

COMMITTEE:	CABINET
DATE:	6 February 2002
SUBJECT:	EUROPEAN FUNDING
REPORT OF:	Director of Planning, Regeneration & Amenities
Ward(s):	All
Purpose:	To update Cabinet on current situation and seek approval of European funding activity.
Contact:	Julia Cutty, Regeneration Officer (External Funding), Telephone 01323 415408 or internally on extension 5408.
Recommendations:	<ol style="list-style-type: none"> 1. To use the Regeneration Division budget to develop European Interreg partnerships at a functional/officer level. 2. To encourage through training, Heads of Service to apply for Interreg funds for new initiatives and activities. 3. In accordance with our European Strategy to seek and develop partnerships and networks with other Member States and Associate Member States to develop mutually beneficial projects in line with Corporate aims and objectives. 4. In light of Recommendation 3, to consider a bid for EQUAL in the next appropriate round. 5. To receive further reports about nominations to Interreg Panels and Steering Groups as details emerge.
1.0	<u>Introduction</u>

1.1	The existing European Strategy sets out the framework for maximising European Funding to facilitate regeneration. This report details how this translates into potential action.
1.2	<p>Funding from the European Union covers a vast range of policy areas and is constantly evolving to support the changing policies and priorities. The range covers:</p> <ul style="list-style-type: none"> · The Structural Funds, · Business and Industry, · Research and Technological Development, Energy, Transport and the Environment, · Employment, Training, Education and Culture, · Social Affairs, Health and Justice, · Agriculture, Rural Development and Fisheries, · Funding Activities Outside the European Union
1.3	There is a huge array of programmes, initiatives and actions in operation across the EU and beyond. Many are based around research and development offering funding to very specialist organisations, such as universities, educational institutions, international aid organisations and pan-European voluntary organisations. Some initiatives invite organisations to bid to manage European competitions eg Student science and technology prize, or the EU Prize for Cultural Heritage Preservation and Enhancement.
1.4	Additional information on the elements common to European Funding programmes and an explanation of the Structural Funds can be found in Appendix 1.
1.5	This report is concerned with the European Funding programmes most relevant to East Sussex local authorities.
2.0	<u>EQUAL</u>

2.1	<p>The EQUAL programme aims to test new methods of combating all forms of discrimination and inequality in the labour market for those in work and those seeking work in transnational co-operation. Equal has nine themes which broadly match the Corporate Aims of A Prosperous Place and a Place for Everyone, these include: employability; entrepreneurship; adaptability; equal opportunities for women and men. Equal is built around “development partnerships” based on location or sector.</p>
2.2	<p>The next round of application will be held in 2003 and consideration should be given to developing a bid as integrating excluded groups into the labour market may be relevant to the current EBC SRB6 programme.</p>
3.0	<p><u>CULTURE 2000</u></p>
3.1	<p>The Culture 2000 programme aims to provide both cultural diversity and a common cultural heritage, through support for cultural co-operation projects in all artistic and cultural sectors (eg performing arts, literature, heritage, tourism). The programme encourages creativity and mobility, public access to culture, distribution of art and culture, inter-culture dialogue, and knowledge of European cultural history. The programme recognises culture’s role in respect to social integration and socio-economic development.</p>

3.2	<p>This programme is open to all member states, with annual deadlines; however there are two major drawbacks with the programme. Firstly, the annual themes for the programmes are very specific eg conservation and restoration work focused on 10th – 15th centuries on civil, military or religious elements of non-movable heritage. Secondly, this, like most other non Structural Fund initiatives, requires “transnational partners” ie working with other European partners who have similar aims on the project; the minimum number of partners required for Culture 2000 is 3</p> <p>for short term projects, 5 partners for long term (3 years) projects.</p>
3.3	<p>Competition is fierce – only 60 projects a year are likely to be funded and of these, up to 5 may be funded in the UK according to the UK administrators of the programme.</p>
4.0	<p><u>INTERREG III</u></p>
4.1	<p>INTERREG funding is money provided by the European Commission for cross-border regions (Interregional). From 1994-1999 the county of East Sussex participated in the INTERREG II programme with the Départements of Seine-Maritime and Somme in France. This area formed a “Euro-Region” called Rives-Manche, (literally “banks of the Channel”). The programme was successful and now a further programme INTERREG III will follow from 2002 to 2006. The area has now been enlarged and will now be East Sussex and Kent on the UK side and Seine-Maritime, Somme and Nord-Pas de Calais in France.</p>
4.2	<p>A cross border project will include in principle partners on both sides of the border or, otherwise, will be required to demonstrate the interest and impact for the overall cross-border region.</p>

4.3	<p>The programme will be worth £70m for the whole enlarged area and the topics eligible will cover six main themes:</p> <ol style="list-style-type: none"> 1. Developing a wider maritime region, and its urban and rural areas 2. Reinforcing the cohesion of the cross border area bordering the Channel and the promotion of projects contributing to the competitiveness of the region and the creation of employment. 3. Involving citizens more closely and taking account of their needs. 4. Supporting sustainable development of the area. 5. Promoting the use of Information and Communication Technology (ICT). 6. Promoting Equal Opportunities and Social Inclusion
4.4	<p>Eligible activities include:</p> <ul style="list-style-type: none"> · Promoting cross-border professional mobility; · Raising the level of education, training and skills in the Region; · Developing a culture of lifelong learning in the cross-border region; · Promotion of cross-border citizenship and partnership; · Cultural Awareness; · Community development, social inclusion, health and council system; · Public safety and security; · Supporting economic development; · Support for business, SMEs and cross-border business co-operation; · Support for local development and specific economic sectors; · Strengthen links between research organisations and business; · Optimise cross-border research; · Promote and encourage reliable, sustainable local cross-channel services which are balanced across the whole cross-border region; · Diversification of port activities;

promotion;

- Pollution prevention and reduction in environmental pollution risk;
- Conservation of natural habitats;
- Sustainability of the built environment;
- Increase resource efficiency;
- Education and awareness of environmental issues;

4.5	The Anglo-French programme will have one Managing Authority, the Regional council of Upper Normandy. There will be at least two rounds of bids a year. Each bid must have at least one British and one French partner. Bidders will submit an application that will be appraised and approved or rejected by a Steering Committee. The project manager will submit claims and reports to the Managing Authority which will authorise payments by a contracted Payment Authority, the French bank Caisee des Dépôts, and by the Department of Transport, Local Government and the Regions (DTLR).
4.6	The maximum INTERREG grant for any project is 50% and bidders need to obtain 50% match funding, either from the Council's own resources or other grants. In the past match funding could be in kind (eg staff time), but the new regulations are more restrictive.
4.7	All decisions, commitments and payments are denominated and carried out in euros. Under the system for making ERDF payments, the grant paid is based on invoices and is made in stages – the first payment being 10% followed by two intermediary payments of 35% and a final payment of 20% based on a complete statement of expenditure and proof of other types of funding.
4.8	This Interreg III programme will become active in Spring 2002, and meetings to introduce potential project leaders together are being organised across the region, as well as in France. At the present time application forms and guidance are not yet available.

4.9	If Eastbourne is to take advantage of the funding opportunities that Interreg may provide, then officer time and matched funding resources need to be identified. It should also be acknowledged that the setting up of partnerships, while facilitated by the South East Partners Brussels office and Interreg Technical Assistance officers, will take considerable resources in terms of officer time, administrative support and travel costs.
5.0	<u>Consultations</u>
5.1	In producing this document, contributions from the European Commission web sites, the South East Partners Brussels Office, the Local Government International Bureau and East Sussex County Council have been utilised.
6.0	<u>Human Resource Implications,</u>
6.1	The majority of the technical support for this process (the action) will be delivered by the Regeneration Division. However, there are implications for the Legal Services Division and Director of Finance, and officer time will be required should any division decide to submit a bid for funding. Effective partnerships for projects cannot be developed at one removed (ie by the Regeneration Division on behalf of another department) These have to involve on the ground partnership development by service delivery officers who have the technical and service knowledge to develop fundable projects.
6.2	The Regeneration Division will provide briefings and training for Heads of Service to facilitate the development of successful applications.
7.0	<u>Financial Implications</u>

7.1	The budget agreed for the Regeneration Division includes up to £19,000 for project support, in addition to the continuing support for the South East Partners Brussels office and the Interreg Technical Assistance Post. The Council will need to identify resources eg travel/ accommodation/ time) to enable Officers developing projects and partnerships to visit and host meetings with those transnational partners which are involved.
8.0	<u>Environmental, Youth, Community Safety, Human Rights and Anti-Poverty Implications</u>
8.1	The above implications are not directly addressed by the European funding programmes available to Eastbourne, although it is anticipated that bids for funding will help to address the Corporate Aims and will therefore have implications on these items.
9.0	<u>Conclusion</u>
9.1	This report seeks the endorsement of Cabinet to carry out transnational partnership development work where a clear, realistic, benefit, in line with the Corporate Aims, is potentially achievable.
Norman Kinnish Director of Planning, Regeneration & Amenities	
Background Papers: The Background Papers used in compiling this report were as follows: European Strategy 2001-2006 To inspect or obtain copies of background papers please refer to the contact officer listed above.	
((\\Ntenvironmental\Planning&Strategy\Julia Cutty\julia	Europe\EU Cabinet Report-rev1.doc)