

NORTH LANARKSHIRE COUNCIL

REPORT

TO: ECONOMIC DEVELOPMENT COMMITTEE		Subject: EC STRUCTURAL FUNDS PRESENTATION - 27 AUGUST 1996
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 28 AUGUST 1996	Ref: JT/LMcW/REP.075	

Introduction

This Report outlines the main issues which arose from the Presentation by Strathclyde European Partnership to Members and Officers on the European Community Structural Funds held on Tuesday 27 August 1996.

The Presentation, which was chaired by Councillor Harry Curran, was provided by Laurie Russell, Programme Director and Pat McHugh, Programme Manager, Strathclyde European Partnership, with 21 elected members and 45 officers attending the event.

EC Structural Funds

The event commenced with an overview of the two main structural funds which relate to the Western Scotland Objective 2 area, which recognises those regions seriously affected by industrial decline. The funds, the European Regional Development Fund, (ERDF) and the European Social Fund (ESF), have four underlying principles, namely:-

- Concentration
- Partnership
- Programming - 6 years or 3 years
- Additionality

These points were referred to by the Presenter in relation to the 1994-1996 Programme.

Four measures within the 1994-1996 Programme were highlighted and these, together with the aims and objectives are noted below.

Business Infrastructure	Provision of Industrial and Commercial Infrastructure, transport and communications, improvement of original environment and image.
Business Development	Improvement of access to capital, applied research, technology development and innovation, provision of consultancy services to improve the competitiveness of SME's, skills development of SME's and business sustainability and human resource development.
Economic and Social Cohesion	Business development and sustainability and human resource development.

Tourism

Provision of visitor attractions and facilities, information marketing, promotion and festivals and vocational training.

The 1994-1996 financial plan showed that approximately £275m had been spent on both the structural fund within the Western Scotland Programme area. An analysis of the ERDF shows that the Business Infrastructure measure contributed to over £100m of the Programme spend and that the most popular measure within the ESF was the Business Development Measure which attributed for approximately £30m worth of total spend.

This part of the Presentation concluded with an overview of the Committee Structure, identification of the Programme Partners, which includes North Lanarkshire Council, relationship between the Partnership and the European Commission and the Scottish Office.

ERDF and ESF Applications

Members and Officers were reminded that there were certain basic eligibility issues which had to be considered prior to the submission of any ERDF or ESF submissions. In particular, details concerning the potential project timing, together with the objectives of the project should be considered, along with the expected outputs of the project and the project location.

Key principles which should be considered in any ERDF or ESF submission should include additionality and partnership. Within the additionality principle, the project should be a new activity, offer improved quality or provide an added in impact. Within the partnership principle, consideration should be given to the integration of ERDF and ESF projects, joint funding, be part of the local or sector strategy and consider private sector or community involvement.

Issues

At the conclusion of the Presentation, opportunity arose for a short question and answer session. The issues which emerged from this part of the session included the exclusion of the retail sector in respect of European Funded Projects, the disadvantages faced by rural communities in North Lanarkshire and how European Commission can help to redress this and the potential for additional European Funding through the Resider Programme.

These issues will be addressed by the Economic Development Unit and, where appropriate, given the necessary resources, the Unit will endeavour to capitalise on any benefits to the North Lanarkshire Economy.

Recommendation

It is recommended that:-

- i) That the Committee note the contents of this Report and;
- ii) That Presentation papers are available within the Members Library.



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For further information contact G Smith, Head of Economic Development and Property