

Mclsaac C (Cathy)

From: j.marshall@gcal.ac.uk
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Future European Structural Funds Programmes in Lowlands & Uplands Scotland 2007-2013**RESPONDENT INFORMATION DETAILS**

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Questions and Answers

As a University with a history of involvement in structural funds projects and partnerships stretching back more than a decade, we welcome the opportunity to participate in this consultation. We particularly welcome the fact that the Scottish Executive recognises within the consultation document that: "Structural funds should be used to target those market failures in the economy where interventions will raise productivity and lead to a medium-to-long term economic growth whose benefits are enjoyed by all and within the context of sustainable development". "At the heart of the Lisbon

Question 1: Are there any additional socio-economic factors to be considered – and which Structural Funds can address – in assessing the strengths, weaknesses and opportunities of Lowlands & Uplands Scotland?

Agenda is the recognition that RTD/innovation underpin all sources of regional economic competitiveness and not just technological” We strongly believe that social enterprise should be encouraged and supported within the 2007-2013 structural funds programme as a mainstream activity. This should be aligned with the sentiments above, namely that enterprise growth and related embedding of a sustainable skills base and behavioural change is primarily driven by RTD agendas, particularly given the nature of the Scottish business base (low R&D capacity, and focus). There appears to be an imbalance in the allocation favouring ERDF over ESF particularly given the reduced funding for capital projects. This may have significant impact on the ability of the programme to generate wider skills capacity change in order to allow future pull through of RTD investment envisaged from ERDF priority

Question 2: Do the proposed priorities for the 2007-2013 ERDF programme in Lowlands & Uplands Scotland address the strengths, weaknesses and opportunities of the region?

ERDF Priority 1: Enterprise Development High value and innovation are too narrowly defined, and the definition used excludes the majority of the region’s companies, particularly SME’s. There appears to be no provision for capacity building and no spatiality in targeting action to address economic weaknesses and market failure. It is important given the structural deficit in innovation in the economy that appropriate weight is given to developing skills, resources and capacity that can absorb the benefits all sources of regional economic competitiveness and not just technology drivers. It should be observed that the timescales to achieve outputs from RTD activity are very long, and will extend beyond the end of the programme. This should be considered in the implementation phases, and in the evaluation of outputs. ERDF Priority 2: Community regeneration We strongly welcome a priority devoted to community regeneration, and recommend that this is adequately resourced to deal with the spatial inequalities within the ERDF programme region. The role of social enterprise community and education partnerships should be specifically recognised in this context, and we welcome the inclusion of social enterprise within the objective description. HEIs with a background delivering previous structural funds projects will be able to contribute to helping community groups to develop new enterprise approaches to assist regeneration in alignment with the empowerment aims of the programme. ERDF Priority 3 Rural Development The definitions of urban and rural appear to be based geographical model for funding rather than seeking to support specific measures related to physical dislocation, for example at the urban/ rural interface. If the priority does not have fixed geographical boundaries that amount to sub-division of support, how is the distinction made between rural and non-rural areas?

Structural funds are meant to address market failure and aid convergence so more concentration of funds are

<p>Question 3: Do the proposed priorities for the 2007-2013 ERDF programme in Lowlands & Uplands Scotland show appropriate coherence and concentration?</p>	<p>required for Priority 1 (Enterprise growth) but most obviously in those areas that need such assistance. There will have to be differing methods for identifying eligibility in each priority. Social enterprise can conceivably cover all three priority areas, and care should be taken that this newer approach does not fall foul of traditional notions of separate of enterprise and inclusion agendas.</p>
<p>Question 4: Do the proposed priorities for the 2007-2013 ESF programme in Lowlands & Uplands Scotland address the strengths, weaknesses and opportunities of the region?</p>	<p>We are strongly supportive of all the priorities in the proposed ESF programme. However, there needs to be greater synergy between ESF Priority 2 and ERDF priorities 1&2 to enhance support for skills in business. We would like to see a stronger emphasis on innovative social partnerships in addressing long term employability and employment issues.</p>
<p>Question 5: Do the proposed priorities for the 2007-2013 ESF programme in Lowlands & Uplands Scotland show appropriate coherence and concentration?</p>	<p>There is a clear need for spatial targeting to avoid significantly reducing the impact and value of already reduced funding.</p>
<p>Question 6: What are your views on the proposed balance of funding between priorities for the future ERDF programme in Lowlands & Uplands Scotland?</p>	<p>ERDF Priority 1: Enterprise Development It would seem sensible to have a joined up approach to use of structural funds to support economic development. The matched funding from Scottish Enterprise will be helpful in stimulating project development, as long as the aspiration is to seek to address outcome heterogeneity in economic development terms, in line with the Lisbon agenda. Currently, there is no provision for spatial targeting in this priority to support an economic convergence agenda. ERDF Priority 2: Community Regeneration The allocation of funds to this priority is too low. The level of aspiration is disproportionate to the funding available. ERDF Priority 3: Rural Development It has not been demonstrated that the balance of funds for this priority will deliver proportionate economic benefits in the region in comparison to other priorities. Priority 3 seems in any case to be a subset of priorities 1 & 2.</p>
<p>Question 7: What are your views on the proposed balance of funding between priorities for the future ESF programme in Lowlands & Uplands Scotland?</p>	<p>We support the balance of funding within the proposed ESF programme and the specific priorities outlined. However, we are concerned about whether the overall financial envelope of the ESF programme is sufficiently large enough (c.f. ERDF) to achieve sufficient impact to address the relevant issues. We are strongly in favour of a separate lifelong learning priority.</p>
<p>Question 8: Do the proposed priorities outlined in the draft Operational Programmes focus sufficiently on the right priorities in Scottish domestic policy?</p>	<p>We would question the need for a separate rural priority within the EDRF programme. We also question whether the available funding is being stretched too far to realistically aspire to meeting the competing objectives.</p>
<p>Question 9: What are your views on how the principle of environmental sustainability has been integrated into the Operational Programmes?</p>	<p>This should be a priority for the whole programme.</p>
<p>Question 10: What are your views on how the</p>	<p>The effect of implementation of the programme will be the determining factor. However, at this stage the (lack</p>

<i>principle of equal opportunities has been integrated into the Operational Programmes</i>	of proactive) spatial targeting of the priorities gives cause for concern if social inclusion and convergence agendas are truly to be addressed
Question 11: What are your views on how the Operational Programmes will ensure complementarity between Structural Funds and other EU funding streams?	The complementarity appears to be driven by a committee mechanism that does not appear to make it easier to utilise at the applicant level. This suggests a greater degree of direction but not necessarily supportive of creating an environment responsive to opportunities at the operational level.
<i>Question 12: How can the challenge-fund approach be improved to make it more effective in delivering outcomes and more efficient in operation?</i>	Peer review is strongly supported. If the cost involved in collaboration and the development of partnerships is too large, this could be a disincentive. Outline applications to scope possible ideas might mitigate against unnecessary up front work.
Question 13: What would be the most effective approach to using Community Planning Partnerships and other local partnerships for the delivery of elements of the programmes?	The University has been involved in Development Partnerships in the previous programme (e.g. EQUAL). We believe that these models can be transferred successfully to operate across Scotland, and directly support community groups with relevant skills and experience.
<i>Question 14: What are your views on spatial targeting for community regeneration under ERDF Priority 2 and ESF Priority 1?</i>	We strongly support spatial targeting in the West of Scotland and other areas of quantifiable need in line with the Lisbon agenda.
Question 15: What are your views on spatial targeting for rural development under ERDF Priority 3?	We are unclear what the definition of rural is, but it appears to be geographically constrained to the South of Scotland. While we would support in principle the spatial targeting of funding to need, given the limited resources available, there also needs to be an assessment of probable scale of impact related to the spend.
<i>Question 16: Do you have any additional comments on the draft Structural Funds Operational Programmes for Lowlands & Uplands Scotland?</i>	Finally, we would welcome any moves to simplify the application processes and easing of the burden of administration relating to reporting and monitoring requirements, in order to truly capture the behaviour appropriate to an enterprise culture.

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