

## LOCAL GOVERNMENT AND REGENERATION COMMITTEE

### PUBLIC SECTOR REFORM AND LOCAL GOVERNMENT

#### SUBMISSION FROM ARGYLL AND BUTE COUNCIL

Argyll and Bute Council welcomes the Committee's focus on Public Service Reform and Local Government, and the opportunity to contribute to this Inquiry. The Council supports the principle of a rolling reform approach based on the following principles:

- Rebuild and strengthen local accountability and devolve more decisions to local bodies;
- Redefine the role and relationship between national and local government bodies; and
- Improve collaboration across Government and public services to improve outcomes and efficiencies for service users.

These principles formed the basis of our submission to the Christie Commission, an abridged copy of which is included as an appendix to this submission.

#### **Strand 1 – Partnerships and Outcomes**

**1.1** The Argyll and Bute Community Planning Partnership was formally established in 2001 to coordinate the delivery of services and other activities in Argyll and Bute, and to improve the quality of life and physical environment for residents and visitors. The Community Planning Partnership is responsible for delivering the Community Plan and Single Outcome Agreement (SOA).

**1.2** Within Argyll and Bute, community planning is structured as follows:

- The Full Partnership provides governance, overall leadership and representation to ensure that the different groups and organisations that make up the partnership are focused on its priorities. The Full Partnership meets three times a year and is chaired by the Leader of the Council.
- The Management Committee is the decision making body for the partnership. Partner organisations chair the Management Committee on a rotational basis. The Management Committee meets six times a year and brings together the organisations with the most significant influence on service delivery in the area.

- Thematic Groups were approved in 2008 to monitor the activities of relevant partners to ensure that the agreed Action Plan is delivered. There were originally three Thematic Groups; Economy, Environment and Social Affairs, these have been augmented by the addition of the Third Sector and Communities Group in 2011.
- Local Area Community Planning Groups are local partnerships, also approved in 2008, made up of local representatives of community planning partners and local communities. There are four Local Area Community Planning Groups representing the four administrative areas of Argyll and Bute.

**1.3** Partner organisations are responsible for actions that support the achievement of the Community Planning Partnership goals. Many have aligned their business plans to help achieve jointly agreed outcomes; however the partnership does not currently directly manage partner resources.

**1.4** In 2011/12, the community planning partnership undertook a comprehensive self-assessment, the results of which can be summarised below:

- Community planning is well embedded at a strategic level.
- Partners are supportive of the process and committed to participate.
- There is a good understanding of the partnership's purpose from those involved but it is felt that there is a need for a communication plan that will increase awareness, understanding and participation in community planning.
- There are considerable challenges in aligning timescales for performance planning, monitoring and reporting which are influenced by national and organisational boundaries and priorities.

**1.5** Recent work has been undertaken to identify opportunities for joint working and shared services, coordinated budget public information campaigns, and the replacement of our previous Single Outcome Agreement and Community Plan with a new combined plan with a greater focus on the delivery of local outcomes. The Community Planning Partnership has also agreed a joint vision and values.

**1.6** Despite recent progress, there remain challenges in both developing common objectives and outcomes, and delivering on these:

- An area for improvement identified during the self-assessment was the need for better and more coordinated communication from the community planning partnership to increase awareness, understanding and participation in community planning;
- Several of our community planning partners do not share geographic boundaries with the Council, with their focus often directed at a national or regional level rather the local level of community planning. This can present challenges in securing partners engagement and buy-in to the process,

meaningful commitment to joint working and the achievement of outcomes for the local area;

- There is a need to clarify terminology across community planning and partnerships in general to avoid confusion over what constitutes an outcome, objective, action and so forth. Individual partner organisations often use different terminology making coordinated planning more difficult than it need be;
- Timescales for planning, budget setting and suchlike often differ between partners. Again, this can present challenges in aligning strategic and operational plans of partners with the objectives and plans of community planning.

## **Strand 2 – Benchmarking and Performance Management**

**2.1** Argyll and Bute Council recognises the importance of effective benchmarking for performance management and improvement. This is reflected within both our Planning and Performance Management Framework, and Service Review guidance.

**2.2** Within Argyll and Bute benchmarking information features on performance scorecards for each service within the council's electronic performance management system. These scorecards are monitored and scrutinised by senior management and elected members. The Council is currently undertaking a three year programme of service reviews as part of an overall Transformation Programme. For each of these reviews considerable benchmarking activity has been undertaken comparing cost, processes, structures and performance results with a range of similar local authorities, third sector organisations, other public bodies and the private sector. Council services also participate in benchmarking 'clubs' such as CIPFA, SOCITM and APSE.

**2.3** The Council is generally positive regarding recent developments such as the work undertaken by the Improvement Service / SOLACE, and agrees with the general principles that any indicators introduced for benchmarking purposes be:

1. Relevant to services and to councils;
2. Unambiguous and clearly understood;
3. Underpinned by timely data;
4. Accessible with clear guidelines on their application;
5. Statistically and methodologically robust;
6. Consistently applied across services and councils;
7. Cost effective to collect.

**2.4** The committee ask for examples of challenges relating to benchmarking and performance measurement. Generic challenges, not all unique to Argyll and Bute, include the following:

- Variations in measurement techniques and methodologies can render apparently straightforward like-for-like comparisons invalid. There must be consistency in the approach adopted to allow valid comparisons to be made;
- Differing approaches to service delivery amongst local authorities e.g. the provision of social work services, can limit the number of opportunities for direct benchmarking of performance. Benchmarking of processes and structures is possible however comparison of other information may not represent valid comparison;
- Few local authorities share the same or similar geographical makeup. For example, Argyll and Bute is considerably different to Glasgow, both of which are different again to West Dunbartonshire. This again can lead to inappropriate comparisons of performance. Roads condition and maintenance in Argyll and Bute is markedly different to that in immediately neighbouring West Dunbartonshire, and are therefore not directly comparable;
- In some organisations, including the wider public sector, there can be a defensive attitude to benchmarking and publication of performance information. This is particularly the case if performance is perceived to be poor;
- For many council services it would be beneficial to benchmark with the private sector; however, private sector organisations can be reluctant to supply information due to concerns regarding the release of commercially sensitive information. This is particularly true if benchmarking cost or performance.

**2.5** Proposals to introduce benchmarking families are important, as Councils must be able to compare their performance with similar authorities. For example the comparative cost per primary school pupil in Argyll and Bute should not be compared with, for example, Glasgow as the approach to service delivery is markedly different. Some rural schools in Argyll and Bute have total school rolls equal to less than a single class roll in a large urban school.

**2.6** Linked to this is the issue of public reporting of benchmarked performance information. Caution must be exercised to ensure that appropriate measures are compared i.e. like-for-like. If not, public reporting will be based upon inappropriate comparisons and will not provide the accurate and transparent information that is intended.

**2.7** The Inquiry asks for our view on the Scottish Government providing 'national impetus' to the development of benchmarking and performance measurement. The view of Argyll and Bute Council is that there is merit in constructive efforts to improve the range and quality of benchmarking and performance information provided careful consideration is given to:

- Ensuring the overall purpose is to facilitate information sharing and comparison as a means of achieving best value and continuous improvement

in services. It should not be a means of creating league tables by which local authorities are publicly compared;

- Any national arrangement should not add significant resource requirements in terms of cost and professional officer time. At a time when local government budgets are being reduced to the detriment of front line services, we do not wish to see an overly bureaucratic system introduced that would incur additional cost and staff time to implement. This risks undoing the recent positive steps towards reduced scrutiny that have taken place post Crerar through the Shared Risk Assessment process;
- Any public reporting of performance or other information via a nationally facilitated model should make clear any differences between authorities, and where possible group authorities into families of similar councils. This would ensure any public scrutiny is based on valid comparisons of like-for-like.

### **Strand 3 – Developing New Ways of Delivering Services**

**3.1** Within Argyll and Bute, progress is already being made to identify opportunities to deliver services differently and work more closely with our partners, both within community planning and the wider Highlands and Islands area. Recent developments have included work on integrated health and social care management with our colleagues in the NHS, and joint working on asset management with community planning partners focussing on better utilisation of property assets within the public sector estate.

**3.2** For local authorities and community planning partners to work effectively together in developing integrated services there must be a strong commitment at a strategic level of participating organisations. In practice, local commitment from partners is forthcoming however it can be challenging ensuring strategic buy-in from partners whose focus is on the national rather than local agenda. Often partners have national targets and objectives that either draw the focus from local community planning and integrated working, or in some case conflict with local developments. In order to rectify this, consideration must be given as to how community planning becomes an implicit part of these organisations remits.

**3.3** As noted elsewhere within our submission, partners often have different timescales for the completion of key activities such as budget setting and strategic planning. They may also use differing definitions and terminology within their planning frameworks. Terms and conditions of employment can also be significantly different between organisations; one partner may have a nationally agreed no redundancy policy that makes joint working on sharing services difficult as headcount must remain static. These all have the potential to make alignment of organisational strategy and joint working difficult.

**3.4** Within the community planning partnership, partners allocated differing priorities to community planning that is reflected in varying levels of resource made available. This can consist of financial and employee time, but also the level of seniority at which partners engage in the process. Partner representatives may embrace community planning but not have the authority within their own organisation to commit fully to the objectives and targets of the collective partnership, nor confirm resource availability to achieve these.

**3.5** In relation to shared services, the Council notes that the focus of the Scottish Government's public sector reform agenda has shifted noticeably post Christie to one of shared outcomes and partnership working as opposed to the previous focus on shared services. This shift towards outcomes is to be welcomed however opportunities to improve services and increase efficiency will continue to be pursued. To this end the Council is working with partners, including the Convention of the Highlands and Islands, to identify and implement opportunities for joint working and sharing of services. This sharing also includes sharing of experience, frameworks, and best practice in addition to traditional sharing of services.

**3.6** In an area such as Argyll and Bute there will inevitably be tensions between shared services creating savings through reductions in employee headcount and the economic impact resulting from such savings. The rural economy of Argyll and Bute is particularly vulnerable to cuts in public sector funding and the resultant impact on services whether it be through shared services, service redesign or cessation of services. To mitigate this impact, the Council has pursued a policy of voluntary redundancy and redeployment to limit the number of compulsory redundancies required. To date the number of staff subject to the latter remains very low. The economic impact of shared services would be factored into any business case and would be considered as part of the decision making process on a development by development basis.

**3.7** The Council participates in the 'myjobscotland' recruitment portal and is also a member of Scotland Excel, the local government procurement shared service organisation. Both of these national initiatives are welcomed, and the Council through its commitment to achieving best value would consider future national initiatives as and when they arise; however, it is our strong view that public services are best delivered at as local a level as possible and are subject to democratic accountability to local communities.

**3.8** The Scottish Government place an emphasis within their reform agenda on preventative approaches to service delivery, echoing the approach advocated by the Christie Commission. Again, Argyll and Bute Council welcomes this approach and can demonstrate examples of local initiatives in this area. These include the implementation of 'More Choices, More Chances' 16+ learning choices for the most vulnerable 16 to 19 year olds; development of the Early Years Framework;

implementation of the Curriculum for Excellence; and a range of proactive strategic and operational approaches to prevent homelessness in line with Scottish Government policy.

**Argyll and Bute Council  
February 2012**

## **Appendix – extract from Argyll and Bute Council submission to the Christie Commission**

From an Argyll and Bute perspective, there is considerable value in adopting a rolling reform approach based on the following principles:

- Rebuild and strengthen local accountability and devolve more decisions to local bodies;
- Redefine the role and relationship between national and local government bodies, and
- Improve collaboration across Government and public services to improve outcomes and efficiencies for service users.

This would create the flexibility within the public service system to meet the demands of different localities and the varying circumstances across the Scottish public sector landscape. It is founded upon meaningful local democratic accountability, which is essential for effective public service delivery and improving outcomes. Decision making should be close to local communities to enable them to have genuine influence in shaping outcomes across the dispersed range of settlements in Scotland. Elected council members could also share much greater local accountability than individuals placed on Trusts and Boards by the government of the day.

The range of services provided by the public sector has grown significantly over the last decade and local government is unique amongst service providers due to its elected democratic base. Local authorities are much more than service providers; they lead, represent and influence the wellbeing of local communities. They are a key component of public services in Scotland and can play a leading role in shaping the “road map” for the Government’s vision of excellent public service for decades to come. Redefining of roles and responsibilities between national government and local public service delivery vehicles will help to avoid the inconsistencies and contradictions which can occur within the current systems.

Local authorities are ideally placed to lead the delivery of high quality public services which are innovative and responsive, and are delivered in partnership, involving local communities, their democratic representatives and the third sector. A public sector foundation constructed in this way can build on and strengthen the Community Planning and community engagement frameworks which have been developing and improving the reporting mechanisms of the Single Outcome Agreements. This could result in significant savings being achieved through a reduction in the number of public bodies which are not democratically controlled and the re-configuration of a wide range of services to meet customer needs and improve accessibility.

It is logical and meaningful to build democratic accountability on boundaries that the public will recognise and approve. From this base, a local government model that commissions or directly provides person-centred, reliable and consistent services should offer a genuinely attractive opportunity to assess citizen's needs, redesign services based on those requirements and improve outcomes for individuals and communities. Neither structural reform nor sharing of back office functions will produce a quick fix. Experience shows that structural reforms are costly and time consuming, and as back office functions comprise less than 15% of total costs they will not deliver all the savings required.

Some public services best meet service needs when organised on a national or regional basis, but many others are best suited to local control and responsiveness. Certain services can be delivered on a shared service basis by hosting organisations or new special purpose vehicles. Front line service delivery that involves direct or personal contact, or local site contact, such as social and nursing care for the elderly or waste collection, work well with the local deployment of management staff. However, the integration of management and systems can be changed to ensure easier navigation and access to services from a user's point of view. This is an area where Argyll and Bute is putting forward proposals for joint management and delivery of services with NHS Highland as part of the shared services initiative. It is an example where a local solution can be identified that is not common across the health board area but will provide a cost effective mechanism for service delivery in this rural area.

On the other hand, many support service and back office functions do not require specific geographic locations to enable user access and can be shared or regionally organised to achieve efficiencies and economies of scale. This in turn can allow greater emphasis on research and development to harness and implement new technological solutions at a faster pace than has historically occurred in the public sector. For example, online retail catalogues and payment facilities have been commonly available for several years in the private sector, but are still unavailable in many areas of the public sector.

There are major opportunities to advance accessible online services that meet current and evolving best practice in the digital economy and staff and travel costs, particularly in a dispersed rural area, can be reduced through an increased reliance on self-service channels and personalised videoconferencing contact. More flexible workforce deployment will fit well with the IT skills and digital culture of young people in the workforce, and can dovetail with technologically driven improvements in future public services. Whichever model is most appropriate to local circumstances can be taken forward and there is no requirement for a one public authority structure to be established as it would be unlikely to generate the most efficiencies or improvements.

An important factor to deliver on the vision for public services is the ability for information to be shared across organisation boundaries, removing bureaucratic obstacles and putting our clients' and customers' needs first.