

CONSULTATION RESPONSE FORM

Question 1 – Are there other areas you think the Partnership Agreement should address?

While it is hard to argue against the three themes proposed for the Scottish ESI Fund programmes, the way in which the three priorities of the Commission UK Position Paper have been rephrased/described in Section 9 of the consultation document seems to broaden the focus in a manner which seems contrary to the spirit of “strategic concentration”. Whilst the desire not to close off options is understandable there is an inherent risk that programmes which are too diffuse may result in limited funding being spread too thinly to achieve measurable impact.

As a leading environmental research institute we welcome the importance accorded to the potential economic benefits associated with sustainable development of activities based upon landscape and environmental assets, as an appropriate “place based” policy for rural Scotland. “Blue growth” is another specific focus around which a more focused Scottish programme could be constructed.

We would like to reiterate the points made by the Commission Position Paper (p7, 10 and 11) regarding the need to consider the specific issues of poverty and concentrations of social exclusion in coastal and remote rural areas.

Question 2 – Do you think these thematic objectives will best address Scotland’s short-term and long-term challenges?

Again, whilst we do not disagree that all of these eight thematic objectives could be relevant in a Scottish context; it is our understanding that strategic concentration would imply the selection of just three or four. Shortening the list requires some bold decisions and clarity of rationale regarding what EU-funded interventions might deliver which would be *additional* to what are conventionally considered national responsibilities.

Question 3 – Do you think there are any other thematic objectives which should be addressed?

We feel that, on the contrary, the Scottish programmes should focus more exclusively upon objectives which are distinctively additional to those addressed by nationally funded programmes.

However, having said this, we note that austerity, and especially the impact of Council cuts on the Third Sector, could well justify the inclusion of the Capacity Building objective. The Third Sector has been considerably weakened over the past years and in many instances it is the capacity to access EU funding which has been lost. Capacity building may be seen as fundamental to place based policy. This seems to be implied by the inclusion of “Local Development” in the title of the Third Scottish Fund, although there is no reference to capacity building in the subsequent text.

Question 4 – Do you think the Scottish Themed Funds will address Scotland’s key challenges?

In theory, yes, but we fear that the complexity of the arrangement (especially the continuing need for separate financial reporting/auditing for the separate ESI funds) will have substantial administrative implications/costs, which may outweigh the benefits. We believe that the structure should be as simple as possible, whilst at the same time maximising inter-fund integration and coherence. We are aware that in several Member States this has resulted in a multi-fund programme involving ESF and EAGGF, and a separate programme for EAFRD/EMFF. This seems a practicable compromise. Furthermore, the broad remits of the three Scottish Funds prompt questions about whether this arrangement is compatible with the principle of additionality. It seems likely that there will be a number of potential “overlaps” with national policy.

Question 5 – How do you think the governance and delivery arrangements will impact on your sector?

We have no specific comments to make on this question.

Question 6 – How do you think the governance and delivery arrangements will impact on your organisation?

We have no specific comments to make on this question.

Question 7 – Are there any unidentified governance or delivery arrangements that could aid simplification of the future programmes and ensure that the Structural Funds complement each other?

We have no specific comments to make on this question.

Question 8 – What other delivery options do you think would be feasible for delivering youth employment initiatives?

We have no specific comments to make on this question.

Question 9 – What other measures could be taken to reduce the audit and control pressures?

See Q4 and Q10 regarding the unnecessary complexity associated with recombining 4 EU funds into 3 Scottish Funds.

Question 10 – Do you have any further comments on the proposals?

1. Since (as the consultation document acknowledges p17) the distinct administrative and auditing arrangements of the four EU Funds will necessitate their separation within each of the three proposed “Scottish Funds” it is hard to see how this arrangement can deliver “simplification”. It is our impression that multi-fund programmes proposed in other Member States are likely to combine only ESF and ERDF, with EFRD and EMFF remaining separate. To combine all four funds and then deliver through three separate programmes seems to imply unnecessary complexity and risk of bureaucratic duplication of effort.
2. The absence of any differentiation of strategy within the Highlands and Islands transitional region is somewhat surprising. The argument that the region has developmental challenges and potentials which differ in degree rather than kind from the rest of Scotland can surely only be maintained at a level of generalisation which is incompatible with the need for “strategic concentration”. We would urge the programming team to reconsider whether, according to the principles of “place based policy” remote and sparsely populated areas may indeed benefit from different forms of intervention from (for example) former industrial city environments. Indeed, as we have already noted, the Commission Position Paper acknowledges this in a number of different places.
3. The consultation document presents a rather complex governance/administration arrangement, whilst not setting out any clear intention to decentralise decision making and delivery. This is in strong contrast with the English programme, where funding and decision making seems set to be devolved out to the Local Enterprise Partnerships. We believe that, provided clear guidance and oversight is provided centrally, this kind of “neo-endogenous” approach better reflects the principles of place based policy, and is more likely to result in effective use of funds across a diverse range of local/regional contexts.
4. Whilst we can appreciate the administrative simplification which can be associated with the use of “Strategic Delivery Bodies”, (such as Community Planning Partnerships, or the UHI), we feel that there are risks too. Such an arrangement may be less appropriate where direct contact between SMEs and the programme is helpful in order to stimulate and facilitate genuine endogenous place-based development, where opportunities are identified by local entrepreneurs or third sector organisations. We would argue that Strategic Delivery Body arrangements should be designed with regard to the necessity to minimise the administrative barriers to such “bottom-up” initiative.