



REPORT TO: COMMUNITY PLANNING BOARD 07 AUGUST 2008

**SUBJECT: HIGHLANDS and ISLANDS ERDF (PRIORITY 3) and
ESF EUROPEAN FUNDING BIDS**

**BY: MORAY COUNCIL, COMMUNITY PLANNING &
DEVELOPMENT MANAGER**

1. REASON FOR REPORT

1.1 The reason for this report is to seek the Board's endorsement of the bid for European funding to be submitted under the Highlands and Islands ERDF (Priority 3) and ESF (Priority 1) European Funding Programmes.

2. RECOMMENDATION

2.1 It is recommended that the Board

- (i) **endorse the bid from the Community Planning Partnership for European funding submitted under the Highlands and Islands ERDF (Priority 3) and ESF (Priority 1) European Funding Programmes.**
- (ii) **agree that regular monitoring reports on progress be provided to the Wealthier and Fairer Strategic Theme Group and information disseminated, as appropriate, through the other Strategic Theme Groups.**
- (iii) **notes that a similar bid for European funding is being submitted jointly by a number of Community Planning partners through the Lowland Scotland Funding Programme.**

3. BACKGROUND

3.1 At its meeting on 6 December 2007, the Community Planning Steering Group was given a presentation by the Council's Principal Development Officer, about a potential bid by the Partnership for European Structural Funds under the Highlands and Islands

Programme (Convergence Objective) in West Moray (covering the Forres and Speyside areas).

- 3.2 Approximately £7.5m from the Highlands and Islands Programme – ERDF Priority 3 (enhancing peripheral and fragile communities) and ESF Priority 1 (increasing the workforce) has been made available to be shared on a competitive basis across Community Planning Partnerships in the Highlands and Islands area, which includes West Moray. Over a three-year period these funds will support projects of £50,000 to £500,000, which secure 60% match funding support from other agencies. Community Planning Partnerships will not be recipients of the grant, but the funds will be made available to support CPPs by contributing to integrated social inclusion/regeneration action plans across the Programme area. Local authorities are responsible for the submission of bids on behalf of CPPs.
- 3.3 At the same meeting on 6 December 2007 the Steering Group agreed to establish a small Working Group of partner representatives to consider possible projects for inclusion in a bid. Such projects had to take account of identified Community Planning and partner priorities and also demonstrate thematic or geographic integration addressing community regeneration. The Working Group met on two occasions and submitted a list of possible projects for the consideration of the Steering Group at its final meeting on 13 March 2008. As further investigation was still required to be carried out on a number of the projects it was agreed to provide updated information at a later stage before seeking a final endorsement of the bid from the new Community Planning Board.
- 3.4 At its meeting on 30 April 2008, the Council's Policy Committee approved a match-funding contribution of £116,450 to six of the 16 project proposals being considered as part of the bid. The Committee also agreed to the Council fronting applications for European funding from the Voluntary Sector.
- 3.5 A copy of the final bid to be submitted to the Highlands and Islands Programmes is set out in **Appendix 1**. A list of projects included in the bid is attached under **Appendix 2**. It will be noted that a few projects have been withdrawn from the previous list submitted to the Steering Group on 13 March 2008. This is due either to a lack of match funding being in place or complications in respect of eligibility. The lead applicants for the 10 projects include the Moray Council, Moray College, NHS Grampian and the Crown Estate.
- 3.6 It is expected that a final decision on the bids will be made by late summer 2008 and, if successful, lead applicants will then require to submit full details and confirmation that all match funding is in place.
- 3.7 Should both bids be approved, regular monitoring updates on progress will be provided to the Wealthier and Fairer Strategic Theme Group

and information disseminated, as appropriate, through other Strategic Theme Groups.

- 3.8 A similar bid is being submitted to the Lowland Scotland European Funding Programme under ERDF Priority 4 (Rural Development) by a number of Community Planning partners, including the Council, HIE and Moray College. This will mirror the strategic approach adopted in respect of the Highlands and Islands Programme bid. Should this be successful, progress reports will be provided to the relevant Community Planning Strategic Theme Groups.

4. SUMMARY OF IMPLICATIONS

(a) **Community Plan / Theme Plans / Partner Plans**

The proposed projects under the European Funding bid reflect identified priorities within the Community Plan. They also fit with the Council's new priorities of rural development, economic development and tourism, as well as priorities within other Partner Plans, and contribute to a number of local outcomes within the Partnership's Single Outcome Agreement.

(b) **Policy and Legal**

The proposed bid will be submitted by the Council on behalf of the Community Planning Partnership. All arrangements will be subject to detailed Partnership Agreements being put in place.

(c) **Resources (Financial, Staffing and Risks)**

Financial

The total value of proposed projects within the bid is £2,472,354 (**Appendix 1**) with a request for European Funding of £1,012,000. Match-funding comes from a variety of sources, as identified in **Appendix 2**.

Staffing

Given that the bid is being submitted through the Council, the Principal Development Officer will be responsible, if the bid is successful, for co-ordinating the monitoring of the progress of the various projects.

Risks

From previous experience of European funded projects there is a risk that estimates for capital projects are often lower than actual tender amounts and at the present time construction inflation is particularly high. There is a risk, therefore, in identified match-funding having to be supplemented by additional funding from other funding sources which may or may not be successful.

(d) Consultations

The Council's Principal Development Officer and Community Planning and Development Manager have been consulted and concur with the content of this report.

5. CONCLUSION

5.1 If the proposed bid for European Funding is successful, the funds being made available would make a significant contribution to the Community Planning Partnership's strategies and priorities to deliver integrated social inclusion and regeneration plans for the area.

5.2 All the projects are in partnership with other organisations to maximise resources, stimulate new developments and improve services.

Author of Report: Roy Anderson, Community Planning Officer

Background Papers: Committee Reports

Ref: