

Finance Committee FIN(4) 02-12 - Paper5

The Effectiveness of European Structural Funding in Wales

We would ask the inquiry to note that the Coleg Morgannwg response is largely concerned with the Taf Ely Learning Campus (TELC), which has benefited from £6.7M of Convergence funding.

Consultation Questions

1. To what extent do you consider the Convergence and Regional Competitiveness and Employment Programmes in Wales for the 2007-13 period, to have achieved- or to be achieving- their intended objectives?

This is very difficult to answer as it assumes a very wide knowledge of all 2007 – 13 Structural Fund provision. Even focussing on the College provision would be difficult as all 2007 - 13 projects still have an operational period to complete and are in various stages of evaluation.

This will only be fully answered when the programme review is undertaken. However in terms of the TELC Project as an example - it is on target to achieve its intended objective in 2012.

In addition, we recognise that the Priority 1 and Priority 2 programmes allow us to offer interventions and much needed support for learners, especially basic skills, that would not have been available otherwise. Without this support, evidence suggests that the learners would not have participated or continued with their learning.

2. Do you consider the various projects funded by European Structural funds in Wales to be delivering value for money?

In relation to the TELC we would say yes. Value for money has been evidenced by WEFO and internal audits and is on course to achieve business case objectives.

However we would add that the work involved in the application, claiming and monitoring processes seems excessive compared to other funding streams for the Project. We are fully aware of the grant conditions and will ensure we meet them but the financial costs of this are significant.

In terms of the Priority 1 and Priority 2 projects and other EU structural fund provision that the college is a partner in delivering, VfM is ensured by adherence to WEFO and college financial and procurement regulations. Monitoring is undertaken to ensure that all project expenditure is relevant, of best value and directly related to the project outputs and the beneficiary experience. In P1 and P2 where the college is a partner, overall project measurement of VfM is also monitored by the lead partner.

3. Do you have any concerns around the use of the Targeted Match Fund? Do you have any concerns around the use of Welsh Government departmental expenditure, as match funding? What impact do you believe public sector cuts have had (and may have) on the availability of public sector match funding?

No – it allows greater flexibility to utilise structural funds strategically to achieve organisational objectives and WG relevant objectives, especially when no other forms of match are available to support strategically important projects.

Cuts may have an impact but the assessment of the EU structural fund programme, as well as the evaluation results of specific projects will allow an informed approach as to how future, possibly reduced public sector match, can be targeted at the most strategically important projects.

4. How effectively do you believe the Welsh European Funding Office (WEFO) have monitored and evaluated the impact of projects?

This is difficult to answer given where we are in the cycle of funding. In relation to the TELC our monitoring meetings always check that progress is being made in relation to specific targets so that the Project when completed will have the intended impact.

In terms of P1 and P2 the project lead partner(s) report to WEFO the results of any monitoring and evaluation. The evaluation of these two projects is ongoing through 2012.

5. Do you have any concerns regarding the sustainability beyond 2013 of the activities and outputs delivered through projects financed during the current round of Structural Funds?

In terms of TELC not really of concern but greater focus and scrutiny does need to be placed on the strength of project exit strategies particularly where there still remains a strong evidenced need for the services projects provide post their initial funding period. Also, will the strategic objectives of any new EU funding post 2013 link with those of convergence. This would allow current projects that can show a significant future need from beneficiaries to access that funding without a break where key staff, capacity and important services are lost.

6. What is your own experience of accessing European Structural Funding?

The college has previously delivered ESF and ERDF projects under the Objective One 2000 – 06 period. Under the 2007 – 13 Convergence funding the college currently delivers one ERDF project (TELC), is a partner in a P1 ESF project and also a partner in a P2 ESF project.

In addition, the college is the lead partner in an ESF funded Employer Pledge and Essential Skills Teacher Training consortia. The college also delivers two foundation degrees under the University of Glamorgan ESF FD programme in Construction and Aerospace.

As mentioned in question 2, the process involved in accessing the ERDF grant for the TELC is significant. Particular issues experienced in this project have been:

- ***Mixed levels of guidance & support, although we of course, appreciate any assistance to safeguard the interests of the College.***
- ***Slow Approval Processes - The project has been subject to a re-evaluation mid-way through the construction phase. The requested information has been submitted to various sources for approval, but due to the rapidly changing nature of such a scheme is soon out-of-date requiring frequent updating. This has caused delays in the review process and results in numerous versions of similar documents being kept for different uses.***
- ***Grant & Project Monitoring – Due to demands placed on the project review it becomes more difficult to focus on the day-to-day financial monitoring of the scheme, which is essential to keep track of the project.***
- ***The length of time a full re-evaluation takes has meant a gap in funding draw down. We understand how important it is to meet the stringent requirement of European Funding and are grateful for the advice and support given by WEFO through this process. However the funds being put on hold during the construction phase has necessitated a re-phasing of the other funding streams, creating additional work.***

7. Is the private sector in Wales sufficiently engaged in accessing European Structural Funding?

NA

8. In 2009, WEFO negotiated an increase in programme intervention rates with the European Commission for the two ERDF and the ESF Convergence Programmes. In its July 2010 report, the Enterprise and Learning Committee noted that the South West Regional Development Agency had negotiated higher intervention rates with the European Commission. Is Wales making the most effective use of increased programme intervention rates?

We believe this is really for WG to discuss with EC as it is assumed that they always would seek to make the most of opportunities to benefit Wales.