Cohesion policy implementation, performance and communication

Scotland case study

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1. Introduction

Objectives and rationale

The objective of this case study is to investigate EU Cohesion policy performance and communication in Scotland and the impact on citizens' attitudes to the EU. The case study also contextualises comparative COHESIFY research findings and provides more in-depth insights into the performance and communication of Cohesion policy.

The case study focuses on two ERDF and two ESF Operational Programmes in 2007-13 (covering two programme areas of the Highlands and Islands, and the Lowlands and Uplands of Scotland) and Scotland-wide ERDF and ESF Operational Programmes in 2014-20.

The selection criteria for the case study included Cohesion policy eligibility and financial intensity, programme type, governance system and European identity.

- **Funding and eligibility.** In 2007-13, Scotland was allocated the total of €820m, split across the ERDF (€498m) and ESF (€322m). The funds were implemented through four programmes in two distinct programme areas covering the Highlands and Islands, as a less-developed ('Convergence') region; and the Lowlands and Uplands, a more developed ('Regional Competitiveness and Employment') region. For the 2014-20 programming period, Scotland was allocated relatively higher EU funding of €941m, split relatively equally across the ERDF (€476m) and ESF (€464m). The programme architecture was rationalised by reducing the programmes to two Scotland-wide programmes, within which the Highlands and Islands region is incorporated as a transition region.

- **Governance.** Scotland is a part of the United Kingdom enjoying a relatively high degree of autonomy. In 1999, legislative powers were devolved to a reconstituted Scottish Parliament. The Scottish Government is the devolved government for Scotland and has a range of responsibilities including the economy, education, health, justice, rural affairs, housing, environment, equal opportunities, consumer advocacy and advice, transport and taxation. The government was established also in 1999 as the Scottish Executive under the Scotland Act 1998, which created a devolved administration for Scotland in line with the result of the 1997 referendum on Scottish devolution. The Scottish Government has been the Managing Authority for the ERDF and ESF programmes in both analysed programming periods. In relationship with the EU, although the UK government performs a monitoring role to

ensure that devolved governments implement EU policy, the Scottish Government enjoys considerable discretion in policy implementation.

- **EU attitudes and identity.** Scotland is a generally pro-EU region in UK-wide terms, at least in terms of EU membership attitudes given that a large majority of 62 percent voted to Remain in the EU during the 2016 referendum vote. At the same time, however, two thirds of people in Scotland are sceptical about the EU (Curtice 2017). Various studies have shown that Scots are capable of accommodating multiple identities, which are not mutually exclusive. Nevertheless, European identity is lower relative to UK and EU averages, and there is a very strong regional Scottish identity.

- **Implementation settings.** COHESIFY analysis of the regional relevance of EU policies, examining the objective vulnerability, receptivity and desirability of EU policies, from the point of view of the structural development situation, needs and challenges of regions, along with the analysis of relations between the features of territories, their receptiveness to EU policies and the perceptions of the EU and EU Cohesion policy, resulted in the development of territorial typologies, which also served the basis for the case study selection. Analysis of regional policy implementation settings classified most of Scotland in an appropriate policy (i.e. match between real and perceived needs) and Eurosceptic context (i.e. the good quality of institutions is not matched with a widespread support to EU institutions), whereas North-Eastern Scotland – in an unrequested policy (i.e. mismatch between real and perceived needs) in a Eurosceptic context (Capello and Perucca 2017). The analysis of European identification in EU regions based on two dimensions – citizens' image of the EU and their attachment to the EU – using Eurobarometer data showed that a *negative* image prevails in all parts of Scotland although the majority of citizens feel *attached* to the EU (Dąbrowski et al. 2017)[1].

Methodology

In addition to secondary and primary resources for the desk-based analysis, the case study is based on the following original data:

Stakeholder survey

A stakeholders' online survey was carried out in the spring – summer of 2017. The survey was sent to 152 stakeholders, involved in ESI Funds during the 2007-13 and 2014-20 programming periods, including (i) Monitoring Committee members: stakeholders involved in the management and monitoring of operational Programmes, including Managing Authorities, implementing bodies, associations of local authorities or businesses, economic and social partners, education institutions, civil society organisations and NGOs; (ii) local state authorities: stakeholders involved in the delivery of EU projects as project promoters at the local level, (iii) and other economic development stakeholders. The response rate was 21 percent (or 32 respondents, out of which 14 incomplete and 18 complete responses) and the completion rate was 12 percent (or 18 complete responses), as shown in Table 37 in Annex 1.

Stakeholder interviews

Interviews were conducted with 18 stakeholders representing the Managing Authority (including the Communication officer), economic and social partners, civil society organisations, local governments and local authority associations, and implementing partners at regional level. Most of the interviews were carried out between June and August 2017, while two interviews took place in December 2017 and January 2018. (see Annex 2 for more details).

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[1] In this type, on average 40% of respondents declared to be attached to the EU, 34% not very attached (differentiating value), and 22% not at all attached.

Focus groups

In the case study of Scotland, 15 participants (7 female and 8 male) took part in 3 focus groups in the city of Glasgow. The groups included between 4-6 participants, and were homogenous per age cohort (19-41, 26-42, and 57-65 respectively). The first two groups had a relatively even gender balance. While the third group had a stronger male representation (4 males, 1 female), this did not hinder the level of engagement by the female participant in the discussion. The majority of participants were residents in Glasgow and were British citizens. One Scottish participant was a resident from the Scottish city of Aberdeen, and two participants were from Sweden and Bulgaria although studying or working in Glasgow.

The majority of participants were recruited through the COHESIFY citizen survey, which asked a random sample of respondents living in Scotland to provide a contact telephone number if they were willing to participate in a focus group discussion on the topic of EU funding and attitudes to the EU. This method allowed the recruitment of 9 participants. The remaining 6 participants were recruited through snowball sampling using professional and personal networks. A payment of £25 was made to each participant as an incentive to participate. (see Table 38 and Table 39 in Annex 1 for more details).

Citizen survey

The analysis also draws on the results of a citizen survey of citizens in Scotland, which asked a representative sample of 500 citizens about their awareness and perceptions of Cohesion policy as well as their attitudes to and identification with the EU (Borz et al. 2017).

Structure of the case study

The case study is structured as follows. The contextual scene is set in the next section by reviewing the socio-economic and political background including public opinion on the EU, territorial identity issues and political context. It then proceeds to the analysis of the implementation and performance of Cohesion policy, based on desk research, stakeholders' surveys and interviews. The analysis of the communication aspects follows in terms of the effectiveness of communication strategies and wider media framing of Cohesion policy, based on desk research, surveys, interviews and media framing analysis. Public perceptions of Cohesion policy and the impact of Cohesion policy on identification with the EU are reviewed in the final sections, drawing on policymaker surveys and interviews, the citizen survey and focus group results. The key findings are summarised in the conclusion including the policy implications and recommendations stemming from the case study.

2. Context and background

2.1 EU attitudes and identity

Early studies on European identity suggest that Scots hold multiple territorial identities with Scottish being the most prominent, followed by British and then European (Huici et al 1998; Grundy and Jamieson 2005; see also Moreno 2006). Comparative analysis of Scotland with other UK and European regions highlights the stronger regional identity and relative lower levels of European identity in Scotland (Huici et al 1998; Grundy and Jamieson 2005; Guibernau 2006). Despite the common notion of Scotland being a relatively more 'pro-European' region compared to other UK regions, the share of people in Scotland feeling European is similar or lower than in Britain as a whole. In 2007, around one in ten people saw themselves as European – much the same as Britain as a whole (Mahendran and McIver, 2007). In 2014, just 9 percent of people in Scotland described themselves as 'European', compared with 15 percent in Britain (Ormston 2015). According to

ScotCen Social Research data[2], less than 5 percent of people in Scotland opt for 'European' as their political identity if forced to choose.

By contrast, a recent survey asking respondent about their level of identification with each territorial level (i.e. not requiring a choice between levels) shows that Scottish people feel noticeably less British and more European than English or Welsh counterparts, according to data from the British Election Study in 2016 (Pattie and Johnson 2017). As for relative priority attached to different levels of identity, European is clearly the weakest in the 'hierarchy' of Scottish territorial identities, as is common across the EU. When contrasting Scots' British and European identities, a sense of 'Britishness' appears the majority feeling, being significantly higher than their average 'Europeanness' score – 52 percent of Scots report feeling more British than European (Pattie and Johnston, 2017). The regional Scottish identity is in relative terms the strongest. As noted, the feeling of regional identity also is significantly higher in Scotland than England. In England, most people feel 'Equally English and British', while in Scotland most people feel either 'Scottish not British' or 'More Scottish than British' (Moreno 2006, Pattie and Johnston 2017; Ormston 2015).

Socio-demographic determinants of European identity include gender, profession, education and political leaning, with higher levels of European identity found among males, managerial and professional occupations, graduates, those aged under 65, and Liberal Democrat and Labour party supporters (Ormston 2015). The impact of European or regional identity upon support for the EU or EU membership is contested. One of the earliest studies found evidence of a positive relationship between European identity and perceived EU benefits but, contrary to expectations, no relationship was between European identity and regional/Scottish identity (Huici et al 1998), although the study was based on a student sample rather general population. A study of young Scottish adults whose study or work orients them to Europe found that the main factor shaping their European identity was transnational exchanges with fellow Europeans including friendships, shared experiences, emotions and communication (Grundy and Jamieson 2007).

Turning more specifically to *EU attitudes*, Scotland is generally a more pro-EU region than English regions, as reflected in the EU referendum vote where a large majority of 62 percent voted to Remain in the EU. In 2014, Scottish attitudes to EU membership showed a positive balance of opinion, with a ratio of about 3:2 judging EU membership as 'good' and intending to vote to remain – as compared to that of around 1:1 in England (Henderson et al. 2016, based on Future of England Survey 2014). The analysis of EU referendum voting intention over the period May 2015 – March 2016 equally demonstrated a consistently and significantly more pro-European stance of Scottish respondents (average of 65.6 percent pro-Remain in Scotland against 50.4 percent in England) (Henderson et al. 2016). A 2014 survey on wider attitudes showed that respondents from Scotland were relatively less negative about the EU and European cooperation on all aspects covered, ranging from specific personal benefits stemming from free movement to the promotion of democratic values and cultural affinity (Henderson et al. 2016).

Historical data shows that Scotland has not always been more pro-European than other UK regions (see Figure 1). During the mid-1970s more respondents in England expressed a positive view of the EEC than was the case in Scotland, the pro-European 'spike' associated with the EEC referendum being more sustained in England than Scotland. Evidence well into the 1980s is that a larger proportion of respondents in Scotland than England held a negative view of the EU (Henderson et al. 2016). However, from the late 1980s the rank order of attitudes to European integration had reversed, and the balance of opinion became relatively more positive in Scotland than in England (Henderson et al. 2016) – a trend largely maintaining over time until the present day.[3]

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[2] http://whatscotlandthinks.org/questions/forced-choice-national-identity-5

[3] In **UK-wide** terms, a spike of positive attitudes towards Europe associated with the EEC referendum was evident in the mid-1970s. From a negative balance of views in the early 1980s, until the early 1990s a steadily increasing proportion of the population saw 'Europe' in

Figure 1: EU: good thing or bad thing? England, Northern Ireland and Scotland
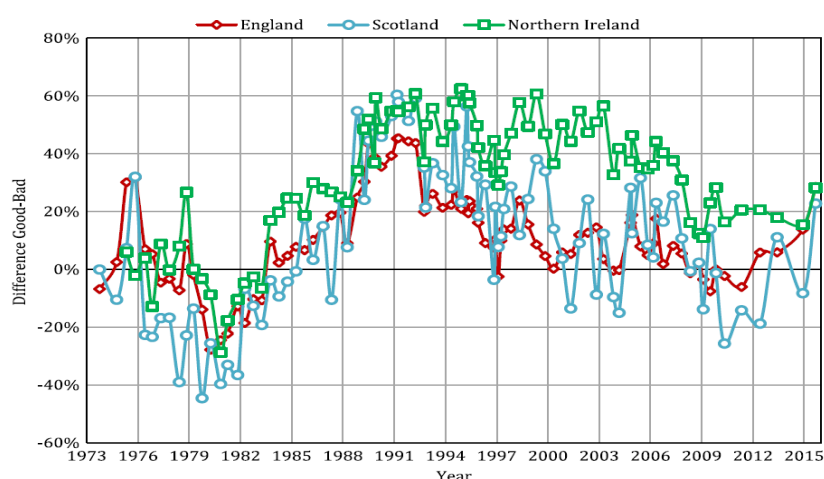
Source: Henderson et al. (2016)

More positive EU attitudes in Scotland than England are also reported in Eurobarometer and Social Attitudes data. In 2006, significantly more Scottish respondents agreed that *working conditions* in the UK are better due to EU membership (60 percent compared to the UK average of 51 percent). Marginally more Scottish respondents felt that the EU increased *business opportunities* and *provided more opportunities to live, work and study in another country (*80 percent, compared to 78-79 percent in the UK). A majority of UK respondents remained more Eurosceptic and were inclined to disagree with the statement 'the UK has benefited from its membership of the EU' and 'the EU is a good thing'.

Looking at trends over time, Euroscepticism is consistently greater in England than Scotland according to BSA data (Henderson et al. 2016). While trends over the 1993-2013 period appear similar in England and Scotland – both showing a spike of Euroscepticism in the mid-1990s and a further hardening of sceptical opinion around the beginning of the current decade – 'Eurosceptic' opinion is consistently lower in Scotland.

That said, people in Scotland report broadly similar Eurosceptic views as people in Britain as a whole, with the main differences being related to an appreciation of specific benefits of EU membership (Mahendran and McIver 2007). In addition, the level of Euroscepticism in Scotland appears to have *increased* since late 90s. SSA data show that voters in Scotland were more sceptical about Britain's relationship with the EU in the years immediately running up to the EU referendum than they had been in the early years of devolution. While in 1999, only two in five (40 percent) said either that Britain should leave the EU or try to reduce the EU's powers, by 2005 over half (53 percent) were of that view, and in 2015 the figure had risen to three in five (60 percent, compared to 65 percent in the UK) (Curtice 2017). This long-term increase in scepticism about Europe reflects similar trends in the UK (Curtice 2016, as cited in Curtice 2017) suggesting that attitudes are similar (Mahendran and McIver 2007) and that differences in the attitudes of Scots and rest of Britain towards the EU should not be overstated (Montagu 2016).

Euroscepticism in Scotland appears to have increased following the EU referendum (Curtice 2017). The proportion saying that Britain should leave the EU increased between 2015 and 2016 by eight points (to an all-time high of 25 percent), while the proportion saying it should seek to reduce the EU's powers remained at just over two in five. As a result, two in three (67 percent) of people in Scotland could be said to be sceptical about the EU (Curtice 2017). This data however shows that the correlation between the level of Euroscepticism, or wider attitudes towards different aspects of

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positive terms. However, this trend reversed after the early 1990s, from which point a declining proportion of the UK population regarded Europe as a 'good thing'.

the EU, on the one hand, and the position on the EU membership, on the other, is not straightforward, and any linear links should be avoided. The binary divide between Leave and Remain voters hides a multitude of variation and heterogeneity of views (McCrone 2016).

Despite the insignificant difference in the identified levels of Euroscepticism in 2015, a much lower proportion of Scots than English wanted the UK to leave the EU (16.5 percent compared with 25.4 percent) (McCrone 2016). Conversely, despite 60 percent of people in Scotland being sceptical about the EU in 2015, a large majority of 62 percent voted to Remain in the EU (Curtice 2017). At the same time, no less than 56 percent of those who said they voted to Remain said that Britain should seek to reduce the EU's powers, while only 9 percent actually preferring the EU to become a more powerful institution (Curtice 2017). Staying in the EU but reducing EU powers appears to have been the preferred option for the majority of Remain voters in both Scotland and England, questioning the strength of commitment to the EU of many of those who supported continued membership in the EU (McCrone 2016; Curtice 2017).

Level of knowledge of the EU and political party cues have been highlighted among key determinants of attitudes to Europe in Scotland. The relative ignorance amongst people in Scotland (as in Britain overall) and the desire to know more (Mahendran and McIver 2007) may be considered one of the obstacles towards an increased appreciation of the benefits of the EU and its policies. Differences in referendum voting in Scotland and England can also be partly explained by the strength of party cues: while in England voters are faced with a Conservative government and party that is split on the issue, in Scotland the SNP have made membership of the EU a central feature of their vision for an independent Scotland (Montagu 2016).

As concerns the relationship between identity and EU attitudes, it appears problematic to establish any straightforward correlation, which overall appears limited (Ormston 2015). While it is true that most people who feel European would prefer Britain to remain in the EU, those who lack a European identity appear to be divided in their views about the EU (Ormston 2015). Instrumental concerns about the economic consequences of Britain's membership are more clearly associated with views towards EU membership than identity considerations.

The clear weakness of European identity among the hierarchy of identities Scottish people relate to, while demonstrating lack of a strong emotional attachment to Europe, does not preclude the possibility that people in Scotland may express relatively more positive views towards the EU or be in favour of political and economic union with Europe (Curtice 2015). The evidence overall suggests a weak sense of cultural affinity of the UK citizens with the EU. Their cultural concerns might be outweighed by a sense of the specific, including economic, benefits of EU membership (Henderson et al. 2016).

There is evidence that a strong regional identity may weaken European identity. Scottish and English citizens whose feelings of sub-state (English/Scottish) identity dominate, are more likely to express scepticism about the EU, as local people's stronger sense of national identity might lead to weaker attachment to apparently distant supranational institutions (Ormston 2015). Others suggest that exclusive identities, whether national (British) or subnational (English/Scottish/Welsh) may push towards Euroscepticism. Scottish-only and British-only identifiers in Scotland were those most likely to want to leave the EU or see the EU as a 'bad thing', as was the case with English-only identifiers in England (Henderson et al. 2016). However, the relationship between exclusive sub-national identity and Euroscepticism is stronger in England than in Scotland (Henderson et al. 2016). In Scotland, national or sub-national identity (British or Scottish) does not appear to structure attitudes on EU membership consistently (Henderson et al. 2016)[4]. This may be related to the

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[4] In the case of England, this correlation, inter alia, may be confirmed by the results of the EU referendum: those who thought of themselves as 'English not British' voted 4 to 1 in favour of Leave, in contrast to 'British not English' who voted 60/40 to Remain (McCrone 2016). If in England Euroscepticism is associated mostly with English identifiers, in Scotland, it tends to be mostly British identifiers who hold this attitude (Henderson et al., 2016).

greater fit between perceived European and Scottish values. For instance, Ichijo (2003) suggests that European values may be closer to Scottish values than the UK, and the Scottish identity has a European outlook (Mahendran and McIver 2007; Medrano 2011).

2.2 Political context

European integration has long been an issue of contention between parties in Scotland – particularly with the Conservative party being in favour of economic integration but opposing to political and social integration, and the centre-left parties such as Labour, Liberal Democrats and the Scottish National Party being strongly in favour of the social dimension of the process (Hepburn 2014). At the same time, more recent years have seen an increased consensus on supranational matters, with the growing criticism among all the parties towards the lack of political accountability in the EU and the European single currency (Ibid.). However, European integration still has largely been viewed as a generally positive development for Scotland, the major divide on the European issue being 'whether Scotland should have its own seat on the European Council as a small independent member-state (SNP), or if Scottish interests are best represented through being part of a large, powerful member-state' (other parties) (Ibid.).

The **SNP** has been supportive of European integration since the late 1980s, having adopted its position of 'independence in Europe' in 1988, where 'Europe was portrayed as an external economic and political framework for Scottish independence that in a way could replace' the UK structure (Hepburn 2014). While analysis of election manifestos demonstrates a relatively strong pro-European integration position (Debus and Gross 2017), and 'independence in Europe' has been the central objective of the party for more than twenty years, there also has long been an anti-European integration element within the party and times in its past when it was officially hostile to membership of the EC (Lynch 1996; Mitchell 1998; as cited in Mitchell et al. 1992). The position on Europe has been more cautious at times and the party has been critical of the lack of democratic accountability in the EU, the weakness of MEPs, and of the Common Fisheries Policy and impact on the Scottish fishing industry (Hepburn 2014).

Scottish Labour's position has been similar to that of the SNP favouring a reformed and more democratic Europe, and supporting EU membership (Hepburn 2014). Its position has become more critical in early 2000s since its apogee in a pro-European stance in the mid-1990s (Ibid.).

The Scottish Liberal Democrats' position has shown a similar trend, shifting from unconditional support towards European integration and the creation of a federal Europe to more cautious views (Ibid.). The **Scottish Conservative and Unionist Party** have 'always been critical of the non-single market aspects of European integration' – although more critical views not necessarily translating into the opposition to EU membership (Ibid.).

Overall, despite parties moving towards a more cautious and critical position, they have still remained **broadly positive** about the benefits of the EU and supportive of full membership (Hepburn 2014). This appears to contrast with political debates in England, associated with a relatively strong anti-Europeanism sentiment – apparent in sections of the UK Conservative Party and the United Kingdom Independence Party (UKIP) – and where the traditionally more pro-EU parties, notably Labour and the Liberal Democrat, have also become more critical of many aspects of European integration (Ibid.). The SNP in particular has been critical of UK parties' anti-Europeanism, in this context seeking to distance itself from the UK government's position on the EU and 'position itself as much more sympathetic towards integration' (Hepburn 2014). This appears to be in line with its strategy on immigration and multiculturalism, 'seeking to present Scotland as a much more open, progressive, outward-looking and tolerant nation than Britain/England' (Ibid.).

In general terms, there does not appear to exist a direct correlation between the position of a specific political party with regards to European issues, as stems from the manifesto analysis, and the European self-**identification** of its supporters. Thus, in UK-wide terms, Liberal Democrat supporters are most likely to identify as European (26 percent, compared with 17 percent of Labour identifiers, 13 percent of Conservatives and just 5 percent of those who identify with UKIP). At the same time, data from Scottish Social Attitudes indicate that in 2014 **just 8% of SNP identifiers felt European** (Ormston 2015) – despite the relatively strong position of the party with regards to European integration and EU Cohesion policy, as stemming from the analysis of regional parties' election manifestos.

Analysis of the main party manifestos in the UK as part of the COHESIFY study shows that while the Conservative Party, British National Party (BNP) and UK Independence Party (UKIP) are heavily opposed to European integration and EU Cohesion policy, the Labour Party, the Liberal Democrats and the Green Party are strongly in favour of it – which is also the case for Scottish National Party at regional level in Scotland (Gross and Debus 2017).

Scottish parties only deviate marginally from their national party counterparts regarding European integration and Cohesion policy. At the same time, the Scottish Conservative Party takes on more EU-friendly positions in its regional election manifestos than the national party. UKIP dedicates more than 50 percent of its regional election manifestos in Scotland to European issues, the tone being predominantly negative. All other parties do not devote more than six percent of their manifestos to European issues, Cohesion policy overall not appearing to be a major issue in Scottish election campaigns (Ibid.).

When looking at the regional party positions in Scotland, the SNP, along with the Scottish Green Party, Scottish Labour Party and Scottish Liberal Democrats feature in terms of favourable positions on European integration and EU Cohesion policy, sustained over several election cycles, whereas UKIP Scotland and Scottish Libertarian Party feature at the opposite end of the political spectrum.

2.3 Regional and local governance

The Scottish Government is the devolved government for Scotland and has a range of responsibilities including the economy, education, health, justice, rural affairs, housing, environment, equal opportunities, consumer advocacy and advice, transport and taxation. The government was established in 1999 as the Scottish Executive under the Scotland Act 1998, which created a devolved administration for Scotland in line with the result of the 1997 referendum on Scottish devolution. The Scottish Parliament is made up of all elected members of the Scottish Parliament and is the law making body for devolved matters.

Local government in Scotland consists of 32 unitary local council, responsible for the provision of a range of public services. Local authority areas reflect the geographical diversity within Scotland with wide variations in size and population. The current structure was the result of a reorganisation in 1996, the legislative basis for which was the Local Government etc (Scotland) Act 1994. Councils in Scotland operate independently of central government and are accountable to their electorates for the provision of services. The Scottish local councils' umbrella body, the Convention of Scottish Local Authorities (COSLA), is engaged regularly in policy formulation and consultation with the Scottish Government (Mc Garvey and Cairney 2008).

In terms of relationships with the EU, the Scottish Government complements its limited formal rights in the EU with informal channels of contact (Mc Garvey and Cairney 2008). Although the UK's central government controls its response to European policy, the Scottish Government enjoys significant access to its decision-making machinery and, although the central government performs a monitoring function ensuring that devolved governments implement EU policy, the Scottish Government enjoys considerable discretion in its implementation (Ibid.).

3. Cohesion policy implementation and performance

3.1 EU Cohesion policy strategic and implementation framework

3.1.1. Operational Programmes for Scotland 2007-2013

In 2007-2013, EU Structural Funds in Scotland were allocated to two distinct programme areas covering the Highlands and Islands (H&I), designated as a less-developed (so-called 'Convergence') region; and the Lowlands and Uplands (LUPS) area, designated as a more developed ('Regional Competitiveness and Employment') region. For each Structural Fund (ERDF and ESF) there were separate programmes in H&I and in LUPS, i.e. four programmes in all covering Scotland.

- H&I ERDF OP: €291 million in total, of which ERDF contributed €121.862 million
- H&I ESF OP: €104.3 million in total, of which ESF contributed €52.15
- LUPS ERDF OP: €910 million, of which ERDF contributed €376 million
- LUPS ESF OP: €599 million total budget, of which ESF contributed €270 million

The Scottish **LUPS ERDF** OP allocated a quarter of funding to Priority 1 to support research and innovation by improving the competitiveness of the enterprise base through increased innovation and a fuller use of its RTD base. The strongest priority in financial terms was Priority 2 – acccounting for more than a third of the budget – to improve enterprise formation and growth rates by enhancing the business support environment, particularly in the areas of access to finance, entrepreneurship, e-commerce and resource efficiency. Substantial funding was allocated to Priority 3 to support urban regeneration in the most disadvantaged urban communities. Finally, around a fifth of the ERDF budget aimed to maximise the contribution of rural areas to achieving EU Lisbon agenda goals and sustainable growth under Priority 4.

The lion's share of funding under the **ESF** programme for the LUPs area was alloocated to Priority 1 (almost half of the ESF budget), to support progression into employment by assisting the co-ordinated progress of unemployed and inactive people of all ages towards sustainable employment. Accounting for over a third of funding, Priority 2 aimed to improve the skills of the workforce to enhance employability, productivity, adaptability, inclusion and entrepreneurial expertise. Priority 3 aimed to improve access to lifelong learning by widening access to post-school lifelong learning, particularly for key client groups. In response to the global economic slowdown, in 2010 the LUPS ESF programme was modified to introduce a new Priority 5 'Strategic Skills Pipeline' focusing on linking needs and opportunities through local-level Community Planning Partnership Bids.

The **Highlands & Islands** region of Scotland has specific geographic and socio-economic challenges including geographic isolation, insularity and low population density. The programmes in Highlands and Islands were similar to the LUPS programmes in their underpinning ethos, but had a slight difference in emphasis and sought to address distinct geographical and historical access issues. Priority 1 'Enhancing business competitiveness, commercialisation and innovation' accounted for 45 percent of the ERDF and aimed to increase sustainable growth through expanding the number, diversity and value of output of its enterprises with a focus on key sectors. Priority 2 aimed to enhance the sustainable value of the key drivers of the regional economy, specifically the University of Highlands and Islands Millenium Institute (UHI), the wider research capacity of the region and the use of the regions natural historical and cultural assets. Finally, around 15 percent of funding was allocated to Priority 3 to support growth in fragile and peripheral communities of the region in order to contribute to Lisbon goals. The Scottish **ESF** programme for the H&I area split its funding across three relatively equally balanced priorities. Priority 1 aimed to broaden and increase sustainable participation in the H&I workforce, particularly for groups which face severe and multiple

disadvantages. The second priority aimed to increase skills and earnings levels within the H&I workforce in all sectors of the regional economy, with particular reference to priorities identified in the ERDF programme, fostering the growth of enterprises and entrepreneurship. Finally, Priority 3 aimed to widen access to lifelong learning, increasing the range of quality education and training provision available and participation rates, particularly through the UHI and its network.

Table 1: Priority axes and allocations of Scottish OPs in 2007-13

Highlands and Islands Scotland ERDF OP 2007-2013		
Priority axes	EFDF allocation (%)	ERDF allocation (EUR)
1. Enhancing Business Competitiveness, Commercialisation and Innovation	44.7	54.5m
2. Enhancing Key Drivers of Sustainable Growth	36.4	44.4m
3. Enhancing Sustainable Growth of Peripheral and Fragile Communities	15.8	19.2m
4. Technical Assistance	3	3.6m
Total	100.0	121.862m
Highlands and Islands Scotland ESF OP 2007-2013		
Priority axes	ESF allocation (%)	ESF allocation (EUR)
1. Increasing the Workforce	29	15,123,557
2. Investing in the Workforce	39	20,338,576
3. Improving Access to Lifelong Learning	29	15,123,557
4. Technical Assistance	3	1,564,505
Total	100.0	52,150,195
Lowlands and Uplands Scotland ERDF OP 2007-2013		
Priority axes	ERDF allocation (%)	ERDF allocation (EUR)
1. Research and Innovation	24.3	91,648,953
2. Enterprise Growth	32.3	121,575,144
3. Urban Regeneration	26.8	101,000,888
4. Rural Development	18.5	69,874,522
5. Technical Assistance	2.3	8,977,857
Total	100.0	375,957,844
Lowlands and Uplands Scotland ESF OP 2007-2013		
Priority axes	ESF allocation (%)	ESF allocation (EUR)
1. Progressing into Employment	47.2	127,283,072
2. Progressing through Employment	22.1	59,712,715
3. Improving Access to Lifelong Learning	5	13,440,003
4. Technical Assistance	2.4	6,456,791
5. Strategic Skills Pipeline	23	62,140,373
Total	100.0	269,920,942

3.1.2. Operational Programmes for Scotland 2014-2020

For the 2014-2020 programming period, Scotland was allocated €941m split relatively equally across the ERDF (€476m) and ESF (€464m). A key difference in 2014-20 is that Scotland is being treated as a single programming area with the previously separate OPs for Lowlands and Uplands

Scotland and for the Highlands and Islands being rationalised into **one Scotland-wide OP per Fund**, with account being taken of the particular needs of the Highlands and Islands (which has **Transition Region status**). As a result, there is one national ERDF OP and one national ESF OP in Scotland, representing a halving of the number of ERDF and ESF OPs in 2007-13, with the Highlands and Islands Transition region incorporated within the two Scotland-wide programmes.

In terms of substantive content, the Scottish OPs saw significant changes over the previous programme driven by evolving EU and domestic priorities. A tightly-drawn set of objectives for the new programmes and emphasis on vertical policy alignment from EU2020 through to regional priorities gave a top-down steer to the programming process. At the same time, the Scottish Government's strategic objectives were seen to be in line with the EU 2020 targets and the 11 thematic objectives, including a tighter focus on building the low carbon economy, on R&D and innovation, and on investing in human capital through employability and skills initiatives. Financial allocations are made to schemes, programmes and projects through three Scottish Themed Funds: (i) Competitiveness, innovation and jobs; (ii) Low carbon, resource efficiency and the environment; and (iii) Local development and social inclusion. By using the Scottish Themed Funds, it is expected to concentrate on interventions with the greatest impact and ensure the greatest push towards Europe 2020 targets.

Despite certain positive trends in Scottish macroeconomic performance at the 2014-20 programming stage – such as improvements in labour market and GDP indicators and a less severe recession than many parts of Europe, demonstrating resilience of workforce - a wide range of challenges remained, including high levels of unemployment, a fall in living standards and economic growth at modest levels. In the framework of the SWOT analysis exercise underpinning OPs strategic design, the following key *challenges* that the 2014-20 ESIF programmes should address have been identified:

- **Overcoming the low expenditure on business R&D**. Despite the high quality of the R&D undertaken by the higher education sector, exploitation of this potential through business commercialisation is limited. Given the importance of R&D in driving Scotland towards its low carbon economy ambitions and delivering faster sustainable economic growth, overcoming this challenge is seen as having the potential to deliver significant gains for the economy.

- **Tackling the barriers to new firm formation**. Despite recent increases in business births, it continues to lag behind other countries. Tackling the barriers to entrepreneurship and starting a business – such as access to finance, skills, innovation – are seen crucial.

- **Increasing the ambitions of SMEs**. Scotland's economy is dominated by micro and small businesses, many of which do not innovate, lack growth ambitions or have not taken steps towards becoming international. Innovative, high growth, exporting firms are seen as the key to economic success.

- **Boosting digital infrastructure**. Encouraging all citizens and businesses to adopt and exploit digital technologies has the capacity to deliver a number of economic and social benefits for Scotland.

- **Exploitation of alternative sources of financing for SMEs**. Credit conditions for SMEs remain constrained, and the new ERDF programme offers the opportunity to explore non-traditional forms of finance.

- **Continuing to investment in Scotland's renewables sector**. Scotland has significant growth opportunities in offshore wind, wave and tidal technologies. Promoting further the renewables sector is seen crucial.

- **Striving to improve energy efficiency**. The low carbon economy, covering the renewables sector but also energy efficiency installations and technology, supply chains and encouraging innovative consumption patterns in SMEs to reduce environmental impact, is seen as a key driver for job creation and sustainable growth.

As in 2007-13, the **Highlands and Islands** (as a Transition region in 2014-20), faces a range of additional challenges, particularly those related to permanent geographical handicaps, including distance and sparse populations, peripherality and remoteness from markets and services, which in turn leads to market failures around infrastructure (digital, business, and enabling infrastructure for R&D and low carbon), availability of services, fuel costs, transport time, and additional business costs (ERDF Scotland OP 2014-20). Concrete consequences include reluctance of the private sector to invest in infrastructure to support new sectors with growth potential and additional build costs (e.g. through transportation and less market competition) outweighing returns on investment (Ibid.). In addition, the innovation performance of Highlands and Islands businesses continues to lag behind that of businesses elsewhere in Scotland.

The 2014-20 programmes therefore put focus in particular on:

- RTD&I – particularly focusing on commercialisation and collaboration between business and academia
- SME competitiveness through innovation, digital take-up and business models, export and globalisation, investment, and leadership development
- Digital roll out and take up in hard-to-reach areas and remote communities
- Encouraging and supporting low carbon investment and innovation, including low carbon transport solutions
- Resource efficiency in business and industry, and promoting and up-scaling circular economies
- Increasing employability for individuals facing multiple barriers to participation and enhancing labour market mobility
- Social innovation, social inclusion and combating poverty – targeted support at areas of multiple and complex need aimed at financial inclusion, household/family wellbeing and resilience and basic life skills
- Education, skills and lifelong learning – aimed at increasing skills levels (vocational, academic and business-ready) linked to Smart Specialisation or regionally significant sectors – matching skills supply and demand – and extending and improving vocational education pathways

Seeking to address the specific challenges faced by the **Transition region**, ERDF allows limited and sector specific infrastructure and capital support, e.g. for specialist builds and shared equipment. In addition, support to regional 'businesses of scale' for capital investment where that is part of enhancing their business competitiveness, securing new markets and creating additional employment in remote and sparsely populated areas can be supported. While ERDF funding supports smart growth and sustainable growth objectives, ESF supports inclusive growth activity. Both programmes focus investments into niche areas to maximise the positive impact of the funds in achieving EU2020 objectives and Scottish Government policy priorities. (see Annex 3 for details)

Table 2: Priority axes and allocations of Scottish OPs in 2014-20

Scottish OPs 2014-2020				
Thematic objectives	ERDF	ESF	YEI	Total
1. Increasing R&TD&I	111.5	0.0	0.0	111.5
2. ICT technology and usage	25.0	0.0	0.0	25.0
3. SME competitiveness	143.7	0.0	0.0	143.7
4. Low carbon economy	131.0	0.0	0.0	131.0

Scottish OPs 2014-2020				
Thematic objectives	ERDF	ESF	YEI	Total
5. Climate change adaptation	0.0	0.0	0.0	0.0
6. Environment and resource efficiency	56.0	0.0	0.0	56.0
7. Sustainable transport	0.0	0.0	0.0	0.0
8. Employment and labour mobility	0.0	198.0	46.3	244.4
9. Social inclusion and combating poverty	0.0	89.4	0.0	89.4
10. Education, skills and lifelong learning	0.0	122.0	0.0	122.0
11. Capacity building	0.0	0.0	0.0	0.0
12. Technical Assistance	9.5	8.4	0.0	17.9
Total	476.7	417.8	46.3	940.9

Interviews with stakeholders highlighted the path-dependent nature of economic development and the significance of specific territorial challenges. Several interviewees observed that the core needs and problems of the Scottish economy have not changed significantly in scale or over time during the last two decades. The needs and challenges of the regional economy and the labour market have mirrored trends in the wider UK and EU, but some of the fundamental challenges identified at the end of the 1990s remain significant challenges today. These include underperformance in R&D efforts, labour market exclusion problem, or shortage of a vibrant and growing business base.

The specific territorial challenges of the H&I region were frequently highlighted, particularly by local stakeholders, which relate to the geographical remoteness from the mainland UK and Europe, peripherality and insularity and leading to challenges with transportation of goods, economies of scale and overall competitiveness of the regional economy. As discussed further below, there are concerns from some H&I stakeholders that these challenges are not sufficiently addressed in the new Scotland-wide programme for 2014-20.

3.1.3. Implementation framework and partnership structures

Implementation framework

In 2007-13, programme management was largely centralised within the Managing Authority, although a number of strategic delivery mechanisms played a strong role. Further consolidation and centralisation of programme management was carried out in 2011 with abolition of the Intermediate Administrative Bodies[5] (programme secretariats).

Drawing upon experience of delivery arrangements in other Member States, a range of *Strategic Delivery Mechanisms* were developed to deliver elements of the 2007-13 Highlands and Islands and Lowlands and Uplands ERDF and ESF Operational Programmes, including:

- *Strategic Delivery Bodies*: With the goal of achieving greater strategic alignment (i.e. between Scottish government objectives and EU Lisbon objectives) the programmes identified Strategic Delivery Bodies and the scope of their involvement in the Programmes as follows:

  o Scottish Enterprise: LUPS ERDF Priority 1 (Research and innovation).
  o Highlands and Islands Enterprise: H&I ERDF Priority 1 (Enhancing business competitiveness, commercialisation and innovation).

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[5] Until then, two Intermediate Administrative Bodies (IABs) assisted with administrating the funds for the 2007-13 Programmes. The IAB for the Highlands & Islands Programmes was the Highlands & Islands Programme Partnership Ltd, for the Lowlands & Uplands Scotland Programmes – ESEP Ltd. The IABs were responsible for: publicising the Programmes and forthcoming application rounds; advising applicants on potential projects; assisting in project appraisal; processing claims; monitoring projects.

- o University of the Highlands & Islands: H&I ERDF Priority 2 (Enhancing key drivers of sustainable growth) and ESF Priority 3 (Access to Lifelong Learning)

- *Community Planning Partnerships* comprising urban area CPPs within LUPS targeted on the basis of disadvantage and all CPPs in H&I. Investing a degree of responsibility for Structural Funds management in the CPPs pursued the goal of achieving greater tactical alignment between locally derived objectives and the scope within the Priorities of the OPs.[6]

- *Global Grants Body*: in the LUPS programme, the MA designated an intermediate body to manage and implement a global grant (as defined in Articles 42-43 of the General Regulation) in the South of Scotland under Priority 4 for rural development.

- *National Delivery Bodies*: were identified to commission strategic activity in LUPS during the operational phase of the programmes, and specifically in relation to the creation of ESF Priority 5 in the LUPS area in 2010, a number of organisations were designated.[7]

The established Strategic Delivery Mechanisms were anticipated to provide for: (i) greater strategic alignment; (ii) greater tactical fit; and (iii) best value for money and enhanced impact with the reduced funds available in 2007-13 as compared to 2000-06.

In addition, the **Monitoring and Evaluation Group** was established, with the following features:

- brought together officials from the Scottish Government (both policy and analytical services) with representatives of partner organisations (the two economic development bodies in Scotland, several from local government, and the two IABs)
- remit covered both ESF and ERDF and, geographically, both the LUPS and H&I
- provided advice on evaluation of the ESIF in Scotland
- tasked with identifying the additionality associated with European funding with an emphasis on understanding the effectiveness of delivery mechanisms introduced in the 2007-2013 programme and looking for lessons for the next programme.

In 2007-13, there were two separate programme **monitoring committees**, one for each region: LUPS and H&I Programme Monitoring Committees. The monitoring committees were responsible for ensuring effective implementation of the ESIF in line with EU requirements. Their tasks included reviewing progress, especially the degree to which the quantified targets associated with each of the priorities have been achieved, approving selection criteria and approving annual and final reports on implementation.

In the current, **2014-20 period**, the Scottish Government continued to be **Managing Authority** for the ERDF and ESF programmes with responsibilities for overseeing governance, calling for and assessing applications for Strategic Interventions, ensuring monitoring, audit and regulatory activity complies with EC requirements, reporting on targets and for the overall performance of the ESF and ERDF programmes. However, the Structural Funds Division has brought the functions previously delegated to Intermediate Bodies in-house to ensure the expertise to manage the Funds is retained in the long term.

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[6] Community planning, based on the Local Government in Scotland Act 2003, is the process by which councils and a wide range of other public sector bodies (e.g. NHS, enterprise agencies, colleges, third sector organisations) work together with local communities and the business sector to plan and achieve better delivery of services that include economic and skills development, community regeneration and renewal.

[7] National Delivery Bodies comprised Skills Development Scotland, Scottish Further & Higher Education Funding Council, Scottish Trades Union Congress, Scottish Council of Voluntary Organisations (fronting the Third Sector Consortium).

Implementation of the ESIF programmes has been to some extent **decentralised** from the Managing Authority while at the same time increasingly **concentrated** in the hands of a small number of key partners (public bodies/government agencies/ '**Lead Partners**') who are tasked with greater responsibility for leading on project delivery and verification.

How projects are defined has also changed, with the packaging of projects within '**Strategic Interventions**', resulting in a major reduction in the number of projects from several hundred in 2007-13 to around 13 'Strategic Interventions' in 2014-20. Strategic Interventions present large-scale funding allocations (minimum of €15 million), structured around specific themes defined as 'programmes of work of significant scale and defined scope' which align with and help shift the focus on domestic policy.

Strategic interventions are managed and co-financed by Lead Partners. Lead Partners are policy directorates, agencies and local authorities with the capacity to manage the funds and provide match funding of their own to increase the overall levels of investment. Lead Partners receive funding allocations from the Managing Authority, similar to the previous Strategic Delivery Body model, which operated for Scottish Enterprise, Highlands and Islands Enterprise and the University of the Highlands and Islands. The SI and match funding are divided into smaller amounts (operations), with individual projects and organisations then applying to lead partners to access the funds. Lead Partners provide the initial match funding, but may deliver operations directly, contract delivery or enter into partnerships. Monitoring of these operations is done by Strategic Delivery Partnerships (SDPs) which ensure that they are complementary and that various interventions are performing and making a measurable contribution to the Europe 2020 targets.

Overall, the new programme structure seeks to ensure a more integrated and streamlined approach to delivering ESIF as well as addressing the issues identified in the National Reform Programme. A number of interrelated reasons are stated to lie at the core of a shift to the existing programme and management structure:

First, the need to identify **match funding** in a spending climate of budget consolidation, hence focusing on concentrating relatively few and significant interventions of scale that OPs of this size can affect and change positively (ERDF OP Scotland 2014-20).

Second, the need to **maximise the impact of investments**: large number of smaller and fragmented interventions were found to lead to fragmented **outputs**, be less efficient in achieving the desired **results** and **impacts**, and judged unlikely to make a measurable contribution to Europe 2020 (Office of the Chief Economic Adviser 2013), justifying need for greater (thematic or geographical) targeting, fewer but larger and more strategic projects and lead partners taking responsibility for significant programmes of work to deliver bigger outcomes. Among other things, larger-scale interventions are hoped to help make a **bigger contribution** to the objectives of the Programmes; retain the focus on the long-term outcomes; and increase additionality and **reduce duplication** between local projects.

In addition, drawing on the negative experience in 2007-13 related to a number of **audit and compliance** issues in Scotland, the new delivery structure is hoped to help increase **compliance** with national rules and **audit** requirements, at the same time simplifying management and delivery as well as reducing administrative burden for beneficiaries. Since smaller organisations are seen less capable of coping with the audit and record-keeping burden required to draw down EU funds, up-scaling project delivery is seen important. Options to simplify and improve the ESIF management in Scotland, pursued by the Managing Authority, include the use of Lead Partners, increased use of procurement, increased use of simplified and unit costs, and improved IT systems.

As noted in the ex-ante evaluation of the 2014-20 Scottish OPs, the pursued approach, seeking to minimise the risk to the MA and at the same time simplify the audit and compliance burden on delivery bodies, is expected to drive improved delivery.[8]

Partnership structures

Partnership was 'at the heart' of the OP design process, with intensive working group activity as well as on-going dialogue and consultation with a wide range of partners. The process involved, among other things, a set of parallel surveys outlining collective priorities for future Structural Funds programmes, the Monitoring and Evaluation Group working groups, a public consultation on content of the future programmes, and stakeholder workshops.

Scotland has established a **Joint Programme Monitoring Committee** covering all ESIF, replacing past separate programme monitoring committees. The JPMC oversees:

- Performance – monitoring progress towards outcomes, targets and milestones, and continually assessing the contribution to EU 2020;

- Complementarity – of the programmes and schemes in operation, with the ability to recommend changes to the SDPs, and to the Operational Programmes if required; and

- Implementation and mainstreaming of horizontal themes, ensuring that European Funded activity contributes to equality and sustainability.

The JPMC meets at least twice a year, generally in spring and autumn.
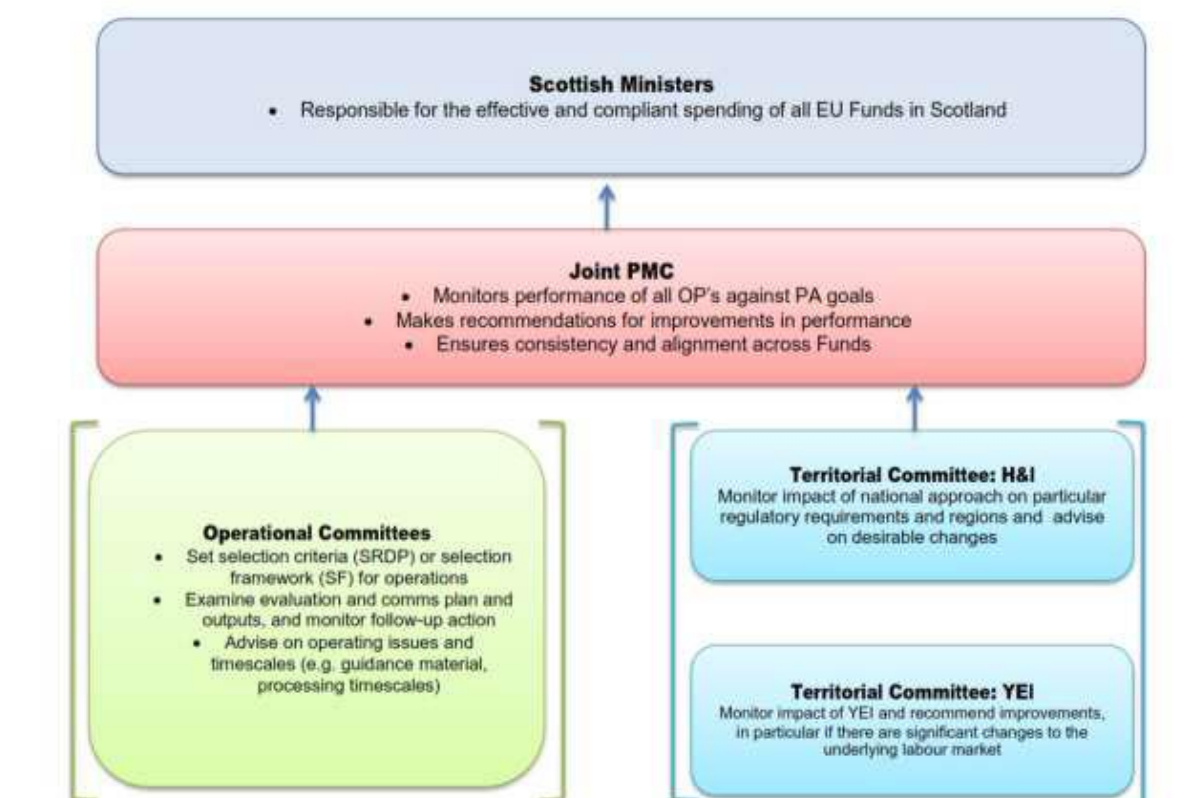
Source: Hall Aitken (2014)

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[8] At the same time, the EAE notes that the potential benefits were not well understood by partners and key stakeholders, the widespread view being that the new approach aimed to exclude community organisations rather than reduce the compliance burden – *as discussed further*

The **Monitoring and Evaluation Group** (MEG) was re-shaped in April 2015 to assist in the development, agreement and implementation of the Evaluation Plan 2014-2020. The group aims to meet on a quarterly basis to coincide with key evaluation milestones throughout the life of the programmes. Chaired by the MA, the overarching purpose is to be involved in the: (i) planning and development of evaluations, (ii) steering of evaluations (iii) quality control of evaluations (iv) and making long-term (post 2020) recommendations. The membership of this group is drawn from key stakeholders concerned with all aspects of the OPs. Many members are involved in other aspects of governance, e.g. the territorial committees for Highlands and Islands or the Youth Employment Initiative; or in the Joint Programme Monitoring Committee, securing a strong link between governance of the ESF and ERDF programmes. Individual additional members have been invited to join the MEG based on past experience and expertise and to reflect the prioritisation of work identified by MEG. **Short-life Working Groups** may be formed from MEG members to assist in gathering views and insights from stakeholders. This work will inform the development of the evaluation plan.

The **Territorial Committees** for Highlands and Islands or the Youth Employment Initiative monitor the impact of interventions in question and recommend relevant improvements. The rationale for the territorial committee for H&I was to respond to the elimination of the previous OP for the region and therefore to provide a local oversight mechanism for the implementation of region-wide initiatives in Scotland. Its responsibilities include periodically reviewing progress made within the Territorial Area towards achieving the specific targets of the OP and making recommendations to the JPMC and Operational Programme Committees on the financial allocations across the Strategic Interventions. Membership of the Committee comprises Local Authorities, Highlands and Islands Enterprise, the University of the Highlands and Islands, SCVO (for Third Sector), Scottish Natural Heritage, Scottish Funding Council, Skills Development Scotland, VisitScotland, officials of Scottish Government, as well as Lead Bodies for ESI purposes as appropriate.

At the local level, there are no specific partnerships purely focused on ESIF, although local action groups (with regards to rural and fisheries matters) and community planning partnerships have been highlighted as playing a direct role in the delivery of ESI Funds, and local employability partnerships present a space where partners receive updates on the implementation progress of employability programmes. In addition, the Scottish Local Authorities Economic Development Group (SLAED), as a network of senior officials from economic development teams across all Scottish local authorities, acts as a 'national voice for local economic development services in Scotland', linking the work of member councils, also in collaboration with wider partners. It provides a forum to discuss challenges and seek clarifications from the SG with regards to the implementation of the programmes.

3.2 Assessment of performance

3.2.1 Programme performance

1. 2007-2013

In Scotland, no impact evaluation was done in 2007-13. The only available assessment of achievement is available in the AIRs based on monitoring data. The reports shows that some targets were achieved or over-achieved several years before the end of the period. For instance, by the end of 2011, for the ERDF Programmes, the number of enterprises supported was 42,295 against targets of 17,000. The number of job brokerage initiatives was 124, against a target of 30. A total of 230 renewable energy projects had been supported, against Programme targets of 160.

In terms of *financial progress*, recent data for 2014 (AIRs 2014) suggests that N+2 targets for the OPs were met in both regions, confirming expectations that final targets would also be met.

In the **Highlands and Islands** region, AIRs report that European Funds played a critical role in the *Economic Recovery Plan*, supporting capital expenditure, improving business support and up-skilling individuals. By 2013, the Structural Funds programmes secured training and improved skills for 135,000 individuals; and delivered 30,000 new jobs. Tacking action to address youth unemployment is considered to have been an important part of this. By 2014, a number of targets had been met in full, or in some cases, exceeded significantly. Over several consecutive years, the programme was reported to have made significant progress in supporting business: strong achievement against several of the *business support* indicators was reported, which was believed to be possibly related to businesses seeking support as a result of the recession. Already by 2012, the number of *individuals and enterprises receiving advice and consultancy support* was 140% above the original target set for the end of the programming period (reaching 162% in 2014), while in 2014 the number of enterprises receiving support through the SDB was 167% and that of new products and services developed by supported enterprises was 1570% above the programme target.

At the same time, slower progress against indicators related to, for instance, *R&D* was being recorded over time, due to the lead-times involved before possible realisation, although many of the targets were close to being met by the end of the programme. The number of actual gross *jobs created* in 2014 was still at more than half way to the overall ERDF programme target, and the number of *business start-ups* resulting from support was only at 21% of the target value. More details are provided in Table 3.

Table 3: HIE ERDF OP: progress towards indicators, 2014

Type	Indicator	Target	Forecast[9]	% Target met by Forecast	Actual achieved to date	% Target met by actual
	Priority 1					
Output	No of individuals and new enterprises receiving advice/consultancy	800	1459	182%	1,298	162%
Output	Number of enterprises receiving financial support	250	379	152%	233	93%
Output	Number of enterprises receiving support for e-commerce	150	516	344%	146	97%
Output	No of enterprises receiving support for energy-saving & resource-efficiency	350	327	93%	238	68%
Output	Number of social enterprises receiving support	200	309	155%	269	135%
Result	Number of new business starts resulting from support	400	122	31%	84	21%
Result	Number of ecommerce strategies developed	100	203	203%	199	199%
Result	Number of enterprises implementing environmental audits and energy-saving/resource efficiency systems	250	144	58%	107	43%
Output	Number of enterprises receiving support through the SDB	400	664	166%	667	167%
Output	Area of business space created or modified (m2)	20,000	260697	260697	170,055	850%
Output	Number of commercialisation activities	189	155	82%	189	100%
Result	Increase in turnover in enterprises supported by SDB (£m)	40	312086	780215	18	45%
Result	Number of new products and services developed	10	148	1480%	157	1570%
Result	Number of gross **jobs created**	2,200	3734	170%	905	41%
	Priority 2					
Output	Number of research facilities supported	30	19	63%	11	37%
Output	Number of e-learning/training facilities supported	60	19	32%	51	85%
Output	Number of RTD projects supported	30	52	173%	28	93%
Output	Number of renewable energy research projects	10	21	210%	15	150%
Result	Number of patents filed	20	1	5%	18	90%
Result	Number of vocational training infrastructure projects supported	10	13	130%	36	360%
Result	No of new products & services based on natural & cultural assets developed	50	132	264%	101	202%
Result	Number of gross **jobs created**	1,300			957	74%
	Priority 3					
Output	No of e-learning/childcare and other community facilities supported	15	14	93%	12	80%
Output	Area of business space created or modified	2,750			2,934	107%
Output	Number of transport projects supported	15	25	167%	18	120%
Output	Number of ICT infrastructure projects supported	1	1	100%	0	0%
Output	Number of renewable energy projects supported	10	6	60%	5	50%
Result	Number of gross **jobs created**	600	60	10%	60	10%
Output	Number of energy efficiency initiatives supported in Social Housing	4	3	75%	3	75%
Output	Number of social housing units improved	400	315	79%	315	79%

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[9] forecast targets from committed projects

In the **Lowlands and Uplands** region, gross *jobs created* were estimated to be close to the programme target already in June 2012, being at 118% over the target value in 2014. Support to business was a prominent feature of the programme and 12,973 new *business starts* were recorded in 2014 under Priority 2, which was around 236% of the target. The *business assistance* targets were over three times more than the expected target already in 2012, in 2014 reaching over five times above the original target set for the end of the period potentially implying that targets were poorly estimated or set low. Poorer performance can be noted in indicators related to support for energy-saving and resource-efficiency, social enterprises or educational access projects.

Table 4: LUPS ERDF OP: progress towards indicators, 2014

Indicator Name	Type	Target	Forecast	% Target Met by Forecast	Actual	% Target Met by Actual
Number of **enterprises supported**.	Output	3,900	46248	1185.9%	15867	406.8
Number of new products and services developed by supported enterprises and research centres.	Result	1,800	2209	122.7%	1968	109.3
Increase in turnover in supported enterprises (£m).	Result	290	1745	601.7%	2532	873.1
Number of research networks and collaborations supported.	Output	600	2553	425.5%	3285	547.5
Number of new products and services developed by supported research networks.	Result	900	990	110.0%	674	74.9
Number of renewable energy projects supported.	Output	240	950	395.8%	685	285.4
Number of gross **jobs created**.	Result	25,600	53282	208.1%	30229	118.1
Number of enterprises receiving financial support.	Output	250	8002	3200.8%	8198	3279.2
Number of individuals and new enterprises receiving advice/consultancy.	Output	11,600	56738	489.1%	48711	419.9
Number of new business starts resulting from support.	Result	5,500	16006	291.0%	12973	235.9
Number of enterprises receiving support for e-commerce.	Output	5,700	7644	134.1%	4848	85.1
Number of enterprises receiving support for energy-saving and resource-efficiency.	Output	5,700	3168	55.6%	2289	40.2
Number of e-commerce strategies developed.	Result	4,100	3835	93.5%	1779	43.4
Number of enterprises implementing environmental audits and energy-saving/resource-efficiency systems.	Result	4,100	2222	54.2%	1085	26.5
Number of job brokerage initiatives supported.	Output	30	134	446.7%	162	540.0
Number of ICT and e-learning facilities supported.	Output	40	97	242.5%	78	195.0
Number of childcare and other community facilities supported.	Output	30	52	173.3%	46	153.3
Number of transport hub projects supported.	Output	25	21	84.0%	9	36.0
Increase in the number of individuals gaining employment through supported job brokerage schemes.	Result	650	30721	4726.3%	25581	3935.5
Increase in the number of individuals gaining employment through supported ICT/e-learning facilities.	Result	650	2067	318.0%	1527	234.9
Increase in the number of individuals gaining employment through supported childcare/community facilities.	Result	500	884	176.8%	38	7.6
Area of business space created or modified (m2).	Output	9,900	253719	2562.8%	67455	681.4
Number of **enterprises supported**.	Result	1,100	6533	593.9%	6060	550.9
Number of social enterprises supported.	Result	350	247	70.6%	117	33.4
Number of new marketing initiatives.	Result	910	358	39.3%	386	42.4
Number of enterprises introducing new supply and production processes.	Result	910	426	46.8%	183	20.1
Number of e-learning/childcare and other community facilities supported.	Output	40	70	175.0%	8	20.0
Number of educational access projects supported.	Output	20	19	95.0%	4	20.0
Number of local transport projects supported.	Output	20	18	90.0%	2	10.0
Number of enterprises benefiting from supported facilities.	Result	900	30623	3402.6%	453	50.3
Occupancy rates of business space by the end of the Programme (%).	Result	90	52.80	58.7%	1.94	2.2

Table 5: Scottish OPs 2007-13: progress across key common indicators (summary based on 2014 data)

Indicator	H&I ERDF OP		LUPS ERDF OP	
	Target	Achieved	Target	Achieved
Jobs created (*all PAx*)	4,100	1922	25,600	30,229
Number of enterprises receiving **financial support**	250	233	250	8,198
Number of enterprises receiving support for e-commerce	150	146	5,700	4,848
Number of enterprises receiving support for energy-saving and resource-efficiency	350	238	5,700	2,285
Number of individuals/ enterprises **receiving advice/consultancy**	800	1,298	11,600	48,711
No of new products & services developed by supported enterprises	10	157	1,800	1,968
No of social enterprises supported	200	269	350	117
Number of new business starts resulting from support	400	84	5,500	12,973

Source: own elaboration based on AIR 2014 data

Although the *forecast* targets from committed projects in certain areas look more promising, the final assessment of Programme performance should be made on the basis of the final physical data. In addition, it is difficult to interpret for instance how many of the gross jobs created for the programmes as a whole are additional in the sense that they would not otherwise have been there (Tyler 2012a); and more robust commentary on the overall impact of the programmes on beneficiaries and the programmes as a whole in terms of both jobs and enterprise creation must await the results of a proper impact evaluation. With regards to ESF Programmes, by the end of 2011, the number of participants supported through the Scottish ESF OPs was 269,265, a considerable overshoot of 156% of the target.

Two evaluations of ESF-related activities in Scotland 2007-13 were undertaken. The first is an evaluation of the **delivery of employability support through the Community Planning Partnerships** (CPPs) (Blake Stevenson 2011). The CPPs were an innovation in 2007-13 to achieve a more strategic use of the funds and to encourage more partnership at a local level, covering ESF and ERDF projects in both Scottish Programmes. The study found that the new delivery mechanism had stimulated more strategic behaviour at a local level and that had contributed to more effective use of the ESF. The interim findings influenced the development of the new Priority 5 for the Lowlands and Uplands Scotland ESF Programme, introduced in 2010.

The second study was a ***survey of ESF participants*** (Hall Aitken 2012b). It found that ESF Priority 1 projects were largely 'successful in targeting those experiencing disadvantage in the labour market'. In particular, they successfully engaged young people in the NEET group, those with health problems and some disadvantaged ethnic minority groups. The survey found that those who participated in work placements were 'more likely to complete their training course and to move onto a positive destination'. The survey showed that training courses incorporating work experience appear to have provided 'a popular and effective route towards employability' for participants. Some 89% of participants thought that their time spent on the ESF supported training was 'time well spent'. Overall, 'participants rated work placements highly and were most positive about practical experience gained and getting exposure to the world of work' (Ibid.).

Overall, the evidence from evaluations of the 2007-13 Programmes highlight several key findings:

First, the relatively low share of ESIF funding as compared to the size of the economy implies that impacts are modest. Although providing a valuable contribution to economic and social development, the Funds represent a relatively modest amount of funding to bring in a radical change in significant policy areas, such as business competitiveness or commercialisation rates of R&D&I (Office of the Chief Economic Adviser 2013), meaning that the overall impact can only be relatively small (UK 2012).

Second, ESIF played an important role in supporting reform and recovery in the Scottish economy over the 2007-13 funding period. Structural Funds have been an important tool to help combat the effects of the ongoing recession (Tyler 2012a), and delivery of the Scottish Government

Economic Recovery Plan (Office of the Chief Economic Adviser 2013). The ERDF has made a particularly important contribution in both H&I and LUP at a time when infrastructure spend and access to credit for SMEs were under pressure. The *UK Strategic report 2012* (UK 2012) highlighted the impact of the investment under the ERDF in helping the Scottish economy emerge from recession particularly through supporting or creating large numbers of *businesses*, stimulating *innovation*, and facilitating *job creation*. ESF programmes are noted to have made a significant contribution to addressing the labour market challenges which came to the fore as a result of the recession, particularly through creating opportunities for participants to receive training, to gain qualifications and to get people into work.

Third, **business competitiveness was increased**. The Mid-Term Reviews pointed to a significant number of companies increasing the amount of innovation they were undertaking. Many companies had also been able to gain access to ERDF supported finance, particularly from venture supported capital funds, that would otherwise have been in short supply. Benefits from assistance to tourism and improved transport links were also beginning to emerge.

Fourth, the **changing macro-economic conditions was a key challenge influencing programme performance** in 2007-13. As elsewhere in Europe, the socio-economic landscape during the programme implementation was very different to that envisaged when the programmes were originally drawn up. By the end of 2011 and into 2012, the UK economy was still struggling to emerge from the downturn. The UK economy experienced a large fall in GDP, contracting significantly in 2008 and 2009 with further falls seen in late 2011 and the first half of 2012. The effects of the financial crisis have hit all parts of the UK, with Scotland having been particularly affected by downward pressure on public finances, economy performance being marked by a significant downturn (UK 2012). This can explain underachievement in several indicator targets for the end of the period for both the Convergence and the Competiveness and Employment regions. As a result, the quantified outputs and results for the Programmes projected the underlying growth trends at that time, which have since been demonstrated as unsustainable (e.g. with regard to the projected numbers of jobs created and increases in business turnover). Financial and physical performance of activity under the management of Strategic Delivery Mechanisms was delayed because of the unforeseen economic circumstances leading to 'extensive re-profiling and extended timeframes' (Fraser Associates 2013).

These contextual challenges affected the two regions in various ways, sometimes leading to programmes modifications. In LUP programme, changes in the economic climate meant that there was a higher than expected level of interest in funding to help people progress into employment (LUP AIR 2010). As a way of responding to this, in 2010, it was agreed to use the remaining ESF funds in the LUP Programme to kick-start a Scottish Strategy pursuing a strategic, continuum approach to workforce skills development. The remaining ESF funds were moved into a single new "Strategic Skills Pipeline" (Priority 5) which reflected the changed economic reality at local level, and created a sustainable basis for planning the use of further funding beyond 2013 in line with emerging workforce strategies (Ibid.). Strategic applications for Priority 5 projects were sought from Community Planning Partnerships and national organisations delivering employability strategies.

In the *HIE programme*, the overall impact of the recession was felt the most acutely in the weakest regions. In the Highlands and Islands, significant problems in securing *match-funding* can be noted, which led to a reduction in project size and halt of some projects (Tyler 2013a). Slowing flow of credit and concern over the length of the recession, as expressed in business and consumer confidence, as well as continued employment decline and contraction in demand were some of the major challenges affecting the region.

The Programme sought to respond through a shift towards a more strategic approach to delivery – a shift in priorities towards more strategic measures and adjustment in the scope and focus of the OP to better reflect emerging priorities at national and local levels (H&I ERDF AIR 2013). Amendments to the H&I ERDF Operational Programme were agreed in 2013. The programme remained consistent with the overall aim and original purpose but transferred funds between priorities to reflect changed economic circumstances and allowing for a degree of private sector match funding, although of relatively modest scale (Ibid.). Allocation of funds shifted to target activity supported through ERDF Priorities 1 and 2, which recognised the local and community benefit that could be achieved through delivery of more strategic and targeted interventions supporting coordinated local development and providing catalytic investments rather than a range of individual projects, as more traditionally seen within Priority 3 (H&I ERDF AIR 2014). This was seen particularly effective in maintaining activity in these domains as the situation with regards to public and third sector funding continued to prove challenging (Ibid.).

2. 2014-2020

There is little evidence available on the outcomes and results in 2014-20 as no projects were approved in 2014 or 2015. A significant amount of activity has however been completed since the beginning of 2016 although the implementation reports mainly report on delivery and spending progress. At the same time, the *AIR 2015* states that 'there is good reason for stating that ERDF programme will go on to deliver against targets'. Early indications are that outputs and results may have been conservative in some areas. Approved operations, if delivered as intended, are expected to exceed targets on a number of objectives including the *number of enterprises supported*, and the number of *businesses* being *supported to develop new products*. In addition, early work on low *carbon and green infrastructure* projects has shown a 'strong pipeline of potential projects', which is considered an encouraging sign in terms of programme delivery against the set targets.

Deviations in targets are *positive* projecting an over-achievement against output and result indicators (AIR 2015). This is considered to result from changes in approach, e.g. 'changing from one-to-one approaches to one to many' such as business leadership support or provision of additional accessible materials online (Ibid.).

According to the latest *AIR 2016*, a series of strategic interventions were selected across each Priority Axis within the Scottish Programmes by the end of 2016, which cover the first phase of delivery ending in 2018. By the end of 2016, a total of 85 operations have been approved under ERDF, with a total grant of €239m, representing 51.29 percent of the programme total. The pace of commitment and delivery was 'not evenly matched' within the ERDF OP. In the areas of innovation and SME competitiveness, commitment was slow, although significant activity 'was being delivered at risk in advance of formal approval' (ERDF AIR 2016). On the contrary, commitments were relatively steady across employability, whereas 'delivery was slow to start in some areas'. The areas with slower pace of commitment mostly relate to intervention fields not previously receiving support (e.g. poverty), or where the type of support materially changed (e.g. innovation centres). Significant progress throughout the year and good commitment levels are reported particularly in the area of *business support*. At the same time, a mismatch emerged between committed funding and anticipated results, demonstrated by the number of businesses supported, which, less than halfway through the programme, is over five times the projection for the whole period (Ibid.). The ERDF (especially in the area of Smart Growth) had less funding committed than anticipated by the end of 2016, although with a major approval for ICT improvement.

As concerns the ESF Programme, by November 2016 42 percent of the programme value was committed (€193,8m). Despite the overall positive commitment rate, variation in performance between priorities is apparent (ESF AIR 2016). For instance, while the employability pipelines have

delivered one year of activity, progress has been slower on promoting social inclusion and combating poverty. The early indications from the Youth Employment Initiative performance 'caused concern' due to difficulties in reaching the client groups with most intensive needs in the context of changes in labour market conditions and the welfare system.

The main *issues* affecting 2014-20 programme performance are programme launch *delays* and *external factors*. First, there was significant work and resource dedicated to closure of the 2007-13 OPs and to re-performing checks and addressing the audit issues underlying the suspensions for 2007-13. This diversion of resources led to delays in setting up the Management and Control System. The delayed launch of Programmes are seen as potentially impacting negatively on absorption in the approved Strategic Interventions. To address this, corrective action included extension of the timescales, increases in levels of activity or amendments to projects as required to manage the situation as part of the Early Review of Programmes in late 2016 and early 2017 (ERDF AIR 2016).

The ERDF and ESF AIR 2016 similarly note that the selection of interventions and projects was delayed in order to allow the Managing and Audit Authorities to develop the Management and Control System in response to the interruptions and suspension of the 2007-13 Programmes and to work to resolve the issues which led to these problems. This meant there had been no claims and therefore no physical progress to report in the previous AIR.

In addition, the new requirements for the 2014-20 period, mainly the much **tighter compliance regime** is making project sponsors 'fearful' and has resulted in delays in the submission of claims (Michie and Dozhdeva 2017). In many cases, the new requirements had not been entirely understood and internalised by lead partners. This meant that sometimes the new processes had not been put in place, the necessary checks were not being done and the required evidence was not being gathered as the programming period progressed, making the catch-up a pertinent issue (Ibid.). Lead partners also expressed concerns regarding the volume of data they would be required to submit in support of their claims (ERDF and ESF AIR 2016).

A number of *external factors* also played a role. AIR 2015 highlights the ongoing *uncertainty* in the global financial picture, which has had local impacts, with recent shocks to the UK and Scottish steel sector and closure of Scotland's largest power station, putting Scotland's public finances under significant pressure. According to AIR 2015, 'there is already some anecdotal evidence suggesting that match funding for ERDF will become increasingly scarce' and that 'joint prioritisation of areas such as innovation will be required across public agencies to ensure the targets remain deliverable'. The fall in global commodity prices has also had an impact on steel and paper production in Scotland whereas the fall in oil prices has had an impact on the energy sector and beyond due to reduction in investment and operating expenditure (AIR 2015). This, in its turn, has an impact on the amounts available for investment in future technologies like energy-efficient production or low carbon as well as investment in growing SME's in these sectors. In addition, this has an impact on the ESF OP through increased unemployment (Ibid.).

Match funding problems are also highlighted in the ERDF and ESF AIR 2016, issues around co-funding deteriorating through 2016, with lead partners and stakeholders increasingly perceiving and reporting it as an issue. Public sources of central match or co-financing of EU funds (relevant to much of the ERDF and ESF) continued to be under pressure through public sector budget control.

Economic uncertainty increased following the EU referendum. The referendum result has had an immediate impact on economic and business sentiment in Scotland and the UK. The high degree of uncertainty was reflected in most forecasters' downgrading of growth expectations for 2017 and beyond (AIR 2016).

Turning to the assessment of key stakeholders, Structural Fund programme strategies are considered by most *interviewees* to **address the key challenges faced by the Scottish economy** over last two programme periods. They are seen to have been purposefully aligned with the Scottish government's economic strategy, which is valued for its approach to supporting business competitiveness and inequality reduction and its emphasis on inclusive growth in particular. The prevailing view is that the ongoing problems of the economy and the failure to address them cannot be attributed to the failure of the Structural Funds.

Stakeholders consider that **ESIF support has generally left a lasting legacy** in improving citizens' day-to-day lives, while recognising that it is hard to know what the reality would have been in the absence of the policy. *Infrastructure* support is perceived to have been 'transformational' in earlier periods, particularly in the H&I area, and has allowed communities to continue to exist, especially in the Western Isles, while '*softer'* types of investment have become more prominent in terms of supporting employability and business competitiveness. The impact of ESF funding is emphasised to have been particularly transformational in terms of addressing high levels of deprivation and reducing poverty in specific areas, as well as improving skills by providing training and helping people get into work through employability support actions. Support to low-carbon and broadband initiatives has also been mentioned as bringing pronounced benefits.

Yet, it is recognised that the relatively low volume of money spent through ESIF as a share of total public spending in Scotland on economic and labour market measures means that the transformational potential of ESIF is quite limited. Whereas CP funding is 'big enough to make a difference', it is not enough to be decisive. In broader terms, availability of CP funding for all types of regions as well as a wide range of thematic objectives, leading to a lack of thematic concentration and 'scattering' of support across small policy packages, have been mentioned among the factors limiting the potential effects of Cohesion policy funding. At the same time, the targeted ESIF support in specific areas along with increased result-orientation, including through specific criteria for project selection, is noted by some stakeholders to be potentially significant in terms of inducing change and maximising the positive impact.

The slow start and delays in the current period, as well as a time lag between delivery on the ground and results or impacts, mean that it is not possible to make judgements on the impacts of the current programmes in 2014-20. However, the slow launch and start-up of programmes is perceived to be a major **obstacle** to timely implementation. The lack of guidance, the unavailability of IT systems as well as the new funding application process (with the two-stage application process, applications to strategic interventions preceding applications for operational bids) have contributed to delays. The pace of implementation in the current period is considered to be slower than that of the previous programme, and stakeholders have been critical of the availability and timeliness of guidance and clarifications from the MA. The overlap of the two programming periods, with the associated increase in work effort needed to launch the new programme while ensuring the closure of the previous one, has contributed to the delays while being a factor largely beyond the MA control.

It is acknowledged that the fallout from the recession and financial crisis has continued to impact on delivery requiring adaptation of programmes, restricting the availability of local match funding and raising concerns about underspend and absorption. From a development perspective, the crisis has impacted on growth, underlying problems in relation to the nature and insecurity of employment, and persistent problems related to certain areas of unemployment especially among particular groups of the population (including young people).

The complexity of EU rules and the strictness of compliance requirements for beneficiaries are seen as obstacles to delivery and performance. The Scottish delivery system adds to this multi-tiered complexity, wherein the interpretation of EU and national rules and policies by the MA can be

misinterpreted by other actors in the delivery chain. EU reporting requirements, national rules and guidance are criticised as bureaucratic, complex and in constant flux. This creates capacity difficulties, particularly for smaller organisations involved in delivery, discourages participation and leads to questioning the cost benefit of using the European funds.

A mismatch between wider strategic orientations and implementation realities has been highlighted as a challenge. According to some interviewees, the approach remains 'top-down' and insufficiently flexible to respond to regional changes. As one of the interviewees noted, too much of the policy is done 'in the laboratory', without sufficiently taking into account the reality of the situation on the ground. The discrepancy between the priorities set conceptually and strategically (e.g. focus on R&D investment as part of the 'smart growth' agenda) and the availability of local match funding, as well as the match funding to be ensured by third sector organisations, to actually develop and deliver projects in specific areas is one of the challenges affecting policy efficiency and additionality.

Changes in management and implementation structures from the previous 2007-13 period have had a detrimental effect on the effectiveness of programme delivery, according to a majority of the interviewed stakeholders outwith the Managing Authority. The perceived reduction in effectiveness is primarily due to the greater centralisation of implementation in the hands of a small number of Lead Partners leading on project delivery, as well as delayed set-up of systems. While centralisation may be justified to facilitate compliance and reduce administrative burden and costs, the concentration of management tasks with a small number of entities as well as changes in the format of the programmes are generally seen as detrimental for ensuring local reach , 'favouring the big players' instead, and leading to the exclusion of a lot of community groups that could access funds in the past. More specifically, the changes in the programme structure and delivery mechanisms are seen to have had negative effects with regards to the following dimensions:

- less participative delivery system. Changes in the management are seen to have been to the detriment of the wider engagement of social partners in the programmes. Engagement of civil society organisations, involving the third sector but also to some extent the small business sector is seen as being problematic since the changes. In 2007-13 there were more opportunities for strategic engagement or engagement at the level of ongoing Programme monitoring and management, as well as delivery. The current opportunities for a range of societal organisations, which could be recipients of funding and participants in the delivery of the OPs in 2007-13, to participate in the Programme in areas not strictly aligned with the objectives of strategic delivery partners are much more limited. In addition, a reduction in the role and influence of local authorities has been noted, which act as lead partners only in a fairly limited strand of the programmes (notably, in poverty and social inclusion, employability and business gateway), and their ability to access funds is reduced under strategic interventions controlled by Scottish Government bodies. The new structure of funding delivery (through strategic interventions) is seen, in particular by the H&I stakeholders, as being insufficiently responsive to the specific needs and challenges faced by different types of territories within Scotland.

- *limited communication* between various layers in the delivery system, including between Lead Partners and other stakeholders, as well as the MA and local authorities / third sector organisations. The centralisation of programme governance has not been accompanied by improved communication between various actors involved in the delivery. Lead partners sometimes seem to exist in 'their own little worlds', communication between them and other stakeholders being largely limited. For local authorities or third sector organisations, opportunities for strategic engagement with the MA are limited. This engagement is perceived as being less regular than in 2007-13, and less information is noted to be available on Programmes performance than previously. It has been noted that the MA prefers to communicate with local authorities collectively rather than

individually, engagement with the Government at the operational level often taking place through a collective representation body (SLAED), which is however not formalised.

- *duplication* of **effort**: There appears to be significant potential for duplication and overlap, particularly across the employability and social inclusion focus programmes according to local stakeholders, due to the insufficient clarity in terms of focus or delivery agents as well as lack of consultation on these issues. A perceived lack of information and knowledge on how the European money adds value and aligns with the current local authorities' funding priorities and streams may potentially lead to funding overlaps, according to some local stakeholders and third sector organisations.

- *loss of expertise* and experience: The fact that IBs are no longer used as a buffer between the government and project sponsors has led to a significant loss in the expertise, experience and leadership, which is important for ensuring timely and informed implementation. A large share of competences previously entrusted to IBs has been brought by the MA in-house, but organisational learning takes time and therefore the outsourced approach to managing the funds is viewed by some stakeholders as having been more effective. The fact that certain types of organisations (e.g. third sector) are not able to be Lead Partners any more is viewed negatively by [some of] them, especially given that there existed expectations and readiness to take up the delivery responsibilities in the current programme. Such organisations reportedly possessed the necessary experience and expertise in managing ESIF and had a proven record of successfully complying with the audit requirements and managing public money, and therefore could be a valuable element in the ESIF delivery system in Scotland.

- *loss of flexibility* in terms of delivery of the Programme: The previously existing implementation structure is viewed by some interviewees as having been more effective due to a higher degree of flexibility for strategic delivery bodies to deliver the programmed outcomes using the mix of policy interventions deemed most suitable for the purpose. Some of that flexibility is considered lost in the current programme, with the LPs being more restricted in their choice of delivery mechanisms.

- *excessive audit burden*: Many interviewees consider that the anticipated audit burden reduction has not actually been achieved. Instead, the changes have passed the burden down to Lead Partners, who do not always have sufficient resources to deal with the requirements, particularly at a time of public funding restraint. The process of delivering certain strategic interventions is referred to as being 'incredibly onerous', making compliance more onerous too, which is particularly challenging for smaller organisations with limited administrative capacity. Some have however expressed hope that the introduction of new simplified cost options/models will eventually result in less detailed audit. Improvements in this regard have been noted, e.g. the introduction of a simplified cost model for ESF is reported to make transactions easier and more straightforward. At the same time, innovations in other domains (e.g. the introduction of the new IT system through E-Cohesion), despite the positive intentions, are noted to make procedures more onerous and slow processes down (for instance from the LEADER perspective).

There are mixed views about the impact of the new programme architecture – involving a single Scottish-wide Programme – on programme performance.

- **Weakened territorial dimension.** On the one hand, the shift is perceived negatively, particularly by H&I stakeholders, by weakening the territorial (sub-regional) focus of the Cohesion policy in Scotland. Driven by the reduced funding available, the associated need for rationalisation as well as the EU's emphasis on thematic objectives, it is considered by interviewees to have diminished the relevance of programmes in terms of the specific needs of areas within Scotland making them insufficiently responsive to local and regional challenges and opportunities, diminishing the quality of monitoring and evaluation and, ultimately, reducing local accountability and ownership. It is felt that the specific territorial challenges faced by the H&I region (rurality, insularity, remoteness etc.)

are not addressed within the current OP and the necessary focus on H&I-specific issues has been lost, which might affect the ability to efficiently deliver the outcomes. On the other hand, an alternative viewpoint is that H&I-specific issues in the programme administration and management are relatively low key.

- Increased strategic approach. By contrast, some interviewees consider that the current programmes have seen an improvement in the rationale, intervention logic and effectiveness. Strategic programming has been far more open and inclusive than previously, even though certain sectors have lost out at the implementation stage. The higher standard of partnership working in drafting the programmes, however, does not necessarily translate into improved partnership at the *delivery* stage. Although local authorities, for instance, have a more active role in a number of areas (e.g. ESF-related issues), and a range of agencies and partners of the Scottish political and policy landscape are more empowered than previously, this empowerment is conditional on pre-existing resources and networks, which have a strong influence on decision-making outcomes. The delivery record is therefore in some ways inevitably but in others consciously less open and transparent than in the policy formation stage.

The MA consider that the effectiveness of implementation arrangements has increased owing to a more streamlined approach (due to the reduction of a number of Lead Partners) as well as the insurance of more effective error prevention mechanisms thanks to the identification of those LPs who had robust procurement systems and monitoring/control structures in place. This is expected to reduce the error rates and prevent the previously identified issues around compliance and suspension risks. At the same time, there are difficulties linked to the reduction in the number of staff working in structural funding within the LPs as well as the increased intensity of compliance requirements in 2014-20.

Related to that, regional stakeholders interviewed consider that there is now a strong focus on and **prioritisation** of *compliance*, above other considerations such as performance or publicising achievements. The need to meet the auditing requirements and minimise the risk of non-compliance (that arose in the earlier programme) are seen as some of the main drivers behind the recent changes in the implementation framework. Despite the legitimacy of the rationale, the 'obsession' with compliance and an overly risk-averse approach adopted in the current period is seen as excessive and as leading, among other things, to capacity issues (especially for smaller local authorities), discouragement of organisations from engaging in the policy, slowing down processes, and overlooking of other priorities. The compliance-driven approach is seen to be largely driven also by the prevalent mentality at the EU level, wherein the prioritisation of financial and procedural compliance still dominates, despite the recent shift of focus – at least in policy rhetoric – towards the performance-orientation. Given the experience in the 2007-13 programme, the MA has implemented a number of structural changes and allocated more considerable priority to the quality of checking processes to ensure higher levels of compliance, although notes that the learning process for some organisations is taking time.

Performance and communication are seen to be secondary considerations with the main focus being on compliance and absorption to ensure funding is spent and not decommitted. Communication is often seen as just 'another aspect of compliance' rather than a priority in its own right. At the same time, it has been noted that the relative priority placed on the different tasks largely varies depending on the programming stage. If compliance and spending concerns dominate the first stages (sometimes, as noted, to the exclusion of everything else), performance becomes more relevant as the programmes implementation progresses because committed and compliant projects are preconditions for demonstrable results and performance. In turn, achievements are crucial to publicise the success of the programmes, although ongoing communication from the outset of the programmes is also considered important.

At the time of the interviews in mid-2017, acceleration of **spending** was noted to be among the most pressing concerns, although compliance considerations were still deemed important. The relatively short time window and so the increasingly tight timescale for committing the remaining funds and the associated risk of decommittment were viewed as a critical factor driving this approach. The MA emphasised that mechanisms were in place to ensure meeting the overall programme spending targets, notably the delivery system designed to commit funding in two phases to allow for the necessary corrections and modifications throughout the process. In addition, a change from the previous period was highlighted in the sense of a greater focus on the actual delivery of the **outcomes** through closer monitoring and more proactive information sharing with LPs on the outputs and outcomes – a process, however, hindered by the slow start of the programme.

The majority of *stakeholder survey* respondents provided a positive assessment of the effectiveness of the use of Cohesion policy funds in Scotland (see Table 6). Over 55 percent of respondents consider that the funds have been used well or very well in their municipality or region, while 28 percent agree that they have been used in an acceptable manner. Negative assessments of the ESIF are less common, with only 11 percent rating the funds' use as 'poor'. There appears to be no variation in the assessment depending on the territorial scale at which the funds were used (regional or local).

Table 6: Stakeholder survey Q1. How well – in your opinion – have Cohesion policy funds been used in your municipality and region?

	Very well	Well	Acceptable	Poorly	Very poorly	Don't know
Your municipality	11.1%	44.4%	27.8%	11.1%	0.0%	5.6%
Your region	11.1%	44.4%	27.8%	11.1%	0.0%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

Cohesion policy objectives are generally seen as being aligned – strongly or in some way – with the development objectives at both local and regional levels (see Table 7). This finding can be viewed as supplementing those responses gathered through the interview research that highlight the alignment between Structural Fund programme strategies with the national level economic development strategy.

Table 7: Stakeholder survey Q2. To what extent have the Cohesion policy objectives reinforced the development objectives of your municipality and region?

	Completely	Largely	In some way	Not much	Not at all	Don't know
Your municipality	0.0%	33.3%	55.6%	5.6%	0.0%	5.6%
Your region	0.0%	33.3%	55.6%	5.6%	0.0%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

Despite a generally positive assessment of the effectiveness of Cohesion policy funds' use and their strategic alignment with the local and regional development priorities, most respondents see a limited impact – or no impact whatsoever – of Cohesion policy funds' on the reduction of inter-regional and intra-regional disparities, as well as the EU-wide development gap at country level (see Table 8). While the effects of ESIF on reducing disparities between poorer and richer regions in the country are assessed marginally more positively, views on the impact of Cohesion policy funding on reducing the gap between rural and urban areas within the region are more divided. Half of respondents see no impact at all on the reduction of disparities between poorer and richer areas within the region, as well as between the UK and other EU Member states.

Table 8: Stakeholder survey Q3. To what extent have Cohesion policy funds helped to increase or decrease:

	Decreased	Somewhat decreased	Had no impact	Somewhat increased	Increased	Don't know
Differences in the development level between	0.0%	50.0%	27.8%	16.7%	5.6%	0.0%

poorer and richer regions in your country						
Differences in the development level between rural and urban areas in your region	5.6%	22.2%	38.9%	22.2%	5.6%	5.6%
Differences in the development level between poorer and richer areas in your region	0.0%	27.8%	50.0%	16.7%	5.6%	0.0%
Differences in the development level between your country and other EU Member states	0.0%	22.2%	50.0%	5.6%	5.6%	16.7%

Source: COHESIFY Stakeholder Survey 2017, N=18

The main reported **policy implementation problems** are **excessive audit and control**, as well as **the complexity of rules** and procedures determining access to Cohesion policy financing, along with **excessive reporting requirements** (see Table 9). These responses are largely in line with the interview findings, highlighting the complexity of Cohesion policy- related rules and the strictness of compliance requirements for beneficiaries as factors hindering delivery and performance. **Lack of co-financing** has also been mentioned as a strong constraining factor, which was also picked up through the desk and interview research.

Some respondents have highlighted that the above mentioned issues have characterised programme implementation across a number of programming periods (being less pronounced in Objective 1 in 1994-99 and HISTP in 2000-06), although assess the current period more critically, particularly with regards to the centralisation and delayed pace of management, governance and delivery.

Despite the relatively low share of ESIF funding as compared to the size of the economy, the relatively small level Cohesion policy funding is not viewed as a major obstacle to effective implementation. Administrative capacity issues are also not viewed as a major constraint.

Open ended responses to the survey highlighted additional factors affecting implementation included unclear targeting, duplication of focus, lack of clarity in regulations, as well as excessive sanctions for non-compliance with procurement rules , which may lead to unjustified penalisation of good projects.

Table 9: Stakeholder survey Q5. How significant was the impact of the following problems and challenges during the implementation of Cohesion policy projects?

	Very significant	Significant	Average	Insignificant	Not at all	Don't know
Scarcity of Cohesion policy funds	5.6%	16.7%	33.3%	16.7%	16.7%	11.1%
Problems with obtaining Cohesion policy financing such as complicated rules for submitting applications	44.4%	44.4%	11.1%	0.0%	0.0%	0.0%
Excessive, cumbersome reporting	44.4%	44.4%	11.1%	0.0%	0.0%	0.0%
Unclear objectives for evaluating project results	11.1%	44.4%	27.8%	16.7%	0.0%	0.0%
Poor cooperation between project partners	0.0%	16.7%	50.0%	22.2%	5.6%	5.6%
Excessive audit and control during or after the project completion	61.1%	33.3%	5.6%	0.0%	0.0%	0.0%
Lack of funds for own contribution (co-financing)	11.1%	55.6%	22.2%	5.6%	0.0%	5.6%
Difficult access to credit and/or loans for own contribution	0.0%	16.7%	16.7%	16.7%	11.1%	38.9%
Lack of capacity such as qualified staff	0.0%	16.7%	33.3%	33.3%	11.1%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

In line with the previously identified predominantly positive perception of the alignment between Cohesion policy and regional/local development objectives, most respondents consider that ESIF

respond well to the actual **needs** of their region or municipality, channelling funding to the r**ight projects**. This generally appears to be correlated with the citizens' perception and **appreciation** of ESIF projects, although a relatively large proportion of respondents are not certain whether these projects are actually valued the most by the local population – potentially raising questions about the effectiveness of communication, along with the discrepancy between the real and perceived needs.

Around three quarters (72 percent) of respondents agree that many **positive changes** took place in their municipality or region, which would not have been achieved without the funds – thus emphasising the added-value and transformational impact of Cohesion policy funding in Scotland.

The views on the general **adequacy of control** over ESIF spending are largely positive, despite the previously identified discontent with the overly risk-averse approach adopted in the current period, sometimes seen as excessive. Less agreement can be noted with regard to the **administrative efficiency** of Cohesion policy delivery, which may be related to the previously mentioned criticisms over the recent shifts in programme architecture and implementation arrangements.

Despite the perceivably adequate control over ESIF spending, **non-compliance with EU rules has led to a large number of irregularities** according to nearly 40 percent of respondents. As also identified through desk and interview research, non-compliance issues were among the main drivers behind the changes in the delivery mechanisms for 2014-20, and are also linked to the complexity of EU rules. However, fraud in ESIF spending in Scotland is not seen to be common by a vast majority (over 72 percent) of respondents (see Table 10).

Table 10: Stakeholder survey Q6. How strongly do you agree/disagree with the following statements:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
Cohesion policy funds finance those investment projects which your municipality/region **needs the most**	5.6%	61.1%	16.7%	11.1%	0.0%	5.6%
In your municipality/region Cohesion policy funding goes to investment projects which are **most valued** by the local residents	0.0%	38.9%	33.3%	11.1%	5.6%	11.1%
There are many **irregularities** in spending Cohesion policy funds due to **non-compliance** with EU rules	0.0%	38.9%	22.2%	27.8%	0.0%	11.1%
Fraud, such as corruption or nepotism, is common in spending Cohesion policy funds	5.6%	5.6%	0.0%	33.3%	38.9%	16.7%
There have been many **positive changes** in your municipality/region thanks to Cohesion policy funds, which would not have been achieved without the funds	16.7%	55.6%	16.7%	5.6%	0.0%	5.6%
The spending of Cohesion policy funds is adequately **controlled**	16.7%	61.1%	5.6%	11.1%	0.0%	5.6%
The money from Cohesion policy funds is in most cases wasted on the **wrong projects**	0.0%	5.6%	22.2%	50.0%	16.7%	5.6%
The administration of Cohesion policy has been delivered in an **efficient** (cost-effective) manner	0.0%	16.7%	16.7%	44.4%	11.1%	11.1%

Source: COHESIFY Stakeholder Survey 2017, N=18

Stakeholder views on the adequacy and effectiveness of the existing **monitoring and evaluation** arrangements are divided (see Table 11). Programme monitoring and evaluation reports are considered to lack clarity (39 percent), and their accessibility and influence on policy-making is doubtful, according to more than half of the respondents.

Table 11: Stakeholder survey Q8. To what extent do you agree or disagree with the following statements

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Don't know
The monitoring and evaluation reports provide **adequate** information on the implementation and performance of the programme/s	0.0%	44.4%	22.2%	33.3%	0.0%	0.0%
The monitoring and evaluation reports of the programme/s are easily **accessible**	0.0%	27.8%	5.6%	55.6%	0.0%	11.1%
The monitoring and evaluation reports of the programme/s are **easy to understand**	0.0%	27.8%	33.3%	38.9%	0.0%	0.0%
The monitoring and evaluation report results are **used to improve policy-making** and implementation	0.0%	27.8%	11.1%	50.0%	5.6%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

Participation in training and knowledge-exchange varies across topics with the greatest focus being on management issues (where two thirds of respondents reported participation in workshops or training), as well as monitoring and control (half of the respondents). Participation in communication-related sessions is lowest, which is in line with the identified lack of prioritisation of communication among the hierarchy of programme priorities. Overall, more than three quarters (77 percent) of respondents reported participation in at least one type of workshop or training sessions in the last two years (see Table 12).

Table 12: Stakeholder survey Q9. In what Cohesion policy workshop or training sessions did the representatives of your organisation/municipality/region participate in the last two years (select all that apply)?

	Management	Control	Monitoring	Evaluation	Communication	Nobody participated in such events
No	33.3%	50.0%	50.0%	61.1%	72.2%	77.8%
Yes	66.7%	50.0%	50.0%	38.9%	27.8%	22.2%

Source: COHESIFY Stakeholder Survey 2017, N=18

3.2.2 Partnership

Analysis of ESIF Programmes implementation in 2007-13 (PMC) has identified a number of issues that had a negative impact on the workings of the management committee including:

- long time taken to determine the purpose of the group
- frequent focus 'on the more comfortable territory of discussing' the progress of individual projects rather than taking a more strategic overview
- PMC members (in particular substitutes) often being programme experts rather than more 'strategic' people
- (sometimes) lack of consistency, or duplication of effort, between the two PMCs
- (sometimes) lack of clarity of papers prepared by the MA.

The *interview research* highlighted a number of drawbacks. With respect to the **committee's membership**, the JPMC has been described as being 'too high level' with most of the participants having limited experience or hands-on involvement in strategic interventions or European programmes, which does not always allow for detailed discussion of delivery on the ground. Local stakeholders and economic and social partners are critical of the composition describing meeting as not being well attended with limited private sector representation as well as more limited representation of local partners and actors as compared to Scottish government and European civil

servants. Opportunities for the engagement of third sector organisations have also decreased, and certain disengagement of the third sector from the JPMC is reported. Overall, there is perceived to be unrealised potential in using the expertise and insight of a wider range of stakeholders, which can potentially impact performance.

Turning to the **organisation of meetings**, some partners were critical of their frequency . The JPMC meets only twice a year for two hours, which is regarded insufficient for meaningful discussion of implementation progress. Wide-ranging and technical agenda may discourage wider participation at the same time as not allowing for detailed discussion. The standards of papers going to the committee have been reported by some to be 'generally poor' in recent years, providing little information and not being available well in advance of the meetings.

Finally, the **impacts on policymaking and accountability** were questioned. The committee has been noted to be limited in its ability to influence decision-making, with its role being largely confined to raising members' awareness of programme performance and a lot of decisions being taken before matters actually reach the meetings. Scrutiny of the JPMC and direct accountability to the public appears limited, with lack of publicity (including relevant media releases) on the decisions taken. Information may be available but is not put 'upfront', requiring significant effort to navigate and find it. In addition, there is limited awareness or interest by the public, nor would they be able to 'digest' the information that is made available, as it is mostly statistical/technical or strategic.

While JPMC meetings are viewed as useful by some stakeholders, regular direct contacts with the MA are described as being more useful as they allow for more detailed discussion of the actual delivery of the Programme. A need for more regular informal meetings bringing together stakeholders working on common themes was voiced, at a level below the JPMC.

The MA recognised the existence of certain drawbacks in the way the JPMC is currently functioning, at least in terms of unrealised potential. While the importance and necessity of maintaining the JPMC was emphasised, the possibility of introducing another level enabling fruitful and meaningful discussion about the programme priorities and progress was noted. It is hoped that this could enhance the quality of partnership working.

As regards the **Highlands and Islands Territorial Committee**, the lack of a strong formal status has raised questions about its value. There is a feeling that the committee is not fully delivering on its core task of overseeing progress of spend on various strategic interventions in the H&I due to a perceived lack of formal responsibility or input into programme implementation in the region, from the setting up of the strategic interventions to their delivery. This is perceived as a deterioration compared to the previous period, where involvement of regional stakeholders in programme delivery was better ensured through a dedicated OP and management structure.

The H&I representatives have noted that the shift from a separate H&I programme to a single Scottish OP has changed the dynamics of ESIF-related partnership in Scotland, leading to a lower level of local engagement and a more 'unequal' partnership, loss of the sense of a joint effort and collective responsibility in delivering the Programmes. There is a feeling that the existing partnership structure does not allow to address sufficiently the specific regional needs of H&I. Since the administration and running of the group is ensured by the MA, most of the information and analysis presented at the meetings is Scotland-wide rather than H&I-specific. Although this is starting to change, the H&I territorial committee has not so far managed to demonstrate its real value.

By contrast, one stakeholder noted that engagement under the LEADER programme was particularly effective in achieving true 'local partnership'. Engagement through Community Planning Partnerships (CPP) and other types of local action groups also ensures local stakeholders' participation. Openness to the broader public is however not implicit, as most meetings have a

closed character due to sensitive project information being often discussed. However, committee minutes are published online providing accountability.

The MA engagement with local authorities mostly takes place through a collective representation body (**SLAED**), which is however not formalised. The group is mainly made up of European project officers and is not particularly open to the public per se but does nevertheless represent local government interests. It presents a forum to discuss challenges and seek clarifications from the SG with regards to the implementation of the programmes.

In addition, concerns were expressed by some civil society organisations regarding the lack of engagement in the current period (due to the decreased influence opportunities for civil society organisations through the JPMC), which have led to the set-up of a separate channel for dialogue and engagement – a civil society forum. However, it has been noted to be largely non-functional at present.

Overall, local stakeholders consider that changes in the implementation arrangements in the current period (including delivery through strategic partners and a shift to a Scotland-wide OP) have worked to the detriment of wider engagement into programme implementation. The decreased engagement of local and third sector stakeholders, among other things, has reduced flows of information and decreased a sense of local ownership. On the other hand, the MA reports that the new structure is more effective and efficient since the programme is dealing with a smaller number of lead partners.

In terms of the UK-wide partnership, the MA reported high degree of autonomy in delivering the Scottish OPs as agreed in the framework of the Partnership Agreement and lack of interference in the delivery of the programme by central government, which is viewed positively but is not new.

The opinions from *stakeholder survey* respondents on the effectiveness as well as inclusiveness and openness of the programme partnership are divided (see Table 13). While a marginally larger share of respondents believe that the programme partnership operates in an inclusive, open and fair manner as well as facilitates partners' shared understanding and commitment (39 percent), the view on partners as being only interested in promoting their own organisational and financial interests is equally relatively widespread (39 percent).

Table 13: Stakeholder survey Q7. The partnership principle requires the participation of a wide range of partners throughout the different stages of programming and implementation through consultations, monitoring committee work and other mechanisms. How strongly do you agree or disagree with the following statements about the operation of the partnership principle in practice?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
The way the programme partnership operates is inclusive, open and fair	0.0%	38.9%	22.2%	33.3%	0.0%	5.6%
The operation of the programme's partnership principle facilitates a shared understanding and shared commitment by partners to achieving the programme's objectives	0.0%	38.9%	33.3%	27.8%	0.0%	0.0%
Partners are only interested in promoting their own organisational and financial interests	0.0%	38.9%	33.3%	27.8%	0.0%	0.0%

Source: COHESIFY Stakeholder Survey 2017, N=18

3.3 Assessment of added value

According to Tyler (2012a), evidence from impact evaluations was scarce and thus there was very little evidence on additionality. However, the added value of EU Cohesion policy is still reported in two main areas. From a financial and economic perspective, business support co-funding is reported to have created additional gross value added and employment than would have been the case in the absence of support. Additionality in this sense was relatively high and 'support to business was meeting an important need' (Ibid.).

Governance and related democratic additionality is a second area of added value. The delivery of Structural Funds in Scotland has had a significant impact on *partnership* working mechanisms historically. In the period under investigation, an evaluation (Blake Stevenson 2011) looking at how the CPPs have responded to their new role in delivering ESIF has found that CPPs have adopted a more strategic approach, developing local employment strategies, as a consequence of having responsibility for co-ordinating the use of European funds, while delivery through CPPs has led to more effective use of Structural Funds. A major achievement of the initiative of routing Structural Funds through CPPs has been the impact it has had on partnership working as well as on policy/strategic innovation. While in some areas the funding allowed for the development or refinement of employability programmes that were *already taking shape*, in others the impact was more dramatic in that the partnership approach to employability provision required by ESIF has fundamentally *changed the way the area works*. The latter resulted in partners implementing strategic approaches to employability *for the first time*, allowing for the services and approaches become 'far more joined up than was the case historically' (Ibid.).

The *interviews* with stakeholders highlighted EU Cohesion policy added value in strategic, administrative, democratic and financial terms.

Strategic added value. Structural Funds are viewed as a major driver behind the development in the UK and therefore Scotland of the concept of regional policy, in the sense of a strategic long-term policy addressing economic development challenges specific to particular areas, which was largely absent before the access to EU funding and might be affected in light of the recent events – the future of regional policy in the UK after Brexit being under question. CP is seen as enabling spatially targeted interventions that would otherwise not have happened.

Structural Funds are seen as providing a more certain, stable, reliable and long-term framework for regional policy planning and delivery than many domestic programmes, which are viewed as being more vague in content and/or unreliable over long and medium term. They are also seen to be a useful tool for a devolved government and less subject to the vagaries of politics, among other things supporting areas which have been vulnerable due to UK Government's austerity cuts. Value is also seen in the alignment and negotiation of national and local spending priorities. The continuity and certainty of Cohesion policy funding are seen as crucial for ensuring commitment of providers and securing match funding in sectors like skills development and training. The absence of a multi-annual funding framework would raise additional risks or reduce the scale and ambition of interventions. Funding additionality is viewed as providing added value and opportunities for development. The challenge is to avoid further erosion of the additionality effect of Structural Funds support and prevent it from becoming 'mainstream' and 'part of the general duties', which risks hindering innovative approaches to providing support. While SFs do not drive policy to a great extent (due to the relatively low share of funding), the Funds can act as change drivers. For instance, in the area of *higher skills*, SFs have been used to try to get higher skills linked to specific industries, which might become mainstreamed. This also applies to *low carbon economy interventions*, where SFs are used to build a pipeline of interventions, and getting the '*employability pipeline*' approach used by the local authorities up and running.

Administrative and democratic add value. Stimulation of partnership work has been highlighted as one of the main achievements of CP, as well as the mainstreaming of new and more efficient ways of working such as e.g. employability pipelines where through the programmes different stakeholders and service providers are encouraged to work together in a coherent way – something which has also become mainstreamed into wider employability policy. Accountability and local empowerment that CP provides have been noted among the key elements of added value benefitting Scotland over decades.

SFs have supported several key projects which have involved **mobilisation of stakeholders** in a meaningful way, including through the Cities Alliance and the employability pipelines of the local authorities. The best-functioning *employability pipelines* have generated genuine partnership, and this coordination would not have happened without SFs. Research has found that the employability pipeline approach has enabled local partnerships to develop a more strategic approach, in particular towards partnership working, improving outcomes and leading to a more client centred approach (TERU 2015). By working together, the *Cities Alliance* partners share knowledge and create projects of scale which offer greater investment prospects.

- **The Employability Pipeline Strategic Intervention** was one of the first to be approved under the 2014-20 programmes in Scotland and to spring 2017, £43.7 million in ESF has been approved up to the end of 2018 for the lead partners Skills Development Scotland and Scotland's 32 local authorities. ESF support has been crucial in rolling out the employability pipeline model, which has become mainstream across employment and training organisations in Scotland. The employability pipeline model has been developed as a framework to support the effective delivery of employability services. The pipeline is made up of five key stages, whereby the needs of the individual are considered in relation to existing soft skills, employability skills and skills requiring development. The pipeline concept was introduced in order to 'provide a structured approach to the organisation and delivery of services to unemployed people in Scotland', especially the long term unemployed. A wide range of partners (including local authorities, national skills agencies and government departments, local colleges and third sector representatives) are involved in the design and management of most employability pipelines. Most also draw on a wide range of organisations to deliver their pipeline (TERU 2015).

- **The Scottish Cities Alliance** is a collaboration between Scotland's seven cities (Aberdeen, Dundee, Edinburgh, Glasgow, Inverness, Perth and Stirling) and the Scottish Government, working together to promote the economic potential of the country. The Alliance was established in 2011 to jointly promote economic development and develop a long-term investment promotion strategy, in a bid to attract capital investment to Scotland's cities. The Alliance has played a key role in the development of the Scottish Government's refreshed Agenda for Cities and International Trade and Investment Strategy. It secured £10 million of ERDF funding for a flagship Smart Cities Scotland project 'Scotland's 8th City – The Smart City', which including match funding will create a £24 million programme to take forward co-designed technology and data opportunities that will help achieve the cities' ambitions to be global hi-tech hubs.

In addition, the opportunity to collaborate, exchange experience and learn from other organisations involved in the delivery of Structural Funds programmers, including through transnational cooperation initiatives, is highly valued by stakeholders.

The **financial** added-value capacity of Cohesion policy was considered to be more limited owing to the relatively low share of EU funding in domestic expenditure (£828 million for SFs versus £30 billion for domestic economic development spend) as well as the 'scattering' of policy interventions across a wide range of thematic fields. In this context, although seen as a 'good value for money' in

terms of the development of small interventions and what is achieved, CP is seen as lacking capacity to generate really significant changes. At the same time, it was noted that in specific cases, the ESIF contribution can be very considerable, constituting a high share of smaller organisations' (e.g. third sector) turnover, and although the overall share of Cohesion funding in Scotland is limited, targeted support in specific areas can be very perceptible and change-inducing (e.g. in the areas of skill development or youth unemployment).

4. Cohesion policy communication

4.1 Approach to communication

A single communication strategy was established for all programmes in both periods. As noted, Scotland was allocated €819.913 million in funding for 2007-13 through four operational programmes for the Highlands & Islands and for Lowlands & Uplands Scotland. For the 2014-2020 programming period, Scotland has been allocated €941m in a reduced number of OPs (two instead of four) covering the whole of Scotland. A key change in the new programme structure (with large-scale funding allocations known as Strategic Interventions allocated to and administered by Lead Partners) is that Lead Partners now take on the task of communicating with potential applicants.

This section reviews the approach to Structural Funds communication in the 2007-13 and 2014-20 periods, drawing on Communications Plans for the OPs, the Annual Implementation Reports, evaluations and interviews with stakeholders.

4.1.1   Overall approach to communication

A) 2007-13 period

The 2007-13 Communication plan in Scotland applies to all four ERDF and ESF OPs in the Highlands & Islands and Lowlands & Uplands. The plan distinguishes aims and objectives, the overarching aims being:

- Promote the role of the EU and the contribution Structural Funds makes to Scotland in helping to add value to the Scottish Government national strategies
- Raise awareness and understanding of the funding opportunities offered by the EU by providing clear information and guidance by publicising best practice
- Identify who needs to know what, by when and how, in relation to the four Structural Funds Programmes operating in Scotland for 2007-13
- Ensure that the communication and publicity is clear, transparent, accessible and appropriate, and ensure this works with key partners to complement their communications activity
- Ensure that stakeholders are aware and understand the impact of changes to the European Structural Funds Programmes in Scotland, in terms of funding, in terms of policy and in the delivery of the funds, and
- Ensure full compliance with EU regulatory requirements on information and publicity.

Key objectives to fulfil the aims are:

- Promote the use of European Structural Funds in helping Scotland contribute to the Lisbon and Gothenburg agendas for sustainable economic growth
- Explain how European Structural Fund Programmes will complement and add value to Scottish national regional and local policies
- Provide clear guidance and access to information about applying for, and progressing through the 2007–2013 programmes
- Include all stakeholders with a common and consistent approach, ensuring that information is processed in a consistent way
- Engage in ongoing discussion with relevant stakeholder groups, ensuring beneficiaries make their participants aware of the ERDF and ESF Programmes through their projects
- Publicise the activities and achievements of the ERDF and ESF programmes in appropriate media at national, regional and local levels

- Comply with EU regulatory requirements on information and publicity at all stages and all levels of the programmes, and
- Monitor, review and improve publicity and information measures during the life of the programmes.

The plan states that information and communication needs of audiences will vary and identifies the following groups of **stakeholders to target** communication activity effectively (with subgroups named in an Annex):

- Scottish Ministers
- Scottish Government Communications Teams
- Scottish Government Directorates/Divisions/agencies
- European Structural Funds Division
- Government Organisations
- Political parties, MPs, MSPs, and MEPs
- Intermediate Administration Bodies/Strategic Delivery Bodies/Global Grant Bodies/Community Planning Partnerships
- Structural Funds Partners/Practitioners/Potential and actual beneficiaries
- General public.

The plan identifies three key messages to communicate:

- Scotland still receives significant funding in this Programme period, which provides a great opportunity to add value to Scotland's national and regional policies. This is despite the reduction compared to funds received for 2000-06 Programmes.
- With the possibility that 2007-13 will be the last programming period with significant Structural Funds support allocated to Scotland, there is a greater emphasis on assisting strategic, legacy projects and on encouraging partners to put in place exit strategies.
- The Programmes reflect the importance the Commission has attached to the types of activities that directly support the Lisbon and Gothenburg goals. A proportion of each Programme's resources is earmarked for this purpose.

The main activities foreseen in the plan are:

- Events – publicity events, Programme launches and technical events;
- Websites – Scottish Government and Intermediate Administration Bodies (IABs);
- Direct engagement with stakeholders and target groups – networks, meetings, press releases and newsletters;
- Branding; and
- Flying of the flag of the European Union.

B) 2014-2020 period

As in 2007-13, the Communications Strategy for 2014-20 covers both Structural Funds (ESF and ERDF) under all OPs which have been reduced from four to two programmes covering the whole of Scotland. The overall approach to communications for the ESIF programmes in Scotland in 2014-20 is somewhat low-key and low-budget, mainly because the emphasis on communications has changed to reflect the new programme structure in 2014-20 (Mendez et al. 2016). The emphasis for the MA is now on communicating with the wider public on what the Funds are achieving, rather than on communicating with potential applicants on how to access the Funds, as in 2007-13 (Ibid.). The new programme structure (with large-scale funding allocations – minimum of €15 million – named 'Strategic Interventions', allocated to and administered by Lead Partners) means that the Lead Partners are now responsible for communicating with potential applicants.

The 2014-20 strategy sets out the following aims:

- Promote the role of the EU and the contribution European Structural and Investment Funds make to Smart, Sustainable and Inclusive Growth in Scotland and the EU 2020 Strategy;
- Ensure lead partners and other interested parties understand the new ERDF and ESF funding structures;
- Ensure lead partners fully comply with the communications obligations, and that they work with the Managing Authority to maximise ERDF and ESF publicity;
- Ensure effective supportive measures are in place to maintain the communications partnership between the Managing Authority and lead partners;
- Ensure the communications activities of the Managing Authority and lead partners effectively raises awareness and understanding of the European Commission's strategic priorities of Smart Growth, Sustainable Growth and Inclusive Growth;
- Ensure consistency of messaging about ESIF in the communications activities of the Managing Authority and support consistency in the activities of lead partners;
- Ensure effective monitoring and evaluation measures are in place to improve communications activity in the long term and to support continuous improvement.

The key changes compared to 2007-13 are the emphasis on the new EU-level priorities (Europe 2020 Strategy) and changes to reflect the new programme structure, notably: the major role of 'lead partners' in programme implementation in the current period and the associated need to ensure that lead partners fully comply with the communications obligations and work with the MA to maximise ERDF and ESF publicity, and that effective supportive measures are in place to maintain the communications partnership between the MA and lead partners.

The main actions to achieve these aims (termed 'objectives' in 2007-13) include:

- Developing key messages for European Structural and Investment Funds to support clarity and consistency of messaging across Managing Authority and lead partner communication channels, and to strengthen partnership communications activity;
- Maintaining the Managing Authority website to provide a reliable online information source for use by the Managing Authority, lead partners and other interested parties;
- Proactively maintaining Managing Authority social media channels to promote the programmes, and working with lead partners to coordinate and share relevant information through social media;
- Supporting lead partners in fulfilling their obligations set out in the publicity requirements;
- Setting up a communications network for the Managing Authority and lead partners to share information and learning, and to support and promote communications best practice;
- Proactively identifying events and opportunities to widely promote the ESIF 2014-20 programmes;
- Participating in EU-level communications networks to support continuous improvement in communications activity about the programmes in Scotland;
- Effectively monitoring and evaluating Managing Authority communications activity to support continuous improvement.

In line with the new aims of the communications strategy in 2014-20, reflecting changes in the programme structure, new actions relate, among others, to the development of key messages for ESIF to support clarity and consistency of messaging across the MA and lead partner communication channels, and the overall strengthening of partnership communications activity. Reference to a communications network to be set up in order to allow the MA and lead partners to share information and best practices, as well as to participation in EU-level communications networks is a novelty in the current communications strategy. In addition, the 2014-20 document

specifically highlights the importance of using social media channels for communication purposes, which was not the case in 2007-13.

The target groups listed in the 2014-20 strategy are largely coherent with the groups of audiences highlighted in 2007-13, although with certain variations (for instance, the 'general public' not being explicitly marked out among main target groups[10]). The 2014-20 strategy refers to the following groups:

- Scottish Ministers;
- Scottish Government Communications Teams;
- Scottish Government Directorates and Divisions;
- Lead Partners – Scottish Enterprise, Highlands and Islands Enterprise, Transport Scotland, Scottish Natural Heritage, Zero Waste Scotland, Skills Development Scotland, Scottish Funding Council, Local Authorities;
- Lead Partner Delivery Agents;
- Third Sector organisations;
- Political Representatives – MPs, MSPs and MEPs;
- European Commission – communications staff;
- Member States – European Structural and Investment Fund and communications officials.

Messages for ESIF activity are expected to be tailored depending on the audience and the channel being used. The strategic core messages below are designed for general use by the Managing Authority and lead partners when promoting ESIF, although it is recognised that they will be tailored to suit particular channels and audiences:

- The ESIF 2014-20 programme will help facilitate major investments to support transformational change and economic and social structural reforms across Scotland;
- The 2014-20 ESIF programmes will be invested in tandem with significantly larger public funds, working together to enable large-scale economic and social structural reforms;
- The ESIF programmes aim to support the delivery of the EU 2020 Strategy priorities of Smart Growth, Sustainable Growth and Inclusive Growth;
- The ERDF is around €1.013 billion, and ESF is in the region of €930 million, including matched funding from lead partners;
- The European priorities of Smart, Sustainable and Inclusive Growth will deliver benefits to people and communities across Scotland including helping to build an innovative, low-carbon economy, improving the competitiveness of Scotland's SMEs, reducing poverty, increasing workforce skills and providing practical routes into work for people facing multiple employment barriers;
- Programme partners are working ambitiously to ensure ESIF successfully delivers long-term growth for Scotland and for Europe.

There is continuity in the communication activities and measures for 2014-20 (e.g. press releases, events), albeit with some changes.

First, there is a new emphasis on social media and online activity. The Managing Authority recently set up a *Twitter* account @scotgovESIF. The account is used to distribute accurate, up to date information about the new programmes, as well as other relevant information of interest to stakeholders. In particular, the account aims to drive viewers to the website where relevant information is posted. During calls for applications, the ESIF *website* 'kept up to date with application rounds, approvals and Lead Partner guidance' (AIR 2016). The redesign of the Scottish Government's corporate identity in 2016 resulted in a transition to a new website as well as

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[10] although the relevance of the general public in the overall context of ESIF communication activities is not disregarded (as evident e.g. from other sections of the communications strategy)

development of a new blog for ESIF. Overall, currently communications are broadcast via online blogging, Twitter and the Scottish Government website. It is expected that the mix of relevant tools (including the Events and Content Planner, Hootsuite and Web Analytics) will improve the MA social media presence (Ibid.). Lead Partners and stakeholders are encouraged to follow the MA new blog to keep up to date with ESIF 2014-20 activities such as announcements and case studies. Lead Partners and projects are also expected to increasingly use digital technology to communicate, and social media channels such as Facebook and Twitter can be used as a platform to promote events (e.g. Europe Day) and the results. Apart from online media, print and broadcast media continue to be used by the MA as a channel to promote ESIF activity to a wide audience. The MA issues *press releases* focusing on strategic activity, the responsibility for which sits with the ESIF Communications Officer with support from the Governance Team. Press releases are seen as an important way of engaging with the media and communicating messages to the general public. News releases are published on the SG news pages for any ESIF funding announced by a Minister.

Second, close work with the Scottish Government web team has been maintained by the Communications Officer to ensure web analysis on a monthly basis, identifying the dynamics of traffic to particular webpages during specific time spans (e.g. following announcements, events or news releases). Also, news coverage which follows an announcement or launch event 'is monitored and recorded on the media monitoring table' (AIR 2016).

Third, to reflect the new 2014-20 structure, lead partners need to work in partnership with the Managing Authority to maximise media coverage about the awarding of funding for individual projects. Responsibility for coordinating this activity lies with the lead partner programme contact, lead partner communications staff and the European Structural Funds Communications Officer.

Also, the MA is expected to establish a new network for lead partner communications staff to share learning and experience, and identify opportunities to work together to promote the funds. The group will operate online, with face-to-face meetings where appropriate. However, it appears that no formal network has been set up as yet.

Furthermore, in 2014, a new approach was taken towards the annual communications activity, which used digital technology (in the form of an online booklet) in order to promote and raise awareness not only of the achievements of Structural Funds over the previous year, but also ESIF achievements in Scotland over the previous seven years (AIR 2016).

Table 14: Communication strategies in 2007-13 and 2014-20 – summary table

Communication strategies/plans					
2007-2013			**2014-2020**		
Main objectives	Measures	Target groups	Main objectives	Measures	Target groups
Promote the role of the EU and the contribution of ESIF to Lisbon and Gothenburg agendas	- Promote the use of ESIF in helping Scotland contribute to the Lisbon and Gothenburg agendas - Explain how ESIF Programmes will add value to Scottish policies	•Scottish Ministers •SG Communications Teams •SG Directorates /Divisions/ag encies •European Structural Funds Division •Gov-t Organisatio	Promote the role of the EU and the contribution of ESIF to EU 2020 Strategy	• Develop key messages for ESIF to support clarity and consistency of messaging across MA and lead partner communication channels, and to strengthen partnership communications activity • Maintain the MA website to provide a reliable online information source for use by the MA, lead partners and other parties	• Scottish Ministers; • SG Communications Teams; • SG Directorates and Divisions; • Lead Partners – Scottish Enterprise, H&I Enterprise, Transport
Raise awareness and understanding of the funding opportunities	Provide guidance and access to information about applying for and progressing through programmes		Ensure lead partners and other interested parties understand the new ERDF and ESF funding structures		

		ns •Political parties, MPs, MSPs, and MEPs •intermediate Administration Bodies/Strategic Delivery Bodies/Global Grant Bodies/CPPs •ESIF Partners/Practitioners/Potential and actual beneficiaries •General public			Scotland, Scottish Natural Heritage, Zero Waste Scotland, Skills Development Scotland, Scottish Funding Council, Local Authorities; • Lead Partner Delivery Agents; • Third Sector organisations • Political Representatives – MPs, MSPs and MEPs; •European Commission – communications staff; • MS – ESIF and communications officials
Identify information needs with regards to ESIF	Include all stakeholders with a common and consistent approach, ensuring that information is processed in a consistent way - Monitor, review and improve publicity and information measures during the life of the programmes		Ensure effective supportive measures are in place to maintain the communications partnership between the MA and lead partners	• Maintain MA social media channels to promote the programmes, and work with lead partners to coordinate and share information through social media; • Set up a communications network for the MA and lead partners to share information and learning, and to support communications best practice; • Identify events and opportunities to promote the ESIF 2014-20 programmes; • Participate in EU-level communications networks to support continuous improvement in communications activity about the programmes in Scotland	
Ensure transparency and accessibility of ESIF communication and publicity	Publicise the activities and achievements of the OPs at national, regional and local levels		- Ensure the communications activities of the MA and lead partners raise awareness and understanding of the strategic priorities of Smart, Sustainable and Inclusive Growth - Ensure consistency of messaging about ESIF in the communications activities of the MA and to support consistency in the activities of lead partners		
Ensure stakeholders' awareness and understanding of the ESIF	Engage in ongoing discussion with relevant stakeholder groups, ensuring beneficiaries make them aware of the OPs through their projects		Ensure effective monitoring and evaluation measures are in place to improve communications activity in the long term and to support continuous improvement	Effectively monitor and evaluate MA communications activity to support continuous improvement	
Ensure compliance with EU regulatory requirements	Comply with EU regulatory requirements on information and publicity at all stages and all levels of the programmes		Ensure lead partners fully comply with the communications obligations, and that they work with the MA to maximise ERDF and ESF publicity	Support lead partners in fulfilling their obligations set out in the publicity requirements	

4.1.2. Indicators.

In **2007-13**, the communication plan does not identify indicators with accompanying targets, although output targets are reported in the Annual Implementation Reports e.g. the number of website visitors, number of press releases and events. Nor does the plan provide result/impact indicators.

Table 15: Indicators and targets in the 2007-13 Communications plan

Indicators and Targets in the 2007–13 Communications Plan	
Output indicators: Scottish Government	**Annual Target**
Number of website visitors per year	20,000
Quantity of information downloaded	Not available
No of promotional material produced i.e. fact sheets, leaflets etc in conjunction with the IAB's	4,000
Number of promotion events held (Major Information Event)	1
Number of press releases issued	3
Output indicators: ESEP Ltd (Intermediary Administrative Body)	**Annual Target**

Indicators and Targets in the 2007–13 Communications Plan	
Output indicators: Scottish Government	**Annual Target**
Number of website visitors per year	30,000
Quantity of information downloaded	Not available
Number of IAB e-bulletins issued	4
Number of IAB hard copy newsletters distributed	2
Numbers of promotional material produced i.e. fact sheets, leaflets etc	See SG table above
Number of promotion events held	6
Number of press releases issued	See SG table above

Source: AIR (2011) Annual Implementation Report 2011. Lowlands and Uplands Scotland. European Regional Development Fund Programme 2007 – 2013

In **2014-20**, as in the previous period, the communication plan does not identify indicators with accompanying targets.

4.1.3. Budget.

In **2007-13**, the budget allocated is £30,000-£40,000 annually for the four ERDF and ESF programmes covering activities such as the production of publicity and information material and events such as seminars and workshops. The budget does not cover the staff costs within the Scottish Government and IABs dedicated to managing publicity on a day-to-day basis within each of the organisations; upkeep of the websites within each organisation; or support received in areas such as the Marketing Unit, Communications and New Media and Website Directorates within the Scottish Government. In addition, the Scottish Government has spent in excess of £500,000 on a web-based IT project management system for project applications and monitoring and reporting. It is anticipated that the indicative budget will be funded via technical assistance, and matched by Scottish Government funds.

According to an independent evaluation, a total of £315,458 was spent by the Managing Authority and IABs on information and publicity measures between 2007 and 2011. This implies that the budget was around 60k pa over the five year period – significantly above the planned budget – although it is not clear whether this includes any of the areas types of expenditure excluded from the planned budget estimate.

In **2014-20**, an allocated publicity budget is of between £25-35k per annum for the MA in 2014-20 to fund communication activities and implement the Communications Strategy, excluding the day-to-day publicity activity of the lead partners; support received from other areas of Scottish Government, for example from the Marketing Unit or the Digital /Website teams. It is anticipated that the indicative budget will be funded via technical assistance, and matched by Scottish Government funds.

Table 16: Budget for communication activities

Period	Scotland	Unit
Allocation 2007-2013	30,000-40,000 annually	GBP
Allocation 2014-2020	25,000-35,000 annually	GBP

4.1.4. Governance

In **2007-13**, according to the communication plan, the MA (European Structural Funds Division) is responsible for the key communication activities including drafting and updating the Communication Plan on an ongoing basis and routinely by 30 June every year. There is a designated Policy Officer for Communications within ESFD, who is responsible for networking and exchange of experience, and participating in the Commission networks of communications officers. The 2012 evaluation of the communication strategy reported that the MA initially employed a dedicated

Communications Officer and an internal communications group, but as the programmes matured, spending on communications in the MA dropped - from £20,723 in 2008-09 to £13,058 in 2009-10 and £4,774 in 2010-11 – and the division later lost its dedicated communications officer and the internal communications group was disbanded. However, the 2012 AIR states that the IAB work was transferred into the Scottish Government with responsibility for communications and publicity for the Programmes transferred to staff in the Future Funds Team, and the Communication Plan was updated to reflect a more proactive approach to publicising and promoting the Programmes in Scotland.

In **2014-20**, the communications activity for the European Structural Funds is the responsibility of the recently established communications team, comprising a Communication and Engagement Manager and a Communications Officer. The team is solely responsible for all communications and publicity activity relating to the ESF and ERDF programmes. The team is stated to be taking a proactive approach to communicating and promoting the funds in Scotland. It is responsible for managing the programme website and its social media (which is being used more proactively in 2014-20), publishing project lists on its website, organising annual events and reporting on strategic communications and publicity activities through a Communications and Engagement Manager at the Managing Authority with support from the Communications Officer.

The main governance change for 2014-20 reflects the new role of the Lead Partners, which now take a major role in programme implementation. Large-scale funding allocations (Strategic Interventions) are administered by Lead Partners who are responsible for distributing smaller-scale amounts of money to eligible projects. Lead Partners have communications responsibilities, and among the main aims of the Communications Strategy are:

- to ensure Lead Partners and other interested parties understand the new ERDF and ESF funding structures;
- to ensure Lead Partners fully comply with the communications obligations and work with the MA to maximise ERDF and ESF publicity; and
- to ensure effective supportive measures are in place to maintain the communications partnership between the MA and lead partners.

To reflect the new 2014-20 structure, Lead Partners must work in partnership with the MA to maximise media coverage about the awarding of funding for individual projects. Responsibility for coordinating this activity lies with the Lead Partner programme contact, Lead Partner communications staff and the MA. According to the strategy, the MA would establish a new network for lead partner communications staff to share learning and experience, and identify opportunities to work together to promote the funds. The group will operate online, with face-to-face meetings where appropriate. However, it appears that no formal network has been set up yet.

Table 17: Governance framework in the Communication

Governance framework in the Communication	
2007-2013	2014-2020
Communication networks	*Communication networks*
	Establishment of a new network for lead partner communications staff foreseen
Bodies responsible for implementation of the measures	*Bodies responsible for implementation of the measures*
MA (Scottish Government)	MA (Scottish Government)
Intermediate Administration Bodies (until abolition)	Lead Partners

According to most of the *interviewed* stakeholders (outside the Managing Authority), the **approach to communication can be characterised as minimalist**. The communication requirements are 'taken seriously', but the primary focus is on compliance. The communication strategy, although viewed as straightforward and sensible, is seen by some interviewees as existing largely due to the EU regulations and guidance rather as a self-driven way to structure and guide communication measures. There appears to be limited encouragement to go beyond mere compliance with the communication requirements, which in many cases encourages a 'tick-box' approach and focus on other priorities. In terms of funding awards, stakeholders have noted lack of big announcements of new tranches of European funding (as opposed to similar announcements of domestic funding streams) or lack of continuously intensive communication activity over the length of the programming period (e.g. on new tranches or anticipated benefits of funding).

The changing nature of support measures over time has also led to changes in the key communication measures and tools. For instance, the former relevance of big launch events and billboards highlighting high-profile infrastructure support projects has given way to that of social media platforms featuring human stories pinpointing benefits of EU funding for individuals. While a change in communication measures and ways of reaching the audience has been noted, the messages are reported to remain largely consistent over time.

As noted by some interviewees, there has been increased understanding of the need to improve communication of the policy to the policy community, by making it more open and transparent. This understanding has also been driven by external factors – the intensity of communication activity as well as the awareness of the importance of proactive communication are noted to have grown to some extent since the launch of the debate on the referendum to leave the EU.

Communication is generally not considered to be a leading priority in the hierarchy of programme priorities among the majority of stakeholders interviewed. With the focus on compliance to avoid irregularities being a dominant policy logic, communication and publicity largely remain a secondary consideration, often seen as just 'another aspect of compliance' rather than a priority in its own right. At the same time, it has been noted that the relative priority placed on the different tasks largely varies depending on the programming stage, and focus on communication becomes more significant once achievements of the policy support begin to emerge, although ongoing communication from the outset of the programmes is also considered important. In addition, variation across funds has been noted, with for instance higher priority allocated to communication activities within the Leader programme.

According to some interviewees, there has not been any major qualitative change **over time**, in terms of an increased priority given to the communication activity. The MA resource dedicated to Cohesion policy communication is rather limited (one full-time communication officer), although it draws on support within the Scottish Government and is in any case reliant on devolved communication by lead partners at project level. Some stakeholders consider that shifts in the Structural Funds delivery system have contributed to a reduced communication effort and visibility of support. On the other hand, some stakeholders are of the opinion that communication has been given a higher priority in the current programmes, also becoming more organised and focused than it was previously. It is viewed as having been more mainstreamed into the day-to-day work, including that of local authorities – partly through the requirement to prepare own communication plans and strategies – the overall approach shifting away from a 'tick-box' exercise. This mainstreaming is thought to be driven by the MA, translating into changes at local level as well. Some concrete positive changes have also been reported, for instance the availability of the citizen's summary of the OP or the MA effort to be more proactive by planning communication activities for a year ahead (both of which are EU requirements).

The intensity of communication activity effort varies across stakeholders given the devolved nature of project-level implementation and reflecting local priorities and capacities. The overall communication requirements are largely met, but each local authority is free to decide whether to put in additional effort. While some do, building good portfolios of activity at local level and sometimes seeking to apply innovative approaches to communicating ESIF support, others do not go beyond strict compliance with the rules. The need for pro-active encouragement by the MA and European Commission has been emphasised in this respect. Limitations in terms of the budget and staff resources partially account for the need to balance the various priorities and focus on the more obvious and urgent tasks, including ensuring actual project delivery and timely execution.

The awareness and recognition of the importance of an efficient approach to communicating the purpose and achievements of the programme is generally present. Items on the communication strategy, for instance, are included in the Monitoring Committee meetings agenda, and according to some interviewees, the MC is aware not only of the obligations to promote the ESIF but also of the importance of doing so.

The communication activity that has been undertaken is not insignificant, but there seems to be scope for improvement. The impact of this activity is however not so evident, which is due to various factors, including a lack of the broader enabling conditions for it to generate substantial effects (as discussed further) or a lack of the necessary capacity (budget and resources) to allow greater professionalisation of communication activities.

According to *stakeholder survey* respondents, **the communication tools used most often** to disseminate information about the use of ESIF are the programme website, as well as more traditional tools such as brochures, leaflets, newsletters, and plaques/billboards featuring the EU flag. While the latter have been noted by some interviewees as starting to give way to more interactive instruments such as social media (albeit focused primarily or exclusively on Twitter), most survey respondents agree that social media is not currently used on a regular basis. Communication via television and radio, including through the use of advertising campaigns, as well as via film clips and videos is reported to be the **least common**. The potential of other tools, such as newspapers and press releases or workshops and seminars also appears to be relatively under-exploited (see Table 18).

Table 18: Stakeholder survey Q10. How regularly are the following communication tools used to disseminate information about the use of Cohesion policy funds?

	Never	Rarely	Sometimes	Often	Very often
Television	61.1%	22.2%	16.7%	0.0%	0.0%
Radio	44.4%	27.8%	16.7%	11.1%	0.0%
Local and regional newspapers	5.6%	27.8%	38.9%	27.8%	0.0%
National newspapers	16.7%	16.7%	50.0%	16.7%	0.0%
Workshops, seminars	0.0%	16.7%	50.0%	27.8%	5.6%
Brochures, leaflets, newsletters	0.0%	16.7%	27.8%	38.9%	16.7%
Press releases	0.0%	11.1%	50.0%	22.2%	16.7%
Programme website	5.6%	0.0%	27.8%	27.8%	38.9%
Film clips/videos	16.7%	38.9%	33.3%	5.6%	5.6%
Plaques/billboard with EU flag	5.6%	5.6%	11.1%	50.0%	27.8%
Social media (Facebook, Twitter, YouTube)	5.6%	11.1%	50.0%	22.2%	11.1%
Advertising campaigns on television and/or radio	27.8%	50.0%	22.2%	0.0%	0.0%

	No	Yes
We have not launched any action	81.8%	18.2%

Source: COHESIFY Stakeholder Survey 2017, N=18

4.2. Assessment of effectiveness of communication strategies

In 2007-13, monitoring and evaluation of the communication plan was undertaken by an internal communications group and involved annual reviews/plans, reports to monitoring committees and annual implementation reports, and external evaluations.

In 2014-20, the plan was for monitoring and evaluation arrangements to include some new elements:

- Commissioning an annual media monitoring survey to ascertain the frequency of European Structural and Investment Funds media coverage in Scotland, and to assess amount and tone of coverage [this was not monitored annually previously, however three is no evidence that this has been done in 2014-20];
- Quarterly analysis of social media channels, particularly Twitter, to assess development of online engagement activities [new]
- Annual analytical survey of Managing Authority website to assess activity and ways to improve it;
- An annual stakeholder survey conducted using methods including the Managing Authority website, Twitter and stakeholder events; [new]
- An evaluation of Managing Authority communications activity included in the annual update to the Joint Monitoring Committee.

A 2017 Communications Update to the Joint Programme Monitoring Committee (Scottish Government 2017), among other things, included information on media monitoring in the form of a media monitoring table showing media coverage following announcements for the 2014-20 programmes. In addition, the update provided concise information on Social Media and Web Analytics work, outlining plans to carry out a web analysis on a monthly basis as well as specific measures aimed at improving the MA social media presence (including Events and Content Planner, Hootsuite and Web Analytics).

4.2.1. 2007-13 period

An independent evaluation of the communications strategy for the 2007-13 programme carried out in June 2012 looked at the effectiveness, compliance, and impact at Programme and project level by assessing communications activity and media coverage and a range of project-based case studies. The method combined desk research with case study fieldwork to address three broad sets of research questions (i) the effectiveness of the Communications Plan at Programme level, (ii) the compliance of communications at project level with requirements, and (iii) the impact of communications at Programme and project level.

Method	Summary
Quantitative review	Desk based review of data – including web stats and records of events – to establish compliance with the Communications Plan
Qualitative review	Structured web research to analyse how messages around Structural Funds support have been covered in the media
Case study research	Case study visits to ten projects to capture their stories, collect examples of communication materials and evidence of impact, using different media such as photos and video recordings
Multi-media reporting	In addition to this written evaluation report we produced a DVD to illustrate the case studies

Source: Hall Aitken (2012)

Overall, the evaluation concluded that the Scottish Government and partners have been successful in communicating positive and consistent messages around the role of Structural Funds in Scotland. Quantitative targets set in the Communication Plan were met or exceeded, and the mix of methods and media that had been used turned out to be appropriate for reaching target groups. Evidence suggested that messages have been consistent and generally suitable for getting the right messages across, and thus overall impacted positively on the awareness of participants and other organisations, effectively achieving the Communications Plan's aims (despite fewer resources being available than previously).

All of the key targets were achieved:

- One major information event took place per year;
- Number of press releases exceeded the annual target of 3 by far in all Programme years to date;
- The annual target of two hard copy newsletters per IAB was met;
- The actual numbers for e-bulletins issued by IABs well exceeded the target figure of 4 as from 2009 monthly bulletins were published;
- Actual numbers of website visitors mostly exceeded respective targets

The evaluation does not provide any evidence of the impact of the plan on citizens' awareness or attitudes.

The effectiveness of activities is analysed.

- **Press releases.** Analysis of press releases shows that key messages were "generally suitable" for getting the right messages across. The imbalance between coverage of ESF and ERDF projects suggests that media interest in ERDF supported activities may have been higher possibly due to the nature of the activities as some ERDF projects provide grants and loans or build tangible infrastructure (buildings or facilities). It also states that it is impossible to establish the true impact of the communication measures but that it is reasonable to say that the combination of events, press releases and newsletters and other publications, supported by appropriate guidance, has been effective in achieving the Communications Plan's aims.
- **Communication with projects.** A review of programme guidance and projects' feedback was mostly positive. Guidance was clear and straightforward, but space for improvement in considering all potential channels and specifying promotion through broadcast channels, i.e. radio and TV, was noted.
- **Project level communication.** Case studies of 10 representative projects were undertaken involving visits and interviews. All case study projects could demonstrate that they were 'using every opportunity' to use the official logo in line with guidance/requirements. Acknowledgement of EU support is embedded in communication activities, especially in ESF projects as part of inductions. News releases to local press played an important role in keeping communities informed. Most projects gave the impression of being enthusiastic about communication rather than merely complying with requirements. Media coverage of projects is variable with ERDF attracting more attention, but the EU funding contribution is often omitted from the story. Surveys of ESF participants show that there is high awareness of ESF and this has increased over time.

Based on the case studies, a series of factors are highlighted for effective project communication:

- **Planning.** It is important that project sponsors identify communication opportunities at the outset and use them all.
- **Knowledge.** It is important that staff understand and are aware of the Funds' role and what they deliver so they can explain it to participants.

- **Regular press releases.** Although it is difficult to get the funding message covered in other media, project sponsors have to keep trying and issuing press releases as this will pay off eventually.
- **Branding guidance.** Large-scale communication campaigns require detailed branding guidelines to ensure consistency at different levels and across a range of media.
- **Word of mouth promotion.** In remote geographical areas, word of mouth promotion has an important role.
- **Planning.** Projects need to build in communications plans from the start, and a good project name is effective at gaining attention.
- **Social media.** Social media is starting to be important to some projects.
- **Impact on effectiveness perceptions.** Projects that communicate well are seen to be successful and are better at publicising their funding source;
- **Media friendly logos, messages and guidance.** The logos and guidance from the Managing Authority are not media-friendly. Logos are difficult to reproduce and messages are not picked up by the media.

A number of policy recommendations for 2014-20 ERDF and ESF activity are made:

- To ensure that project sponsors (lead partners in the new programme structure) identify communication opportunities at application stage and that these are used throughout the project lifecycle;
- To ensure staff understand the role of the Funds and what they are designed to deliver;
- That project sponsors should use different media forms to promote key funding messages;
- That large scale communication campaigns need detailed branding guidelines to ensure consistency at different levels and across different media[11];
- That projects need to build in communication plans from the beginning;
- That projects should proactively use social media;
- That logos and guidance from the Managing Authority should be media friendly and easy to reproduce.
- That the Managing Authority facilitate an exchange of best practice between projects or support capacity building to encourage better communications activity.

The recommendations are also listed in 2014-20 communication strategy to feed into future ERDF and ESF activity.

The second evaluation assessed the two main publicity events held in 2008 and 2009 to feed into the Annual Implementation Report for 2010, which is required to include an assessment of evaluation activity. The evaluation was carried out by the same PR firm that carried out the events (the Big Partnership) rather than an independent evaluator (The BIG Partnership 2009). The main focus of the evaluation is on the media coverage of the campaigns broken down by: % of coverage containing mention of ERDF or ESF; % of coverage containing mention of the project ESF funding has benefited; % of coverage containing details of the project's aims and objectives; % of coverage containing mention of the total ESF funding awarded to the project; % of coverage containing inclusion of a quote from the Minister for Enterprise; % of coverage containing a positive supporting quote from a project spokesperson; and overall tone of coverage generated [although it does not explain how tone is assessed]

Turning to key finding, there were 88 articles printed in the press and online, of which 27% were in the national press, 34% in the regional press, 24% in local press and 15% in specialist papers and

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[11] In terms of guidelines, communication-relevant Programme guidance was assessed as clear and straightforward, although it was recommended that guidance should consider all potential channels and specify promotion via broadcast channels, i.e. radio and TV.

websites (such as Regeneration and Renewal and Hi-Tech Scotland). There were also a number of radio adverts. The main outcomes reported are:

- total circulation of all print coverage generated was 2,816,600
- total number of listeners generated by all broadcast coverage was 1,183,000
- total opportunities to see the coverage generated was 3,999,600
- total PR value of all coverage generated was £209,418.76

The evaluations showed the overall tone of the coverage of the 88 articles was positive (as noted, without explaining the method for assessing tone) and the campaign activity was considered "very successful in publicising and promoting the work of European Structural Funds".

Aside from evaluations, annual implementation reports provide another source of information on communication progress and achievements. The 2010 Annual Implementation report summarises the findings of the evaluation of the two events. As noted, this was a self-evaluation by a PR company and involving analysis of press cuttings, rather than a comprehensive independent evaluation. While an independent evaluation was undertaken in 2012, the findings are not reported in the AIRs for 2012-2014.

The main focus of the implementation reports is on summarising activities undertaken and referring to their effects / success in general terms (mainly in terms of quantitative progress against indicators and targets set in the plan, or in terms of other quantitative achievements – e.g. attendance in the case of events/seminars, numbers of articles printed over major information campaigns, etc.). The reports are more of a 'round-up' of activity than an assessment, the common narrative being that the targets set out in the Communication Plan for a specific year were met[12] and the activities being assessed as effective overall. The reports also highlight the most significant communication activities undertaken by the Managing Authority and the Intermediary Administrative Bodies,[13] which are mainly communication/publicity events and campaigns. Information is also provided on other activities (e.g. publication of newsletters and bulletins, website-related activity, publication of publicity and communication guidance, etc.).

4.2.2. 2014-20 period

There are no evaluations or implementation reports available at this stage with evidence on the effectiveness of communication measures in 2014-20. However, *interview* evidence suggests that the current communication effort remains minimalist and does not going beyond compliance with the regulatory requirements. Publicity and communications efforts, particularly at the earlier stages of the programming cycle, are noted to have been limited by funding suspensions in the 2007-13 programmes as well as the series of elections and referenda in Scotland which have posed restrictions on the announcements that could be made.

Interviewees have noted the **lack of information and evidence** on which it would be possible to judge on the effectiveness of the strategy and different tools. This partly relates to the delayed implementation of the current programmes and therefore limited evidence on effects as well as absence of evaluations focused specifically on communication.

Yet, differences were also noted in the effectiveness of tools targeting different groups. Whereas the effectiveness of communication to the general public is generally viewed more negatively, **communication to policy community is assessed more positively**. There is a feeling that the **transparency and openness of communication with the policy community has increased in 2014-20,** partly due to the recognition of the pre-existing limitations and criticisms – including in

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[12] The Lowlands and Uplands ERDF AIR for 2011 states that 'almost' all – rather than all – targets have been met

[13] With a change in the approach since 2012: the IAB work was transferred into Scottish Government, and therefore responsibility for communications and publicity for the Programmes shifted to staff in the Future Funds Team, with the Communication Plan having been updated to reflect a more proactive approach to publicising and promoting the Programmes in Scotland.

terms of the lack of open and shared information and regular updates on the policy. More regular updates using the website, mailing lists, bulletins and social media (Twitter) are now made to inform and engage the policy community.

An often-noted challenge for increasing public appreciation of the policy and its achievements is that the **EU funding dimension is not sufficiently emphasised** but is rather "often purely anecdotal" and "not sufficient for enabling comprehensive recognition and appreciation". In addition, the European dimension and contribution is often overlooked in the messages spread by information transmitters, including press officers and the media, as well as elected politicians.

The main focus is often on highlighting the contribution of domestic actors, while the European dimension, although duly acknowledged, tends to feature as a secondary consideration. The national funding is given prominence over European funding, which can be seen in the announcements and publicity of the programmes, although this is not necessarily a conscious and deliberate tactic. For instance, announcements of European funding streams tend to receive much less coverage and prominence compared to announcements of comparable tranches of domestic funding. Furthermore, even where the EU dimension is recognised and highlighted, it often remains insufficiently understood by applicant or the wider population as EU funding is made available through other organisations. Moreover, the EU funding dimension does not always get picked up by the media, which contributes to the challenge of communicating the benefits of ESIF to the wider public.

In a similar vein, elected politicians do often acknowledge the European dimension but mostly in terms of the co-funding provided rather than engaging in discussion about the added value of the EU. Overall, while there is due recognition, there is no active promotion of European support.

The views of the *stakeholder survey* respondents on the effectiveness of communication strategies are divided, although a large share of respondents hold a neutral position on many aspects of such effectiveness (see Table 19 and Table 20). Among other things, this may indicate an overall low level of interest in the subject, and confirm the relatively low-key and low-priority approach to communications of the ESIF programmes in Scotland. The use of human interest stories has the highest level of satisfaction (30 percent of respondents), although views are very polarised as 33 percent of respondents are unsatisfied or very unsatisfied. Views on aspects such as the support from the European Commission, the targeting of different groups, the administrative capacity or the overall way Cohesion policy is communicated to citizens are marginally more negative (see Table 19).

Table 19: Stakeholder survey Q11. How satisfied are you with:

	Very satisfied	Satisfied	Neither satisfied nor unsatisfied	Unsatisfied	Very unsatisfied	Don't know
The way Cohesion policy is communicated to citizens	0.0%	22.2%	44.4%	22.2%	11.1%	0.0%
The branding and messages used to communicate Cohesion policy	0.0%	27.8%	50.0%	5.6%	16.7%	0.0%
The use of human interest/personal stories	0.0%	38.9%	27.8%	22.2%	11.1%	0.0%
The support from the European Commission on communication	0.0%	16.7%	50.0%	11.1%	16.7%	5.6%
The targeting of different groups with different communication tools	0.0%	27.8%	38.9%	16.7%	11.1%	5.6%
The administrative capacity and resources dedicated to communication activities	0.0%	27.8%	38.9%	16.7%	11.1%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

There is an overall lower level of satisfaction with the effectiveness of communication efforts in conveying the achievements of Cohesion policy programmes and projects as well as the role of the EU, or in fostering good relations with the media and press for greater public outreach, while again, a large proportion of survey respondents hold neutral views on these aspects (see Table 20). As specifically noted by one respondent, "Communication (and lack thereof) is one of the key issues of limited impact of the achievements of these programmes".

At the same time, **communication of projects appears to work relatively better than that of programmes**, which emphasises the importance of communicating at a lower level for fostering the appreciation and identification of citizens with the policy. This may also relate to the reportedly more efficient communication of EU funded projects at local level due to a smoother delivery of messages thanks to the established links with the press – facilitated by the local dimension (as discussed further).

In the qualitative responses to the survey, a respondent highlighted **room for improvement in communication activities of Managing Authorities**, noting that they often do not use the technical assistance earmarked to promote the added value of ESIF among the general public, overlook the European dimension of support when announcing new ESIF funded schemes or overlook the role of the sub-delegated and delivery authorities.

Table 20: Stakeholder survey Q12. To what extent are the communication efforts effective in:

	Very effective	Effective	Neither effective nor ineffective	Ineffective	Very ineffective	Don't know	Not used
Conveying the achievements of Cohesion Policy programmes overall and the role of the EU	0.0%	16.7%	33.3%	27.8%	22.2%	0.0%	0.0%
Conveying the achievements of co-funded projects and the role of the EU	0.0%	27.8%	22.2%	27.8%	22.2%	0.0%	0.0%
Using social media to promote the programme and projects (e.g. Twitter, YouTube, Facebook)	5.6%	16.7%	38.9%	11.1%	11.1%	11.1%	5.6%
Fostering good working relations with the media and press to reach the general public	0.0%	22.2%	33.3%	11.1%	16.7%	11.1%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

In terms of the evolving **use of communication tools**, a change over time has been noted by the *interviewees*, with **increased use of social media, as well as an increased web presence.** Social media and website have also been mentioned among main communication tools by the MA.

With regards to the **website activity**, however, significant scope for improvement in terms of ensuring better web presence has been noted, as well as reliance of websites on more general media messages. From the Managing Authority perspective, and given the shift away from infrastructure support towards less visible projects, an increasing use of case studies and the MA's website to communicate on programme activities is envisaged. The website is viewed as one of the most important tools, as is looking for opportunities to get mentions of ESIF into Government announcements, keeping them on the Ministerial and political radar. Creation of a dedicated website purely focused on ESIF-related activities, as opposed to communication through generic council websites, has been noted as a good practice by some local authorities representatives.

The use of social media and online communication to promote programme and project achievements has increased. For the MA, the focus is exclusively on Twitter, and the MA has made efforts to promote more active use of various types of social media by stakeholders by issuing guidance in the form of a toolkit. In order to maximise the impact and widen the outreach, the MA is working with colleagues across the SG seeking to ensure greater intensity of information sharing, including through access to the wider organisational Twitter account and personal retweets.

Some interviewees view the use of social media as being effective primarily in communicating with the policy community and much less so with other groups or the public. It was also suggested that the use of social media, despite the recent increase, remains largely confined to people of the younger generation. Some interviewees highlighted difficulties with regards to the task of maintaining up-to-date the content on social media platforms (e.g. Facebook pages and blogs, Twitter accounts), which is time consuming and requires regular input. On the other hand, others have noted that websites and social media are easy to update and do not take up a lot of resources, which encourages their active usage to ensure public outreach. Some stakeholders have reported higher attendance at events thanks to more active promotion through social media channels.

The importance of **big high-profile events**, particularly at local level has been noted. At the same time, given the Brexit, it is unclear whether these opportunities will be much exploited in the future. Roadshows are noted among the least effective tools, being no longer relevant for the MA as the programme structure has changed – this activity is now for the Lead Partners to engage in, which the MA monitors.

Events, such as lead partner events and the annual event, have been emphasised by the MA as particularly important tools for engaging with LPs and programme stakeholders. **Face-to-face communication**, including through such events and one-to-one engagement, are considered important for ensuring a good level of understanding of programme dynamics, having an overview of the delivery progress and encouraging involvement of projects and mobilisation of applicants.

The newsletter (issued on a quarterly basis) is also noted to be an important tool for communicating with the programme stakeholders. The newsletter feeds the MA blog, which, in its turn, feeds the Twitter communication.

Billboards and plaques on completed projects have been noted among the key tools, particularly given their high visibility and durability. At the same time, their relevance might have decreased more recently due to the mentioned changes in the nature of support.

Press releases and **radio** have also been mentioned as widely used and efficient tools by some interviewees; at the same time, others have noted the limited effect of press releases in temporal terms. One of the issues mentioned by stakeholders is the fact that press releases often do not get picked up by the media and therefore do not reach the public, which can make their preparation wasteful of time and resources. Media releases are noted to be more intensive when there are big announcement made by Ministers.

Word of mouth has also been mentioned as one of "the best adverts" for the benefits of EU funding as well as new funding opportunities, particularly in smaller communities.

Promotion of **marketing materials** (e.g. pens, cups, mouse mats etc.) as well as distribution of **hard copy materials** (e.g. at events) have also been mentioned among communication tools in use.

The production of **film media** presentations (film clips of a news type, e.g. promoted through social media) have been noted by the MA as so far not a very successful but promising and desirable communication tool – as they are seen as a tool which people can relate with.

One of the challenges mentioned by the MA is that many communication tools (including the social media) target the same audience, the challenge remaining to reach out to the wider public. One of

the promising ways forward is seen in focusing more on **simple** news stories with a strong **human dimension**, communicated at a level closest to an average citizen. There is a recognition that communication is often done at a too high and too complex level, whereas things that people are more likely to relate to are simple and concern small initiatives and concrete, **personal stories**.

4.3.   Good practice examples

The *desk research* has revealed two examples of good practice.

SQA's Skills for Scotland (S4S) project won an award for the best use of publicity in a European funded project. SQA were recognised for the innovative use of the European logo in GamesSpace – a virtual game-based assessment system. The award was organised by the Scottish Government, and the ICT Education Partnership Award at the 2011 BETT Awards, and presented by the Minister for Skills and Lifelong Learning and two European Commissioners of DG Employment and DG Regional Policy. The project was reported as a good practice in the 2012 evaluation of the communication strategy.

Online booklet. The use of the main results of the previous OPs formed an important part of publicity for the 2014-20 programmes and highlighted a new approach to embracing digital technology. An online booklet was produced highlighting the achievements of the 2007-13 programmes through a series of case studies from different parts of Scotland. The booklet also introduced the new ERDF and ESF OPs in 2014-20 along with the main priorities for Smart, Sustainable and Inclusive Growth. The book was launched in March 2015 at an event at the Edinburgh Centre for Carbon Innovation, which was organised to highlight a £76 million scheme focusing on Scotland's low carbon economy and co-financed with ESIF. The Cabinet Secretary for Infrastructure, Investment and Cities attended the event in order to promote the fund and launch the book, and several media and press representatives attended (Mendez, Dozhdeva and Bachtler 2016).

Many *interviewees* have found it difficult to identify examples of communication good practices, which would highlight and increase the positive perception of the EU dimension in Scotland.

Local programme **websites,** e.g. for the Leader programme, are seen as generally well received and present a good way of promoting at local level the co-funded activities. In addition, setting-up a dedicated website covering specific activities part financed by ESIF at a council level, as opposed to including this information on generic council websites, has been highlighted as a good practice[14]. This allows users to navigate better in the content and, presenting information in a more detailed but also consolidated way, potentially raise the awareness and profile of the Structural Funds contribution to local development. Inclusion onto such websites of **case studies** highlighting how the activities co-funded by ESIF have helped individuals are also an example of good practice in communication. In general, case studies focusing on particular projects and showcasing how people, communities and businesses have benefitted from European support have been noted as an effective and attractive communication tool as they make success stories more concrete and help people relate to them.

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[14] For instance, a dedicated website https://www.workeastren.co.uk showcases the work of the East Renfrewshire Council's employability and skills team, many of the activities being part financed by the European Social Fund; among other things, the website includes a separate page (https://www.workeastren.co.uk/case-studies) highlighting specific case studies on how the activity helped individuals to progress in their employment or training.

The importance of **evaluations** has also been highlighted in this regard, as evaluations of ESIF co-funded activities are able to provide good material for compiling case studies – apart from providing evidence that could be used in other different ways for communication purposes.

The use of **social media** has also been mentioned as an example of good practice in communication. The main focus has been on Twitter announcements and signposting to announcements on the programme website.

The importance of consistent **branding** has been highlighted (e.g. consistent use of logos), as well as potential value of distributing **marketing materials** (e.g. pens, cups, mouse mats etc.) for communication purposes (e.g. during open day events).

Capacity building seminars for the policy community, particularly at earlier stages of programme life cycle, have been mentioned as a good example of positive internal communication activity.

The generally **more proactive engagement and publicity activities pursued by the rural networks** under the EAFRD has also been noted. The implication is that it would be appropriate to encourage more learning and dissemination of good practices across different Funds within programmes.

When questioned about the **effectiveness of different communication measures in increasing citizens' awareness of Cohesion policy** (Table 21), *stakeholder survey respondents* considered that the **most effective sources were television, radio and the associated media campaigns** with many rating them as potentially very effective. However, they are also among the least widely used tools, which may relate to the actual costs and the cost/benefit ratio.

The potential of newspapers in increasing citizens' awareness of the policy is evaluated as relatively high, although the actual use of this communication channel is assessed as being significantly lower, which may point to some room for improvement in terms of the relationship with the press. Some communication tools viewed effective are also reported to be used most often – including plaques/billboards with EU flag and publications such as brochures, leaflets and newsletters – indicating to a good exploitation of the perceived potential. Interestingly, programme website, identified through the interviews and the stakeholder survey as the most widely used tool, is viewed as ineffective by 22 percent of respondents – although those assessing it positively are still in majority.

There appears to be need in exploring more the potential of social media as well as events, as 50 and 78 percent of respondents respectively indicated them as effective or very effective communication tools.

Table 21: Stakeholder survey Q14. How effective do you think each of these communication measures are in increasing citizens' awareness of EU Cohesion Policy?

	Very effective	Effective	Neither effective nor ineffective	Ineffective	Very ineffective	Don't know	Not used in my region
Television	27.8%	5.6%	27.8%	11.1%	5.6%	0.0%	22.2%
Radio	16.7%	22.2%	22.2%	11.1%	5.6%	0.0%	22.2%
Local and regional newspapers	16.7%	38.9%	27.8%	5.6%	0.0%	0.0%	11.1%
National newspapers	16.7%	27.8%	22.2%	16.7%	0.0%	11.1%	5.6%
Programme website	5.6%	38.9%	27.8%	11.1%	11.1%	5.6%	0.0%
Video/film clips and	11.1%	22.2%	33.3%	16.7%	5.6%	5.6%	5.6%

presentations							
Plaques/billboards with EU flag	0.0%	66.7%	11.1%	5.6%	5.6%	11.1%	0.0%
Social media (Facebook, Twitter, LinkedIn, YouTube)	22.2%	27.8%	22.2%	11.1%	0.0%	16.7%	0.0%
Media/advertising campaigns on television or radio	11.1%	27.8%	38.9%	5.6%	0.0%	11.1%	5.6%
Press releases	5.6%	44.4%	16.7%	22.2%	0.0%	11.1%	0.0%
Brochures, leaflets, newsletters, other publications	5.6%	55.6%	27.8%	5.6%	0.0%	5.6%	0.0%
Events	16.7%	61.1%	11.1%	5.6%	0.0%	5.6%	0.0%

Source: COHESIFY Stakeholder Survey 2017, N=18

4.4. Media framing of Cohesion policy

The *framing analysis* of British newspaper stories on Cohesion policy shows that the majority of articles frame EU Cohesion policy in positive and economic terms (Triga and Vadratsikas 2018). This "Economic consequences" frame is dominant in 55% of the sample (247 articles in total), and most of these articles focus on the positive implications of EU Cohesion policy for the economy. As revealed in the subframe analysis, the most dominant subframe is "Development" (18.6%) followed by "Job creation" (15.7%) and "Innovation" (13.4%).

Moreover, the second most dominant frame, accounting for 20% of the total, the "Quality of life" frame which approaches EU Cohesion policy in terms of the positive impacts on citizens' everyday lives, mainly by supporting disadvantaged social groups (7.7%) and by providing infrastructure (6.9%). The remaining five frames ("Culture", "Incompetence of national/local authorities", "Power", "National interests", "Cohesion" and "Fund abuse") are far less salient frames (4.9%, 4%, 0.8%, 2.8% and 2.4% respectively).

In terms of media tone, the framing analysis revealed that 62% of the articles have a positive valence. However, very few articles frame Cohesion policy from a 'European' perspective emphasising the EU dimension (4%) implying that national and local interests and priorities dominate the news stories of Cohesion policy.

Finally, the framing analysis of territorial differences found that national and regional media apply similar frames but that regional media tend to present positive news more often than national media, yet they never approach the news from a European perspective.

These findings mirror the results of the Scottish *evaluation* of media coverage of PR campaigns and some of the findings in the interview research. As noted previously, the evaluation of the two publicity events held in 2008 and 2009 showed that the overall tone of media reporting on the events – based on a review of 88 news articles – was positive. The campaign activity was considered "very successful in publicising and promoting the work of European Structural Funds." That said, the method for assessing tone was not explained and the evaluation was carried out by the same PR firm that carried out the events (the Big Partnership) raising questions about the independence of the conclusions (The Big Partnership 2009).

The stakeholder *interview* research found that most interviewees characterised the media as largely **indifferent**. Overall, little attention is paid to 'Europe' and Cohesion policy, and stories in these areas are rarely picked up. Where they are picked up, coverage is often confined to specific

high-profile projects or other types of 'big' stories. Many interviewees are of the opinion that there has not been any comprehensive promotion of ESIF through the media in Scotland.

> *"It is not the nature of the tone but rather the lack of any tone with regards to Cohesion policy that is seen as worrisome as it indicates a general lack of interest; the message is neither positive nor negative – it is just not there".*

At the same time, where Cohesion policy-related issues are covered, the **EU dimension of support is noted to be often omitted or downplayed**, in line with the media analysis. While the requirement to acknowledge the EU contribution is normally respected, there is **a tendency to highlight the actions, achievements and impact of domestic actors** (e.g., the Scottish government or the local council) rather than put emphasis on EU/ESIF contribution: "the European funding dimension is very much a footnote to any media coverage that might come". The way in which the press story is structured tends to present the 'domestic' dimension as primary and 'European' secondary. Sometimes, this is conditioned by limitations in terms of space available for a news article, which urges the need for prioritisation – mentioning of the EU support clearly not being a priority.

According to some interviewees, such downplaying is not necessarily deliberate and can be **explained by the general indifference of the media to the source of support and, instead, interest in its effects** – it is the outcomes and achievements of policy and human interest aspects that are regarded meaningful, rather than funding-related technicalities.

> *"They are really quite indifferent to specifics of who is funding what and that would include the EU. It is not a negative position. They are more interested in the story, the impact on development."*

In addition, the policy technicalities are not always well understood by journalists. Furthermore, the language associated with EU policy support is considered dense and often difficult to explain to ordinary citizens, which might encourage journalists to avoid referring to it. Cohesion policy language has been described as 'vastly convoluted' and 'arcane', the terms and abbreviations not being easily recognisable and in most cases not meaning anything to citizens.

Lack of media interest in and coverage of Cohesion policy partly relates to the low level of 'appeal' and 'attractiveness' of the topic in general, media focus on different priorities or lack of resources to cover CP-related issues.

The omission of the EU dimension in news stories is something that project promoters and programme managers have limited or no control over, which in some cases encourages them to become more reliant on their own communication, including web based and social media type communication, which ensures control over how the message is delivered.

At the same time, some interviewees have noted distinction between national and local media sources – whereas national newspapers tend to cover EU funding less, local press tends to put more focus on highlighting European funding.

In more general terms, a **dominant negative tone in reporting on 'Europe' and Cohesion policy,** according to many interviewees, is due to the media generally having a preference for bad and sensationalist news over good news. Negative stories are picked up more willingly, as they generally 'sell' better. Often the negative aspects that are highlighted in press "relate to something that has nothing to do with the fault of Europe" or Cohesion policy. For instance, more recently, a lot of media attention has been drawn to the delays in farm payments in rural development, which have been caused by the faults of the newly introduced IT system rather than broader inefficiency or failure of the policy. Media interest is noted to be often directed to aspects related to, real or

potential, situations where the EU funds are 'misspent, misallocated, or not managed properly'. The view of some other stakeholders however differs in that they view the tone of the media as being largely positive – or, 'at worst', neutral. This is explained by the fact that 'what has been done with the funding is generally quite welcomed'. Where there has been negative criticism, it has not focused on the wrong priorities of policy but rather the technical pitfalls (e.g. rural payment system for farm payments) and delivery issues (e.g. high levels of bureaucracy).

At the same time, in a similar vein, distinction is often made between national and local media, the view of Europe and Cohesion policy varying. **Whereas local and regional press is generally 'more informed, interested'** and objective and less inclined to focus on the negative aspects, there is a **tendency nationally to focus on negative stories** (unless it is a major headline achievement). "The odd story will go nationally, particularly if a bad story". A lot of UK-based media is noted to hold and spread Eurosceptic attitudes, "looking for negative stories devaluing the role of ESIF". At the same time, as noted by the interviewees, "the fact that this has not spilled over to the non-Eurosceptic and mainstream media is an illustration that there has been no major negative issues that could have generated a wider negative media approach to reporting on ESIF and EU matters". One of the explanation behind local vs regional variation in media tone is that while nationally, European funding might be viewed as something too abstract, locally, it is easier to relate to the positive benefits of EU support. Regional variations in media tone have also been mentioned, with potentially more positive and prominent coverage of ESIF in the H&I due to more intense support historically.

At the same time, according to some interviewees, even though the overall tone of the regional and local press is largely positive or neutral, it is often not 'comprehensive or focused in the way which would resonate with the wider public'. Media stories generally do not provide a sense of wider context, which would make a strong case in terms of showcasing the benefits of Cohesion policy funding to the wider public.

A change in tone over time, from positive to more negative or indifferent, has been noted by some interviewees. If previously Cohesion policy was receiving more positive reflection in press (especially as a significant "capital of goodwill of associating money coming from Europe and devolution process" was present), more recently, the media turned to be either more negative (e.g. focusing on audit delays etc.) or passive and indifferent (e.g. not going beyond simple repeating of the government's press releases).

Some interviewees noted the lack of knowledge on what specific **measures are taken to improve media take-up of news stories**. It has been highlighted that in the conditions of significant resource constraints across government, resources dedicated to these measures have to be balanced against resources devoted to other priorities, and although improving media relations could be desirable, it is not always feasible.

It has been noted that maintaining 'good relationship with journalists' is often easier locally at project level. Characteristics of the place can also play a role – in small communities, delivery of the message is facilitated for instance by the use of press releases, interviews on the local radio, and overall the established relationship between the press department and the local media (e.g. radio stations, newspapers). Work with press officers, liaising with the local media as well as the MA, is often viewed as an efficient way of ensuring communication on EU funded project at local level.

At the MA level, in the absence of a specialised press officer solely for the ESIF due to resource restrictions, close work with the Scottish Governments communications team is ensured, including with regards to press officers and media relations work, in order to enhance the coverage of the relevant to the Structural Funds division- relevant activities. In a similar vein, in the absence of

specialised ESIF press officers, coordination with broader media relations teams within the organisation is pursued across a range of bodies delivering Structural Funds.

It has been noted that council press officers often tend to highlight primarily the achievements of the council rather than pinpoint the EU contribution. Due acknowledgment of European support is made, but it is a secondary consideration. As one of the interviewees at local level mentioned, "our press office is paid by the … Council, it is the city's tax payers' money; it is not their job to act as an unpaid PR machine for the Commission".

Relations are also maintained through the Europe Direct Information Centres as local information contact points on Europe.

Overall, difficulty in ensuring media pick-up of Cohesion policy-related stories has been noted, as well as the absence of control over how any of such stories may be picked up, presented to the public and therefore perceived by the population. With media interest generally remaining relatively low, the relationship with the media is more intense at specific points in time e.g. during big events organised by the SG. The presence of high-profile figures as keynote speakers, for instance the First Minister, at such events is noted to attract increased media interest and generate wider coverage and therefore impact.

In line with the interview findings, a large share of *stakeholder survey* respondents identified the **tendency of the media as well as politicians to overlook or downplay the European dimension** of support among the obstacles to more efficient communication of Cohesion policy achievements.

The tone of the media in reporting stories about Cohesion policy is another constraining factor, viewed to be predominantly negative by 33 percent of respondents. Survey responses suggest that there is significant **room for improvement in terms of consistency of communication messages as well as the form** for reaching their target audiences. Opinions on the sufficiency of resources and, interestingly, priority dedicated to communication by programme stakeholders are divided, although a large proportion holds neutral views on this aspect.

Table 22: Stakeholder survey Q13. To what extent do you agree or disagree with the following statements:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
The media mainly report negative stories about EU Cohesion Policy	5.6%	27.8%	44.4%	22.2%	0.0%	0.0%
During publicity events, politicians mainly highlight the local/regional dimensions of projects to claim credit for themselves, rather than the role and contribution of the European Union	11.1%	61.1%	16.7%	11.1%	0.0%	0.0%
The media do not highlight the European Union role and contribution in a sufficient way	16.7%	38.9%	33.3%	11.1%	0.0%	0.0%
The key programme communication messages have adopted an appropriate form to reach their target audiences	0.0%	27.8%	44.4%	16.7%	5.6%	5.6%
The communication messages have been consistent at country or regional levels	0.0%	16.7%	27.8%	27.8%	5.6%	22.2%
There is insufficient resources and priority dedicated to communication by programme stakeholders	5.6%	11.1%	55.6%	22.2%	0.0%	5.6%

Source: COHESIFY Stakeholder Survey 2017, N=18

4.5. Implications for citizens CP perceptions and attitudes to the EU

The overwhelming impression of the *interviewees* is that overall the public profile, visibility and awareness of the Structural Funds in Scotland is low and has not grown – if not reduced – over time. This is despite the perceived considerable achievements of the policy in the region, compliant recognition of the European support as well as specific efforts made in terms of communicating the policy and its achievements. The general opinion of most stakeholders is that the policy and its value are not well communicated, not well recognised or well understood among the general population. Citizens are often noted to have difficulties in articulating what Cohesion policy is or what its benefits for their everyday lives or lives of their communities are, not least due to the perceived 'failure' to build the understanding and recognition of its value. Whereas there may be a vague awareness of European funding support to concrete, mostly tangible projects, the general level of understanding of the value of ESIF support for the local economies and communities is perceived to be low.

Where support is recognised and noted, it does not necessarily translate into a positive perception of and support towards the policy and the European Union more generally. It was noted that there were fewer Remain voters in some of the most economically challenged and therefore more heavily supported areas of the country, suggesting that the ESIF impact was not influential in the referendum outcome or in the overall appreciation of the EU.

Territorial variations in awareness and appreciation of Cohesion policy have been highlighted with the population in the Highlands and Islands, particularly the Western Isles, seen as having a better-informed understanding of Cohesion policy and its benefits for local communities and the public profile of the policy being relatively higher. This can partly relate to the fact that convergence areas have historically benefitted from greater ESIF investment, particularly in terms of physical infrastructure support – described by one of the interviewees as 'the best way of advertising' and being by nature more visible to the population. At the same time, it was noted that the public profile of the policy remains high despite the more recent demise of infrastructure projects and shift towards 'softer' type of investment. Among other things, this appears to be facilitated by the smaller size of local communities, where cooperation with the local media is often relatively easier and press releases issued by the council and highlighting EU contribution have higher chances of reaching the population.

The level of awareness and appreciation depends on the level of knowledge and direct experience. Whereas the general population tends to know and understand less, people who work in the field or have been beneficiaries of ESIF support are obviously more aware and arguably more appreciative of European funding. Similarly, visibility is higher for professional circles in policy and delivery environments but less in other professional groups; equally, the 'client' populations are more aware than the general public.

A wide range of factors accounting for the generally low levels of awareness and visibility of Structural Funds in Scotland have been highlighted by the interviewed stakeholders. Apart from the lack of continuous and active promotion of benefits to the wider audience, the changing nature of ESIF-supported investment appears to partly account for the reduced visibility. Thus, the shift from investment in capital projects such as infrastructure support to investment in supporting softer interventions, although seen sensible from the policy perspective, inevitably reduces visibility and makes communicating the EU contribution and benefits to the wider public more challenging. The use of Funds to support revenue projects appears to be not only less visible but also less well understood, particularly beyond those who are directly involved and directly affected (e.g. clients of employability services or training programmes), as well as less widely reported in the media.

At the same time, the awareness of and interest in EU funding is noted to have increased since the Brexit referendum vote, the overall discourse having been highly politicised. On the other hand, some interviewees noted that among those well aware of EU funding prior to Brexit, the interest in Cohesion policy fell due to the awareness of the forthcoming discontinuation of support.

Further factors contributing to the low levels of awareness, visibility and appreciation highlighted by the interviewees relate to the lack of real encouragement for ESIF delivery bodies to go beyond mere compliance with regulatory requirements on communication; changes in the ESIF delivery system, among other things leading to reduced visibility of ESIF due to the delivery centralisation (according to some H&I stakeholders); as well as delayed implementation of the current programmes, leading to the unavailability of evidence on policy achievements.

In suggesting ways for **improving the communication of EU policy objectives and results**, the interviewees have covered the following aspects:

- Need for a **more proactive approach** to communicating the ESIF and their benefits by the MA and the European Commission, and more active **encouragement** to delivery bodies to go beyond mere compliance with regulatory requirements on communication: Some interviewees have noted the need for the MA to serve an active driver behind a more proactive approach to communicating the policy, including by providing examples of best practice with regards to communication. Currently, the overwhelming part of communication work is left to the delivery bodies, and in the absence of a common approach or framework for efficient communication activity (apart from that offered by regulatory requirements) or real incentives for applying interesting and innovative approaches, stakeholder organisations often lack encouragement to go 'an extra mile' in terms of their communication activity. At the same time, interviewees have noted that the European Commission should be doing more itself in terms of promoting EU objectives as well as setting an example of efficient and proactive communication measures, rather than leaving it to national governments. That said, interviewed stakeholders are of the opinion that additional communication requirements are not a solution to this, and a softer approach to encouraging more active communication effort should be pursued.

- Ensure communication is **not just about acknowledging European funding** but showcasing and promoting its benefits and achievements: While, as highlighted previously, there generally exists due acknowledgement of EU support in Scotland, in compliance with the relevant regulations, this has not resulted in a greater recognition of the value of European support among the general public. An effort should therefore be made to ensure the communication effort at all levels goes beyond the mere acknowledgement.

- Ensure permanent and **continuous communication activity** over the whole programming period: As noted by many interviewees, often communication becomes more of a priority only towards the end of the programming period, which is largely explained by the earlier unavailability of results and impacts on the ground. At the same time, it is important to communicate during all period (distributing the activity more evenly over time) rather than concentrate all effort at the last stage, by showing the progress on an on-going basis, to keep the level of interest and awareness high. Even if no results are available as yet, it is important to reach a wider number of people when announcing the programme launch, communicate the expected results, announce new tranches of EU funding. Whereas the benefits are almost always publicised only at the end of the programme, the mid-term review or continuous monitoring and evaluation exercises, for instance, provide good opportunities to publicise the benefits by communicating the likely achievements in the coming years.

- The related recommendation thus relates to the need to conduct more, and more timely, quality **evaluations** of programmes and improve the uptake of their results, as well as use the **case studies** produced by evaluations for communication purposes. In a similar vein, constant **monitoring**, along with regular updates to evaluations, should aim to provide evidence on the progress of programme implementation on an on-going basis rather than leaving it until the end of the period. The relevance of **media monitoring**, as part of the broader monitoring and evaluation exercise, has also been noted, serving to provide evidence of the effectiveness and dynamics of the media activity and introduce the necessary corrections to the communication strategies.

- Need to **highlight the European dimension of support**: as noted previously, the EU dimension of support is often omitted or downplayed, and there exists a tendency to highlight the actions, achievements and impact of domestic actors. In addition, domestically-funded programmes and initiatives are often branded and promoted much more actively and broadly than similar EU-supported projects. In this regard, there is a need to put more emphasis on the European dimension of funding, including through the announcements of new tranches of ESIF support; the acknowledgement of the fact that many of funding priorities have emanated at EU rather than national or regional level (in both conceptual and strategic terms); branding of programmes more as 'European' programmes, aiming to pursue also EU rather than purely national strategic priorities. In addition, more emphasis should be put on promoting the **EU added value** of support, by emphasising the **additionality** of European funding (countering the tendency to perceive it as a 'given' or as something 'returning' back to the country after going through the EU level back to the region), or by promoting communication of other EU activities strongly transmitting the European idea (for instance the INTERREG projects as those with a strong European added value and more clearly telling a real 'EU story'). Furthermore, emphasising the role of the EU across a wider range of dimensions, i.e. those stretching beyond Cohesion policy, or pulling together ESIF communication with that of other **EU policies making a difference to regions and territories**, is seen as being able to enhance the positive impact on awareness and appreciation and counter the negative associations people might have around European policy-making.

- Ensure a **coordinated approach to communication** across all levels: It appears important to ensure effective cooperation of delivery bodies (the MA, lead partners) and beneficiaries to support clarity and consistency of messaging across communication channels, maximise media coverage about the awarding of funding and overall strengthen partnership communications activity. Such cooperation-based approach could also be helpful in terms of providing a reference and benchmarking for stakeholders engaged in communication activity.

- **Set common criteria for selecting good practices**, as well as communicate and promote best practice examples: Identifying and disseminating cases of good practice in terms of the delivery, as well as communication, of Cohesion policy appears important, therefore the approach to identifying such good practice examples could be streamlined and more active use of case studies highlighting concrete achievements of Cohesion policy for communication purposes could be promoted.

- Need to **set a clear budget for communication** activity from the outset, ring-fence funding for **dedicated and professional staff** who can understand marketing tools better than general day-to-day programme managers, and overall strengthen budget allocations for communication: Budget limitations have been noted by many interviewees as a significant factor hindering more active and effective communication activity, at all levels.

Strengthening of resources for communication to allow greater professionalisaiton is therefore seen important.

- Need to build and strengthen **cooperation with the media**, particularly through closer work with press officers and liaison with the local media as an efficient way of ensuring communication on EU funded projects.

- In terms of actual **communication tools**, the main proposals by most interviewees for improving the communication of EU policy objectives and results focused on **increased use of social media**, capable of providing coverage to a wide audience, preferably highlighting **individual success stories, the human dimension** and raising awareness of the EU in the lives of individuals. Tweets and Facebook messages posted by those who benefitted from the ESIF are viewed "more effective ... than government bodies issuing press releases or councillors talking about how effective the funding is", as something that people can relate to. Focusing communication at a 'lower level' – by highlighting small concrete success stories through **case studies** and personal accounts – is seen as being potentially more efficient for raising awareness and increasing appreciation of the policy than communicating at a higher, 'more abstract' level. Such case studies are believed to be better placed to picks people's interest and capture the imagination.

- **Using simple and accessible language** – a language that people actually understand – and **delivering simple messages** is also seen as important. Due to the breadth of what Cohesion policy does, it is often very difficult to capture what is the 'strapline' for the policy that would make sense to everybody and that would convey why the EU funds do really matter to people. In this sense, as highlighted by the MA, it appears important to **focus on key, captivating messages** delivering the value of the ESIF work in a way that would capture people's imagination; **create an attractive and strong story-line**; collect together evidence from different cases and demonstrate the EU value in a comprehensive way; build a brand that is understandable and meaningful for people. **Coming up with** and communicating such a simple message that could serve as a **'strapline' for Cohesion policy** related story-telling appears challenging yet important.

- **Focus more on visual elements (infographics, maps, etc):** Promoting a wider use of visuals such as infographics is seen as an efficient and attractive communication tool.

- **Involve high-profile figures to attend and speak at events:** Inviting 'celebrities', high profile personalities, famous politicians to attend and make speeches at events promoting EU funds, e.g. launch events, launch of new big funding tranches etc. was noted by some interviewees as an efficient way of raising interest and awareness among stakeholders, the media and consequently (potentially) the wider public.

In addition, interviews at the MA level suggest that some new communications activity is considered desirable but is highly unlikely given the vote to leave the EU (e.g. radio campaigns). The main focus remains centred on the annual events and social media (Twitter).

At the same time, it was highlighted by the interviewees that efforts to improve the communication of EU policy objectives and results should not be disentangled from the broader context, people's attitudes towards the government and Europe, as well as the general quality of the 'product' that is being communicated.

Greater, or more efficient, use of certain communication tools, increased budget for communication activities or a more proactive approach to communication can all contribute to the

quality of the communication activity but are far from being enough to influence in a positive way people's attitudes towards the policy, its achievements, and Europe overall.

Promoting the value of the EU and the contribution of the ESIF is complicated by the need to counter what is often perceived to be the wider economic thinking and practice that emanates at EU level, including a wide-spread scepticism around the broader policies of the EU in relation to the economy, the perception of the EU as something distant from its citizens, the prioritisation of competitiveness considerations as opposed to those of cohesion and social justice, etc.

> *"You are pushing against the wind if you are trying to argue that Cohesion policy and Structural Funds are what the EU is about, when people's perception of the EU is not that. For them, the EU is about other things – support to big business, deregulating rather than properly regulating, emphasising competition as opposed to community interest..."*

Increasing people's appreciation of the policy relates to much **broader issues than just marketing and communication techniques**. Inability to raise this appreciation cannot be ascribed simply to the inefficiency of certain communication tools. Due recognition of the EU contribution and efficient communication measures are important but not sufficient to address a range of wider concerns and criticisms towards the policy as well as the EU in general. As suggested by the interviewees, the answer to this is not just to spend more efforts on communication. It is part of it, and the MA should take more seriously and proactively the communication aspects of the Programmes; 'but there is a challenge for the Commission, and the MA as well, in terms of what is the product that we are trying to promote'.

> *"It is a common organisational thinking – when something is not going well, blame the communication. Organisations do it, political parties do it. 'It wasn't policy that was wrong – it wasn't communicated properly' – that is a common and comforting way of thinking for people and organisations to take up, but it is not always the case. **Sometimes you have to think if the policy is right**, was it put across properly and effectively. Very often poor **communication is a scapegoat**".*

Greater investment, including at the MA level, in the communication activity is seen important, but the major challenge for increasing appreciation is actually the need to **improve the programme**.

> *"You cannot dissociate communication with what the core product is. It is very easy to say 'we must reinforce communication'. They have a point, I agree. But improving communication itself won't bring better results, better visibility of the programmes, unless it is also accompanied by changes to the programmes themselves."*

Cohesion policy is seen by many interviewees as having limited appeal and being 'difficult to sell', due to a range of factors, including: the inherent complexity of the language, architecture, rules and procedures; the high administrative burden associated with getting access to and delivering the funding; the relatively low impact on the national and regional economy, including due to the relatively low share of funding as opposed to domestic support; insufficient concentration due to the policy architecture (all-region eligibility) and the fact that the policy is 'trying to answer to too many conflicting pressures'.

> *"Cohesion policy and how it works is extremely difficult to sell, very difficult to explain. [It is characterised by] vastly convoluted, arcane language, byzantine procedures – no wonder people lose interest."*

Building in more flexibility in the policy itself, making it more flexible within the timescales of the programmes in order to enable it to adjust effectively to market conditions and changing circumstances has been noted as one of the ways to increase the efficiency and address the mismatch between the actual needs and the focus of funding.

Nevertheless, it is recognised that communication has an important role to play. Delivering more good news stories on what the ESIF have achieved, pursuing more active 'championing' of the Structural Funds by highlighting examples of good projects and their positive effects on the ground, overcoming the mentality where European funding is taken for granted, as well as seeking to dissociate the more negative narratives surrounding broader EU-related issues from the actual effects on Cohesion policy on the ground have been suggested as ways of raising public appreciation of the policy.

On the other hand, such dissociation might be difficult or impossible to achieve, as the appreciation of any EU-driven policy is closely related to the broader views and the value and role of the EU and its responsiveness to the actual needs and aspirations of European citizens – meaning that more fundamental changes, at a more global level, are needed in order to change the attitudes to a specific policy such as Cohesion policy. As noted by one of the interviewees:

> *"What more could we have done to enhance the positive perception of the policy? Some may argue that this has to go back to the EU level: the EU needs to ensure that what we aim to promote at member-state and regional level is something that resonates with the public and really means something to citizens and workers... At EU level, there is more to be done ... on some of the key challenges that the people and workers of Europe are facing ... and give more emphasis to that aspect of EU's policy approach and funding... It goes back to the extent to which people feel that the political institutions of the EU are reflecting the concerns they have, the challenges they face in their workplaces and their communities... Unless there is a wider public appreciation of what the EU does in relation to things that impact people in their daily lives, all the things that promote the EU could be treated with a high degree of cynicism as opposed to appreciation".*

Mirroring the interview research responses, most *stakeholder survey respondents* see **the effects of Cohesion policy communication on citizen's perceptions and attitudes to the EU as limited** (See Table 23). Thus, over 33 percent of respondents disagree that communication activities have led to an increased citizens' awareness of Cohesion policy contribution to regional and local development, over 44 percent do not see their positive effect on citizens' support for the EU and 39 percent do not consider they have had a positive impact on their identification with the EU. This is however not predominantly related to citizens' mistrust in Cohesion policy communication activities and messages, but may possibly relate to the broader contextual issues surrounding debates on the policy and European matters overall, as highlighted in the interviews. For instance, one of the respondents noted that:

> *"There's plenty of information out there about projects funded by the EU, regionally and nationally. Whether it changes people's perceptions about the EU and the Commission in particular is another matter. The Commission is always going to be criticised for its democratic deficit."*

In referring to the range of communication tools used in an effort to increase citizens' awareness of EU Cohesion policy, one of respondents noted their general adequacy and potential effectiveness but questions any actual impact upon citizens' awareness of the role of the policy and the European Union in general:

"These are all perfectly acceptable media and capable of promoting major coverage to wide audiences....potentially. But do they raise awareness of the EU in individuals' lives...who knows. Does anyone really care? Cannot generalise."

Several respondents highlighted the limited impact of Cohesion policy funding on anti-EU sentiments, as revealed among other things through the Brexit vote (where poor areas receiving significant EU funding had the largest vote leave shares in the UK), in an effort to demonstrate the limited effects of Cohesion policy and its communication on citizen's perceptions and attitudes to the EU.

Overall, it should be noted that as with regards to many other Cohesion policy communication-related issues, a large share of respondents neither agree nor disagree with the suggested statements, which might demonstrate either a limited and imperceptible effect of Cohesion policy communication on citizens' attitudes to the EU in Scotland or a generally low level of interest, knowledge or relevance of the subject among stakeholders involved in Cohesion policy implementation in the region.

Table 23: Stakeholder survey Q15. To what extent do you agree or disagree with the following statements:

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
The communication activities have led to an increased **awareness** among citizens of the contribution of Cohesion policy to regional and local development	0.0%	22.2%	44.4%	27.8%	5.6%
The communication activities of Cohesion policy funds increase the **sense of belonging** of citizens to the European Union	0.0%	22.2%	38.9%	27.8%	11.1%
The communication activities of Cohesion policy funds contribute to increasing citizens' **support** for the European Union	0.0%	22.2%	33.3%	33.3%	11.1%
Citizens mistrust Cohesion policy communication activities and messages or consider them to be propaganda	5.6%	22.2%	38.9%	22.2%	11.1%

Source: COHESIFY Stakeholder Survey 2017, N=18

Views of stakeholder survey respondents on the contribution of Cohesion policy to EU attitudes by citizens are mixed. While 44 percent of respondents consider that **Cohesion policy has made a significant contribution to citizens' support towards the EU**, 39 percent do not see any connection. That said, no respondents reported a negative impact of the policy upon citizens' support (see Table 24).

Table 24: Stakeholder survey Q4. In your opinion, has Cohesion policy during the last 10 years or so helped to make residents of your municipality/region support the European Union more?

It has helped a lot	It has rather helped	It has had no impact	It has had a rather negative impact	It has had a very negative impact	Don't know
11.1%	33.3%	38.9%	0.0%	0.0%	16.7%

Source: COHESIFY Stakeholder Survey 2017, N=18

5. Citizens views of Cohesion policy and the EU

5.1 Citizen survey results

The COHESIFY Citizen Survey provides more direct and representative insight into citizens' awareness and appreciation of Cohesion policy funding in Scotland, as well as their attitudes to and identification with the EU. At least 500 citizens were survey by telephone in each of the 17 COHESIFY case study regions: Scotland (UK); North-East England (UK); Lombardia (IT); Podkarpackie (PL); Pomorskie (PL); Cyprus (CY); Central Macedonia (EL); Nyugat Dunantual (HU); Zahodna (SI); West Romania (RO); the Province of Flevoland (NL); the Province of Limburg (NL); Baden-Württemberg (DE); Thüringen (DE); Andalucía (ES); Castilla y León (ES); and Southern and Eastern Ireland (IE).

Awareness of EU funding

Less than half (40.6 percent) of the surveyed citizens in Scotland have heard about EU funded projects in their region or city, which is below the average across the regions covered by the study (45.4 percent). Among those that have heard of EU projects, the main source of information is *personal experience or knowledge of projects* (53.2 percent), in line with stakeholder interview findings. The *internet* is the next most important source of knowledge (49.8 percent), followed by newspapers (45.8 percent for national and 46.3 percent for local or regional newspapers) and TV (44.8 percent for national, and 39.4 percent for local or regional TV). *Billboards* are a relatively important source of information (34 percent), and 37.4 percent of the surveyed population noticed public acknowledgement of EU funding in their region or town, e.g. in the form of banners or placards – which is however lower than the average (51.1 percent) across all analysed regions. Despite the recent trends in the use of communication tools, with an increased emphasis on *social media*, only a third (32.5 percent) of population gained their knowledge from this source.

Table 25: Citizen survey: Sources of knowledge about EU funded projects

Where did you hear about EU funding to regions and cities?

Source	Yes	No	Don't know
National newspapers	45.8%	53.2%	1.0%
Local or regional newspapers	46.3%	53.2%	0.5%
National TV	44.8%	55.2%	0.0%
Local or regional TV	39.4%	59.6%	1.0%
National radio	27.1%	72.4%	0.5%
Local or regional radio	22.7%	76.4%	1.0%
Internet	49.8%	49.3%	1.0%
Social media	32.5%	66.5%	1.0%
Billboard	34.0%	65.5%	0.5%
Workplace	29.6%	69.0%	1.5%
Personal experience or knowledge of projects	53.2%	45.3%	1.5%
Other	25.6%	70.0%	2.5%

Source: COHESIFY Citizen Survey 2017, N=203

Levels of awareness of different ESI funds differ considerably, with the ERDF being the most recognisable fund (56.4 percent), while knowledge of ESF is just over 40 percent. This may be due to the more visible nature of ERDF support, notably in infrastructure. The level of awareness of both funds is lower in Scotland than the average levels across COHESIFY regions (60.8 percent for ERDF and 47.7 percent for ESF), potentially because of the lower funding allocations. Awareness of the Cohesion Fund is very low (10.8 percent), possibly because Scotland is not eligible for the Fund.

Overall, 17 percent reported having benefitted in their daily life from one of the funds, which is in line with the COHESIFY average of 17.5 percent.

Table 26: Citizen survey: Level of awareness of individual ESI funds

Have you heard about the following funds?

Fund	Yes	No	Don't know
ERDF	56.4%	42.2%	1.4%
ESF	41.0%	58.2%	0.8%
Cohesion Fund	25.6%	70.0%	2.5%

Source: COHESIFY Citizen Survey 2017, N=500

Perceived impact of EU funding

Scottish respondents have a *positive* perception the impact of EU funding on their region or city with 77.3 percent of respondents assessing the impact as 'positive or very positive' (in line with the average of 78 percent for COHESIFY regions). The share of people who assessed it as 'very positive' in Scotland (36.9 percent) is the third highest among the 17 COHESIFY regions. At the same time, the average negative perception (7.4 percent of those who evaluate it as 'negative' or 'very negative') is higher than the COHESIFY average of 4.4 percent).

Table 27: Citizen survey: Perceived impact of EU funding

How positive or negative was the impact of the funding of the European Union on your region or city?

Very positive	Positive	No impact	Negative	Very negative	Not applicable for my region or city	Refused	Don't know
36.9%	40.4%	7.4%	4.4%	3.0%	2.5%	0.0%	5.4%

Source: COHESIFY Citizen Survey 2017, N=203

For those that are critical of EU funding impacts, the main reasons are scarcity of funding (46.7 percent) and allocation to the wrong projects as well as bad management (40 percent respectively). The latter two factors, however, appear to be relatively less significant when compared to COHESIFY average (61.8 and 69.8 percent respectively). Corruption, either among government officials awarding EU tenders (36.7 percent in Scotland compared to 61.5 percent for all COHESIFY regions) or among beneficiaries of EU funds (30 percent in Scotland compared to 59.2 percent for all COHESIFY regions), in relative terms, is not considered to be a major issue.

Table 28: Citizen survey: Reasons for lack of positive impact of EU funding

Why do you think there was no positive impact?

Reason	Yes	No	Refused	Don't know
Not enough funding	46.7%	46.7%	0.0%	6.7%
Allocation to the wrong projects	40.0%	46.7%	0.0%	13.3%
Bad management	40.0%	50.0%	3.3%	6.7%
Not executed on time	36.7%	53.3%	3.3%	6.7%
Corruption among government officials awarding EU tenders	36.7%	53.3%	3.3%	6.7%
Corruptions among beneficiaries of EU funds	30.0%	43.3%	3.3%	23.3%
Other reasons	53.6%	42.9%	3.6%	0.0%

Source: COHESIFY Citizen Survey 2017, N=30

Conversely, those who hold a positive view on the benefits of EU funding for regional and local development, see the extensive funding (80.9 percent) and allocation to the right projects (77.7 percent) among main factors contributing to the *positive impact*. Good management (51.6 percent) and timely execution (55.4 percent) are also seen important, although a high proportion of

respondents (21.7 and 20.4 percent respectively) were not able to assess the importance of these two factors, which may relate to the lack of knowledge of the funds management procedures and processes. Lack of corruption was identified by nearly a third of respondents as a factor maximising the impact of EU funding (which is similar to the COHESIFY average), although the level of ignorance on this topic was relatively high (27.4 percent of the surveyed people were not able to answer).

Table 29: Citizen survey: Reasons for the positive impact of EU funding

Why do you think there was a positive impact?

Reason	Yes	No	Refused	Don't know
Extensive funding	80.9%	16.6%	0.0%	2.5%
Allocation to the right projects	77.7%	12.7%	0.0%	9.6%
Good management	51.6%	26.8%	0.0%	21.7%
Executed on time	55.4%	23.6%	0.6%	20.4%
No corruption among government officials awarding EU tenders	31.2%	39.5%	1.9%	27.4%
No corruptions among beneficiaries of EU funds	31.2%	39.5%	1.9%	27.4%
Other reasons	41.3%	50.0%	1.4%	7.2%

Source: COHESIFY Citizen Survey 2017, N=157

Marginally more respondents do not believe that EU funding has had a positive impact on development. In total, 41.2 percent of the surveyed citizens believe that their region would have developed the same or even better without EU funding. On average, 37.8 percent of Scottish respondents think that their region or city would have developed worse (somewhat worse or a lot worse) without EU funding, while 19.4 percent consider it would have developed better (much better or somewhat better), which is a slightly less positive perception of EU funding when compared to COHESIFY average (45.5 and 17.7 percent respectively). Interestingly, the percentage of those who think the region would have developed much better without EU funding (9.2 percent) is in Scotland the highest among all COHESIFY regions (along with the Southern and Eastern region in Ireland). Furthermore, the share of those who think the question is not applicable for their region or city is the highest among all regions (11.2 percent), which might relate to the low level of awareness of EU funding and its impacts.

Table 30: Citizen survey: Added value of EU funding

How do you think your region or city would have developed without EU funding?

Much better	Somewhat better	Same	Somewhat worse	A lot worse	Not applicable for my region or city	Refused	Don't know
9.2%	10.2%	21.8%	25.8%	12.0%	11.2%	0.2%	9.6%

Source: COHESIFY Citizen Survey 2017, N=157

EU attitudes

Around two thirds of the surveyed population (65 percent) have a positive perception of the benefits of EU membership for their country, similar to the average across all COHESIFY regions (66.7 percent). At the same time, relatively more people in Scotland (36 percent) 'strongly agree' with the idea that the UK has benefited from being a member of the EU (compared to the COHESIFY average of 25.9 percent). Nevertheless, negative perceptions – those who 'disagree' and 'strongly disagree' that their country has benefitted from EU membership – is also relatively higher in Scotland (20.2 percent) compared to COHESIFY average (17 percent).

Table 31: Citizen survey: Appreciation of EU membership

To what extent do you agree with the following statement: "My country has benefited from being a member of the European Union"?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Refused	Don't know
36.0%	29.0%	13.0%	12.2%	8.0%	0.4%	1.4%

Source: COHESIFY Citizen Survey 2017, N=500

Support for European integration is lower than perceived benefits from membership. More than half of respondents (55.8 percent) are 'somewhat in favour', 'in favour' or 'strongly in favour of European integration, slightly lower than COHESIFY average (58.6 percent). At the same time, the share of respondents that are 'strongly in favour' of European integration (28.8 percent) is the third highest among all COHESIFY regions (COHESIFY average being 19.5 percent). Yet, in terms of opposition to European integration, around a quarter of respondents (25.2 percent) are 'strongly opposed', 'opposed' or 'somewhat opposed' – significantly above the COHESIFY average (16.4 percent).

Table 32: Citizen survey: Position on European integration

How would you describe your general position on European integration?

Strongly opposed	Opposed	Somewhat opposed	Neutral	Somewhat in favour	In favour	Strongly in favour	Refused	Don't know
9.2%	8.8%	7.2%	16.6%	7.6%	19.4%	28.8%	0.6%	1.8%

Source: COHESIFY Citizen Survey 2017, N=500

European identity and attachment

The citizen survey shows that a majority of citizens have a Europeanised identity, albeit less European than other COHESIFY cases. The prevalent type of identity is 'Country and European' accounting for 46.8 percent of the population. Relatively few people hold 'European and Country' (3.6 percent compared to 8.9 percent COHESIFY average) or 'European only' (2.8 percent compared to 8.6 percent COHESIFY average) identity. This is in line with previous studies and surveys highlighting a relatively *weaker European identity* among Scottish people. By contrast, sole identification with their 'Country only' (including both national and regional-Scotland identification) among Scotland residents is significantly higher than the COHESIFY average at 44.8 percent compared to 32.2 percent.

Table 33: Citizen survey: Self-identification

Do you see yourself as...

Country only	Country and European	European	European	Refused	Don't know
44.8%	46.8%	3.6%	2.8%	0.8%	1.2%

Source: COHESIFY Citizen Survey 2017, N=500

At a more disaggregated level, when the country identity is disaggregated into British and Scottish ones, the results again show that most surveyed Scots hold a multiple – either 'Scottish, British and European' (28.4 percent) or 'British and Scottish' (17.2 percent) identity. 'British only' and 'Scottish only' identifiers are nearly evenly split (14 and 13.6 percent respectively), while those who define themselves as 'Scottish and European' is almost as high (13.2 percent).

Table 34: Citizen survey: Disaggregated self-identification

Do you see yourself as...

British only	Scottish only	European only	British and Scottish	British and European	Scottish and European	European and British	European and Scottish	All three - Scottish, British and European	Refused	Don't know
14.0%	13.6%	2.8%	17.2%	5.2%	13.2%	0.8%	2.8%	28.4%	0.8%	1.2%

Source: COHESIFY Citizen Survey 2017, N=500

In terms of the **intensity of attachment** to different places, Scottish residents have the strongest attachment to their region. Two third of residents (66 percent) feel 'very attached', above the COHESIFY average of 51.9 percent and in line with the identified strong regional identity. By contrast, strong attachment to the country (46.6 percent feeling 'very attached') is much lower than the COHESIFY average (64.5 percent). Over 14 percent of the surveyed population in Scotland do not feel any attachment to their country, in sharp contrast with the COHESIFY average of 3 percent. Local attachment (to city/town/village) also appears to be stronger than country attachment, and the relative share of people in Scotland reporting being very attached to their locality (53.2 percent) is largely in line with COHESIFY average (56.1 percent).

Attachment to the EU or Europe is relatively weaker, with 26.4 percent feeling 'very' and 31.6 'somewhat' attached to the EU (against 26.9 and 41.4 COHESIFY averages) and 30.8 and 30.6 percent feeling respectively 'very' and 'somewhat' attached to Europe (contrasted with 31.0 and 42.1 percent for COHESIFY regions). The share of those feeling no attachment to the EU (26 percent) and Europe (21.6 percent) in Scotland is also relatively higher than on average among the analysed regions (13.4 and 10.6 percent), showing the relative weakness of European attachment among the Scottish population. At the same time, both in Scotland and on average among COHESIFY regions, the degree of attachment to Europe is relatively higher than that to the EU.

Table 35: Citizen survey: Territorial attachment

People may feel different degrees of attachment to places. Please tell me how attached you feel to:

	Very	Somewhat	A little	Not at all
Your city/town/village	53.2%	25.6%	12.6%	8.6%
Your region Scotland	66.0%	21.4%	7.6%	4.2%
Your country the United Kingdom	46.6%	25.4%	13.2%	14.2%
European Union	26.4%	31.6%	15.6%	26.0%
Europe	30.8%	30.6%	15.6%	21.6%

Source: COHESIFY Citizen Survey 2017, N=500

Overall, the citizen survey findings show that despite the lack of a high (although largely similar to other COHESIFY cases) level of awareness of EU funded projects, on average, Scottish respondents are generally predominantly appreciative of EU membership, EU integration and the benefits of EU funding for their region, although with slightly more negative perceptions on specific points in comparison with average COHESIFY perceptions.

5.2 Focus group results

To further explore citizens' perceptions of Cohesion policy and the relationship with European identity in more depth, focus groups were carried out with 15 participants (7 female and 8 male) in three groups in the city of Glasgow. The groups included between 4-6 participants, and were homogenous per age cohort (19-41, 26-42, and 57-65 respectively). The first two groups had a relatively even gender balance. While the third group had a stronger male representation (4 males, 1 female), this did not hinder the level of engagement by the female participant in the discussion. The majority of participants were residents in Glasgow and were British citizens. One Scottish participant was a resident from the Scottish city of Aberdeen, and two participants were from Sweden and Bulgaria although studying or working in Glasgow.

Cohesion policy

In the three focus groups carried out in Scotland, participants were generally not familiar with the term 'Cohesion policy'. Despite not being aware of the name of the policy, participants knew that the EU provides funding for their region. The allocation of funding was associated with "poor", "rural" and "scarcely populated" regions. The following description of the purpose of Cohesion policy was provided by one of the participants, emphasising the economic and social cohesion dimensions:

> UK 3, Participant 5: "*I have heard of the term [Cohesion policy]. It is to do with the various sectors and needs and finding a way to draw those together and benefitting economically and socially the EU rather than the individual countries that make it up.*"

When probed about the individual funds, participants recognised the terms ERDF, ESF and Cohesion Fund. However, none of the participants could add any additional information. The majority were able to identify a project or area of investment they believed the EU was financing, particularly in the area of infrastructure (Table 36). Some of the participants identified projects implemented outside of their region or country in infrastructure and environmental protection.

Table 36: Focus groups participants' reference to projects co-financed by EU funds

- Transport infrastructure:
  - Piers
  - Roads in the Highlands and Isle of Skye
  - Roads in Bulgaria, Spain and Portugal
  - Power station in the Highlands
  - Playground in Perth
  - Inverness airport
  - Waste water infrastructure
  - Ferries (connections to the islands)
- Social infrastructure:
  - Community hubs
- Business support
- Research & Development:
  - Energy sector research
- Education
  - education courses
- Environmental protection:
  - beaches in Greece

Participants from Scotland expressed their appreciation of the impact of EU-funded projects, which is largely in line with the citizen survey findings. This was particular evident in one of the groups (UK 1), where all the participants expressed a positive view. In the second group (UK 2), participants talked about the importance of EU funding for rural communities, where the impact was felt by citizens more intensely than in urban areas. One of the participants talked about the importance of EU funding, without which several projects would have not been implemented. Another participant mentioned the positive infrastructure impact in Glasgow. Appreciation of infrastructure impacts was mentioned also in the third group (UK 3), albeit linked to projects in Spain.

When asked to evaluate the impact of Cohesion policy, most of the discussion focused on *challenges*. These concerned the lack of communication and information regarding the EU's contribution to the development of Scotland. The lack of information was represented as highly correlated with citizens' unawareness of Cohesion policy in two groups (UK 2 and UK 3). Mismanagement of projects was another challenge identified in two groups (UK 1 and UK 3). In one of the groups (UK 3), several participants felt that the basic needs of the community were not addressed. The same group also discussed the lack of attention to the problems of local communities. Other problems mentioned by individual participants included bureaucratic procedures, lack of accountability and fraud. Below some extracts are provided to highlight the way participants described the problems most often associated with Cohesion policy in Scotland.

Project utility	UK 3, Participant 5: *"During that period, and I think this may have been EU funded I'm not sure, they opened a multimillion community hub and there was so much resentment because no one understand why we needed that."*
Mismanagement	UK 1, Participant 2: *"European money could have gone places where a huge chunk was used for admin and premises and suchlike. But in actual fact, it wasn't used for the purposes. It was getting used for other things."*
Communication	UK 2, Participant 1: *"So, we obviously need a physical presence from the European Parliament. We need a European representative to come over and stand in front and say: 'This is what we did' and 'We are doing this'."*

European identity

Participants linked European identity to common values, such as peace, democratic institutions and culture, which enable closer relationships between countries of the EU. Participants said that Scotland shares social democratic political values with other European countries, which are less common in England. As a result, the Scottish are considered to be more European than the English (which finds confirmation in the literature). There was acknowledgement of dual Scottish and European identification rather than joint national/British and European identity.

According to the participants, freedom of movement, trade and the euro are elements of European identity, while different languages reduce the sense of Europeanness. The latter clearly represents diversity as an obstacle for European identity, which is portrayed as based on common and shared elements. Several participants spoke of Europe as place "where they go" rather than as a place "where they come from". One can like Europe, but not identify with it.

European identity and Cohesion policy

According to participants, the potential of Cohesion policy to contribute to European identity is constructed in functional terms since it depends on its benefits for citizens. This impact is however conditional on its visibility, since participants expressed doubts about whether Cohesion policy

outcomes are publicised enough to enable citizen awareness. However, when the discussion was centred on Scotland in particular, participants perceived EU funds to have had a positive impact on European identity by, for instance, helping to develop rural areas. Further, a greater sense of European identity could have been developed with more communication and EU physical representation in Scotland:

> UK 3, Participant 6: *"I feel because there are no boots on the ground from the EU, there is nobody to stand up and say: "Well, look, we are not just taking, we are doing this for development". To me it feels like they [EU] come in, drop a building and leave. I think that was one of the main issues with Brexit. [...] These issues are far more complex than just spending few million pounds."*

6. Conclusions

This case study has investigated the implementation, performance and communication of EU Cohesion policy in Scotland and the impact on citizens' attitudes to the EU, based on a mixed methods design drawing on desk research, stakeholder surveys and interviews, a large-scale survey of citizens and focus groups. This final section draws together the key conclusions and policy recommendations.

6.1 Key findings

Despite the relatively low share of EU funding in domestic expenditure and therefore the natural limitations to exerting any transformational effects and a strong impact on the regional economy, the ESIF have proved to provide a valuable contribution to economic and social development in Scotland over years. Generally seen by the key stakeholders as well aligned with the local and regional development priorities, Structural Funds have played an important role in supporting reform and recovery in the Scottish economy over the 2007-13 funding period, contributed to increasing business competitiveness in the region, and are widely valued for having left a lasting legacy in improving citizens' day-to-day lives. The overall **assessment** of the value and effectiveness of Cohesion policy funds and their contribution to the development of the region is therefore largely positive, both by the key ESIF stakeholders and citizens.

Despite the limited financial **added-value** capacity of Cohesion policy, Structural Funds are noted to provide significant added value in strategic, administrative and democratic terms. Apart from providing a more certain, stable, reliable and long-term framework for regional policy planning and delivery than many domestic programmes, Cohesion policy has been praised for stimulating partnership work and mainstreaming new and more efficient ways of working, mobilising relevant local and regional stakeholders.

At the same time, the efficiency of ESIF delivery and performance have been affected by a number of **challenges**, related to policy architecture, Programme implementation arrangements or broader macro-economic conditions. The main reported policy implementation problems in the current period relate to excessive audit and control, as well as the complexity of EU rules and procedures determining access to ESIF funding, along with excessive reporting requirements. Furthermore, recent changes in management and implementation structures from the previous 2007-13 period are seen by a range of stakeholders as having had a detrimental effect on the effectiveness of programme delivery. The changing macro-economic conditions was one of the key challenges influencing programme performance in 2007-13, whereas the fallout from the recession and financial crisis continued to impact on delivery in 2014-20, requiring programme adaptation,

restricting the availability of local match funding and raising concerns about underspend and absorption.

The predominantly positive perception of Cohesion policy funds and their impact among the surveyed population in Scotland is however combined with a generally low level of public profile, visibility and **awareness** of Structural Funds in the region. Despite the perceived considerable achievements of the policy in the region, the level of awareness of 'Cohesion policy' or EU funded projects among the general public appears to be below the average awareness levels across the regions covered by the study, and citizens' understanding of the value of ESIF support for the local economies and communities is perceived by the key Programme stakeholders to be generally low.

Furthermore, the predominantly positive views of Scottish respondents on EU membership, EU integration and the benefits of EU funding for their region do not appear to translate into a strong sense of European **identity**. Overall, Scots appear to share a rather strong nationalist (national or regional) sentiment, exhibiting relatively low levels (when compared to COHESIFY averages) of attachment to and identification with Europe and the EU. Nevertheless, European attachment and identity have significant scope to be accommodated 'within' other self-identifications of Scottish people, demonstrated by a high share of people holding multiple identities.

Communication activities at programme and project level seek to address some of these issues, for instance by aiming to raise the awareness and understanding of the role of the EU and the contribution Structural Funds make to Scotland and publicise the activities and achievements of the ESIF programmes. Overall, there is continuity in the communication activities and measures for 2014-20, although with some changes reflecting the new programme structure or relating to the new emphasis on social media and online activity. Despite the stated efforts to ensure a more proactive approach to publicising and promoting the Programmes in Scotland, a number of constraints may be limiting the effectiveness of communication measures. Some of the key findings regarding Cohesion policy communication in Scotland are listed below.

- The approach to communication can be overall characterised as minimalist, although compliance with communication requirements is always ensured and there are specific efforts to pursue a more proactive approach to communication

- Communication activity is overall given a relatively low priority in the chain of implementation priorities at programme and project level, with main focus being on compliance above other considerations such as performance or publicising achievements

- There appears to be lack of real encouragement for ESIF delivery bodies to go beyond mere compliance with regulatory requirements on communication

- Communication activity is often not evenly spread throughout the implementation cycle, becoming more of a priority only towards the end of the programming period

- There appears to be a weak approach to indicators to measure progress and effectiveness of communication activity, at programme and, consequently, project level

- Interest of the media in Cohesion policy–related topics appears to be limited: the media is largely indifferent to 'Europe' and Cohesion policy, with stories being rarely picked up

- Regional and local media tend to present positive Cohesion policy-related news more often than national media, although the European perspective is lacking in all types of media

- Close cooperation with local and regional media is important: Work with press officers and liaising with the local media is often viewed as an efficient way of ensuring communication on EU funded projects at local level, and maintaining 'good relationship with journalists' is often easier locally at project level

- Citizens and the media are interested predominantly in the results rather than funding sources: the media is largely indifferent to the source of support and, instead, interested in its effects (the outcomes and achievements of policy and human interest aspects)

- There is a tendency to down-play European dimension and contribution in announcements and media stories: The EU dimension of support is often omitted or downplayed, while there is a tendency to highlight the actions, achievements and impact of domestic actors; very few articles frame Cohesion policy from a 'European' perspective emphasising the EU dimension, implying that national and local interests and priorities dominate the news stories of Cohesion policy

- The changing nature of support (towards intangible investments) reduces visibility and presents a challenge in terms of ESIF communication.

6.2 Policy implications and recommendations

Based on the case study findings, a number of policy recommendations are formulated to increase citizen appreciation of EU Cohesion policy in Scotland, which could also be relevant to domestic regional policy in a post-Brexit scenario:

- Pursue a more proactive approach to communicating the ESIF and their benefits by the MA and the European Commission, and more active encouragement to delivery bodies to go beyond mere compliance with regulatory requirements on communication

- Ensure communication is not just about acknowledging European funding but showcasing and promoting its benefits and achievements

- Ensure permanent and continuous communication activity over the whole programming period: Communicate during all period rather than concentrate all effort at the last stage, show what is happening on an on-going basis; even if no results are available as yet, communicate the expected results, announce new tranches of EU funding

- Establish common output/result indicators with baselines to ensure strategic approach to communication

- More proactive role of the European Commission in communication, including in providing examples of efficient and proactive communication measures – rather than leaving it to national governments

- Ensure stronger EU/Commission presence in regions (to deliver the message to citizens and recipients)

- Set common criteria for selecting good practices, as well as communicate and promote best practice examples

- Set a clear budget for communication activity from the outset, ring-fence funding for dedicated and professional staff who can understand marketing tools better than general day-to-day programme managers, and overall strengthen budget allocations for communication

- Ensure a coordinated approach to communication across all levels: Ensure effective cooperation of delivery bodies (the MA, lead partners) and beneficiaries to support clarity and consistency of messaging across communication channels, to maximise media

coverage about the awarding of funding, to strengthen partnership communications activity

- Extend the scope and improve the quality of evaluations, and improve the uptake of their results: Conduct more, and more timely, quality evaluations of programmes and improve the uptake of their results, as well as use the case studies produced by evaluations for communication purposes

- Highlight the European dimension of support, emphasise the EU added value and additionality of European funding in public announcements, press releases and through other means

- Build and strengthen cooperation with the media, particularly through closer work with local press officers and liaison with the local media as an efficient way of ensuring communication on EU funded projects

- Increase and improve use of social media, providing coverage to a wide audience, highlighting individual success stories, the human dimension and raising awareness of the EU in the lives of individuals

- Focus communication at a 'lower level' – by highlighting small concrete success stories through case studies and personal accounts

- Use simple and accessible language and deliver simple messages; focus on key, captivating messages delivering the value of the ESIF work in a way that would capture people's imagination; create an attractive and strong story-line; collect together evidence from different cases and demonstrate the EU value in a comprehensive way; build a brand that is understandable and meaningful for people

- Focus more on visual elements (e.g. infographics, maps): Promote a wider use of visuals such as infographics as an efficient and attractive communication tool

- Involve high-profile figures to attend and speak at events: Invite 'celebrities', high profile personalities, famous politicians to attend and make speeches at events promoting EU funds, e.g. launch events, launch of new big funding tranches etc. as an efficient way of raising interest and awareness among stakeholders, the media and consequently (potentially) the wider public.

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8. Annexes

Annex 1: Research methods

Table 37: Stakeholders' survey

Scotland		
	Number	Rate
Recipients	152	
Respondents	32	32/152 = 0.21
Complete responses	18	18/152 = 0.12
Incomplete responses	14	14/152 = 0.09
Declined to participate	3	3/152 = 0.02

Table 38: Focus groups

ID / file name	Region	Location	Date	Duration	N of participants	Female participants	Age range	Age range by year of birth
UKSCOT1	Scotland	Glasgow	6.12.17	66 mins	6	4	19-41	1976-1998
UKSCOT2	Scotland	Glasgow	6.12.17	67 mins	4	1	26-42	1952-1960
UKSCOT3	Scotland	Glasgow	14.12.17	60 mins	5	2	57-65	1975-1993

Table 39: Focus groups participants

ID / file name	Age	Gender	Name	Recruitment method	Education level	employment status
UKSCOT1	32	Female	P1	survey	Post-secondary	unemployed
UKSCOT1	41	Female	P2	survey	Tertiary education – advanced level	employed
UKSCOT1	26	Male	P3	snowball	Tertiary education – advanced level	studying
UKSCOT1	26	Female	P4	snowball	Tertiary education – advanced level	employed
UKSCOT1	25	Female	P5	snowball	Tertiary education – advanced level	employed
UKSCOT1	19	Male	P6	survey	Upper secondary	studying
UKSCOT2	57	Male	P1	survey	Tertiary education – advanced level	retired
UKSCOT2	65	Male	P2	survey	Post-secondary	retired
UKSCOT2	62	Female	P3	survey	Upper secondary	retired
UKSCOT2	65	Male	P4	survey	Tertiary education – advanced level	retired
UKSCOT3	40	Male	P1	survey	Tertiary education – first level	employed
UKSCOT3	42	Male	P2	survey	Tertiary education – advanced level	employed
UKSCOT3	24	Female	P3	snowball	Tertiary education – advanced level	employed
UKSCOT3	38	Male	P4	snowball	college, university or other degree	employed
UKSCOT3	26	Female	P5	snowball	college, university or other degree	employed

Annex 2: List of interviewees

Interview	Date	Type of organisation	Role
1	22.06	Trade union	General Secretary
2	22.06	Local state institution	Corporate Policy Manager
3	23.06	Local state institution	Team Manager European Policy and Programmes
4	26.06	Local state institution	Director of Development and Infrastructure
5	29.06	Local state institution	EU Liaison Officer, Development and Infrastructure
6	05.07	Interest group, NGO, civil society organisation	Director of public affairs
7	07.07	Local state authority association or federation	Economic development manager
8	07.07	Local state institution	Business Development Team Leader
9	14.07	Local state institution	Head of business support team
10	14.07	Local state institution	Manager in economic development

11	14.07	Local state institution	Manager in economic development
12	19.07	Local state authority association or federation	Head of a local state authority association
13	24.07	Regional state institution	Head of Policy
14	25.07	Local state institution	Funding and Development Team Leader
15	01.08	Local state institution	Chief Executive
16	04.08	Regional state institution	Funding and Information Officer
17	21.12	Regional state institution	European Structural Funds & State Aid
18	15.01.18	Regional state institution	European Structural Funds & State Aid

Annex 3: Operational Programmes for Scotland 2014-2020

ERDF:

Dimension of EU2020 strategy	Relevant TO	Key challenges	Key objectives	ESIF response: IPs and Specific Objectives
Smart growth	TO 1: strengthening research, technological development and innovation	- weak Business Expenditure on Research and Development (BERD) - Scotland as an innovation follower rather than innovation leader - low proportion of innovative firms - Costs of innovation as main barriers to undertaking innovative activity	- encourage business-to-academia linkages, commercialisation of research produced by Scotland's world class higher education sector and encourage business investment in innovation - increase business demand for RTD&I support and investment, particularly in SMEs with growth potential and in key sectors	*IP*: 1b: Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector,... *Specific Objective*: Increase business commercialisation and investment in RTDI, particularly in accordance with Smart Specialisation; close gap between BERD and HERD
	TO2: Enhancing access to and use and quality of ICT[15]	- significant part without adequate broadband coverage and quality; poor fixed NGA infrastructure, particularly in rural and remote areas; a high number of 'white areas' with no digital coverage - limited exploitation of digital connectivity to realise economic potential.	- enable individuals and businesses throughout Scotland to access digital services and business opportunities	*IP*: 2a: Extending broadband deployment and the roll-out of high-speed networks and supporting the adoption of emerging technologies and networks for the digital economy
	TO3: Enhancing the competitiveness of SMEs	- Historically low business stock and business birth rate - Domination of micro and small businesses (SME make up 99% of business base) - Weak growth ambitions of SMEs - Lack of available business finance - small proportion of SMEs-exporters	- support SMEs to grow and create increasing employment - increase growth and export readiness and ambition of SMEs - support diversification of the economic base and employment growth in fragile areas.	*IP*: 3d: Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage in innovation processes *Specific Objective*: Increase and support ambition of SMEs to grow and increase employment, particularly in accordance with Smart Specialisation sectors and regionally important sectors in fragile areas

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[15] Broadband support eventually only available in the Highlands and Islands, and only where there is no other intervention. ERDF delivery of broadband depends on an area not being included in the scope of the domestic delivery contract.

Sustainable growth	TO4: Supporting the shift towards a low-carbon economy in all sectors	- wider environmental concerns related to climate change, resource depletion and environmental quality - transport as one of the main CO2 and particle emitters - challenge of reconciling environmental concerns and growth opportunities - challenge of capitalising on the low carbon economy as a strong potential area of growth and employment	Achieve economic progress while reducing harmful carbon emissions: - lower the emissions and the carbon impact (outputs) of a range of activity, particularly taking advantage of the existing **strengths in the energy sector** (capitalising on the growing renewables sector) - lower the level of resources (inputs) required to produce goods and services, and thus lowering the impact on the environment; reduce reliance on fossil fuels - explore the significant growth opportunities in offshore wind, wave and tidal technologies - address modal shift in transport usage	*IP*: 4e: Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures *Specific Objective*: Remove (perceived) obstacles to short urban journeys being undertaken by public or active transport *IP*: 4f: Promoting research and innovation in, and adoption of, low-carbon technologies *Specific Objective*: Scotland as a natural place to invest in low carbon sectors and supply chains, with well-developed project pipelines and investor support Develop low carbon communities to increase sustainability and reduce reliance of remote communities on fossil fuels
	TO6: Protecting the environment and promoting resource efficiency	- relatively embryonic market for recycled materials - reluctance of SMEs to reduce their environmental impact - urban areas facing multiple social, economic and environmental challenges	- build resource efficiency in all industrial and commercial sectors - unlock the social and economic potential of the **urban** environment through investment in green infrastructure and ensuring access to green spaces - helping **SMEs** become more resource efficient to lower their environmental impact, waste less resources and reduce the cost of production - exploit potential for growth in circular economies	*IP*: - 6d: Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure - 6g: Supporting industrial transition towards a resource-efficient economy, promoting green growth, eco-innovation and environmental performance management in the public and private sectors *Specific Objective*: - Businesses and products which are designed to be environmentally friendly and resource efficient (particularly SMEs and SME clusters) - Growth in private-sector re-processing and remanufacturing industries through the reuse of waste products.

ESF:

Dimension of EU2020 strategy	Relevant TO and IPs	**Key challenges** identified	Key objectives	Response: ESF
Inclusive growth	TO8: Promoting sustainable and quality **employment** and supporting labour mobility	- unemployment and inactivity risen over the course of the economic crisis, particularly long-term unemployment - high levels of part-time employment, increasing numbers of underemployed - significant levels of youth unemployment	- provide direct routes to sustainable employment for unemployed and inactive with multiple barriers - increase the skills and labour market opportunities of employed with multiple barriers - decrease the number of young unemployed people; reduce the number of young people not in employment, education or training	IP: 8i: Access to **employment** for job seekers and inactive people, including the long term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility 8ii: Sustainable integration into the labour market of young people, in particular those not in employment, education or training …
	TO9: Promoting **social inclusion**, combating poverty and any discrimination	- presence of concentrated pockets of deprivation in both urban and rural settings - an increasing number of people at risk of poverty or social exclusion	- increase the financial capacity of the most disadvantaged individuals and households - enable disadvantaged communities to develop long-term solutions to increase active inclusion and reduce poverty - increase the sustainability and capacity of the social economy to deliver support to the most disadvantaged areas / groups - support and encourage social innovation ideas and solutions	IP: 9i: Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability 9v: Promoting social entrepreneurship and vocational integration in social enterprises and the social and solidarity economy in order to facilitate access to employment
	TO10: Investing in education, training and vocational training for skills and lifelong learning	- Structural skills gap between high and low skills; lower skills and low achievement strongly correlated with lower pay, greater levels of deprivation - changing skills demands for future industries, particularly decreasing demand for low skills base - lack of **vocational** and technical learning options contributing both to early school leaver rates and skills shortages - 13% of the population leaving formal education with no **qualifications**	- support key growth sectors by promoting relevant graduate-, post-graduate level and vocational skills - increase the number of employers who offer vocational placements and opportunities	IP: 10iv: Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality, including through mechanisms for skills anticipation, adaptation of curricula and the establishment and development of work based learning systems, including dual learning systems and apprenticeship schemes

Annex 4: Operational Programmes for Scotland 2014-20: targets and expected results

Main Results Expected (PA):

Thematic Objective	Main Results Expected (ERDF and ESF)
(1) Strengthening research, technological development and innovation	• Increase in the number of innovative enterprises as a % of all businesses in Scotland (ERDF) • Additional leverage BERD (Business Expenditure on Research & Development) (ERDF)
(2) Enhancing access to, and use and quality of, ICT	• Additional business and personal take up of high speed broadband of at least 30 mbps in previously low-speed or unserved areas (ERDF) • Improve business efficiency and competiveness though extending broadband access to at least 30mpbs (ERDF)
(3) Enhancing the competitiveness of small and medium-sized enterprises	• Increase in the number of SMEs exporting (ERDF) • Increase in turnover in Scottish SMEs (ERDF) • Increase employment opportunities in Scottish SMEs (ERDF)
(4) Supporting the shift towards a low-carbon economy in all sectors	• Reduction in average GHG emissions (ERDF) • Increase in the number of low carbon products, services and processes (ERDF)
(6) Environment / resource efficiency	• Increase in savings from resource efficiency measures in supported enterprises (ERDF) • Decrease in average GHG emissions (ERDF)
(8) Promoting sustainable and quality employment and supporting labour mobility	• Increased number in employment, education or training (ESF) • Increase in the level of skills attained for supported participants (ESF) • For YEI: Decrease in unemployment or inactivity especially amongst 16-24 year olds (ESF, YEI)
(9) Promoting social inclusion, combating poverty and any discrimination	• Decrease in the number of people affected by poverty, social exclusion and disadvantage (ESF) • Increase in employment opportunities in community enterprises (ESF)
(10) Investing in education, training and vocational training for skills and lifelong learning	• Participants in employment, including self-employment, 6 months after leaving (ESF) • Participants with ISCED 3A and above skills attainment (ESF) • Number of employers in providing work-based vocational opportunities in key growth sectors (ESF)

ESIF targets:

Title	Fund	TO short	Indicator	Target value	Measurement unit
ERDF Scotland	ERDF	Research & Innovation	Research, Innovation: Number of enterprises cooperating with research institutions	1,200.0	Enterprises
ERDF Scotland	ERDF	Research & Innovation	Research, Innovation: Number of enterprises supported to introduce new to the market products	225.0	Enterprises
ERDF Scotland	ERDF	Research & Innovation	Research, Innovation: Number of enterprises supported to introduce new to the firm products	1,050.0	Enterprises
ERDF Scotland	ERDF	ICT	ICT Infrastructure: Additional households with broadband access of at least 30 Mbps	11,833.0	Households
ERDF Scotland	ERDF	Competitiveness of SMEs	All firms receiving support	11,600.0	Enterprises
ERDF	ERDF	Competitiveness	Firms receiving grants		Enterprises

Scotland		of SMEs		3,250.0	
ERDF Scotland	ERDF	Competitiveness of SMEs	Firms receiving financial instrument support (non-grants)	515.0	Enterprises
ERDF Scotland	ERDF	Competitiveness of SMEs	Firms receiving non-financial support (advice)	11,350.0	Enterprises
ERDF Scotland	ERDF	Competitiveness of SMEs	Start-ups supported	950.0	Enterprises
ERDF Scotland	ERDF	Competitiveness of SMEs	Private investment matching public support to enterprises (Financial Instruments)	123,600,000.0	EUR
ERDF Scotland	ERDF	Competitiveness of SMEs	Direct employment increase in supported enterprises	9,400.0	Full time equivalents
ERDF Scotland	ERDF	Low-Carbon Economy	GHG reduction: Estimated annual decrease of greenhouse gas emissions	224,001.0	Tonnes of CO_2eq
ERDF Scotland	ERDF	Environment Protection & Resource Efficiency	GHG reduction: Estimated annual decrease of greenhouse gas emissions	22,718.0	Tonnes of CO_2eq
ESF Scotland	ESF	Social Inclusion	Supported micro/small/medium-sized enterprises including cooperatives, social economy (share of ESF finances - all TO - dedicated to this target: 5%)	464.0	Number

Annex 5: Media framing of Cohesion policy in the UK

Figure 3.11.1 🇬🇧 United Kingdom

Article distribution by year

Article distribution by medium type

Article distribution by locality
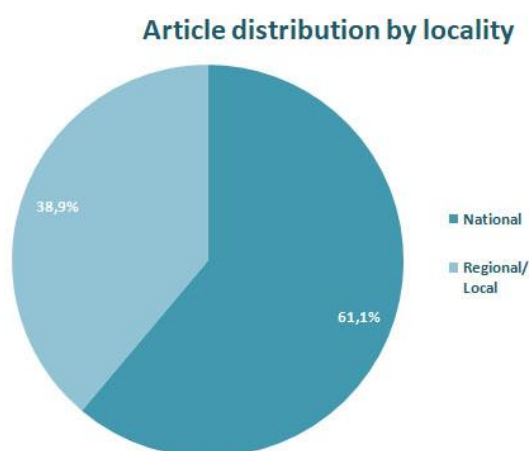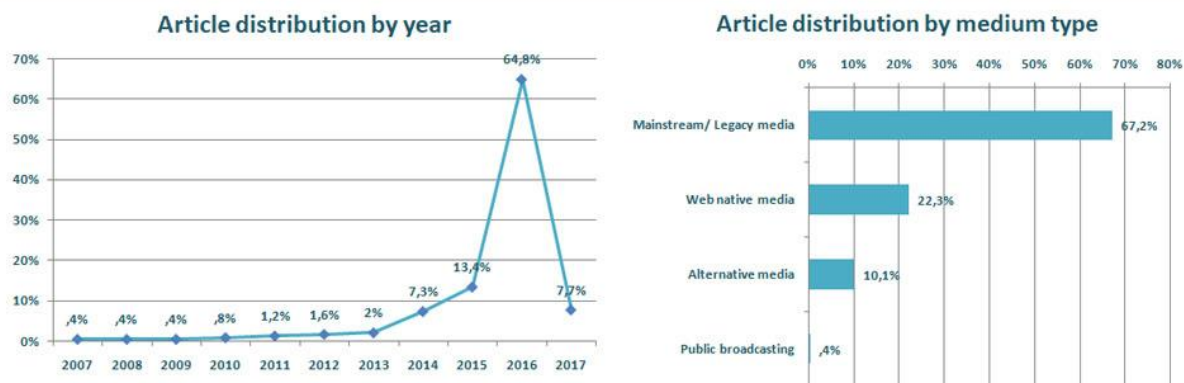
The analysis of the British sample involves a random stratified sample that includes 247 articles, which amounts to 26.4% of the overall sample collected from the UK media outlets. The sample was drawn from 100 diverse sources, which indicates that a wide range of UK media discuss issues related to EU Cohesion policy. The majority of the articles were drawn from media sources with nation-wide reach, while nearly 40% were from local and regional media sources. Regarding the type of media, 67% of the sample was drawn from mainstream or legacy media sources, 22% from web native media and only 10% from alternative media sources.

Dominant Frame Frequencies (UK)
(n= 247)
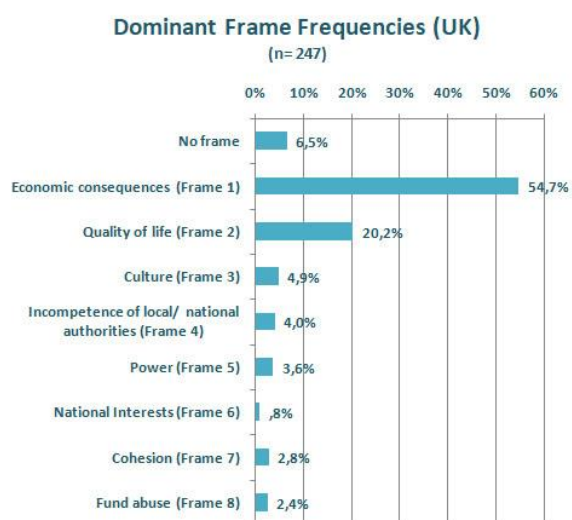
Figure 3.11.2
Dominant frame frequencies in British media

Dominant Subframe Frequencies (UK)

(n= 247)

Subframe	Frequency
No Frame	6,5%
Economic consequences (Subframe 1.0)	4,5%
Job creation (Subframe 1.1)	15,8%
Development (Subframe 1.2)	18,6%
Innovation (Subframe 1.3)	13,4%
Financial burden (Subframe 1.4)	2,4%
Environment (Subframe 2.1)	4,0%
Social Justice (Subframe 2.2)	7,7%
Public services (Subframe 2.3)	1,6%
Infrastructure (Subframe 2.4)	6,9%
Cultural heritage(Subframe 3.1)	2,0%
Cultural development (Subframe 3.2)	2,8%
Mismanagement of funds (Subframe 4.1)	3,2%
Bureaucracy (Subframe 4.3)	,8%
Political leverage (Subframe 5.1)	1,2%
Empowerment (Subframe 5.2)	2,4%
External relations (Subframe 6.1)	,4%
Brain drain (Subframe 6.2)	,4%
Civic participation/ Collaboration (Subframe 7.1)	1,6%
Social awareness (Subframe 7.2)	1,2%
Fund abuse (Subframe 8.0)	,4%
Corruption (Subframe 8.1)	1,6%
Fraud (Subframe 8.2)	,4%

Figure 3.11.3
Dominant Suframe frequencies in British media

Figure 3.11.4 🇬🇧 **United Kingdom** - *Europeanization variables*

News valence

- Negative — 14,6%
- Neutral — 23,1%
- Positive — 62,3%

Europeanization

- None — 51,4%
- National — 44,5%
- European — 4,0%

Identity basis

- None — 97,2%
- Common Project — 2,4%
- Common cultural heritage — 0,4%

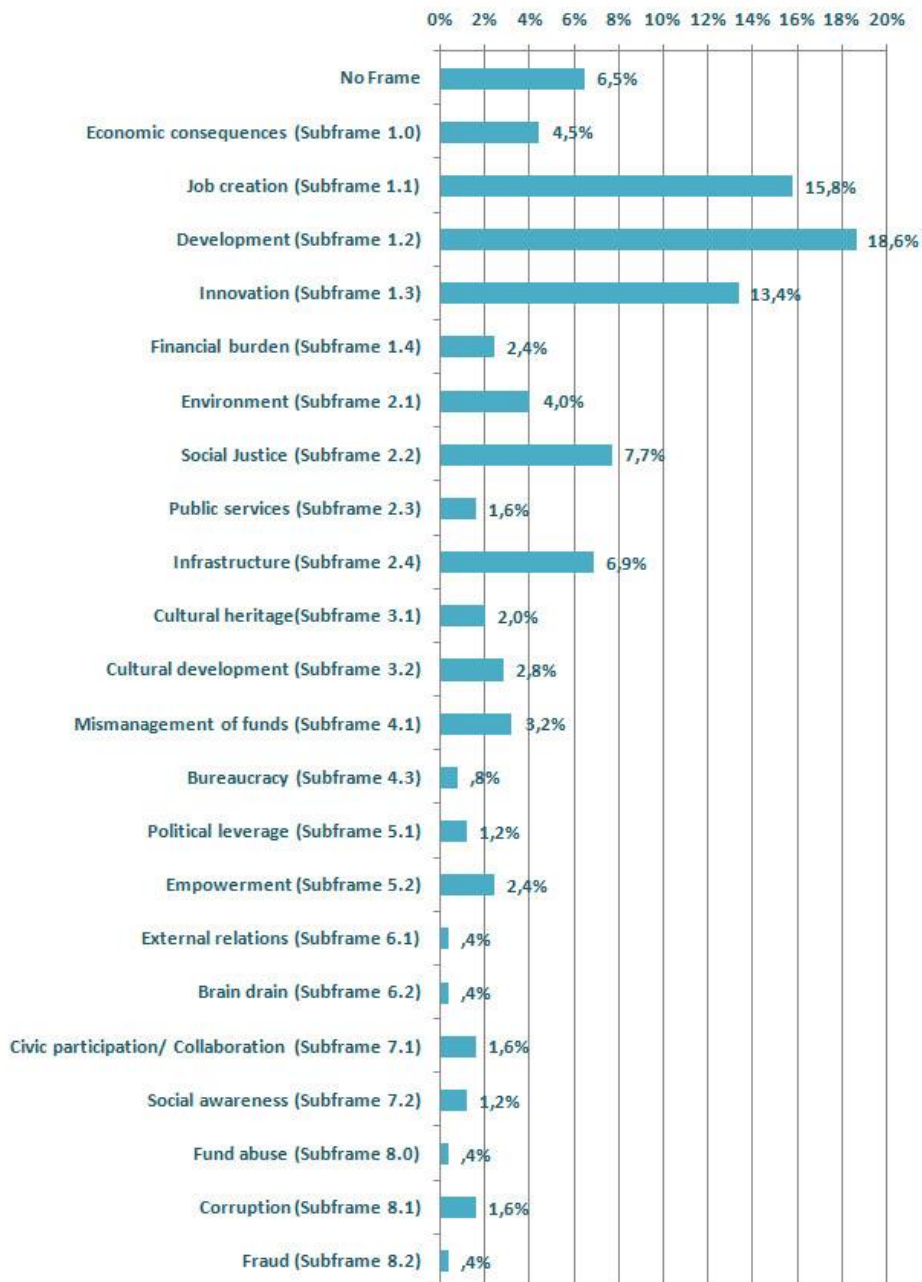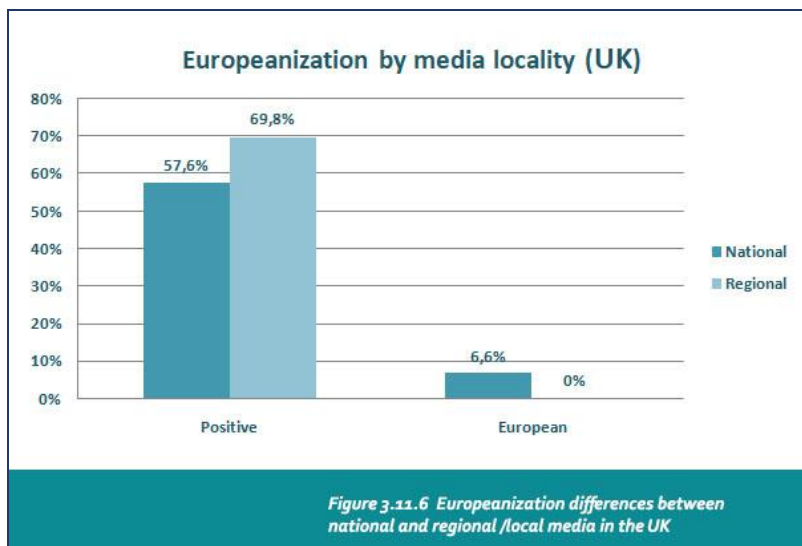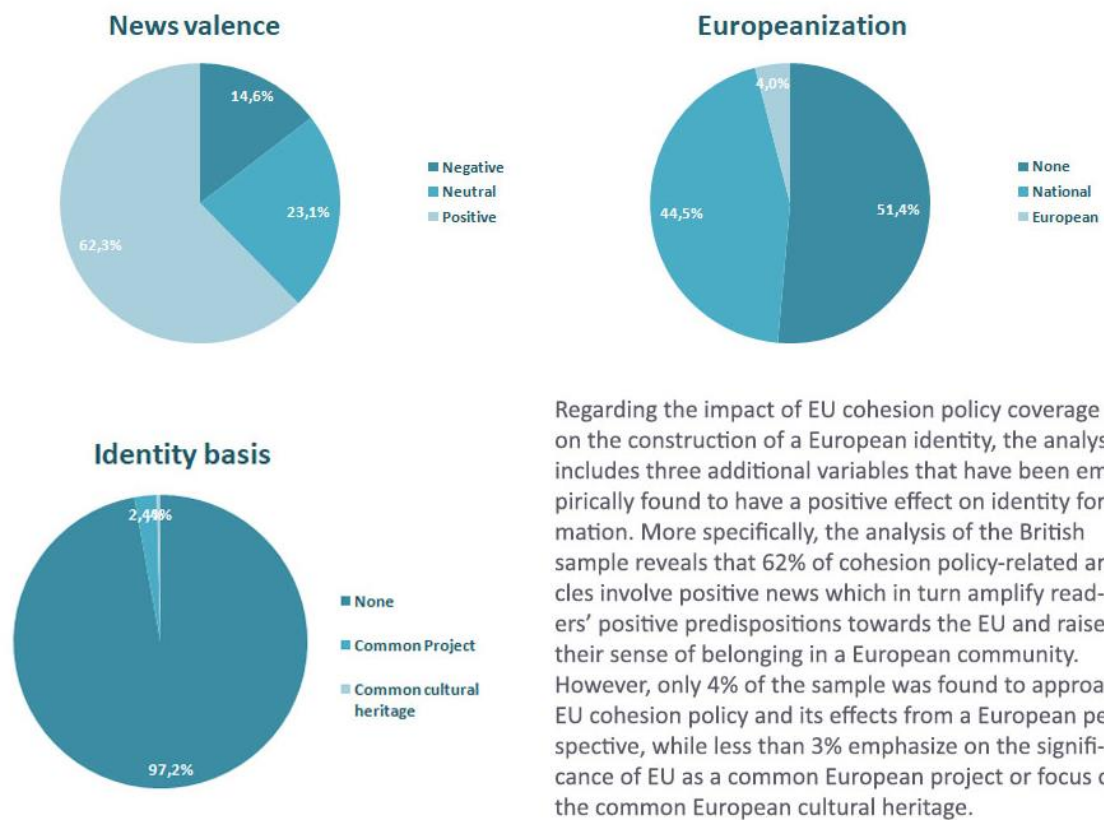Regarding the impact of EU cohesion policy coverage on the construction of a European identity, the analysis includes three additional variables that have been empirically found to have a positive effect on identity formation. More specifically, the analysis of the British sample reveals that 62% of cohesion policy-related articles involve positive news which in turn amplify readers' positive predispositions towards the EU and raise their sense of belonging in a European community. However, only 4% of the sample was found to approach EU cohesion policy and its effects from a European perspective, while less than 3% emphasize on the significance of EU as a common European project or focus on the common European cultural heritage.

Europeanization by media locality (UK)

- Positive: National 57,6%, Regional 69,8%
- European: National 6,6%, Regional 0%

Figure 3.11.6 *Europeanization differences between national and regional /local media in the UK*

Source: Triga and Vadratsikas (2018)

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