

ECONOMIC DEVELOPMENT COMMITTEE: 16 JANUARY 2002 - EDC 02-02

ORAL REPORT BY THE CHAIR OF THE OBJECTIVE 1 PMC

1. I am pleased to report that the Objective 1 Programme is continuing to make excellent progress. Commitments were almost £290 million at the end of December, representing a quarter of the total grant allocation and supporting investment of well over £600 million in our poorest communities. Information provided to the UK Parliament has confirmed that the Programme is ahead of the Objective 1 Programmes in the English regions. Some £21 million – the largest Objective 1 funding package to date – has been awarded to Finance Wales to help the small business sector. Even the press reporting of the Programme has become more positive, particularly following the non-attributable briefing given to journalists in November.

2. The Programme Monitoring Committee met on 14 December in Haverfordwest. It was a good meeting and the main points to emerge were:

- The PMC noted the good progress being made in terms of commitments and that there is no significant risk of decommitment at the first target date of 31 December 2002.
- The Committee discussed the concerns which have been expressed about the relative performance of different areas in accessing grant funding. It will continue to monitor the operation of the partnerships and the take-up of grant funding, although definitive information will not be available until WEFO's new database becomes operational.
- The PMC endorsed a consultation document setting out a monitoring and evaluation strategy for the Structural Funds programmes. It also agreed to establish both a Monitoring Group and an Advisory Group on Implementation. I am keen to draw on a wide range of expertise and experience for the two Groups.
- The Committee received a report on the work to clarify the targets in the Programme Complement and to adopt a more user-friendly approach to the presentation of the Complement. Work on the targets had almost been completed, with the new targets forming the basis of all new project approvals. Work on the presentation of the Programme Complement is still ongoing, but should be completed shortly. The revised document will have an important role to play in attracting new project sponsors.
- The Committee noted the work which its Policy Group has undertaken on the National Economic Development Strategy, the Wales Spatial Plan, European Union enlargement and private sector involvement in the Programme.
- The PMC confirmed its earlier decision that Accountable Bodies should not now be part

of the delivery mechanism for the Programme, following consultation with the local and regional partnerships.

- The PMC received progress reports from the Business Assets Strategy Partnership and the Rural Assets Strategy Partnership. These are the first regular reports from the strategy partnerships, which take an overview of activity in different parts of the Programme.
- On gender balance, the PMC was pleased to note the progress which has been made in relation to the aim of achieving a minimum 40 per cent representation of women and men on each partnership. Although a number of partnerships fall just short of 40 per cent female membership, there are significant problems in only one partnership. The European Commission have said that the position in Wales compares favourably with the other Objective 1 Programmes in the United Kingdom. Where necessary, WEFO will be working with the partnerships with a view to increasing female representation.
- The Committee welcomed the appointment of an Equalities Officer in WEFO, so that a lead official has now been designated for each cross-cutting theme. In addition, the Welsh Development Agency has recently published guidance on maximising the potential of the Information Society, to accompany the guidance on the environment, equal opportunities and the Welsh language.

3. At the 14 December meeting the PMC also received a useful presentation from Franz Pointner – a Commission official – on the European Employment Strategy and the European Social Inclusion Strategy. A further PMC training session is planned for next Monday, when the Committee will consider the new local and regional strategies being developed by the partnerships. The next full PMC meeting is scheduled for Monday 18 March.

4. One other issue which I would like to cover is my series of visits to the local, regional and strategic partnerships, which I briefly mentioned in my last report. I am pleased to say that I have nearly completed these visits, which has been very valuable. One striking feature is the distinctive nature of each partnership, although a common thread is the energy and commitment shown by members, with true partnership working now starting to become a reality. I have also identified some issues relating to the operation of the partnerships where there is room for improvement – for example, improved liaison between local and regional partnerships – and these are now being addressed. I am keen for the various partnerships to share good practice, and the Chairs will be meeting shortly to discuss issues of common interest.

5. One final point I would like to mention is that, following consideration by the PMC, the Code of Conduct for PMC and Partnership Members has been published. The Code has been generalised so that it applies not just to the Objective 1 partnerships but to all Structural Funds

programmes.

Christine Chapman AM January 2002