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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations implement Council Regulation (EC) No.1083/2006 (OJ L210, 31.7.2006, p.25) laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No.1260/1999 (“the Council Regulation”). The general provisions implemented by these Regulations relate to the European Regional Development Fund (“the Fund”).

The Commission of the European Communities has adopted a development strategy (known as an operational programme) to be carried out with the aid of the Fund in North East England. The programme aims to strengthen regional competitiveness and employment. It was adopted on 10th December 2007 and is entitled “the operational programme for Community assistance from the European Regional Development Fund under the Regional competitiveness and employment objective in the region of North East England in the United Kingdom”.

Article 59 of the Council Regulation requires the Member State to designate a managing authority to manage the programme, and authorises the Member State to designate one or more intermediate bodies to carry out some or all of the functions of the managing authority. The Secretary of State for Communities and Local Government is designated in the programme as the managing authority. Regulation 3(1) designates ONE NorthEast (“the Agency”) as an intermediate body for the programme.

Regulation 3(2) entrusts functions to the Agency by reference to a published Schedule entitled “Schedule of Functions of the Managing Authority for the European Regional Development Fund: Operational Programme covering the Regional competitiveness and employment objective for North East England”. The Schedule will form part of the management and control system of the programme set up in accordance with Article 58 of the Council Regulation. Section 2 of the Schedule defines the functions to be reserved for exercise by the managing authority, and section 3 defines the functions to be entrusted to a single intermediate body. A copy of the Schedule has been placed in the libraries of both Houses of Parliament.

Regulation 4 imposes a duty on the Agency to carry out the functions entrusted to it and to do so in accordance with the management and control system.

Regulations 5 and 6, which provide that the Regional Development Agencies Act 1998 shall apply with modifications, empower the managing authority to give guidance and directions relating to the exercise of the functions entrusted to the Agency, and require the Agency in its statements of accounts to cover the receipt and expenditure of money from the Fund.

Regulation 7 makes provision about designations under Article 42(1) of the Council Regulation for entrusting the management and implementation of a part of the programme to a global grant body.

Regulation 8 makes provision in relation to the recovery of sums paid pursuant to awards of assistance granted by the Fund.

Regulation 9 requires the management and control system to make provision in connection with the payment of the contribution from the Fund.

Copies of the operational programme and of the Schedule can be obtained from European Policy and Programmes Division, Department for Communities and Local Government, Zone 1/A2, Eland House, Bressenden Place, London SW1E 5DU, and from the internet website [www.communities.gsi.gov.uk](http://www.communities.gsi.gov.uk). An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.