

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: ARMS CONVERSION PROJECT - SPONSORSHIP REQUEST
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 23 April 1998	Ref: SC/LC/REP.388	

1 BACKGROUND

- 1.1 The Council have received a sponsorship request for the Arms Conversion Project (ACP). Prior to reorganisation, the ACP was supported by Monklands and Motherwell District Council as well as Strathclyde Regional Council. North Lanarkshire Council continued this sponsorship into 1997.
- 1.2 The ACP is a local authority network established to help develop relevant and practical responses to the adverse affects on local and national economies resulting from the changes in defence requirements. The level of support requested from the Council is £500. A copy of the sponsorship request letter is attached.

2 ECONOMIC IMPACT

- 2.1 Since 1990, it has been estimated that 25% of UK direct dependant jobs have been lost with 237,000 people losing their jobs. A further 1000,000 jobs are expected to be lost in the next 3 years.
- 2.2 The ACP organises seminars and other awareness raising events to highlight the economic impact of defence cuts. It is also discussing the establishment, and function of Regional Defence Diversification Agencies with the major political parties. Although North Lanarkshire does not have a readily definable defence industry, there is a strong manufacturing and engineering presence which undoubtedly has links into the West of Scotland defence industry. Consequently, further defence cuts are likely to have a down stream impact on the North Lanarkshire economy. As such, any efforts to stem the flow of jobs out of the defence industry and out of the West of Scotland economy should be supported by the Council. In line with this the Council has representatives on the West of Scotland Defence and Aerospace Network (WoSDAN).

3 WEST OF SCOTLAND DEFENCE AND AEROSPACE NETWORK (WoSDAN)

- 3.1 WoSDAN brings together local authorities, trade unions and LEC's from the West of Scotland to discuss local defence-related issues unlike ACP which is a UK wide project. ACP and WoSDAN whilst both involved with defence have different functions and provide different services to its members. Through WoSDAN a joint local authority application has been made to the European Union KONVER project. This project will allow for research into the impact of defence cuts across the West of Scotland and within each new unitary authority area. This project was the subject of a report submitted to the Economic Development Committee in January 1997. North Lanarkshire Council has supported the KONVER application with a contribution of £1,000 over 2 years in 1996/97 and 1997/98. Once the research from this project has been completed, it will be easier to establish the extent to which local companies are relying on the defence industry and based on this, evaluate our involvement in organisations and associations such as ACP. Until this information is available, it is recommended that support for ACP should continue in line with other commitments undertaken by the Council.

4 **RECOMMENDATION**

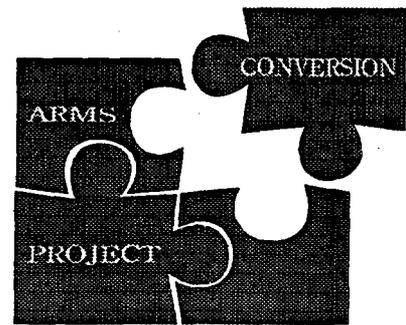
4.1 That the Committee note the contents of this report and the actions undertaken, and approve:

- i) Making a £500 subscription to the ACP for the financial year 1998/99.



 **Stanley C Cook**
Director of Planning & Development

For further information please contact Stephen Cox, Economic Policy Officer.
Telephone : 01236 616281
13 March 1998



To: All Chief Executives of Local Authorities in the UK

February, 1998

Dear Chief Executive,

LOCAL AUTHORITY ARMS CONVERSION PROJECT

The Local Authority Arms Conversion Project (ACP) is the only organisation in the UK working exclusively on the impact of defence re-adjustments on local communities.

Since its inception in 1988 the ACP has campaigned for a dedicated governmental agency to manage defence re-adjustments and to assist defence dependent companies and communities to diversify into new civil products and markets.

The Labour Government has accepted the need for such an agency and the publication of a Green Paper on Defence Diversification is now imminent..

The ACP's proposals for a Defence Diversification Agency include a specific role for local authorities in the process and we have enclosed a copy for your information. These proposals were presented to the then Shadow Defence Secretary, David Clark, prior to the election and were welcomed as "the most comprehensive and positive input into the debate on a DDA, which the Labour Party has ever received" and recommended that all local authorities should study the ACP proposals in detail. We have enclosed a copy for your information.

Since the election the ACP proposals and activities have continued to attract interest and support. This was recently reflected when the government agreed to the ACP's request to sign up to the European COST A10 Action on defence restructuring and conversion. The government also agreed that the ACP should represent the UK on the Management Committee of this programme. Details on this and other ACP activities are included in the ACP Annual Report 1997, copy enclosed.

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**"The ACP seeks:
to promote a wider
understanding of the
industrial, economic, social
and environmental costs of
defence spending;
and;
to play an active part in the
development of initiatives to
assist in the conversion and
diversification of defence
dependent companies and
communities."**

As you will appreciate this year will be a crucial one in developing the role of local authorities in the defence re-adjustment process and one which the ACP are keen to play a full and positive role.

To that end we would be obliged if your authority would consider sponsoring the ACP for the next financial year. Sponsorship would enable your authority to have an input into the project's activities and would provide you direct access to the project's accumulated information and expertise.

The ACP Sponsorship Rate has remained unchanged since 1992 and is:

£500 pa for authorities of under 500,000 population; and
£1,000 pa for authorities of over 500,000 population.

(Cheques should be made payable to "ACP" and forwarded to Ian Goudie at the above address.)

Authorities, especially those in areas eligible for match-funding from the European KONVER Programme may wish to discuss specific requirements with the ACP.

Should you wish to discuss specific requirements or if you require any further information on sponsorship or the project's activities then please contact me.

Yours sincerely,



Ian S Goudie
Arms Conversion Project