Scotland











Scotland is using ESF funding to break cycles of poverty and unemployment through earlier, more personalised support for individuals, better training and wider access to lifelong learning, as well as more help for young people to find their first job. Bringing more people into work is vital to help bridge the social, economic and educational divides in both rural and urban areas, and to sustain economic growth in the future.

The European Social Fund in brief

The European Social Fund, created in 1957, is the European Union's main financial instrument for investing in people. It supports employment and helps people enhance their education and skills. This improves their job prospects.

These are the five priorities of ESF funding:

- Helping workers and enterprises adapt to changing circumstances in the economy
- Enhancing access to employment and participation in the workforce
- Improving training and skills, both for individuals, and through better education and training systems
- Promoting partnerships between actors such as employers, trade unions and non-governmental organisations, for reform in the fields of employment and inclusion in the labour market
- Reinforcing the social inclusion of disadvantaged people and combating discrimination in the labour market

Member States and regions devise their own ESF Operational Programmes in order to respond to the real needs 'on the ground'. Over the period 2007-2013, the ESF is spending over 10 billion euros per year across all Member States. This represents more than 10% of the European Union's total budget.





The socio-economic and employment situation in Scotland

Scotland's employment rate has been hit by the economic crisis, falling to 72% in early 2010 – but remaining close to the EU target of 70%. And unemployment has risen by over two percentage points over the year, reaching 8.1% as 216 000 people are without a job. More positively, in 2010 the youth unemployment rate remained steady at 14%, unlike the overall UK rate which rose to 17.8%. However, the country still suffers from low productivity levels, partly due to the high numbers of workers with no qualifications.

Scotland also faces severe challenges in dealing with long-term unemployment which, in early 2010, stood at 29% after seeing a large jump over the previous year. Many of the long-term unemployed are concentrated in social or geographical groups, with intractable personal circumstances blocking their access to work. Workers with low skills, as well as the rising numbers of people neither seeking nor available for employment (21%), are often locked in vicious cycles of unemployment and poverty beyond their control. Some vulnerable groups face particular problems in Scotland – for example, over 13% of 15- to 19-year-olds were neither employed nor in education or training in 2010.

Unemployment also has a strong regional dimension: several communities, particularly in urban areas, have high long-term unemployment and engrained pockets of poverty. And rural areas like the Highlands and Islands have their own problems, as many of the jobs there are in low-wage seasonal industries such as fishing and agriculture which suffered an estimated drop of 11% in available jobs in 2009.

Although skill levels have risen in recent years, almost a quarter of the population still have no qualifications. At the same time, those most vulnerable to redundancy and low pay – older and lowerqualified workers, the self-employed and part-time workers – are least likely to take part in vocational training. For this reason, it is vital to improve access, quality and incentives for lifelong learning in order to ensure more sustainable employment. This is clearly a long-term challenge – as much about changing people's attitudes as providing springboards into jobs.

Scotland's ESF priorities

Scotland has two ESF Operational Programmes: one for the Lowlands and Uplands region, and a second for the Highlands and Islands region. Both aim to create more jobs and raise productivity while addressing the challenges of low skills, low pay and unemployment – wherever possible before they become established, and particularly among the younger generation.

Scotland is also striving to make lifelong learning more accessible, to bring more under-represented groups into the workforce, and to improve the skills of its entrepreneurs and managers in small and medium-sized enterprises. Sustainable growth is the key objective for both programmes, aiming to expand skills and opportunities for all while ensuring that economic growth reduces inequalities without compromising the environmental resources of future generations. The Operational Programmes for Scotland share three priorities:

Priority 1: Progressing into employment

- Help will be given to unemployed people of all ages to find sustainable employment. This support will cover all stages in finding a job, preparing for a job and starting a job.
- In this process, individuals will be guided to identify their needs and then provided with the particular help required for them to apply for and get a position. Individualised approaches will be offered in particular for people furthest away from the labour market – those facing multiple obstacles including childcare responsibilities, lack of qualifications and health problems.
- Activities will include innovative approaches to job brokerage and there will be support for the first months in a new job – for both the new workers and their employers.

Raising awareness about the world of work will encourage and motivate those young people who are not in education, training and employment, to seek employment and realise their potential.

Priority 2: Progressing through employment

- To support equal opportunities, diversity and fair pay, there will be activities to reduce employment gender gaps where they occur. For example, by encouraging more women into jobs that use ICT, or more men into jobs as carers, where appropriate.
- Entrepreneurship will be encouraged and managers offered the training required to help set up new businesses, and expand existing businesses – and the jobs they bring. In particular, less-represented groups, such as women and ethnic minorities, will be targeted.
- Social enterprises and voluntary sector organisations make significant contributions to combating unemployment and its consequences, in particular among the worse-off groups. These organisations will be supported with training in the skills they need to support their work and develop their organisations for the future.

Priority 3: Access to Lifelong learning

- People will be encouraged to take up learning opportunities by making it easier to participate. Training and lifelong learning will focus on the skills people need for their work, and it will be offered where and when they need it. There will be a focus on those with little experience of education and on groups facing cultural, physical or skills barriers to learning, such as immigrants, lone parents and those in rural areas.
- New and innovative ways of attracting people into learning will be funded, as will new qualifications and skills for those providing training to improve the employability of the long-term unemployed and disadvantaged groups.
- Workplace training initiatives will be funded, in particular in small companies and among groups of companies where training opportunities are scarce.

Financial Plan for the European Social Fund in Scotland 2007-2013 (euro)	Priority axis	Community funding	National counterpart	Total funding
15%	Lowlands and Uplands Programme	269 920 942	328 463 795	598 384 737
	Highlands and Islands Programme	52 150 195	52 150 194	<mark>=</mark> 104 300 389
	Total	322 071 137	380 613 989	702 685 126

Some earlier ESF projects in Scotland, 2000-2006

- The competitiveness of Scottish SMEs was boosted via high-quality training in ICT, business planning and leadership skills. Some 108 people took part in workshops organised by the Scottish e-Skills Academy's, carrying out a work-based business improvement project (chosen by their company) as part of the Institute of Leadership and Management Introductory Diploma in Management. Almost two-thirds of those enrolled said that the project had successfully improved their skills and a further 120 signed up for the second year of the programme.
- Over 450 people benefited from individual help in getting a job in the former coal-mining communities of West Fife, one of the most deprived areas of Scotland. West Fife Enterprise, a community-based training provider, launched an open-door project aimed at helping everyone in need and not just a single target group. It covered everything from vocational training, aftercare and mentoring (all tailored to the individual) to financial help and getting potential employers involved. Of the more than 450 participants, almost three-quarters went on to find jobs, while 90% of the recruiting companies said they were satisfied with their new employees.
- 'Breaking the Mould' offered 12 unemployed women from the regeneration area of Raploch, and the wider Stirling Council area, the chance to gain on-the-job training and accredited awards in the construction industry. The project focused on women such as lone parents with few or no qualifications, aiming not only to secure quality jobs but also to address the gender gap in the construction industry. Four trainees from the first programme went on to gain full-time permanent Adult Apprenticeships in Painting and Decorating, Carpentry and Joinery and Stone Masonry.

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Eligible regions 2007-2013



The level of ESF funding differs from one region to another depending on their relative wealth.

- The Highlands and Islands is a phasing-out region with a GDP per head of more than 75% of the EU-25 average but of less than 75% of the EU-15 average.
- The Lowlands and Uplands regions, with a GDP per head of more than 75% of the EU-25 average, are eligible under the regional competitiveness and employment objective.