



From mountain to sea

# **Post-Brexit Development Funding**

## Aberdeenshire Council

15 March 2018



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# 1 Introduction

European Structural Funds have played an important role in supporting the development of regions, rural communities and the agriculture and fisheries sectors for several decades. Once the UK leaves the European Union, there is an opportunity to use renationalised funds to continue to support essential and innovative projects.

Aberdeenshire Council has successfully managed European funds since its creation and has an acute awareness and understanding of the development needs of its area. It is therefore well-placed to provide insights into what has worked well with European Structural funds; what could be improved in replacement programmes; and what is required for future programmes.

This paper aims to summarise the lessons learned from the delivery of European Structural Funds programmes and put forward proposals for new, locally-managed development programmes which deliver innovative and additional development projects which would benefit Aberdeenshire's communities and economy.

This document has been compiled through analysis of existing strategic priorities and forecasting of how these may change in the medium term; analysis of previous Structural Funds programmes; and consultation and engagement with communities and stakeholders.

Aberdeenshire Council asks policy makers within the UK and Scottish Governments to consider these proposals when developing new development programmes and allocating resources for their delivery.

## 2 Strategy analysis

The following strategies identify priorities which require development funding to be fully realised:

### Aberdeenshire

#### **Aberdeenshire Council Plan 2017-2022**

- Support a strong, sustainable, diverse and successful economy
- Have the best possible transport and digital links across our communities
- Provide the best life chances for all our children and young people by raising levels of attainment and achievement
- Work with parents and carers to support children through every stage of their development
- Encourage active lifestyles and promote well-being with a focus on obesity & mental health
- Have the right mix of housing across all of Aberdeenshire
- Support the delivery of the Health & Social Care Strategic Plan
- Work to reduce poverty and inequalities within our communities
- Deliver responsible, long-term financial planning
- Have the right people, in the right place, doing the right thing, at the right time
- Protect our special environment, including tackling climate change by reducing greenhouse gas emissions

#### **Aberdeenshire Council Economic Development Objectives 2017-2021**

##### **Investment in Infrastructure**

The North East of Scotland is a robust and resilient economy providing a vibrant built environment and attractive place for residents, students, business and tourists:

- To regenerate our towns to become vibrant and attractive places to live, work and invest in.
- To unlock development potential and connectivity to international markets and allow the UK to maximise economic recovery while improving quality of life and attracting and retaining talent in the region.
- To regenerate our northern towns and overcome rural peripherality.

##### **Innovation**

The North East of Scotland has a reputation for enterprise, innovation and world class solutions:

- To enhance the transformation of our position as a major offshore operations centre in oil and gas to an international innovation and technology base.
  - To maximise the potential of hydrogen, energy from waste and other renewables technologies to develop a medium-long term demand for the transferrable skills in the oil and gas sector.
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- To provide business and innovation support to entrepreneurs/ business start-ups and existing businesses and support access to capital.

### **Inclusive Economic Growth**

A skilled workforce for the future that provides opportunities for all our people and a skills system that delivers the economic vision for the North East of Scotland.

Barriers to employability and jobs are lowered:

- To develop the people and skills necessary to deliver the economic development of the region and as a result to support diversification of businesses and the economy
- To ensure that the North East of Scotland is a great place to be – as a visitor, worker, entrepreneur or resident;
- To attract the best possible range of incoming exhibitions and showcase the city and region's internationally recognised arts, heritage and culture offer.
- To invest in our workforce, particularly our young people, develop our future workforce and ensure all of our people benefit from economic activity.
- To ensure there is access for all employers to qualified labour.
- To maximise growth opportunities that capitalise on outstanding assets in golf, nature, culture and heritage and support growth of our indigenous industries.
- To empower communities to help themselves by working with the Third Sector.

### **Internationalisation**

The North East of Scotland is a location of choice for investment, high value business activity and skills:

- To improve the attractiveness of the area for international trade and investment.
- To support companies in all key sectors to identify market opportunities and develop products and services to grow sales in international markets.
- To strengthen the region's network of international relationships and partnerships to attract EU funds in areas of research and policy that supports economic growth.

### **Local Transport Strategy**

- Promote Sustainable Economic Growth – maximise the effectiveness of the transport network, services and facilities.
- Promote Social Inclusion and Accessibility – improve connections within and between communities, increasing accessibility of the transport network.
- Protect the Environment – remove barriers to active and sustainable travel helping to improve health and reduce emissions.
- Improve Safety – enhance the safety of all users of the transport network.
- Improve Integration – develop and improve integration between all forms of transport and improve connectivity within and beyond Aberdeenshire.

## **Aberdeenshire Health and Social Care Partnership Strategic Plan**

### **The best of health and care for everyone**

- Reducing health inequalities
- Improving health; smoking cessation, reducing harm from alcohol, tackling obesity

### **Partners in health and social care**

- Involving and engaging with communities
- Improving the way unpaid carers are recognised and supported
- Involving people as partners in their care; listening and responding to them
- Self-management of long term conditions such as heart or breathing problems
- Empowering the workforce to influence service decisions

### **Effective treatment and care**

- Primary Care: better access, continuity of care, making best use of practitioners' skills
- Early diagnosis, treatment and care of people with dementia
- Reducing avoidable admissions to hospital
- Timely well-managed discharge from hospital to home or homely surroundings
- Identifying, treating and promoting recovery from mental ill health
- Identifying and taking steps to protect vulnerable adults

## **Local Housing Strategy**

- **Affordable Housing** - People will have access to an increased supply of quality affordable housing.
- **Homelessness** - To empower homeless people to transform their lives by:
  - People at risk of homelessness will receive timely and clear information and support
  - All unintentionally homeless will have access to good quality settled accommodation.
- **Fuel Poverty** - Fuel poverty to be eradicated for all households as far as is reasonably practicable by 2016.
- **Private Sector Housing** - Private sector housing will be improved by addressing disrepair and enhancing energy efficiency.
- **Particular Needs Groups** - People with an identified particular need will have access to appropriate affordable housing and support to allow them to sustain and improve their health to live as independently as possible.
- **Minority Ethnic Communities** - Minority Ethnic Communities, including Gypsies/ Travellers will have access to appropriate land, housing and support, encouraging social integration.
- **Asset Management** - Council housing will be of high quality, energy efficient, healthy, safe and secure.

- **Housing Management** - A high quality housing management service will be provided achieving high levels of customer satisfaction and sustainable communities.
- **Tenant Participation** - Tenants and other customers are enabled and empowered to become involved (if and when they want, and at a level they feel comfortable with) in influencing decisions about the housing services provided. These opportunities should extend to those who are hard to reach or seldom heard.

#### **Aberdeenshire Local Outcomes Improvement Plan**

- Reducing child poverty
- Reducing alcohol consumption
- Improving access to affordable transport

#### **Banff & Buchan Local Community Plan**

- **Stronger Communities** - Successful, inclusive, resilient communities with the confidence, capability and capacity to tackle the things that matter to them.
- **Safer Communities** - Aberdeenshire is the safest place in Scotland.
- **Supporting Healthy and Active Communities** - Reductions in inequalities in health outcomes between communities and across Aberdeenshire.
- **Tackling Poverty and Inequality** - Aberdeenshire will be recognised as a great place to live, work, visit and invest with opportunity for all. The unemployment rate in identified areas of deprivation will be less than the national average.
- **Connectivity and Transport** - Aberdeenshire will be recognised as a great place to live, work, visit and invest in, with effective connectivity and transport options.

#### **Buchan Local Community Plan**

- **Empowered Communities** - Successful, inclusive, resilient communities with the confidence, capability and capacity to tackle the things that matter to them
- **Healthier Communities** - Reductions in inequalities in health outcomes between communities and across Aberdeenshire
- **Safer Communities** - Aberdeenshire is the safest place in Scotland
- **Stronger Communities** - Aberdeenshire will be recognised as a great place to live, work, invest with opportunity for all

### **Formartine Local Community Plan**

**Stronger empowered communities** - Successful, inclusive, resilient communities with the confidence, capability and capacity to tackle the things that matter to them.

- **Safer communities** - Aberdeenshire is the safest place in Scotland.
- **Tackling inequalities** - Aberdeenshire will be recognised as a great place to live and work - fairness, equality of opportunity for all.
- **Transport and connectivity** - Aberdeenshire will be recognised as a great place to live, work, visit and invest in, with effective transport links and connectivity.

### **Garioch Local Community Plan**

- **Healthy Communities** - The people of Garioch are able to look after and improve their own health and wellbeing and live in good health for longer in inclusive communities
- **Strong Communities** - The communities of Garioch are successful, achieving and inclusive with the confidence, capability and capacity to tackle the things that matter to them
- **Safe Communities** - The people of Garioch live their lives free from crime, disorder and danger

### **Kincardine & Mearns Local Community Plan**

#### **Strong Communities**

- Communities are empowered and achieve better outcomes.
- Local communities and partners have greater awareness of the practises and principles of community empowerment, and have greater awareness of the implications of the community empowerment legislation.
- Local communities and partners have opportunity to feed into the Community Empowerment Act legislation accompanying guidelines.
- Local communities and partners feel supported and informed enabling them to engage with and influence local democratic structures.

#### **Wellbeing**

- Focus on inclusive community spaces and opportunities.
- Reduce inequalities in health outcomes between communities and across Kincardine & Mearns.
- Ensure community spaces are affordable, accessible, available and fit for purpose.
- Community spaces provide safe places for people to come together to meet and interact informally, and provide an environment that helps to increase community confidence.

#### **Connecting People**

- Focus on active travel routes ensuring cycle and footpaths in Kincardine & Mearns are developed and improved.
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### **Marr Local Community Plan**

- **Empowered and Confident Communities** - Marr's communities are successful, innovative and inclusive
- **Economically Vibrant Communities** - The economic sustainability of communities in Marr will be enhanced
- **Connected Communities** - Marr's population will be healthy, safe and thriving throughout life
- **Healthy, Safe and Thriving Communities** - The connectivity of communities across Marr
- **Natural Heritage and Environment** - Marr's natural heritage and environment will be safeguarded and nurtured with residents and communities connected to their surroundings

### **North East Scotland:**

#### **Regional Economic Strategy**

- **Investment in Infrastructure** – The North East of Scotland is a robust and resilient economy providing a vibrant built environment and attractive place for residents, students, business and tourists
- **Innovation** – The North East of Scotland has a reputation for enterprise, innovation and world class solutions
- **Inclusive Economic Growth** – A skilled workforce for the future that provides opportunities for all our people and a skills system that delivers the economic vision for the North East of Scotland. Barriers to employability and jobs are lowered
- **Internationalisation** – The North East of Scotland is a location of choice for investment, high value business activity and skills

#### **NESTRANS**

- To enhance and exploit the North East's competitive economic advantages, and reduce the impacts of peripherality.
- To enhance choice, accessibility and safety of transport for all in the north east, particularly for disadvantaged and vulnerable members of society and those living in areas where transport options are limited.
- To conserve and enhance the North East's natural and built environment and heritage and reduce the effects of transport on climate, noise and air quality.
- To support transport integration and a strong, vibrant and dynamic city centre and town centres across the North East.

## Scotland:

### **Government Economic Strategy**

- Investing in our people and our infrastructure in a sustainable way
- Fostering a culture of innovation and research and development
- Promoting inclusive growth and creating opportunity through a fair and inclusive jobs market and regional cohesion
- Promoting Scotland on the international stage to boost our trade and investment, influence and networks.

### **National Transport Strategy**

- Improve journey times and connections
- Reduce emissions
- Improve quality, accessibility and affordability

### **Scotland's Digital Future**

- Delivery of Public Services
- Growing a Digital Economy
- Digital Participation
- Building Digital Connectivity Fit for the Future

### **Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth**

- Empowering people to ensure they have the opportunity to access the right advice, support and opportunities to acquire the skills and attributes to both contribute to and benefit from future economic success;
  - Supporting employers by better understanding and assessing the skills they need for future success, and ensuring that the supply of skills, training and qualifications can be responsive to this;
  - Simplifying the skills system to ensure that it is more coherent and easy to understand for individuals and employers;
  - Strengthening partnerships and collective responsibility between public, private and third sectors to help improve skills and the contribution they make towards achieving Scotland's social and economic aspirations.
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### **Scottish Enterprise Business Plan 2015-18**

- Helping more companies in more sectors to become exporters, and helping existing exporters to grow their overseas sales
- Encouraging more companies to invest in R&D, in other forms of innovation and in efficiency improvements, and helping companies maximise the returns their investment
- Supporting companies to invest in new plant, machinery and buildings, and helping companies access the finance needed for growth
- Attracting skilled jobs through inward investment, and improving the leadership and entrepreneurial skills of our companies and people

### **United Kingdom:**

#### **Industrial Strategy - Building a Britain fit for the future**

- the world's most innovative economy
- good jobs and greater earning power for all
- a major upgrade to the UK's infrastructure
- the best place to start and grow a business
- prosperous communities across the UK

#### **Innovation and Research Strategy for Growth**

- Discovery and Development
- Innovative Businesses
- Knowledge and Innovation
- Global Collaboration
- New Innovation Challenges

## Thematic Priorities

Analysis of the above strategies identifies a number of common themes (please see Appendix 1):

- Connectivity
- Economic Development
- Empowerment
- Governance
- Health
- Inclusion
- Infrastructure
- Innovation
- Internationalisation
- Safety
- Skills
- Sustainability

These can in turn be broadly grouped into the following priorities and cross-cutting themes:

<b>Employability, Skills and Poverty Reduction</b>	Inclusion
	Skills
<b>Connectivity</b>	Connectivity
<b>Regeneration, Rural Services and Facilities</b>	Infrastructure
<b>Business Development and the Social Economy</b>	Economic Development
	Internationalisation
<b>Wellbeing</b>	Health
	Safety

<b>Cross-cutting themes</b>	Empowerment
	Governance
	Innovation
	Sustainability

## Additionality

Many of the above priorities may already be addressed through core public sector funding or alternative funding models (such as City Region Deals), which helps to further focus priorities for development funding to truly additional activity

Priority	Theme	Additionality
<b>Employability, Skills and Poverty Reduction</b>	Inclusion	Funding is required to provide targeted support to individuals and communities with acute needs, over and above what can be delivered through the welfare state.
	Skills	Funding is required for non-statutory education/training to equip people to participate in the economy and meet the needs of businesses.
<b>Connectivity</b>	Connectivity	Funding is required to improve accessibility to digital services and sustainable transport outside of cities.
<b>Regeneration, Rural Services and Facilities</b>	Infrastructure	Funding is required for the regeneration of town centres and villages to facilitate balanced spatial development throughout all parts of the UK and deliver an economy which works for everyone.
<b>Business Development and the Social Economy</b>	Economic Development	Funding is required to provide tailored support to companies to allow them to grow and expand, particularly into international markets. Support for the social economy is required to deliver an economy which works for everyone.
	Internationalisation	

The following priorities would generally be covered by statutory obligations and budgets and would not meet the additionality test.

<b>Wellbeing</b>	Health	Work is generally the statutory responsibility of public sector organisations such as the NHS and local authorities.
	Safety	Work is generally the statutory responsibility of public sector organisations such as the police and local authorities.

### 3 Evidence analysis:

#### Previous Programmes

Aberdeenshire Council's experience of previous programmes provides an evidence base of what has proved effective and what has not. This section provides information on project and programme outcomes achieved and the positives and negatives encountered during each programme period.

#### European Social Fund 2007-13

<b>North East Work Skills</b>	
Number of participants receiving support	1286
Number of participants gaining a partial or full qualification	697
Total Costs (£)	£641,395
Grant (£)	£279,376
Cost per participant (£)	£499
Grant per participant (£)	£217

<b>Work 4U</b>	
Number of participants receiving support	420
Number of participants with multiple deprivations	369
Number of participants entering employment	107
Number of participants in employment 6 months after leaving	70
Total Costs (£)	£475,799
Grant (£)	£215,575
Cost per participant (£)	£1,133
Grant per participant (£)	£513

<b>Total</b>	
Number of participants receiving support	1706
Number of participants with multiple deprivations	369
Number of participants entering employment	107
Number of participants in employment 6 months after leaving	70
Number of participants gaining a partial or full qualification	697
Total Costs (£)	£1,117,194
Grant (£)	£494,951
Cost per participant (£)	£655
Grant per participant (£)	£290

<b>Positives</b>	<b>Negatives</b>
Positive outcomes for participants	Administrative burden

Value for money	
Partnership working – integrated, client-focussed services	

### European Regional Development Fund 2007-13

Real Time Passenger Information	
Number of e-learning/childcare and other community facilities supported	6
Number of local transport projects supported	3
Total Costs (£)	£491,879
Grant (£)	£191,879

Rural Tourism Business Support	
Number of enterprises supported.	51
Number of new marketing initiatives	14
Number of gross jobs created	1
Total Costs (£)	£240,092
Grant (£)	£107,940

Total	
Number of enterprises supported.	51
Number of new marketing initiatives	14
Number of e-learning/childcare and other community facilities supported	6
Number of local transport projects supported	3
Number of gross jobs created	1
Total Costs (£)	£731,971
Grant (£)	£299,819

Positives	Negatives
Legacy	Administrative burden
Enhanced co-operation	Complex partnership arrangements
	Restrictive programme targeting

### LEADER 2007-13

Results
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No. of projects supported	144
Total Costs (£)	12,726,107
Grant (£)	4,585,104.42

Positives	Negatives
Legacy	Administrative burden
Visibility	Monitoring and evaluation
Accessibility	
Number of people benefiting from funds	

## Evaluation Findings

- LEADER has had a positive impact on the social, environmental and economic fabric of the communities in which projects have operated. Social impacts range from feelings of wellbeing resulting from volunteering and outdoor learning, and having well-equipped and welcoming spaces for communities to gather, learn and create together. Environment impacts include conservation and protection of native species and educating teachers, young people and children about the joy and fragility of the natural world.
- Whilst economic benefits were more difficult to capture, they included providing job opportunities – both directly through employment in LEADER-funded projects, and less directly through employing local contractors to deliver parts of projects (e.g. quantity surveyors, architects, builders, caterers). Improving facilities lead to increased sales and trading (e.g. food, accommodation) in communities in which they were based, from being able to host large events (e.g. Turriff Show) and more exclusive (e.g. weddings) or niche (e.g. Folk at the Bothy) events.
- LEADER has acted as a catalyst for projects to be able to lever in additional resources, and has supported the creation of new networks, partnerships and relationships within communities where projects have operated. Whilst the evaluation team identified some ways in which projects were being innovative, given the vagaries of the term, it was challenging to evidence.
- Capturing the impact of LEADER-funded projects was challenging due to the issues already highlighted with monitoring and evaluation and questions over the accuracy of data included in original application forms. Project leaders were often unsure about how to capture information for evaluation purposes, and did not have the skills or the time to be able to do so.
- Some areas highlighted in the LDS as priorities, however, were not addressed through LEADER projects: sustainable housing, transport and energy being three areas of note.

**European Fisheries Fund (Axis 4) 2007-13**

<b>Results</b>	
No. of projects supported	24
No. of direct jobs created (FTE)	27.75
No. of indirect jobs created (FTE)	12
No. of jobs safeguarded	229
Total Costs (£)	2,074,676
Grant (£)	650,926

<b>Project Name</b>	<b>Number of Jobs Created</b>
Benholm and Johnshaven Heritage Society	1 FTE x 2 Years Development Officer
Whitehills Seafood Restaurant	6 FTE (Manager, Chefs, Catering)
Banffshire Coast Development 2012-15	1FTE x 3 Years Development Officer
Portsoy Organisation for Restoration and Training	3 FTE (facility manager + boat builder)
PFFPA Development Officer	1 FTE x 2 Years Development Officer
Enabling Works	5 FTE (indirectly, Leisure and Repair)
Increased Efficiency for Macduff Shipyards	Possible creation of 10 further FTE jobs if vessel orders generated
Forvie Visitor Centre	2 FTE (Indirectly Tourism)
Gardenstown Harbour Eco-Tourism Vessel Access	5 FTE (Indirectly Tourism)
Seafood See Here!	0.75 FTE x 1 Year
The Seafront	5 FTE (Manager, Chefs, Catering)
<b>Total:</b>	<b>27.75 FTE Created Directly &amp; 12 FTE Indirectly</b>

<b>Positives</b>	<b>Negatives</b>
Legacy	Administrative burden

Visibility	Condensed programme delivery period
Accessibility	Match funding
Number of people benefiting from funds	

## Evaluation Findings

- The majority of priorities set out in the Fisheries Local Development Strategy were met, particularly those relating to 'Infrastructure' and 'Eco-tourism' which related to improving community facilities.
- It was noted that some priorities were not addressed such as "re-establishing production potential after a natural or industrial disaster" as it proved difficult to provide support for damage which was deemed as being maintenance or repairs.
- Funding was awarded across all Aberdeenshire administrative areas, although far fewer projects funded in South Aberdeenshire was identified. Only two projects received funding in Kincardine and Mearns which raises the question in regards to promotion, animation and capacity in the area.
- There are well-established processes and systems in place for governance, finance and administration which is implemented by a dedicated delivery team. The support provided to applicants by the Co-ordinator and Claims Officer was often praised.
- Questions arose regarding the level of support projects needed and whether a simpler application form and process would reduce the level of support required. A universal application existed in the programme meaning that applicants were all governed by the same rules, procedures and processes. Applicants seeking a small grant award had to go through the same process as organisations applying for £100,000 which often led to criticism. Larger organisations with the relevant skills and expertise often found already had the experience of applying for funding in comparison to volunteers and trustees at small community run groups.
- Comments were expressed on how bureaucratic the funding programme was and concerns were raised with regards to the level of monitoring and audit which the programme was governed to. This was felt to be high both at a programme and project level with FLAG members and applicants stating that there were too many rules and conditions to adhere to.
- The claims process was criticized by certain project applicants as it was deemed as being unhelpful in supporting small community groups which have a lack of funds available to pay for costs upfront. As AEFf could only pay out on defrayed expenditure, applicants had to ensure that funds were in place to pay for costs which often led to cash flow issues. The level of administration

required to submit claims and the speed in which claims were processed received poor ratings.

- Monitoring and Evaluation was identified as being a success with the majority of projects receiving a visit from the Co-ordinator. However, difficulty at application stage in identifying project milestones and outputs often made it difficult to check that these were in fact being delivered. The Monitoring and Evaluation reports did not have any reference to project milestones which raises questions on the robustness of this process.
  - Match funding was a major issue for unsuccessful applicants as they struggled to identify public funders to match their potential Axis 4 award. This was a particular issue to commercial natured projects which struggled to obtain public match funding towards their projects. This had a drastic effect on the programme and was one of the main issues why the full project budget was not committed.
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Forecast Results	North Aberdeenshire LEADER	South Aberdeenshire LEADER	North East Scotland Fisheries	ESF Inclusive Aberdeenshire	ESF Employability Pipeline	ERDF Business Gateway +	Total
Unemployed and inactive participants with multiple barriers to employment					1068		1068
Employed participants with multiple barriers to progressing in the labour market					489		489
Disadvantaged participants in workless, lone parent or low income households				610			610
Unemployed and inactive participants with multiple barriers entering education or training					893		893
Unemployed and inactive participants with multiple barriers gaining a qualification					1068		1068
Unemployed and inactive participants with multiple barriers in employment, including self-employment, upon leaving					494		494
Unemployed and inactive with multiple barriers in employment, including self-employment, six months after leaving					379		379
Employed participants with multiple barriers gaining a qualification upon leaving					321		321

Forecast Results	North Aberdeenshire LEADER	South Aberdeenshire LEADER	North East Scotland Fisheries	ESF Inclusive Aberdeenshire	ESF Employability Pipeline	ERDF Business Gateway +	Total
Employed participants with multiple barriers with an improved labour market situation six months after leaving					464		464
Disadvantaged participants engaged in job searching, education/training, gaining a qualification, or in employment, including self-employment, upon leaving				525			525
Disadvantaged participants in workless, lone parent or low income households with improved money management skills				580			580
Participants no longer affected by debt as a barrier to social inclusion				315			315
<b>Total Costs (£)</b>	<b>£6,580,474.00</b>	<b>£5,663,484.00</b>	<b>£2,874,000.00</b>	<b>£1,075,616.52</b>	<b>£6,244,141.00</b>	<b>£1,158,725.00</b>	<b>£23,596,440.52</b>
<b>Grant (£)</b>	<b>£3,290,237.00</b>	<b>£2,831,742.00</b>	<b>£1,437,000.00</b>	<b>£717,077.68</b>	<b>£2,497,656.40</b>	<b>£463,490.00</b>	<b>£11,237,203.08</b>

Positives	Negatives
Forecast outcomes	Delay in programme launch
Forecast value for money	Bureaucracy
Innovation	
Facilitating partnership working	
Capacity building in communities and third sector	

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## 4 Stakeholder Consultation/Input

Stakeholder consultation has taken place in the development of this position paper through workshops and an online survey. This section sets out the process undertaken and the main findings from the consultation process.

### i) Cross-Service Workshop

A workshop was held with a range of Aberdeenshire Council Services on 19 June 2017 to gather input and information from a range of professionals involved in the delivery of programmes, projects and services. The session explored the following themes identified through analysis of strategic priorities at the local and national level, identifying potential development needs of the Aberdeenshire area; the resources required to meet these needs; and possible governance structures for development programmes. The findings of the workshop are set out at Appendix 2 to this paper.

### ii) Area Committee Workshops

Workshops were held with Aberdeenshire Council’s six Area Committees between September and November 2017. Each Committee was asked to consider future priorities, activities and governance arrangements for programmes for the 2020 to 2030 period taking into account the needs of their area. The findings of the workshops are set out at Appendix 3 to this paper.

### iii) Stakeholder Survey

A stakeholder survey was carried out between 2 October and 3 November 2017. Targeted stakeholders were those individuals with knowledge and experience of the present European programmes through participation in one or more Local Action Groups. The results of the survey are set out at Appendix 4 to this paper.

### Summary of Findings

In summary, stakeholders identify the following priorities for future programmes:

<b>Employability and Skills</b>	Linking people to employment opportunities and growth sectors
	Addressing skills shortages
	Developing the young workforce
	Apprenticeships and local employment
<b>Poverty</b>	Improving connectivity
	Early intervention
	Rural poverty – fuel poverty, cost of living and transport costs
<b>Connectivity</b>	Infrastructure for safe cycling/walking in rural areas
	Affordable public transport

	Integrated transport network with links across rural areas, rather than just to cities
	Investment in transport infrastructure
	Improving mobile connectivity
	Broadband infrastructures
	Wifi in rural areas
<b>Regeneration, Rural Services and Facilities</b>	Development of community hubs/facilities
	Village services
	Town centre regeneration
	Digital access to services such as telemedicine
	Sports and recreational facilities
<b>Business Development and the Social Economy</b>	Low carbon/circular economy
	Digital economy
	Disruptive technologies
	Societal challenges
	Workforce development
	Entrepreneurship
	Business support
	Innovation in traditional industries
	Farm diversification
	Grow capacity in manufacturing (e.g. food and drink)
	Building capacity in fishing industry (e.g. onshore processing)
	Local energy networks
	Development of tourist attractions and accommodation

In terms of **governance arrangements**, key messages identified are:

- Need for a co-ordinated approach
- Clearer structure, transparency and accountability
- Capacity building
- Remove/reduce match funding requirement
- Differential approach to application processes depending on scale of project
- Reduce bureaucracy and efficient decision-making structure
- Multi-annual programmes with dedicated funding
- Objective funding allocation criteria, recognising pockets of deprivation
- Time-bound projects
- Partnership working
- Competitive challenge fund
- Mixture of grants and loans
- Seed funding
- Mixture of national, regional and local schemes – depending on activity to be funded
- Local discretion

Stakeholders believe that the **benefits of present European Union-funded programmes include:**

- Innovation
- Additionality – allowing projects to happen which otherwise wouldn't
- Economic benefits
- Environmental benefits
- Local nature of funding

Conversely, the **disadvantages include:**

- Bureaucracy – application process is lengthy and complex
  - Audit regime is disproportionate
  - Centralised approach to priority setting
  - Prescriptive nature of funding
-

## 5 Conclusions

Taking into account the strategic priorities for our area, our experience of managing and delivering European Structural Funds programmes and stakeholder consultation, Aberdeenshire Council proposes that replacement funding programmes are put in place post-Brexit, based on the following principles:

**Investment in the Future** – the provision of funding for projects and initiatives which will help prepare individuals, communities and businesses for the future.

**Equality of Opportunity** – funding allocated to improve access to services, facilities, infrastructure and markets to allow all people and communities to participate in the economy and prosper.

**Added Value** – funding programmes which are over and above core public sector funds and exclusively available for development programmes.

**Long-term Timeframe** – programmes which provide certainty for investors and allow a strategic approach through guaranteeing funding for a long term programme, evaluated periodically.

**Robust and Efficient Processes** – programmes managed accountably by local authorities in partnership with other stakeholders, with streamlined grant application processes and an audit regime proportional to the level of investment.

**A Flexible Approach to Local Management** – programmes which are managed locally through appropriate structures, within wider national priorities with an opportunity for co-operation projects across local programme geographies.

**Local Funding Allocations** – funding allocated to local areas to facilitate the development of local development programmes within a wider strategic framework, allocated using a transparent and fair methodology which takes account of the needs of rural areas.

**Local Priorities within a National Framework** – local areas set priorities based on analysis of local needs and community/stakeholder engagement, within broad national programme parameters. An example of potential priorities and initiatives for an area such as Aberdeenshire would be:

**Employability and Skills** – initiatives which support disadvantaged people into sustainable employment and/or ensure that there is a skilled workforce in place to meet the needs of the local economy.

**Poverty** – initiatives which support people living in or at risk of living in poverty, with a particular focus on rural deprivation and pockets of deprivation in small towns.

**Connectivity** – initiatives which improve digital and transport infrastructure in rural areas and/or increase accessibility to reliable, regular and sustainable transport.

**Regeneration, Rural Services and Facilities** – initiatives which regenerate physical infrastructure in villages and towns and/or enhance local services.

**Business Development and the Social Economy** – initiatives which directly support businesses, including social enterprises, to grow, innovate or export and initiatives which support the development of priority sectors with a particular focus on diversification and strengthening of traditional sectors and the development of emerging sectors and economic opportunities.

There will be significant changes to the national economy post-Brexit, which will affect individuals, communities and businesses. A level of investment at least equivalent in value to present European Structural Funds allocations will be essential to facilitate the adaptation of the economy in a way which is fair to all and unlocks economic potential.

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## 6 Key Messages

European Structural Funds have supported a **wide range of development activities** throughout Aberdeenshire, with around £17m of grant towards £40m of investment estimated from 2007-2020.

The **benefits are more than financial**, with an estimated 13,687 individuals; 654 businesses and 209 projects set to benefit from funding from 2007-2020, creating some 90 jobs.

The governance approach and multi-annual nature of European Structural Funds provides a **longer-term investment programme** than is allowed in routine public-sector budgets, leaving a **long-lasting legacy**

A competitive project approach to the allocation of funds helps facilitate **innovation and partnership working**, improving the delivery and joined up nature of services and encouraging organisations to pursue excellence and continuous improvement

Benefits of the Structural Fund approach include:

- **Facilitating partnership working and joined-up service delivery**
- **A funding mechanism for medium-long term investment**
- **Legacy**
- **Innovation**
- **Capacity building**
- **Value for money**

Areas which could be improved with the Structural Funds approach include:

- Reducing **bureaucracy**
- The need to secure **match funding** from other sources
- Relatively weak, albeit improving, **monitoring and evaluation processes**

An **equivalent level of funding to European Structural Funds** is required to facilitate the necessary adaptations to the economy post-Brexit.

Replacement development programmes should focus on **investing in the future and support equal opportunity for all individuals and communities**.

Funding should be made available for a **long-term time frame (e.g 10 years) and be specifically allocated to local areas for development activities** which would not otherwise happen using core funding for statutory activities.

There should be significant **local accountability and management of funding** programmes, with priorities set locally within a **broad national framework**.

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## 7 Appendix 1 – Strategy Thematic Overview

<b>Connectivity</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Plan	Have the best possible transport and digital links across our communities
Local Transport Strategy	Improve Integration – develop and improve integration between all forms of transport and improve connectivity within and beyond Aberdeenshire.
Aberdeenshire Local Outcomes Improvement Plan	Connected & Cohesive Communities
Banff & Buchan Local Community Plan	Connectivity and Transport
Formartine Local Community Plan	Transport and connectivity
Kincardine & Mearns Local Community Plan (Draft)	Connecting People
Marr Local Community Plan	Connected Communities
NESTRANS	To enhance and exploit the north east's competitive economic advantages, and reduce the impacts of peripherality.
NESTRANS	To support transport integration and a strong, vibrant and dynamic city centre and town centres across the North East.
National Transport Strategy	Improve journey times and connections
Scotland's Digital Future	Building Digital Connectivity Fit for the Future

<b>Economic Development</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Plan	Support a strong, sustainable, diverse and successful economy
Marr Local Community Plan	Economically Vibrant Communities
Scotland's Digital Future	Growing a Digital Economy

### **Empowerment**

Strategy	Priority
Aberdeenshire Local Outcomes Improvement Plan	Connected & Cohesive Communities
Banff & Buchan Local Community Plan	Stronger Communities
Buchan Local Community Plan	Empowered Communities
Buchan Local Community Plan	Stronger Communities
Formartine Local Community Plan	Stronger empowered communities
Garioch Local Community Plan	Strong Communities
Kincardine & Mearns Local Community Plan (Draft)	Strong Communities
Marr Local Community Plan	Empowered and Confident Communities

Governance	
Strategy	Priority
Aberdeenshire Council Plan	Deliver responsible, long-term financial planning
Aberdeenshire Council Plan	Have the right people, in the right place, doing the right thing, at the right time
Aberdeenshire Local Housing Strategy	Housing management
Aberdeenshire Local Housing Strategy	Tenant participation
Scotland's Digital Future	Delivery of Public Services
Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth	Simplifying the skills system to ensure that it is more coherent and easy to understand for individuals and employers;
Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth	Strengthening partnerships and collective responsibility between public, private and third sectors to help improve skills and the contribution they make towards achieving Scotland's social and economic aspirations.

Health	
Strategy	Priority
Aberdeenshire Local Outcomes Improvement Plan	Reducing alcohol consumption



Aberdeenshire Council Plan	Encourage active lifestyles and promote well-being with a focus on obesity & mental health
Aberdeenshire Council Plan	Support the delivery of the Health & Social Care Strategic Plan
Integrated Joint Board Strategic Plan	The best of health and care for everyone
Integrated Joint Board Strategic Plan	Partners in health and social care
Integrated Joint Board Strategic Plan	Effective treatment and care
Buchan Local Community Plan	Healthier Communities
Garioch Local Community Plan	Healthy Communities
Kincardine & Mearns Local Community Plan (Draft)	Wellbeing

<b>Inclusion</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Plan	Provide the best life chances for all our children and young people by raising levels of attainment and achievement
Aberdeenshire Council Plan	Work to reduce poverty and inequalities within our communities
Aberdeenshire Council Economic Development Objectives	To develop the people and skills necessary to deliver the economic development of the region and as a result to support diversification of businesses and the economy
Aberdeenshire Council Economic Development Objectives	To ensure that the North East of Scotland is a great place to be – as a visitor, worker, entrepreneur or resident;
Aberdeenshire Council Economic Development Objectives	To attract the best possible range of incoming exhibitions and showcase the city

	and region's internationally recognised arts, heritage and culture offer.
Aberdeenshire Council Economic Development Objectives	To invest in our workforce, particularly our young people, develop our future workforce and ensure all of our people benefit from economic activity.
Aberdeenshire Council Economic Development Objectives	To ensure there is access for all employers to qualified labour.
Aberdeenshire Council Economic Development Objectives	To maximise growth opportunities that capitalise on outstanding assets in golf, nature, culture and heritage and support growth of our indigenous industries.
Aberdeenshire Council Economic Development Objectives	To empower communities to help themselves by working with the Third Sector.
Local Transport Strategy	Promote Social Inclusion and Accessibility – improve connections within and between communities, increasing accessibility of the transport network.
Aberdeenshire Local Outcomes Improvement Plan	Reducing child poverty
Aberdeenshire Local Housing Strategy	Affordable housing
Aberdeenshire Local Housing Strategy	Homelessness
Aberdeenshire Local Housing Strategy	Fuel poverty
Aberdeenshire Local Housing Strategy	Private sector housing
Aberdeenshire Local Housing Strategy	Particular needs groups
Aberdeenshire Local Housing Strategy	Minority ethnic communities
Banff & Buchan Local Community Plan	Tackling Poverty and Inequality
Formartine Local Community Plan	Tackling inequalities
Regional Economic Strategy	Inclusive Economic Growth
NESTRANS	To enhance choice, accessibility and safety of transport for all in the north east, particularly for disadvantaged and vulnerable members of society and those

	living in areas where transport options are limited.
Government Economic Strategy	Promoting inclusive growth and creating opportunity through a fair and inclusive jobs market and regional cohesion
National Transport Strategy	Improve quality, accessibility and affordability
Scotland's Digital Future	Digital Participation
Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth	empowering people to ensure they have the opportunity to access the right advice, support and opportunities to acquire the skills and attributes to both contribute to and benefit from future economic success;

Infrastructure	
Strategy	Priority
Aberdeenshire Council Plan	Have the right mix of housing across all of Aberdeenshire
Aberdeenshire Council Economic Development Objectives	To regenerate our towns to become vibrant and attractive places to live, work and invest in.
Aberdeenshire Council Economic Development Objectives	To regenerate our northern towns and overcome rural peripherality.
Aberdeenshire Local Housing Strategy	Asset management
Regional Economic Strategy	Investment in Infrastructure
Government Economic Strategy	Investing in our people and our infrastructure in a sustainable way
Scottish Enterprise Business Plan 2015-18	Supporting companies to invest in new plant, machinery and buildings, and helping companies access the finance needed for growth

Innovation	
Strategy	Priority

Aberdeenshire Council Economic Development Objectives	To enhance the transformation of our position as a major offshore operations centre in oil and gas to an international innovation and technology base.
Aberdeenshire Council Economic Development Objectives	To maximise the potential of hydrogen, energy from waste and other renewables technologies to develop a medium-long term demand for the transferrable skills in the oil and gas sector.
Aberdeenshire Council Economic Development Objectives	To provide business and innovation support to entrepreneurs/ business start-ups and existing businesses and support access to capital.
Regional Economic Strategy	Innovation
Government Economic Strategy	Fostering a culture of innovation and research and development
Scottish Enterprise Business Plan 2015-18	Encouraging more companies to invest in R&D, in other forms of innovation and in efficiency improvements, and helping companies maximise the returns their investment
Innovation and Research Strategy for Growth	Discovery and Development
Innovation and Research Strategy for Growth	Innovative Businesses
Innovation and Research Strategy for Growth	Knowledge and Innovation
Innovation and Research Strategy for Growth	New Innovation Challenges

<b>Internationalisation</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Economic Development Objectives	To unlock development potential and connectivity to international markets and allow the UK to maximise economic recovery while improving quality of life and attracting and retaining talent in the region.
Aberdeenshire Council Economic Development Objectives	To improve the attractiveness of the area for international trade and investment.
Aberdeenshire Council Economic Development Objectives	To support companies in all key sectors to identify market opportunities and develop products and services to grow sales in international markets.
Aberdeenshire Council Economic Development Objectives	To strengthen the region's network of international relationships and partnerships to attract EU funds in areas of research and policy that supports economic growth.
Regional Economic Strategy	Internationalisation
Government Economic Strategy	Promoting Scotland on the international stage to boost our trade and investment, influence and networks.
Scottish Enterprise Business Plan 2015-18	Helping more companies in more sectors to become exporters, and helping existing exporters to grow their overseas sales
Innovation and Research Strategy for Growth	Global Collaboration

<b>Safety</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Plan	Work to reduce poverty and inequalities within our communities
Local Transport Strategy	Improve Safety – enhance the safety of all users of the transport network.
Banff & Buchan Local Community Plan	Safer Communities
Buchan Local Community Plan	Safer Communities
Formartine Local Community Plan	Safer communities

Garioch Local Community Plan	Safe Communities
Marr Local Community Plan	Healthy, Safe and Thriving Communities

<b>Skills</b>	
<b>Strategy</b>	<b>Priority</b>
Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth	Supporting employers by better understanding and assessing the skills they need for future success, and ensuring that the supply of skills, training and qualifications can be responsive to this;
Aberdeenshire Local Outcomes Improvement Plan	Reducing child poverty
Aberdeenshire Council Plan	Work to reduce poverty and inequalities within our communities
Scottish Enterprise Business Plan 2015-18	Attracting skilled jobs through inward investment, and improving the leadership and entrepreneurial skills of our companies and people

<b>Sustainability</b>	
<b>Strategy</b>	<b>Priority</b>
Aberdeenshire Council Plan	Protect our special environment, including tackling climate change by reducing greenhouse gas emissions
Local Transport Strategy	Promote Sustainable Economic Growth – maximise the effectiveness of the transport network, services and facilities.
Local Transport Strategy	Protect the Environment – remove barriers to active and sustainable travel helping to improve health and reduce emissions.
Marr Local Community Plan	Natural Heritage and Environment
NESTRANS	To conserve and enhance the North East's natural and built environment and heritage and reduce the effects of transport on climate, noise and air quality.
National Transport Strategy	Reduce emissions

## 8 Appendix 2 – Cross-Service Workshop Feedback

Employability, Skills and Poverty Reduction	
<b>Priorities</b>	<p><b>Employability &amp; skills</b></p> <ul style="list-style-type: none"> <li>• Match skills/assets to employment opportunities</li> <li>• Care of the elderly</li> <li>• Using young people to connect</li> </ul> <p><b>Poverty</b></p> <ul style="list-style-type: none"> <li>• ‘Connectivity’</li> <li>• Long-term programmes to help identify opportunities for careers, alternative approach to life etc.</li> <li>• Breaking the cycle – providing a number of opportunities for early interventions</li> <li>• Focus on families</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• Need to quantify what is required</li> <li>• Skills required in managing funding</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Coordinated approach – strategy required to fit all together</li> <li>• Clearer structure – links to Community Planning Partnership</li> <li>• Focus on increasing capacity of those able to deliver</li> </ul>

Connectivity	
<b>Priorities</b>	<p><b>New Footpaths</b> (key in Marr)</p> <ul style="list-style-type: none"> <li>• Links with safe cycling/safe walking; address poor public transport links. Communities involved in their development – creation and maintenance.</li> <li>• Local transport strategy is due for update – will identify key areas.</li> <li>• Trans-national participation not just about funding; provides access to ‘leading edge’ in other countries, learning from others. Useful to engage with this going forward.</li> </ul> <p><b>Digital connectivity</b></p> <ul style="list-style-type: none"> <li>• Identify gaps: refer to local outcome/area plans, wider strategies</li> <li>• Mobile connectivity             <ul style="list-style-type: none"> <li>○ Broadband, fibre roll out (blackspots) – satellite broadband?</li> <li>○ Community masts</li> <li>○ Digital inclusion</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Community groups - e.g. wifi in public halls</li> </ul> <p><b>Roads</b></p> <ul style="list-style-type: none"> <li>● Active travel/better travel</li> <li>● Improved public transport</li> <li>● Important to show to communities that contacts being made with other nations</li> <li>● Affordable travel – that meets needs of communities</li> <li>● Autonomous/electric vehicles – structural change will be coming; how do we address?</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>● Issues around match funding, e.g. LEADER – sometimes match can't be found. May be even harder going forward. Should match funding be a requirement?</li> <li>● Support communities to develop bids.</li> <li>● Teams in council need support to prepare bids.</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>● Variety of levels. Create ability for local communities to access funding without having to prepare same level of details as large spend projects.</li> <li>● Opportunity to review timescales for approval process.</li> <li>● Long term (10 year) period desirable, but needs to be mix depending on projects</li> <li>● Variety of models – public, private, community partnership approach; Scot Gov. administered funding.</li> <li>● Get balance of monitoring right – accountability v. bureaucracy.</li> <li>● Interreg programmes – process requirements have different focus than council policy (as need to suit requirements for other countries) – opportunity to make more appropriate to UK employees</li> <li>● Be clear on level of preparatory work required – study, information gathering. Influences how bids are prepared.</li> </ul>

<b>Regeneration, Rural Services and Facilities</b>	
<b>Priorities</b>	<ul style="list-style-type: none"> <li>● Build on achievements of current programmes</li> <li>● Capacity building</li> <li>● Community halls</li> <li>● Sustainability</li> <li>● Town centre development, including outside regeneration areas</li> <li>● Property investment</li> <li>● Connectivity</li> <li>● Telemedicine</li> </ul>



	<ul style="list-style-type: none"> <li>• Entrepreneurship</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• Officer support</li> <li>• Loan/grant funding</li> <li>• Discretionary resource</li> <li>• Consultancy expertise</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Reduce bureaucracy</li> <li>• Participatory budgeting</li> <li>• Joined up approach to service delivery</li> <li>• Target difficult to reach</li> <li>• Rural partnerships</li> <li>• Consistent, multi-annual programmes</li> <li>• Time-bound interventions</li> <li>• Mix of national schemes and geographical allocations</li> <li>• Public/private/community partnerships</li> </ul>

<b>Business Development and the Social Economy</b>	
<b>Priorities</b>	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• People &amp; behaviour change</li> <li>• Skills for the future</li> <li>• Digital agenda: coding, business understanding/capacity</li> <li>• Community capacity</li> <li>• Social economy and market failure</li> <li>• Developing the young workforce; embedding in curriculum</li> <li>• Positive destinations as outcomes</li> <li>• Practical implementation of the low carbon agenda</li> <li>• Rurality</li> <li>• Testing new technologies</li> <li>• Diversification (e.g. biochemistry)</li> <li>• Transition from oil and gas</li> <li>• Create a culture of innovation in traditional industries</li> <li>• Traditional sectors: Forest-based economy specialising in quality, product innovation, bio-plastics</li> <li>• Public/Private partnerships</li> <li>• Circular economy: waste as a business opportunity; need to map supply chain</li> <li>• Disruptive technology</li> <li>• Societal challenges/changes</li> <li>• Clustering/innovation</li> </ul>
<b>Resources</b>	<ul style="list-style-type: none"> <li>• Advice services</li> <li>• Grants</li> </ul>

	<ul style="list-style-type: none"><li>• Loans</li></ul>
<b>Governance</b>	<ul style="list-style-type: none"><li>• Competitive challenge fund</li><li>• Investment in success and opportunity</li><li>• Business diversification programme</li><li>• Dedicated programmes for growth/sharing</li><li>• Entrepreneurship programme</li><li>• Focus on overcoming risk and making things happen</li><li>• Create, rather than back, winners</li><li>• Problem focus – improving efficiency through problem solving rather than adopting/adapting systems (e.g. IT)</li><li>• Move away from purely grant funding; mix of grants and loans</li><li>• Statutory instruments</li></ul>

## 9 Appendix 3 – Area Committee Workshops Feedback

### Kincardine & Mearns Area Committee 19/9/17

<b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b>
<ul style="list-style-type: none"> <li>• Fit for purpose community facilities accessible to all</li> <li>• Walking/cycling paths – improvements/upgrades, integration of networks</li> <li>• Farm diversification</li> <li>• Tourism – attractions and business support</li> <li>• Childcare</li> <li>• Connectivity – both transport and digital</li> </ul>
<b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b>
<ul style="list-style-type: none"> <li>• Promenade fit for purpose – Stonehaven</li> <li>• Walking paths</li> <li>• Community hubs – e.g. pavilion in St. Cyrus</li> <li>• Dunnotar Castle development – e.g. visitor centre</li> <li>• Integrated transport network around Stonehaven</li> </ul>
<b>3) How should the funding be managed/delivered – locally, regionally or nationally?</b>
<ul style="list-style-type: none"> <li>• Seed funding/catalyst funding</li> <li>• Looking for consultation post-leaving the EU</li> <li>• UK devolved funding/power direct to local authorities</li> <li>• Transparent and simplified</li> </ul>

### Marr Area Committee 26/9/17

<b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b>
<ul style="list-style-type: none"> <li>• Rural development – similar to LEADER</li> <li>• Technology and innovation in the North East, leveraging IT skills, software development of IT skills/coaching</li> <li>• Development of traditional sectors: agriculture, fish, tourism, food and drink, hospitality – avoid reliance on single sector such as oil</li> <li>• Fisheries – onshore developments in particular</li> <li>• Employability and poverty – skills for younger people to meet labour market needs</li> <li>• Funds to address potential labour shortages in key sectors - hospitality</li> <li>• More mobile workforce</li> <li>• Infrastructure, particularly for goods/transport to reflect area playing catch up</li> <li>• Broadband and mobile phone connectivity – business and social welfare requirements, working from home</li> <li>• Village halls/shops/facilities</li> <li>• Community development workers/assistance</li> </ul>

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<b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b>
<ul style="list-style-type: none"> <li>• Mens sheds (e.g. Banchory)</li> <li>• Batteries and network – renewable energy to manage production and consumption demands</li> <li>• Huntly/Alford town centre action/community/action plans</li> <li>• Sports/recreational facilities (football, mountain biking, tennis, play parks) – Huntly/Banchory</li> <li>• Hydro schemes</li> <li>• Crathes/Kincardine O’Neil/Strachan village hall</li> <li>• Wildlife conservation</li> </ul>
<b>3) How should the funding be managed/delivered – locally, regionally or nationally?</b>
<ul style="list-style-type: none"> <li>• Remove barriers such as complicated application process – proportional approach</li> <li>• Ringfencing desired</li> <li>• Easily accessible to communities</li> <li>• Locally, not nationally</li> <li>• Local Action Group approach supported</li> <li>• Mixture of local and transnational programmes</li> <li>• Depends on activity to be funded – e.g. fisheries on a regional basis</li> <li>• Tourism on a regional or local level</li> <li>• One size doesn’t fit all – more local discretion, particularly with identification of priorities</li> <li>• National allocation methodology based on objective criteria – fair distribution across the country</li> <li>• Possibility of politically independent group to manage this</li> </ul>

### Garioch Area Committee 3/10/17

<b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b>
<ul style="list-style-type: none"> <li>• Overall priorities mentioned in the strategy analysis seem appropriate</li> <li>• Keep it open and flexible – explore synergies between priorities</li> <li>• Connectivity – particularly digital (more integrated approach – various initiatives operating separately)</li> <li>• Employment – linking to emerging industries and growth sectors</li> <li>• Sporting facilities – e.g. health improvement and wellbeing, with employment benefits</li> <li>• Poverty as a specific priority – particularly rural areas, fuel poverty, high cost of living, transport costs</li> <li>• Transport – need to improve links, particularly for access to basic services, safe travel to school, more radial links across Aberdeenshire rather than through Aberdeen</li> </ul>

<ul style="list-style-type: none"> <li>• Regeneration of existing infrastructure and innovation into emerging technologies and future planning</li> </ul>
<p><b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b></p>
<ul style="list-style-type: none"> <li>• Garioch sports trust project - £15.5m</li> <li>• Look at previously-funded projects from LEADER</li> <li>• Decontaminated land – opening up land for redevelopment</li> <li>• Upgrading of sites and facilities for CAT or commercial sale (regeneration)</li> <li>• Align with post-2020 local development plan (developer obligation funding)</li> </ul>
<p><b>3) How should the funding be managed/delivered – locally, regionally or nationally?</b></p>
<ul style="list-style-type: none"> <li>• Consider methodologies to take account of pockets of deprivation</li> <li>• Administered by the Council</li> <li>• Low cost loans rather than grants could be explored</li> <li>• Flexible approach to governance at local level</li> </ul>

**Formartine Area Committee 31/10/17**

<p><b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b></p>
<ul style="list-style-type: none"> <li>• Social inclusion</li> <li>• LEADER</li> <li>• Leisure/tourism facilities – visitor attractions/recreational facilities</li> <li>• Similar projects and programmes to present more likely to be acceptable to the government – harder to take away what already exists</li> <li>• Like for like replacement programmes</li> <li>• Seedcorn funding</li> </ul>
<p><b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b></p>
<ul style="list-style-type: none"> <li>• Collieston – village development</li> <li>• Skateboard park – Ellon</li> </ul>
<p><b>3) How should the funding be managed/delivered – locally, regionally or nationally?</b></p>
<ul style="list-style-type: none"> <li>• Apply locally, but need consistency over how this is done – i.e. at Scottish level for alignment with Scottish funding streams</li> <li>• Different models for different projects in terms of Council or partnership projects</li> <li>• Partnerships useful where practical - could be prioritised</li> <li>• Build on what exists already</li> </ul>

**Banff and Buchan Committee 7/11/17**

<b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b>
<ul style="list-style-type: none"> <li>• Building on growth of fishing industry</li> <li>• Rural poverty – what causes this (e.g. rural deprivation in Troup)</li> <li>• Tourism infrastructure (including accommodation) – ensure it is internationally competitive</li> <li>• Grow capacity in manufacturing infrastructure – e.g. food and drink industry</li> <li>• Housing, teaching shortages</li> <li>• Building up social fabric – interlinked factors to tackle poverty</li> <li>• Developing Young Workforce – apprenticeships/local employment</li> <li>• Digital connectivity</li> </ul>
<b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b>
<ul style="list-style-type: none"> <li>• Examples from Aberdeenshire European Fisheries Fund programme provide illustrations e.g. slipway at Macduff Shipyards, restaurant at Macduff seafront (regeneration) and coastal communities</li> <li>• Possible solutions to Connectivity – bus running twice a week; causing issues for visitors and workers</li> <li>• 32kb broadband – need up to 99% coverage particularly in rural areas</li> <li>• Fraserburgh harbour – need to accommodate larger, wider pelagic vessels and entrance too narrow</li> </ul>
<b>3) How should the funding be managed/delivered – locally, regionally or nationally?</b>
<ul style="list-style-type: none"> <li>• Locally managed funding</li> <li>• Need for quick turn-around in decision making process</li> <li>• More integrated funding – rather than separate pots</li> <li>• Proper scrutiny, but need to reduce bureaucracy to make funds more accessible</li> <li>• Need for adequate support</li> </ul>

**Buchan Committee – 21/11/17**

<b>1) What should be the main priorities of funding programmes from 2020 to 2030?</b>
<ul style="list-style-type: none"> <li>• Poverty and social inclusion</li> <li>• Employability</li> <li>• Rural economy, primary industries – agriculture and fisheries</li> <li>• Transport – distance from markets</li> <li>• All priorities in scoping paper appropriate</li> <li>• Poverty and social inclusion and infrastructure improvements particularly important</li> </ul>
<b>2) Are there any specific projects/initiatives (non-statutory) for which development funding is required in your area?</b>
<ul style="list-style-type: none"> <li>• Unadopted roads as part of rural development programmes</li> </ul>

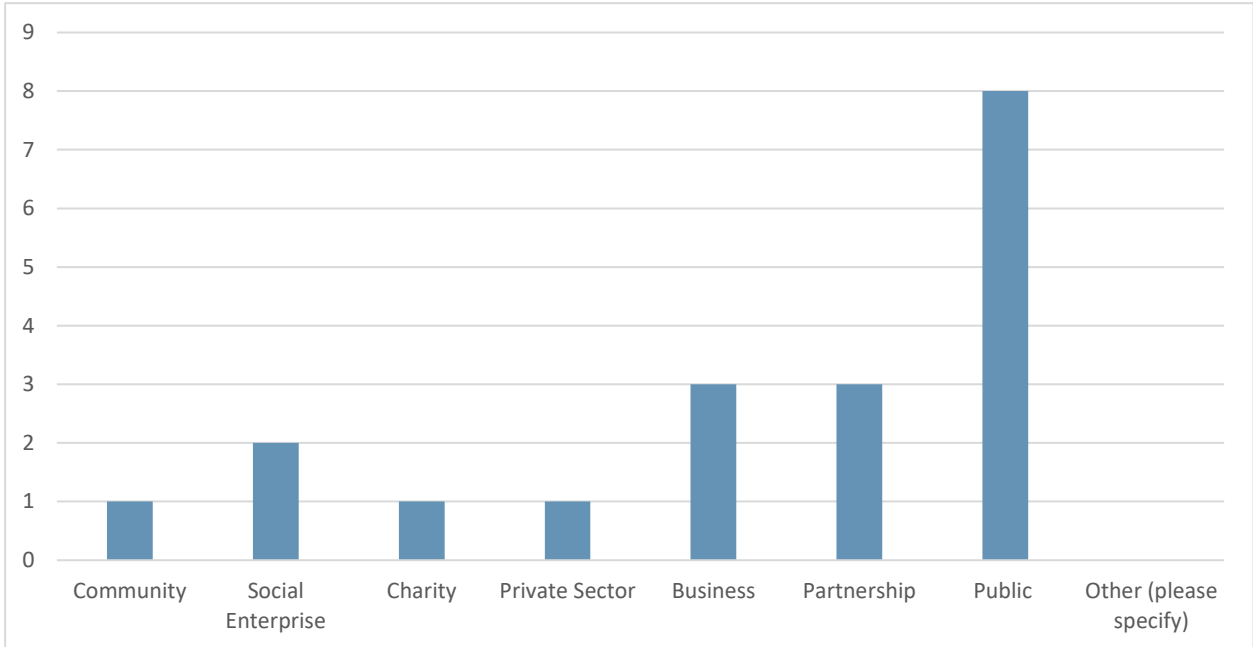
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### **3) How should the funding be managed/delivered – locally, regionally or nationally?**

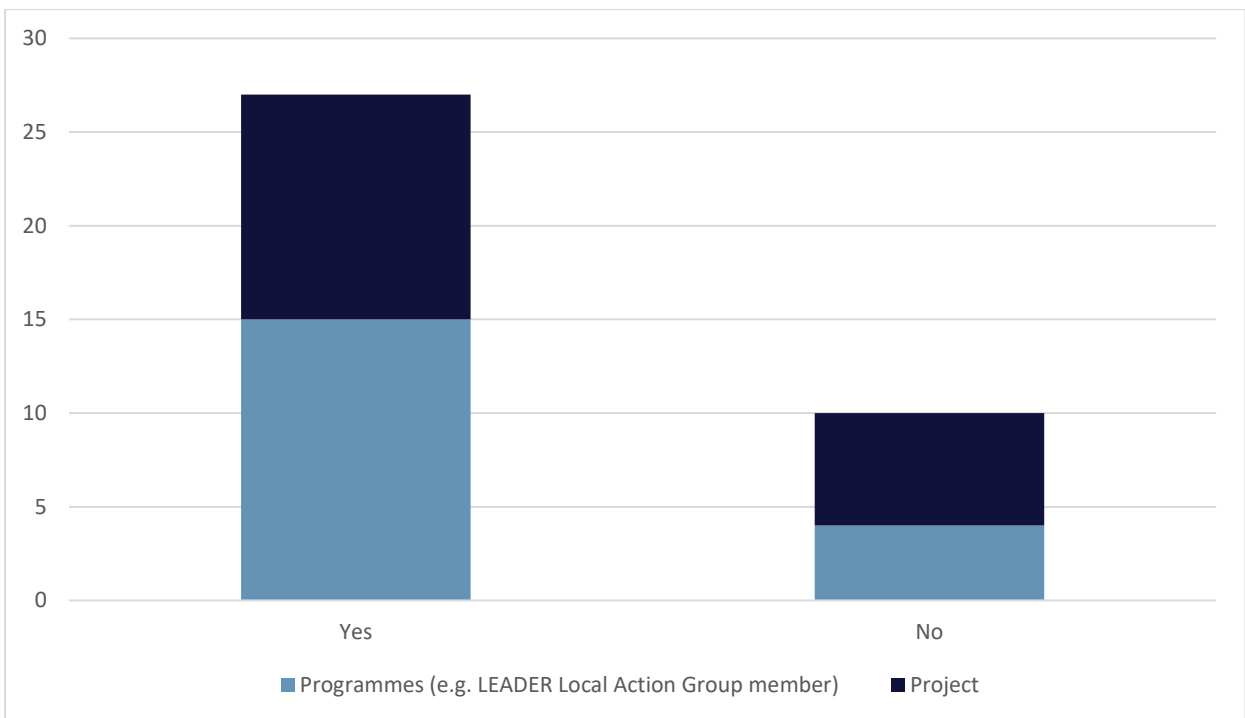
- Funding at least at an equivalent level
  - Strategic approach to tackling poverty across Aberdeenshire
  - Decision making at local authority level – example of poverty and employability work at Community Planning Partnership level
  - Links to local strategic aims
  - Mirror current arrangements in order to verify that level of funding is maintained and ensure that specific priorities (e.g. rural/fisheries) not lost in mainstreamed funding
  - Simplified approach to application process
  - Leverage with other funders important
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## 10 Appendix 4 – Stakeholder Survey

**Q1) Which of the following descriptions best fits the organisation you represent?**

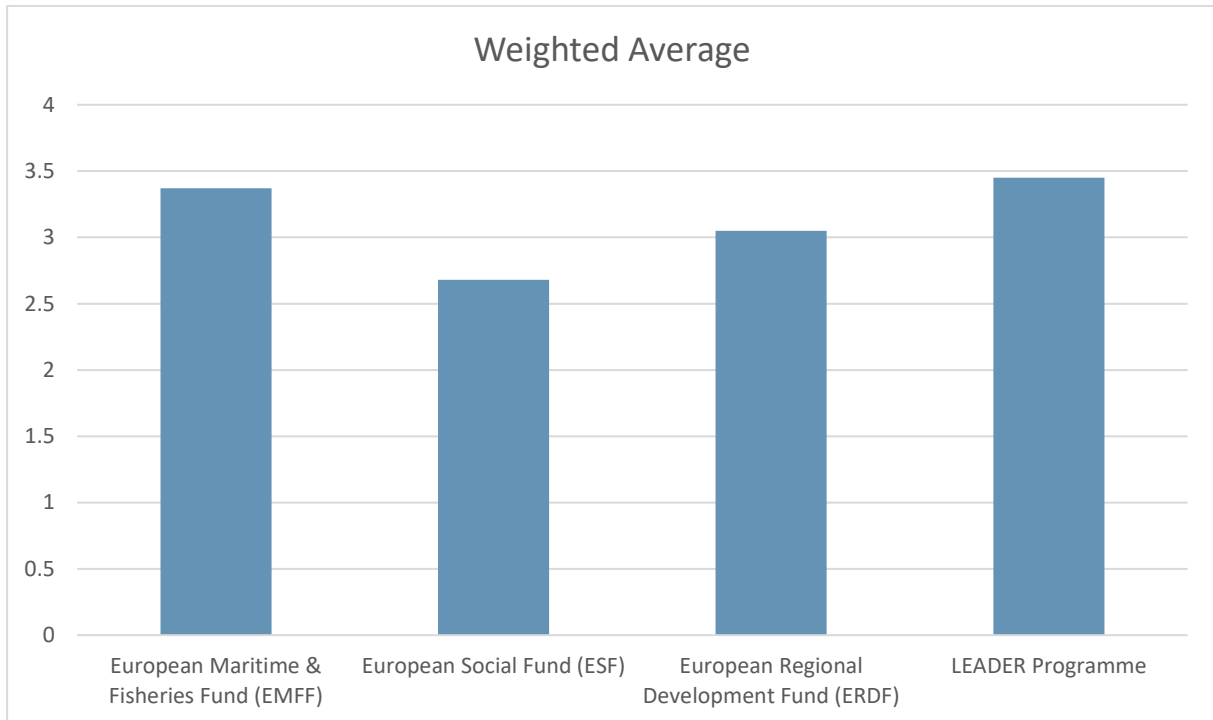


**Q2) Have you ever been involved in the management or delivery of European funded programmes or projects?**





**Q3) Are you aware of or have experience of the following programmes?**



**Q4) What do you see as the main benefits of the current European Union funding programmes?**

- “It can provide funding for projects and activities which are rarely available elsewhere”
- “Money for community projects”
- “Current funding programmes allow community groups and businesses to access support to develop and diversify, often being an essential piece in the jigsaw of funding”
- “Opportunities for strategic growth and access to support, mentoring and advice for marginalised groups”
- “Grants for projects which would otherwise not happen”
- “There is a lot of environmental benefits”
- “Help local projects – boost local economies – create employment – keep demographic in local community”
- “They are (or should be) innovative and “bottom-up”, and offer funding for things which would otherwise not happen.”
- “Funding can be received to offset costs of projects. Can help many community organisations access funding in a time where there is a lack of public funds available.”

<p>“Allows for innovation and ‘thinking out of the box’, provides companies/organisations with impetus to explore new markets/products/sectors/diversify.”</p>
<p>“An additional source of potential funding but also support/benchmarking/sharing best practice. The funding has enabled projects to take place that could not have been funded by any other means. The projects have strengthened communities, provided new skills and services and employment opportunities.”</p>
<p>“Support funding”</p>
<p>Generous resource available to support rural projects which have a positive economic and community benefit. LEADER is often the last port of call for these kinds of projects, or can assist with feasibility studies and initial consultancy to help leverage further support from other sources.”</p>
<p>“Brings funding to local communities.”</p>
<p>“Access to greater funds.”</p>
<p>“Completion of well (locally and otherwise) funded projects to completion.”</p>
<p>“A key benefit for us is the fair and transparent competitive process for getting grants – As a rural area with relatively low unemployment there are limited funds but significant issues.”</p>

**Q5) What do you see as the main disadvantages of the current European Union funding programmes?**

<p>“Very bureaucratic.”</p>
<p>“Controlled by Europe.”</p>
<p>“They can be unduly bureaucratic, and not always easy to apply for – requiring lots of ‘jumping through hoops”.</p>
<p>“Onerous paperwork, time consuming, little support provided in application process.”</p>
<p>“Complex rules and convoluted application process which puts people off applying.”</p>
<p>“They can be very prescriptive. You can end up making a project fit the scheme requirements and not necessarily getting the best benefit from the funding. Schemes can be very bureaucratic and costly to access.”</p>
<p>“Can be too prescriptive.”</p>
<p>“They are process-heavy and over-audited to the extent that most of the potential for innovation has been stifled. These failings also make the funds unattractive for smaller projects or for less experienced community groups because the cost of applying exceeds the benefit for many small or medium projects.”</p>

“Too specific, funding can only be allocated to certain projects which align with LDS priorities. Programmes are supposed to be bottom-up but LAGs/FLAGs often find that they are dictated to from the Government. Programmes are too bureaucratic/application process can be off-putting/rules and conditions applied after approval are very strict. Funding rounds are not frequent enough in national programme – slow decision making process.”

“Lengthy timelines from application to receipt of funds bureaucratic.”

“The application process is extremely lengthy, involved and seen as off-putting to potential applicants who may not have the skills to put together an application. This may be viewed as negative as you could question if they don't have the skills to apply how can they deliver the project but the two things can be very different.”

“Bureaucracy.”

“Quite an onerous application and approval process; difficulties attracting the right calibre of application across all the priorities.”

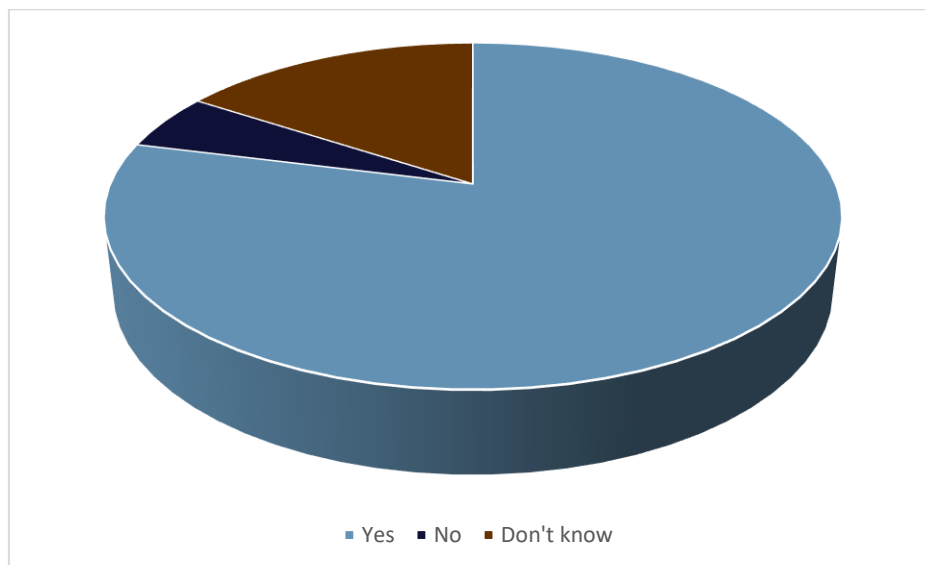
“Not necessarily targeting the real issues. A lot of the programs are addressing fallout from other policies e.g. decline in fishing mainly due to CFP policy. The complexity of guidelines makes it difficult to manage and distribute grants. Lot of waste.”

“Level of information required from applicants required by the funding agency for reporting to Europe.”

“Communities have benefited greatly from this funding in the past years. I see no great disadvantages.”

“Application process.”

**Q6) Do you think that national development programmes should be introduced to replace EU funding programmes?**



**Q6a) Please explain why you think that national development programmes are unnecessary.**

“A national programme would not be focussed enough, targeting funding based on areas of need would be more beneficial.”

**Q6b) What improvements would you like to see in new funding programmes?**

“Ideally less bureaucratic.”

“Clearer parameters.”

“Easier to apply. More clarity on percentage of funding, more flexibility and wider access for communities. Access to core funding rather than project based.”

“Better team structure and allocation of tasks and duties and follow up through local partners.”

“I would like to see support for all aspects of rural infrastructure in the broadest sense. E.g. good soil management. Schemes must be able to take on broad issues and be sensitive to integrated management.”

“Local Government management.”

“LEADER was more of a success in the last round (pre-2014) so we really need to consider how it worked better and what has changed in the current round which has made it less attractive and less successful.”

“More flexibility on the priorities for projects – for example, machinery/equipment are multi-purpose which results in some of its usage being applied for eligible elements and at times ineligible elements of a project. Projects are automatically rule out if a minority of the project relates to ineligible works – unfair? Make it easier for smaller projects, less than £25k to be approved quicker. The Scottish Government have the opportunity to design a new funding programme which eradicates some of the rules/conditions applied from the EU which at times makes the current programme unworkable. By consulting with stakeholders they have the real opportunity to design a programme that is fit for purpose, less bureaucratic and is more applicant friendly.”

“Streamlined local decision making to reduced timeline from application to receipt of funds.”

“A simpler application process which is easier for applicants to go through including the LARCS system. If this cannot be provided then consideration for additional support for applicants should be considered.”

“Greater flexibility to accept applications from out with the LEADER priorities. Greater flexibility to publicise funding and animate activity.”

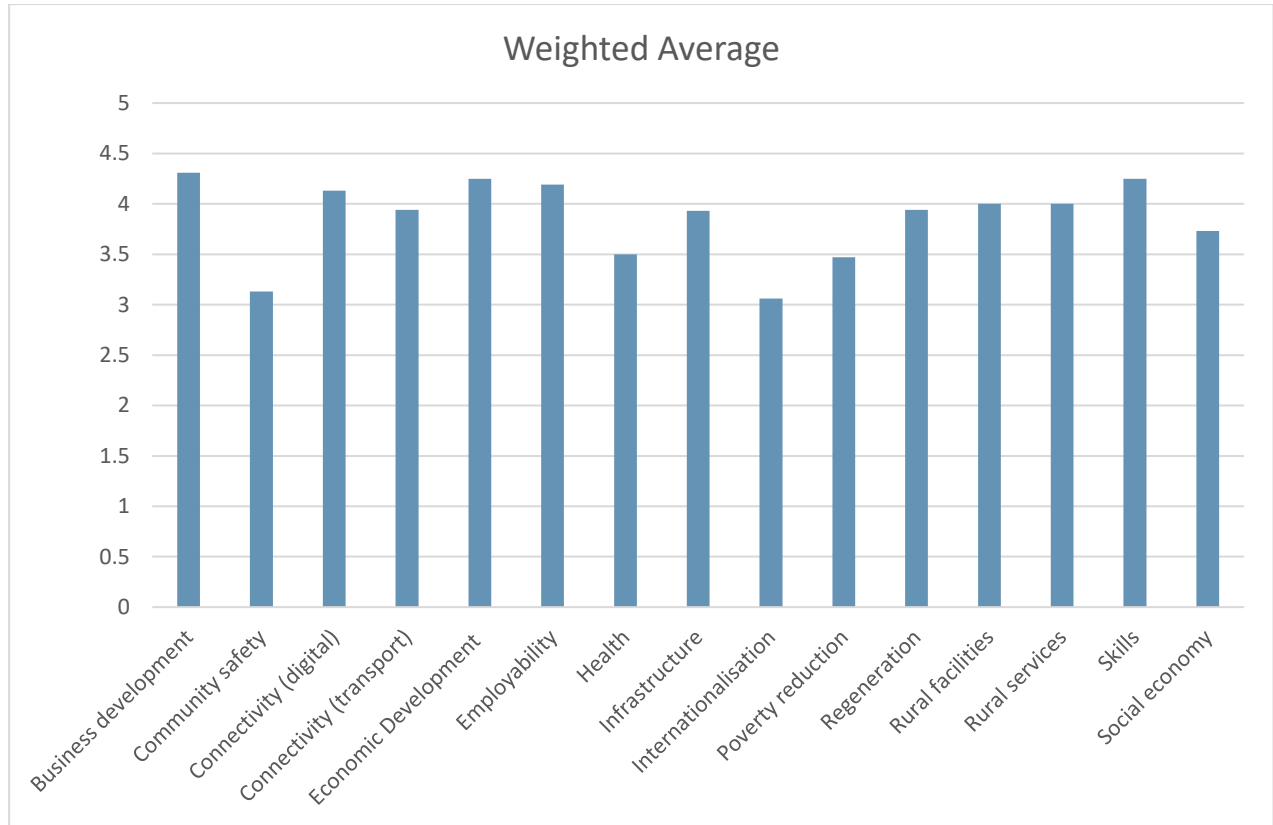
“Targeting the sustainability of industries rather than trying mitigate the decline of industries.”

“Much simpler application process, less concerned on requiring the correct information and more focused on supporting good ideas.”

“Less bureaucratic and simpler (but effective) processes.”

“Localised challenge fund process with focussed themes.”

**Q7) Which of the following – if any – should be priorities for development programmes in Aberdeenshire and how important are they?**



**Q8) Are there any other priorities which should be included in development programmes?**

“Potential for core funding.”

“No.”

“Narrowing gaps – not relying on SIMD to identify disadvantage.”

“Practical integrated training and career development. It goes a bit beyond just skills.”

“Environment, sustainability, climate change, tourism.”

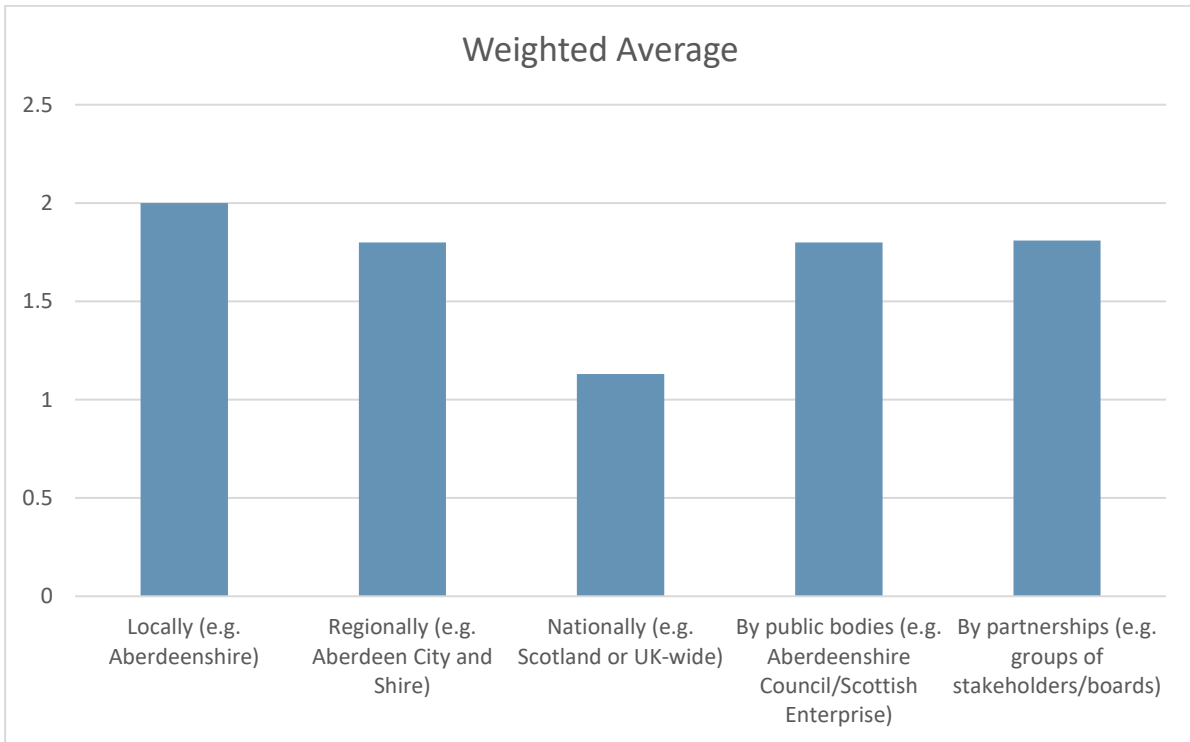
“Environment Improvement Rural access – non-motorised transport.”

**Q9) Are there any specific non-statutory/non-core projects or initiatives which could benefit from development programmes?**

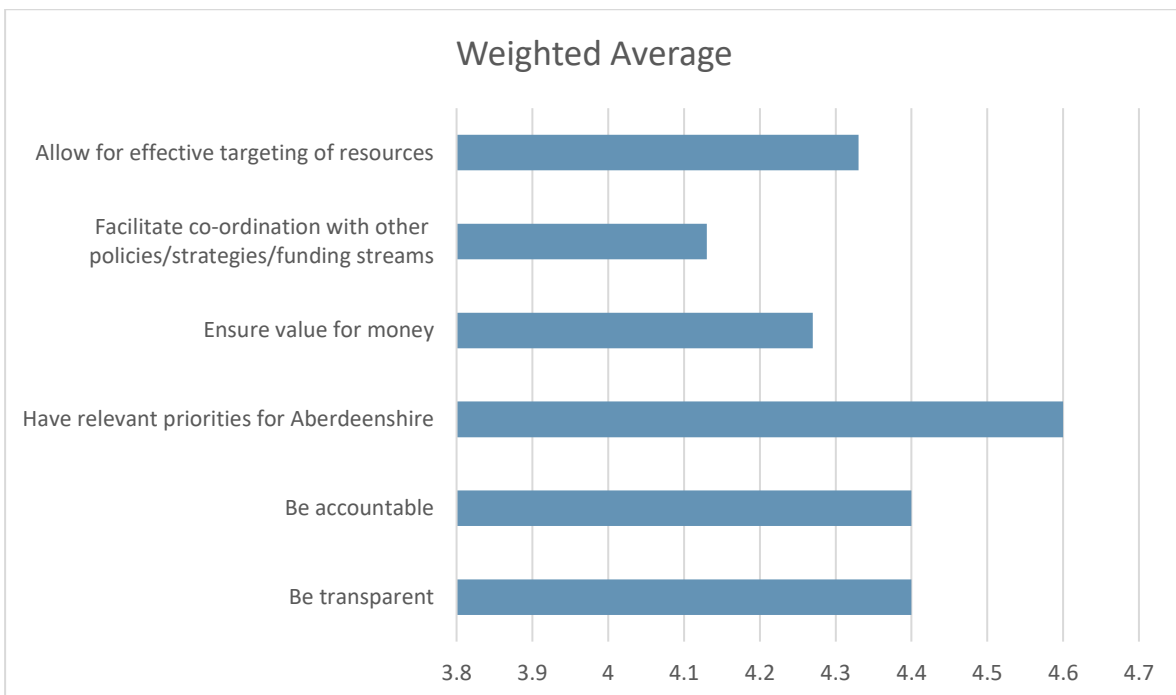
“None spring to mind.”

“Don’t know.”

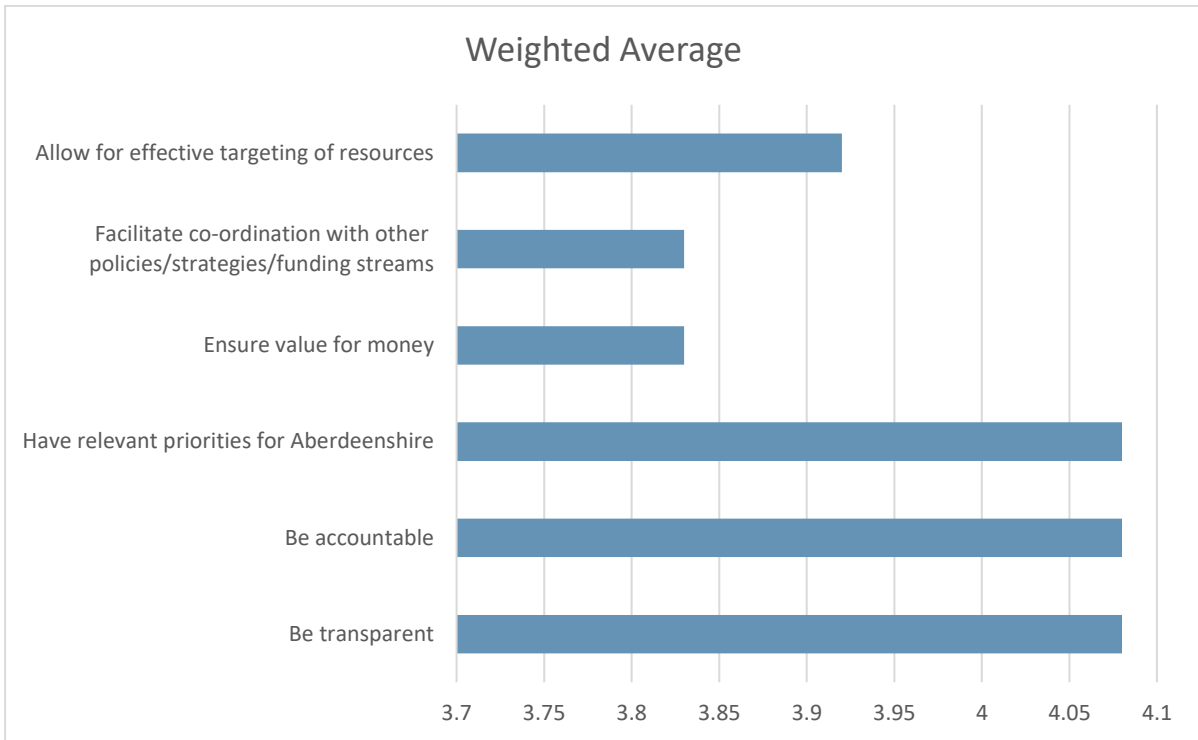
**Q10) Should development funding programmes be managed...**



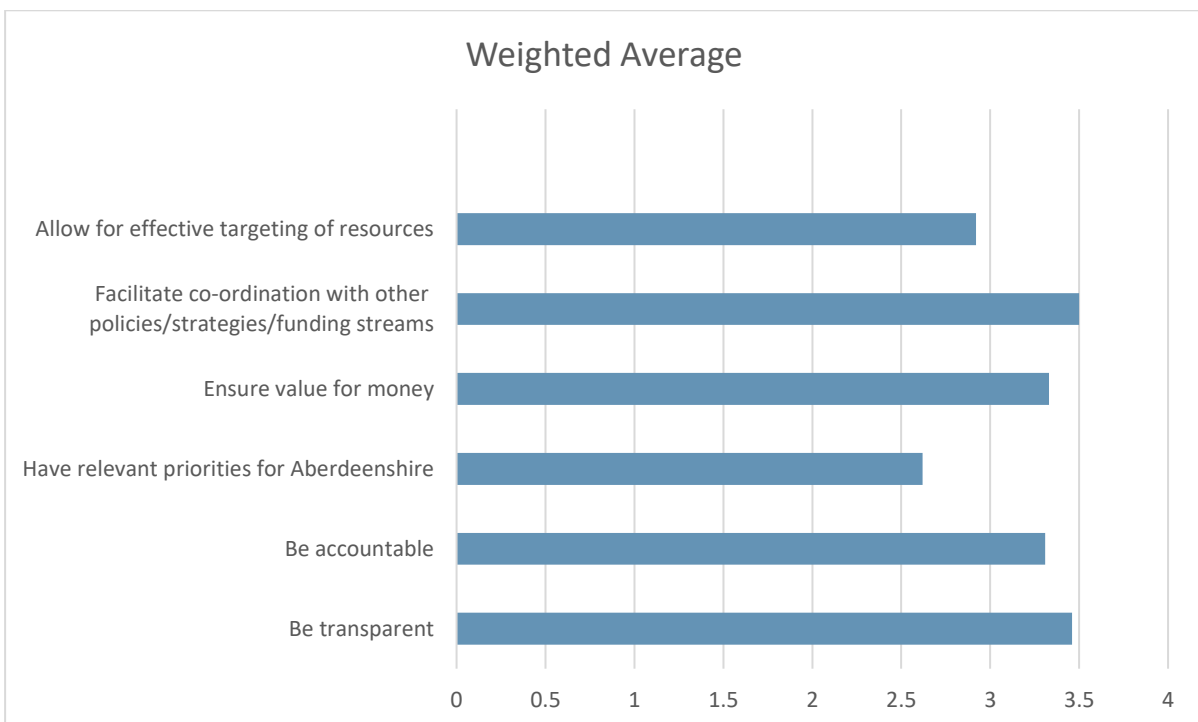
**Q11) To what extent do you think that locally-managed programmes would:**



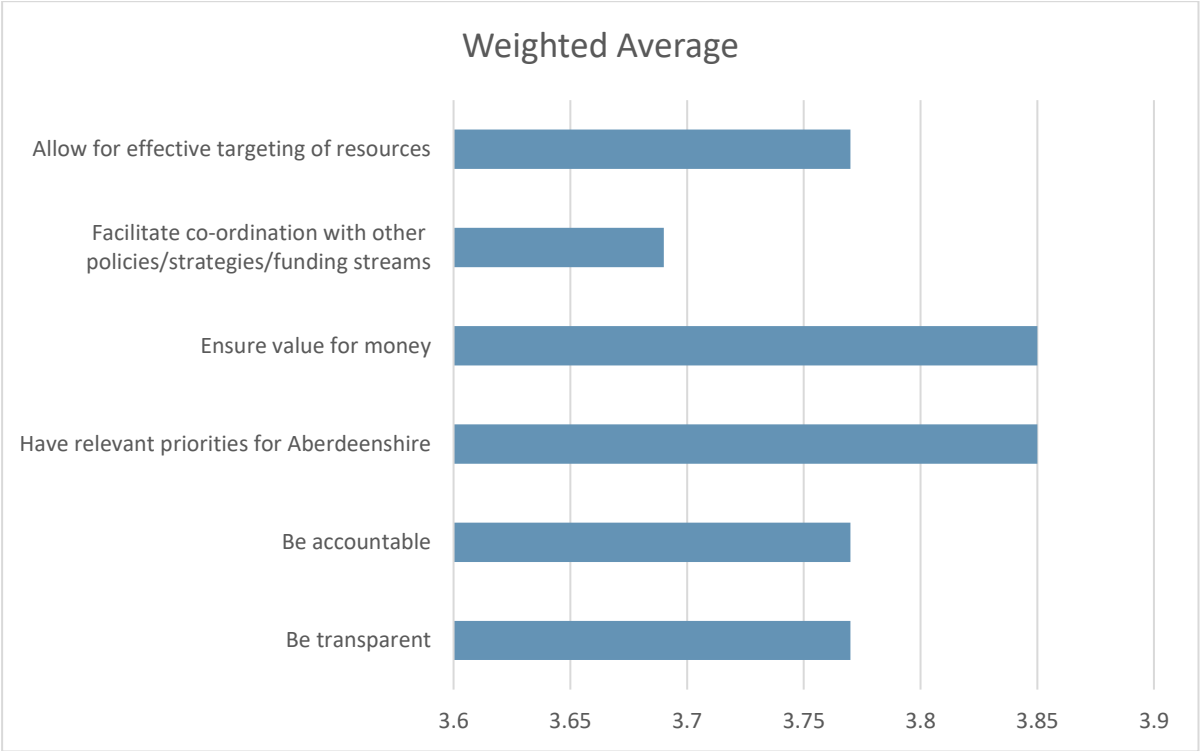
**Q12) To what extent do you think regionally-managed programmes would:**



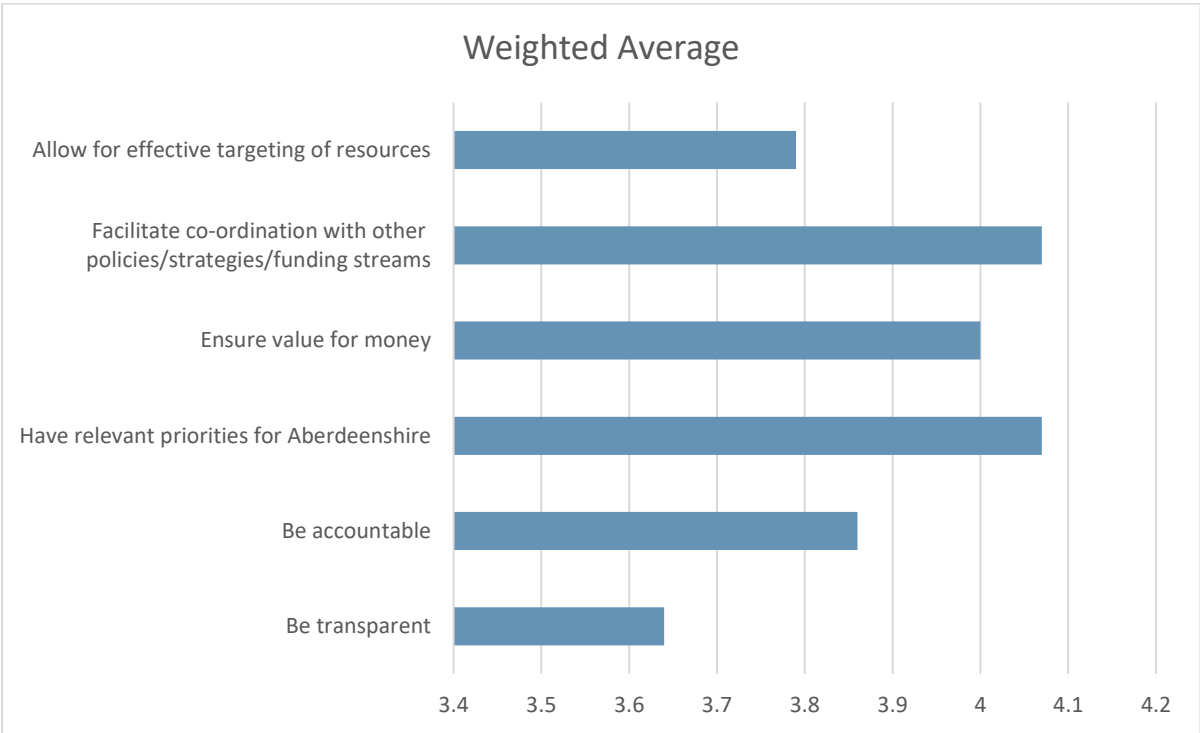
**Q13) To what extent do you think nationally-managed programmes would:**



**Q14) To what extent do you think programmes managed by public bodies would:**

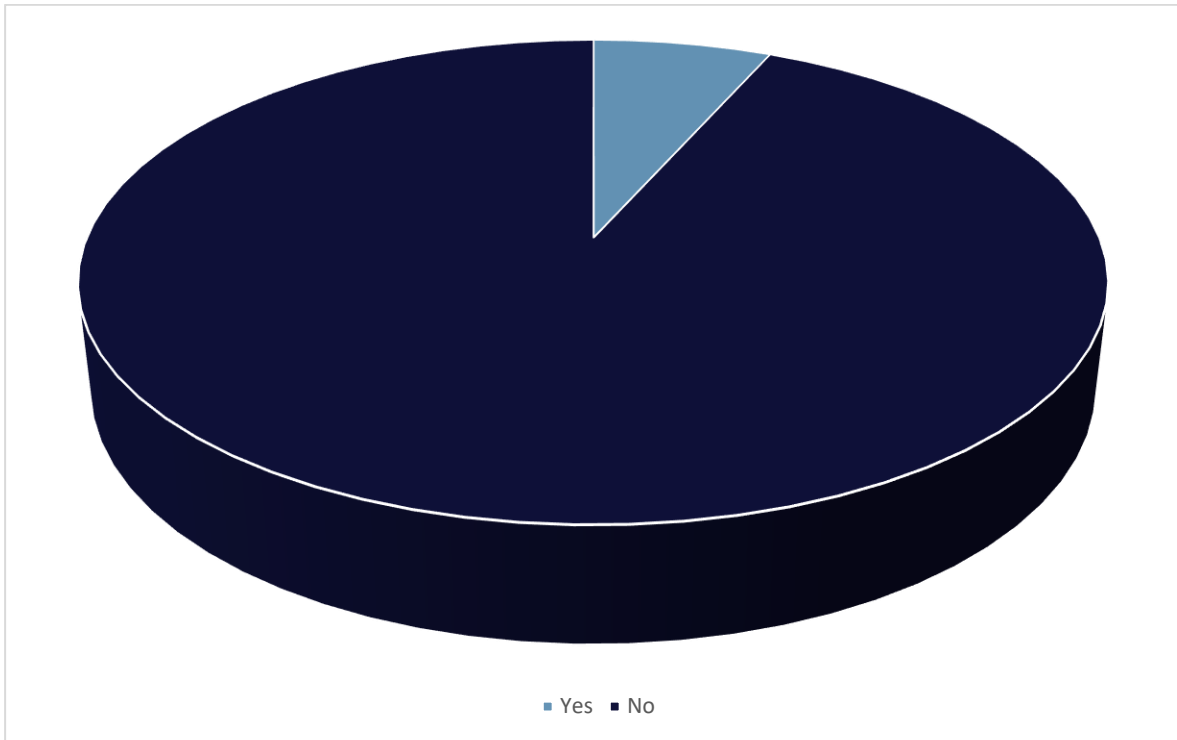


**Q15) To what extent do you think programmes managed by partnerships would:**





**Q16) Are there any other governance approaches which you think should be considered?**



**17) If so, what governance model(s) would you suggest and what would be the advantages and disadvantages of these approaches?**

“A more joined up approach with information on similar projects and funding can only be a success.”