MEMORANDUM

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Subject: **Update on European activities and funding for Hampshire & Isle of Wight LGA**

1.   **Summary**

1.1.   This report explains the purpose and range of Southampton's European and international activity, and includes a summary of recent successful external funding bids.

2.   **Background**

2.1.   Southampton City Council has recognised the importance of European and international activity for many years, appointing a specific European officer to co-ordinate activity in 1992, expanding to an International Affairs team with two members of staff since 2000.

2.2.   Southampton's international vision is set out in the Community Strategy, which aims for Southampton, by 2020, to achieve recognition as the capital of the South, and to be able to hold its own with successful cities across the world.

2.3.   Southampton is fortunate in the assets it can draw upon to help make this vision a reality. In addition to its port, universities and fast-growing airport, it has a range of dynamic and outward-looking institutions including education bodies, voluntary sector, commercial organisations and cultural infrastructure.

2.4.   There are longstanding twinning links with Le Havre (France) and with Remms Murr-Kreiss (Germany). More recently sister city links have been established with Kaliningrad, Russia and Qingdao, China. In recent years, the Council has sought to move away from twinning as the primary basis for international work, towards more flexible project-based partnership working.

3.   **Framework**

3.1.   The Medium Term Plan (2005-08) provides a template for taking forward the City Council's vision for Southampton. International affairs are included in the chapter on "Raising Competitiveness and Increasing Prosperity"[1], reflecting the importance of ensuring that the city can respond to the challenges of the global economy, maximising investment and employment in the city. European funding has been used to particular effect in Southampton to help to achieve these objectives.

3.2.   International Initiatives form part of the Leader's portfolio. The International Affairs Team currently sits under the Executive Director for Leisure, Organisational Futures and International Affairs. From April 2006 it will move to City Development & Economy under the Executive Director for Environment, reflecting the policy framework outlined above. The team covers policy, funding, partnerships and awareness-raising within one integrated service.

4.   **Delivery**

4.1.   The Aims of the International Team[2].
    –   Timely, quality intelligence, advice and support to Council services to allow them to respond to European and international developments
    –   Effective lobbying on European issues of importance to Southampton through membership of EUROCITIES and regional and national networks, and a higher profile for Southampton as a fine European city
    –   Practical information on good practice and benchmarks, which can assist delivery of Council services, through links with other European and international cities. External funding for corporate priorities through EU funding applications, which build on these links
    –   Effective delivery of European-funded projects across the City Council through lead and supporting roles
    –   Expertise shared through partnership working with other organisations and agencies in the city, in particular the voluntary sector, to deliver the Community Strategy
    –   Business, educational and cultural benefits from the sister city relationship with Qingdao

4.2.   Within the city council, there is also widespread expertise in European policy and projects in a number of departments including Economic Development, Health & Social Care, Training & Employment Initiatives, and Environment.

4.3.   Within the city, the Southampton European Network chaired by the International Affairs Manager provides a basis for partnership

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[1] http://www.southampton.gov.uk/images/chapter%203_tcm9-99337.pdf
[2] International Affairs Team Business plan 2005-06

working at local level, ensuring a collaborative response to new opportunities and developments which have an impact on the city. The International team links in to other local and regional networks including the Building Bridge Forum for the voluntary sector, the South East European Officers Group, LGIB, and LASER (South East local authority group focusing on the European Social Fund). The International Affairs Team is also co-located with the Southern Area Euro Info Centre for business which facilitates joint working.

4.4. Southampton works within regional and sub-regional partnerships on the international stage. Since April 2005 it has been a member of the Hampshire, Isle of Wight & West Sussex Brussels Office in South East House, Brussels. In September 2005 it joined Arc Manche, a grouping of English and French local authorities around the English Channel.

4.5. Southampton City Council also values working in partnership with other European cities and regions and is a member of several networks including Eurocities, POLIS, the Maritime Cities Network, and Energie-cities. These act as a channel for profile-raising, influencing policy and funding streams, sharing expertise and peer review/learning opportunities which help the City Council to develop the expertise and knowledge of its staff and to improve its services.

4.6. Southampton has a strong track record in attracting European funds to support its corporate priorities, as can be seen from the table in the appendix. It has been very successful in attracting European Social Fund monies for its own activities and for other organisations in the city. A particular challenge for the medium term will be to lobby for further European Social Fund or equivalent national funding from 2007-13, and to make best use of the new generation of funding programmes to be launched by the EU in 2007-13. This opportunity will be facilitated by a newly established Funding Opportunities Group, established as a subgroup of the Chief Officers Management Team, which will ensure all external funding bids are closely tied in to corporate priorities.

4.7. In addition to policy, funding and project work, the City Council also has a role in raising awareness of European issues, through events such as Europe Day, European Day of Languages, and Local Democracy Week. In LDW 2005 a highly successful video vote on the Euro was held in primary schools. Events focus on making people aware of basic facts on the EU, Southampton's international links, and opportunities to live, study and work abroad as EU citizens.

APPENDIX 1

INTERNATIONAL NETWORKS, PARTNERSHIPS AND PROJECTS

INTERNATIONAL NETWORKS AND PARTNERSHIPS

1. Eurocities

Created in 1985, Eurocities represents more than 160 of Europe's largest cities. Southampton City Council has been a member since 2000. Eurocities has a number of specific Fora -

- Economic Development Forum
- Social Affairs Forum
- Environment Forum
- Knowledge Society Forum (formerly Telecities)
- Mobility Forum (formerly ACCESS)
- Culture Forum
- Co-operation Forum

Southampton is currently primarily active in the Social Affairs Forum. Within this forum it has instigated and leads a working group on Health & Wellbeing, jointly with the city of Eindhoven. The forum provided the basis for a partnership for which Southampton led a bid to the Public Health programme (unsuccessful, but resubmission under consideration). It has enabled Southampton to contribute to EU policy documents in a number of areas, including a case study in the EU handbook on immigration.

Increasingly we are contributing to Eurocities' global outlook. Southampton has contributed to the Working Group on the EU Neighbourhood Policy and has taken the initiative, with Belfast and Oslo, to initiate a "virtual network" of Eurocities members working with China, in order to share experience and find partners for common projects. At the 2005 AGM in Lyon in November, Southampton was awarded the Eurocities Prize for International Co-operation for its work with Qingdao. The Council Leader also took part one of the AGM plenary debates.

2. Arc Manche

Arc Manche is a network of UK and French regions which border the Channel and supports existing bi-lateral links.

Southampton joined in September 2005, in order to benefit from opportunities for policy and project work. It will be an important forum to develop programmes and projects under the new Co-operation (ex-INTERREG) programme for 2007-13, and to influence the EU Maritime Policy development work due to continue in 2006-07.

3. POLIS - (Promoting Operational Links through Integrated Systems)
Southampton City Council's Executive Member for Environment & Transport is a member of POLIS in order to maintain policy information and opportunities for funding for local transport issues.

4. Hampshire, Isle of Wight, West Sussex Brussels Office Partnership

Southampton City Council has been a member of this office since April 2005, before which it had a subscription through the South Coast Metropole to the South West regional office. The office provides first class intelligence on EU developments, as well as representing the views of the sub-region and lobbying in Brussels.

The Brussels Office is co-located in South East England House (SEEH) with other representative partnership offices for the South East i.e. Kent, South East Partners (East Sussex, Brighton and Hove), Thames Valley and SEED/SEERA. This provides the opportunity to cooperate at a regional level when appropriate.

5. Le Havre

The link with Le Havre began in 1963, and a range of events took place in 2003 to celebrate 30 years of twinning. Since then Southampton City Council has supported the link primarily through the annual organisation of the Euroblade event. This free event involves enthusiastic skaters travelling to Southampton from Le Havre, where skating events take place on a regular basis over the summer. Hundreds of French and British skaters meet up at St Mary's Stadium before skating around the city following a route of nearly 10 miles.

6. Kaliningrad

Kaliningrad is a unique part of Russia, separated geographically from the rest of the country and, since 2004, surrounded by the European Union. Prior to 1945 the city was part of Germany and known as Königsberg. It was passed to the Soviet Union as part of the post-war settlement and was home to the Soviet naval fleet as a closed military centre. The decline in the strength of the military since the end of the Cold War has had major economic impact on Kaliningrad. An estimated 50% of the local GDP is now estimated to be dependent on the informal economy and the standard of living is below the Russian average.

Since the early 1990s a special relationship has developed between Southampton and Kaliningrad. Early attempts to develop mutual economic links between the two cities were only partially successful. A number of projects have taken place however in the fields of sustainable public transport (1996, funded by TACIS) and environmental management (1999-2005, funded by the British Council and subsequently by the EU's LIFE Third Countries programme.) A further study visit is planned to Southampton in early 2006, funded by the City Council to mark Kaliningrad's 750th anniversary.

7. Qingdao

Qingdao is one of China's major ports; it is situated on its north-east coast on the Yellow Sea. The biggest city in Shandong province, Qingdao has a population of approximately 7 million and is a popular holiday resort. It is

home to many industries, including Haier, the world's largest white goods manufacturer.

The Southampton sister city initiative was set up in 1998. Since that time numerous initiatives have been developed and very many trade and cultural missions to and from both cities have taken place. In November 2005 the link was recognised by Eurocities for an award in International Co-operation. Economic development is a key objective of the relationship, which has led to the establishment of representative office for Southampton in Qingdao, shared with the China Britain Business Council (CBBC).

Qingdao is the host city for the Olympic sailing events in 2008 and aspires to become the centre of sailing in China. Southampton's long established position as the centre of the sailing industry in the UK makes it an ideal partner for Qingdao. Advice and support is being provided to Qingdao, with business opportunities for Southampton businesses also being generated.

The Universities and Further Education establishments in the city have joined forces to promote and market Southampton to Qingdao. Links in the higher education sector extend beyond student recruitment to research and development, such as joint activities between the Ocean University of China and the Oceanography Centre in Southampton.

Other topics include health (including recruitment of nurses to Southampton's care homes), football, intelligent transport and public sector secondments.

8. Maritime Cities Network

The Maritime City Network was an initiative of Bilbao, Genova, Southampton and Bremen who decided in 1998 to establish a network for cities with international ports in Europe. The major objective of the network was to address challenges resulting from the structural changes in port cities, such as

- coping with industrial decline and structural change
- managing the changes of port functions and port structures
- modernising the urban transportation systems
- revitalising the water fronts and old harbour areas
- preserving oceans and rivers as a resource for further economic and social development.

The Maritime City Network was supported by the Alliance of Maritime Interests in Europe.

Since 2003, MCN has been overtaken by the NEW EPOC project which includes a broader range of cities. However, when NEW EPOC ends in June 2006, it is intended to use the final conference to "relaunch" the MCN as a platform for further co-operation and projects.

9. Energie-Cities

With over 110 members in 21 countries and representing almost 300 towns and cities, Energie-Cities is the association of European local authorities for promotion of local sustainable energy policies, a key priority for Southampton.

EUROPEAN PROJECTS

The following is a <u>non-exhaustive snapshot</u> of some key and recent projects funded by the EU in a variety of service areas, to give an overview of the range of Council services supported by EU funding, and the innovation and sustainability of actions undertaken.

European Social Fund

Southampton City Council has had great success in attracting European Social Fund monies, both as an organisation and working in partnership with other local organisations. A total of £8.1m has been drawn down by the City Council and other organisations since 2002 and a list of all successful bids can be found in the table circulated with this paper.

The European Social Fund has contributed to the core priorities of the council, in particular tackling deprivation and inequalities and promoting life long learning for all people. Projects look at a whole range of issues such as support for SMEs and entrepreneurs, support for disadvantaged groups into employment or training (such as the homeless, ethnic minorities, women, the disabled, or those with learning difficulties), IT training courses, support for volunteering and capacity building of local organisations.

The City Council not only draws down ESF funding, but also has a strategic role. The European Projects Officer sits on the Executive Support Group chaired by GOSE, the LASER group mentioned above and the appraisal panel for global grants for Hampshire & Isle of Wight LSC.

Innovative Actions - Integrated Employment Strategy

Article 6 of The European Social Fund is a strand of funding which part-funds innovative local employment projects and Southampton has become one of the few successful areas in the UK to secure funding under this strand. The £680,000 project has allowed the City Council and its local partners to develop an integrated employment strategy for the city, which is currently out for consultation. The project developed this strategy for the city through joining together current employment work being done by a number of organisations, reducing overlap and duplication and addressing market failures and gaps.

ROMANSE - Road Management System for Europe

The highly successful ROMANSE system started as a pilot project in May 1992, supported by the EU (£1.9million) and the UK Government, with the aim of combating urban congestion using transport telematics. The success of the pilot has allowed further development using the ROMANSE technology to improve traffic management in Southampton, in partnership with Hampshire and Portsmouth. The project continues to act as a test bed for EU and UK research activities.

Smart Cities

Southampton's SmartCities project was originally funded under the European Fifth Framework IST programme to the tune of £2.7 million. The SmartCities initiative makes use of the latest 'smart card' technology to provide a multi-application card that gives local residents access to city services and facilities, such as libraries, sports facilities and bus services.

NEW EPOC

The NEW EPOC project (Renewing Economic Prosperity for Port Cities) is led by Southampton City Council and co-financed by the European Regional Development Fund under INTERREG IIIC. Running from July 2003 to June 2006, the £1.1m project has already supported numerous staff exchanges, seminars and joint activities between the partners, which include Cherbourg, Bremen, Gijón, Bilbao, Trieste, Taranto, Patras and Kaliningrad.

These cities have a shared interest in addressing challenges to Europe's port cities arising from globalisation and new technology, and in developing innovative ways of sustaining their economic performance, developing their maritime cultural heritage and securing local employment opportunities.

Cities Regain Image and Identity

The CRII (Cities Regain Identity and Image) project is a £3.1m project partially funded by the European Regional Development Fund under INTERREG IIIB. The transnational project started in December 2004 and there are eight partner cities: Hagen, Leeds, Leverkusen, Kaiserslautern, Southampton, Brugge, Bristol and Erasmus University, Rotterdam.

The aim of the CRII project is to help increase the attractiveness of European Cities through an integrated approach by promoting the restoration or further development of their identity, their image and distinctiveness. Sub-projects which will take place in Southampton include a pilot project to improve way-finding around the city centre for residents and visitors, and various marketing actions.

LIFE – Capacity Building of Kaliningrad

LIFE Third County funding has been used to help Kaliningrad City Hall improve its environmental policy. Funding was used to produce guidance and develop specialised management tools on environment and land use

planning for use by City Hall. This guidance, which includes improved IT and mapping systems, is designed specifically to improve the quality of the city's green and open spaces and to take forward the as yet rudimentary Local Agenda 21 process with Kaliningrad citizens.

The project took place from 2001-2005, led by Bremerhaven and Aalborg, with Southampton contributing expertise on green spaces and LA 21.

European Year of Languages 2001

The Council of Europe declared 2001 the European Year of Languages. Southampton City Council received EU funding for a local response involving language providers, training bodies, business support organisations and adjacent authorities in the wider sub-region. The aim was to achieve an increase in take-up of language learning opportunities, formal and informal. EU funding helped to fund promotional materials, a website and helpline, and events to provide access to information on language learning opportunities. Public taster sessions and language courses for City Council staff were held, with staff classes continuing to this day.

European Year of Disabled People 2003

Southampton City Council ran a programme to raise awareness of the rights of disabled people, to share good practice, challenge local organisations to address barriers to participation, and to highlight areas for service improvement. Initiatives included Access Audits, events, displays, human resources development, and the launch of a monthly supplement in the Daily Echo. As a result of the year a dedicated Disabled Persons Champion was appointed in the City Council.

EXODUS

Through SEEDA, the City Council is the only local authority in the country to have secured EQUAL funding as a lead agency for a project with a local consortium on the employability of ex-offenders. The grant of £292,000, made in 2005, means that offenders on short custodial sentences can now receive support on their release to enter work or training (previously no support was available for those released from sentences of 12 months or less). Working with HMP Winchester, the project will test and seek to mainstream approaches to supporting this client group.

BLUE PRINT

The City Council has recently been successful in a bid for GROW funding from SEEDA (funded by the INTERRREG programme) for a project on sustainable construction with partners in Poland and Spain. Entitled "A Blue Print for the Planning and Purchasing Policies for Sustainable Built Development', the project will be led by the Environment Centre in Southampton and will begin in 2006.

IMPACTE

The City Council has recently been part of a successful consortium bid led by SEEDA to the INTERREG North West Europe programme for a project on the development of ports in the English Channel area. This project, called Intermodal Port Access and Commodities Transport in Europe, will support the cost of working up the Southampton Tunnel Gauge Enhancement design, to improve rail access to the port.

FUNDING SUMMARY (since 2002)

	TOTALS
ESF	£ 2,936,099.00
ESF Co-financing	£ 4,911,931.00
Global Grants	£ 251,434.00
Other	£ 4,119,157.00
	£12,218,621.00
Applied for	£ 1,511,705.00
	£13,730,329.00

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All projects included are either led by SCC or developed with substantial support from SCC