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European Social Fund

Investing in a Smart, Sustainable and Inclusive Future



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**The Scottish  
Government**  
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European Regional Development Fund

Investing in a Smart, Sustainable and Inclusive Future

## **EUROPEAN STRUCTURAL FUNDS 2014-2020**

## **STRATEGIC INTERVENTION APPLICATION**

## **Application Guidance**

### **Guidance**

In completing an application, Applicants should refer to the detail within the SI Application guidance.

This guidance sets out precisely what information is required to be provided in each section of the application.

### **European Structural Funds Regulations**

Copies of the Regulations governing the overall use of European Structural Funds for the 2014 -2020 Programme are available on-line using the following link:

<http://eur-lex.europa.eu/JOHtml.do?uri=OJ:L:2013:347:SOM:EN:HTML>

**PART 1: LEAD PARTNER INFORMATION**

|  |   |
|--|---|
| <b>Lead Partner Name</b>                               | Comhairle nan Eilean Siar   |
| <b>Chief Executive Name</b>                            | Malcolm Burr  |
| <b>Correspondence Address</b>                          | Council Offices<br>Sandwick Road<br>Stornoway<br>Isle of Lewis<br>HS1 2BW |
| <b>Strategic Intervention Manager Name</b>             | Angus Murray  |
| <b>Strategic Intervention Manager Email Address</b>    | Angus-murray@cne-siar.gov.uk  |
| <b>Strategic Intervention Manager Telephone Number</b> | 01851 822616  |

**PART 2: STRATEGIC INTERVENTION DETAILS**

|                              |  |
|------------------------------|--|
| <b>Title</b>                 | Western Isles Poverty and Social Inclusion                                       |
| <b>Thematic Objective</b>    | 09 - Promoting social inclusion, combating poverty and any discrimination.       |
| <b>Investment Priorities</b> | 9i - Active inclusion, including with a view to promoting equal opportunities... |
| <b>Programme</b>             | ESF  |
| <b>Programme Area</b>        | H&I  |
| <b>Physical Start Date</b>   | 02/01/2017   |
| <b>Physical End Date</b>     | 31/12/2018   |
| <b>Financial End Date</b>    | 30/06/2019   |

**PART 3: FINANCIAL INFORMATION**

|   | <b>H&amp;I (£)</b> | <b>LUPS (£)</b> | <b>Total (£)</b> |
|---|--------------------|-----------------|------------------|
| <b>Total Eligible Costs (£)</b>                     | 480,000            | 0               | 480,000          |
| <b>Total Match Funding (£)<br/>(Private/Public)</b> | 240,000            | 0               | 240,000          |
| <b>Total Grant (£)</b>                              | 240,000            | 0               | 240,000          |
| <b>Intervention Rate Requested (%)</b>              | 50%                | 0               | 50%              |

**Expenditure Profile**

| <b>Year</b>  | <b>H&amp;I Expenditure (£)</b> | <b>LUPS Expenditure (£)</b> | <b>Total Expenditure (£)</b> |
|--------------|--------------------------------|-----------------------------|------------------------------|
| 2014         | 0.00                           | Click here to enter text.   | 0.00                         |
| 2015         | 0.00                           | Click here to enter text.   | 0.00                         |
| 2016         | Click here to enter text.      | Click here to enter text.   | Click here to enter text.    |
| 2017         | 200,000.00                     | Click here to enter text.   | 200,000.00                   |
| 2018         | 240,000.00                     | Click here to enter text.   | 240,000.00                   |
| 2019         | 40,000.00                      | Click here to enter text.   | 40,000.00                    |
| <b>Total</b> | Click here to enter text.      | Click here to enter text.   | Click here to enter text.    |

## **PART 4: RATIONALE**

### **Brief Overview of Proposed Activity (maximum 250 Words)**

There are several strands to this Strategic Intervention as follows:

#### **Financial Advice and Financial Inclusion**

To increase the financial capability of the most disadvantaged individuals and households in the Western Isles through:

- debt advice;
- financial education, money management and budgeting skills;
- assistance with access to affordable credit and appropriate financial products and services;
- income maximisation, e.g. through welfare rights advice;
- prevention of homelessness through the provision of benefits and debt advice to social housing tenants and other people threatened by eviction due to financial problems; and
- the extension of financial advice on site to people in homeless accommodation in the Western Isles.

#### **Childcare**

To reduce the number of children living in poverty in the Western Isles by supporting workless, low income and lone parent families with young children in the following ways:

- provide a pathway for parents/carers to access education/training and to gain a qualification, linked to local employment needs around the existing current and predicted future demand for staffing in social care and childcare;
- support income maximisation and improved family budgeting skills through the upskilling of front-line staff (in early years, health and social work) and awareness-raising around specific childcare elements of the benefits/tax credits system and childcare voucher schemes;
- improve access and affordability of childcare places by extending nursery hours in rural areas, subsidising childminders in remote areas to ensure sustainability of service and reducing childcare fees for those on low incomes; and
- provide financial support to address issues in the current benefits system where this is causing a barrier to a parent/carer entering employment and training

#### **Fuel Poverty and Health**

To reduce the high level of fuel poverty that we face in the Western Isles in addition to also increasing the energy efficiency of properties:

- Energy advice given to vulnerable householders through energy home visits;
- Providing targeted support to householders with long term health issues in fuel poverty;
- Installing of heating systems in homes with residents with long term health issues, ensure they have the correct heating system for their needs;
- Installing basic measure such as programmer, radiator valves or energy efficient appliance, again to help reduce energy consumption within the property and allowing the householder to control and regulate their systems efficiently;

- Increase the knowledge and understanding of people in regards to energy efficiency and fuel poverty;
- Providing advice on switching to help reduce utility bills for householders;
- During the home visit, the officer will identify the need for insulation work to be undertaken where possible through government scheme available at the time.

## **Justification for Intervention**

### **Poverty and Inclusion**

In setting a wider context, the levels of poverty and debt in the Western Isles are extremely high. The Western Isles Citizens Advice Service (WICAS) reported 140 new debt cases in 2013/14 with a range of different issues raised and 'new debt' totalling £1.4m. This did not include ongoing cases prior to 2013/14 which recorded cumulative debt of £4m. Unfortunately, multiple debt cases show no sign of abating and it is likely that there are many more people in debt but who do not seek advice. In May 2014, WICAS reported that the biggest area of debt was council tax arrears.

WICAS produced an updated "Survival Guide" in November 2015 aimed at those people who have no money and no food to assist them with services from which they could receive help. Poverty in the Western Isles is increasing and the drastic cuts to benefits through the Welfare Reform Legislation (and more on the way) are exacerbating the situation. The Western Isles now has a foodbank which is being used as people struggle to make ends meet on reduced incomes. Increased benefit sanctions are having a major adverse impact on people in the Western Isles who face the highest level of fuel poverty in the UK. WICAS works closely with Tighean Innse Gall, which reports that many residents in the Western Isles face difficulties in heating their homes.

In a survey commissioned by the Comhairle and carried out by Tighean Innse Gall through its subsidiary, TEAS, in 2013, it was reported that 71% of households in the Western Isles were in fuel poverty. The TEAS survey also found that 18% of households were in extreme fuel poverty (expenditure of 20% of income on fuel costs) and that 11% were in severe fuel poverty (expenditure of more than 30% of household income on fuel costs). This was shown to be much higher than a Scottish House Condition Survey (SHCS) from 2012-2014 which reported that 62% of households in the Western Isles were in fuel poverty against the Scottish average of 35%. The three main factors which contribute to the extremely high fuel poverty levels in the Western Isles are a combination of poor energy efficiency, high fuel costs and low incomes, all of which are prevalent in the Western Isles.

The Comhairle's Local Housing Strategy aims are:

- more households living in good quality, dry, warm, and energy efficient housing that minimises the risk of fuel poverty and contributes to a reduction in carbon emissions;
- an improvement in the balance between housing supply and demand so that more households can secure a suitable home in their preferred area at a price they can afford;

- more people securing the housing services they require to live independently in their preferred choice of accommodation; and
- fewer households becoming homeless but assistance for those people that do so that they are able to secure and maintain permanent accommodation.

## **Childcare**

There are a number of challenges facing childcare in the Western Isles and many of these have been outlined in the Western Isles Early Years and Early Intervention Strategy 2009-14, summarised as follows:

- the provision of quality childcare services in island rural areas requires high levels of support, particularly for fragile rural groups with fluctuating enrolments;
- there are issues of availability and affordability of transport, and where there is reliance on public transport, issues of access (timetabling) to fit in with provision which is often centralised, causing barriers to employment, education or training;
- childcare provision for under 3s often necessitates the need to travel in many of the region's rural areas because of a lack of provision in the immediate locality which diminishes opportunities;
- there is a lack of school holiday childcare, with the majority of Council nurseries open only during term-time for statutory provision;
- there is relatively low staff pay in private childcare facilities;
- relatively high costs of training, qualifications and cost of provision, particularly outwith core statutory hours;
- relatively few child-minders, high costs and the lack of career sustainability in sparsely populated areas in particular, due to low child numbers; and
- transport to employment – the issue of transport is one of the most significant barriers to employment, education and training in rural islands' areas.

Key strategic objectives include:

- parents being supported to access employment and training to help reduce the risk of child poverty through the provision of flexible and accessible childcare;
- promoting common values in the workforce, enhance workforce skills and develop broader workforce roles;
- providing parents with learning opportunities that will help them support their child's learning and development and improve future outcomes;
- a renewed focus on 0-3 as the period of a child's development that shapes future outcomes;
- building on the work already progressed through Getting it Right for Every Child and Curriculum for Excellence to provide child centred, outcome focused services;
- enhancing early intervention, particularly in areas such as communication, literacy and numeracy to ensure that developmental milestones are reached and children are supported to achieve their potential, thus breaking the cycles of poverty; and
- improving play opportunities and addressing barriers to play.

Child poverty statistics in the Western Isles, percentages by ward, published in November 2014 and based on data from Oct-Dec 2013 are as follows:

<http://www.endchildpoverty.org.uk/why-end-child-poverty/poverty-in-your-area>

| Percentage of children in poverty,<br>Oct-Dec 2013<br>Local Authority and wards  | BEFORE<br>HOUSING<br>COSTS | AFTER<br>HOUSING<br>COSTS |  |
|--|----------------------------|---------------------------|--|
| <b>Eilean Siar</b>   | <b>11.78%</b>              | <b>18.68%</b>             |  |
| Barraigh, Bhatarsaigh, Eirisgeigh agus<br>Uibhist a Deas                         | 9.74%                      | 15.56%                    | Barra, Vatersay and<br>South Uist            |
| Beinn na Foghla agus Uibhist a Tuath<br>Na Hearadh agus Ceann a Deas nan<br>Loch | 9.59%                      | 15.35%                    | Benbecula & North<br>Uist                    |
| Sgir'Uige agus Ceann a Tuath nan<br>Loch   | 18.55%                     | 27.89%                    | Harris & South Lochs<br>Uig & North<br>Lochs |
| Sgìre an Rubha   | 4.65%                      | 7.69%                     | Point<br>South                               |
| Steòrnabhagh a Deas  | 11.51%                     | 18.26%                    | Stornoway<br>North                           |
| Steòrnabhagh a Tuath   | 14.08%                     | 22.16%                    | Stornoway<br>Broad                           |
| Loch a Tuath   | 12.21%                     | 19.31%                    | bay<br>Ness &                                |
| An Taobh Siar agus Nis   | 11.78%                     | 18.71%                    | Westside                                     |

Following publication of these statistics, the Early Years Collaborative identified the reduction of child poverty as a strategic focus and several projects are currently underway to refer pregnant women from Maternity to income maximisation advice, to increase the uptake of funded (aged) two year old places and to promote access to free nursery lunches.

The target groups in this bid will be parents or carers with children under five years of age who are or could potentially be clients of Social Work or the Family Support Service; families who have been identified by Health Visitors or Midwives as in need of support; and others who are known to be on low income.

These may be families dealing with mental health issues, parenting issues, domestic abuse, additional support needs, lone parenting and would include those parents or carers who are eligible to access funded nursery places for their two year old children (those who are on low income or out of work).

### **Strategic Fit EU/National and Local**

#### **EU 2020**

The overarching EU strategy of the current programming period 2014-2020 aims to deliver smart, sustainable and inclusive growth, the latter of which aims to create

employment or the conditions for employment and to reduce poverty. This bid will aim to overcome one or more barriers that people may have in terms of access to services or employment and to alleviate some of the difficulties they and their families experience in their lives. This bid also complements the ESF funded Western Isles Employability Pipeline over the programming period which provides support to the most vulnerable and excluded people to enable them to secure employment, education or training.

### **Scottish ESF Operational Programme 2014-2020**

The focus of the new ESF programmes through Employability Pipelines and Poverty and Social Inclusion measures is on those people who through one or more socio-economic and other reasons are most socially disadvantaged in society – ‘hard to reach’ cases for whom mainstream provision can be ineffective. Consequently, these new programmes will aim to address disadvantaged groups such as those with multiple barriers and health issues; low income families; workless households and disabled individuals. Support for childcare is mentioned specifically as a priority to enable women back into work

### **Scotland’s Economic Strategy**

One of the priorities of the Strategy is to promote inclusive growth and specifically in the context of this bid, to “ tackle cross generational inequality through, for example, improved childcare, boosting attainment and early years interventions that give every child a fair start in life”.

### **Outer Hebrides Single Outcome Agreement 2013-23**

Local Outcome 4: “The physical and mental wellbeing of the people throughout the Outer Hebrides is improved” and one of the local priorities identified in 2013/14 included aims to ensure that “ the people of the Outer Hebrides have an improved standard of living through addressing poverty and inequalities”.

### **Comhairle’s Corporate Strategy 2012-17**

#### **Health and Wellbeing**

4.2 “Work with partners in the interests of better physical and mental health and wellbeing and 4.6 remove households from fuel poverty and thus improve their health and wellbeing”.

## **Aims, Objectives and Proposed Activity**

### **Financial Inclusion**

One strand of this Strategic Intervention will increase the financial capability of the most disadvantaged individuals and households in the Western Isles by providing:

- debt advice;
- financial education, money management and budgeting skills;
- assistance with access to affordable credit and appropriate financial products and services;
- income maximisation, e.g. through welfare rights advice;
- prevention of homelessness through the provision of benefits and debt advice to social housing tenants and other people threatened by eviction due to financial problems; and
- an extension of financial advice on site to people in homeless accommodation in the Western Isles.

These activities will be targeted at:

- people suffering from long term ill health;
- workless households;
- lone parents; and
- low income households

### **Childcare**

Early Years and partner agencies are currently working together through the Early Years Partnership and Early Years Collaborative teams to improve support services to families who are experiencing poverty or social exclusion. However, budgets are limited and the main focus remains on statutory childcare provision.

To support further workless, low income or lone parent families with young children who are trying to access work or training but are finding it difficult to access childcare, are managing to work with low income through reliance on networks of community or extended family support and who are young and low paid with limited prospects for progression, the following activities are proposed:

- provide a pathway for parents/carers to access education/training and to gain a qualification, linked to local employment needs around the existing current and predicted future demand for staffing in social care and childcare
- support income maximisation and improved family budgeting skills through the upskilling of front-line staff (in early years, health and social work) and awareness-raising around specific childcare elements of the benefits/tax credits system and childcare voucher schemes
- improve access and affordability of childcare places by extending nursery hours in rural areas, subsidising childminders in remote areas to ensure sustainability of service and reducing childcare fees for those on low incomes
- provide financial support to address issues in the current benefits system

where this is causing a barrier to a parent/carer entering employment and training

The target groups in this bid will be parents/carers with children under 5 years of age who are/or potentially could be clients of Social Work or the Family Support service, families who have been identified by Health Visitors or Midwives as in need of support and others how are known to be on a low income.

These may be families dealing with mental health issues, parenting issues, domestic abuse, additional support needs, lone parenting and would include those parents/carers who are eligible to access funded nursery places for their two year old (those who are on low income or out of work).

### **Fuel Poverty**

The Western Isles faces one of the highest levels of fuel poverty within the UK and there are three main elements which contribute to this. These are: low incomes, fuel bills and energy efficiency. In the Western Isles, this is exacerbated by a high population of elderly people, many low-income families and almost one third of properties in single occupancy. In addition, the lack of mains gas, high proportion of older houses and detached houses (leading to higher heat loss) all increase the prevalence of fuel poverty whilst also placing a burden on local health services.

This strand of the Strategic intervention will help householders who are in particularly extreme fuel poverty.

Fuel Poverty measures will aim to:

- increase energy efficiency and reduce fuel poverty through energy home visits;
- assist people with long term ill health by installing new energy efficient heating systems within the property;
- installing smaller measures (e.g. programmers, room stats, radiator valves and energy efficient appliance) that will make the home warmer and more comfortable the individual or family;
- raise awareness of the financial benefit of switching energy suppliers;
- informing householders on the correct way of using their heating systems efficiently, showing them how to use programmers and stats that can better monitor their heat use;
- referrals to local insulation providers to install energy efficiency measures in cold draughty homes; and,
- referrals to the Care and Repair Service to help with small improvements to properties.

These activities will be targeted at:

- people suffering from long-term health issues;
- low income families;
- single parents;
- vulnerable householders;
- home in fuel poverty; and
- older householders

### **Need for Grant**

As acknowledged in Scotland's ESF Operational Programme, mainstream provision in terms of education, training or employment can be ineffective for certain individuals because of a range of socio-economic situational factors, personal or family reasons or circumstances. In these 'hard to reach' cases, it is almost inevitable that these necessitate additional support beyond the norm and usually at an additional cost, exacerbated in remote rural islands' areas such as the Western Isles.

The Western Isles' economy is over dependent on the public sector which is currently in the grip of austerity. This in turn puts core public sector budgets and services under considerable pressure. Levels of poverty (in work and out of work) are high and increasing as is exclusion and isolation. Levels of debt are increasing and it has been reported by WICAS that demand for debt advice and support, welfare rights, money advice, has increased, which cannot be met without additional resources. In terms of childcare, there is little or no provision in the more peripheral areas, with accessibility, affordability and transport being major challenges. There is also a need for additional training of childminders and improved remuneration to bring people into the profession, on a more professional basis.

The Western Isles has the second worst levels of fuel poverty within the UK, according to the recent Scottish House Condition Survey (SHCS) 2012- 2014 62% of residents in the Western Isles are in Fuel Poverty, this is in comparison to the Scottish average of 35%. The Scottish Average for extreme fuel poverty is 10%, the Western Isles is more than double this at 26%, this showing the need to support vulnerable householders in fuel poverty. From a local survey (which is attached) undertaken by Tighean Innse Gall in 2013-2014 71% of householders were in fuel poverty, through this survey we had to develop a new category with 11% of

respondents spending more than 30% of their household income on heating their properties.

This bid is therefore intended to address gaps in provision which cannot be funded from existing resources although the Comhairle and prospective partners have identified match funding to draw down the indicative ESF allocation to the Western Isles.

### **Added Value**

It is acknowledged that EU funding must add value and it is intended that this bid will do so by providing additional support for those people who are in greatest need and require the most assistance in accessing the range of services as outlined. The allocation of ESF also draws match funding from the public sector, promotes and fosters joined-up services and partnership working in addressing these key challenges identified.

It is anticipated that the bid will complement other activity in the areas outlined, alongside core service provision, the Western Isles Employability bid and other Scottish Government-led revenue programmes such as Growing the Social Economy and Empowered Community-led Inclusion, both to be delivered by Scottish Government and Highlands and Islands Enterprise (HIE). The Comhairle and partners look forward to working with HIE to ensure that these programmes have some positive impact in the Western Isles in building community capacity and alleviating poverty and social exclusion in all its facets.

**Target Indicators and Milestones -**

Please complete Outputs and Results Annex

**Justification of Target Selection**

As indicated in the 'Justification of Intervention' section there is clear evidence for additional support to address poverty and social inclusion in the Western Isles. The bid's specific aims and objectives are in the areas of financial inclusion, childcare and fuel poverty.

The means by which gaps in service provision have been identified has been drawn from the experience of practitioners in these areas and source material from the Comhairle's Education and Children's Services Department; the Community Planning team; WICAS; Tighean Innse Gall; and Hebridean Housing Partnership.

It is recognised that poverty and social inclusion is multi-faceted and that many of the contributory factors are inter-dependent and cannot be addressed in isolation. That is why this bid will adopt a partnership and joined-up approach to maximise resources in helping vulnerable and excluded people with financial advice and guidance, childcare and fuel poverty support. It is also recognised that this bid represents a relatively small investment in these areas so the bid is smaller scale, is more focused and with realistic and achievable targets. It aims to complement existing and proposed programmes such as the Western Isles Employability pipeline and mainstream services delivered by the bodies mentioned above.

The target groups have been identified in previous sections for each strand of funding and the projected outputs of the programme are as follows:

**Financial Inclusion**

40 disadvantaged participants in workless, lone parent or low income households with improved money management skills.

30 participants no longer affected by debt as a barrier to social inclusion.

**Childcare**

25 disadvantaged participants engaged in job searching, education or training, gaining a qualification, or in employment, including self employment, upon leaving.

50 disadvantaged participants in workless, lone parent or low income households.

6 community based or community led services supported.

30 new childcare places available.

**Fuel Poverty**

60 disadvantaged participants in workless, lone parent or low income households (20 male and 40 female)

30 deprived or fragile communities supported.

The proposed activities will be monitored, measured and evaluated on a short, medium and long-term basis by the Comhairle and partners for each strand of activity and, overall, the Comhairle would expect to see positive outcomes across each strand such as a reduction in household or individual debt, an increase in childcare service provision and an enhancement of the service in remoter areas, and a reduction in the number of people and communities experiencing fuel poverty.

### **Details of Any Supporting Documentation**

Single Outcome Agreement 2013-23:

[http://www.ohcpp.org.uk/index.php?option=com\\_content&view=article&id=121&Itemid=175](http://www.ohcpp.org.uk/index.php?option=com_content&view=article&id=121&Itemid=175)

Committee report on ESF:

<http://www.cne-siar.gov.uk/committees/documents/e-agendas/2015/02-february/policy-and-resources/agendas/ZF%2031A%20-%20ESF%20STRATEGIC%20INTERVENTIONS%20EMPLOYABILITY,%20POVERTY%20AND%20SOCIAL%20INCLUSION.pdf>.

Socio Economic Update No. 28

[www.cne-siar.gov.uk/.../Socio%20Economic%20Update%2028.pdf](http://www.cne-siar.gov.uk/.../Socio%20Economic%20Update%2028.pdf)

Western Isles Local Housing Strategy

<http://www.cne-siar.gov.uk/housing/strategy.asp>

Western Isles Early Years and Early Intervention Strategy 2009-14

<http://www.cne-siar.gov.uk/earlyyears/documents/EYandEIStrategy.pdf>

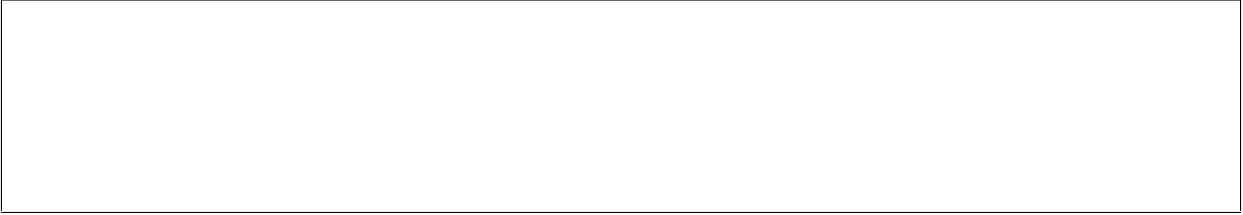
Comhairle nan Eilean Siar's Carbon Management Plan 2013-15

<http://www.cne-siar.gov.uk/techservices/documents/policiesandplans/Carbon%20Management%20Plan%202013-15.pdf>

Equalities Mainstreaming Progress Report

<http://www.cne-siar.gov.uk/equalityanddiversity/documents/Equality-Outcomes-Progress-Report-2015.pdf>.

Fuel Poverty Report: Tighean Innse Gall, 2014.



## **PART 5: HORIZONTAL THEMES**

### **Outline the main horizontal themes focus within the Strategic Intervention (including reference to Equal Opportunities, Environmental Sustainability and Social Inclusion)**

The Comhairle recognises a legal and moral responsibility towards its wider community to ensure that no one is excluded unfairly from accessing public services. The Comhairle will at all times comply with relevant legislation in relation to social inclusion, access, equalities and employment, through robust, transparent and accountable processes and procedures which it will also impress on any partner(s) involved in this Strategic Intervention. The Comhairle also accepts that many people are disadvantaged from accessing services or possible opportunities by reason of disability, age, location, language or literacy, gender, race, religion, family status, income or other factors. Furthermore, the Comhairle recognises and takes cognisance of the fact that some people suffer from multiple disadvantages and that many people suffer from such exclusion at different times of their lives and the new ESF 2014-2020 programme places great emphasis on addressing these multiple disadvantages and this programme of activities meets that criteria.

#### **Social Inclusion**

This is largely a social inclusion bid so by implication the aim is to integrate the most vulnerable people in communities albeit in a few selected areas where gaps in service provision have been identified. In terms of reducing the potential for and actual social exclusion in the Western Isles, this bid aims to target those people who are most at risk of being excluded, with an emphasis on addressing multiple barriers to accessing services such as financial and debt management advice, childcare and fuel poverty. Specifically, the proposed financial inclusion activities will target people suffering from long-term ill health; workless households; lone parents; and low income households. Childcare provision will target families with children under 5 years of age who are existing clients of Social Work and/or Family Support; including those people with mental health issues and/or parenting issues; dealing with domestic abuse; requiring additional support; lone parents; and those people on low incomes and out of work who are eligible for funded nursery places for 2 year olds. The third strand of the bid will deliver a series of measures to help people out of fuel poverty.

The bid addresses the difficulties faced by people living and working in peripheral and economically fragile areas in the Western Isles in terms of access to services, employment or work experience, which, arguably, is everywhere outside Stornoway. The nature of the geography of the Western Isles presents certain difficulties in terms of accessing education, training and employment and the aspiration is that this poverty and social inclusion bid will have a sufficiently multi-faceted approach to make some impact locally, socially and economically.

#### **Environmental Sustainability**

The Western Isles poverty and social inclusion bid's proposals are highly unlikely to have any detrimental effects on the environment and neither would the Comhairle

and partners be involved in a project or initiative which could, potentially, have an adverse impact on the environment. The environment in the Western Isles is one of its unique selling points and the Comhairle is committed to meeting and exceeding Scottish Government and EU 20202 climate change and low carbon targets.

With specific reference to the bid, one of the key barriers to education, training, employment and services is lack of accessibility due to living in a remote area where public transport can be sporadic and does not always fit in well with provision. The target groups on this programme are unlikely to have private transport. However, every effort will be made to make this programme accessible in an environmentally sympathetic manner through flexible delivery which does not inconvenience participants, by aligning delivery with public transport where necessary, facilitating collective travel and meetings where appropriate, use of video conferencing where appropriate, reducing the need for participant travel, and home and community visits as appropriate which reduce the need for participant travel and overcomes geographical challenges.

**Outline how horizontal themes will be embedded within the Strategic Intervention and each Operation:**

Comhairle nan Eilean Siar as Lead Partner on this allocation of poverty and inclusion monies and also the lead body for Community Planning in the Western Isles will ensure that the horizontal themes are embedded through all the activities proposed in this bid. The Comhairle is fully aware of its responsibilities in this area as outlined in the previous sections, but will have in place a process of periodic monitoring and reporting to ensure that expectations are being met.

Progress with the activities contained in this bid will be reported as appropriate to the relevant Comhairle Committee as well as periodic reports to the Comhairle's European Structural Funds Member Officer Working Group and wider Community Planning Partnership as the need arises. The horizontal themes will be embedded at source, i.e., from the date of first contact with participants and part of this will be to record the characteristics, situations and circumstances of each participant at registration. In terms of embedding the Horizontal Themes, the Comhairle will be informed by its own Equalities policies:

<http://www.cne-siar.gov.uk/equalityanddiversity/eomr.asp>.

**Who within the Strategic Intervention is responsible for ensuring that horizontal themes are addressed (within the Strategic Intervention and Operations)?**

**(Job description to be provided)**

This will be the responsibility of the Comhairle primarily, with the Corporate Policy Manager reporting to elected Members on a regular basis. Any external partners involved in service delivery will also report to the Comhairle in the first instance. It is anticipated that progress with the proposed activities would also be reported regularly to the Comhairle's European Structural Funds Member Officer Working Group.

**Provide details of the proposed system for monitoring and evaluating horizontal themes.**

All local authorities have a legal requirement to publish equality outcomes and report on progress every two years. The equality outcomes have been developed to align with the vision and themes set out in the Comhairle's Corporate Strategy 2012-17 and Single Outcome Agreement 2013-23. The progress report is at the following link

<http://www.cne-siar.gov.uk/equalityanddiversity/documents/Equality-Outcomes-Progress-Report-2015.pdf>.

With specific reference to the bid, the Comhairle will undertake ongoing monitoring of participants, process and outcomes, in the context of alignment with the Corporate Strategy, Outer Hebrides SOA, national and EU strategies, and the current ESF Programme, and in terms of alleviating poverty and social exclusion locally in the areas identified in the bid.

The Comhairle will also look to exchange information and best practice with other islands' authorities and other Highlands and Islands European Partners (HIEP) as programmes develop, including incremental analysis at appropriate stages. It should be noted that the Comhairle has an online performance monitoring system and much of this information can be fed into business plans for real time reporting on request, monthly or quarterly as appropriate or into reports to Scottish Government and other external bodies.

## **PART 6: MANAGEMENT STRUCTURE**

### **Management Structure and Reporting (Programme Compliance)**

As Lead Partner for this Strategic Intervention, the Comhairle will have overall responsibility for ensuring that the activities, targets and outcomes contained in this bid are delivered compliantly and successfully as per ESF Operational Programme guidelines. Specifically, the Comhairle's Corporate Policy Manager, based in the Comhairle's Chief Executive's Department, will be responsible for overall monitoring of the project(s) or activities identified in the bid. One strand of the bid (childcare) will be delivered in-house and this will involve consultation with relevant staff from the Comhairle's Education and Children's Services Department. The Comhairle's Finance and Corporate Resources team will monitor project expenditure and process claims, of which they have extensive experience.

It is acknowledged that some activities within the bid will be delivered by third parties and where that is the case, whether through procurement or Challenge Fund, robust procedures will be in place, perhaps through Service Level Agreements, to ensure that these third parties are aware of their responsibilities and obligations in terms of the bid and to ensure that the aims, objectives as per the approved application are achieved compliantly.

Reporting will be through the Comhairle's European Structural Funds Member Officer Working Group, the Comhairle's Policy and Resources Committee and the Outer Hebrides Community Planning Partnership, as necessary.

The Comhairle has an excellent track record in delivering ESF, ERDF, SRDP, EFF and LEADER funding, as Lead Partners, over successive Structural Funds programmes in a period of some twenty years and would expect to maintain these high standards.

### **Delivery Methodology**

It is envisaged that the childcare strand of the bid will be delivered in-house although it is acknowledged that certain third parties may be more experienced and better placed to deliver some of the other strands, e.g. financial inclusion; fuel poverty.

While the Comhairle does not plan to undertake procurement, where elements of the programme are not available in-house, these services may need to be procured. Where or if that is the case, procurement will be in adherence with the Comhairle's robust procurement policies and processes which meet and exceed best practice. The Comhairle has extensive experience of procurement, including EU funded projects, and will manage that process in an accountable and transparent manner, as needs arise, in consultation with the procurement team.

The alternative and possibly preferred option for third party delivery would be through the Challenge Fund route, implemented according to national guidelines. Whichever option for delivery is selected by the Comhairle, a key factor will be in ensuring good communication between the Comhairle as Lead Partner and any external partner(s) so that there is a clear understanding between all parties as to what targets are to be met and outcomes achieved in line with the bid and this Strategic Intervention's criteria.

## **Method of Selecting Operations**

At the outset, after local authorities had been notified by Scottish Government of their indicative ESF allocations, the Comhairle submitted a Report to the Outer Hebrides Community Planning Partnership on 25 March 2015 inviting expressions of interest in any subsequent programme delivery. A meeting was held thereafter attended by officers from the Comhairle and external bodies such as NHS Western Isles; Hebridean Housing Partnership; and Western Isles Citizens Advice Service, to discuss gaps in service provision in light of existing and future demand and in the context of poverty and social inclusion eligibility criteria. A number of key areas were proposed including financial inclusion, childcare, independent living and fuel poverty and these are elaborated on in previous sections. After subsequent meetings between partners early in 2016, it was agreed that the proposed bid would focus on childcare; financial inclusion and fuel poverty.

These areas form the basis of this bid with future operations to be delivered in-house and by third parties, yet to be determined. These operations are likely to address, at least in some measure, the Comhairle's and Partners' priorities, enhanced employability as well as wider ESF programme objectives.

## **Performance Compliance**

The role of the Comhairle will be to deliver the project in the Western Isles, including the establishment of effective monitoring systems to meet the requirements of ESF funding. Key to this will be regular liaison in-house and between any external partners to ensure project milestones and outcomes are understood and can be achieved, and with Scottish Government's ESF team, where clarification on any pertinent matter is required.

Compliance with the management framework for this Strategic Intervention will be clearly outlined and monitored closely so that project outcomes and targets are fully understood. Payment will be dependent on achieving and evidencing agreed outcomes. The targets in this application are considered realistic and have been based on the most up-to-date information available. At the outset, clear instructions will be given to providers about the evidence required to demonstrate outcomes achieved, to ensure that outcomes are reported accurately and can be evidenced.

Progress with the implementation of the activities proposed in this bid will be reported on a quarterly basis to the Comhairle through the Comhairle's European Structural Funds Member Officer Working Group, the Comhairle's Policy and Resources Committee, and the Outer Hebrides Community Planning Partnership.

Building upon previous knowledge and experience, processes will be implemented in-house to ensure that appropriate data collation and monitoring systems are in place. The in-house Performance Monitoring System (Interplan) will be used to capture the data requirements of the ESF programme. This information can be uplifted for EUMIS. All financial transactions are processed through the Comhairle's Financial Management System (Authority Financials). Both of these systems are capable of producing up to date reports at any time, although most usually quarterly.

Similarly, procedures will be established to ensure appropriate systems are in place for document retention as per the requirements of the ESF programme which is three years after final Programme payment or as instructed by Scottish Government.

### **Financial Compliance**

The Comhairle has extensive experience and a good track record of delivering successful EU Structural Funds (ESF) projects and will build upon existing expertise and practices to ensure that the Comhairle fully complies with the requirements of the new programme. The Comhairle's Internal Audit team undertakes independent audit reviews of the Comhairle's activities and reports its findings to management and the Comhairle's Audit and Scrutiny Committee. This ensures that the Comhairle is accountable in terms of public sector audit requirements in the course of its operations. The Comhairle's Finance Department will verify eligibility of expenditure and monitor expenditure on this programme against budget and will process and record claims. The programme will have its own dedicated budget code which will facilitate the monitoring and reporting of expenditure for the purpose of the ESF grant. In addition, EUMIS will be used to monitor the financial progress of operations. The Comhairle's Finance team will verify eligibility of expenditure in line with National Rules and in areas of doubt liaise directly with Scottish Government officials in a productive manner to resolve any potential issues early in the process.

## **PART 7: REGULATORY (LEGAL) COMPLIANCE**

### **Outline how the Strategic Intervention will ensure compliance (both within the Strategic Intervention and each Operation) with the following:**

#### **Procurement:**

It is anticipated that some of the activities identified in the bid will be delivered in-house. However, where elements of the programme can not be delivered in-house or locally, these services may need to be procured or delivered via a Challenge Fund.

Whichever is the preferred option, procurement will be in adherence with the Comhairle's robust procurement policies and processes which meet and exceed best practice. The Comhairle has extensive experience of procurement, including EU funded projects, and will manage that process in an accountable and transparent manner, as needs arise. If the Challenge Fund method is chosen, it will be implemented as per the national guidance.

The Comhairle is fully aware of its wider responsibilities in terms of all aspects of compliance as per the terms and conditions of ESF offer and wider ESF Programme eligibility criteria

#### **State Aid:**

The Comhairle has applied the five State Aid tests (state resources; competitive advantage; selective; market distortion; and Internal market- Member State level) to the delivery of the proposed poverty and social inclusion activity and does not consider that any State Aid issues will arise.

The reality is that this is a social inclusion programme delivered mainly by the Comhairle for the benefit of those people most vulnerable in our dispersed and remote rural and island communities.

Whether the 'third party' aspect of this programme is done through procurement or Challenge Fund, there is the very likely possibility that very few suitably qualified providers might express an interest in this aspect of programme delivery. For reasons of practicalities and cost-effectiveness there may be even be only one provider so that this programme does not even impinge on local displacement or local competition, far less the internal market. It would certainly not be cost-effective for manland training providers, for example, to deliver in the Western Isles for the sums of money involved.

However, in saying that, every case will be taken on its own merits and should any State Aid issues emerge pre or during the course of delivery, advice and guidance will be sought from Scottish Government's State Aid Unit as necessary. In addition, one of the solicitors in the Comhairle's legal team has a specific remit for State Aid matters and will be consulted in the first instance.

**Publicity:**

The Comhairle will ensure that ESF funding support is acknowledged in line with EU Structural Funds Publicity Guidance on all project related documentation and publicity material through the incorporation of the appropriate logos and straplines. Publicity will also be provided through the Comhairle's web site, advertisements, participant documents, events, materials, bill boarding, plaques, and certificates.

The Comhairle will also ensure that any Delivery Partners are aware of their obligations in terms of publicising ESF support as per the guidance. Delivery Partners will also be required to put appropriate systems in place to ensure EU support is acknowledged appropriately, and participants will also be made aware of the EU contribution to the support they are receiving.

All press releases will make reference to the ESF contribution to the project, and copies of all promotional materials and documentation will be retained for audit purposes.

**Data Retention Requirements:**

Comhairle nan Eilean Siar, as Lead Partner, is fully aware of its obligations in terms of the document retention periods for EU programmes and is indeed complying currently with these in terms of HISTP 2000-2006 and the 2007-2013 Convergence programme, for example. Similarly, the Comhairle will meet its obligations in respect of the 2014-2020 EU programmes and will retain project documentation for three years after final Programme payment or as instructed by Scottish Government, if later. The Comhairle has policies in place for Internal Records Management, FOI and Data Protection. It also has staff with a dedicated remit for FOI and Data Protection. As regards external partners who may be involved in the delivery of any aspect of the bid, they will be asked to retain the participant documentation and will receive clear written guidance from the Comhairle on data capture and retention.

**Equality Impact Assessment:**

Each of the operations within this Strategic Intervention will be assessed for their impact on equalities at the appropriate time. This will be done using the Comhairle's Equality Impact Assessment tools and processes:

<http://www.cne-siar.gov.uk/equalityanddiversity/equalityimpact.asp>

**Environmental Impact Assessment:**

Each of the operations within this Strategic Intervention will be assessed for their impact on the environment, prior to implementation, in line with Scotland's Strategic Environmental Assessment:

<http://www.scotland.gov.uk/Topics/Environment/environmental-assessment/sea/guidance/SEAGuidance>

**PART 8: DECLARATION**

|                          |                 |
|--------------------------|-----------------|
| Name                     | Malcolm Burr    |
| Position in Organisation | Chief Executive |
| Signature                |                 |
| Date                     |                 |