REVIEW OF THE UK ASSISTED AREAS

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Summary: The DTI have issued their proposals for reviewing the Assisted Areas

Map in the UK following a national consultation process in March/April 2006. Copeland retains its full coverage under the proposals. A further response has been prepared by Cumbrian partners accepting the proposals but seeking coverage of 4 additional wards in the Maryport

area.

Recommendation: Members are requested to endorse the draft Cumbrian response to the DTI

proposals and in addition agree to the Council making an individual response supporting the Copeland position as shown in the revised

Assisted Areas Map.

Impact on delivering the

Corporate Plan:

The retention of Assisted Area Status in Copeland gives the Council advantages over its competitors in trying to attract businesses to the

area, thus creating and sustaining a healthy local economy.

Impact on other statutory objectives (e.g. crime &

disorder, LA21):

None

Financial and human resource implications:

None

Project & Risk

Management:

None

Key Decision Status

- Financial: N/A - Ward: N/A

Other Ward Implications: Should the draft map of Assisted Areas be approved, all wards in the

borough will be eligible for assistance.

1. INTRODUCTION

1.1 As a result of wholesale changes in State Aid regulations, the Department of Trade and Industry (Dti) is conducting a review of Assisted Areas, the current designation of which expires on 31st December 2006.

- 1.2 In March of this year the Dti issued a 'Stage I' consultation document addressing the issues of economic indicators and the level of geographic targeting.
- 1.3 All Cumbrian local authorities signed up to a joint response to the consultation document which was submitted by Cumbria County Council, in early April.

- 1.4 Assisted Areas are those areas where regional aid may be granted under European Community law. In Great Britain the main forms of such aid are the following discretionary grant schemes:
 - Selective Finance for Investment in England (SFIE) which helps fund new investment projects that lead to long-term improvements in productivity, skills and employment.
 - Regional Selective Assistance (RSA) administered by RSA Scotland, part of the Scottish Executive, aimed at encouraging new investment projects, strengthening existing employment and new job creation.
 - RSA Cymru Wales (Regional Selective Assistance) delivered by the Welsh Assembly Government to help support new commercially viable capital investment projects that create or safeguard permanent jobs.

2. ARGUMENT

- 2.1 Following the end of the consultation period, the Dti considered a total of 197 responses, including 28 from the North West region.
- 2.2 The Dti published the Stage 2 'Government's Response and Draft Assisted Areas Map' on 10th July 2006.
- 2.3 The revised map continues to include all Copeland Wards within the Assisted Area.
- 2.4 A further stage of consultation is now in place to allow further responses to be considered. This stage ends on 7th August 2006.
- 2.5 A further draft response has been prepared by the Cumbrian partners welcoming the revised map but seeking the inclusion of 4 additional wards in the Maryport area of Allerdale.
- 2.6 As this proposal has no impact on Copeland's coverage, it would seem reasonable for the Council to give its support to the County's response (attached at Appendix A).

3. OPTIONS TO BE CONSIDERED

- 3.1 The Council agree to sign up to the joint response document in partnership with Cumbria County Council, the other District Councils in Cumbria, Cumbria Vision and County Regeneration Agencies.
- 3.2 In addition the Council could prepare an individual response, supporting the retention of Assisted Areas coverage in Copeland and welcoming the revised map within the Dti document.

4. CONCLUSIONS

4.1 Cumbria County Council have invited partners to endorse the second response to the national consultation on the basis that the County has got a favourable result from the review and needs to support the revised map with the addition of the 4 Maryport wards. However, it must be recognised that further revisions to the Map may result from this further national consultation phase.

List of Appendices

<u>Appendix A – 'A Response to Stage 2 of the Consultation from Cumbrian Partners' – Draft</u> Appendix B - <Appendix Title>

List of Background Documents: Dti paper dated 10.7.06 – 'The Government's Response and Draft Assisted Areas Map

List of Consultees: Councillor C Giel, Corporate Team, F Duffy