

APPENDIX 1

ASSISTED AREA MAP

Section D Proposed Common Principles for drawing the 2014 - 2020 AA Map.

155. Set out below are a number of common principles along which the UK intends to draw the 2014 - 2020 Assisted Areas Maps. The likelihood of obtaining the Commission's timely approval is a key concern when developing the Map. These principles are being consulted on as part of Stage 1 of this consultation. While these principles may subsequently change, respondents should use them as guidelines when completing the local intelligence and priorities section of this consultation – question E01 to E02. Stage 2 of the consultation will offer respondents the opportunity to submit comments with respect to the draft Map taking into account any changes made to the common principles following the Stage 1 consultation.
156. **Principal 1: Assisted Areas in the UK should reflect opportunities to support businesses with regional aid in locations that will support the economies of economically disadvantaged places. (See paragraph 76 above).**
157. **Principal 2: A combination of quantitative and qualitative economic evidence and intelligence (such as consultation responses), and relevant economic policy considerations should be used by Government to determine a place's relative economic need and economic opportunity in terms of the potential to use regional aid to support economic convergence objectives. (See paragraph 16 above).**
158. **Principal 3: In some circumstances, the primary purpose of designating some wards as Assisted Areas may be to link together other wards containing the characteristics sought for Assisted Area status – i.e. significant economic opportunities that could catalyse disadvantaged economies – within a minimum contiguous population (typically 100,000 people). (For other minimum populations see paragraph 168 of the RAG).**
159. **Principal 4: The 2007-2013 Assisted Areas Map should be a material consideration when developing its 2014-2020 successor. (See paragraph 77 above).**
160. **Principal 5: Providing eligibility to support large firms with regional aid should be consideration of the 2014- 2020 Assisted Areas Map, given there are fewer constraints on Government to support small and medium sized enterprises with capital investment under other forms of state aid. (See paragraph 45 above).**

161. **Principal 6: Offering UK public bodies the flexible to invest regional aid in expanding and developing UK manufacturing should be a key goal when developing the Assisted Areas Map. (See paragraphs 43 and 79 above).**
162. **Principal 7 (See paragraphs 81 to 85 above): The metrics of economic need that should be used to inform the Map's development are:**
- a) **Low Employment Rate**
 - b) **Low Skills Rate (level 2 and below)**
 - c) **High Working Age Benefit Claimant Count Rate**
 - d) **Low population growth/net out migration of working age population**
 - e) **High rates of manufacturing.**
163. **Principal 8 (see paragraph 86 to 89): It is proposed that relative economic need will be considered at two spatial scales:**
- 1) **at the Local Enterprise Partnership (LEP) level in England and at the Local Authority (LA) level in Wales and Scotland; and**
 - 2) **at the potential Assisted Area level or in its constituent wards.**