A ROUGH GUIDE
TO EUROPE

Local Authorities
and the EC

AUDIT
COMMISSION
Contents

Summary
Abbreviations and Glossary

Introduction
Further reading

Assessment: 1992 and Local Government
Euro-regulation
Economic integration
Euro-funding

Organising For Europe: £500 a day?
Strategy
Structure
Managing Information Flows
Facilitating
Lobbying
Lobbying on Euro-regulation
Lobbying for Euro-funding
Elements of effective lobbying

A Brussels Office?

Future Developments
Changes to the Structural Funds
Networks
L'Europe des Regions

Conclusion: What is to be Done?
...by local authorities?
...by central authorities?
All local authorities know that they ought to be doing something about 'Europe'. Some have made outstanding contributions already. But many do not seem to have a clear idea of what exactly that something is or how to do it. And the need for action is becoming increasingly urgent: almost all the 282 Single Market White Paper measures must be in force by the end of December 1992; the local economic and social effects of an integrated market are increasingly being felt at the local level; and the Inter-Governmental Conferences will carry a further set of implications for local government.

The time and effort a council invests in Europe will vary according to circumstances and needs. But an Audit Commission survey of local authority preparation for, and participation in, and the European Community shows that there is little consistency in the approach adopted, and in the resources devoted, to dealing with Single Market matters within categories of authority with similar statistics of economic and social need. Inactive authorities are probably not missing out on large scale Structural Fund investment, whose location is largely pre-determined. But they may be neglecting opportunities to participate in technical assistance and other non-structural fund schemes, where UK local authority involvement is low.

This paper provides guidance on how to think through the regulatory, economic and funding implications for local authorities of the European Community. It aims to help councils to plan a realistic and cost-effective response to its challenges and opportunities, and one which is appropriate to their particular circumstances.

There is no single blueprint, but there are five key tasks each authority must be prepared to perform in order to cope with Europe effectively:

1. **Develop a 'strategy' based on a review/audit of its needs**;
2. **Allocate responsibility for 'European' requirements within the authority**;
3. **Manage information flows**;
4. **Act as Euro-facilitator for the local economy**;
5. **Know how to lobby effectively in the Europe-related decision-making process**.

Together these will form an overall Action Plan and budget, defining who should do what, when, how and at what cost. For some councils additional expenditure may be needed, but in the Audit Commission's view the financial commitment should be modest.
Abbreviations and Glossary

AER Assembly of European Regions
CI Community Initiative
CEMR Council of European Municipalities and Regions
CSF Community Support Framework
DG Directorate General (a department of the Commission)
EAGGF (Guidance) European Agricultural Guidance and Guarantee Fund
EC European Community
ECSC European Coal and Steel Community
ECU European Currency Unit (1 ECU = approx. 70p)
EIB European Investment Bank
EMU European Monetary Union
EPC European Political Community
ERDF European Regional Development Fund
ESF European Social Fund
IP Intervention Programme (under CIs)
IULA International Union of Local Authorities
LACOTS Local Authority Co-ordinating Body on Trading Standards
LGIB Local Government International Bureau
OJ Official Journal of the European Community
OP Operational Programme (under CSFs)
SEA Single European Act
SEM Single European Market
TAWSEN Tyne and Wear, South-East Northumberland

‘Additionality’
The principle that ‘appropriations from the funds have a genuine additional economic impact and result in an equivalent increase in the total volume of structural aid in the member state concerned.’

‘Commission’
- is used in the text to refer to the European Commission. The Audit Commission is referred to in full throughout.

‘Partnership’
The principle that decisions should be based on ‘close consultation between the Commission, the member state and the competent authorities at national, regional and local level, with each party acting as a partner in pursuit of a common goal.’

‘Subsidiarity’
In the areas which do not fall within its exclusive jurisdiction, the Community shall take action, in accordance with the principle of subsidiarity, only if, and insofar as, the objectives of the proposed action cannot be sufficiently achieved by the member states and can therefore, by reason of the scale or affects of the proposed action, be better achieved by the Community.’
Introduction

1. With just over a year to go before the completion of the Single European Market (SEM), the lack of confidence in their preparations for 'Europe' felt by the majority of local authorities is cause for concern (Exhibit 1).

2. The results of an Audit Commission survey (193 authorities replied) show large variations in the resources and effort devoted to dealing with Single Market matters (Exhibit 2, overleaf). Expenditure by Counties, for example, varies between the upper and lower quartile by a factor of 10, and the number of staff (FTE) dedicated to Euro-matters ranges from 4 (upper quartile) to 1 (lower quartile).

3. Some of this variation is to be expected, and is the result of differing levels of need and opportunity. But there are still variations within the same category of local authority (Metropolitan authorities [including London boroughs] Counties, Shire Districts) between neighbouring councils, and between councils with similar statistics of economic and social need, or similar economic bases. Some councils are extremely well prepared and are making impressive use of the opportunities afforded by the Community, but two-thirds have not reviewed the way in which the EC will affect them. Less than 20% of Shire Districts have undertaken an internal review of their preparedness for the Single Market (Exhibit 3, overleaf).

Exhibit 1
Confidence

The lack of confidence in their preparations for Europe felt by the majority of authorities is cause for concern

Source: Audit Commission Survey
**Exhibit 2**  
*Resources and Effort on Europe*

There are large variations in the resources and effort devoted to dealing with Single Market matters.

![Graph showing variations in resources and effort across different regions.](chart)

*Source: Audit Commission Survey*

**Exhibit 3**  
*Preparation for the Single European Market*

Two-thirds of councils have not reviewed the way in which the EC will affect them.

![Pie chart showing the percentage of councils who have and have not reviewed EC impact.](chart)

*Source: Audit Commission Survey*
4. Is this not to be expected? Surely local government, with little exposure to the traded market economy, is far less affected by European Community developments than is the business community?

5. To some extent that must be true. But Europe does have an impact on local authorities. Their regulatory role is affected by EC legislation; their local economies are affected by changing patterns of trade and the removal of barriers. And in many cases they are, and have been for some time, eligible for Community support of one-type or another.

6. Councils do need, therefore, to take action to ensure that they are doing what they can to minimise the costs, and maximise the benefits of the Single European Market. They need to ask themselves:

(a) **What is the real impact of 1992 on the authority and its local economy?**

(b) **How should the council be organised to meet new obligations imposed on it, and exploit, or help others exploit, the opportunities opening up — without incurring unjustifiable costs?**

7. The aims of this paper are to help authorities find the answers to these questions, to help them to think 'strategically' about Europe, and so to set a framework of assumptions that will inform a realistic and cost-effective approach to its challenges and opportunities.

**Further reading**

8. For an overview of the implications for specific service areas, local authorities should refer to:

- *Urban Regeneration and Economic Development: The European Community Dimension*, Audit Commission Information Paper No. 5;
- *The Completion of the Single Market - Implications for a Local Authority* by Croydon Borough Council;
- *1992 – The Impact on County Council Services* by the Association of County Chief Executives;
- the LGIB's valuable series of information circulars and occasional papers; and
- the DTI's various publications on the Single Market.
9. ’Europe’ affects local authorities in three main ways:

- **Euro-regulation** imposes unavoidable obligations to implement, enforce and monitor EC legislation;
- **European economic integration** creates new opportunities for (and pressures on) the local economic base; and
- **Euro-funds** offer potential support for the local economy and for a range of local authority projects.

**Euro-regulation**

10. The Single European Act (SEA) is generating a daunting volume of new measures (282 in the Commission's White Paper so far) aimed at the removal of:

- **physical barriers**, by minimising border formalities, and removing controls on the movement of people, animals, goods and plants;
- **technical barriers**, by harmonising technical standards, opening up public procurement, allowing the free movement of labour, de-regulating markets (financial services, transport and telecommunications), removing legal and administrative barriers to the operation of business, and liberalising capital movements;
- **fiscal barriers**, by harmonising excise duties and VAT.

11. In addition, there is the non-binding EC legislation in the form of resolutions and conventions such as the European Social Charter. As the LGIB has pointed out, (see, for example, Paper no.9, **Responding to the Challenge of EC Law**, July 1991) much of all this is ‘of direct concern to local authorities, not only as monitoring, enforcing and licensing bodies, but also as employers and property owners.’ Quoting Jacques Delors, it estimates that within a few years 80% of UK law will be EC-inspired’ (the Food Safety Act and the Environmental Protection Act, for example, implement largely EC measures).

12. But this volume of new legislation needs to be put in perspective. This is difficult to do because different measures are implemented differently - **regulations** are binding on member states once enacted and pass automatically into national law; **directives** only tell the member states what they should do; and **declarations** are binding on those to whom they are addressed. Any one measure can generate several of the above.

13. So building an accurate picture of the SEA landscape facing the individual local authority now is something of a do-it-yourself exercise in painting by numbers. Authorities need to undertake a three-step approach:

14. **Step one:** identify the measures which will affect the authority, given its range of functions. As of late 1991, 201 out of 282 of the SEA's measures have already been
enacted, of which 105 are already in force in the UK. The Audit Commission estimates that, of the 15 required to be but not yet implemented in the UK, only 2 impose a direct duty to comply, or to enforce/monitor compliance. Of the 66 which will be required to be implemented in 1991-92, only 13 impose such duties. And of the 81 proposals still under discussion, 15 are directly relevant to local government. So the sum of the obligations facing local authorities now is 30 EC measures. For authorities in two-tier areas the number will be correspondingly smaller.

15. Step two: what is the burden imposed by these directives? The actual effort required to comply and enforce can be assessed by looking at a few key examples (drafts of proposed legislation are widely available from both the European Commission and relevant central government departments before adoption):

q The directives on control of foodstuffs will require more frequent inspections at every stage of food production, processing and distribution; and the reporting of records to the Commission.

q Those on trading standards will require councils to shift the focus of their monitoring from point of sale to point of origin; to provide ‘input’ to EC consultations on defining those standards; and to ‘recognise’ other member states’ standards and qualifications.

16. So essentially EC legislation imposes a new set of rules rather than new roles. Authorities’ duties to monitor and enforce remain the same. The Public Procurement (works, supplies, services) directives aim to make tendering and contract procedures more transparent and open to cross-border and inter-regional competition within the Community. In the light of the obligations under UK law to meet the requirements of compulsory competitive tendering (CCT), the extra effort required is marginal — the product of sorting out the confusion of overlapping requirements (eg. tender thresholds and time limits) between CCT and Euro-regulation for each service area, plus the requirements to advertise in the EC’s Official Journal and to assess foreign bids. Hence the the task facing local authorities is not the duty to provide extra services, but the need to change and adapt existing practice.

17. Step three: identify which parts of the council will have to carry that burden. Past EC legislation has affected the whole range of local authority departments such as education, waste management, and technical services as well as legal departments. But the remaining measures predominantly affect only two — trading standards and environmental health. Authorities should focus their effort so as to ensure that these departments are properly resourced and prepared for 1992.

18. Obviously different directives have affected or will affect different departments to differing degrees. But in most cases the direct administrative burden they impose is alternative rather than additional. The key requirement facing authorities is that of implementing one-off changes, and generally the human resources and technological infrastructure are already in place for doing so. Thus the main determinant of a successful response to Euro-regulation is the ability to adapt to a rapidly changing...
statutory environment - something to which local authorities in England and Wales are no strangers.

Economic integration

19. EC regulation also has secondary, indirect effects on local authorities, no less important than the direct effects. These are, in fact, the underlying rationale for the SEA, and the Cecchini report (The European Challenge 1992: The Benefits Of A Single Market, 1988) forecast savings for the European economy of £140bn (5% of 1988’s GNP), the creation of 1.2 million jobs, inflation reduced by an average of 6%, and an abiding stimulus for sustained economic growth. These positive effects are assumed to result from the operation of the law of comparative advantage in a wider free trade zone, and the removal of artificial barriers, constraints and transactions costs.

20. But authorities should avoid the easy assumption that the micro-economic manifestation of such benefits will automatically accrue to all regions and localities. They will not. It is clear that some areas are much better placed to exploit the advantages of expanded intra-Community trade than others. Some areas, some industries indeed, may be expected to suffer. Yet most of the original Commission-sponsored studies have concentrated on the ‘costs of non-Europe’ (ie. they are premised on the assumption that the cost of integrating member states’ markets is necessarily less than that of the status quo ante). Increasing competition increases the numbers of economic losers as well as winners.

21. The category into which local businesses fall depends on their position in relation to the determinants of regional competitiveness. A Commission survey of 9000 companies in the Community, asking them to rank in importance various determinants, shows that these are partly sectoral, but predominantly structural (Table 1, overleaf).

22. The individual authority needs to analyse how that integration will affect its local economic base. The Cecchini report is more an attempt to cover long term potential than to forecast short term effects. For those local authorities which are relatively disadvantaged, economic integration poses short term costs of rationalisation and re-structuring. One recent EC-sponsored report (Bulges & Ilzkovitz, The Regions p.67) identified 40 such industries, representing over 50% of total manufacturing employment and 12% of total employment in the European Community. A second (PA Cambridge Economic Consultants, p.68) suggests the same will occur in financial and business services (7% of European Community employment), and a third (Cegos-Idet) in transport and communications (8% of Community employment).

23. But even in those areas which are relatively advantaged, the single market will intensify the continuous effort required to up-grade infrastructure, human resources, research and development etc., and to innovate and diversify.
Table 1: Determinants of Regional Competitiveness: Companies’ Priorities

<table>
<thead>
<tr>
<th>Rank</th>
<th>Lagging Regions</th>
<th>Regions in Industrial Decline</th>
<th>Favoured Regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cost of credit</td>
<td>Supply of qualified labour</td>
<td>Indirect labour costs</td>
</tr>
<tr>
<td>2</td>
<td>Income/corporate taxes</td>
<td>Indirect labour costs</td>
<td>Supply of qualified labour</td>
</tr>
<tr>
<td>3</td>
<td>Supply of qualified labour</td>
<td>Rate of economic growth</td>
<td>Income/corporate taxes</td>
</tr>
<tr>
<td>4</td>
<td>Indirect labour costs</td>
<td>Wages and salaries</td>
<td>Rate of economic growth</td>
</tr>
<tr>
<td>5</td>
<td>Rate of economic growth</td>
<td>Income/corporate taxes</td>
<td>Wages and salaries</td>
</tr>
<tr>
<td>6</td>
<td>Regulation of the labour market</td>
<td>Cost of credit</td>
<td>Regulation of the labour market</td>
</tr>
<tr>
<td>7</td>
<td>Transport network</td>
<td>Local taxes</td>
<td>Cost of credit</td>
</tr>
<tr>
<td>8</td>
<td>Supply &amp; cost of energy</td>
<td>Exchange rates</td>
<td>Exchange rates</td>
</tr>
<tr>
<td>9</td>
<td>Industrial policy</td>
<td>Regulation of the labour market</td>
<td>Sector medium-term outlook</td>
</tr>
<tr>
<td>10</td>
<td>Exchange rates</td>
<td>Sector medium-term outlook</td>
<td>Transport network</td>
</tr>
</tbody>
</table>

Source: The Regions (Buiges & Ilzkovitz)

24. These risks and costs, as well as the well-recognised need to help companies take advantage of the opportunities of the Single Market, place burdens in addition to those of regulation on local authorities as the ‘enablers’ of local economic development. For example:

q The geographical pattern of gains and losses from the process of economic integration cannot be predicted a priori. So each authority needs to undertake a strategic analysis of how its specific industries will be affected;

q In the light of this, local authorities should examine how they can affect the determinants of regional competitiveness. The EC survey suggests that the most important are beyond local government’s competence, and local authority aids to business are subject to state aid scrutiny. But authorities can clearly have an impact on the costs of land, building, housing, and the availability of trained labour. This will in turn require a systematic review of council transportation, planning, environmental and training policies. Efforts will also be more effective if they are co-ordinated with other bodies such as TECs;

q At a more basic level, the technical and commercial sections of libraries have an important role to play in helping local businesses gain access to information about EC schemes, tenders for contracts etc. Many authorities have been active in spreading information about the implications of the Single Market for small business.

25. In principle, there is nothing new in this kind of analysis; it is the job of Economic Development Units to predict and react to market trends, and economic integration is merely intensifying the process. But it imposes an additional set of considerations
that must be factored into an existing process, and these considerations might themselves require greater resources to finance an increased local authority effort.

**Euro-funding**

26. For the period 1989 to 1993 the EC Structural Funds were granted 60 bn Ecu (1989 prices) to disburse - a volume of aid greater in real terms than the Marshall Plan. Boxes 1 and 2 describe the Funds and their objectives. Many authorities seem to feel

---

**Box 1 The Structural Fund Objectives**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Less Developed Regions</td>
<td>- Per capita GDP less than 75% of EC average  &lt;br&gt; - Council of Ministers determines list (N. Ireland only area in UK)</td>
</tr>
<tr>
<td>2 Industrial Conversion Areas</td>
<td>- Average unemployment rate above EC average  &lt;br&gt; % share of industrial employment above EC average; an observable fall in industrial employment;  &lt;br&gt; - Council of Ministers decides criteria, Commission decides eligibility</td>
</tr>
<tr>
<td>3 To Combat Long Term Unemployment</td>
<td>- Promote occupational &amp; social integration; provide employment subsidies; provide assistance &amp; (re)-training for women, disabled people and migrants  &lt;br&gt; - All local authorities eligible</td>
</tr>
<tr>
<td>4 To integrate Young People into the Job Market</td>
<td>- Basic training leading to a recognised qualification; higher skills training  &lt;br&gt; - All local authorities eligible</td>
</tr>
<tr>
<td>5 With a view to the reform of the CAP:  &lt;br&gt; (a) Adapt Agricultural Production Processing &amp; Marketing Structures  &lt;br&gt; (b) Promote Development of Rural Areas</td>
<td>- High share of agricultural employment in total; low level of agricultural income; low level GDP per capita; peripherality; low population density  &lt;br&gt; - Council of Ministers decides criteria, Commission decides eligibility</td>
</tr>
</tbody>
</table>
that if they are not in receipt of structural funding they are missing out on a (much needed) free lunch. But before devoting scarce council resources and effort towards pursuing these funds, authorities should think through the following four propositions.

27. **Proposition 1:** *Without the Structural Funds five members would have had severe doubts about signing up for the SEA* - a senior EC official: In other words, the funds are meant to provide centripetal force for the European Commission's argument that the Community needs closer political and economic union in order to maximise the benefits of a Single Market for all, but that this will only be politically possible if all members are seen to benefit.

28. Hence the funds are primarily intended to compensate those Objective 1 (65% of the Structural Funds - more than 38 bn Ecu) Community areas backward relative to the EC average in infrastructure, education and training, and environmental, urban and rural conditions. These consist mainly of the Mediterranean regions - Southern Italy, Greece, Spain and Portugal - and Ireland, whose relative economic position might deteriorate further in the internal market.

29. **Proposition 2:** *Most of the UK share goes to a minority of authorities.* Access to the UK allocation (Table 2) through Community Support Frameworks (CSFs) is determined in three stages:

First, an authority must decide which of the Objectives criteria it can satisfy.
Second, for Objectives 1, 2 and 5b an authority must be in an eligible area. Objectives 3, 4 and 5(a) have no 'maps' attached, so potentially all local authorities are eligible; but currently 76% of the UK’s 1820 m Ecu allocation goes on central government schemes, leaving only 437 m Ecu for local authority ones.

Third, it must be included in an Operational Programme, which requires persuading both central government and the Commission of the authority’s particular need — currently 154 Programmes receive funding from the ESF, and 188 from the ERDF (this figure is an estimate since the eligibility of authorities is partly determined by travel-to-work areas rather than units of local government).

### Table 2: UK Structural Funds Allocations 1989 to 1993 (m Ecu)

<table>
<thead>
<tr>
<th></th>
<th>Obj 1</th>
<th>Obj 2</th>
<th>Obj 3&amp;4</th>
<th>Obj 5b*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total allocation</strong></td>
<td>348</td>
<td>1935</td>
<td>277</td>
<td>2560</td>
<td></td>
</tr>
<tr>
<td>ERDF</td>
<td>315</td>
<td>610</td>
<td>1820**</td>
<td>2793</td>
<td></td>
</tr>
<tr>
<td>ESF</td>
<td>130</td>
<td>–</td>
<td>–</td>
<td>48</td>
<td>155</td>
</tr>
<tr>
<td>EAGGF (Guidance)</td>
<td>794</td>
<td>–</td>
<td>–</td>
<td>794</td>
<td>155</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>793</td>
<td>2545</td>
<td>1820</td>
<td>350</td>
<td>5508</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>ERDF</th>
<th>ESF</th>
<th>EAGGF (Guidance)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed in 1989-90</td>
<td>123</td>
<td>739</td>
<td>–</td>
<td>951</td>
</tr>
<tr>
<td>ERDF</td>
<td>130</td>
<td>213</td>
<td>794</td>
<td>1156</td>
</tr>
<tr>
<td>ESF</td>
<td>47</td>
<td>–</td>
<td>–</td>
<td>52</td>
</tr>
<tr>
<td>EAGGF (Guidance)</td>
<td>300</td>
<td>952</td>
<td>794</td>
<td>2159</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>300</td>
<td>952</td>
<td>794</td>
<td>2159</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>ERDF</th>
<th>ESF</th>
<th>EAGGF (Guidance)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>To be committed</td>
<td>225</td>
<td>1196</td>
<td>–</td>
<td>1609</td>
</tr>
<tr>
<td>ERDF</td>
<td>185</td>
<td>307</td>
<td>1026</td>
<td>1637</td>
</tr>
<tr>
<td>ESF</td>
<td>83</td>
<td>–</td>
<td>–</td>
<td>103</td>
</tr>
<tr>
<td>EAGGF (Guidance)</td>
<td>493</td>
<td>1593</td>
<td>1026</td>
<td>3349</td>
</tr>
</tbody>
</table>

* The allocation for Objective 5a is not available.

** The 1993 figure is an estimate.

Source: DTI

30. Over six per cent of the Structural Funds is allocated separately through ‘Community Initiatives’ (EC run programmes designed to complement the CSFs and promote economic and social cohesion). Local authorities in England and Wales are in fact only eligible for 2 out of 4 of the old ones (which are funded through existing CSF allocations), and 6 out of 12 of the new ones (Table 3, overleaf). Access is again determined primarily by economic and social statistics of need which fit the criteria of the particular initiative (generally linked to those of the Objectives).

31. Overall, then, only 8.5% of a total UK allocation of around 5.8 bn Ecu is available to all authorities.

32. **Proposition 3:** Those not included by now will not be. As of January 1991, a substantial proportion of this allocation was uncommitted. But 69% of the CSF moneys
## Table 3: Community Initiatives for which the UK is Eligible

<table>
<thead>
<tr>
<th>Programme</th>
<th>Amount (m Ecu)</th>
<th>Eligibility</th>
<th>UK Share (m Ecu)</th>
<th>Who</th>
<th>'Sell-by' date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resider</td>
<td>300</td>
<td>steel</td>
<td>5.85</td>
<td>S. Yorks, Sheffield, Rotherham, Doncaster, Scunthorpe, Glanford, Barnsley, Boothferry, W. Lindsey</td>
<td>April 1990</td>
</tr>
<tr>
<td>Renaval</td>
<td>200</td>
<td>ship-building</td>
<td>67.25</td>
<td>Plymouth, Merseyside, Tyne and Wear, Cleveland and Middlesbrough</td>
<td>April 1990</td>
</tr>
<tr>
<td>New:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rechar</td>
<td>300</td>
<td>mining</td>
<td>174.43</td>
<td>E. Scotland, W. Scotland, S. Wales, TAWSEN, Durham, Mid-Yorks, S. Yorks, Lancs, S. Staffs, N. Warwickshire, Notts</td>
<td>July 1990</td>
</tr>
<tr>
<td>Euroform</td>
<td>600</td>
<td>Obj. 3&amp;4</td>
<td>33.4</td>
<td>No project applications yet</td>
<td>June 1991</td>
</tr>
<tr>
<td>Now</td>
<td></td>
<td></td>
<td>5.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Horizon</td>
<td></td>
<td></td>
<td>6.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stride</td>
<td>400</td>
<td>Obj. 1&amp;2</td>
<td>Programme not yet approved</td>
<td></td>
<td>Feb. 1991</td>
</tr>
<tr>
<td>Leader</td>
<td>400</td>
<td>Obj l&amp;5b</td>
<td>Programme not yet approved</td>
<td></td>
<td>Sept. 1991</td>
</tr>
</tbody>
</table>

Source: DTI / Dept. of Emp.

which are still uncommitted will go to those already on the Objective 1, 2 and 5b lists (currently set until the end of 1993), while a further 23% (from the Objectives 3 and 4 moneys) will go to central government, leaving only 257 m Ecu (for vocational training projects) available to all authorities. The 'sell-by' date for applications has passed on all the Community Initiatives; Stride and Leader moneys will go to Objective 2 and 5b eligible areas; and of the 46 m Ecu available for various training programmes (under Euroform, Now and Horizon), local authorities can expect to receive only 11 m Ecu. So for the majority of councils, 268 m Ecu is the size of the remaining Structural Fund pie.

33. **Proposition 4:** 'The man-hour costs are often such that the Euro-game is not worth playing' - a senior European Commission official. Even for these local authorities which have the requisite below average statistics and which have managed to be included, the bureaucratic burdens of actually drawing down Euro-funds can be prohibitive - through it is accepted that all parties involved are making strenuous efforts to improve the systems. Two major concerns for authorities are 'Partnership' and 'Additionality'.

34. There is a 'Partnership' between European, National and Regional/Local levels of government in the formulation and implementation of Operational Programmes. It was heralded (European Commission - *The Reform of the Structural Funds*, p.15) as local
authorities' entree to greater influence over the content of EC regional policy. But, from the local authority's point of view, what it has meant in practice is:

- that central government retains the right of submission, and so can still effectively veto/amend the content of any Operational Programme; and

- that a lot of effort is required to describe the objectives of projects so as to make them fit the Commission's Objectives.

35. The dispute over 'Additionally' has little to do with additional expenditure. Given the potential for central government (and local authorities) to anticipate receipts from the Structural Funds for a 3-5 year period, the Commission could never establish with certainty what the annual SSA and RSG (and Community Charge) levels would otherwise have been. Nor can it ever know which projects would not have been funded without Euro-moneys. But, of course, it may be argued that if expenditure were always on projects which would not otherwise have been financed, by definition expenditure would be on projects which the government thinks are poor VFM overall. Thus additionality is necessarily going to be at the discretion of central government over capital expenditure (Objective 2/ERDF), and of local government for revenue expenditure (Objectives 3 & 4/ESF).

36. Unusually in the Community, though, the UK government interprets additionality 'globally' and accounts for Structural Fund receipts only at the national level, maintaining that this treatment is consistent with the definition of 'additionality' as shown in the glossary to this paper.

37. From the perspective of the local authority which has got as far as the CSF/Operational Programme stage, however, the result is to reduce further the potential return on the effort invested in getting ERDF money. Government departments add anticipated ERDF receipts on an aggregate basis to the capital allocations for all local authorities. Only a small amount in England (it was increased from £25m to £45m this year) is 'top-sliced' from the 'Other Services' Block and distributed in supplementary credit approvals on criteria (loosely) based on the CSF Objectives.

38. This practice is what really underlies the current dispute between central government and the European Commission over accounting rules and the drawing down of part of the UK's indicative allocation of structural funds (£500m ERDF and £100m RECHAR). The Commission declines to approve and release funding (some of which has already been anticipated in Government capital allocations) for the programmes submitted by the UK, until 'it is convinced that the system as a whole satisfactorily transmits the effective value of Community structural funds to the eligible regions' - Bruce Millan, EC Commissioner for regional policy.

39. But at the root of this dispute over accounting 'transparency' is a more fundamental disagreement about the influence the Commission should legitimately have over the destination of funding. Thus additionality is in effect the battle-ground of contending concepts of where the power of decision is really located within the tri-partite partnership, and until it is settled local authorities are caught in the middle.
The end result is that most local authorities are in practice not missing out on structural funds, though they may think they are. But they may be missing out on other opportunities. First of all there are around 400 smaller non Structural Fund programmes; yet the results of the Audit Commission's questionnaire show that local authority participation rates in a basket of these programmes is, with only 22% of all councils involved in at least one, minimal (Exhibit 4). In addition, there are Article 10 (ERDF), Article 1.2 ESF and EAGGF (Guidance) section funds available (roughly 0.5%, 5% and 1% of the respective totals, around 1.8 bn Ecu in total) to fund various other initiatives, inter-regional co-operation schemes and pilot projects. For example, Kent is receiving 8 m Ecu from Article 10 to fund a cross-border project with Nord-Pas de Calais (as part of the INTERREG initiative); and eight London boroughs are getting 5.1 m Ecu (Article 10), and 1.4 m Ecu (Article 1.2), to fund innovatory urban development projects in parallel with similar projects in Marseilles.

Thus what is required of the majority of local authorities is not so much additional expenditure on attracting Euro-money, as a re-focusing of the the current effort of scarce personnel resources. Most could probably achieve a better return on their time invested by pursuing alternative non-structural funding routes, or by devoting their time to economic development activity. For those who can, or think they can, gain access to the Structural Funds, their effort should be focused on the reformed Structural Fund programmes under the new regulations which will take effect from 1 January 1994 (negotiations on these are expected to start in the Spring of 1993), so that they are well-placed to be quickly off the mark and make any required eligibility list.
### Exhibit 4  Missing out?

Local Authority participation rates, in a basket of programmes, are minimal

<table>
<thead>
<tr>
<th>Non-Structural Funds</th>
<th>No. of authorities in UK participating*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support for SMEs and business:</td>
<td></td>
</tr>
<tr>
<td>- BChnet</td>
<td>13</td>
</tr>
<tr>
<td>- BICs</td>
<td>5</td>
</tr>
<tr>
<td>- Euro-info centre</td>
<td>10</td>
</tr>
<tr>
<td>- SPRINT</td>
<td>6</td>
</tr>
<tr>
<td>- EUROPARTENARIAT</td>
<td>1</td>
</tr>
<tr>
<td>Research and Development:</td>
<td></td>
</tr>
<tr>
<td>- BRIT/EURAM II</td>
<td>2</td>
</tr>
<tr>
<td>- ESPRIT</td>
<td>1</td>
</tr>
<tr>
<td>- THERMIE</td>
<td>1</td>
</tr>
<tr>
<td>- AGE</td>
<td>1</td>
</tr>
<tr>
<td>Education and Training:</td>
<td></td>
</tr>
<tr>
<td>- CEDEFOP</td>
<td>2</td>
</tr>
<tr>
<td>- COMMETT</td>
<td>25</td>
</tr>
<tr>
<td>- ERASMUS</td>
<td>10</td>
</tr>
<tr>
<td>- EUROTECNET</td>
<td>2</td>
</tr>
<tr>
<td>- FORCE</td>
<td>6</td>
</tr>
<tr>
<td>- IRIS</td>
<td>2</td>
</tr>
<tr>
<td>- LINGUA</td>
<td>13</td>
</tr>
<tr>
<td>- PETRA</td>
<td>11</td>
</tr>
<tr>
<td>- TEMPUS</td>
<td>6</td>
</tr>
<tr>
<td>- ARION</td>
<td>7</td>
</tr>
<tr>
<td>- DELTA</td>
<td>1</td>
</tr>
<tr>
<td>Social Policy:</td>
<td></td>
</tr>
<tr>
<td>- HELIOS</td>
<td>1</td>
</tr>
<tr>
<td>- POVERTY</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Support measures</th>
<th>(Av number per type of authority)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mets.</td>
</tr>
<tr>
<td>Pilot projects</td>
<td>0.22</td>
</tr>
<tr>
<td>Studies</td>
<td>0.11</td>
</tr>
<tr>
<td>Networks</td>
<td>0.15</td>
</tr>
<tr>
<td>Technical assistance and vocational guidance</td>
<td>0.22</td>
</tr>
</tbody>
</table>

* 22% of all councils involved in at least one

Source: Audit Commission Survey
42. The three aspects of European activity assessed above require differing responses in different places. There are also the conflicting demands of the strict time-constraint of the White Paper, and the need to be ready for future changes in regulatory obligations, economic circumstances and funding methods. So local authorities must have a plan of action which is quick, cheap and flexible.

43. Authorities have a choice of 'tools' – at different prices - which they can use to prepare for and participate in Europe (Exhibit 5). The choice will of course depend on circumstances and needs. But there are five key tasks each authority must prepare to perform in order to cope with Europe effectively:

1. **Develop a 'strategy' based on a review/audit of its needs;**
2. **Allocate responsibility for 'European' requirements within the authority;**
3. **Manage information flows;**
4. **Act as Euro-facilitator for the local economy;**
5. **Know how to lobby effectively in the Europe-related decision-making process.**

44. Together these will form an overall Action Plan and budget, defining who should do what, when, how and at what cost.

**Exhibit 5: Preparing for the Single Market**

Authorities have a choice of 'tools' - at different prices
Strategy

45. A review of the authority’s needs in relation to Europe is an unavoidable starting point. Yet only 32% of authorities responding to the survey have undertaken one, and only 13% have a strategy document. Developing a strategy should involve three progressive steps - the choice of means, assessment and strategy:

46. **First, the choice of means.** Authorities can select one of five options:

- an internal audit using existing staff;
a review by external consultants specialising in Europe, at a typical cost of around £500 a person-day:

- a review by seconded staff from another well-prepared and helpful authority;
- acquisition of informed staff from elsewhere;
- for members of the AMA, participation in its Euro-officers group and related networks. Generally, the local authority associations offer cost-effective avenues of cooperation.

47. **Second, assessment.** Each individual authority must 'locate' itself with reference to the three aspects of Europe set out in the previous section. Some key questions to ask are:

- has the council implemented all relevant directives and prepared to implement the remaining ones?
- for which structural and non-structural funds is the authority eligible?
- how will the local economy be affected by the Single Market, and what implications might this have for the council's own activities in economic development and main programmes? (Croydon, for example, has commissioned a study by the Applied Economics Department in Cambridge University on the likely developments in the Croydon economy up to the year 2000).

Having located itself, the authority must then identify its strengths and weaknesses; a language audit, for example, will show how prepared an authority is to interact with EC officials and European business - the results of the Audit Commission survey show that most authorities have no French or German speakers. These weaknesses will in turn set an agenda for what needs to be done.

48. **Third, strategy:** how much effort and resources an authority 'invests' in responding to these 'European' needs, and how it invests them, will depend on a further set of considerations:

- What is it obliged to do? Some investment in personnel and time for responding to Euro-regulation is probably unavoidable;
- What is being done already by others, such as Chambers of Commerce, the regional offices of DTI or professional bodies?;
- 'Ask yourself, why are we trying to solve these particular problems through Europe?' - the Brussels representative of one of the German Länder. To answer this, authorities must calculate the expected return on their 'investment' in each of the opportunities (economic and funding) identified. The key factors that might enter such an assessment are set out in Box 3.
Box 3  Calculating Return from Investment in Pursuing Structural-Funding Opportunities:

\[
\text{Return} = \left( \frac{\text{Amount available (nb. additionality)}}{\text{Cost of getting it (in terms of bureaucratic effort and resources)}} \right) \times \text{Probability of success} + \text{Funding from alternative sources (i.e. non-structural or domestic sources define the opportunity cost)}
\]

Which interests/opportunities are shared, and where are there externalities of benefit? (Exhibit 6) This provides a rationale for co-operation and co-ordination of effort, and sharing of costs, at the local, regional, national or even trans-regional level.

**Exhibit 6  Identifying Common Interests and Opportunities**

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Level at which interests are shared or benefit accrues</th>
<th>UK</th>
<th>Trans-regional</th>
</tr>
</thead>
<tbody>
<tr>
<td>▼ Information</td>
<td></td>
<td>National</td>
<td>Regional</td>
</tr>
<tr>
<td>▼ Intelligence</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Input to EC consultation</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Lobbying</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- cost of compliance</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- economic impact</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Economic:</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Attract European investment</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Sponsor business expansion</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Plan for economic impact</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Funding:</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Information</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Intelligence</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>▼ Lobbying</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- Criteria</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- Inclusion</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- Distribution</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source:  Audit Commission
What is the time-frame for action? (e.g. when do the remaining directives have to be implemented? When do Structural and non-Structural Fund bids have to be in?) (Exhibit 7).

49. These five considerations will generate a set of priorities and a time-table, telling the authority how much to invest, and when and where to focus its effort, enabling it to divide its labour and resources efficiently and effectively.

Structure

50. Knowing what to do raises the question of who should do it. The Audit Commission survey shows wide variations in local authority practice (Exhibit 8, overleaf). There is no single blue-print, but matching the set of tasks that a typical authority has to perform with a set of principles of good management (derived for the most part from authorities well advanced in preparing for Europe), generates certain conclusions as to how responsibility for performing those tasks should be divided.

51. 'You need somebody with a strategic overview to provide leadership on Europe...sufficiently senior to make things happen — a council Euro-officer. One officer/department should be nominated to take this policy lead and to oversee the implementation of the authority’s plan for Europe. Who it is in each particular authority will depend on the extent and focus of its European concerns.

52. 'You must integrate not ghettoize 'Europe' in the council's structure....Getting the members 'on side' is a pre-condition for making things happen.' - an Assistant CEO. Authorities should take steps to ensure the widest and highest possible levels of awareness and co-ordination of execution of policy within the council. A network of relationships (perhaps existing committees) is required to keep heads of departments, and members, in contact and up-to-date with what each is doing. In addition, councils should nominate one officer per service department with the time (i.e. relatively junior) to take on the additional responsibility for tracking developments and being current with directives and regulations that affect that service.

53. 'Specialisation': some tasks are mutually incompatible - managing Euro information flows would swamp the Chief Executive, and is more efficiently performed by a trained librarian. Likewise, 'lobbying' is a relatively specialist function which requires certain specialised — or at least practised — skills.

54. 'Subsidiarity': responsibility should devolve to the lowest practicable level; but where externalities exist, then it should also devolve up to supra-authority levels. So the implementation of specific directives, for instance, is best left to the relevant departments. But certain functions, such as representing the UK local government viewpoint on European Technical Standards committees, should be undertaken by authorities acting together, otherwise non-participating authorities stand to benefit from others' efforts and expenditure. The local authority associations are preparing to establish a central fund through which local government can collectively meet its cost. This clearly sets the right sort of prototype for what should be happening in other areas in which authorities have joint interests, or in which externalities exist (see Exhibit
Exhibit 7  Timetable for Strategy on Europe

What is the time-frame for action?

Source: Audit Commission
6) - at the moment only 52% of authorities surveyed liaise locally, 45% regionally and 32% with the private sector on Euro-matters.

55. The implications for individual councils can be seen by taking a few examples.

q The question of who leads depends on the extent and focus of an authority's Euro-concerns. If they are relatively small, then the 'executive' role can be left to an individual, but if they are large it may require more staff. If those concerns are primarily economic, then the role should be given to the Economic Development Unit etc.

q Implementing specific regulation is a specialist topic, but an interest shared with other service departments. Hence responsibility should devolve to the individual departments to liaise horizontally with their professional associations on how best to deal with such legislation.

q Lobbying on regulation is specialised in performance, but there exist externalities in benefit, so it also requires co-ordination of effort. Therefore whoever performs the executive role should be responsible for liaising with a national body, which in turn funds a professional lobbying effort.
Managing Information Flows

56. Knowing the what, when and who begs the question of how to do it. There is no manual for exactly what to do, but there is a variety of measures authorities can undertake - subject to calculating the expected return on the investment required.

57. To begin with, timely and appropriate information on regulation, economic challenges and opportunities, and on funding schemes, is vital for integrating Europe into the local authority (Exhibit 9). There are two key areas in which authorities must organise their Euro-information flows, to the authority and within the authority.

Exhibit 9 Managing information flows
Timely and appropriate information...is vital for integrating Europe into the local authority

Source: Audit Commission

58. To the authority. There are two steps to doing this efficiently:

(i) decide which types of information are required. Needs will vary between different authorities depending on the focus of their interests, and collecting everything is not only expensive but also counter-productive since it can cause overload and confusion;

(ii) select appropriate sources and match them to requirements. There is a growing network of EC-sponsored integrated European information systems and databases available. Not everyone can get EC sponsorship for, or afford to join, all these networks, and not everyone needs to. Smaller authorities with lesser
requirements should try and join/set up secondary networks with the primary participants. There are also useful 'digests' provided, such as the 'European Information Service', run by the LGIB, and the various DTI publications.

59. **Within the authority:** Traditional council libraries probably already have the people and technological infrastructure to respond effectively to these volumes of new information. But European matters, in the short term at least, will need to be actively 'distributed' rather than simply available. (Table 4 shows that expenditure on promotion and information is remarkably low). So councils must have in place a delivery system which sorts and disseminates the right information to its various clients as efficiently and effectively as possible. Different mechanisms will be appropriate for different categories of demand:

- **Q** the need to be kept up-to-date on details. Within the council itself, have a central sorting office and then use a network of nominated Euro-officers in each department to disseminate information on relevant regulation. Outside the council, bulletins, newsletters, seminars and training have been found helpful.

- **Q** the need for general awareness-raising amongst officers, members, business and the public: leaflets, exhibitions, Euro-weeks, LGIB seminars, 1992 clubs, weekly columns in local papers etc, can usefully complement DTI and DoE campaigns.

### Table 4: Expenditure on Promotion and Information

<table>
<thead>
<tr>
<th>Mets. and London boroughs</th>
<th>District</th>
<th>Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>average expenditure on information services</td>
<td>£920</td>
<td>£1200</td>
</tr>
<tr>
<td>% that have undertaken promotion work</td>
<td>56%</td>
<td>47%</td>
</tr>
<tr>
<td>of those that have, what is average number of events?</td>
<td>3</td>
<td>1.9</td>
</tr>
<tr>
<td>average expenditure on conference, workshop etc.</td>
<td>£2000</td>
<td>£375</td>
</tr>
</tbody>
</table>

**Source:** Audit Commission Survey

### Facilitating

60. There are four main roles Economic Development Units need to perform in order to meet the 'unavoidable challenges' economic integration poses for local authorities.

(i) Undertake a SWOT (Strengths, Weaknesses, Opportunities, Threats) assessment of the area's economic requirements at the internal review stage, and ensure that it is properly factored into the council's policies. The division of Euro-responsibility within the authority is crucial here; the effort to introduce any necessary changes to such a range of policies, which might well conflict with
long-standing locally-driven priorities, will require leadership, consensus across service departments, and the active backing of members.

(ii) Raise the business community's awareness of Europe's implications and opportunities (see Managing Information Flows above). A forthcoming AMA report will show the current scale of local government activity.

(iii) Co-ordinate economic strategy. Economic Development Units need to set up and participate in forums which cope with externalities and joint interests. Many, of course, exist already: the Welsh Development Agency, Enterprise and the Northern Region Council Association all provide examples of a regional approach to economic planning and of sponsorship of business involvement with Europe. Other areas rely on less formal (and costly) mechanisms, co-ordinating through regular committee meetings and joint plans such as SERPLAN for the South East. The Structural Fund Operational Programmes have themselves required increased co-ordination on a more ad hoc basis. In other areas, regional co-operation seems less well-developed.

(iv) Promote the import of best practice. This can take several forms:

Apply for and participate in Article 10 projects and other non-Structural Fund schemes (see Exhibit 4). The LEDA (Local Economic Development Action) programme, for example, aims to "provide a real 'soft-ware' for local development which complements the 'hardware' of the structural funds".

Take advantage of EC company law. European Economic Interest Groupings ('Earwigs') enable SMEs (Small and Medium-sized Enterprises) to operate free of individual states' company laws while maintaining their economic and legal independence, and so overcome the often prohibitively difficult and expensive routes to operating trans-nationally such as take-overs or mergers.

Import a network of contacts through town twinning or networking. Many authorities regard it as a useful means of helping local businesses take the first step into the European market.

* 

Lobbying

61. All local authorities have an interest in trying to affect the content of decisions affecting them. But to many the Euro-decision-making processes on regulation and funding remain a mystery. In order to organise their lobbying effort efficiently and effectively, authorities need to ask themselves the following questions:

Q What is the timetable for decision-making? This will define when decisions are susceptible to lobbying (see Exhibit 7).
What is the distribution of decision-making power in the process? From this they can deduce where the fulcrum of lobbying effort should be. (see Exhibits 10 and 12)

What is the expected pay-off from lobbying? This will define which interests are shared, and therefore circumstances in which authorities should come together for lobbying (see Exhibit 6).

62. Answers to these will tell an authority when and where to lobby - and who should do it - for both EC regulation and funds (see Exhibits 11 and 13)

Lobbying on Euro-regulation

63. In the short term, authorities need to concentrate on the 15 relevant SEA directives still in the draft stage; given their target implementation date of the end of 1992, this leaves a 6 month window of opportunity. But when gearing up, authorities must also prepare for the longer term need to lobby on new regulation after 1992.

64. There are three main points of possible access for authorities to the decision process: the European Commission, the European Parliament, and the relevant UK central government department. (ECOSOC can also be useful). The locus of power clearly lies with the Commission since it proposes legislation, interprets the member states' 'common position', and has the power of final amendment on all legislation (Exhibit 10) - though the impact of central government in member states, which often secure revision of Commission proposals, should not be underestimated. (Whitehall is widely thought to be particularly effective in this process.)

65. Authorities have two main interests in the content of particular regulatory decisions, and both are generally shared: i) concern over the expected structural and sectoral economic impact on local businesses and consumers is almost certainly local, probably regional and in many cases national and trans-regional; ii) the cost of compliance is unlikely to vary much nationally, and may be shared trans-nationally.

66. Hence lobbying on regulation is a co-operative effort, which should be organised at the regional/national level, and focused on Brussels (Exhibit 11, overleaf). LGIB hopes to set up an office in Brussels, which could provide a useful focal point.

Lobbying for Euro-funding

67. There is little money left to lobby for under existing Funds, and no one knows yet what the new format post-1993 will be. But councils can gain some idea of how to prepare for the next round of funding programmes by looking at the timetable for the last round. This involved three main stages:

q a 1-2 year period of negotiation over amounts and criteria;
q decisions on inclusion (i.e. deciding the eligibility of particular authorities for each Objective, and deciding which applications for CSFs and Community Programmes to accept) were concentrated in a 6 month period;
q thereafter distribution was a yearly process over the length of each programme.
The locus of power clearly lies with the Commission.

Exhibit 10 EC Legislative Process for Adopting Single Market measures

The locus of power clearly lies with the Commission.

68. Access, from the individual authority’s perspective, is determined at every stage; and is complicated by the fact that the locus of decision-making power changes in each stage, for each type of funding (CSF, Community Initiative, support measure, non-Structural Fund) (Exhibit 12, overleaf). But broadly speaking, central government, through the Council of Ministers, and the fact that it chairs all Operational Programme committees, holds the key to affecting criteria, inclusion and distribution for CSFs, and inclusion and distribution for Community Initiatives. The Commission has effective discretion over Article 10 and non-Structural Fund moneys.

Source: London Borough of Croydon
Exhibit 11  Lobbying on Regulation

Lobbying on regulation is a co-operative effort

Source: Audit Commission
Exhibit 12 Decisions on Funding

The locus of decision-making changes in each stage:

- **Criteria**
  - Council: reform of SFs
  - sets objectives
  - defines criteria

- **Allocation of resources between objectives**
  - Council: sets parameters
  - Commission: indicative allocations

- **Inclusion**
  - Council: eligibility list
  - Obj. 1

- **Partnership**
  - Commission approves CSF bids by Member states based on criteria
  - Commission approves Operational Programmes proposed by member states

- **Community Initiatives**
  - Commission: proposes initiatives
  - decides % SFs for them
  - allocates funds between them

- **Support Measures**
  - Member States submit Programme proposals
  - Commission approves & allocates funding.

- **Non-Structural Funds**
  - Commission: proposes programmes
  - allocates amounts
  - Council & Parliament approve.

- **For studies: International Unions (ULA, GEMR)**
  - For Networks: authorities apply direct to Commission

- **Programme Co-ordinating Committee**
  - chaired by relevant central govt. dept.

- **Monitoring & Evaluation Committee**
  - chaired by central govt. dept.

- **Commission**
  - distributes funds
  - monitors performance

Source: Audit Commission

Organising For Europe £500 a day?
69. An authority's basic interest is to maximise its receipt of funds, consistent with its own priorities; but achieving this changes at different stages from being a shared to being a zero-sum activity:

- at the criteria stage, all authorities with the same type of structural and sectoral statistics have a shared interest in promoting those concerns; central government also shares any interest that helps the UK get the maximum possible benefit;
- at the inclusion stage, individual authorities share an interest with local and regional authorities (and with central government) in having a CSF approved; but getting onto a list can be competitive given the (implicit) limits placed on numbers from each member state;
- at the distribution stage, authorities have an individual interest in maximising their take in a zero-sum competition for allocated sums within an Operational Programme.

70. Hence lobbying for CSF and Community Initiative money is co-operative in the early stages, and should concentrate on the Commission. But in the later stages it is predominantly a competitive exercise in maximising an authority's share of allocated amounts, which should concentrate on central government. (Exhibit 13)

Elements of effective lobbying

71. Experienced lobbyists seem to agree on four main precepts on how to exert influence in this decision process. Authorities should:

- 'Know who the key decision-makers are'. Finding out which are the relevant central government department and Commission Directorate-General, and who is responsible within them, is a necessary and relatively easy measure for focusing one's effort. But the lobbyist should also try discover what that individual's institutional perspective on the issue is, in order to ensure the quality of the 'contact'. A useful rule of thumb is: 'where you stand depends on where you sit'.

- 'Get in before the beginning'. It is easiest to affect the content of EC regulation before it formally enters the decision process, and is subject to the often competing concerns of 12 separate member states. This is when contacts with the Commission can be crucial. With Euro-funds, one of the most rewarding successes was achieved by a local authority lobbyist putting the idea for an Article 10 programme in a Commission official's mind.

- 'Select your 'tools' carefully'. There are several possible agents authorities can employ to put their case. But the individual authority must decide what value-added each agent can offer the lobbying effort of that council, and undertake a cost-benefit analysis, in order to design the most efficient and effective approach. Of course this Value is difficult to calculate with any rigour, since it is impossible to discern even from past experience the impact, for example, of lobbying on the distribution of structural funding. But authorities must develop a clear idea of what value for money they (expect to) receive by matching the 'utility' of these
Exhibit 13: Lobbying for Money

Lobbying for money is predominantly a competitive exercise.

Source: Audit Commission
agents to their cost to the authority (Exhibit 14). (This kind of analysis of Value-added’ is carried out below in sections on A Brussels Office? and Future Developments: Networks). MEPs, for example, as ‘regional representatives’ can have a crucial role in opening doors, and are cost-free agents; so it is clearly in an authority’s interest to maintain active links with their Member. Help and advice from the LGIB and the local authority associations is highly rated by those who have come into contact with them (both in the UK and in Brussels); so, especially for smaller authorities, it makes sense to work through them.

q  ‘For every Ecu you spend in Brussels, spend 10 in your own capital’ - a local government representative in Brussels. For maximum impact lobbying should of course approach on all points of access. But given limited resources, councils must allocate expenditure to the areas in which lobbying promises the maximum return. Of course ‘London’ will not be the most important focal point for every European concern of every authority; but overall a council will maximise its pay-off by concentrating on its individual/competitive interests, which are generally determined by central government. In addition, it is worth pointing out that lobbying in Brussels usually requires the greatest expenditure for the least discernible effect; and that in many circumstances central government departments are themselves ‘cost-free’ agents for local authority interests in Brussels.

Exhibit 14  A cost-benefit analysis of lobbying ‘tools’

 Authorities must develop a clear idea of what value for money they expect to receive

Source: Audit Commission analysis
An ‘embassy’ in Brussels is the latest thing in Euro-chic, and is being treated as a vital accessory by many continental local authorities (Exhibit 15). Their proponents argue that, through superior contacts, what they offer are two unique services:

(i) ‘intelligence’ – i.e. early warning of draft regulation which might adversely affect the authority, of grants which they can prepare bids for, and of tenders (earlier than the 6 weeks afforded by the Official Journal) for which local businesses might want to apply;

(ii) better access for lobbying purposes through more personal and accurate knowledge of who the pivotal decision-makers are.

**Exhibit 15**  Local Government Offices in Brussels

An embassy in Brussels is the latest thing in Euro-chic

<table>
<thead>
<tr>
<th>FRANCE</th>
<th>GERMANY</th>
<th>UK</th>
<th>SPAIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand Est (Lorraine, Alsace, Burgundy, Champagne-Ardenne, Franche-Comté)</td>
<td>Nord-Pas de Calais</td>
<td>Rheins-Alps</td>
<td></td>
</tr>
<tr>
<td>Grand Sud (Acquitaine, Corsica, Languedoc-Roussillon, Midi-Pyrénées, Provence-Côte d’Azur)</td>
<td>Rhônes-Alpes</td>
<td>Picardie – Essex</td>
<td></td>
</tr>
<tr>
<td>Brittany</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schleswig-Holstein</td>
<td>Hessen</td>
<td>Bad-Wurttemburg</td>
<td></td>
</tr>
<tr>
<td>Lower Saxony</td>
<td>Bremen</td>
<td>Bavaria</td>
<td></td>
</tr>
<tr>
<td>Nord-Rhein-Westphalen</td>
<td>Hamburg</td>
<td>Saarland</td>
<td></td>
</tr>
<tr>
<td>Berlin</td>
<td>Rheinland-Pfalz</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cornwall</td>
<td>Strathclyde</td>
<td>Galicia</td>
<td>Murcia</td>
</tr>
<tr>
<td>Greater Manchester</td>
<td>Kent</td>
<td>País Vasco</td>
<td>Islas Canarias</td>
</tr>
<tr>
<td>Highlands &amp; Islands</td>
<td>SDA</td>
<td>Catalonia</td>
<td></td>
</tr>
<tr>
<td>Birmingham</td>
<td>WDA</td>
<td>Valencia</td>
<td></td>
</tr>
<tr>
<td>Essex – Picardie</td>
<td>Enterprise</td>
<td>Andalucía</td>
<td></td>
</tr>
</tbody>
</table>

Source: DATAR
73. But it is a very expensive option, costing an absolute minimum £100,000 pa for one representative plus office and secretary. Authorities considering buying one need to be sure of exactly what the value-added is that one offers over what can be achieved using the 'phone, fax and fares. (If an LGIB office is established, its value might also be considered in the calculations).

74. When calculating this, authorities should bear in mind that:

- the 'right' contacts can be made through visits and maintained by phone; - what matters is the 'quality' of the contacts, not the number; constant lobbying will only irritate Brussels officials;

- 'intelligence' on regulation is a shared interest;

- 'many (foreign) regional authorities have offices in Brussels so that they can play at foreign policy,' as one Brussels official put it;

- where a local authority’s objectives are in line with those of the government, UKrep can be valuable: the Audit Commission survey suggests that UKrep is currently under-utilised by local authorities.

75. It is unlikely that an individual authority in England and Wales will secure value for money from a dedicated Brussels office. Individual authorities should not be seduced by the example of each of the German Lander having separate offices; their size and independent competence enables them to represent that collective interest and bear the inflated cost. It is conceivable, however, that broader groupings might justify such expenditure, and it is hard to ignore the impact of the large German local government presence. This raises questions of regional authority groupings in England and Wales which are beyond the scope of this paper, but it does also suggest a potential role for the local authority associations.
76. 1992 is a pivotal year in local authority preparation for Europe not only because it requires the completion of the SEM; but more importantly because it is also when changes in the rules of the Euro-game are made for the foreseeable future. These longer term developments are difficult to predict, but there are three key areas which authorities should be aware of and plan for are:

- changes to the Structural Funds;
- the development of 'Networks'; and
- the impetus for a 'Europe des Regions'.

**Changes to the Structural Funds**

77. The UK government's emerging position for the negotiations on the reform of the Structural Funds seems to be that they should be regarded as 'an adjunct, not a principle mechanism, for SEM cohesion'; that therefore there 'is no case for any substantial increase'; and that they should be more closely monitored. But others, notably Spain, have argued that EMU and its attendant monetary and fiscal discipline will structurally disadvantage the poorer member states. So they have been pressing for an increase in resources for the Structural Funds; a new equalising budgetary fund to transfer resources directly to those poorer states; and an overhaul of all Community policies to re-direct more aggregate spending southwards.

78. A compromise is emerging, which appears to have the Commission's support. It offers:

- an increase in the Structural Funds (Jacques Delors has mentioned the figure of 50% informally), and a new 'shock absorber' fund (proposed in the Commission's paper to the Inter-governmental Conference on Economic and Monetary Union, August 1990) for contingencies such as a sharp increase in the price of oil, as the balancing mechanism compensating those disadvantaged by EMU;
- simplification of procedures for securing structural funding by dropping, for example, the distinction between CSFs and Programmes for Objective 2 funding;
- more rigorous monitoring and evaluation of Community programme expenditure (procedures are to be set out in a new document by DG 22) in order to reassure the richer Northern countries that their money is being wisely spent;
- a broadening of the Commission's own regional remit beyond the 'intensive care' approach of the Objectives to address 'issues reflecting the use and development of Community territory as a whole.' In particular, urban policy, training and education, transport and business services are mentioned. In addition, new Funds
for liaison with Eastern Europe, and to help the poorer member states meet the

cost of respecting EC environmental directives, have been proposed.

79. Thus a speculative (and perhaps premature) prediction is that local authorities
can expect to find a larger Euro-fund pie, with a smaller slice (though it could still be
larger absolutely) of it coming to the UK, tied to more bureaucratic oversight. But,
more authorities with a different range of problems will be eligible for a share of that
slice.

Networks

80. ‘Every city with any self-respect should be preparing its future on a European scale’ -
official from DG16, the regional policy directorate. DG16’s most recent innovation is
the Special Action Programme for Inter-regional Co-operation (SAPIC) (Box 4).
Using Article 10 money, they are sponsoring networks of authorities from at least three
member states (at least one Objective 1 area) which will co-operate on programmes
covering public administration, transport, Research and Development, the environ-
ment, assistance to SMEs, energy, and tourism. Because they represent cohesive
trans-national sets of interests (Euro-Cities, for example, aims to articulate primarily
urban concerns), these networks are being heralded as the key to the longer term
Commission - local government relationship. But should every authority join a
network?

Box 4 Regional Network Schemes (SAPIC)

DG16’s most recent innovation

<table>
<thead>
<tr>
<th>Total Cost in Ecu</th>
<th>EC Funding in Ecu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development agencies in the regions of Europe</td>
<td></td>
</tr>
<tr>
<td>- joint activities between regional authorities, development agencies and Chambers of Commerce to improve the efficiency of regional development programmes</td>
<td></td>
</tr>
<tr>
<td>4,340</td>
<td>2,570 (59%)</td>
</tr>
<tr>
<td>Tourism and maritime transport in the Mediterranean</td>
<td></td>
</tr>
<tr>
<td>- networking to halt decline in relative position of the Mediterranean in world tourism markets</td>
<td></td>
</tr>
<tr>
<td>3,502</td>
<td>2,081 (59%)</td>
</tr>
<tr>
<td>Co-operation between Atlantic regions</td>
<td></td>
</tr>
<tr>
<td>- development of joint ventures between different regions on the Atlantic seabord of the community</td>
<td></td>
</tr>
<tr>
<td>3,575</td>
<td>2,018 (57%)</td>
</tr>
<tr>
<td>Application of communications technology</td>
<td></td>
</tr>
<tr>
<td>- use of technology to improve effectiveness of services and joint ventures</td>
<td></td>
</tr>
<tr>
<td>2,961</td>
<td>1,925 (65%)</td>
</tr>
</tbody>
</table>
5. **Promotion of en-operation between community regions in establishing links with Eastern Europe.**

8.667 4.897 (58%)

6. **Co-operation between universities and regional and local authorities in the European Community**
   - the development of an information base of academic expertise and research and to set up channels for dissemination of information to local and regional authorities

1.500 0.900 (60%)

7. **Transport inter-changes (UITP)**
   - the spread of the latest and best practice concerning the integration of public transport systems

0.550 0.330 (60%)

8. **Commission des villes**
   - five sub-networks of economic and technological co-operation of small and medium sized cities

1.108 0.554 (50%)

9. **Eurocities**
   - three sub-networks of economic and technological co-operation of the 'second cities' of the Community

1.000 0.500 (50%)

10. **Quartiers en crise**
    - Network of 25 cities to share information and skills relevant to the regeneration of inner city areas

1.187 0.700 (60%)

11. **Automobile cities**
    - Promotion of co-operation between cities and regions engaged in automobile manufacture

0.801 0.400 (50%)

12. **POLIS**
    - Promoting Operational Links with Integrated Services through road traffic ergonomics between European Cities

2.200 1.100 (50%)

Source: IULA

81. Networks offer potential value to authorities in two main areas:

(a) **helping the local economy.** The particular projects sponsored will be useful in the short term. But more importantly their longer term value comes from the multiplication of the sort of contacts that can be achieved through twinning;

(b) **lobbying.** Because of shared interests, networks can be an economical means to lobby on specific regulations and for funding; because they represent more cohesive sets of interests they can be more effective than the large amorphous, trans-regional organisations IULA/CEMR and AER; and because the Commission is promoting them, it is likely to be sympathetic.
82. The fact that unsponsored networks, such as the 'Four Motors' (Catalonia, Lombardy, Rhone-Alp and Bad Wurttemburg), are also springing up, points to the value placed on this new mechanism by some local government authorities. But as always these benefits come at a cost. Despite EC funding, the cost in officer and member time required to participate in a network can be high (around £10,000). So they should be seen in the context of several alternative tools (Brussels delegation, twinning etc) an authority can choose from, depending on their cost-benefit, rather than as an easy or even essential extra.

L'Europe des Regions

'Without effective regional groupings, the UK will lose out' (a senior EC official)

83. Both the reform of the Structural Funds and the creation of Networks are part of the EC's broader aim to expand its level of contact and policy dialogue with sub-central units of government in the Community.

84. The UK (and four other member states - Ireland, Denmark, Greece and Portugal) does not have a local government structure that facilitates such an EC - Regions partnership. And it has not been notably enthusiastic so far about increasing the impact of the EC's regional policy thrust.

85. At the moment these differences of attitude and structure do not seem to affect UK local government's ability to win friends and influence funds in the EC. National shares of the Funds (structural or other) are largely pre-determined by the criteria set by the Council of Ministers; thereafter the flow of funding is governed by statistics of need based on travel-to-work areas, not units of government. UK local authorities also appear well able to carry on an effective 'dialogue' with the Commission - it is said that almost 80% of all lobbies received by Bruce Millan (EC Commissioner for Regional Policy) are from UK authorities.

86. Whether these differences begin to matter in the longer term will depend on the eventual implications of the outcome of the Inter-Governmental Conference on a 'European Political Community'. The final outcome is still hard to predict; some argue that there is a consensus that 'subsidiarity' has reached an equilibrium. Other reports suggest that it will gradually push decision-making up to the Commission and down to the regions by the end of the century.

87. If this is the case, then the advantages of size and independence (based on exclusive statutory areas of competence and separate revenue-raising powers) enjoyed by existing regional authorities (e.g. in Germany, France, Italy and Spain) might begin to seem more attractive. Size offers the obvious advantage of economies of scale, which can render expensive tools for dealing with Europe more cost-effective. It also increases the administrative ease of those dealings, since the EC's statistical definition of problems is more likely to fall within a single unit of government than without - as is the case in the UK. Independence allows them to pursue their own regional economic strategies, and so implement, more readily, EC programmes based on such an integrated regional economic development approach.
88. This is not necessarily an argument for the creation of a formal regional tier; the existence of such Euro-interests does not provide a sufficient reason in itself to impose an extra tier on local government. But it is an argument for attempting to overcome any disadvantages (in the European context) by moving towards regional groupings that enable more informal joint action on shared European interests.
Conclusion

What is to be Done?

...by local authorities?

89. The implications of further European integration for the individual local authority will vary according to extent of responsibilities, circumstances and needs.

90. But all authorities should undertake an internal review of the impact of Europe on their council. This will provide two benefits:

- **Confidence.** Overall it is more important to know what to do with existing resources, than to do and spend more. But an authority will only be able to plan effectively if it knows what to expect in EC regulation, in economic impact, and that it is not missing out on funding opportunities.

- **Focus.** With a clear idea of its strengths and weaknesses in relation to Europe, an authority can then determine priorities and decide both what action must be taken, and what can be afforded.

91. Such a review by a hypothetical shire district, with 'average' statistics of economic need, and an average regulatory load, can be taken as a test-case for what this might mean in practice (Exhibit 16). At a minimum, there are likely to be four chief areas of additional expenditure:

- in some service departments, such as technical standards and information management, the pressure on staff time generated by the volume of changes and new information might well spill over into a requirement for additional staff;

- the need to be prepared for the pressures of a single market requires some expenditure on studying the likely impact on the local economy;

- the demand for information on Europe necessitates buying into the growing network of sources;

- the need to lobby on regulation and for money in London and Brussels requires budgeting for phone, fax and fares costs which cannot be absorbed in existing overheads budgets.

92. If costs are shared where interests are joint, then an impressionistic estimate of what this amounts to in additional Europe-induced expenditure for 1992-93 is £25,000. (This omits the indirect costs of Europe, for example those of restructuring on local business, or personnel requirements for councils as employers resulting from EC social policy, or changes to the whole range of council policies. These are the subject matter for a different study.)

93. Of course larger authorities will have greater responsibilities, and so will (and will be able to) incur greater expenditure. There are also other areas which might well
Exhibit 16  What is to be done?

All authorities should review the impact of Europe - and take action

Source: Audit Commission - hypothetical shire district
benefit from minor outlay, such as Euro-awareness work (newsletters, seminars, a Euro-week), and language training. And if the return on pursuing European economic opportunities and on funding sources proves to be high, then expenditure on staffing a European unit, joining a network, co-funding a Brussels office etc. would make sense.

94. But buying these kinds of services at the outset, in the hope of generating considerable volumes of income and business from Europe, makes a false assumption about the relationship between effort and success. Most funding, for example, flows on the basis of Objective criteria and indicative allocations set for 3-5 years, and is only affected at the margins by lobbying. When budgeting for Europe, authorities should follow the example of Kent; the growth of its expenditure on its European unit (by a factor of 5 in three and a half years) was success-led and based (above a basic minimum for dealing with European obligations) on the cash-flow generated.

95. Bedfordshire County Council's budgeting of £53,000 additional expenditure on Europe for 1991-92 provides an example of good practice by larger authorities in gearing up for Europe (Box 5). It undertook a review of its Europe-related needs, identified areas of weakness, prioritised areas for action, and gradually, but modestly, increased its outlay to meet those requirements.

*...

by central authorities?

96. There are, however, certain aspects of Europe the individual local authority cannot deal with by itself, and which require collective or government action:

- The externalities of benefit from representing the UK local government viewpoint in the EC consultation process on regulation. This cost should be collectively met, and is probably best achieved through the local authority associations, which have of course already been actively involved in the consultative process on regulatory matters through LACOTS and others.

- EC incentives (such as the cost of ‘participation’ to individual UK authorities, the requirement for an integrated regional economic approach with the Structural Fund programmes, the preterf of Networks) for greater regional co-ordination. These pressures can be (and are being) met by existing regional economic agencies and formal regional economic strategies in some areas of the country, and by the sort of ad hoc regional co-operation necessitated by the implementation of Structural Fund Operational Programmes. But many other areas do not have access to such groupings, and they are unlikely to spring up from ground level without central government encouragement and sponsorship.

- The Gordian Knot of ‘Additionally’ must be cut. From the local government perspective, the issue seems not to be one of public expenditure control, but of a system which erodes enthusiasm for participation in ERDF and Community programmes, created by a political impasse it cannot affect.
97. As the Community proceeds, in the words of the Treaty signed at Maastricht, towards 'ever-closer union', it is inevitable that local authorities will be drawn further into Europe. The time is therefore right for councils to review their readiness to play an appropriate part in this process.
Box 5  
Budgeting for Europe: Good Practice by larger authorities in gearing up for Europe

The Example of Bedfordshire County Council

---

Cont.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulation</td>
<td></td>
<td>Need to be involved in European Standards setting</td>
<td>Provision for Chief Fire Officer and other staff to attend Euro Standards setting conferences in UK and Europe</td>
<td>£2,000</td>
</tr>
<tr>
<td>Euro-Information</td>
<td>Subscribes to:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spicer's European Strategic Information Service</td>
<td>£3,000</td>
<td>Is service meeting customer expectations?</td>
<td>Departments to review, and where necessary, adjust their information request specification</td>
<td>Nil</td>
</tr>
<tr>
<td>LGB European Information Service/Occasional Papers</td>
<td></td>
<td></td>
<td>Continue to disseminate information</td>
<td>Nil</td>
</tr>
<tr>
<td>Library Service Business Information</td>
<td></td>
<td></td>
<td>Continue and intensify marketing from within existing resources</td>
<td>Nil</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------</td>
<td>--------------------</td>
<td>-----------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Euro-awareness</td>
<td>Two senior staff briefings on Europe</td>
<td>Need for more training of internal staff</td>
<td>Awareness and training seminars for staff from all departments; Disseminate LG1B Occasional Papers to Members, Chief Officers</td>
<td>£1,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Need to raise Euro-awareness amongst members, colleges and district councils;</td>
<td>}</td>
<td>}</td>
</tr>
<tr>
<td>External Liaison</td>
<td>Need to liaise with the voluntary sector (which pursues separate ESF route for its bids) so as to maximise Bedfordshire's share</td>
<td></td>
<td>Run two seminars on ESF</td>
<td>£1,000</td>
</tr>
<tr>
<td>Euro-funding</td>
<td>ESF bid (in receipt of £119,000) supported by a consultant £4,000 (1990)</td>
<td>Need to research availability of (and Council's eligibility for) non-structural funds and support measures</td>
<td>Budget for officers attending seminars and conferences, a visit to Brussels</td>
<td>£3,000</td>
</tr>
</tbody>
</table>
|              | Involved in 5 non-Structural Fund Programmes (Axion, Sprint, Lingus, Petra and BCnet) | Need to prepare for new round of CSFs in 1993 | Continue support for regional ESF grouping | }

What is to be done?
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lobbying</td>
<td>ACC advised joining Assembly of European regions; provides representation for local government in Brussels; promotes opportunities for inter-regional co-operation; need help exploiting any new funding opportunities.</td>
<td>- Join AER</td>
<td></td>
<td>£1,600</td>
</tr>
<tr>
<td></td>
<td>Contingency fund for external consultancy (guidance on the intricacies of making applications, help in opening doors, advice on the way forward) £4,000 (1990)</td>
<td>Annual membership fee £1,000</td>
<td></td>
<td>£1,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Member and officer time and costs £1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Increase contingency fund £3,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>----------------------</td>
<td>--------------------</td>
<td>----------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Structure</td>
<td>Chief Executive's Office Corporate Support Unit (has responsibility for dissemination of Euro-information, managing ESF bids through regional structure and monitoring progress on implementation of regulation)</td>
<td>Need to implement above actions</td>
<td>Extra 1/2 FTE staff</td>
<td>£10,000</td>
</tr>
<tr>
<td>County Planning Department Economic Development Unit (responsible for 'European economic outreach work') (est £22,000)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>£38,500</td>
<td></td>
<td></td>
<td>£53,000</td>
</tr>
</tbody>
</table>

Source: Bedfordshire County Council
HMSO Publications are available from:

HMSO Publications Centre
(Mail and telephone orders only)
PO Box 276, London, SW8 5DT
Telephone orders 071-873 9090
General Enquiries 071-873 0011
(queueing system in operation for both numbers)

HMSO Bookshops
49 High Holborn, London, WC1V 6HB 071-873 0011 (Counter Service only)
258 Broad Street, Birmingham, B1 2HE 021-643 3740
Southey House, 33 Wine Street, Bristol, BS1 2BQ (0272)264306
9-12 Princess Street, Manchester, M60 8AS 061-834 7201
80 Chichester Street, Belfast, BT1 4JY (0232) 238451
71 Lothian Road, Edinburgh, EH3 9AZ 031-228 4181

HMSO's Accredited Agents
(See Yellow Pages)
and through good booksellers

£7.50 net

Printed in the UK by Hammond Associates