



**Consultation: Replacement of EU Structural Funds in Scotland Post EU-Exit
Children in Scotland
February 2020**

Giving all children in Scotland an equal chance to flourish is at the heart of everything we do. By bringing together a network of people working with and for children, alongside children and young people themselves, we offer a broad, balanced and independent voice. We create solutions, provide support and develop positive change across all areas affecting children in Scotland. We do this by listening, gathering evidence, and applying and sharing our learning, while always working to uphold children's rights. Our range of knowledge and expertise means we can provide trusted support on issues as diverse as the people we work with and the varied lives of children and families in Scotland.

Children in Scotland is pleased to respond to the Scottish Government consultation on the replacement of EU structural funds in Scotland post EU exit. We have conducted a range of work in this area spanning both our policy and project work. In 2018/9 we supported the work of the Children and Young People's Panel on Europe with Together (the Scottish Alliance for Children's Rights) to ensure the views of children and young people were heard in the Brexit negotiations. A second phase of this project launched in December 2019. In 2018 we conducted a survey of Children in Scotland members to gather the views of the sector more widely. Exiting the European Union was also a central component of our recent manifesto for the UK General Election that was published in December 2019¹.

Our response here will focus on the work of the Children and Young People's Panel on Europe and highlight how the Scottish Government plans for new funding structures and systems can respond to their recommendations. It will also take a broader focus to cover issues of importance to the wider children's sector and ensure that both the needs of the sector as a whole and the children, young people and families who we support are met.

General Comments

Children in Scotland agrees with the Scottish Government's desire to ensure continued financial support at the same level as currently received from the EU. The Children and Young People's Panel on Europe recommended in its Phase 1 report² that **all current EU funding for services and projects that support children, young people and families is replaced**³. The Scottish Government's should replicate the value of existing EU structural funds to ensure that this recommendation is met.

¹ <https://childreninScotland.org.uk/wp-content/uploads/2019/12/Manifesto-2019-Final.pdf>

² https://childreninScotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

³ https://childreninScotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

The Panel also recommended that **any replacement funding for services and projects aimed at supporting children and young people should not be taken from other existing budgets for children and families**⁴.

We believe it would have been helpful if the Scottish Government had responded to the recommendations of funded projects like the Children and Young People's Panel on Europe within the consultation. The Panel would ask that the Scottish Government reflects on how these recommendations can be used to shape thinking on future funding structures and how they can include this evidence during upcoming engagement with the UK government around the Shared Prosperity Fund.

Children and young people must also have the opportunity to be active participants in all future discussions about the replacement fund. Article 12 of the UNCRC identifies that all children have a right to be involved in decisions that affect them⁵. Inclusion in discussions about the new fund is essential to realise this right. Ultimately, we believe this will make the fund more responsive to their needs. The Children and Young People's Panel on Europe would be well placed to contribute to discussions about replacement EU funding.

Details of the discussions with the UK Government about the replacement to the EU Structural Fund together with information about any decisions made must be communicated to children, young people and the wider public. This must be provided in accessible formats. The Panel was clear that a lack of information has contributed to uncertainty among children and young people⁶. The Scottish Government has a responsibility to respond to this concern and ensure that children and young people are able to remain informed about exiting the EU and changes happening as a result of this.

It is also worth highlighting here that Children in Scotland is a current recipient of funding from the European Social Fund for our Open Kindergarten (OK) project⁷. The OK project is being delivered in two areas of deprivation, piloting the Nordic-style open kindergarten approach to early years support to develop parents' confidence, skills and knowledge and improve outcomes for children. The funding has provided an opportunity to test a new model of service provision, encouraged partnership working and has provided important learning opportunities. It is essential the opportunity to support similar projects continues under any future funding arrangement.

Strategic Aims

Objectives

1. What are the main aims that this funding should seek to achieve?

Children in Scotland believes that the current priorities for the EU Structural Fund in Scotland through the European Regional Development Fund and the European Social Fund provide a useful starting point for identifying the areas that the replacement fund should focus on. We also believe that the new fund should

⁴ https://childreninscotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

⁵ <https://www.ohchr.org/EN/ProfessionalInterest/Pages/CRC.aspx>

⁶ https://childreninscotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

⁷ <https://childreninscotland.org.uk/open-kindergarten/>

consider how it can respond to the recommendations made by the Children and Young People's Panel on Europe.

As we have already highlighted, the Panel recommended that funding for services for children and young people be replaced⁸. Any new fund must continue to provide support to projects and services in this area to ensure the needs of the children, young people and families using them are met. It is clear from the Panel's recommendations that services and projects to support children and young people must be at the heart of the new fund. We would also like assurance that any continued funding for services and projects aimed at supporting children and young people will not be taken from other areas of the already pressurised Children and Families budget.

The Panel also recommended that **science and health related projects should continue to be funded after exiting the European Union**⁹. Consideration must be given to how the replacement for the EU Structural Fund can be used to ensure the same level of financial support in science and technology as is currently received through the EU. This will support vital research and development and members felt it was essential to ensuring their right to the highest level of health (as outlined the UN Convention on the Rights of the Child) is realised.

A number of the aims from the current fund in Scotland as laid out in the consultation document also link directly into key aims for Children in Scotland; tackling poverty, improving employment opportunities and sustainability.

We believe these aims should be retained as a focus for the replacement funding stream. In particular, we believe there must be a continued focus on tackling poverty and inequality. Recent data highlighted that child poverty in Scotland is rising and sustained action is required, it is essential that money that was due to be spent on tackling child poverty through the fund is replaced to make progress towards the targets contained within the Child Poverty (Scotland) Act and the actions in the Tackling Child Poverty Delivery Plan¹⁰¹¹.

We also believe there should be a continued focus on supporting improved employment opportunities within the replacement fund. We know that having high quality employment opportunities is an important aspect of tackling child poverty. This is particularly important given the focus of the fund in Scotland on supporting people with multiple barriers to employment.

While Erasmus+ is not funded through the EU Structural Fund it does provide a key opportunity for many young people to gain skills and experiences that support them to access employment later in life. Both the higher education strand and the youth strand provide key opportunities for young people to experience new cultures and diversify their knowledge. The Children and Young People's Panel on Europe was clear about the need for this programme to be retained. We are aware that both the UK and Scottish Government have identified their support for continuation of the programme and would encourage action on this.

⁸ https://childreninscotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

⁹ https://childreninscotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

¹⁰ <http://www.legislation.gov.uk/asp/2017/6/contents/enacted>

¹¹ <https://www.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22/>

However, the Panel also recommended that **opportunities such as Erasmus+ must be made to feel more accessible to all children and young people**¹². This included offering the opportunity to younger children and young people and providing more financial support to people who need it to access the programme. This was due to concerns about people missing out on these opportunities due to cost or age. It is worth considering how the replacement to the EU Structural Fund can be used to diversify access to the Erasmus + programme or to create new opportunities that support more people to access the benefits of programmes like Erasmus+. At a recent meeting of the Cross-Party Group on Children and Young People we heard accounts of how international youth opportunities can lead to more positive pathways for young people who are involved in them. We believe these opportunities should be made as widely available as possible¹³. This may be particularly valuable in supporting people with multiple barriers to employment.

Children in Scotland also believes that any future fund must continue to have a focus on the environment. The current fund's focus on a sustainable, low carbon economy in Scotland should be retained. However, this should also be expanded to include a focus on wider systematic environmental action.

Children in Scotland highlighted the need for action on the environment within our recent General Election manifesto¹⁴. We also know that this is a key priority for children and young people. Changing our World, our children and young people's advisory group regularly highlight the importance of the topic. The Children and Young People's Panel on Europe also highlighted the need for any future trade deals to take account of environmental concerns. We encourage the Scottish Government to ensure that the environment is at the heart of priorities for funding arrangements to replace the EU Structural Fund.

2. How could funding be used most effectively to address spatial inequalities between areas and communities in Scotland?

Scotland faces a number of challenges with geographical health inequalities. People from more affluent areas of Glasgow are expected to live for around 15 years more than people from more deprived areas, with these trends replicated in many areas of the country¹⁵. We believe that any replacement for the EU Structural Fund should have a focus on tackling geographical inequalities in health.

Children in Scotland has recently delivered our Health Inequalities: Participative Research Project¹⁶¹⁷. We supported 15 young peer researchers to explore the role of community and place on health, wellbeing and inequalities. Ultimately, we aimed to provide an understanding about how where children and young people live affects their health and wellbeing and how this may contribute to spatial inequalities in health.

The researchers chose to explore the role of safety, family and friends and littering on health inequalities. They found that issues like substance misuse, crime and land not being used effectively may affect the places children and young people wish to

¹² https://childreninscotland.org.uk/wp-content/uploads/2019/02/Brexit_FINAL_nobleed.pdf

¹³ Minutes from CPG to be published.

¹⁴ <https://childreninscotland.org.uk/wp-content/uploads/2019/12/Manifesto-2019-Final.pdf>

¹⁵ <http://www.healthscotland.scot/media/1086/health-inequalities-what-are-they-how-do-we-reduce-them-mar16.pdf>

¹⁶ <https://childreninscotland.org.uk/health-inequalities-participative-research-project/>

¹⁷ <https://childreninscotland.org.uk/wp-content/uploads/2020/02/Health-Inequalities-Report-Chris-Ross.pdf>

go and contribute to them avoiding essential resources like parks. This may mean that children and young people miss out on chances to play and exercise and the range of benefits associated with this¹⁸¹⁹.

We also explored how crime and substance misuse might affect the reputation of areas and contribute to stigma. Research has shown that stigma can contribute to higher rates of smoking and poorer mental health²⁰²¹. Further to this, our research lent weight to other academic research around the density of fast food restaurants in areas of deprivation²².

We also saw examples of things which could affect trust and relationships in the area. This may affect the services that people access within their area. A lack of trust could affect whether children and young people got to do things on their own. This is known as 'children's independent mobility'. Having a higher level of independent mobility has been positively associated with child development²³.

These provide starting points for areas of focus for the replacement for the EU Structural Fund. Tackling issues such as substance misuse, crime and derelict space may have a knock-on effect on how places support health and wellbeing by making them feel more accessible to children and young people. Reducing the density of fast food restaurants would support people to make healthier choices about their food. The young peer researchers in the project made a number of recommendations in these areas that we believe the Scottish Government should consider when identifying how to target work focused on spatial inequality. The recommendations can be found at the following link (see p41 of the report)²⁴.

We also know that a range of other spatial inequalities exist in Scotland. Geography affects the range of services available to children and young people and this can be made worse by poor transport links.

The recent Audit Scotland report into child and adolescent mental health also identified that there are geographic differences in provision of both CAMHS and early intervention and prevention services²⁵. The replacement for the EU Structural Fund should look to reduce the inequalities in terms of the types of services and support that are available across Scotland. It is worth highlighting here that the Children and Young People's Panel on Europe felt all funding for health care and mental health should be maintained after leaving the EU. It is worth considering the intersection between the need for continued funding in these areas and the need for a reduction in inequalities of levels of support based on geography. The Scottish

¹⁸ O McCracken, D.S., Allen, D.A. and Gow, A.J., 2016. Associations between urban greenspace and health-related quality of life in children. *Preventive medicine reports*, 3, pp. 211-221

¹⁹ Richardson, E.A., Pearce, J., Shortt, N.K. and Mitchell, R., 2017. The role of public and private natural space in children's social, emotional and behavioural development in Scotland: A longitudinal study. *Environmental research*, 158, pp. 729-736.

²⁰ Pearce, J., 2012. The 'blemish of place': stigma, geography and health inequalities. A commentary on Tabuchi, Fukuhara & Iso. *Social Science and Medicine*, 75(11), pp.1921-24.

²¹ Popay, J., Thomas, C., Williams, G., Bennett, S., Gatrell, A., & Bostock, L. (2003). A proper place to live: health inequalities, agency and the normative dimensions of space. *Social Science & Medicine*, 57(1), pp. 55-69.

²² Cummins, S.C., McKay, L. and MacIntyre, S., 2005. McDonald's restaurants and neighborhood deprivation in Scotland and England. *American journal of preventive medicine*, 29(4), pp. 308-310

²³ Crawford, S.B., Bennetts, S.K., Hackworth, N.J., Green, J., Graesser, H., Cooklin, A.R., Matthews, J., Strazdins, L., Zubrick, S.R., D'Esposito, F. and Nicholson, J.M., 2017. Worries, 'weirdos', neighborhoods and knowing people: a qualitative study with children and parents regarding children's independent mobility. *Health & place*, 45, pp.131-139

²⁴ <https://childrenscotland.org.uk/wp-content/uploads/2020/02/Health-inequalities-Report-Chris-Ross.pdf>

²⁵ https://www.audit-scotland.gov.uk/uploads/docs/report/2018/nr_180913_mental_health.pdf

Government should explore how the replacement to the EU Structural Fund can be used to ensure everyone has access to the support they need.

The new Transport Strategy notes the spatial inequalities in provision of public transport and highlights the particular effect on rural communities²⁶. It also recognises the importance of transport on reducing poverty and notes the potential impact of EU Exit on rural communities. We therefore believe that if the replacement fund is to target spatial inequalities then a focus should be given to transport provision. Tackling spatial inequalities in transport will tackle other key aims for the fund such as tackling poverty and improving employment opportunities. It will also support the action contained in the Transport Strategy.

3. Geographically, at what level would the priorities for funding be best set?

We believe there is a need for priorities for funding being set across a range of levels to ensure that there is strategic oversight of the fund while also retaining opportunities for response to local need. If the fund is to be distributed across the UK then there must be strategic oversight from the UK Government. However, the Scottish Government must have a clear and meaningful role in setting the strategy for the fund and a continued role in distribution, management and oversight of the Fund within Scotland. Ultimately, the Scottish Government must retain at least the same level of control/autonomy over the fund as it currently has for distribution of the EU Structural Fund.

We also believe there should be exploration of how local authorities and local communities can be involved in identifying funding priorities, and that this should include a clear role for children and young people.

We believe that involvement of communities will ensure that fund priorities are responsive to local need. Having opportunities for local involvement in decisions about priorities will also make it easier for children, young people and the wider public to feed into these discussions. However, it is also important to ensure this does not replicate work that is already ongoing to identify local needs. Processes such as Local Outcome Improvement Plans and Local Child Poverty Action Reports should already have engaged with members of the public and civil society. These provide evidence on local priorities and could also be used to identify funding priorities for the replacement funding.

Children in Scotland is also aware of recent issues with the administration of the EU Structural Fund in Scotland. Given the importance of these funds for members of the children's sector we urge the Scottish Government to ensure the administration of any replacement fund is appropriately managed to ensure consistency and continuity of funding for essential services and projects.

Alignment with Scottish Policy and Other Funding Streams

4. How could the use of future funding add value to other sources of funding focussed on similar objectives in Scotland?

Children in Scotland co-ordinates the Children's Sector Strategic and Policy Forum. One of the Forum's key work strands is on outcomes-focused budgeting. Through this strand we are working with Scottish Government to explore new budget methods

²⁶ <https://www.transport.gov.scot/media/47052/national-transport-strategy.pdf>

that will focus on making spending decisions based on the best outcomes for children, young people and families.

We believe that this approach should be considered within the replacement of the EU Structural Fund as it will target funding based on improving outcomes for children, young people and families and also add value to wider Scottish Government funding that is moving in this direction. We would be happy to engage with both the Scottish and UK Governments to discuss our work in this area further and ensure the fund is appropriately targeting its strategic objectives to ensure the best possible outcomes for children, young people and families.

Evaluation and Monitoring

7. How could we best evaluate the success of this new fund?

Children in Scotland believes that any monitoring and evaluation should consider the impact on children and young people who are involved with funded projects that receive money from the new fund. Ongoing qualitative evaluation of this nature would identify how the fund is benefitting children and young people and ensure that future rounds are appropriately targeted.

Children and young people should be active participants in the evaluation design. This will ensure that the evaluation focuses on measuring impact in the areas that are important to them.

This should be coupled with high level monitoring and evaluation of progress towards the national outcomes and towards any outcomes set for children and young people as part of outcomes budgeting processes (see above).

8. What relevant parts of the National Performance Framework should this funding be targeted towards?

Children in Scotland believes that a number of parts of the National Performance Framework are relevant for the new fund. In particular we would advocate for the Scottish Government to target this towards:

- Children and young people – We grow up loved, safe and respected so we reach our full potential
- Communities – We live in communities that inclusive, empowered, resilient and safe
- Education – We are well educated, skilled and able to contribute to society
- Health - We are healthy and active
- Poverty - We tackle poverty by sharing opportunities, wealth and power more equally
- Human rights – We protect, respect and fulfil human rights and live free from discrimination.

We would encourage a focus on these outcomes as they all play a central role in the lives of children, young people and families. They also link closely with the areas of focus we have articulated as important for a replacement fund throughout this response. They also relate to the recommendations made by the Children and Young People's Panel on Europe that we have highlighted throughout this response.

GOVERNANCE STRUCTURES OF FUTURE FUNDING

11. What would be the most appropriate partnership and governance structure to achieve the strategic objectives of the future funding?

Children in Scotland has worked with several national funders to support the involvement of children and young people in their decision-making processes. We also have a children and young people's advisory group and two young people on our board who direct our work internally. We are clear that children and young people themselves have a focused role to play in decision-making processes and governance structures.

We would encourage the Scottish Government to consider how children and young people can be involved in governance structures and have a direct influence over the strategic objectives of future funding. We would welcome the opportunity to share our knowledge and expertise in this area with the Scottish Government. The Children and Young People's Panel on Europe has already made a range of recommendations about EU Funding and could have a key role to play in this regard.