

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?

North Ayrshire Council was involved in the development of these priorities through the Shadow Development Partnerships. We agree that the investment priorities should help to meet the need of our Local Authority area and will help both our business base and our labour market improve. Taking on board the initial informal comments of the European Commission, we do see the potential for the tackling of poverty and health issues to be built into an integrated, local partnership; place-based approach, building on the positive work of Community Planning Partnerships within the 2007-13 programmes.

A key factor in the success of the investment priorities over the length of the programme will be the relative weighting given to each priority. The consultation document does not give this as it does not propose relative financial allocations (though it is understood that there is a substantial notional overbid for resources). The lack of indicative financial allocations is particularly unfortunate as it is understood that there may be no further opportunity to comment on this prior to the submission of the ERDF and ESF Operational Programmes to the European Commission.

We wish therefore to take this opportunity to make clear that we see the creation of new business and job opportunities as the two key priorities, and we would like to see this reflected in the level of funding attached to the EU priorities which must reflect the importance of new jobs and businesses to many parts of Scotland.

It is also important that there is a clear commitment to youth employment. This is strategically important locally and complements our Council's overall priorities of business development and job creation.

To reflect different economic circumstances in different parts of Scotland, the interventions must have flexibility to allow tailoring to regional specificities. For example, focus and support should be given to new/existing businesses with potential for future growth and not just those which are already in successful areas. A flexible approach should also allow the programmes to evolve as economic circumstances change, either positively or negatively.

For the Highlands & Islands, the detail within the proposed Integrated Territorial Investment (ITI) is more suitable with regard to tailored interventions in the region.

It is further noted that a considerable amount of work will be required to present the proposed interventions in the format required by the Commission: ie Investment Priority; Strategic Objective; Types of Action; Results. We believe it will be essential to the success of the programmes for key stakeholders to be actively engaged in this forthcoming work. North Ayrshire Council looks forward to playing a full part in this.

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

The document clearly outlines the strategic linkages between these funds but not how this may be delivered at an operational level. There must be clarity at the start about how the linkages would work, with good communications across the Managing Authority, Lead Partners in each of the funds and Delivery Agents. There needs to be some form of facilitation of this process, with signposting to opportunities and guidance.

A matrix which identified the linkages between the funds (making clear what each will deliver, who will be responsible for delivery and at what level, and how funds can be accessed) would put stakeholders in a better position to identify gaps and/or where duplication exists. This would also allow local authorities to make maximum use of funding in an area, for example through local partnerships and groups by developing, for example, a joint Local Development Strategy for LEADER & fisheries/coastal funds.

We have concerns that further localised integration involving ERDF and ESF may be much weaker in practice than originally anticipated as the rural funds appear to be operating to different timelines than the structural funds and seem already to have been allocated to broad activity headings, irrespective of the uses to which ERDF and ESF will be put.

Finally, the reference to the proposed single portal for EU funds is welcome and it is hoped that the Scottish Government will actively support the development and long term implementation of this concept.

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?

To answer this question in more depth, it would be helpful to have sight of further papers referred to in the consultation document, particularly the Equality Impact Assessment but also the evaluations undertaken with technical assistance support eg on gender mainstreaming.

We comment elsewhere on the need for tailored approaches to address regional specificities and this is also relevant in the context of this question..

The new proposals have the potential to make a positive impact on the protected characteristics (eg gender, disability). The development of the Employability & Skills pipelines in particular will continue the extremely successful approach to providing an integrated and sustainable journey into employment which was piloted in the 2007-13 programmes. Similarly the Business Competiveness intervention should help to improve the linkages between the key delivery organisations and ensure a more effective and robust support pathway for growing businesses.

The commitment to enhancing structures targeted at youth employment and tackling its underlying causes is also important and will in turn have an impact inclusion and participation.

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.

The proposals build upon the strong legacy of the previous programme, which have been reviewed as part of the technical assistance projects which sought to identify lessons to be learnt. By retaining the successful aspects and improving the less successful elements we should hopefully ensure that negative impacts will not be carried into the new programmes.

However, it is vital to ensure that the delivery approach adopted to this programme is similarly robust. The negative aspects of the previous programme concerned the excessive bureaucracy and administration burden. Steps must be taken to ensure that this is not the case for the new programmes.

The delivery models set up to deliver these programmes will be critical to their successful delivery and in addressing any negative impacts on inclusion or participation. Therefore these should be local, understand local requirements and be responsive to this need. Whilst the proposed ITIs should be a helpful safeguard,

clarification on the delivery models is urgently required for other areas of the programmes. We believe strategic interventions must allow a reasonable degree of local discretion and control over resources, while at the same time working in partnership with other bodies through a consistent pipeline approach of interventions, led by the different bodies contributing to national outcomes.

It will also be important for reporting and performance procedures to be improved. There should be a focus on a smaller number of outputs and outcomes that are clearly and linked to local and national priorities.

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

As noted above the design and proposed delivery vehicles for this programme will be vital in ensuring the successful delivery of the strategic interventions. The initial discussion with the SDPs on a limited number of strategic delivery bodies that cross geographical and sectoral boundaries must be revisited and developed. North Ayrshire Council with our neighbouring Ayrshire authorities have piloted a joint delivery approach for the Youth Employment Scotland fund and are starting to appreciate the complexities of delivering across more than one area. If there was a larger geographical delivery body it may well be unable to manage the contending and multiplicity of needs from a range of localities and sectors.

Whilst it is not possible to offer a full assessment in the absence of clarification, we have concerns that the legal obligations that a lead organisation would have to adopt and required agreements with the local delivery partners may prove unmanageable.

Strategic interventions should allow for a reasonable degree of local discretion and control over resources, while at the same time promote working in partnership with other bodies through a consistent pipeline approach of interventions, led by the different bodies contributing to national outcomes. Best practice developed through the previous programme and developed outside the scope of EU programmes should be taken into account and a balance has to be struck between the audit and compliance requirements and the delivery of the programme.

It is understood that meetings are being scheduled between SOLACE, CoSLA and Scottish Government officials to discuss the detail of the proposals for local government to lead and take legal responsibility for interventions on behalf of other Councils and possibly third/voluntary sector organisations. We look forward to the outcome of these discussions.

With regard to the proposed Business Accelerator support, and the proposals for Scottish Enterprise to deliver higher end interventions, the Business Gateway network the local business interventions, and Highlands & Islands Enterprise delivering both higher end and local interventions in the Highlands & Islands, North Ayrshire Council looks forward to involvement in the discussions that will be necessary to ensure that a business support pipeline will be set up which ensures complementarity and delineation between these three interventions.

Whilst we would have preferred separate Operational Programmes, we are happy to support an Integrated Territorial Investment (ITI) to collectively deliver EU funds in the Highlands & Islands area. This should assist in the monitoring of the use of Transition funding in the region. We understand that the South West of Scotland (comprising the Clyde valley, Ayrshire and Dumfries and Galloway) might also be eligible for an ITI to deliver social inclusion projects and we look forward to involvement in discussions which we understand Scottish Government propose holding with partners to devise the most effective model of delivery in this region. Given that EU Youth Employment Initiative monies will be front loaded, the need for dialogue with stakeholders in the region is urgent.

Performance management and reporting should also be improved. Continuation of the Monitoring & Evaluation Group would provide an overview on such issues, identifying where support and guidance is required. In the previous programme a multitude of performance indicators were reported upon which didn't really improve or

enhance understanding of what was delivered or how this impacted upon individuals or communities. A smaller number of indicators should be agreed that are aligned to national and local priorities.

Finally, whilst noting that sustainability is not just about respecting the environment but also needs to take account of financial sustainability when programme support has ended, it would be helpful if the broader stakeholder partnership were to be given access to the Scottish Natural Heritage study on mainstreaming cited in the consultation document.

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

North Ayrshire straddles two geographical areas, i.e. Highlands and Islands and the rest of Scotland. The suggestion is that the Highlands and Islands programme will be an Integrated territorial initiative.

It is important that this structure of the new programmes and what they actually mean is confirmed as soon as possible. It is difficult for the Council to plan strategically and financially for the future when delivery mechanisms and programme details are still to be confirmed.

As noted above, concerns remain concerning the proposal to have a single lead partner for each strategic intervention. These concerns, widely shared by local authority and other stakeholders, need to be addressed. Whilst fully appreciating the wish of the Scottish Government to support fewer, larger scale interventions in order to ensure that funds operate more strategically, for much activity (particularly but not exclusively under the local development and social inclusion theme) this is best managed at a sub national, regional or local authority level. The key issue here is to determine the optimal geography for the activity concerned (eg coherent labour market areas for the employment and skills pipelines). Use should be made of existing structures that have a proven track record (eg Business Gateway network areas) rather than devoting considerable resources to setting up totally new arrangements to deliver structural fund supported activities.

We appreciate that the actual Operational Programmes need to be submitted under a specific European Commission template which is not reader friendly. Nevertheless the OPs should be made available to stakeholders and an opportunity afforded them to make comments.

Finally, we look forward to working with partners across Scotland to deliver successful programmes for 2014-20.