme is still felt to be in line with the needs of the region but it is believed that some activities should be brought forward to help combat the effects of the recession. This includes projects affecting the public realm and land remediation which would ensure the continued development of the regions strategic sites and opportunities for growth.

In the Yorkshire and the Humber Competitiveness region the severe economic downturn has seriously impacted on the availability of match funding for the ERDF investment. An earlier decision to change the Operational Programme to include match funding from the private sector is seen as being timely. The changed economic environment led to a revised Operational Programme which was approved by the Commission in December with the emphasis being to identify new sources of public funding. In the East Midlands Competitiveness region reductions in Single Programme funding during the year again led to the need to find alternative sources of funding for applications but the core priorities remain the same. In the South West Competitiveness region a key concern has again been the loss of matched funding. A Programme Review in 2010 confirmed that the focus of the Programme remained valid. The Priority Axis 3 Urban Enterprise delivery has been particularly adversely affected by matched-funding difficulties and although it is believed the original aims will remain the same attention is being given to develop a Jessica programme.

The East Wales Competitiveness programme has been affected by the decision by the Welsh Assembly Government to suggest a reduction in direct support to business as described above in the West Wales and the Valleys Convergence programme. As discussed earlier, flexibility in the Operational Programme meant that the new direction could be accommodated with little change and the result was minor changes in targets for the programme together with the inclusion of limited investments in Information and communication technologies (ICT) infrastructure.

In the Gibraltar Competitiveness region there was no significant change in the programme's direction. It concentrates on sustainable economic development, innovation and entrepreneurship and the region did not experience any significant adverse effects from the recession.

The Northern Ireland, Border region of Ireland and Western Scotland Interreg programme concentrates on stimulating enterprise through business support, investment in business infrastructure and networking. It also supports the development of tourism. Another main priority is to promote co-operation and the exchange of expertise, information and best practice between public bodies and other relevant stakeholders and supporting a number of selected programme infrastructure projects relating to telecommunications, transport, energy, utilities and the environment. These priorities have been progressed throughout 2010 without significant change but like other areas the recession has impacted on the roll-out of the programme.

POLICY IMPLEMENTATION

The evidence at the time of the 2010 country report was that:

- In general, programmes are being implemented in line with what was planned;
- After a relatively slow start expenditure and commitment had started to catch-up and in some regions was nearly fully committed;
- However, it was noted that the economic environment was still fragile, recovery slow and it was a time of fiscal austerity and that finding matched funding was becoming a major issue with very little evidence that the position would improve in the medium term.
- The overall amount of funds contracted to 2010 as a percentage of total ERDF allocation was 40.4%. There were significant variations across regions.

Recent Progress

Allocation and commitment by main policy area

Convergence regions

Annex Table A shows financial allocation and commitment by main policy area for the Convergence regions in the United Kingdom. The largest share of funds has been allocated to the policy area of stimulating the enterprise environment (43%). Other significant commitments are to territorial development (20.9%), transport (19.9%) and environment and energy (13.3%). Commitments made in relation to allocation by the end of 2010 for the Convergence objective overall was nearly 63% but there were significant variations across policy areas. The highest commitment in relation to allocation had occurred in the policy area of tourism and culture development. Over 78% of funding for the policy area of

enterprise environment had been committed with Research Technological Development and Innovation (RTDI) and linked activities all allocated.

Competitiveness and Employment regions

Annex Table Aa shows financial allocation and commitment by main policy area for the Competitiveness and Employment regions in the United Kingdom. The largest share of funds has been allocated to the policy area of stimulating the enterprise environment (68.9%). And within this broad policy area particular attention has been given to RTDI and linked activities (at 22.8%) and support for innovation in SMEs (at 34.9%). Commitments made in relation to allocation by the end of 2010 for the Competitiveness objective overall was nearly 65% but there were significant variations across policy area. The broad policy area of enterprise environment had committed around 67% of allocation. Relatively small amounts to human resources appeared to have been over allocated. The relatively large allocation to environment and energy had just over two fifths of allocation committed.

Cross Border Co-operation programme

Annex Table Ab shows financial allocation and commitment by main policy area for the Cross-Border Cooperation regions in the United Kingdom. The largest share of funds has been allocated to territorial development at 41%, followed by the enterprise environment at 27.6% and social infrastructure at 25.4%. As at the end of March 2010 overall commitments was just over half of the total allocated (53.4%). The greatest commitment had taken place in the areas of environment and energy and territorial development. The majority of the funds devoted to the provision of social infrastructure had been committed by the end of March 2010.

Total amount of certified eligible expenditure paid by beneficiaries by 2010 by region and priority axis

Convergence

Evidence on the allocation and certified eligible expenditure paid by beneficiaries up until the end of 2010 is available in the 2010 Annual Implementation Reports (AIRs). Annex Table B shows this and an overall implementation rate at that time. The Highlands and Islands Convergence region had an implementation rate of just over 20% with the rate being highest for the priority of enhancing the key drivers of sustainable growth. This result is in line with the view in the region that ERDF is felt to have made an important contribution to offsetting the effects of the recession and is making a valuable contribution to the longer term competitiveness of the Highlands and Islands. The lowest implementation rate was for in enhancing peripheral and fragile communities. In West Wales and the Valleys the overall implementation rate was 19% with the most success under priority axis two, improving business competitiveness, where a 46% implementation rate had been achieved. The lowest implementation rate was under the priority axis five, building sustainable communities, at

nearly 9%. In the Cornwall and the Isles of Scilly Convergence region the overall implementation rate was low at 12.6% with it being argued that the recession had presented particularly severe problems, as well as the effect of the period before the UK election being affected by restriction on the announcement and confirmation of new contracts by the South West RDA delivery agency. Some ERDF contracts were delayed by the restrictions placed on Single Pot contracting. Marketing initiatives were also delayed. In June the South West RDA was also affected by calls for further public expenditure cuts and although EEDF endeavour was prioritised there were knock-on effects. HM Government also announced the closure of Regional Business Links which was the major provider of business support and benefitted from significant Competitiveness Funding. Further uncertainty arose from the Government's decision to close the South West Development agency and the South West Government Office which has implications for the matching of department budgets.

Competitiveness

In the Lowlands and Uplands Competitiveness region the implementation rate overall was relatively low at 15% with the recession being seen as a significant factor. The priority axis two concerned to encourage enterprise and growth had the highest penetration rate at nearly 25% and again this is in line with the policy objective of using ERDF to help combat the impact of the recession on business. The implementation rate under priority axis three, urban regeneration, and four, rural development, was very small reflective of a difficult funding environment and low take-up. In the South East England Competitiveness region the overall implementation rate was very low and was a source of concern addressed by the PMC. In the Northern Ireland Competitiveness region the overall implementation rate was again low and also led to attempts to increase penetration. The East of England Competitiveness region was also in the same position, although there had been more success under priority axis two stimulating enterprise and business success by overcoming barriers to business creation and expansion. In the North East of England Competitiveness region the overall implementation rate was 21.1%, again reflective of the difficulties experienced in a difficult economic environment and significant risk adverse behaviour on the part of key partners. Implementation was higher under priority axis one enhancing and exploiting innovation which was a positive result. In the London Competitiveness region implementation was 31% with the most impressive implementation rate being under priority axis three, sustainable places, at 68%. In the West Midlands Competitiveness region the implementation rate was low at just over 11%, although there had been more success in priority axis two, stimulating enterprise development, at 18%.

The implementation rate in the North West Competitiveness region was over 28% with an even spread across all priority axis. The Yorkshire and Humber region implementation rate overall was 15.6% but a higher implementation rate had been secured under the priority axis one concerned to stimulate and support successful enterprise at 22%. In the East Midland Competitiveness region the implementation rate was at 14.5% overall with relatively more

success in the area of East Wales Competitiveness innovation and sustainable business practice at 21.4%. Implementation in the South West Competitiveness region was low at 9% with more success under priority axis two, enterprise and growth, at 18.1%. A better performance had been recorded by the region with an implementation rate overall of 20.9% but 100% under priority axis two designed to improve business Competitiveness and growth. The implementation rate in the Gibraltar Competitiveness region was relatively high at nearly 37%.

Amounts contracted and amounts paid as at March 2011

A more up-to date picture of how much of the ERDF has been contracted across the United Kingdom is shown in Annex Table C. It shows that for the whole of the United Kingdom by March 2011 62.5% of all ERDF had been contracted and this had increased from 40.4% in March 2010. There was considerable variation by region across the United Kingdom. In Wales nearly 75% had been committed (compared with 49% in March 2010) and a similar proportion in Scotland (compared to 43.6% in March 2010). In Northern Ireland by March 2011 45.3% had been committed (compared with 28.8% by March 2010). The England average was 57.6% (Compared with 34.9% in March 2009). In relation to the Convergence region of West Wales and the Valleys 75% was contracted by end of March 2011 (compared with 49% by the end of March 2010). The equivalent figures for Cornwall and the Isles and Scilly were 68.3% and 13.8% respectively indicating a significant increase in absorption in that region.

In the Phasing-Out region of the Highlands and Islands nearly 72% had been contracted by the end of 2011 (compared to 46% as at end March 2010).

Annex Table C shows how much of the funding had actually been paid out by the end of 2011. This was nearly 27% by end March 2011 for the United Kingdom as a whole and this compared with 15% by the end of March 2010. The regions which had paid out the highest proportion by that time were London at 43.2% (compared to 29.5% by the end of March 2010), the North West at 39.9% (compared with 30.3% by end of March 2010) and the North East at 35.2% (compared with 20% by the end of March 2010). The region with the lowest amount paid out was the East of England at 12% (compared with 7.1% by March 2010).

For the Convergence region of West Wales and the Valleys the amount paid out by the end of March 2011 was 20.8% (compared with 9.5% by the end of March 2010). The other Convergence region of Cornwall and the Isles of Scilly had also seen a significant increase to 27.5% from 12% the year before. The Phasing-Out region of the Highlands and Islands had increased to 28% from 9.4% the year before. In Northern Ireland the amount paid out was 17.2% by end March 2011 (compared with 11.6% at March 2010).

ACHIEVEMENTS OF THE PROGRAMMES SO FAR

The 2010 country report reported that:

- Outputs were relatively limited but were beginning to expand. The evidence indicated that the Convergence regions gross jobs created were estimated to be only 2% of the proposed target by the end of March 2009. Across the thirteen Competitiveness and Employment regions gross jobs created were around 12% of the proposed target at that time. On the basis of this evidence, albeit solely relating to jobs, it did not seem plausible to expect that the programme at that time had been able to make much direct impact on job creation;.
- Mid-term reviews had showed that the measures and projects funded were in line with the objectives of policy and that the rationale for intervention remained robust. Although there was no overall summary of what additional outputs had been generated as a result of ERDF support specifically there was some limited evaluation evidence to indicate policies supported by ERDF were assisting in the creation of new enterprises, encouraging Research and Development (R&D) and creating net additional jobs.

Recent progress

The analysis of the monitoring information system described above was repeated using the 2010 AIR evidence. The vast majority of the indicators on the output monitoring system relate to enterprise and job creation as these are the focus of most priorities across most Operational Programmes. It is to be emphasised that in the convergence regions 43% of ERDF and Cohesion Fund is allocated to enterprise environment and the 69% in the Competitiveness regions. Tables A and B show a number of indicators that have been used to assess achievement and a brief summary of what has been achieved overall as at 2010 (NB: It is not possible to provide this information precisely by policy area since the information is recorded by Priority Axis for each Operational Programme and each Priority axis differs by OP in the precise Policy area covered). It should be emphasised that the figures are at a high level of aggregation, very provisional and should be interpreted with caution.

The overall picture is one of much being achieved with the majority of outputs and results in the areas of enterprise, innovation and job creation in line with where the funds are being used. Gross job creation in the Phasing out and Convergence regions shows that there has been an improvement over 2009–2010 in the generation of jobs compared to target. It is clear, however, that the position varied depending on the indicator used. Overall, as a very approximate guide, around 10–15% of the target gross jobs had been created. In terms of enterprise assistance the position seemed to be better with relatively higher levels of attainment in relation to target for business assistance and support.

Gross job created in the Competitiveness regions shows an improvement for some indicators over 2009–2010 but the position varied considerably by indicator. Gross jobs created and safeguarded were around 15–20% of target. There were considerable variations across the business indicators but the number of businesses assisted to improve their performance was 35% of target.

There is also evidence of outputs and results reflecting improvements to infrastructure and the physical environment.

Table A – Main indicators used to assess achievement for the Convergence Regions

Indicators	Final Target	achieved by end of March 2010 as a % of final target
Enterprise support and RTDI		
Outputs and results		
Enterprises assisted (Nos)	35,440	27.1
Enterprises and social enterprises financially supported (No)	1,300	68.9
Number of research facilities supported	30	40
Number of RTD projects supported	30	56.7
Number of research and innovation centres supplied	6	16.7
No. gross jobs created/safeguarded	85,255	10.5
No. of Enterprises (and social enterprises) created	10,244	17.7
Number of additional firms involved in business/cluster networks	1,750	8.1
Human Resource (ERDF only)		
Individuals assisted to set up new enterprise (including social enterprises)	7,750	77.1
Individuals financially supported to set up a new enterprise	770	8.7
Number of vocational training infrastructure projects supported	10	70
Transport and communications		
Public transport services created or improved (Km trvd).	2,500,000	54.7
Intermodal facilities created or improved (Nos)	7	14.3
Access infrastructure created or improved (Nos)	60	18.3
Physical improvement schemes (Nos)	30	6.7
Number of transport projects supported	15	86.7
Environment and energy		
Environmental risk management initiatives (No)	15	33.3
Number of projects on the sustainable use of natural and cultural assets to develop new products and services	70	8.6
People benefiting from flood protection measures	2,000	37.7
Number of enterprises implementing environmental audits and energy-saving/resource efficiency systems	250	18.4
Territorial development (urban, tourism, Rural development, cultural heritage, health, public security, Local development)		
Initiatives developing the natural and/or historic environment (No)	21	33.3
Number of renewable energy projects supported	45	24.4
Number of e-learning/childcare and other community facilities supported	40	12.5
Visits (Nos)	196,000	12.8
Number of new products and services based on natural and cultural assets developed	50	18

Table B –. Main indicators to assess achievements for the Competitiveness Regions

Indicator	Final Target	achieved % by end of March 2010 as % of final target
Enterprise support and RTDI		
Nos of SMEs assisted that are social enterprises	267	47.2
Number of businesses assisted (to improve their performance)	123,476	35.1
Number of individuals/enterprises receiving advice/consultancy	11,600	152.3
Number of businesses engaged within the region in new collaboration with the UK knowledge base	300	14.7
Establish new Centres of Excellence	6	183.3
Number of additional firms involved in business networks	800	43.3
Establish new knowledge transfer products	50	6.0
Firms becoming engaged in collaborations with the UK knowledge base (No).	1,000	77.3
No of businesses within the region engaged in new collaborations with the UK knowledge base	6,494	25.3
No. of businesses involved in collaboration networks	1,575	39.4
No. of gross jobs created or safeguarded	160,953	16.9
No of businesses (including social enterprises) with improved performance	68,729	16.7
No of enterprises created/attracted to region	1,125	79.3
Number of new marketing initiatives	910	5.5
Human Resource (ERDF only)		
Individuals assisted to set up a new enterprise	750	275.7
Skills – number of people assisted in their skills development.	5,600	10.6
No of graduates placed in SMEs	1,000	5.4
Transport and communications		
Between 2007 and 2013 to support broadband application and/or technology projects per annum	70	12.9
Number of ICT facilities supported	35	125.7
Number of local transport projects supported	20	5.0
Environment and energy		
Number of organisations/SMEs supported engaged in promotion of clean technology/renewable energy	465	69.2
Number/type of low carbon construction and refurbishment initiatives	17	5.9
Length of water course restored or significantly enhanced (in metres)	500	176.0
Number of renewable energy and resource/energy efficiency projects supported	240	50.0
Number of businesses making financial savings from improved energy and resource efficiency	550	53.1
Number of enterprises implementing environmental audits and energy-saving/resource-efficiency systems	4,100	7.6
Territorial development (urban areas, tourism, Rural development, cultural heritage, health, public security, Local development)		
Number of e-learning/childcare and other community facilities supported	35	31.4
Number of educational access projects supported	20	5.0

Indicator	Final Target	achieved % by end of March 2010 as % of final target
No of gross jobs created, of which in disadvantaged areas.	1,167	65.9
No of gross jobs safeguarded, of which in disadvantaged areas	1,901	6.4
Development of tourism projects including signature tourism projects	352	11.6
No of integrated initiatives to develop enterprise in disadvantaged areas	14	50.0

The position in individual regions

Convergence regions

In the Highlands and Islands region priority one is designed to increase the sustainable growth of the Highlands and Islands economy through expanding the number, diversity and value of output of its enterprises with a focus on key sectors. As at end 2010 the number of gross jobs created was around 8% of the target and thus there was still some way to go. The AIR indicated that those indicators still to be realised were linked to energy saving and renewable activities. There has been an encouraging number of new business starts resulting from support and this was running at around 20% of the target by the end of 2010. Priority 2 is to enhance the sustainable value of the key drivers of the regional economy, specifically the University of the Highlands and Islands, the wider research capacity of the region and the use of the regions natural, historical and cultural assets. Much of the funding has now been committed and the number of gross jobs created is around 50% of the target. There have been some delays in the provision of some cultural facilities due to problems with matched funding but many projects have started to deliver in early 2011. For priority three with the objective of supporting fragile and peripheral communities in the region the achievements to date under this priority are very limited with funding not yet converted into projects.

In the West Wales Convergence region priority one is concerned with building the knowledge economy and at the present time gross job creation is relatively low. Priority two is focused on improving business competitiveness and gross jobs were running at around a third of the programme target. There have been relatively high levels of enterprises being assisted and financially supported, particularly for those seeking to start a business. In some cases the numbers assisted is already close to the total programme target. However, in 2010 the Welsh Assembly Government undertook a review of its programme of economic renewal and this has led to a re-alignment of projects so that they reflect the new direction of policy. As mentioned earlier, some decommitments were identified and it was agreed to vire some funds out of this priority. Priority three seeks to deliver new infrastructure that can assist economic development and the output information suggests that it is being used to improve public transport. The majority of target outputs remain unachieved with the exception of public transport services created or improved which at 1.4 million vehicle kilometres

achieved is at 56% of target. It is felt that the relatively slow economic recovery has limited progress during 2010 with very little gross job outputs and a relative unwillingness on the private sector to get involved. It is, however, believed that demand will pick-up. Gross job creation under the remaining priorities during 2010 was relatively limited.

In the Cornwall and the Isles of Scilly Convergence programme priority one focuses on innovation and research and development. Attainment of outputs has been influenced by matched funding uncertainties particularly from the Higher Education Council so that by the end of the year the outputs, results and impacts attainments compared to forecast were relatively low. However, a significant amount of investment has been undertaken to ensure that the main bulk of it is estimated that the main bulk of their jobs and GVA targets will be attained once the construction of new infrastructure has been completed and the facilities are fully operational. Attainment under priority two enterprises and development is experiencing some delays in attainment with gross job attainments at around 5% of target, although the number of businesses that have received assistance is between 30–50% of target under some indicators. Following changes in the national programme of business support a mid-term review of business support has been undertaken to consider existing projects in terms of their performance, business feedbacks and ongoing for value for money. It is argued that 2010 has been about embedding projects and engaging with businesses. Priority Two has now contracted over 47% of the business assist targets and as a subset of this, over 71% of new businesses assisted target *it* has also contracted some 37% of the new jobs target, 16% of the safeguarded jobs target and over 40% of the GVA target. A significant increase in achievement of results and impacts is expected over 2011. Priority three is about transforming the infrastructure base of the region, particularly in relation to improving connectivity between businesses in Cornwall and the Isles of Scilly and national and international knowledge and trading networks and new markets.

Competitiveness regions

In the Lowlands and Uplands Competitiveness region priority one concentrates on research and innovation and there has been considerable interest in this priority to date with the number of enterprises receiving support above target under some measures. Job creation would appear to be lagging somewhat. Priority two relating to enterprise growth has allocated 96% the resources available to support Venture Capital Loan Funds and assist SMEs with investment projects in a challenging national business environment. Job creation was at over 50% of target and there have been high levels of businesses supported. Priority three is tackling urban regeneration and has recently launched a Jessica programme seeking to strengthen a focus on the carbon economy and on achieving low carbon outcomes. The rural development priority has experienced a relatively low level of interest to date with delays in setting-up the key infrastructure required to support it.

The main focus of the South East England Development Agency (SEEDA) Competitiveness programme is to promoting sustainable production and consumption. The output

information points to the total number of businesses involved in relation to target at 63%. In Northern Ireland the number of businesses assisted to improve their performance has already exceeded the target set. Some 40% of the net additional employment target has been secured and the Programme Managers believe that projects that have received approval recently will make a good contribution to the programme but also recognise that some projects have not yet got off the ground due to problems with acquiring matched funding.

In the programme attention is being given to promoting innovation and knowledge transfer with the intention of improving productivity and the number of businesses assisted is running at relatively high levels. Priority two seeks to stimulate enterprise and support business by overcoming barriers to business creation and expansion and over 50% of the core target for start-ups assisted has been attained.

In the East of England Competitiveness programme the priority one sought to promote innovation and knowledge transfer in order to increase productivity but during 2010 actual achievement against profiled indicators was disappointing and in line with under-achievement on project spent. This partly reflected the late start of the programme but also was the result of difficulties in getting projects to move to contract as a result of the difficult economic environment. The AIR comments that some projects seemed to find it difficult to adjust spend to profile and submit claims and this was felt in part to reflect compliance and process requirements with something of a lack of understanding of compliance requirements amongst grant applicants and funding partners.

The same problem of rather variable output achievement across indicators and projects was also apparent for priority two stimulating enterprise and supporting successful business by overcoming barriers to business creation and expansion and priority three ensuring sustainable development, production and consumption. The evidence from the Programme interim Evaluation conducted in 2010 (EEDA, 2010) is that the programme had successfully raised awareness amongst the SME base of the importance of sustainability and low carbon issues. A number of projects were identified to be of national or international significance and these included the Small Business Research Initiative that represented a new approach to public procurement designed to assist SMEs and the establishment of a new enterprise hub to stimulate alternative and non-food crops and promote the use of low carbon bio-renewables (InCrops), A number of other programmes to assist SMEs particularly in relation to innovation were reported.

In the North East Competitiveness programme priority one is enhancing and exploiting innovation. Evidence on achievement is available as at March 2011 from a Mid-Term Evaluation (One North East, 2011). It comments that ‘the programme has prioritised contracting for jobs created and business created the programme has made good progress on business created (46% of overall programme target already achieved), especially in disadvantaged areas target already exceeded’. The AIR identifies particular success in the

creation of social enterprise. The AIR comments that some uncertainty about the eligibility of spend has been a factor in slowing conversion of commitment into spend and outputs with an example being given of projects being unsure as to how to attribute outputs against capital targets when using infrastructure previously funded by ERDF programmes, in addition a number of projects have undergone significant delays whilst assessing the application of Article 55 and state aid. The evaluation estimates that overall jobs created and safeguarded is at 15% of target (as at December 2010). By the end of 2010 key achievements are recorded as nearly 2600 SMEs assisted, 1,105 new SMEs assisted, 1,400 gross businesses created, 2,500 gross jobs created and 1,800 gross jobs safeguarded.

In the London Competitiveness programme priority one focuses on business innovation and research promoting eco-efficiency, priority two on access to new markets and access to finance and priority three on sustainable places for business. As at December 2010 the programme had committed 75% of its programme allocation. At the end of 2009 the London Joint European Support for Sustainable Investment in City Areas (JESSICA) Holding Fund was established, as an investment vehicle that will provide repayable investments to projects seeking to establish environmentally sustainable infrastructure. This initiative was later re-branded the London Green Fund (LGF). This is seen as an innovative approach to the financing of projects relating to heating networks and energy efficiency measures which now include support for energy efficiency measures for social housing and vulnerable households.

In the West Midlands Competitiveness programme progress has been hindered by a number of business support projects having their public sector funding reduced as a result of austerity measures and a number of indicators had seen decline in their overall contracted values against target including the number of businesses assisted to improve their performance. By the end of March 2010 666 people had been assisted into a job (20% of overall target), 3,753 jobs had been created (36% of target), 2,244 jobs had been safeguarded (41% of target) and 1,473 people had been assisted to start a business (which was substantially above the original target of 300). In the North West Competitiveness programme the first full year of programme operation was 2009 and although a significant amount of funding has been committed only a relatively small amount of outputs have been secured and this is the result of delays by funding partners in contracting, difficulties in securing matched funding including cuts to the Single Programme that supported the RDAs and the impact of the adverse economic environment. By the end of March 2010 it is estimated that 2,500 gross jobs had been created and 490 gross jobs safeguarded. In relation to overall achievement an Interim Evaluation of the Programme reported in November 2010 (NWDA, 2010). It states that based on estimates made the North West Operational Programme had achieved 2% of its target for impact in relation to jobs with an estimate of 630 net additional jobs created as at end August 2010. This impact was identified as being largely due to three projects: High Growth Knowledge Business start-Ups; North West Environmental Technologies and Service Cluster Development Programme

and the Networks Environmental Support programme. However, it should be recognised that considerable attention has been given to establishing the North West JESSICA scheme (branded the North West Urban Investment Fund) was approved for some GBP 50.5 million ERDF (EUR 58.6 million)¹. The North West JEREMIE scheme (branded Venture Capital and Loan Fund) was also approved for some GBP 92.4 million (EUR 107.3 million).

In the Yorkshire Humber Competitiveness the AIR states that programme delivery has taken place against the background of a severe economic downturn that has had a major impact on the availability of match funding for the ERDF investment. Delivery has been assisted by a decision by the programme partners to allow the Operational Programme to include match funding from the private sector. A Mid-Term Impact Programme evaluation has recently been undertaken (Yorkshire Forward, 2011). It states that that there has been 'limited progress towards the main impact indicators, with less than 5% of any indicator target achieved to date, other than business created' (YH, 2011). GBP 16 million (EUR 18.6 million) of GVA has been created, GBP 14 million (EUR 16.7 million) net GVA safeguarded, 605 net additional jobs achieved 205 net additional jobs safeguarded and 307 net additional businesses created.

A number of major investments have been undertaken that should have a long-term impact on the region. These include a Venture Capital Fund (EUR 34.3 million), support for a Nuclear Advanced Manufacturing research centre (EUR 20.6 million) and support for broadband infrastructure (EUR 34.3 million). Other success in promoting innovation and R&D include investment in the region's Advanced Materials Centre and support for the Green, Renewables and Environmental Associated project.

The East Midlands Competitiveness programme promotes innovation and sustainable business practice and enterprise activity. The evidence reported in the AIR is that the programme is performing well in relation to commitment, spend and emerging outputs and that without the ERDF support a number of projects would either not have gone ahead or would have been changed significantly. An Interim Programme Assessment reported in July 2010 (SQW, 2010) and reported that in relation to innovation and business practice nearly 1900 businesses had been assisted to improve their performance and that this was 34% of programme target. The number of new businesses engaged in collaboration with the UK knowledge base was nearly 290 and this was 13% of target. Number of gross jobs created was just over 300 (13% of target). Priority two sustainable economic and enterprise activity in disadvantaged communities has been relatively slow to develop although it is thought that there is a good mix of conventional and relatively more innovative projects being assisted. The priority is being affected by the problems of securing matched funding. Priority Two supports sustainable economic and enterprise activity in disadvantaged communities and the evaluation evidence suggests that by March 2010 the number of

¹ EUR 1 = 0.863 GBP – 5 October 2011

businesses supported to improve performance was around 80 and this was 2% of target. The number of jobs created was very low at around 40 (0.6% of target).

The region has established a JESSICA Urban Development Fund with some EUR 11.85 million (GBP 10.2 million) ERDF; it is thought that this initiative by using non-grant financial instruments will allow ERDF to be used more efficiently and effectively. The emphasis is on attracting financial resources for public private partnerships and urban development projects with an emphasis on sustainability. The Fund will be supporting investment in innovation, research and development and high technology operators.

In the South West Competitiveness programme priority one is focusing on innovation and knowledge, priority two on enterprise and growth and priority three on urban enterprise. In 2010 the AIR highlights that 2010 has been a year of contracts issued and delivery but it is not expected that significant outputs will emerge until 2011. Investment has gone into the National Composites Centre, two specialist business technology centres and the first round of innovation regional networks (iNETs).

In the East Wales Competitiveness programme the AIR indicates that by the end of 2010 some EUR 42.7 million of EU Grant had been committed to some 17 approved projects with total project investment at over EUR 151.1 million. However, at the present time outputs are not high.

In the Gibraltar Competitiveness region there had been strong progress in getting new employees into the labour market and assisting SMEs to obtain funding. There had also been success in the creation of jobs in the tourist sector. It is estimated that the programme has been able to create/safeguard around 112 jobs.

The Objective Three Inter-Reg region has committed approximately 50% of the programme allocation by the end of 2010. The support of selected infrastructure projects has involved the highest level of expenditure. The collaboration theme has also been identified as doing well and activity under the enterprise theme was beginning to gain momentum. The output position is unclear at the present time since there is no indicator information available from the database due to technical difficulties. These problems are currently being resolved.

3. EFFECTS OF INTERVENTION

The 2010 country report commented that:

- It was too early to be able to detect significant impact and the evidence on the draw-down of funds and outputs achieved reinforces this view. Funds were being used to strengthen the capacity of the regions, particularly in the face of new opportunities and threats;
- In the Convergence regions the funds were helping to create business opportunities in the low carbon economy, promote environmental friendly led growth and promote renewable energy infrastructure with a particular emphasis on wind, wave and tidal

technologies. The Funds were helping to combat the adverse effects of the recession. ERDF was making a valuable contribution to helping regions adapt to structural change and enhance the resilience of the regional economy to overcome the legacy of the industrial past;

- In the Competitiveness and Employment regions ERDF was making a valuable contribution to helping the regional economies get through recession, particularly by providing finance and facilitating land remediation projects. The emphasis was on building business competitiveness and realising new market opportunities. The focus of delivery has remained on providing support for high growth businesses that will broaden the economic base and thus the region's resilience to economic change. ERDF has been used to establish JESSICA investment funds and JEREMIE venture capital and loan funds. Following permission from the Commission funding is being used to stimulate activity on energy conservation and housing. Particular importance has been given to recognising the European Union's New Industry New Job agenda² as well as the need for investment in low carbon industrial and renewable energy strategies as promoted by the UK Government in 2009.

Recent progress

On balance the broad body of evidence assembled from the seventeen Operational Programmes in the United Kingdom is that by the end of the 2010 operating period it was still too soon to expect significant impacts on the main outcome indicators. The commitment and payment of funds has increased considerably since the time of the last Task Report but even by the end of March 2011 the amount of funds paid out was only 27% across of the total funds available. The output monitoring data shows a substantial increase relative to 2009 in the outputs being delivered, particularly in relation to gross jobs and enterprise. However, many are still well behind target. Throughout 2010 progress was constrained by the adverse economic climate and problems of securing matched funding for projects.

Whilst it is not plausible to suggest that the programme could have brought about significant change in the economies of the regions concerned by the end of 2010 there were many examples in both the Convergence and Competitiveness regions of projects that are building the longer term capacity of regions to withstand the key challenges arising from economic, environmental and demographic change and we examine some of these further below. The broad body of evidence suggests that by the end of the 2011 period there will be more tangible signs of impact. We should also not lose sight of the considerable amount of strategic added value that has been created through improvements in partnership working in both the Convergence and Competitiveness regions. There appear to have been considerable gains in this respect at both project and overall programme level. It should be emphasised that there has not been any significant impact evaluations of the ERDF

programme at the present time and there is an urgent need for evaluation research and we discuss this further in the next section. Whilst the lack of evidence on the impact of ERDF has to be acknowledged it is possible to make some comment on the wider effects of the intervention on the strengthening of economic, social and territorial cohesion against the backdrop of the changing economic circumstances which have taken place and it is to this which we now turn.

In the Highlands and Islands Phasing-out region Cohesion Policy has helped the enterprise base to adjust to new business opportunities, particularly in the areas of renewable energy and the environment. It is thus helping the region to respond to the key challenges but progress has been hampered by the impact of the recession and this has constrained the number of outputs delivered and the benefits to business. Much attention is being devoted to enhancing the capacity of the regions knowledge base and significant progress has been made in this respect. ERDF is co-financing investment in the University of the Highlands and Islands. At the beginning of the programme up to 50% of the funding under priority Two-enhancing the drivers for sustainable growth was allocated to the University of the Highlands and Islands Millennium Institute (some EUR 29.9 million).

In the Convergence regions the majority of the support has been gone to West Wales and there is tangible evidence of assistance helping to build the knowledge based assets of the economy as in the co-financing provided for the building of start-of-the-art computing capability across the universities in Wales. Attention has also been given to improving business competitiveness, although the effects of the recession continue to constrain progress. Policy support is enhancing the innovation capacity of the region, improving ICT infrastructure as in the case of the Next Generation Broadband project and helping to encourage investment in higher value added business. This includes supporting SMEs to identify and exploit aerospace, automotive and high technology industries, delivering new and innovative environmental technologies including ground source heat and bio-refining to produce a range of products from plant material. In Cornwall and the Isles of Scilly ERDF is also being committed heavily to support ICT investment with the example being some EUR 61.5 million of ERDF co-financing the 103 million Next Generation Broadband project. Substantial funding has also gone to the Environment and Sustainability Institute led by the University of Essex that is designed to be a world class centre of research working with SMEs.

In the Competitiveness regions the general picture is that ERDF is supporting investment in transformational infrastructure and also enhancing the ability of the assisted regions to increase finance for businesses over the longer term. Some EUR 39.4 million is being committed to a Venture Capital Fund, EUR 20.7 million in nuclear research facilities in Sheffield and a EUR 34.5 million investment in broadband in South Yorkshire,

The London Competitiveness region has made considerable progress in establishing a London Green Fund (co-financed by ERDF through Jessica) and this represents a major

investment vehicle with to establish environmentally sustainable infrastructure. The Fund will become operational in 2011. In the North West Competitiveness region two financial investment vehicles have been established, Jeremie and Jessica.

In the Inter-Reg Northern Ireland, the Border Region of Ireland and Western Scotland region approximately half the available funding has now been committed and a substantial part of this has focused on infrastructure and particularly projects to help with environmental management.

4. EVALUATIONS AND GOOD PRACTICE IN EVALUATION

The approach to evaluation

England

The position in England in relation to the evaluation of Cohesion Policy changed considerably in 2010. In May 2010 the Coalition Government was appointed in the United Kingdom and it took the decision to close the Regional Development Agency network by March 2012 and the Government Office's across England by March 2011. Since the RDAs have been the main bodies responsible for overseeing the monitoring and evaluation of Cohesion Policy it is now necessary to put in place new arrangements. Moreover, the abolition of the RDAs also removes a single source of matched funding for undertaking evaluations since the RDA Single Programme assisted with this. In Scotland, Wales and Northern Ireland the responsibility for the management, monitoring and evaluation has remained unchanged although there is also pressure on evaluation budgets as a result of cut-backs in government expenditure. It should also be made clear that evaluation work will not separate out the contribution of ERDF funded elements of programmes from those of other sources of funds used to provide cofinancing.

At the present time the Dept. for Communities and Local Government (DCLG) has agreed to directly manage the ERDF Programmes using staff from the RDA local ERDF Secretariats. The DCLG is the overall managing authority for the English regions and the Department for Business, Innovation and Skills (BIS) responsible for UK Structural Funds Implementation. DCLG and BIS are also currently considering whether there should be a national evaluation of the ERDF programme.

A Feasibility Study evaluation of ERDF in Cornwall and the Isles of Scilly was undertaken in mid 2010 (SWREDA, 2010a). The objective of this research was to assess the feasibility of evaluating ESF and ERDF activity. The research was based on a combination of desk-based work and face to face interviews and telephone interviews with the key stakeholders. This study considered the most appropriate evaluation framework for evaluation of the ERDF (and ESF) activity in the region in the years ahead. A Programme Review of ERDF in the South West Convergence Programme also reported in July 2010 (SWERDA, 2010b). It had the objective of reviewing the ERDF programme in Cornwall and the Isles of Scilly and progress

in delivering outputs, results and impacts. Governance, administration and monitoring issues were also covered. A number of stakeholders were consulted. The Programme Review suggested that the rationale and objectives of the original strategy behind the programme remain valid and the central strategy should be to address structural weaknesses in the local economy. A number of recommendations for improving monitoring and measurement were also made.

A Programme Review of the ERDF of the South West Competitiveness region also reported in July 2010 (SWERDA, 2010c). It was tasked to consider the same issues as described in the Programme Review of the Cornwall and Isles of Scilly programme described above. Again, it was argued that the rationale and objectives of the strategy underpinning the programme remained valid despite changes in the economic environment. The focus of the programme in addressing structural weakness in the economy is still appropriate with its emphasis on improving rates of innovation and enterprise creation. A number of recommendations for improving monitoring and measurement were made.

It is not clear at the present time what will be the next steps regarding evaluation since the evaluation strategy agreed by the PMC in May 2009 was being delivered as an integral part of the RDA's Single Pot Evaluation Framework. This has now been withdrawn following the closure of the RDA Network and new proposals will be developed as part of DCLG's review of Technical Assistance for ERDF which is currently underway.

In the North East Competitiveness region it was reported in 2010 that a twin track approach was being adopted involving programme level evaluation as well as individual project evaluation. At the beginning of 2010 an internal performance review had been undertaken to assess the suitability of the original priority allocation in the light of changes to the economic environment. Some work was also commissioned to evaluate Innovation Connector activity and to undertake a Mid-term Interim Evaluation that would enable future evaluation work to be scoped.

An Evaluation Sub-Group was established in 2008 to oversee the development of an Evaluation Plan for the ERDF Programme. The Plan identified who was responsible for organising and overseeing evaluation activity and coordinating evaluation with programme monitoring and mainstream evaluation. It proposed:

- Early stage review of financial progress and progress against output targets;
- Mid Term Evaluation of the Programme;
- Review of progress in taking forward Innovation Connector activity;
- Review of operation of Access to Finance initiatives;
- Development of programme exit strategy / planning for post 2013.

The early stage review of progress against financial and outputs targets was commissioned in December 2009 and undertaken by EKOS Ltd over the course of December 2009 – January 2010. The findings from the evaluation indicated that there had been relatively strong

financial performance illustrated by significant over-achievement against N+2 spend target for 2009 and that there had been satisfactory progress against wider performance targets but there was evidence of a lag in the conversion of contracted spend into actual spend and into deliverables in terms of outputs/results. The early stage review also paved the way for the Mid Term Evaluation (MTE) of the programme in 2010. This commenced in summer 2010 and was concluded in February 2011. Key findings were that the Programme had been implemented effectively and efficiently and governance had been transparent and there had been good partnership working. Progress had been made in rolling-out contracted spend and there was believed to be an innovative approach to commissioning projects.

A beneficiary Impact survey was also undertaken as part of the mid-term evaluation to allow an early assessment of impact and the evidence below is contained in the AIR 2010 and points to a high level of SMEs reporting that support provided by projects met/exceeded expectations, progress against key lifetime targets were on track and that ERDF investment was competitive in terms of value for money. When created and safeguarded net additional GVA was taken into account, the programme was reported to have generated GBP 21 (EUR 24.4) GVA for every GBP 1 (EUR 1.7) of ERDF invested. If net additional jobs created and safeguarded were taken into account, the Programme was reported to have required GBP 7,300 (EUR 8,478.2) of ERDF spend per job. A figure reported as competitive by the MTE.

Other strengths reported in the evaluation were alignment of key organisations and initiatives focused on commercial innovation in areas seen as nationally / internationally significant (e.g. Priority 1 investment in high value manufacturing and new and renewable energy technologies), a strong private sector role in developing key projects (JEREMIE), an equitable distribution of ERDF resources leading to good geographical spread of investment across the region and evidence of successful enhancement of scale and reach of major regional business support programmes (Priority 2 investment e.g. Business Enterprise North East, Manufacturing Advisory Service – North East).

Other findings identified effective targeting of support for local enterprise in underperforming areas in the region and that enterprise investment was addressing clear market failures and regional economic priorities, with a clear 'logic chain' linking objectives, activities and impact.

The Mid-Term evaluation also identified challenges for the programme moving forward that included converting contracted commitments into outputs, strengthening the focus of appraisal on strategy, outputs, results, impact and post contract monitoring and the importance of raising performance of non-JEREMIE projects in terms of spend and outputs. In the future it is hoped to undertake a Mid-Term evaluation of Jeremie and hopefully a final evaluation post 2013 depending on what is happening to the national position.

In the East of England competitiveness region there was an interim evaluation of the programme in 2010 (EEDA, 2010). The evaluation provided the basis for amendments to the OP. These were to allow the programme to engage in Inter-Regional activity in Priority Axis

1 and Priority Axis 3 but with no ring-fenced allocation, the re-profiling of certain outputs and results and the viring of £5 million from priority Axis 3 to Priority Axis 2, an allowance for private sector funding in Priority Axis 1 at a rate of 27% and an amendment to support energy efficiency measures in low income domestic housing. Future plans hinge around discussions that are currently being held with DCLG.

In the South East of England Competitiveness programme a Mid-Term Evaluation was commissioned in 2010 to report in 2011. The research has involved workshops with the delivery team and project officers. Initial findings are that there is a need to revise targets and the programme needs to focus more on job creation, GVA and CO₂ savings as the programme. The PMC believes that in 2011 it should consider how best to achieve a smaller number of larger more transformational and innovative projects.

In the West Midlands Competitiveness region the original plan for evaluation outlined in 2008 was for:

- **An Interim Programme Assessment** – to be undertaken during 2010, to determine whether the focus of the Programme continues to be relevant and whether the delivery arrangements in place are still appropriate.
- **An Interim Programme Performance Evaluation** – to be undertaken during 2011 to evaluate the first three years of Programme delivery.
- **Final Programme Performance and Impact Evaluation – (2015)** to assess the overall impact of the Programme as compared to its aims and objectives.

At its meeting in October 2010 the PMC cancelled the Interim Assessment and rolled-it into the Interim Programme Performance Evaluation (a Mid-Term Evaluation) planned for 2011. The PMC changed its evaluation plans because following the announcement to close the RDAs the Department of Communities and Local Government in England has taken over responsibility for delivery of the ERDF programme in England and is currently undertaking a strategic review of the ERDF Programme. It will make more sense to undertake the evaluation after this has taken place. It was also agreed not to undertake individual project evaluations because the abolition of the RDAs has removed the resource and capacity required undertaking such activity and it is proposed to undertake a thematic approach instead.

In the North West Competitiveness region an Interim Evaluation of the Programme was undertaken in 2010. An evaluation commented that the recession had affected the ability of the programme to deliver most noticeably in investment in land and property, but also in business support – where the focus had inevitably been more on safeguarding employment rather than creating new opportunities. The evaluation also considered the impact of the quite dramatic changes to policy environment including the proposed abolition of the North West Development Agency and reductions in public expenditure. The availability of future sources of match funding was a source of wide-spread concern amongst partners.

Whilst recognising the impact of all these factors on the ability of the programme to deliver the evaluation concluded that the overall focus of the programme on the improvement of long term regional competitiveness remained sound particularly against a backdrop of reducing levels of public sector employment. The evaluation also urged that greater attention be given to supporting activities that help build a low-carbon economy in the region.

The evaluation also drew attention to the fact that the programmes relative success depends on the achievements of a small number of ERDF projects. As the ARI comments ‘...Venture Capital Loan Fund (VCLF) and JESSICA funds coupled with six other key projects were contracted to deliver 76% of all forecast jobs (c. 46,000) in approved projects, but only accounted for 44% of approved expenditure. The contributions to the Programme in terms of jobs and businesses created of the two large scale SME start up projects (High Growth and Business Start Up), the Future Manufacturing Advisory Service project and several of the cluster development projects were always seen as substantial from the earliest stages of the Programme, and the distribution of outputs and results is consistent with this approach. ‘

In the East Midlands Competitiveness region an Interim Programme Assessment was completed in 2010. Its main focus was to consider the continued relevance of the programme activities against a backdrop of considerable change as well as to identify Best Practice. The evaluation found that the programme was performing well in terms of commitment, spend and emerging outputs and there appeared to be a relatively high level of project additionality.

The London Development Agency has scheduled a mid-term evaluation for 2011 and is supporting mid-term evaluations at the individual project level. A separate evaluation of JESSICA is also planned.

In the Yorkshire Humber Competitiveness region a Mid-Term Impact Evaluation has recently been published (Yorkshire Humber, 2011). An Embeddedness Report had previously been produced in October 2009 and a Programme Performance Report in 2010. The Mid-Term Impact Evaluation involved a data review, strategic consultations with members of the PMC/LMC and other partners including those from the private and third sectors. A Beneficiary survey was also undertaken with businesses.

Scotland

The 2010 Report identified that in Scotland there had been a number of evaluations of programmes that had been partly financed by ERDF. Most of this work dates from the mid 2000s onwards. Thus, there has been an extensive and robust evaluation of the SMART programme in Scotland.

More specifically in the Lowlands and Uplands Competitiveness region and the Highlands and Islands Phasing Out region two studies have been undertaken in the programme period thus far that relate to evaluation issues, although more focused on delivery. A study of

Community Planning Partnerships (CPPs) was begun in 2009 and lasted eighteen months. The study considered the effects of delivering funds through the CPPs which seen to be an innovative feature of the 2007–13 programme that would lead to a more strategic use of the funds and encourage more partnership at a local level. The study covers both Scottish Programmes. The consultants found that the European funds had stimulated more strategic behaviour at a local level. The interim findings influenced the development of the new Priority 5 in the Lowlands and Uplands. A final report was published March 2011. A study Strategic Delivery Bodies has also been recently completed.

In the future it is anticipated that the larger projects being delivered by Scottish Enterprise, Highlands and Islands Enterprise and the University of the Highlands and Islands and the Community Planning Partnerships will carry out their own evaluations to assess the impact of the activities they deliver. It is expected that the larger projects, such as Highlands and Islands Enterprise and University of the Highlands and Islands, will carry out their own evaluations to assess the impact of the activities they deliver.

Wales

It was reported in the 2010 Report that the Convergence Programme for West Wales and the Valleys had been evaluated in 2003 and an update was produced at the end of 2005 (WEFO, 2005).

Evaluation in West Wales and the Valleys Convergence region and the East Wales Competitiveness region is overseen by an Evaluation Advisory Group (EAG) was set up in 2008 to oversee the evaluation activity commissioned and undertaken by Welsh European Funding Office (WEFO) and to provide technical advice to WEFO's Research, Monitoring and Evaluation (RME) Team. The Technical Sub Group (TSG) was formed to undertake work on behalf of the EAG and has been continually engaged with the work of the RME Team. In February 2010, WEFO produced the Evaluation Implementation Plan 2010 which detailed the evaluation activity that was currently underway or planned to support the management of the 2007–2013 Programmes. The WEFO RME Team is responsible for implementation of the Plan. The Plan updates the 2009–2010 Monitoring and Evaluation Plan.

The findings and recommendations of an Impact Evaluation Feasibility Study were discussed at the September EAG meeting and the report was published on the WEFO website in December. The study recommended that it is feasible to evaluate the impact of the Programmes on job creation, business growth and helping people into employment using WEFO datasets and external datasets in a quasi-experimental evaluation design. This would involve using statistical techniques to match Structural Funds participants and assisted businesses to non-assisted individuals and businesses to create a control group. WEFO is currently acting on the report recommendations via the 2010 ESF Leavers Survey and ERDF Business Survey.

During 2010 WEFO managed an evaluation of the Spatial European Teams (SETs) which were established to help manage and deliver the 2007–2013 Programmes in Wales. The evaluation was undertaken by the Welsh Assembly Government's Flexible Resourcing Team. This team is independent of WEFO and Assembly Government Departments involved in the implementation of Structural Fund projects. The evaluation was overseen by a reference group consisting of WEFO staff and individuals involved in the delivery of the SETs. The report was published on the WEFO website in December 2010.

At the beginning of 2010 a contract was let to examine the effectiveness of the following three key areas of Programme implementation in the 2007–2013 Structural Funds programming period: Strategic Frameworks; the Cross Cutting Themes and Communications. In addition the study addressed the recommendations of an Enterprise and Learning Committee (ELC) Inquiry into Structural Funds implementation by examining projects' procurement of services.

In Northern Ireland a major Mid–Term evaluation has just been completed and it has made a number of recommendations on how some output monitoring indicators might be re–defined.

Overall use of evaluation research

At the present time the evaluation research reported above has been used in a number of ways. In the majority of cases since the evaluation has been at the interim or mid–term stage it has been used to assess progress in delivery and to review whether the original priorities and allocations remain fit for purpose in the face of what have been quite substantial changes in both the economy and institutional support system in which regional policy is being delivered. Other evaluation research has been designed to investigate methodological issues that have to be resolved before final impact evaluations can be undertaken and the research undertaken by the Welsh Assembly Government falls into that category. A small number of evaluations have assessed how specific individual policy initiatives have been working and research for the Scottish Government is illustrative of this. There have also been a small number of process based evaluations that have probed issues relating to delivery. There is evidence that all of this research has influenced the development of policy. However, to reiterate messages made throughout this Report. There is an urgent need for more evaluation research, particularly probing impact and it would be very short–sighted to not do this on grounds of saving public expenditure. Good evaluation pays rich dividends in terms of improving the Value for Money obtained from policy.

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
One North East (2011). North East ERDF Operational Programme 2007–13: Mid-term Evaluation.	Mid-Term.	Questions investigated were whether policy priorities remain fit for purpose, progress in securing targets, programme management and early impact	Operational Programme Strategy remains relevant and appropriate to the economic development needs of the region. Programme faces significant challenge in meeting targets in light of economic climate and matched funding difficulties. More alignment of the new Regional Growth Fund with the requirements of ERDF is needed.	Not published. Source contact: in ERDF Secretariat in the North East.

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
NWDA (2010). Interim Evaluation of the North West ERDF Operational Programme (2007–13).	Interim–Mid-term	Whether the programme strategy remains relevant, assessment initial progress, degree to which cross cutting themes are influencing project design and implementation, the quality and effectiveness of programme implementation and management	Clear risks that the Programme may not meet its key output and results targets, particularly for jobs and businesses assisted and this will affect the overall achievement of key programme targets (net additional GVA and net additional jobs). Problems arising from availability of matched	Not published. Contact source is ERDF Secretariat in North West.

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
Yorkshire Forward (2011). Yorkshire and Humber ERDF Operational Programme 2007–13: Mid Term Impact Evaluation.	Mid-Term	Stocktake of progress on spending, outputs and results, Assessment of likely future impacts, advice on governance and management structures.	Programme has achieved a lot in a difficult economic climate having committed 67% of full programme, achieved several major investments including VCLF fund, nuclear research facilities bad broadband infrastructure, successful engaged a wide variety of partners, small but significant progress with cross-cutting themes.	Not published. Source Yorkshire Humberside ERDF secretariat.

5. CONCLUDING REMARKS – FUTURE CHALLENGES

Main conclusions from 2010 country report

The main conclusions that emerged from the 2010 country report were:

- The deployment of the 2007–2013 ERDF programme had been slow. Take-up was significantly affected by the impact of the 2007 Credit Crunch. Delivery was beginning to accelerate but the economic climate remained fragile and a key challenge was to maintain the momentum;
- A further problem that was beginning to emerge was that the United Kingdom Government was engaged in a major programme to cut public expenditure which reduced demand in the economy but also constrained opportunities for matched-funding;
- Programme support was well aligned with the overall objective of improving the competitiveness of both the Convergence and the Competitiveness regions and thus their ability to grow. ERDF policy has been in line with national regional policy objectives since the Government has argued that it is important to coordinate delivery of ERDF with other domestic policy support. In England the Regional Development Agencies have achieved this by alignment with their Regional Economic Strategies. In Scotland, Wales and Northern Ireland the Devolved Administrations have been responsible for delivery and coordination with their programmes.

The conclusions in the 2010 country report highlighted a number of issues that have been relevant for the progress of the programme in 2011. The business environment has remained difficult and unhelpful for project investment in most cases. Moreover, the austerity measures in the United Kingdom have led to cut-backs in public expenditure and constrained the scope for match funding. A further factor is that HM Government has confirmed the abolition of the Regional Development Agencies in March 2012 and it has been necessary to set up new arrangements to oversee the delivery of ERDF Cohesion Policy in England. It has now been decided that this oversight will be undertaken by the Department of Communities and Local Government using staff from the RDA local ERDF Secretariats. The effect of these institutional change on programme delivery are difficult to gauge at the present time but a further complication is that HM Government has also announced a number of other changes to the way in which local economic development, business support and a number of other relevant services are to be delivered that will have a considerable bearing on the delivery of Cohesion Policy at the local level in England. At the present time there is much uncertainty as to how things will settle down.

The evidence presented in this Report also shows that although much of the available ERDF Cohesion Policy has been committed by the end of March 2011 only about one third of it has actually been paid out. There is considerable variation in progress across the regions of the United Kingdom. It is clear from the information in the Annual Implementation Reports

that much is being achieved at the project level and a significant and varied number of outputs are beginning to emerge. However, given the volume of outputs delivered by the end of the 2010 period it would not seem plausible to expect a *significant* impact on programme outcomes at the present time.

A number of Mid-Term Evaluations have now been undertaken that confirm that the broad direction of the Operational Programmes in both the Convergence and Competitiveness regions remains sound. There is evidence to indicate that the measures and projects being supported are having positive effects that will strengthen economic, social and territorial cohesion.

During 2011 a number of local ERDF secretariats have signalled their intention to move to commissioning evaluation research that will identify the additional impacts of that ERDF on the economic development of their regions. Some regions have already commissioned preliminary research studies to assess how the effect of the programme on business and individuals might be ascertained, with Wales being a good example. By the time of the next report there should be more evidence on the additional impact that Cohesion Policy has been able to make. However, there is a strong argument for a national evaluation of ERDF Cohesion Policy in the United Kingdom. There would be a number of advantages from such research. At the present time evidence is fragmented across regions and different approaches are adopted by consultants to assess impact in their region. Summing achievement is very difficult and it is unlikely that a coherent picture can be obtained, particularly when it comes to assessing additionality and Value for Money.

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INTERVIEWS

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TABLES

See Excel file for Tables 1–4

Table 1 – Regional disparities and trends

Table 2 – Macro-economic developments

Table 3 – Financial allocation by main policy area

Table 3 CBC – Financial allocation by main policy area

Table 4 – Commitments by main policy area (by end-2010)

Table 4 CBC – Commitments by main policy area (by end-2010)

Annex Table A– Financial allocation and commitments by main policy area – Convergence objective

	Allocation of ERDF and Cohesion Fund		Commitments of ERDF and Cohesion Fund		Commitments/ Allocation %
	EUR million	% of total Obj	EUR million	% of total Obj	
1. Enterprise environment	787.1	43.0	616.8	53.8	78.4
1.1 RTDI and linked activities	340.0	18.6	344.2	30.0	101.2
1.2 Support for innovation in SMEs	330.5	18.1	200.0	17.4	60.5
1.3 Other investment in firms	67.8	3.7	42.3	3.7	62.4
1.4 ICT and related services	48.8	2.7	30.3	2.6	62.2
2. Human resources	17.0	0.9			0.0
2.1 Education and training	7.0	0.4			0.0
2.2 Labour market policies	10.0	0.5			0.0
3. Transport	364.9	19.9	175.8	15.3	48.2
3.1 Road	113.8	6.2	108.5	9.5	95.3
3.2 Rail	86.9	4.7	47.8	4.2	55.0
3.3 Other	164.2	9.0	19.5	1.7	11.9
4. Environment and energy	243.9	13.3	71.1	6.2	29.2
4.1 Energy infrastructure	111.3	6.1	18.4	1.6	16.5
4.2 Environmental infrastructure	132.7	7.2	52.7	4.6	39.8
5. Territorial development	382.7	20.9	274.2	23.9	71.6
5.1 Tourism and culture	90.2	4.9	86.0	7.5	95.4
5.2 Planning and rehabilitation	189.6	10.4	146.9	12.8	77.5
5.3 Social infrastructure	102.9	5.6	41.3	3.6	40.1
5.4 Other					
6. Technical assistance	34.7	1.9	9.4	0.8	27.1
Total Objective	1830.3		1147.3		62.7

Annex Table Aa– Financial allocation and commitments by main policy area – Competitiveness and employment objective

	Allocation of ERDF and Cohesion Fund		Commitments of ERDF and Cohesion Fund		Commitments/ Allocation %
	EUR million	% of total Obj	EUR million	% of total Obj	
1. Enterprise environment	2,469.5	68.9	1661.1	71.3	67.3
1.1 RTDI and linked activities	817.0	22.8	373.0	16.0	45.7
1.2 Support for innovation in SMEs	1,252.2	34.9	713.8	30.6	57.0
1.3 Other investment in firms	366.4	10.2	557.3	23.9	152.1
1.4 ICT and related services	34.0	0.9	17.0	0.7	50.1
2. Human resources	137.2	3.8	164.4	7.1	119.8
2.1 Education and training	29.3	0.8	57.7	2.5	196.5
2.2 Labour market policies	107.9	3.0	106.7	4.6	98.9
3. Transport	15.9	0.4	9.0	0.4	56.4
3.1 Road	5.9	0.2	1.1	0.0	19.4
3.2 Rail					
3.3 Other	10.1	0.3	7.9	0.3	78.0
4. Environment and energy	476.1	13.3	213.9	9.2	44.9
4.1 Energy infrastructure	201.9	5.6	100.2	4.3	49.6
4.2 Environmental infrastructure	274.2	7.6	113.6	4.9	41.4
5. Territorial development	362.8	10.1	232.5	10.0	64.1
5.1 Tourism and culture	64.4	1.8	67.1	2.9	104.2
5.2 Planning and rehabilitation	247.2	6.9	117.1	5.0	47.4
5.3 Social infrastructure	51.2	1.4	48.2	2.1	94.1
5.4 Other					
6. Technical assistance	124.1	3.5	49.8	2.1	40.1
Total Objective	3,585.7		2,330.6		65.0

Annex Table Ab – Financial allocation and commitments by main policy area – Cross-border cooperation

	Allocation of EU Programme for Cross Border Territorial Cooperation (INTERREG IV) 2007– 2013 – Northern Ireland, the Border Region of Ireland and the West Coast of Scotland		Commitment of EU Programme for Cross Border Territorial Cooperation (INTERREG IV) 2007–2013 – Northern Ireland, the Border Region of Ireland and the West Coast of Scotland		Commitments / Allocation
	EUR million	% of total Obj	EUR million	% of total Obj	%
1. Enterprise environment	53	27.6	16.7	16.3	31.5
1.1 RTDI and linked activities	23	12.0	4.4	4.3	19.0
1.2 Support for innovation in SMEs	30	15.6	12.3	12.0	41.1
1.3 Other investment in firms					
1.4 ICT and related services					
2. Human resources					
2.1 Education and training					
2.2 Labour market policies					
3. Transport	7.5	3.9	3.7	3.7	49.9
3.1 Road	7.5	3.9	3.7	3.7	49.9
3.2 Rail					
3.3 Other					
4. Environment and energy	22.5	11.7	15.4	15.0	68.3
4.1 Energy infrastructure	7.5	3.9	4.9	4.7	64.9
4.2 Environmental infrastructure	15	7.8	10.5	10.2	70.0
5. Territorial development	78.7	41.0	51.3	50.1	65.2
5.1 Tourism and culture	22.5	11.7	7.7	7.5	34.0
5.2 Planning and rehabilitation	7.5	3.9	1.4	1.3	18.2
5.3 Social infrastructure	48.7	25.4	42.3	41.3	86.9
5.4 Other					
6. Technical assistance	30.3	15.8	15.4	15.0	50.7
Total Objective	192.0		102.5		53.4

Annex Table B – Certified eligible expenditure 2010 by region and priority.

Certified eligible expenditure 2010			
Priority Code	Total funding of the OP (Union and national) (EUR million)	Total amount of certified eligible expenditure paid by beneficiaries (EUR million)	Implementati on rate (%)
Highlands and Islands of Scotland ERDF Convergence Programme			
Enhancing business competitiveness, commercialisation and innovation.	118.8	20.7	17.5
Enhancing key drivers of sustainable growth.	92.1	31.2	33.9
Enhancing peripheral and fragile communities.	73.1	5.9	8.1
Technical assistance	7.3	1.6	22.3
CCI Sub-total	291.3	59.5	20.4
West Wales and the Valleys ERDF Convergence Programme			
Building the knowledge based economy.	558.6	67.2	12.0
Improving business competitiveness.	274.9	126.5	46.0
Delivering strategic infrastructure for a modern economy.	697.6	153.7	22.0
Creating an attractive business environment.	386.3	44.3	11.5
Building sustainable communities	238.2	20.7	8.7
Technical assistance.	20.1	4.5	22.4
CCI Sub-total	2,175.6	416.9	19.2
Cornwall and the Isles of Scilly Convergence Programme			
Innovation and research and development.	140.0	19.8	14.1
Enterprise and investment.	184.5	17.8	9.6
Transformational infrastructure.	157.5	31.8	20.2
Unlocking the economic potential of place.	163.4	12.0	7.3
Technical assistance.	24.0	3.3	13.7
CCI Sub-total	669.4	84.6	12.6
Lowlands and Uplands of Scotland ERDF Regional Competitiveness and Employment Programme			
Research and innovation.	247.0	44.6	18.1
Enterprise and growth.	305.5	76.1	24.9
Urban regeneration.	211.5	5.1	2.4
Rural development.	127.8	7.2	5.7
Technical assistance.	18.0	3.1	17.4
CCI Sub-total	909.8	136.2	15.0
South East England ERDF Regional Competitiveness and Employment Programme			
Promoting sustainable production and consumption	45.5	4.6	10.1
Technical assistance	1.9	0.0	
CCI Sub-total	47.4	4.6	9.7
Northern Ireland ERDF Regional Competitiveness and Employment Programme			

Certified eligible expenditure 2010			
Priority Code	Total funding of the OP (Union and national) (EUR million)	Total amount of certified eligible expenditure paid by beneficiaries (EUR million)	Implementati on rate (%)
Sustainable competitiveness and innovation.	320.0	53.2	16.6
Sustainable enterprise and entrepreneurship	210.0	19.5	9.3
Improving accessibility and protecting and enhancing the environment.	76.0	11.6	15.3
Technical assistance.	7.7	0.6	7.6
CCI Sub-total	613.7	84.9	13.8
East of England ERDF Regional Competitiveness and Employment Programme			
Promoting innovation and knowledge transfer with the intention of improving productivity.	93.2	1.7	1.8
Stimulating enterprise and supporting successful business by overcoming barriers to business creation and expansion.	81.6	15.9	19.4
Ensuring sustainable development, production and consumption.	91.6	6.2	6.7
Technical assistance.	8.9	0.8	9.2
CCI Sub-total	275.3	24.5	8.9
North East England ERDF Regional Competitiveness and Employment Programme			
Enhancing and exploiting innovation.	398.2	114.0	28.6
Business growth and enterprise.2	323.1	42.0	13.0
Technical assistance.3	30.1	2.4	8.1
CCI Sub-total	751.4	158.5	21.1
London England ERDF Regional Competitiveness and Employment Programme			
Business innovation and research promoting eco-efficiency1	100.0	2.7	2.7
Access to new markets and access to finance2	103.7	3.7	3.6
Sustainable places for business3	164.2	111.8	68.1
4technical support	14.6	0.2	1.5
CCI Sub-total	382.5	118.5	31.0
West Midlands England ERDF Regional Competitiveness and Employment Programme			
Promoting innovation and research and development	290.0	39.2	13.5
2Stimulating enterprise development.	270.0	49.0	18.2
Sustainable urban development.	204.0	0.8	0.4
Developing inter-regional activity	12.0	0.3	2.3
Technical support.	23.8	3.9	16.3
CCI Sub-total	799.8	93.1	11.6
North West England ERDF Regional Competitiveness and Employment Programme			
Stimulating enterprise and supporting growth in markets.	409.8	141.8	34.6

Certified eligible expenditure 2010			
Priority Code	Total funding of the OP (Union and national) (EUR million)	Total amount of certified eligible expenditure paid by beneficiaries (EUR million)	Implementati on rate (%)
Exploiting innovation and knowledge.	409.8	122.4	29.9
Creating the conditions for sustainable growth.	313.2	73.5	23.5
Growing and accessing employment.	318.3	92.7	29.1
Technical support.	60.5	3.5	5.8
CCI Sub-total	1,511.5	433.9	28.7
Yorkshire and Humberside England ERDF Regional Competitiveness and Employment Programme			
Promoting innovation and research and development.	197.1	8.2	4.1
Stimulating and supporting successful enterprise.	514.0	114.2	22.2
Sustainable communities.	228.6	26.1	11.4
Economic infrastructure for a competitive economy.	180.8	32.7	18.1
Technical support.	46.7	0.7	1.4
CCI Sub-total	1,167.2	181.9	15.6
East Midlands England ERDF Regional Competitiveness and Employment Programme			
Innovation and sustainable business practice.	288.6	61.6	21.4
Sustainable economic and enterprise activity.	226.9	13.9	6.1
Technical assistance.	21.5	2.4	11.2
CCI Sub-total	537.0	77.9	14.5
South West England ERDF Regional Competitiveness and Employment Programme			
Innovation and knowledge.	90.0	2.4	2.6
Enterprise and growth.	90.0	16.3	18.1
Urban enterprise.	60.0	2.6	4.4
Technical assistance.	9.3	1.1	12.3
CCI Sub-total	249.3	22.5	9.0
East Wales ERDF Regional Competitiveness and Employment Programme			
Knowledge and innovation for growth.	71.3	15.1	21.2
Business competitiveness and growth.2	31.2	31.2	100.0
Tackling climate change.	31.2	0.1	0.3
Regeneration for growth.	23.6	2.7	11.5
Technical assistance.	2.6	0.3	12.9
CCI Sub-total	159.9	49.5	30.9
Gibraltar ERDF Regional Competitiveness and Employment Programme			
1	11.1	4.1	36.6
2	0.5	0.2	45.8
CCI Sub-sustainable economic development, innovation and	11.6	4.3	36.9

Certified eligible expenditure 2010			
Priority Code	Total funding of the OP (Union and national) (EUR million)	Total amount of certified eligible expenditure paid by beneficiaries (EUR million)	Implementati on rate (%)
entrepreneurship.			
Technical assistance.	505,044.5	80,380.4	15.9

Annex Table C – ERDF Programmes 2007–2013: progress towards the 2011 cumulative revised n+2 expenditure target

	Total ERDF allocation 2007–2013		Structural Funds N+2 expenditure target for 2011`	Amount contracted to 2010 (% of total ERDF allocation in (1))	Amount contracted to 2011 (% of total ERDF allocation in (1))	Amount paid to projects to 2010 (% of total allocation in (1))	Amount paid to projects to 2011 (% of total allocation in (1))
	EUR million (1)	% of total UK (2)	EUR million (3)	% (4)	% (5)	% (6)	% (7)
England							
North West	755.8	14.0	253.6	55.9	67.3	30.3	39.9
Yorkshire & Humber	583.6	10.8	203.1	29.5	45.3	11.5	22.8
North East	375.7	6.9	92.8	42.5	62.4	20.0	35.2
East Midlands	268.5	5.0	66.3	30.7	49.7	10.0	26.3
West Midlands	399.9	7.4	98.8	27.0	43.1	9.4	22.7
East of England	111.0	2.0	27.4	17.3	47.4	7.1	12.0
London	181.9	3.4	44.9	51.2	72.5	29.5	43.2
South East	23.7	0.4	5.9	29.6	51.2	8.1	20.4
South West Comp	124.7	2.3	30.8	13.7	53.5	7.3	20.0
Cornwall & Isles of Scilly	458.1	8.5	113.1	13.8	68.3	12.0	27.5
Total England	3,282.7	60.6	936.7	34.9	57.6	17.2	29.7
Wales							
West Wales and the Valleys	1,250.4	23.1	308.8	49.0	75.2	9.5	20.8
Rest of Wales	72.5	1.3	17.9	53.2	63.2	18.8	25.6
Total Wales	1,322.8	24.4	326.7	49.3	74.6	10.0	21.1
Scotland							
Highlands & Islands	121.9	2.3	48.8	46.0	71.8	9.4	28.0
Lowlands & Uplands	376.0	6.9	92.9	42.8	74.4	8.2	33.1
Total Scotland	497.8	9.2	141.7	43.6	73.8	8.5	31.8
Northern Ireland	306.8	5.7	75.8	28.8	45.3	11.6	17.2
Gibraltar	5.8	0.1	1.4	20.4	38.2	13.9	24.2
Total UK	5,416.0	100	1482.3	40.4	62.5	15.0	27.1

The euro value of the programme and its N+2 target (less the 7.5% advance) converted into sterling using the latest £/euro exchange rate.

Annex Table D – UK Unemployment change between 2007 and 2010 (ranked)

NUTS 2 areas	Total unemployment change 200–2010
North Yorkshire	108.8
Highlands and Islands	108.8
Cumbria	100.0
South Western Scotland	98.0
Cheshire	89.2
Northern Ireland (UK)	84.6
Cornwall and Isles of Scilly	82.2
West Yorkshire	68.4
West Wales and The Valleys	67.3
Herefordshire, Worcestershire and Warwickshire	64.1
East Wales	62.5
East Yorkshire and Northern Lincolnshire	60.7
Leicestershire, Rutland and Northamptonshire	60.0
Gloucestershire, Wiltshire and Bristol/Bath area	58.8
Tees Valley and Durham	52.5
Derbyshire and Nottinghamshire	51.7
Eastern Scotland	51.0
Shropshire and Staffordshire	50.9
East Anglia	50.0
South Yorkshire	49.2
Outer London	48.3
Northumberland and Tyne and Wear	47.6
Hampshire and Isle of Wight	45.5
Berkshire, Buckinghamshire and Oxfordshire	45.0
Dorset and Somerset	42.1
Essex	42.0
Kent	37.5
Devon	37.5
Merseyside	34.7
West Midlands	34.6
Greater Manchester	34.4
Bedfordshire and Hertfordshire	27.7
Surrey, East and West Sussex	27.5
Inner London	21.3
Lancashire	7.1
North Eastern Scotland	6.1
Lincolnshire	-7.4

Evaluation grid for examples of good practice in evaluation (1).

BASIC INFORMATION		
Country: United Kingdom		
Policy area ERDF Competitiveness and Employment Programme in Yorkshire Humber, England.		
Title of evaluation and full reference : Yorkshire and Humber ERDF Operational Programme 2007–13: Mid Term Impact Evaluation.		
Intervention period covered (2000–2006; 2007–2013; specific years) 2007–2013.		
Timing of the evaluation (when it was carried out) July 2011.		
Budget (if known): EUR: N/K		
Evaluator: External Evaluator		
Method : Consultations with strategic stakeholders, project reviews and beneficiary survey business.		
Main objectives and main findings : Main objective to provide stakeholders with a stocktake of progress in spending, outputs, results and associated early impacts. Also, an assessment of likely future impacts, recommendations for re-prioritising un-committed resources and advice on future governance and management structures. Main findings are that much achieved in a difficult economic climate. However, the programme faces major challenges to successful delivery over the rest of the planning period. These arise from a loss of programme funding, problems of attracting sufficient investable project bids due to loss of matched funding and factors that may affect project quality.		
Appraisal (Why you consider the evaluation an example of good practice: – 2–3 lines) : This is a Mid-Term Impact evaluation and so does not seek to identify the potential contribution that the programme will make on final outcomes, although there is a beneficiary impact analysis that consider job and GVA. The review of progress by priority axis and beneficiary is well organised and clear.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance		
Are the objectives, methods and findings of the evaluation clearly described?	X	
Are the conclusions and recommendations clearly supported by the analysis?	X	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?	X	
Is the outcome of the intervention clearly reported?	X	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	X	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	X	
Are the details of the operation of the intervention clearly described?	X	
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?	X	
Context		
Is the socio-economic and policy context clearly set out?	X	
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	X	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	X	
Is the reliability of the data fairly assessed and described?	X	
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	X	
Are suitable procedures used to check the validity of findings?	X	
Is the validity of the findings reached clearly demonstrated?	X	
Do the policy recommendations follow clearly from the findings of the analysis?	X	

Evaluation grid for examples of good practice in evaluation (2).

BASIC INFORMATION		
Country United Kingdom		
Policy area Business development, physical intervention and people and skills.		
Title of evaluation and full reference: Impact of RED spending–National report–Volume One–Main report.		
Intervention period covered (2000–2006; 2007–2013; specific years)–2000–2006		
Timing of the evaluation: December 2007–2008.		
Budget (if known): NK		
Evaluator: External Evaluator		
Method: Assembled and analysed evidence from across large number of evaluations (271) in each of the Regional development Agencies which investigated the impact of the regional development programmes. It involved process analysis, counterfactual analysis and analysis of indicators.		
Main objectives and main findings ; To provide an independent assessment of the impact of the spending by Regional Development Agencies and to assess RDA achievement against the objectives of both their Regional economic Strategies, their Corporate Plans and specific programmes and impacts.		
Appraisal: A systematic review and assembly of the relevant key evidence that has enabled insight into jobs created, people assisted into employment, skills assist, business created and assisted and land remediated as a result of regional development policy. Impact on GVA and Value for Money estimates also produced.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance		
Are the objectives, methods and findings of the evaluation clearly described?	X	
Are the conclusions and recommendations clearly supported by the analysis?	X	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?	X	
Is the outcome of the intervention clearly reported?	X	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	X	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	X	
Are the details of the operation of the intervention clearly described?	X	
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?	X	
Context		
Is the socio-economic and policy context clearly set out?	X	
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	X	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	X	
Is the reliability of the data fairly assessed and described?	X	
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	X	
Are suitable procedures used to check the validity of findings?	X	
Is the validity of the findings reached clearly demonstrated?	X	
Do the policy recommendations follow clearly from the findings of the analysis?	X	

Evaluation grid for examples of good practice in evaluation (3).

BASIC INFORMATION		
Country United Kingdom (Scotland)		
Policy area Enterprise support		
Title of evaluation and full reference Evaluation of the Scottish-Co-Investment Fund		
Intervention period covered (2000–2006; 2007–2013; specific years). 2000–2006.		
Timing of the evaluation: Commissioned in Autumn 2007, Draft Final report in January 2008 and Final Report May 2008.		
Budget (if known): NK		
Evaluator: External Evaluator		
Method: Desk review of relevant literature, interviews with key partners, companies and policy makers.		
Main objectives and main findings: To review the rationale for public intervention in the venture capital market, to assess the extent to which the Fund's objectives were being attained, to undertake an economic impact assessment of the Fund using a stated methodology and to make recommendations for the future development of the fund.		
Appraisal: A good application of relevant methodology to estimate the impacts of the programme in terms of current achieved business turnover and GVA, current employment and future turnover, GVA and employment with grossing up to identify a total impact.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance		
Are the objectives, methods and findings of the evaluation clearly described?	x	
Are the conclusions and recommendations clearly supported by the analysis?	x	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?	x	
Is the outcome of the intervention clearly reported?	x	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	x	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	x	
Are the details of the operation of the intervention clearly described?	x	
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?	x	
Context		
Is the socio-economic and policy context clearly set out?	x	
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	x	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	x	
Is the reliability of the data fairly assessed and described?	x	
Analysis	x	
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	x	
Are suitable procedures used to check the validity of findings?	x	
Is the validity of the findings reached clearly demonstrated?	x	
Do the policy recommendations follow clearly from the findings of the analysis?	x	

Evaluation grid for examples of good practice in evaluation (4).

BASIC INFORMATION		
Country: United Kingdom (Wales).		
Policy area ERDF and ESF Convergence and Competitiveness Structural Funds in Wales		
Title of evaluation and full reference : A Feasibility Study of Methodological Approaches to Undertake Impact Evaluation of 2007–2013 Structural Fund Programme in Wales.		
Intervention period covered (2000–2006; 2007–2013; specific years): 2007–2013.		
Timing of the evaluation (when it was carried out) 2010 (Reporting September 2010).		
Budget (if known): EUR: N/K.		
Evaluator: External evaluator.		
Method counterfactual analysis, process analysis, case study, econometric model, analysis of indicators)		
Main objectives and main findings (A review and assessment of methodological approaches that can be used to evaluate the impact of ERDF and ESF Structural Fund Programmes in Wales. Particular emphasis on assessing scope for econometric modelling (building on input output as appropriate) and utilisation pr Programme monitoring information and secondary data.		
Appraisal It is essential that the evaluation be better informed as to the impact of ERDF on stated final outcomes particularly as they relate to impacts on businesses and those out of work.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance	X	
Are the objectives, methods and findings of the evaluation clearly described?	X	
Are the conclusions and recommendations clearly supported by the analysis?	X	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?	NR	
Is the outcome of the intervention clearly reported?	NR	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	X	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	X	
Are the details of the operation of the intervention clearly described?	X	
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?	X	
Context		
Is the socio-economic and policy context clearly set out?	X	
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	X	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	X	
Is the reliability of the data fairly assessed and described?	X	
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	X	
Are suitable procedures used to check the validity of findings?	X	
Is the validity of the findings reached clearly demonstrated?	X	
Do the policy recommendations follow clearly from the findings of the analysis?	X	

Evaluation grid for examples of good practice in evaluation (5).

BASIC INFORMATION		
Country: United Kingdom.		
Policy area: ERDF Competitiveness and Employment Programme in North –East, EEngland.		
Title of evaluation and full reference North East ERDF Operational Programme 2007–13: Mid–Term Evaluation.		
Intervention period covered (2000–2006; 2007–2013; specific years) 2007–2013.		
Timing of the evaluation (when it was carried out)Mid 2010–early 2011		
Budget (if known): N/K		
Evaluator: External)		
Method process analysis, case study, econometric model, analysis of indicators and some counterfactual analysis.		
Main objectives and main findings . Designed to assess whether the original programme and strategic focus remained fit for purpose, assessment of progress made towards spend, outputs, results and impacts, assessment of programme management and early assessment of impact on beneficiaries and the wider economy.		
Appraisal (Why you consider the evaluation an example of good practice: – 2–3 lines) A good, coherent bringing together of the relevant evidence meeting the requirements of a Mid–Term Evaluation and also beginning to gauge additionality.		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance	X	
Are the objectives, methods and findings of the evaluation clearly described?	X	
Are the conclusions and recommendations clearly supported by the analysis?	X	
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?	X	
Is the outcome of the intervention clearly reported?	X	
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?	X	
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?	X	
Are the details of the operation of the intervention clearly described?	X	
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?	X	
Context		
Is the socio–economic and policy context clearly set out?	X	
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?	X	
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?	X	
Is the reliability of the data fairly assessed and described?	X	
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?	X	
Are suitable procedures used to check the validity of findings?	X	
Is the validity of the findings reached clearly demonstrated?	X	
Do the policy recommendations follow clearly from the findings of the analysis?	X	