

CONSULTATION RESPONSE FORM

Question 1 - The table in part 5 provides an overview of the proposals under each of the EU 2020 headings – Smart, Sustainable and Inclusive – matched against the relevant thematic objective and investment priorities. Do you think the investment priorities are the most appropriate ones for the activity suggested?

Broadly speaking the investment priorities identified in table 5 are appropriate and we are pleased to see that key issues fundamental to the growth of local economies and the up-skilling of local populations are prioritised. (e.g. Developing Scotland's Workforce, Promoting Business Competitiveness and Innovation, Smart Cities and Enhanced Employability Pipelines). Work remains however to take some of these intervention proposal forward to the point where they are operationally viable.

Whilst the aim of identifying interventions upfront at the outset of the programme for which match funding can be committed makes sense it is important to also build a degree of flexibility into the Partnership Agreement and Operational Programmes. The interventions that have been identified over the summer of 2013 reflect understanding of priorities at a particular point in time. As was evidenced in the last programming period circumstances can change and it is important to learn the lesson from this and build in sufficient flexibility to allow for new interventions to be introduced mid-term should needs change significantly or indeed should match funding for interventions identified in 2013 not be sustainable for the length of the programme.

Careful consideration needs to be given to how to best use the funds given competing priorities. Utilising the funds to support key sectors with growth potential is a sensible approach but care needs to be taken in terms of the targeting of this support to ensure that regions with smaller growth poles continue to have access to structural funds to support sector growth development. We fully support the focus on smart specialisation but would caution against geographically targeting support in a way that limits sector support to one or two specific geographic locations.

In terms of the social inclusion agenda, we have significant concerns regarding proposal to restrict structural fund access to specific areas of multiple deprivation. At present services such as money management / financial inclusion support and condition management are integral services delivered as part of employability pipelines to help people address the barriers preventing them from accessing the labour market. This type of support needs to be available to workless individuals regardless of which postcode they reside in and any geographic targeting of this support would undermine the pipeline ethos and would be operationally impractical in terms of the provision of services to clients. Welfare reform has increased the demand for these services by those accessing employability pipeline services and placing geographic restrictions on access to these services would undermine local efforts to move people back into work.

In terms of the Business Competitiveness Strategic Intervention there is a little evidence of support for "social entrepreneurship" and "self-employment, entrepreneurship and business creation" and we believe that these are notable gaps where access to structural funds should be available.

In terms of ERDF, we would like consideration to be given to the use of the 10% rule with the

Youth Employment Guarantee Scheme to support other youth unemployment hotspots outwith the West of Scotland like Dundee.

Question 2 – Section 6 sets out the linkages between Structural, Rural and Fisheries Funds as well as linkages to other EU Funding Programmes. We would welcome stakeholder comments on these linkages in order to help us develop this thinking further

No Comments.

Question 3 - Do you think the new proposals will have a positive or negative impact on the protected characteristics and wider issues of inclusion and participation?

On balance, they should have an overall positive effect. Given the finite nature of funding availability careful consideration needs to be given before developing new provision to combat the broader poverty and social inclusion agendas. Supporting those affected by the Welfare Reform agenda has been a key priority over the last couple of years and consideration needs to be given to what provision has already been put in place. New provision both via Local Authorities and the third sector has grown organically across Scotland. In the same way that the employability landscape lacked coordination and presented both duplication and gaps prior to the introduction of pipelines, there is a serious risk that the same result may occur if the response to this agenda is not better coordinated. Whilst the third sector has the flexibility and reach to the target groups, so do Local Authorities as evidenced by their role in managing the Scottish Welfare Fund.

Question 4 - If you think there will be a negative impact on the protected characteristics or inclusion and participation please provide suggestions as to what could be done differently to diminish this impact.

No Comments.

Question 5 - Please provide your views for improving the process for design, procurement, delivery, monitoring and evaluation to strengthen delivery of sustainable development.

No Comments.

Question 6 – Do you have any further comments on the proposals outlined in this document?

Governance – transparent arrangements for determining membership of the permanent PAMC and SDPs needs to be put in place and the latter should include adequate local government representation including those with practical understanding of structural funds programme management.

Lead Partners – finalising lead partner arrangements needs to be prioritised in order to allow pre-planning of programme implementation to progress. In terms of enhanced employability pipeline, as advocated in our response to the consultation exercise in June 2013 we believed that enforcing the development of super CPPs is the wrong approach. There may be areas where CPPs have mature joint working arrangements and this type of broader partnership would be a natural evolution but we believe that it would be counter-productive to enforce this. There is a genuine concerns that adding an additional layer of bureaucracy above CPPs will COMPLICATE not SIMPLIFY structural funds. The only beneficiary in terms of simplification here would be the Managing Authority. Scottish Government has stated a commitment to the Simplification Agenda – however this must fully embrace new ways of working that will simplify funds for the beneficiaries and free up their time to achieve better results and focus on delivery rather than administration. Developing a Lead CPP layer will change nothing for delivery agents – but will add an additional layer of bureaucracy which can only further delay the payment of claims.