

## 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?

There is a lack of justification (and lack of detail generally) within the document for the strategic proposals. Indeed, there is a lack of any real analysis of the challenges or evaluation of results from previous/current structural fund activity to justify the proposed interventions.

A number of proposals appears to be reasonable and solid – particularly those that build on current actions e.g. 1) Business Competitiveness, 6) Financial Engineering Instruments and 10) Enhanced Employability Pipeline and Youth Employment Scotland.

Most of the proposals at this stage however lack detail and specificity on proposed outcomes. The lack of detail on the level of investment anticipated for each proposal also limits scope for comment.

Regarding in particular potential proposal 11), whilst the third sector has a key role in contributing to inclusion and tackling poverty, the sectors role would be more effective if integrated within the CPP based Employability Pipelines.

13) Green Infrastructure, is an interesting initiative with potential significant impact - elements might also have potential to be supported through EAFRD rather than ERDF.

**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 linkages between the funding instruments at this stage appear to be limited. The development of rural funds appears to be operating to different timelines from structural funds and have already been allocated to broad activity headings.

However, there are opportunities to ensure that delivery arrangements are established which ensure strong strategic and operational linkages at regional and local level. For example, Community Planning Partnerships provide the local strategic framework, governance and local scrutiny for Employability Pipeline, Business Gateway and LEADER.

The rural micro and small business development actions proposed under EAFRD should be delivered via the Business Gateway service (complementing the ERDF package of support also available via Business Gateway).

**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?

There are a number of strategic interventions that overtly address the issues of inclusion and participation – notably the proposals for Enhanced Employability Pipelines and YES. It is important also to recognise the current and future operational connections between business growth and employability/inclusion (eg. through aligning Business Gateway actions to support micro firms and SMEs to grow with generating additional employment opportunities for young people).

**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.

It is not possible to comment on this at this stage.

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

Sustainability should be addressed in detail by all strategic proposals – not as an added extra but as an integral element of the project with specific and realistic outcomes.

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

The update/consultation document raises a number of issues and questions. In part, this is because of the lack of detail (as per the response to Q1).

There are a number of down-stream financial, legal and governance issues in relation to the role of lead partners that still need to be resolved. In effect the audit risk of managing strategic interventions is being passed on to the lead partner. This might be a relatively straightforward proposition for national agencies. However, there are still a number of unresolved and potentially complex issues as to how this might operate at a more local or regional level via CPP or groups of councils/CPPs.

There is a danger that the proposals for Strategic delivery projects will actually leads to an additional layer of administration and audit being required rather than a simplification and reduction in the administration burden.

Much of the activity, particularly but not exclusively under the local development and social inclusion theme is best managed at a regional or local authority level. (eg for the employment and skills pipelines). It is important that structural funds also make use of existing structures that have a proven track record (eg Community Planning Partnerships and the Business Gateway network) rather than devoting considerable resources to setting up totally new arrangements merely to deliver structural fund supported activities.