

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?

VisitScotland agrees that the investment priorities are in general appropriate for the activity proposed however there we note that a great deal of detail work remains to be done to produce the fully developed Strategic Intervention proposals for the Operational Programme.

As a member of one of the shadow Strategic Delivery Partnership Groups, VisitScotland has been able to participate directly in the development of the proposals by the Theme1 group although our organisation also has an interest in the proposals coming forward from the other 2 groups, however it was only latterly in the process, that it was possible to review the other proposals and have the opportunity to make comments.

We therefore welcome the opportunity to contribute to the developmental process through additional comments on the work which has taken place to date.

As a one of the key rationales for the Strategic Intervention is the Smart Specialisation approach, a review of the proposals under the 3 themes, has identified that not all of the priorities under the Smart Specialisation agenda are addressed by the SI proposals and there are, as a result, gaps in niche areas where the Structural Funds could play a significant role.

These gaps would appear to be in areas of activity which will have a heightened profile over the next few years, where truly additional outcomes could be achieved and where these would meet Scottish Government investment priorities. These niche areas and their omission from the Strategic Intervention proposals represent a lost opportunity in terms of their potential contribution to the growth of the Scottish economy.

Gaps in alignment to the Smart Specialisation Strategy

Creative Industries:

Against the backdrop of poor economic conditions since 2009, the creative industries sector including digital media, arts, and associated cultural/heritage activities, has shown the potential for growth with the number of businesses in the sector increasing by 29% in the last 10 years. This, together with the Scottish Government's proposed themed focus years of Architecture, Innovation and Design in 2016 and Culture and Heritage in 2017 offers the opportunity for Scotland to put the creative industries sector at the forefront of the growth agenda.

We would suggest that the lack of profile and fully developed proposal in this area is a direct result of the composition of the shadow SDPs and the lack of a representative on the groups with expertise in this field and we would suggest that Creative Scotland and other Arts and Cultural groups should be consulted on how the SF can support and add value to the Scottish Government's policy focus on this sector.

Food and Drink:

We note the inclusion of food and drink sector as a priority theme under the SRDP consultation proposals however VisitScotland is concerned that the F&D sector might as, a

result be seen as a rural issue and not a strategic, national priority as set out in the Smart, Specialisation paper and national initiatives will, as a result, be delivered in a piecemeal fashion over the proposed multiple Leader areas and exclude urban areas. The proposals outlined here do not address how the SF will link to the SRDP proposals and how national initiatives can be delivered.

While we acknowledge that the reduced scale of the ESI funds may restrict what can be delivered, past experiences have shown that sudden changes to the economic climate can highlight weakness in the Programme structure and reinforce the desire for flexibility in terms of Strategic Programme delivery particularly at a time when long term match funding commitments might be difficult to predict. We would therefore suggest that a pipeline of contingency proposals need to be developed.

2 Green infrastructure

VisitScotland welcomes the potential to extend this proposal to include the physical, economic and social regeneration of deprived communities in rural as well as urban areas, particularly if this were to include the development of the strategically important green infrastructure networks in the rural areas including designated path networks and cycle infrastructure paths across Scotland. We would also stress that the Green Infrastructure proposal needs to be supported by an appropriate level of promotional activity if the targets, such as increasing the number of participants visiting the outdoors once a week, is to be achieved.

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

We are aware that the Scottish Government is working towards greater integration between the funds but acknowledge that a considerable amount of work is still to be undertaken to achieve the desired outcome. This is not helped by the lack of synchronisation between the development timetables for Structural Funds, Rural Development and Fisheries Funds with the latter 2 significantly out of step with the Structural Funds.

The lack of more detailed explanation in the Consultation on the linkages to and the delineation between the Structural Funds Strategic Interventions and Leader for instance, is a barrier to the development process. In particular it remains unclear how national business development programmes and training initiatives relating to sectors such as Food & Drink, tourism etc may be delivered in a consistent and coherent manner to businesses in the same sectors in both rural and urban areas.

Similarly, while we welcome the acknowledgement of the role that natural and cultural heritage can play in the development of rural and coastal communities in both the Rural and Territorial Co-operation Programmes, we are conscious that this sector will probably feature extensively in the Leader Local Development Strategies and the ETC Programmes covering

Scotland. The large number of Leader areas and varying geographical coverage of the ETC programmes will make it difficult to develop more strategic initiatives across Scotland or across regions in areas such as marine tourism.

Greater consideration needs to be given as to how the SF and other programmes can complement each other and not compete for resources and, how more strategic initiatives can draw funding from multiple programmes without resulting in additional bureaucracy.

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?

VisitScotland welcomes the approach being taken through the proposals to the issues of inclusion and participation and believes that these will have a positive impact.

VisitScotland has been leading the way in providing assistance to businesses to enable them to develop the Accessibility and Equality markets.

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.

N/A

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

VisitScotland welcomes the emphasis on Sustainable Development within the proposals for the Structural Funds which should strengthen the delivery of sustainable development.

However for this to achieve the desired level of impact it is essential that all of the funds covered by the Partnership Agreement, emphasise and deliver the commitment to sustainable development ensuring that all projects contribute towards the economic as well as the inclusive and environmental targets of the PA

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

PA Monitoring Committee Membership

We are disappointed to note that there has been no wider consultation on the membership of the shadow PAMC. As a national agency which has a strategic remit across Scotland and will play an active role in the development and delivery of all Funds covered by the Partnership Agreement, VisitScotland has a significant contribution to make to the strategic focus of PAMC. We would welcome further discussions with the Scottish Government on the criteria used in the selection of membership which is not clear from the Consultation document.

SDP Governance

The consultation document does not identify the governance arrangements for the SDPs which we understand are still in development; however this is critical to the next phase of development of the Operation Programme details.

Geographical Targeting

VisitScotland cautiously welcomes the potential development of the Highlands & Islands Integrated Territorial Investment option within the single Operational Programme. We welcome the opportunity to use this as a means to identify and promote the specific needs of the area where these are in addition to and outside the agreed scope of the national interventions and where there might be specific delivery requirements due to the unique characteristics of the area in some cases.

However we would be concerned if this affected the integrity of the national initiatives and resulted in a separate/ two track processes which will inevitably lead to different priorities or interpretations of activity across the entire programme area particularly if these were to be written into the PA or Operational Programme. This situation was prevalent within the 2007-13 Programme to the detriment of national initiatives and is surely not compatible with the ambition to deliver a more strategic programming approach to the Funds

The potential for the creation of additional bureaucracy under such a proposal should also be highlighted and VS would be concerned if an additional, decision making structure out with the Partnership Agreement Monitoring Committee was established.

While recognising the need for reporting and monitoring at the Highlands & Islands transitional area level, this information should be addressed by the SDP reporting mechanisms for the PAMC and not through a separate structure.