

**SOUTH EAST ENGLAND COUNCILS
ALL-MEMBER PLENARY MEETING**

Date: 17 March 2011

Subject: **Accessing European Funding**

Report by: Nick Woolfenden, SEEC Head of Policy Co-ordination

**Recommendations:**

SEEC members are asked to:

- i) Note upcoming changes to SEEDA-managed programmes and opportunities for local partners to bid for European funding to support projects.
- ii) During discussion share their examples of how local government is already accessing European funding.
- iii) Note the Department for Business, Innovation and Skills' presentation on issues regarding development of future European funding programmes, and discuss principles to ensure these are available to address needs and opportunities in South East England.
- iv) Endorse the principles proposed by the Task & Finish Group in para 4.5 and share examples of unnecessary European red-tape/bureaucracy that should be tackled.

1. Background

- 1.1 SEEC agreed in November 2010 that it should establish a Task & Finish Group to look at how it might engage on European issues, in particular funding opportunities. Chaired by SEEC's Deputy Chairman Cllr Gordon Keymer, this group has met twice so far in 2011 to scope and progress this work¹. It will be reporting its final recommendations to SEEC's AGM in July 2011. The Group's Terms of Reference are attached as Annex 1.
- 1.2 The group has identified two main areas for SEEC's attention regarding European funding:
 - i. Ensuring SEEC members make the most of opportunities available under the current European funding opportunities, the main programmes for which run from 2007-2013.
 - ii. Influencing future European funding from 2014 onwards – there is a broad indication from the European Union that key funding programmes will continue in some form, but the detail of this is yet to be published.
- 1.3 To help inform SEEC in considering these key issues and stimulate discussion, two speakers have been invited to this all-member meeting to update on the current situation and future funding plans.

¹ See Item 4c for notes of the most recent meeting.

2. The Speakers

2.1 The two speakers are:

- a) **Detlef Golletz, Head of European Programmes, SEEDA – update on programme status, handover plans and legacy documents.** SEEDA has managed European funding programmes as well as running European-funded projects. Along with the other Regional Development Agencies, SEEDA will be closing by spring 2012. More immediately, the Government has decided it will move management of the remainder of the current European Regional Development Fund from SEEDA to the Department for Communities and Local Government from July 2011². With these changes in mind, SEEDA has produced two 'legacy' documents to share good practice and knowledge. These are available at <http://www.seeda.co.uk/what-we-do/european-investment>.
- b) **Sue Baxter, Deputy Director, Department for Business, Innovation and Skills – opportunities and issues for European funding post 2013.** Although the key principles for future European funding will be set at pan-European level, the UK Government will have some flexibility in how it manages and makes this available within the country. Sue is helping develop the Government's position on European funding post-2013 and will share emerging key issues about this.

3. Current Funding – key opportunities

3.1 There are a wide range of potential sources of European funding depending on project location and objectives. As set out above, SEEDA's recent 'European Funding Guide'³ sets out a number of these, and Local Government Association members can also access regular funding tracker updates at <http://www.lga.gov.uk/lga/core/page.do?pageId=11061870>.

3.2 Amongst the range of funding opportunities available, two key sources of funding under the current European Union funding period (up till 2013) are:

European Regional Development Fund (ERDF) - the South East ERDF Competitiveness Programme promotes competitiveness whilst contributing to reducing the South East's ecological footprint. Round 4 will be launched by SEEDA on 25 March 2011 with a budget of £4-5m, followed by an information sharing event on 8 April at the Sofitel Hotel, Gatwick⁴. Bids need to provide match funding. SEEDA will launch this round before administration and management transfers to the Department for Communities and Local Government as set out in 2.1 above. Further information on ERDF is available at <http://www.seeda.co.uk/what-we-do/european-investment/erdf>.

²<http://www.communities.gov.uk/regeneration/regenerationfunding/europeanregionaldevelopment/management/>

³ http://www.seeda.co.uk/_documentbank/European_Funding_Guide__2011.pdf

⁴ For more information about Round 4 and the launch event see www.seeda.co.uk/what-we-do/european-investment/erdf

Interreg - there are five different programmes relevant to all or parts of the South East. These promote sustainable development through cross-border, transnational and interregional co-operation between different parts of Europe. Each strand has bidding rounds during 2011, with different deadlines for each strand (see SEEDA legacy document for more information). Over Euro350m still remains available for bidding across Europe, requiring match funding. There are a range of administrators for the five programmes and further information about Interreg is available at http://ec.europa.eu/regional_policy/cooperation/index_en.htm.

- 3.3 Some examples of projects supported with European funding are included in SEEDA's recent publications referenced in 2.1 above. During discussion, SEEC members are invited to share examples of how South East local authorities have used European funding to tackle key priorities.

4. Future Funding – key issues

- 4.1 In order to influence European funding post-2013, SEEC's Europe Task and Finish Group agreed two key areas for investigation:

- i. Identifying European/UK policy that will influence future funding
- ii. Developing SEEC's 'key principles' on future European funding

European policy that will influence future funding

- 4.2 In November 2010, the European Commission published a report setting out its proposed principles for the post-2013 funding period⁵. Key aspects include:

- Continuation of structural funds for all parts of the EU, including wealthier member states.
- Tighter focus on the EU's growth strategy for the next 10 years ('EU 2020'⁶), with priorities for "Smart, Sustainable and Inclusive" growth, with richer regions addressing fewer priorities.
- An increased and strengthened role for local decision-makers in the development, management and implementation of programmes.
- 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.
- 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.

- 4.3 More specific funding proposals for the EU Budget review (2014-2020), including the structural funds, are expected from June 2011.

⁵ 5th Report on Economic, Social and Territorial Cohesion

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

⁶ http://ec.europa.eu/europe2020/index_en.htm

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

- 4.4 SEEC should consider key principles to lobby on/respond with in relation to future European funding. Although specific emphasis will depend to some extent on the details of future programmes, it seems prudent to consider some headline 'principles' at this stage to underpin SEEC's approach.
- 4.5 Following initial discussion at the Task & Finish Group and further development following its most recent meeting (see Item 4c), members are invited to discuss and agree the following draft high-level 'principles' to underpin SEEC's future lobbying/consultation responses regarding European funding opportunities, as well as raising them with the Government's representative at this meeting:
- Local government must be involved in setting priorities for European Union funds in their area, and sit on management committees.
 - Funds must be flexible enough to respond to varied and complex local needs.
 - Funds must be available to all parts of the UK including the South East.
 - The role of more prosperous areas in the UK in bringing about economic and social improvement and cohesion must be recognised
 - Funds must be available to address both urban and rural needs, as well as those of 'peri-urban' areas with a mixture of rural and urban characteristics.
 - There is a need to look innovatively at addressing the challenge of match-funding at a time when public funding may be more limited.
 - Counter any proposals for loans ('financial instruments) to replace, rather than complement, main funding programmes in the UK.
 - Maximise the opportunities for partners to access funding by placing a greater proportion of funding into programmes that do not require cross-border partnership.
 - Proportionate administration is essential, and bureaucracy and red-tape must be reduced wherever possible.
 - Funding decisions must be taken in a timely and transparent way.

9 March 2011

SEEC Task & Finish Group: Europe
Terms of reference

The task & finish group will comprise 12 councillors from SEEC member councils. In line with SEEC's political template, membership will be 8 Conservatives, 3 Lib-Dems, 1 Labour.

The first meeting of the task group will be held on 21 January 2011. At the first meeting:

- A Chairman of the task group will be appointed
- Terms of reference will be agreed
- An outline schedule of further meetings (actual and/or virtual meetings) will be agreed with the Chairman and members. Meetings will be organised by the SEEC secretariat at dates/ intervals agreed.

Expert officers from member councils or other organisations may be invited to meetings as required to provide advice to task group members on specific topics.

SEEC secretariat and/or staff from member councils will support the task group in preparing their report.

The task group will present its final report and recommendations on the way forward at the SEEC AGM in July 2011.

The primary remit of the task group is to:

1. Propose methods of raising awareness of EU funding opportunities for South East councils.

2. Review ways of influencing future allocations of EU funds to the South East.

It will also:

1. Suggest means of providing regular information to South East Committee of the Regions members to enable them to make the case for the South East local authorities in Brussels
2. Recommend new appointments to EU bodies where SEEC is invited to nominate.
3. Provide a regular update to SEEC Executive and SEEC Plenary on Brussels developments.
4. Advise SEEC Executive on lobbying issues with UK Government.

Final version, amended following meeting on 21 January 2011