

**SOUTH EAST ENGLAND COUNCILS
Europe Task and Finish Group**



Date: 18 February 2011

Subject: Influencing future funding programmes and policy – round-table discussion

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Recommendation:

That the Task and Finish Group discusses the issues and key questions in this paper in order to inform the focus of its future work.

1. Background

1.1 At the first meeting of SEEC's Europe Task and Finish Group it was agreed that influencing European funding post 2013 was an important issue to consider. To help take this work forward, two key areas for investigation are:

- A) European policy that will influence future funding
- B) Developing SEEC's 'key principles' on future European funding

1.2 Some initial high-level thoughts on each of these are set out below to help discussion. These will develop as the Group's work progresses over the coming weeks.

1.3 There is also a related action from the first meeting to identify partners/networks to engage with, both to share information but also to potentially undertake joint lobbying with. Work is beginning on this - input on this issue is also invited during the discussion.

2. Key issues for discussion

A) European policy that will influence future funding

2.1 In November 2010, the Commission published the 5th Report on Economic, Social and Territorial Cohesion¹ and undertook a consultation on the initial principles for the post 2013 EU structural funds programmes. This built on a number of principles set out in the EU Budget proposals² (October 2010) which outlined how the EU plans to organise its funding to meet challenges in the 2014-2020 period.

2.2 Key elements include:

- Continuation of structural funds for all regions in some form.

¹ http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion5/index_en.cfm

² http://ec.europa.eu/budget/reform/library/communication/com_2010_700_en.pdf

- Tighter focus on the EU's growth strategy for the next 10 years ('EU 2020'³), with priorities for "Smart, Sustainable and Inclusive" growth, with richer regions addressing fewer priorities.
- Inclusion of local development approaches, allowing a certain amount of funding for integrated local development which would allow the engagement of communities in the definition and delivery of projects.
- Focus on urban areas.
- Introduction of a "Common Strategic Framework" which would translate Europe 2020 targets and objectives on employment, innovation, education, social inclusion and climate/energy into investment priorities covering the Cohesion Fund, the European Regional Development Fund, the European Social Fund, Rural Development and Fisheries.
- Streamlined and simplified administration.
- Focus on results.
- Increased prominence of 'financial instruments' (ie loans) - these measures are likely to increase in prominence given the tightening of public sector finance.

2.3 More specific funding proposals for the EU Budget review (2014-2020), including structural funds, are expected from June 2011. Detailed proposals for each fund are expected separately: draft regulations for European Social Fund, European Regional Development Fund, CAP/Rural development and the range of thematic funds (such as those for innovation) are expected in July 2011.

2.4 **Key question 1:** Is it right that considering/responding to future consultations on these programmes is the main focus for SEEC's future 'policy' influencing; are there other policy areas that will influence future European funding that we should explore?

B) Developing SEEC's 'key principles' on future European funding

2.5 SEEC will need to consider its key principles to lobby on/respond with in relation to future European funding. Although this will depend to some extent on the details of future programmes, it seems prudent for to consider some headline 'principles' at this stage.

2.6 **Key question 2:** Are the following draft high-level 'principles' the right ones to underpin SEEC's future lobbying/consultation responses regarding European funding; are any missing?

- Local government must be involved in setting priorities and on programme committees.
- Funds must be allowed to respond to varied and complex local needs.
- Funds must be available to address urban and rural needs.
- There is a need to look innovatively at addressing the challenge of limited public match-funding.
- Counter any proposals for loans ('financial instruments) to replace, rather than complement, structural funds in the UK.

³ http://ec.europa.eu/europe2020/index_en.htm