

CITIZENS' SUMMARY:

The European Social Fund in Scotland

The European Structural and Investment Funds provide EU Member States and regions with financial assistance to overcome structural deficiencies, such as lack of infrastructure or skills, and to enable them to strengthen competitiveness and increase employment. Their aim ultimately is to reduce regional disparities in terms of income, wealth and opportunities.

The Funds make up one-third of the entire EU budget and are a significant commitment to helping all of Europe develop as a single market, as a trading community and as a social bloc. Scotland has been allocated up to €944m through the European Structural and Investment Funds programmes for the period 2014-2020, to deliver the EU2020 strategy of Smart, Sustainable and Inclusive Growth.

European Structural Funds are formed of two funds: the European Regional Development Fund (ERDF) and the European Social Fund (ESF).

What is the European Social Fund (ESF)?

The EU is committed to creating more and better jobs and a socially inclusive society; the European Social Fund is Europe's main instrument for achieving this and ensuring fairer job opportunities for all EU citizens. It does so by investing in Europe's workers, its young people and all job-seekers.

The European Commission, in partnership with EU countries, set the ESF's priorities and how it spends its resources. The ESF funds thousands of local, regional and national employment-related projects throughout Europe: from small scale projects run by third sector organisations, helping local disadvantaged people find suitable work, to nationwide projects that promote vocational training for all.

The ESF is closely linked to, and works in collaboration with another Structural Fund, the European Regional Development Fund (ERDF), which focuses on reducing economic disparities by providing finance for investments in SMEs, infrastructure and research and innovation.

The ESF in Scotland

Scotland has an ESF programme allocation of €464m to invest in the EC priority areas of [Smart](#) and [Inclusive](#) Growth. In Scotland ESF investments align with the Scottish Government's strategic priorities including reducing poverty and social exclusion, boosting educational attainment, workforce skills and training, and growing employment levels.

The funding is targeted through four strategic areas. These are groups of projects with common and interdependent aims, and they maximise investment levels by attracting match funding from key partners. The table below describes the aims of each of these strategic areas, and shows what they achieved in Scotland in 2016:

<u>Strategic area</u>	<u>Achievements</u>
(1) Promoting sustainable and quality employment and supporting labour mobility	
<p>Aims: To promote sustainable and quality employment and support labour mobility; to provide direct routes to sustainable employment for unemployed and inactive people with multiple barriers; to increase the skills and labour market opportunities for employed people with multiple barriers.</p>	<p>The potential barriers to entering sustainable employment or progressing into better employment are varied and differ across Scotland's regions. Scotland has developed a 'pipeline approach' to employability and skills, which is a flexible and localised response that allows each area to respond to its particular challenges. Evidence suggests this is a successful way of both aligning with national and local initiatives, and of delivering better results for the individual participants.</p> <p>For the period 2014-20, the ESF has made funding available to Scotland's Local Authorities to support or develop an Employability Pipeline and to Skills Development Scotland for a National Third Sector Employability Fund. Currently the planning figure attached to this activity is approximately £115 million, of which £19.6 million is specifically for the Highlands and Islands area.</p>
(2) Promoting social inclusion, and combating poverty and discrimination	
<p>Aims: To provide intensive and long-term support to those who are furthest from the labour market and mainstream society due to multiple barriers including debt, health issues and low income. Activity will focus on supporting people into sustainable employment, education and training. It will also provide financial advice, access to childcare and funding for local community groups to</p>	<p>During 2016 a number of operations were approved, each of which aims to promote social inclusion and combat poverty and discrimination across the length of Scotland.</p> <p>There are three main avenues through which funding will be dispersed: local authorities, the Scottish Government and Big Lottery Fund Scotland. While the local authorities are focused on their individual areas with projects such as the Shetland Islands Council Fuel Poverty Service, those activities led by the Scottish Government and Big Lottery Fund Scotland are pan-Scotland. Support through the Scottish Government includes the Aspiring Communities and Social Innovation challenge funds, and the Growing the Social Economy grant scheme. Big Lottery Fund Scotland will support financial inclusion in five distinct areas throughout</p>

combat social exclusion.	Scotland.
(3) Investing in education, training and vocational training, for skills and lifelong learning	
<p>Aims: To provide skills, training and development support to create a highly skilled and competitive Scottish workforce.</p>	<p>The ESF supports the delivery of higher level qualifications aligned with the needs of growth industries and sectors in Scotland - such as digital, low carbon and marine science - under the 'Developing Scotland's Workforce' (DSW) intervention. DSW will:</p> <ul style="list-style-type: none"> • Create additional learning places linked to key sectors, and specialist training focused on Scotland's emerging growth sectors; • Develop a new curriculum addressing the workforce skills gaps and better respond to employers' needs through new delivery options such as blended learning; • Strategically expand Scotland's Modern Apprenticeship programme, creating new links to sectors including science, technology, engineering and mathematics; • Create a new work-based learning approach through Foundation Apprenticeships, where activity starts at school and uses a mixture of academic and work-based learning; and • Support Advanced Apprenticeships - post-school academic and work-based education offering progression from Higher National level to degree level.
(4) Youth Employment Initiative (YEI)	
<p>Aims: Activity will assess the skills gap among young people in South West Scotland, and help those who are unemployed into sustainable employment through tailored education and training.</p>	<p>The YEI in Scotland supports young people into employment, and into additional learning places. Scotland has committed £59m to 15 operations.</p> <p>An example of an YEI operation is the East Ayrshire YEI. This operation supports young people aged 16-29 by delivering an range of interventions. Delivery takes the form of in-house delivery which includes an Employer Recruitment Incentive (ERI) and pre-employment training. Opportunities are being offered to young people to work towards achieving an SVQ Level 2 (ISCED L3) or above, and to gain work experience with local employers. It is anticipated that this will encourage local employers to create job opportunities for YEI participants, through the ERI which will grow both</p>

	people and businesses.
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The European Regional Development Fund will also directly support these aims through providing business growth support to small companies at local, regional and national level and thereby increasing employment opportunities. This will complement ESF efforts in pairing individuals' skills to employers' needs, and ensure Scotland can provide the right skills mix for those sectors and companies, offering people in Scotland the best possible opportunity to enter more qualified and better paid job.

Who does the ESF benefit?

Individuals – The ESF seeks to help individuals overcome the various barriers to employment and social inclusion. Measures helping marginalised groups such as those in workless households, lone parents, certain ethnic minorities and women will allow them to achieve equality in the labour market, resulting in a more economically productive and socially stable society for all.

Communities - Strategically-concentrated support for communities will allow them to make a real and significant contribution to the underlying causes of deprivation and enable them to plan and deliver their own community development.

SMEs – Efforts to reduce Scotland's skills mismatch will ensure that SMEs can draw upon qualified individuals to continue their sustainable growth.

Scientists and Researchers – Improvements in graduate and post-graduate training, gained through ESF-funded programmes, will provide the essential human capital to match the ERDF's investment in research and innovation.

How can I get involved?

Each specific strategic area will be under the control of a Lead Partner. Lead Partners are organisations which have the skill, expertise and capacity to manage these interventions.

If you have a project idea, you should contact the relevant Lead Partner who covers your project area. For a full list of Lead Partners please visit our website: <https://beta.gov.scot/publications/lead-partner-organisations/>

Further information

Please visit the Scottish Government's European Structural Funds website: <https://beta.gov.scot/policies/european-structural-funds/>

To view the full ESF 2014-2020 Operational Programme, please see: <http://www.gov.scot/Topics/Business-Industry/support/17404/EuropeanStructuralFunds/ProgrammeDocumentation/europeanstructuralfundsoperationalprogrammes2014-2>

For more information on the European Social Fund more generally, please see: <http://ec.europa.eu/esf/main.jsp?catId=525&langId=en>

For more information on European Structural and Investment Funds, please see:
http://ec.europa.eu/regional_policy/thefunds/index_en.cfm

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