

CITIZEN'S SUMMARY: EUROPEAN SOCIAL FUND (ESF) IMPLEMENTATION IN SCOTLAND

European Structural and Investment Funds provide EU Member States and regions with financial assistance to deliver the [EU2020](#) strategy of Smart, Sustainable and Inclusive Growth, investing funds to overcome issues such as a lack of infrastructure or skills, to enable Member States to strengthen competitiveness, increase employment and ultimately reduce regional disparities in income, wealth and opportunities.

Scotland has been allocated up to €941m through the European Structural and Investment Funds programmes for the period 2014-2020.

The European Social Fund

ESF is Europe's main instrument for increasing employment levels, particularly among young people and those facing multiple employment barriers, and for reducing poverty and social exclusion. 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, as well as growing employment levels.

The funding is targeted through four 'Strategic Interventions' – groups of projects with common and interdependent aims. The Strategic Interventions maximise investment levels by attracting match funding from key partners.

The four ESF Strategic Interventions in Scotland are:

Developing Scotland's Workforce - provides skills, training and development support to create a highly skilled and competitive Scottish workforce.

Employability - 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

Social Inclusion and Poverty Reduction - 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 combat social exclusion

Youth Employment Initiative - 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

The Citizen Summary for the ESF Annual Implementation Report (AIR) covers the period 1 January 2014 to 31 December 2015. ESF achievements during this reporting period include:

- development of the ESF Evaluation Strategy;
- approval of over £59 million of grants towards supporting young people into work, education or training

ESF Evaluation Strategy

The 2014-2020 ESF Evaluation Strategy was approved by the Joint Programme Monitoring Committee in November 2015. The Strategy was developed during 2015 using best practice and lessons learned from the previous programmes.

Monitoring and evaluation for the current programmes has two purposes:

- monitoring to inform programme management and progress towards targets, and to assess whether investments are supporting activity likely to achieve targets;
- evaluation to provide a long-term assessment of activity to enable ongoing improvement.

Monitoring and evaluation activity will form a critical part of the mid-term programme review in 2017 and 2018.

So far one formal evaluation has been conducted for the Youth Employment Initiative activity. Further details are available in the YEI section.

Youth Employment Initiative (YEI) implementation

Youth unemployment in South West Scotland fluctuates in line with the main unemployment figures, but is persistently higher than the rest of Scotland. Additional funding (the Youth Employment Initiative) was awarded for the region to address levels of youth unemployment at over 25% in late 2012.

In December 2015 £59 million of grant funding was approved for YEI operations in the area. The investment is a combination of ESF and YEI funds, with a further £30 million of match funding secured from partner organisations.

YEI activity focuses on two key areas:

- **employment** – recruitment incentives and support for the individual young person to engage with work;
- **education** – provision of additional education places, particularly in further education.

Activity targets young people aged 16 – 29 who are not in education, employment or training. YEI will provide individuals with a tailored package of measures that puts the needs of the individual at the core of the intervention.

An evaluation of YEI conducted during the 2015 AIR period found:

- a mismatch between the YEI results expected and the needs of unemployed young people in the target area;
- during a slight improvement in the south west Scotland labour market, less serious cases managed to secure work. While this was a positive development it has left a smaller group of people who require more intensive support;
- intervention is most effective when targeting those still at school. However, YEI can only be used in cases when the individual has been unemployed, long term unemployed or inactive