Dear Joan,

I am delighted to write to you in my new capacity as Minister for Europe and International Development.

The Scottish Government is committed to staying as close to Europe as possible, standing up for our shared values and priorities. I embark in this new role with the primary aim to promote Scotland’s place in Europe, forging new and stronger links with our European counterparts and delivering on our responsibilities as global citizen. As this work progresses, I want to express my commitment to continue the constructive engagement that my predecessor, Ben Macpherson MSP, established with the Committee on the areas of the Europe and External Affairs portfolio and which I understand that will be the Committee’s primary focus in the upcoming months.

In this regard, I am pleased to respond to the Committee’s letter of 20 January 2020, in which the Committee raised further observations in relation to the Scottish Government’s bi-annual reports on Horizon 2020, European Structural Funds, 1+2 Languages Policy. The Committee also requested additional information on the Erasmus+ programme.

As Minister for Europe, I have co-ordinated the Scottish Government’s response to this letter on behalf of my ministerial colleagues. The Committee’s observations are shown in bold and the Scottish Government’s response in plain type.
1+2 Languages Policy

Annexe B of the Deputy First Minister and Cabinet Secretary for Education and Skill’s letter includes information relating to secondary school teachers by main subject. While the Committee notes these totals may not accurately reflect overall teacher numbers as the information on characteristics are not known for all teachers, we remain concerned about the consistent downward trend in teacher numbers for certain languages, specifically French and German.

Given the importance of these languages, the Committee would appreciate further information as to the reason for this decline and steps the Scottish Government is taking to encourage an increase in teacher numbers for these subjects.

The Scottish Government is fully committed to maintaining teacher numbers as a central part of its priority to improve attainment and continued investment of £88 million is being provided to local authorities. Overall, teacher numbers in modern languages has remained fairly stable in recent years.

The Scottish Government conducts an annual teacher workforce planning exercise to project the requirement for newly qualified teachers in Scotland which leads to the allocation of student teacher intake targets at universities. The exercise is undertaken in partnership with local authorities and other educational stakeholders. It takes account of factors such as pupil projections, leavers and returners to the profession and other local intelligence relating to the supply and demand for teachers, including teacher vacancies. The teacher workforce planning process aims to make sure Scotland has the right teachers in the right places and in the right subjects. Targets for subjects are set to help the supply of secondary teachers match subject demand. Modern languages have been designated a priority subject for initial teacher education intakes for at least the last 15 years.

It may also be of interest to know that the General Teaching Council for Scotland (GTCS) has established a Framework for Professional Learning to allow teachers dual secondary subject registration through the Teacher Induction Scheme (TIS) which in turn should allow local authorities more flexibility in the provision of the modern languages in schools.

Erasmus+

While the Committee understands that the UK’s future participation in the Erasmus+ programme is a reserved matter, we would encourage the Scottish Government to raise, in the strongest possible terms, the value of ongoing participation in the programme. Furthermore, given the value of these programmes, we would also be interested to know if the Scottish Government has undertaken any work to ascertain if Scotland could continue to participate in the programme as a non-EU programme country.

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The value of the Erasmus+ programme to Scotland are notably significant for young people, colleges, universities, staff, students, sports and community groups. Recent Erasmus+ statistics show that:

- Over 2000 Scottish Higher Education students take part in Erasmus+ each year
- In 2018, over 1,100 Scots from colleges went abroad to European countries to study, train or volunteer with the Erasmus+ programme.
- Since the beginning of Erasmus+ in 2014 around 12,000 EU students have come to study in Scotland as part of the Erasmus+ programme.
- Proportionally more students from Scotland take part in Erasmus than from any other country in the UK and;
- Proportionally more EU students come to Scotland on Erasmus than to anywhere else in the UK.

With the UK’s departure from the EU throwing into doubt our continued participation in the programme there is a real risk that Scotland will lose out on the numerous benefits Erasmus+ brings. In particular, not associating to Erasmus+ is expected to impact severely on young people from disadvantaged backgrounds, who might not otherwise have the opportunity to undertake periods of mobility abroad.

While the transition period will preserve the UK’s participation in the current programme until December 2020, the UK Government is currently in the process of discerning what is the best way forward; whether to negotiate participation in the 2021-27 Erasmus+ programme; to develop a domestic scheme to deliver similar outcomes; or to do neither.

The Scottish Government has always been clear that its overwhelming priority is for Scotland to remain a part of Erasmus+ for its substantial educational, cultural and economic benefits. The Minister for Further Education, Higher Education and Science and Scottish Government officials have been actively engaging with the UK Government on this point. Ongoing work to ensure Scotland continues to participate involves:

- Participation in quadrilateral ministerial meetings between the UK Government Devolved Administrations;
- Ministerial correspondence pertaining to technical issues and reiterating the Scottish Government’s position;
- Scottish Government officials having ongoing engagement with the Department for Education on Erasmus+ coordination and Erasmus Domestic Alternatives;
- Developing a Scottish Government Value for Money assessment on Erasmus+.

Additionally, in the event that the UK Government chooses not to associate to the successor programme to Erasmus+ Scottish Government officials have been considering the possibility of Scotland associating unilaterally. The work to consider how this might be achieved is at an early stage of development but being actively progressed.
The Committee shares the concerns of the Minister for Further Education, Higher Education and Science regarding Scotland’s continuing participation in EU programmes for research and innovation, particularly given our higher education institutions perform disproportionately well for the size of our research base. Despite the UK Government’s assurances regarding what it describes as precautionary measures to investigate potential alternatives to participating in Horizon Europe and its stated intention to associate to the programme, the Committee would appreciate regular updates on this issue.

European Commission position

- Horizon Europe is expected to start on 1 January 2021.
- The EC is set to finalise the Horizon Europe Regulations before then, setting out key terms and conditions for participation by associated and third countries.
- At the same time, the EC is negotiating with EU Member States, the EU’s Multiannual Financial Framework and the associated budget, including that for Horizon Europe.
- The EC is not expected to start discussions with all candidate countries for association (i.e. all interested and eligible non-EU countries) until these two processes have advanced far enough (probably second half of 2020).
- At the same time, the EC will be undertaking negotiations with the UK on a future relationship.
- It is unlikely that the EC will want to start discussions on association with the UK separate from the future relationship negotiations.
- It also seems unlikely that the EC will prioritise association discussions with the UK over those with existing associates to Horizon 2020 (such as Norway, Switzerland, Israel).

UK Government position

- The UKG’s official position is that it is seeking UK association with Horizon Europe, subject to Value for Money.
- At the same time as negotiations on this with the EC, UKG is developing plans for UK-level domestic alternatives to Horizon Europe.
- On alternatives, UKG is expected to take into account the recommendations from the Smith–Reid report on the design of future UK funding schemes for international collaboration, innovation and research which was published on 5th November 2019.
Scottish Government position

- The Scottish Government wants Scotland to be able to participate as fully as possible in Horizon Europe and we would like to keep all options open to achieve this.
- Scotland’s future participation in Horizon Europe, would ensure the continuation of a range of benefits crucial to maintaining Scotland’s excellence in research and innovation. These benefits go well beyond financial ones alone.
- Apart from reduced benefits, alternatives to full participation in Horizon Europe are likely to lead also to a range of other negative impacts for Scotland which should be avoided.
- The Scottish Government will continue to work with the UKG and other DAs to press for devolved interests to be taken fully into account in both the EU-UK negotiations and the development of domestic alternatives.

The Scottish Government will aim to provide quarterly updates on the options to participate in Horizon Europe for the Committee based on the information available at the time.

2014-2020 European Social Fund and European Regional Development Fund Programmes

The Committee recognises the measures taken by the Scottish Government to minimise the potential loss stemming from the suspension of the European Social Fund (ESF) programme in November 2019. However, the Committee would appreciate further information on the impact on recipients and the specific measures taken to ensure no organisations go out of business as a result of the suspension.

In our previous correspondence we advised the Committee that the ESF programme was placed in full suspension on the 15 November 2019, meaning that claims submitted by the Scottish Government to the Commission continue to be unpaid.

We continue to work to closely with the Commission to make all the improvements and changes to the ESF programme’s processes required to lift the suspension, and are in dialogue with the Commission regarding the timetable for submitting our robust package of evidence to support the lifting of the suspension.

Even though the ESF programme remains in suspension, we are paying all fully checked and verified ESF claims to Lead Partners. A letter was sent to all Lead Partners on 27 January informing them of our intention to make payments. We are also continuing to make payments to activity associated with the ERDF programme. These measures will aid us in avoiding any charity or third sector body going out of business as a result of the suspension.
Post-2020 Replacement Funding

The Committee welcomes the Scottish Government’s consultation regarding the replacement of European Structural Funds in Scotland Post EU-Exit. The Committee would appreciate regular updates regarding the work of the steering group and conclusions drawn from the consultation following its completion in February 2020.

Finally, the Committee shares the Minister’s frustrations regarding the lack of clarity from the UK Government on their proposals for the replacement of ESFT and ERDF via the “shared prosperity fund”. The Committee intends to write to the UK Government asking for clarity but also requests regular updates from the Scottish Government on this issue.

Since our letter of 16 December 2019, there has been no further information from the UK Government on their plans for the Shared Prosperity Fund, which is disappointing. The Minister for Trade, Investment and Innovation and his officials continue to press colleagues in Whitehall on this matter and we will revert to you as soon as we know more.

As the Scottish Government also flagged in my predecessor’s December letter, we ran a consultation which closed for responses on 12 February 2020. In addition to the written consultation, a series of stakeholder events were held across the country. Starting in Kirkwall on 6 January 2020, workshops were held in Glasgow, Edinburgh, Aberdeen, Inverness, Stornoway, and finished in Dumfries on 6 February. The consultation Steering Group also organised two thematic events on Skills and Innovation which were held at the Royal Society of Edinburgh on 30 January, and an academic conference, “Regional Policy in Scotland after BREXIT” at the University of Strathclyde on 7 February.

All of these events will help to inform the report with recommendations that will be made in Spring 2020 to Cabinet.

Finally, the Scottish Government would welcome any feedback the Committee can offer regarding the lack of clarity from the UK Government on their proposals for the replacement of ESF and ERDF funding through the “Shared Prosperity Fund”. We would appreciate any update following this and will continue to provide regular updates from the Scottish Government on this issue.

I trust you find this information helpful. The Scottish Government will provide its next bi-annual updates in June.

Yours sincerely,

JENNY GILRUTH

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