

FINANCE AND CONSTITUTION COMMITTEE

FUNDING OF EU STRUCTURAL FUND PRIORITIES IN SCOTLAND, POST-BREXIT

SUBMISSION FROM WEST DUNBARTONSHIRE COUNCIL

West Dunbartonshire Council supports the responses submitted to this exercise by SOLACE, SLAED, COSLA and WOSEF. We also submit the following responses with a particular focus on support for infrastructure, businesses, and employability skills.

Core approach

- 1. How should Scotland's share of post-Brexit structural funding be determined? (for example, should it be on measures such as GDP, needs-based, via the Barnett formula; match funding or based on competition?)**

Proportionately allocated based on identified need of each Local Authority area and by allocating an award to each Local Authority area rather than based on competition or amount of match funding available.

- 2. Should the existing structural funding *priorities* be retained for any new funding approach post-Brexit or are there other national or regional outcomes, strategies or plans to which future funding should align instead?**

Initially the existing structural funding priorities could be retained to enable a smooth transition post Brexit to alternative options which may be more appropriate and which should be developed in consultation with Local Authorities. Please see response to question 4 as it applies to both structural funding priorities and strategic interventions.

- 3. In terms of the proposal for a UK Shared Prosperity Fund - where should the responsibility for any decisions about funding levels and allocation be taken (for example UK Government, Scottish Government, Local Government or local stakeholders) and what level of autonomy should they have in deciding how funding is allocated?**

Funding allocation decision should be strategically managed by the Scottish Government. Local Authorities, in consultation with local stakeholders should have autonomy in deciding how funding is allocated at a local level.

- 4. To what extent should the current system of allocating funding to strategic interventions across Scotland through lead partners etc be retained or changed by any post-Brexit funding approach and why?**

Initially the existing strategic interventions could be retained to enable a smooth transition post Brexit to alternative options which may be more appropriate and which should be developed in consultation with Local Authorities.

Current system of allocating funding through Local Authority Lead Partners should be retained initially with a view to changing it in the future in consultation with Local Authorities. Future model could be based on a Regional approach with the Managing Authority overseeing the distribution of funding to Local Authority Lead Partners who would in turn oversee the distribution of funding to meet local needs. Regions would be determined by the focus of the allocated funding. This model would reduce duplication of service delivery within local areas.

Strategic Interventions can overcomplicate delivery. Local Authorities need greater autonomy to identify and address local needs that may not meet Strategic Interventions. This would enable the delivery of services that would meet local needs.

Barriers to funding projects

5. What barriers limit strategic intervention funds being committed to individual projects under the current programmes and to what extent should any new structural funding approach address these barriers?

There are many, many steps between bid submission and funding allocation. Local Authorities as Lead Partners, often have to ‘operate at risk’ before the Offer of Grant is received from the Managing Authority. With ever decreasing budgets, Local Authorities are less and less able to commit to ‘operating at risk’. Streamlining of this process would be welcomed to enable Local Authorities as Lead Partner to deliver services based on confirmed funding allocations prior to activity commencing. Local Authority Lead Partners can liaise with individual local projects under the current programmes to ensure that they fit within the aims and objectives of local Community Planning Partnership strategic objectives. It is important that this approach continues to ensure that duplication is minimised.

It will also be important for support for businesses to be responsive to local economies and less restrictive in terms of what can be delivered.

In terms of support for physical regeneration/infrastructure, this should be easier to access and less restrictive than in the current programmes.

6. To what extent should any rules relating to post-Brexit structural funding enable a flexible approach to the range of local projects that can be supported or should the rules focus on funding specific outcomes or purposes (such as through ring fencing)?

Ring fencing of funding to ensure that it is utilised to deliver employability programmes would be welcomed but flexibility at a local level to determine the best type of employability support to provide is essential to ensuring that local needs are met.

Accountability is key to success. Progress that is both measured and reported supports greater productivity. Performance Indicators would be welcomed as long as they are developed in consultation with those delivering services on the front line. Over engineered monitoring and compliance requirements restrict the ability of frontline staff to deliver the kind of service that local people need and encourages ‘cherry picking’ of clients who can be ‘counted’ and reported.

7. Are there examples of current structural fund priorities being more effectively supported by other funds (or core funding) such that they should not form part of any post-Brexit structural funding approach?

Local Authorities are sometimes able to commit additional funding to meet a need that is not able to be addressed under structural fund priorities. Any new model will likely still not meet every need identified at a local level and Local Authorities need to retain the ability to fund support that has been identified as a need that is not able to be met with structural fund priorities. With ever decreasing budgets, Local Authorities are less and less able to support this wrap around activity. The inclusion of greater flexibility in the application of structural fund priorities that enable this type of activity to become eligible activity will be of greater significance as time progresses.

Administration

8. What changes to the current monitoring, evaluation and compliance activities would reduce administrative complexity for any future structural funds approach while maintaining sufficient transparency?

National Standards for the delivery of Employability could be developed and each delivery agent including Local Authorities and other providers should be able to apply for registration. Local Authorities and other delivery agents that meet this national standard could have lighter touch monitoring, evaluation and compliance by the Managing Authority. Those that do not meet the national standard would be subject to a more intensive level of scrutiny. Those who have achieved the National Standard should be required to renew it every 3 -5 years. Those who have not achieved the National Standard should be required to achieve it within a set timescale or risk not being eligible to receive funding for employability support.

Financial and participant monitoring of delivery agents activity by Local Authorities as Lead Partners should continue and be based on the clear and definitive national rules and guidance documents that are issued with the Offer of Grant by the Managing Authority – Scottish Government.

Audits would still be required but less frequently for those who have achieved the National Standard.

9. Should the system for making claims change for any future funding approach?

The ideal situation would be a national Management Information System that could be utilised by frontline staff for case management; by managers for project management; and to make claims. In lieu of this, a system for claims that required the uploading of stats only would be preferred. This would only work if scrutiny of the supporting evidence of activity had been monitored, evaluated and compliance checked by Local Authorities as Lead Partners on any claims submitted by delivery agents. Lead Partners would verify this on the stats only system prior to the Managing Authority processing payment of claims to delivery agents.

Identifying whether or not a Lead Partner had the necessary systems and processes in place to satisfy that they had the necessary level of competence to carry out this function could be included in the National Standards. The increased burden on Local Authorities as Lead Partners would require additional funding direct to Local Authorities.