

**National Assembly for Wales**  
Enterprise and Learning Committee

Structural Funds: Implementation of the  
2007-13 Programmes

July 2010



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## Enterprise and Learning Committee

The Enterprise and Learning Committee is appointed by the National Assembly for Wales to consider and report on issues within the areas of economic development, transport, and education, lifelong learning and skills. In particular, the Committee may examine the expenditure, administration and policy of the Welsh Government and associated public bodies.

### Powers

The Committee was established following the National Assembly Elections in May 2007 as one of the National Assembly's scrutiny committees. Its powers are set out in the National Assembly for Wales's Standing Orders, particularly Standing Order 12. The Standing Orders are available at [www.assemblywales.org](http://www.assemblywales.org)

### Committee membership

<i>Committee Member</i>	<i>Party</i>	<i>Constituency or Region</i>
Gareth Jones (Chair)	Plaid Cymru	Aberconwy
Christine Chapman	Labour	Cynon Valley
Jeff Cuthbert	Labour	Caerphilly
Andrew Davies	Labour	Swansea West
Paul Davies	Welsh Conservative Party	Preseli Pembrokeshire
Nerys Evans	Plaid Cymru	Mid and West Wales
Brian Gibbons	Labour	Aberavon
David Melding	Welsh Conservative Party	South Wales Central
Jenny Randerson	Welsh Liberal Democrats	Cardiff Central

### List of Relevant Reports published by the Committee

<i>Report title</i>	<i>Date of publication</i>
The Welsh Assembly Government's Response to the Current International Economic Downturn	14 May 2009

All previous committee reports can be found at [www.assemblywales.org](http://www.assemblywales.org)

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## The Committee's Recommendations

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The Committee's recommendations to the Welsh Government are listed below, in the order that they appear in this Report. Please refer to the relevant pages of the report to see the supporting evidence and conclusions:

**Recommendation 1.** We recommend that the Welsh Assembly Government should provide our Committee with its assessment of the 2008 European Union Gross Domestic Product (GDP) figures when they are published. **(Page 11)**

**Recommendation 2.** We recommend that there should be closer liaison between WEFO officials and project staff at all stages of project development, but particularly during the early stages to ensure consistent advice and guidance is communicated and understood from the start. **(Page 12)**

**Recommendation 3.** We recommend that the Welsh Assembly Government should consider the feasibility of providing six-year funding for appropriate projects in any future EU funding rounds, as part of a holistic approach for encouraging projects to become sustainable in the long term. **(Page 13)**

**Recommendation 4.** We recommend that in carrying out its project monitoring responsibilities WEFO should take carefully into account the current economic climate and the effect this will have on original project targets and therefore the longer-term outcomes for the Welsh economy. **(Page 14)**

**Recommendation 5.** We recommend that WEFO should consider the feasibility of providing advice to projects on State aid compliance, rather than requiring projects to obtain their own legal advice. **(Page 14)**

**Recommendation 6.** We recommend that the Welsh Assembly Government should keep under review its use of Structural Funds in responding to the recession. **(Page 15)**

**Recommendation 7.** We recommend that the Welsh Assembly Government should keep our Committee informed of any future developments with regard to the potential reclassification of Finance Wales. **(Page 16)**

**Recommendation 8.** We recommend that WEFO should conduct an analysis by sector of contract awards for EU funded projects, including where those organisations originate – whether in Wales or outside – and that this information should be published on its website. **(Page 17)**

**Recommendation 9.** We recommend that the Welsh Assembly Government should ensure that the current Structural Funds programmes focus more on building research capacity and collaboration between the business and academic sectors in the interests of wealth creation and economic development in Wales. **(Page 19)**

**Recommendation 10.** We also recommend that the Welsh Assembly Government should consider how Structural Funds could be used to support projects by leveraging in international communities of interest and investment. **(Page 19)**

**Recommendation 11.** We further recommend that the Welsh Assembly Government should be more imaginative in ensuring smaller players in both the private and third sectors have opportunities to engage in the delivery of Structural Funds projects. **(Page 19)**

**Recommendation 12.** We recommend that in revising its procurement guidance, WEFO should as a priority evaluate the procurement process and its impact particularly on non-government sectors. The evaluation should include identifying when and where procurement is most effective - and where it is not - not only in terms of good governance and value for money, but also in the quality of the service provided to the user. WEFO should publish best practice models along with the results of the evaluation, and should make representations to the UK Government to ensure that European Commission procurement rules do not work against Welsh interests. **(Page 22)**

**Recommendation 13.** We recommend that the Welsh Assembly Government should consider the potential implications of tighter future public sector budgets, particularly with regard to the availability of public sector match funding and the possibility of increased demands on the Targeted Match Fund. **(Page 23)**

**Recommendation 14.** We recommend that WEFO should continue to secure the eligibility of volunteer time as in-kind match-funding for Structural Funds to allow the third sector to bring added value to the delivery of future programmes. **(Page 23)**

**Recommendation 15.** We recommend that through the Programme Monitoring Committee, the Welsh Assembly Government should monitor closely the impact of the recession on programme delivery and programme aims in order to steer and if necessary re-shape the focus for the second half of the programme period. **(Page 24)**

**Recommendation 16.** We recommend that the Welsh Assembly Government should continue to work with partners to consider how the European Union Structural Funds can be best used to reinforce the Government's future economic renewal programme for Wales. **(Page 26)**

**Recommendation 17.** We recommend that WEFO should consider adopting a universal data collection system for all project sponsors and deliverers to track outcomes and beneficiaries and avoid any duplication or double-counting, and should encourage better communication between projects at a local level where they are targeting the same groups of people. **(Page 27)**

**Recommendation 18.** We recommend that the Welsh Assembly Government should procure a mid-term review of the impact of the Structural Funds programmes, to identify lessons from the 2007-13 programmes to date in order to plan effectively for the remainder of the programme period and beyond 2013. The review should also include some creative thinking about how future programmes can be more effectively structured. **(Page 28)**

**Recommendation 19.** We recommend that Welsh Ministers should ensure that their vision for the future Welsh economy is supported and enhanced by the Structural Funds programmes and that they should continue to give Wales a strong voice in the development of future regional development policies in Europe. **(Page 29)**

## Background to the inquiry

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### Purpose of the inquiry

1. The purpose of this inquiry was for the Enterprise and Learning Committee to examine – at this half-way point - the implementation of the Structural Funds in Wales for the 2007-13 programming period, with a particular focus on the Convergence and Regional Competitiveness and Regional Competitiveness and Employment Programmes.

2. Our inquiry's terms of reference included the progress of the funds to date – including targets and whether they've been achieved; the Welsh Assembly Government's use of the funds in responding to the recession; the spread of funding across projects led by the public, private and not-for-profit sectors; and the sustainability of projects after 2013.

3. We held four oral evidence sessions between 25 February and 18 March 2010, including scrutiny of the Deputy First Minister and Minister for the Economy and Transport, European Commission officials, Welsh European Funding Office (WEFO) officials, the Wales Council for Voluntary Action,<sup>1</sup> academics working in this area, and we spoke to EU funded projects at a meeting held in Valleys Kids, Penygraig, Rhondda. We also took oral evidence from the South West Regional Development Agency<sup>2</sup> in order to learn from the experience of a similar UK region in operating its Structural Funds programmes. We would like to thank all those people who provided us with oral evidence, and also those who submitted written papers.

4. We trust that our conclusions and recommendations will lead to improvements in the delivery of the programmes on the ground for the remainder of the programming period. It was encouraging to be told by the European Commission's Employment, Social Affairs and Equal Opportunities Directorate-General (DG Employment) that:

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<sup>1</sup> WCVA is the umbrella body for the third sector in Wales and sits on the All-Wales Programme Monitoring Committee. It is the project sponsor for two strategic ESF initiatives in the 2007-13 programmes in the Convergence and Competitiveness areas, the Engagement Gateway and Intermediate Labour Market projects; and for the ERDF Convergence Communities Investment Fund project

<sup>2</sup> The South West Regional Development Agency manages the Convergence Programme for Cornwall and Isles of Scilly and the South West Competitiveness & Employment ERDF Programme on behalf of the Secretary of State for Communities and Local Government

“We, in the Commission, are ready to listen to your wishes, to look at any modification request that you would like to present in the second part of the year, and our two commissioners and the Commission have agreed a fast-track procedure to adopt that within a short time span. That is how we see the current situation. We believe that the next six months will be crucial in order to assess whether there should be changes, what direction they should take, and whether they should last for the next three years, from 2011 to 2013.”<sup>3</sup>

## **Structural Funds programmes**

5. For the period 2007-13, Wales qualifies for European Structural Funds under all three Cohesion Policy Objectives:

- Convergence Objective (West Wales and the Valleys Programme);
- Regional Competitiveness and Employment Objective (East Wales Programme);
- Territorial Cooperation Objective, including the Ireland-Wales Cross-border programme.

6. Structural Funds are managed, monitored and controlled on the basis of shared management responsibility between the Member States and the European Commission. National authorities decide on how Structural Funds money is spent, but the final responsibility for the functioning of the national systems lies with the Commission.<sup>4</sup>

7. The Welsh Assembly Government has delegated the delivery of the regional programmes in Wales (under the Convergence and Competitiveness Objectives) to the Welsh European Funding Office (WEFO). The programmes are focused on creating sustainable jobs and growth in line with the European Union’s Lisbon Strategy, and the policies and strategies of the Welsh Assembly Government. More detail about the structure and funding for the programmes in Wales is outlined in the Deputy First Minister’s written submission of evidence.

8. Just over two and a half years into the implementation of the programmes, WEFO has agreed a total investment of over £2.4 billion, with an EU funds contribution of over £1.2bn. As at 6 May 2010, a

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<sup>3</sup> Record of Proceedings paragraph 113, 25 February 2010, Enterprise and Learning Committee

<sup>4</sup> DG Employment written evidence page 1

total of 164 projects had been approved. According to WEFO, over £735 million (30 per cent) was being invested in business; £1.1bn (44 per cent) in people; and some £595m (25 per cent) for community regeneration, the environment and transport.

## **Issues with the current programmes**

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### **Gross Domestic Product (GDP)**

9. On 18 February, a Eurostat news release of the latest estimates of EU regional GDP showed that in 2007, GDP per inhabitant in West Wales and the Valleys stood at 73.4 per cent of the EU average, which was down from 76.9 per cent in 2006. For East Wales the figures also showed a decline from 112.8 per cent in 2006 to 110.3 per cent in 2007. DG Employment told us that:

“The reduction in GDP is far less difficult for Wales than it is for Ireland and Latvia. Overall, the situation in terms of that specific aspect is less dramatic than in neighbouring member States or regions.”<sup>5</sup>

10. By comparison, Cornwall and Isles of Scilly’s GDP per inhabitant was 69.2 per cent of the EU average in 2000. By 2007, the figure was 75.2 per cent (although it did reach 77.1 per cent the year before). Written evidence from the South West Regional Development Agency referred to the “change of mood” in the region and that the focus of the current Structural Funds programmes was on “high value employment opportunities that should strengthen the economy,”<sup>6</sup> although we appreciate the significant differences between the economies in Wales and South West England.

11. When we challenged Welsh Assembly Government officials with the GDP figures, we were told that:

“These figures do not reflect any of the investment made under Convergence. These figures are for 2007; we only started to pay out money under Convergence in 2008, and we are confident that Convergence will make an important

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<sup>5</sup> Record of Proceedings paragraph 11, 25 February 2010, Enterprise and Learning Committee

<sup>6</sup> South West RDA written evidence page 1

contribution. These programmes need to be seen in the broader macro-economic context.”<sup>7</sup>

**We recommend that the Welsh Assembly Government should provide our Committee with its assessment of the 2008 European Union Gross Domestic Product (GDP) figures when they are published.**

## **The application process**

12. Written evidence from the European Commission’s DG Regio (Directorate-General Regional Policy) stated that the project selection criteria used by WEFO have been distributed to other UK regions as they were regarded by the European Commission as an example of good practice.<sup>8</sup> We commend the Welsh Assembly Government for its work in this area.

13. Yet evidence submitted by the Bridges into Work project<sup>9</sup> stated that they had found the application process “challenging” and “overly complicated by inconsistencies in message and guidance”, despite their previous experience of funding under the Objective 1 programme. The application process took nine months to complete.<sup>10</sup> “Challenging” and “long delays” were also words that the Welsh Local Government Association used to describe the application process.<sup>11</sup>

14. The Building the Future Together project<sup>12</sup> stated that the application and assessment process had been “long and at times difficult”, taking 16 months to complete, but that both sides had learned from the experience.<sup>13</sup> We heard too from the University of Wales that some projects had waited two years after submitting their case before receiving any funding.<sup>14</sup> We therefore welcome the Deputy First Minister’s commitment in his letter to our Chair, dated 7 June, to

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<sup>7</sup> Record of Proceedings paragraph 68, 11 March 2010, Enterprise and Learning Committee

<sup>8</sup> DG Regio written evidence section 1

<sup>9</sup> Bridges into Work is a collaboration between local authorities in Blaenau Gwent, Bridgend, Caerphilly, Merthyr Tydfil, Rhondda Cynon Taff and Torfaen to help people into work, led by Torfaen CBC

<sup>10</sup> Bridges into Work written evidence page 1

<sup>11</sup> WPGA written evidence page 2

<sup>12</sup> Building the Future Together is aimed at disengaged 11 to 19 year-olds in Rhondda Cynon Taff, led by the local authority and with Coleg Morgannwg as a joint sponsor

<sup>13</sup> Building the Future Together written evidence page 3

<sup>14</sup> Record of Proceedings paragraph 63, 18 March 2010, Enterprise and Learning Committee

“review the performance of the approval process and look for further efficiencies.”

15. The Wales Council for Voluntary Action (WCVA) supported the use of Project Idea Forms as the first stage of the application process, but suggested in its written evidence that:

“WEFO should have taken a greater role in steering organisations to work together on projects that were likely to proceed through the system, and to swiftly identify ideas that did not fit the funding priorities.”

16. WCVA also suggested that the application process could be improved if the duplication of effort in checking procedures for project claims were reduced.<sup>15</sup> This was a point echoed by the University of Wales, who also raised concerns that although the new programmes were now more strategic in nature, there was a lack of strategic approach to the project assessment process:

“For example, no-one said, ‘we need to develop innovation and more high-tech businesses, so which programmes are there?’ or, ‘we need to develop ICT, so which programmes are there?’ There was no overall strategic viewpoint. It was left for the programmes to go through the process of being assessed and only when they got to that point, did they say, ‘that is the sort of programme we want to back’. So, to be honest, it is very democratic in its approach, because anyone can put a programme in, but, is it strategic? I doubt it.”<sup>16</sup>

17. Written evidence from the South West Regional Development Agency outlined the different approach followed in the Cornwall and Isles of Scilly Convergence Programme where partners have agreed to a commissioning approach to project development – they agree the type of activity and outcomes they wish to see happen, but the method of project delivery is not fixed.<sup>17</sup>

**We recommend that there should be closer liaison between WEFO officials and project staff at all stages of project development, but particularly during the early stages to ensure consistent advice and guidance is communicated and understood from the start.**

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<sup>15</sup> WCVA written evidence pages 1-2

<sup>16</sup> Record of Proceedings paragraph 99, 18 March 2010, Enterprise and Learning Committee

<sup>17</sup> South West RDA written evidence page 1

18. We also heard from local projects that they believed three-year funded projects were too short and that six years was the minimum to enable some types of projects to be established and develop.<sup>18</sup>

**We recommend that the Welsh Assembly Government should consider the feasibility of providing six-year funding for appropriate projects in any future EU funding rounds, as part of a holistic approach for encouraging projects to become sustainable in the long term.**

### **Progress to date**

19. The Deputy First Minister's written submission to our inquiry stated that:

“WEFO have paid out over £183 million of EU funds to date.<sup>19</sup> All Commission targets for programme spend (N+2)<sup>20</sup> have been met despite the current challenging economic environment. The programmes are well on track to achieving their objectives and targets.<sup>21</sup>

20. DG Employment stated in its written evidence that it was:

“Satisfied with the level of commitments and spend, since more than 60% of the ESF allocation has been committed to projects and the N+2 spend targets for 2009 were met.”<sup>22</sup>

21. Yet we were aware that at the time of our questioning,<sup>23</sup> no projects had been approved under European Social Fund (ESF) Convergence Priority 4, “Modernising and improving the quality of our public services – Making the Connections”. Indeed, the ERDF Convergence programme is well behind the pace of the other programmes.

22. DG Regio also stated in its written evidence that the 2009 decommitment (N+2) targets had been met by both the European

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<sup>18</sup> Record of Proceedings paragraphs 54-60, 4 March 2010, Enterprise and Learning Committee

<sup>19</sup> This represents nine per cent of the total EU funds available over the programme period of just over £2 billion

<sup>20</sup> The N+2 targets refer to the requirement that expenditure committed to supporting project activities using Structural Funds must be spent within two years of the commitment being made

<sup>21</sup> Welsh Assembly Government written evidence paragraph 10

<sup>22</sup> DG Employment written evidence page 3

<sup>23</sup> We understand that one project had been approved by the time this report was drafted

Regional Development Fund (ERDF) Convergence and Competitiveness Programmes, but added that the 2010 target for the Convergence Programme was “challenging.” It believed that the implementation of JESSICA<sup>24</sup> in West Wales and the Valleys could assist in meeting the spend target,<sup>25</sup> and it later told us that it had confidence in WEFO that any difficulties could be remedied.<sup>26</sup>

23. The Deputy First Minister’s paper highlighted that projects approved to date under the ERDF Programmes will lead to an estimated 48,000 gross jobs being created. The ERDF projects supported to date have created 2,375 gross full-time equivalent (FTE) jobs. The Deputy First Minister later told us that the recession had particularly affected the ERDF Convergence programme because so many of the projects involved capital spend requiring large amounts of match funding.<sup>27</sup>

**We recommend that in carrying out its project monitoring responsibilities WEFO should take carefully into account the current economic climate and the effect this will have on original project targets and therefore the longer-term outcomes for the Welsh economy.**

24. Finally, we heard evidence during this inquiry that the important role of Government was to provide overall strategic direction rather than micro-manage individual programmes and projects.<sup>28</sup> We also heard that it was important for WEFO to provide advice on whether projects were “State-aid compliant” as opposed to leaving it up to projects to obtain their own legal advice.<sup>29</sup>

**We recommend that WEFO should consider the feasibility of providing advice to projects on State aid compliance, rather than requiring projects to obtain their own legal advice.**

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<sup>24</sup> Joint European Support for Sustainable Investment in City Areas

<sup>25</sup> DG Regio written evidence section 2

<sup>26</sup> Record of Proceedings paragraph 20, 25 February 2010, Enterprise and Learning Committee

<sup>27</sup> Record of Proceedings paragraph 17, 11 March 2010, Enterprise and Learning Committee

<sup>28</sup> Record of Proceedings paragraphs 66-73, 18 March 2010, Enterprise and Learning Committee

<sup>29</sup> Record of Proceedings paragraphs 75-78, 18 March 2010, Enterprise and Learning Committee

## **Use of Structural Funds in responding to the recession**

25. DG Employment referred in its evidence to the fact that Welsh Ministers have used European Structural Funds to respond to the recession through co-financed projects such as ReAct and ProAct, which both aim to mitigate the negative effects of the crisis for many individuals.<sup>30</sup> Commission officials later told us they considered these two schemes “represent best practice in Europe.”<sup>31</sup> Again, we commend the Welsh Assembly Government’s achievements in this area.

26. DG Regio stated in its evidence that both ERDF Operational Programmes are progressing at a steady pace in terms of commitments but spend is slow owing mainly to the economic recession. It hinted that progress could be hindered “by a shortage of match funding, should present economic conditions persist.” Yet it also highlighted that many of the projects financed by the ERDF programmes are specifically intended to address the impacts of the recession.<sup>32</sup>

27. The Deputy First Minister’s written evidence stated that the Structural Funds play “an important role” in the Government’s response to the global economic downturn as well as continuing to focus on addressing long-term structural weaknesses and challenges.<sup>33</sup>

**We recommend that the Welsh Assembly Government should keep under review its use of Structural Funds in responding to the recession.**

## **Finance Wales**

28. Following discussions with HM Treasury, Welsh Ministers are considering a corporate restructuring of Finance Wales. One of the main changes under consideration may result in Finance Wales no longer being classed as a public corporation in Government accounting terms.<sup>34</sup> We were interested to find out whether this would have any implications for the continued use of ERDF monies and the

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<sup>30</sup> DG Employment written evidence page 3

<sup>31</sup> Record of Proceedings paragraph 162, 25 February 2010, Enterprise and Learning Committee

<sup>32</sup> DG Region written evidence sections 2 and 9

<sup>33</sup> Welsh Assembly Government written evidence paragraph 34

<sup>34</sup> Press release, Finance Wales – investment for growth, Welsh Assembly Government, 9 February 2010

European Investment Bank loan which are part of the JEREMIE fund<sup>35</sup> that Finance Wales operates.

**We recommend that the Welsh Assembly Government should keep our Committee informed of any future developments with regard to the potential reclassification of Finance Wales.**

### **Spread of funding across the public, private and not-for-profit sectors**

29. According to WEFO there is a greater strategic approach to the delivery of the funds for this programming round, with fewer, more strategic projects delivering on the priorities of WEFO's Operational Programmes. The Deputy First Minister later told us that while he expects around 300 projects to be approved under the current round of Structural Funds, the figure was more like 3,000 under the previous Objective 1 funding programme.<sup>36</sup>

30. Welsh Assembly Government-led projects account for a significant proportion of projects approved to date<sup>37</sup> (46 per cent), which have been developed in partnership and largely delivered through procurement arrangements. The remainder are led by other organisations including local authorities (17 per cent), third sector (13 per cent), the higher and further education sectors (10 per cent) and private sector (less than 1 per cent). Four regional Spatial European Teams<sup>38</sup> and a third sector SET have been set up to help maximise the delivery of the Structural Funds in Wales.<sup>39</sup>

31. The Bridges into Work project stated that in comparison with previous ESF projects, there was now a reduced involvement of grass roots organisations who often "hold the key" in engaging with the hardest to reach groups.<sup>40</sup>

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<sup>35</sup> Wales was the first UK region and among the first in Europe to establish a JEREMIE fund, which provides joint European resources for micro to medium enterprises

<sup>36</sup> Record of Proceedings paragraph 13, 11 March 2010, Enterprise and Learning Committee

<sup>37</sup> As at March 2010

<sup>38</sup> SETs provide support, advice and guidance to potential project sponsors and applicants across Wales

<sup>39</sup> Welsh Assembly Government written evidence paragraphs 21-23

<sup>40</sup> Bridges into Work written evidence page 3

32. Valleys Kids also adversely compared this funding round with Objective 1.<sup>41</sup> Under the previous round the project had been able to access over £3m; under Convergence, it has accessed a total of £125,000, but only because of the work done by the Wales Council for Voluntary Action and Arts Council of Wales. It therefore stated that:

“Instead of building on what had been achieved through Objective 1 this [has] been a wasted opportunity preventing us reaching the people in the most disadvantaged areas. The policy to only fund large ‘strategic’ bids from local authorities, Welsh Assembly Government departments and universities has restricted access by community organisations. Not being able to access any Convergence funding till three years into the programme has had a crippling effect on the local voluntary sector and vulnerable individuals in those disadvantaged communities.”<sup>42</sup>

33. The Wales Council for Voluntary Action stated that there has to date been no quantifiable evidence available to show the success rate of third sector organisations in winning EU funded contracts.<sup>43</sup>

34. In similar vein, CollegesWales claimed that the emphasis on larger strategic projects had worked against colleges bidding as individual applicants, but that the consortia model had been slow to develop and access funding to the front line.<sup>44</sup>

**We recommend that WEFO should conduct an analysis by sector of contract awards for EU funded projects, including where those organisations originate – whether in Wales or outside – and that this information should be published on its website.**

35. The University of Wales suggested there needed to be far greater engagement with the private sector regarding the innovation elements of the new Convergence funds, as well as an “urgent need” for the current programme of European funding to engage far more with business to improve its Research & Development performance and the overall innovation potential within Wales.<sup>45</sup> When we later questioned

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<sup>41</sup> Record of Proceedings paragraph 27, 4 March 2010, Enterprise and Learning Committee

<sup>42</sup> Valleys Kids written evidence page 2

<sup>43</sup> WCVA written evidence page 3 and Record of Proceedings paragraph 162, 11 March 2010, Enterprise and Learning Committee

<sup>44</sup> CollegesWales written evidence page 1

<sup>45</sup> University of Wales written evidence pages 9-10

the University on this, we were told that a major failing of the Objective 1 programme had been lack of collaboration between projects, but this was a criticism that was still levelled at the current convergence round. Failure of communication was cited as the main reason, in which case there should be critical analysis of the links between different projects and between the wider university and industry communities in Wales. We were also told that projects should seek to engage international players, who had a “great deal of money” to invest.<sup>46</sup>

36. We received evidence from the West Wales Business Initiative<sup>47</sup> who argued that the private sector is being left out of the current Structural Funds programme. Bridges into Work told us that they perceived a lack of engagement from the private sector because businesses found the process of applying for European funding a painful experience:

“The public sector is used to it, but the private sector is very impatient with it. Our experience is that if the private sector is to become involved, we have to do the application for it.”<sup>48</sup>

37. In contrast, DG Regio told us that:

“Compared with the situation in the past, the private sector now has greater engagement with the programme.”<sup>49</sup>

38. The South West Regional Development Agency told us that its approach for engaging the private sector has been to use:

“Technical assistance to fund a post in the private sector that enables private sector organisations to engage with the programme. That post ensures that programme monitoring committee members from the private sector are properly aware of what is going on, and also that businesses are aware of the opportunities through the programme.”<sup>50</sup>

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<sup>46</sup> Record of Proceedings paragraphs 16-19, 18 March 2010, Enterprise and Learning Committee

<sup>47</sup> West Wales Business Initiative written evidence

<sup>48</sup> Record of Proceedings paragraph 44, 4 March 2010, Enterprise and Learning Committee

<sup>49</sup> Record of Proceedings paragraph 99, 25 February 2010, Enterprise and Learning Committee

<sup>50</sup> Record of Proceedings paragraph 109, 18 March 2010, Enterprise and Learning Committee

39. We were also very interested to hear from the South West Regional Development Agency that based on a feasibility project under Objective 1, it had applied under Convergence for a project to develop broadband access in Cornwall, primarily targeted at business use. The project is led by Cornwall Council but involves a partnership with telecommunications companies, and a preferred bidder for the service is soon to be announced.<sup>51</sup>

**We recommend that the Welsh Assembly Government should ensure that the current Structural Funds programmes focus more on building research capacity and collaboration between the business and academic sectors in the interests of wealth creation and economic development in Wales.**

**We also recommend that the Welsh Assembly Government should consider how Structural Funds could be used to support projects by leveraging in international communities of interest and investment.**

**We further recommend that the Welsh Assembly Government should be more imaginative in ensuring smaller players in both the private and third sectors have opportunities to engage in the delivery of Structural Funds projects.**

### **Use of procurement in project delivery**

40. According to WEFO guidance, the increased focus on the use of open procurement for programme delivery in the 2007-13 programmes stems from the fact that the interpretation of State aid<sup>52</sup> rules and the European Commission's line on them have tightened considerably since the earlier phases of the previous programmes (2000-06). WEFO's guidance implies that by ensuring the delivery of economic activity within projects is subject to procurement, the State aid concerns at the level of the deliverer can be mitigated. The Commission is legally bound to investigate State aid issues that come to its attention and if aid is found to be illegal, it will be recovered from the applicant.

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<sup>51</sup> Record of Proceedings paragraphs 121-123, 18 March 2010, Enterprise and Learning Committee

<sup>52</sup> State aid is a European Commission term for any public support given selectively to an undertaking that could potentially affect competition and intra-community trade

41. The Commission's view is that open procurement brings "substantial benefits to Wales in fostering competition for the funds on a fair and transparent basis.[...]enhancing the quality of the delivery and ensuring value for money."<sup>53</sup> This view was later reinforced by Commission officials when they gave oral evidence to us.<sup>54</sup>

42. One of the main factors identified by the All-Wales Programme Monitoring Committee<sup>55</sup> as contributing to spend behind profile is where project sponsors need to carry out procurement for some elements of a project for which insufficient time has been factored in. A paper on procurement provided to the December 2009 meeting of the Programme Monitoring Committee showed that up until 16 November 2009, WEFO had approved 134 projects. Of these, 113 were using procurement for the delivery of project activity, but only 18 of them were defined as having completed their procurement activity.

43. Witnesses also mentioned delays caused during the procurement of project delivery. Building the Future Together, for example, had problems fully understanding the procurement guidance issued by WEFO,<sup>56</sup> and although the situation has now been resolved, it stated that:

"Despite the best efforts of WEFO officers, sometimes we were unable to get clear definitive guidance on queries which led to delays in the project's assessment."<sup>57</sup>

44. CollegesWales also referred to the frustration experienced by the further education sector concerning the lack of clarity of early procurement guidance from WEFO.<sup>58</sup>

45. Bridges into Work too referred to delays it experienced in securing procured delivery agents, although it did not consider this to represent a "significant risk in meeting the overall delivery profile." However, it did believe that WEFO's procurement guidance had:

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<sup>53</sup> DG Regio written evidence section 8

<sup>54</sup> Record of Proceedings paragraphs 143-148, 25 February 2010, Enterprise and Learning Committee

<sup>55</sup> Jeff Cuthbert AM, a Member of the Enterprise and Learning Committee, is also Chair of the All-Wales Programme Monitoring Committee and declared this at the beginning of every oral evidence session

<sup>56</sup> Guidance on Sponsorship, Partnership, Procurement and Grants, WEFO

<sup>57</sup> Building the Future Together written evidence page 5

<sup>58</sup> CollegesWales written evidence page 3

“Impeded effective partnership working with third sector organisations within this project. This is particularly in evidence when considering smaller organisations that may be inexperienced in tendering for contracts.”<sup>59</sup>

46. Wales Council for Voluntary Action listed a number of lessons learned regarding the use of procurement in project delivery, including delays; the considerable cost involved in establishing procurement and sub-contracting systems; and the expense in terms of staff-time involved in bidding to deliver Structural Funds projects.<sup>60</sup> WCVA quoted the experience of one third sector project sponsor which was required to devote a full-time member of staff to work on the procurement process for a particular project for approximately three months. WCVA also believed that:

“The general approach of procuring project delivery activities militates against the strong history and context of partnership working in Wales and has acted as a disincentive to the engagement of third sector organisations in the delivery of the programmes.”<sup>61</sup>

47. On the other hand, WCVA argued that although it was “bureaucratic and time consuming,” the role of tendering did offer:

“The potential advantage of enabling third sector organisations to develop constructive longer-term working relationships with public bodies, which may present opportunities to sustain or ‘mainstream’ interventions that have been proven to be effective post-2013.”<sup>62</sup>

48. The Welsh Local Government Association stated in its written evidence that procurement has led to “significant” delays of up to 9 to 12 months from project approval to project operation.<sup>63</sup> The South West Regional Development Agency agreed that the procurement process “can take a little bit longer,” but it told us that it was “seeing evidence that the quality is better than we may have seen in the past.”<sup>64</sup>

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<sup>59</sup> Bridges into Work written evidence page 3

<sup>60</sup> WCVA written evidence pages 4-5

<sup>61</sup> WCVA written evidence page 3

<sup>62</sup> WCVA written evidence page 3

<sup>63</sup> WLGA written evidence page 4

<sup>64</sup> Record of Proceedings paragraph 50, 18 March 2010, Enterprise and Learning Committee

49. We heard from WEFO officials that they were in the process of working with the sector to improve the procurement guidance, so that it was clear to project sponsors when procurement was required and when it was not.<sup>65</sup> We also would welcome clarity on this issue.

**We recommend that in revising its procurement guidance, WEFO should as a priority evaluate the procurement process and its impact particularly on non-government sectors. The evaluation should include identifying when and where procurement is most effective - and where it is not - not only in terms of good governance and value for money, but also in the quality of the service provided to the user. WEFO should publish best practice models along with the results of the evaluation, and should make representations to the UK Government to ensure that European Commission procurement rules do not work against Welsh interests.**

### **Potential impact of tighter public sector budgets**

50. DG Regio stated in its evidence that the economic recession has resulted in increased pressure on public sector finances in Wales and the rest of the UK. It also stated that “further cuts in government spending could hinder the implementation” of the Operational Programmes.<sup>66</sup>

51. Both the Bridges into Work and the Building the Future Together projects supported the view that future reductions in public sector budgets could potentially impact on project delivery and in meeting agreed targets.<sup>67</sup> Bridges into Work told us that:

“It is very dependent on decisions about how much money DCELLS is putting into the FE sector, because that is where we get the match.”<sup>68</sup>

52. The Welsh Assembly Government’s Targeted Match Fund scheme continues to provide a central match-funding pot of last resort to the Structural Funds programmes. Launched in mid-2008, it has to date awarded £43.9m to support 19 projects. According to the WEFO

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<sup>65</sup> Record of Proceedings paragraph 106, 11 March 2010, Enterprise and Learning Committee

<sup>66</sup> DG Regio written evidence section 10

<sup>67</sup> Bridges into Work evidence page 5; Building the Future Together written evidence page 5

<sup>68</sup> Record of Proceedings paragraph 128, 4 March 2010, Enterprise and Learning Committee

website<sup>69</sup> the Government is committed to making £350m available to the Targeted Match Fund over the 2007-13 programming period. We later scrutinised the Deputy First Minister on this issue and he confirmed that there was a substantial amount of Targeted Match Funding available, and that lack of match funding would not be an issue for concern.<sup>70</sup>

**We recommend that the Welsh Assembly Government should consider the potential implications of tighter future public sector budgets, particularly with regard to the availability of public sector match funding and the possibility of increased demands on the Targeted Match Fund.**

53. The Wales Council for Voluntary Action commended WEFO for securing the use of volunteer time as match-funding in-kind for Structural Funds projects: Wales is the only region in the UK where this is permitted.<sup>71</sup>

**We recommend that WEFO should continue to secure the eligibility of volunteer time as in-kind match-funding for Structural Funds to allow the third sector to bring added value to the delivery of future programmes.**

### ***Impact of increased intervention rates***

54. As a result of the fall in Sterling value relative to the Euro, and therefore the pressures on match funding, WEFO negotiated in 2009 an increase in programme intervention rates with the European Commission for the two ERDF and the ESF Convergence Programmes. Match funding requirements were reduced by £267m.<sup>72</sup>

55. DG Regio was of the opinion that:

“The increased intervention rates should help programme delivery in the light of funding shortages for sectors affected by the economic downturn.”<sup>73</sup>

56. Bridges into Work reported that they had been unable to benefit from the increased intervention rates as they were not being

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<sup>69</sup> [www.wefo.wales.gov.uk](http://www.wefo.wales.gov.uk)

<sup>70</sup> Record of Proceedings paragraphs 36-40, 11 March 2010, Enterprise and Learning Committee

<sup>71</sup> WCVA written evidence page 6

<sup>72</sup> Welsh Assembly Government written evidence paragraph 35

<sup>73</sup> DG Regio written evidence section 13

applied retrospectively, but the project would approach WEFO to seek an alteration to the rate when it applies for an extension for funding past 2011.<sup>74</sup>

57. The South West Regional Development Agency stated in its written evidence that the Convergence Programme is seeking to mitigate the impact of potentially reduced levels of public sector finance in the future by:

“Keeping intervention rates [for private-led projects] as low as possible thereby maximising match funding in 2009-10; encouraging private sector applications where eligible.[...]and looking for new sources of funding where objectives match programme aims.”<sup>75</sup>

58. We later heard from the South West Regional Development Agency that it had negotiated higher intervention rates with the European Commission (68 per cent ERDF at a programme level, and for some projects as much as 90 per cent) because nearly 75 per cent of its programme is earmarked for Lisbon-type investments.<sup>76</sup>

**We recommend that through the Programme Monitoring Committee, the Welsh Assembly Government should monitor closely the impact of the recession on programme delivery and programme aims in order to steer and if necessary re-shape the focus for the second half of the programme period.**

### **Sustainability of projects after 2013**

59. The Deputy First Minister’s written evidence stated that the 2007-2013 programmes place an emphasis on “moving from a grant culture to an investment culture,” which will be reinforced through the Government’s economic renewal programme.<sup>77</sup>

60. We heard from the University of Wales that:

“If you had £100 million and gave £100 million away in loans, then you would still have £80 million to re-circulate. If you give £100 million away in grants, you will not get that funding back. [...]If you give a business a grant, there is no commitment in

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<sup>74</sup> Bridges into Work written evidence page 5

<sup>75</sup> South West RDA written evidence page 3

<sup>76</sup> Record of Proceedings paragraph 134, 18 March 2010, Enterprise and Learning Committee

<sup>77</sup> Welsh Assembly Government written evidence paragraph 38

that. If you want to look at some of those programmes, you should just say ‘no’ to anything that is to be funded again. You should just turn around and say, ‘We will not give any grants, but we will give loans, repayable loans and interest-free loans’. If you want to make this programme sustainable, those funds would then remain in Wales and help the Welsh economy post-2015.”<sup>78</sup>

61. DG Employment stated in its written evidence that “legacy contribution”<sup>79</sup> is one of WEFO’s project selection criteria, which focuses on the “likely sustainable impact of projects.” Yet DG Regio believed that ex-ante (pre-project) sustainability:

“Cannot be guaranteed post-2013 since it is influenced by changes in the programme environment (state of the economy, government policy, budget cuts, etc).”<sup>80</sup>

62. We understand from the Deputy First Minister’s written paper<sup>81</sup> and also the Welsh Assembly Government’s response to the European and External Affairs Committee’s Interim Report on the Future of Cohesion Policy (December 2009) that the Government is placing a strong focus on the sustainability of investments within the current programme, such as building in exit strategies at a project level from the outset, as well as developing exit strategies at a departmental and programme level. We also heard from the Deputy First Minister how important it was to align the EU Structural Funds programme with Government funding for other economic and skills development agendas.<sup>82</sup> The South West Regional Development Agency appeared to us to be moving faster in this direction by suggesting that it was contemplating moving:

“To a position whereby[...]the existing [economic] strategies are used as the basis for the programmes, rather than our having separate documents, but will still give assurance to the

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<sup>78</sup> Record of Proceedings paragraph 92, 18 March 2010, Enterprise and Learning Committee

<sup>79</sup> DG Employment written evidence page 2: legacy contribution is defined as the extent to which the project will deliver structural change and/or sustained impact beyond the funding period

<sup>80</sup> DG Regio written evidence section 6

<sup>81</sup> Welsh Assembly Government written evidence paragraph 38

<sup>82</sup> Record of Proceedings paragraph 63, 11 March 2010, Enterprise and Learning Committee

European Commission that we are also delivering its needs through the programme.”<sup>83</sup>

**We recommend that the Welsh Assembly Government should continue to work with partners to consider how the European Union Structural Funds can be best used to reinforce the Government’s future economic renewal programme for Wales.**

## **Monitoring and evaluation**

63. The Deputy First Minister’s written evidence stated that:

“Synergy and collaboration across the programmes has been improved through the establishment of the All Wales Programme Monitoring Committee (PMC) to oversee the implementation of the four Welsh programmes, a simplification of previous arrangements under the 2000-2006 programmes where each programme had its own PMC.”<sup>84</sup>

64. The Deputy First Minister’s paper also mentioned that changes to European Commission regulations mean that fixed point evaluations such as the Mid Term Evaluations are no longer mandatory. The evidence listed a number of evaluations and surveys that are currently underway, and said that WEFO has decided to undertake evaluations at “the most effective point in the delivery of the programmes.”<sup>85</sup> DG Regio stated in its written evidence that:

“WEFO has adequate internal resources to monitor and evaluate the performance of the programmes.”<sup>86</sup>

Its officials later told us that WEFO’s monitoring of the system was “solid”.<sup>87</sup>

65. The Wales Council for Voluntary Action stated in its evidence that it was concerned about the level of resources being invested by individual projects in IT systems and databases to track beneficiaries of ESF projects.<sup>88</sup>

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<sup>83</sup> Record of Proceedings paragraph 152, 18 March 2010, Enterprise and Learning Committee

<sup>84</sup> Welsh Assembly Government written evidence paragraph 29

<sup>85</sup> Welsh Assembly Government written evidence paragraph 32

<sup>86</sup> DG Regio written evidence section 3

<sup>87</sup> Record of Proceedings paragraph 103, 25 February 2010, Enterprise and Learning Committee

<sup>88</sup> WCVA written evidence page 2

66. Bridges into Work said in its written evidence that it has received “atypical” monitoring from WEFO in that its first aftercare meeting was scheduled for 13 months into the project and because it is the first approved project with Torfaen County Borough Council as the lead sponsor.

67. The project was also concerned about the recording and possible double or multiple-counting of the project outcomes because of a lack of clarity regarding “ownership” of outcomes in other ESF funded projects.<sup>89</sup> The Welsh Local Government Association also expressed concern about the “synergy” between some national and local activities which was leading to duplication and targeting of the same beneficiaries.<sup>90</sup> We heard these points repeated in our session with local projects, who raised concerns about the effectiveness of funding, “who was taking credit for what,” and the need for better communication between projects to ensure they complemented rather than duplicated their efforts.<sup>91</sup>

68. When we questioned WEFO about this, we were told that collaboration between projects was being encouraged, although this was currently at pan-Wales and regional levels, and that the new beneficiaries database will go some way to eliminating double-counting in future.<sup>92</sup> As the Wales Council for Voluntary Action told us, the fact that there are now fewer more strategic projects should make it easier for WEFO to map who is doing what.<sup>93</sup>

**We recommend that WEFO should consider adopting a universal data collection system for all project sponsors and deliverers to track outcomes and beneficiaries and avoid any duplication or double-counting, and should encourage better communication between projects at a local level where they are targeting the same groups of people.**

69. Further than that, we would like to see a more rigorous evaluation of the whole of the Structural Funds programmes in contributing to set targets and high-level economic wellbeing

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<sup>89</sup> Bridges into Work written evidence page 3

<sup>90</sup> WLGa written evidence page 3

<sup>91</sup> Record of Proceedings paragraphs 68-79, 4 March 2010, Enterprise and Learning Committee

<sup>92</sup> Record of Proceedings paragraphs 63 and 90, 11 March 2010, Enterprise and Learning Committee

<sup>93</sup> Record of Proceedings paragraph 164, 11 March 2010, Enterprise and Learning Committee

indicators including GDP. We note that the South West Regional Development Agency has suggested that in future funding periods, areas could be allocated a “single pot” of European funding that could be prioritised against EU and domestic strategies and administered as a single fund within the appropriate geographical area.<sup>94</sup> We later heard from the South West Regional Development Agency that it had procured a mid-term programme review from an external firm of consultants.<sup>95</sup>

**We recommend that the Welsh Assembly Government should procure a mid-term review of the impact of the Structural Funds programmes, to identify lessons from the 2007-13 programmes to date in order to plan effectively for the remainder of the programme period and beyond 2013. The review should also include some creative thinking about how future programmes can be more effectively structured.**

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<sup>94</sup> South West Regional Development Agency written evidence page 5

<sup>95</sup> Record of Proceedings paragraph 147, 18 March 2010, Enterprise and Learning Committee

## Conclusions

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70. We appreciate that since the current Structural Funds programmes are different from previous rounds, there have been some teething problems in implementing the new system. We also appreciate that at this mid-way stage, it is difficult to identify exactly what impact the Funds are having on the ground.

71. In this report, we have highlighted the positive achievements of the Welsh Assembly Government and WEFO and the plaudits they have received from the European Commission.<sup>96</sup> There are, however, important issues that need to be addressed with the current programmes, such as the need to engage smaller players from the private and third sectors within the more strategic approach adopted in the current round of funding; the importance of improving communication between projects at a local level; the need to encourage the longer-term sustainability of projects; the need to address the fact that industry is “not biting” at the strategic level in Convergence programmes; and the issue of how projects can adapt to changing economic circumstances.

72. In scrutinising the detail of the Structural Funds commitments and spend, the legacy of these programmes should not be overlooked. **The overall aim – and ultimate success – of European Structural Funding will be sustainable structural improvements in the Welsh economy**, along the lines of the Lisbon agenda for growth areas such as the digital, creative and green industries, not forgetting improvements in the social inclusion agenda. However, we appreciate that Ministers also need to balance those long-term objectives with getting Wales out of the current economic downturn – and planning an exit strategy for the end of this funding round after 2013.

**We recommend that Welsh Ministers should ensure that their vision for the future Welsh economy is supported and enhanced by the Structural Funds programmes and that they should continue to give Wales a strong voice in the development of future regional development policies in Europe.**

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<sup>96</sup> See paragraphs 12, 20, 25 and 64

## Oral evidence

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We sought a wide range of views for this inquiry. The following organisations accepted our invitation to provide oral evidence on the dates noted below. Transcripts of the evidence sessions and the written submissions can be viewed by clicking on the links.

<b>25 February 2010</b>	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170135&amp;ds=2/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170135&amp;ds=2/2010</a>
DG Employment, Social Affairs and Equal Opportunities	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=167769&amp;ds=2/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=167769&amp;ds=2/2010</a>
DG Regional Policy	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=167786&amp;ds=2/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=167786&amp;ds=2/2010</a>
<b>4 March 2010</b>	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=172494&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=172494&amp;ds=3/2010</a>
Bridges into Work	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169351&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169351&amp;ds=3/2010</a>
Building the Future Together	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169516&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169516&amp;ds=3/2010</a>

Valleys Kids	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170207&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170207&amp;ds=3/2010</a>
<b>11 March 2010</b>	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=172392&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=172392&amp;ds=3/2010</a>
Welsh Assembly Government, including Welsh European Funding Office	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171363&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171363&amp;ds=3/2010</a> <a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171370&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171370&amp;ds=3/2010</a> <a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171401&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171401&amp;ds=3/2010</a>
Wales Council for Voluntary Action	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170622&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170622&amp;ds=3/2010</a>
<b>18 March 2010</b>	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=174438&amp;ds=4/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=174438&amp;ds=4/2010</a>

University of Wales <http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&id=171784&ds=4/2010>

South West Regional  
Development  
Agency <http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&id=171703&ds=4/2010>

## Written evidence

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The following individuals and organisations provided written evidence to the Committee.

<i>Name</i>	<i>Link to evidence</i>
CollegesWales	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171734&amp;ds=4/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171734&amp;ds=4/2010</a>
Cyngor Gwynedd	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171916&amp;ds=4/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171916&amp;ds=4/2010</a>
Swansea Astronomical Society	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170654&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=170654&amp;ds=3/2010</a>
Welsh Local Government Association	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171706&amp;ds=4/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=171706&amp;ds=4/2010</a>
West Wales Business Initiative	<a href="http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169349&amp;ds=3/2010">http://www.assemblywales.org/bus-home/bus-committees/bus-committees-scrutiny-committees/bus-committees-third-els-home/bus-committees-third-els-agendas.htm?act=dis&amp;id=169349&amp;ds=3/2010</a>