LOCAL GOVERNMENT AND REGENERATION COMMITTEE

PUBLIC SECTOR REFORM AND LOCAL GOVERNMENT

SUBMISSION FROM NORTH LANARKSHIRE COUNCIL

1. **Strand One - Partnerships and Outcomes**

1.1 How could councils better integrate their partners into the process? How could the degree of commitment to the process amongst other community planning partners be improved? How can any legislative or administrative barriers that make partnership working more difficult be overcome?

In North Lanarkshire there is a long history of partnership working from the establishment of the North Lanarkshire Partnership Board in 1997 to the development of local community planning structures in 2005. The North Lanarkshire Community Planning Partnership (NLP) brings together the public and voluntary sectors and local communities to identify and solve local problems and improve services. Partner agencies are integrated into the community planning process at strategic and local levels.

Integration

Building on our experience to date we would suggest the following measures to improve integration:-

- Community Planning Partnerships (CPPs) and Single Outcome Agreements (SOAs) have resulted in the development, in part, of shared strategic objectives between partner agencies. However, there is scope to achieve further alignment and more joined up service delivery through greater localisation in terms of budget and resource allocation including how public sector services are organised, governed and delivered.

- Strengthen connections between the overall strategic direction and how this translates into improved local outcomes. Consider the creation of local 'SOA' style plans which link to the strategic process whilst also allowing a degree of flexibility for local circumstances and priorities.

- Develop more effective joint performance monitoring and reporting by streamlining and standardising existing processes. Similarly, establish a common language and processes across agencies.

- Develop a 'Neighbourhood Management' approach involving all partners. In North Lanarkshire six locality based Local Area Teams, comprising key council officers and partners, are responsible for:
  - ➢ identifying local solutions to address local needs;
  - ➢ improving links between service providers, maximising the capacity and impact of resources and interventions; and

> ➢ ensuring greater local participation and 'buy in' to achieving the wider vision.

- Strengthen Community Planning by extending the existing "*duty of Community Planning*" to include all public sector agencies.

- Ensure inclusion and accessibility by 'equality proofing' partnership structures and processes.

- Develop a shared understanding and consensus between partner agencies on what is meant by 'engagement' and maximising partner role in community engagement.

Commitment

The conditions and culture for effective community planning and partnership working need to be fully mainstreamed within each of the partner agencies. This requires:-

- Collective leadership with clearly demonstrable commitment and a sound understanding of the process amongst chief executives, senior officers, elected members and other political representatives or board members.

- Governance arrangements which create an effective connection between partner agencies whilst at the same time recognise democratic mandates, define where accountability lies and clearly set out how decisions are made.

- Greater opportunities for joint budgeting. However, the successful implementation of integrated budgets may be hindered by governance issues where a range of different parent bodies remain legally responsible for component elements of the budget. Accordingly, we would recommend the need for a commitment and investment by all stakeholders to exploring how integrated budgets with sound management and governance frameworks can promote better outcomes.

- Stronger local focus with the autonomy to develop local priorities and resource these accordingly. On occasion the scale and nature of a partner agency's operational area has resulted in it taking time to determine locally focused priorities. Similarly, some partner agencies' focus remains at a sub-regional or regional basis for some key elements of their service delivery.

- Community planning principles firmly embedded at all levels within an organisation's culture through training, induction and service planning.

In North Lanarkshire there are six Local Area Partnerships based on clearly defined geographical boundaries. A co-terminous local area committee is convened to agree any decisions made by the partnerships (thus fulfilling the Council's statutory requirements).

Barriers

In order to strengthen partnership working and deliver an operating and legislative basis which enables greater integration and collaborative working, it is recommended that the existing duty of community planning is extended to include all public sector agencies. This need not require further legislation and could be accommodated by appropriate Ministerial Direction to public sector agencies to co-operate with councils in them performing their community planning duties and responsibilities. It is further recommended that Sections 20 and 22 of the Local Government in Scotland Act 2003 be amended so that there is clarity about the circumstances in which the power of well being can be exercised confidently by councils. The wording of the current legislation means that there are very few matters in respect of which the power can be confidently relied upon. The amendments to legislation should ensure that councils have full powers to respond to local priorities – for example economic regeneration and addressing unemployment. The power of well being should also be granted to other public sector bodies as appropriate to ensure that collaborative working can happen without challenge.

The need for a long-term financial strategy is essential in achieving financial stability and providing a firm foundation for strategic planning. We would also highlight that the Scottish Government's current decision to restrict the Spending Review period from three years to one year (with the remaining two years provided on an indicative basis) impacts on partners' ability to plan with any degree of certainty.

Finally, decision making, performance setting, governance and accountability arrangements should be reviewed to provide greater flexibility and autonomy to CPPs. We would suggest focusing on what can be done to achieve positive relationships, processes and outcomes.

1.2 How can local authorities and their partners move further towards real, integrated working?

Fully integrated working can be hindered because each partner agency has a variety of competing and sometimes contradictory planning and financial structures which can and do, on occasion, take precedence over partnership responsibilities. Budgets are not held jointly but within individual organisations. At times of financial constraint often the preventative and early intervention activity primarily pursued through CPPs is down graded when considering ongoing service provision. If the "*duty of Community Planning*" was extended to all partners, it would be possible to facilitate the development of joint community planning budgets focusing on specific agreed national and local priorities. This would not mean additional funding but rather the re-allocation of existing mainstream resources building on the experiences and lessons from existing successes.

Whilst it is important to ensure that national priorities are sufficiently reflected locally, there needs to be a degree of local flexibility to enable resources and services to be targeted to local needs, issues and demographic demands. The approach should be "place" based with a strategic assessment deployed to identify need and determine the most appropriate partner agency to lead implementation.

Partners should also be willing, and where necessary freed up, to look beyond organisational boundaries and work together. Some national approaches currently make collaboration by local agencies to achieve shared outcomes more difficult than is necessary.

1.3 What steps would facilitate the sharing of budgets in pursuit of shared outcomes?

Recognition by UK and Scottish Governments that a "one size fits all" solution is not likely to reach those furthest from economic opportunity. Policy needs to recognise areas' economic context and prospects for growth and be sufficiently flexible to support local authorities, CPPs and other providers in addressing area based challenges and opportunities. A useful starting point may be to complete mapping exercises to determine the total public sector investment (across all agencies) within an area and then to focus on how this is aligned with the strategic priorities and needs of the area.

Budgets and resources should be allocated based on need, local priorities and the improvement of outcomes within an area. Allocating budgets on an area basis, rather than to a specific agency, will support better alignment between resources and strategic priorities. However, even within individual partner agencies there should be identification of specific service delivery areas which fit with both national and CPP priorities (for example, early intervention) and the individual agency should be able to demonstrate how it is targeting resources to support this priority.

A shift in emphasis to tackling the "causes" rather than the "symptoms" also improves outcomes, however, it must be remembered that these are often long term solutions with no "quick fix." Robust evidence on the cost-benefit of early interventions is required to drive and inform service re-design which ultimately will improve outcomes and deliver savings.

The deployment of shared budgets to deliver shared outcomes must be accountable, transparent and readily understood by all partner agencies and other stakeholders including service users themselves. To this end there is a need for standardised processes, monitoring and reporting between all agencies.

Multiple funding streams (each with their own performance and audit requirements) and separate performance management regimes can, at worst, pull partners in different directions or at the least, provide additional layers of bureaucracy and potential duplication.

We further suggest that there is the potential to explore how more effective collaborative working may be supported, or even "incentivised," by examining where greater autonomy to determine local priorities and allocate resources is directly linked to clearly demonstrable integrated local provision, previous success by the partnership in improving outcomes and the capacity for further improvement. Measures could include greater 'freedoms' in terms of local democratic accountability, decision making, performance setting, resource allocation, driving growth and investing in preventative approaches.

1.4 How can the partners further improve on the progress that has been made and overcome the remaining challenges on engaging communities and voluntary sector organisations in the process?

In North Lanarkshire there is a robust Community Engagement Strategy based on the National Standards for Community Engagement. This is a partnership strategy created in partnership with community groups and the voluntary sector.

Meaningful consultation and engagement with our communities using existing community planning processes to shape joint service delivery and outcomes would support the key elements of the reform programme, which state that *'services should be built around people and communities'* and that *'services should work towards building up individual autonomy and resilience'*.

Services should be built around people and not the agencies responsible for delivering them. A thorough understanding of residents and service users, needs and expectations is essential in designing cost-effective services. Practical steps include:

- 'Co-production' – further investing in the capacity of communities to design and deliver their own services supported by all partners;

- A '*needs based*' approach to community engagement, recognising that different approaches will be required in different areas or with different service groupings ("what works where?");

- Ensuring that evidence of community engagement can be demonstrated in all actions/initiatives and measured accordingly before resources/activity are agreed;

- Support and better inform planned engagement by partner agencies by mapping existing key community hubs and community groups in each of the localities; and

- Greater emphasis on using partnership resources to support community autonomy and resilience to deliver service improvements.

1.5 How can the community planning arrangements be adapted and developed to promote outcomes-based and preventative approaches?

North Lanarkshire's Local Area Teams are currently developing individual local action plans linked to the SOA and reflecting local needs. The Local Action Plans will ensure an outcome focus at all levels of the CPP. Whilst this approach is

preventative, the local Community Safety sub groups use up to date intelligence to identify community safety issues and hotspot areas for immediate and shorter term action. Both of these processes informs the other, to ensure that immediate issues for communities are addressed while a more proactive planned approach allows for preventative approaches. We are also progressing preventative and early intervention approaches around a number of strategic priorities – for example, early years, GIRFEC (Getting it Right for Every Child), health, 'community assets approach' and diversionary work using the whole systems approach. We recognise, however, that more needs done to highlight best practice and share success to encourage buy-in from partners and to enable community planning arrangements to further support these approaches.

There is also a requirement to improve how we analyse intelligence and promote collective concentration by all partner agencies on individual areas based on clearly evidenced need.

1.6 How is the work of delivery on SOA outcomes managed, coordinated and driven through the various community partnership structures and agreements? How could Single Outcome Agreements be improved to deliver on community planning targets?

The existing mechanisms which support the delivery of the SOA in North Lanarkshire work well. What would be beneficial would be to ensure that CPPs have the ability to prioritise a small number of key national outcomes on which they will focus for the duration of a particular SOA (i.e. three years), rather than a requirement to report progress on all outcomes. This focus could be linked to local priorities e.g. employability and / or linked to one (or more) of the national priorities.

In North Lanarkshire the Local Area Team Action will be piloted through the Council's Performance Management Software, Perform NL, to ensure that actions can be measured against the SOA outcomes and the community plan.

In addition to reporting on the SOA outcomes there is a requirement to develop associated reporting on locally developed indicators.

1.7 What is the purpose of a Single Outcome Agreement in assisting the delivery of improved outcomes? How are local Single Outcome Agreements developed, and how do they relate to national priorities?

The SOA is the key monitoring and review document for the CPP. It measures performance against the targets set by the CPP using key indicators which track the progress in achieving key outcomes. It is the CPP's action plan for achieving the vision set out in the Community Plan. It provides commentary on CPP performance, highlighting issues and identifying solutions which are then taken forward through other CPP structures e.g. themed working groups. The National Outcomes provide the framework for the SOA which then identifies the key priorities at a local level and the indicators to be used to measure progress. It provides a focus for partners on collective priorities and outcomes for the area. It encourages agencies to look at collective gain and adding value to what would be achieved individually, led by a wider view of the priorities for the area than

that of an individual partner or agency. The SOA provides the basis for developing a partnership and structures which require accountability and encourage 'working back from the intended outcome' to develop the best and most appropriate processes and outputs for achieving the outcomes.

1.8 How could local authorities and other public bodies contribute more to influencing and improving outcomes in their area?

The high level and strategic status of outcomes means that they can be influenced by a range of factors which are outwith the direct influence of even the combined efforts of CPP partners. In some instances these influences can be impacted upon by the CPP by prioritising particular services or support e.g. targeted provision of employability support in a redundancy situation. However, this is not always possible, particularly when the influence is either national or UK led, for example changes in benefit levels which can then impact on poverty targets. Whilst the CPP may attempt to ameliorate such impacts, through for example the provision of co-ordinated welfare and benefits advice, it has little influence on the original action. It is therefore important that these differing levels of influence are recognised and acknowledged within the SOA and the impacts reported at an appropriate level. Such discussions could perhaps be incorporated into the discussions with the Scottish Government on the SOA annual report.

Notwithstanding the above observation, specific recommendations around influencing and improving outcomes include:

- Developing a community planning process that is needs based/focussed on outcomes for a particular area/theme and targets resources in this way;

- Strengthen CPPs to take decisions and target local resources linked to national priorities and allocate lead responsibility based on who is best placed to deliver locally - this would develop targets and outcomes that are tangible and encourage true partnership;

- Increased consideration at a national level about how the voluntary sector are engaged as a key partner and supporting voluntary sector organisations to deliver as a partner and meet wider accountability, performance monitoring and reporting requirements.

1.9 How can arrangements, processes and accountability be improved?

As previously suggested, widening the community planning duty to include all public sector partners would reinforce the commitment to and priority of CPPs at a time of considerable public sector constraint. The prioritisation of a small number of key areas for CPPs would also clearly focus activity e.g. employability or early intervention and if this were matched with an associated responsibility for joint budget reporting this would also help strengthen accountability. Similarly consideration should be given to developing a core set of indicators, related to the national outcomes, which all agencies would report on. This would support improved information sharing, comparison and learning from good practise. Other recommendations include ensuring that information, including performance

reporting, on the SOA and community planning is easily accessible to communities and in a consistent format. Also, ongoing engagement with communities about future direction, priorities and developments demonstrates a willingness to work with residents and services users, builds trust and creates a culture where communities themselves are empowered with increased resilience and confidence to bring about change through their own efforts.

2. Strand Two – Benchmarking and Performance Measurement

2.1 What are the main challenges (cultural, technical, geographical or other) in developing performance measurement and benchmarking systems for local authorities across Scotland?

Organisations are not measuring like for like – the reduction in the Audit Scotland role, in terms of collating and publishing SPI data, has resulted in less comparative information being available. As organisations restructure it becomes more difficult to gain comparator information if formal benchmarking arrangements are not in place. Robust performance measurement and benchmarking systems are critical moving forward, particularly at a time of reduced resources within all organisations and the focus on reducing the scrutiny burden. Examples of effective comparable and benchmarked data can be found for example in the increasingly sophisticated national community care data.

2.2 To what extent has the work undertaken over the last two years by the Improvement Service, SOLACE and others contributed to developing a common approach to benchmarking across Scotland's local authorities?

The work of the Improvement Service and SOLACE is welcomed and will provide a framework which will, once implemented, assist greatly in developing a common approach to benchmarking across Scottish local authorities.

2.3 What technical or other resources are needed to continue and complete the development of recent work on benchmarking?

There needs to be better sharing of the information being worked on and the progress being made. Further involvement with the Improvement Service is required.

2.4 To what extent can the developing work on benchmarking be extended across community planning partnerships? How can data derived from benchmarking influence the future direction of community planning and the contents of future SOAs?

There would be a benefit from focussing on themes such as health and transport in the first instance. Impacts can be measured through robust performance management in CPPs. Robust benchmarking would allow integration of unit cost of delivery, not just within an organisation but across a partnership, looking at

duplication of effort and where joint resources could be better utilised. Benchmarking data should be used to set principles for the future. A sharing of best practice across other community planning partnerships, a forum that currently doesn't exist. Benchmarking arrangements done robustly could be used to inform future national priorities, SOA actions and targets.

2.5 How can the development of benchmarking help improve the performance of local authorities in Scotland?

At the moment there are many gaps in the benchmarking opportunities available to local authorities. Robust benchmarking could drive down costs, increase efficiencies, ensure effective deployment of resources and allow sharing of best practice across organisations. It also allows the public to identify like for like services across community planning partnerships and it would help to consolidate and streamline the range of performance information currently available.

2.6 Should the Scottish Government have a role in providing national impetus to the development of benchmarking and performance measurement?

Input from the Scottish Government, in a consultative and participative way similar to that used by the SPSO recently to develop the Model Complaints Handling procedure would be useful, especially in terms of championing the process, stepping up the pace and ensuring the inclusion of partner agencies in the process. However, the detail of benchmarking indicators and measures, together with the development of benchmarking families or groups, would be best informed and developed by local authorities and partner agencies themselves with engagement by representative bodies – for example, Improvement Service, CoSLA and SoLACE.

3. Strand Three – Developing New Ways of Delivering Services

3.1 How can cultural and organisational change be promoted to ensure that local authorities and community planning partners are able to work together to develop the kind of integrated services that are aspired to by local communities?

Considerable and well-researched evidence about integration is available. It demonstrates that successful partnerships are characterised by strong, embedded partnership working; shared vision; co-terminosity; and committed leadership. Unsuccessful approaches tend to be characterised by top-down imposition; performance regimes; financial pressures; and organisational and financial complexity. The factors that local partnerships repeatedly say most *help* integration are local and cultural, the factors that local partnerships repeatedly say most *hinder* integration are national and structural. Integration is less likely to succeed where resistance to change, risk aversion and protectionism feature as the prominent characteristics of the organisation.

There is, therefore, no quick fix and it is important to recognise that there is no direct relationship between structure and the extent to which services are integrated and outcomes. The challenge is to build and develop the factors identified above that are most closely associated with success and resist those described that are most closely associated with failure.

North Lanarkshire Council's partnership work with NHS Lanarkshire around health and social care was highlighted and gained high profile recognition in July 2011 when the Nuffield Trust published "Integration in Action: Four International Case Studies" featuring North Lanarkshire Health and Care Partnership, Community Care North Carolina (USA), Greater Rochester Independent Practice Association (USA), and Regionale HuisartsenZorg Heuvelland (Netherlands). The report analysed and commended the delivery of our high quality and cost effective care services.

3.2 How can the tensions between shared services creating savings through potential reductions in the number of staff involved and the economic impact brought about by resulting job losses be resolved?

Generally, they cannot be resolved if one of the principle aims of the shared service is to generate efficiencies through economies of scale and redesigning the delivery of a service to remove any duplication. Where this is the case, potential reductions in the number of posts required is a direct consequence of the implementation of the shared service. Phased introduction with appropriate implementation arrangements to suit natural patterns of staff turnover may go some way towards resolving tensions, however, the potential workforce deployment savings will not initially be realised and this must be taken into account in the business case when determining anticipated savings and pay back periods.

Whilst it is recognised that there are some processes that can be carried out on a larger scale through a shared service approach, it is important to consider other benefits which may be lost as a result. For example, human resources (HR) functions may be referred to as "back office," however, the organisational development and learning and training functions within HR can act as a lever for change or make an essential contribution to redesigning how a service is delivered. It is therefore important that organisations retain a degree of responsibility and control over these functions because they will be required to support innovation, change and the re-designing of how public services are delivered and communities/service users' needs are met.

In our response to the Christie Commission's review on the future delivery of public sector services, North Lanarkshire Council recognised that, with increasing financial pressures, it may be that the capacity and viability of some public sector organisations, including local authorities, will require to be considered. Whilst the Council did not support the automatic presumption that the review of the future delivery of public services should be focused entirely on structural reform *per se*, we recognised the need for consideration about boundaries and areas of operation to reflect a critical size to achieve economies of scale and comprehensive service delivery.

3.3 How can any legislative or institutional barriers to developing shared and innovative service delivery models to their full potential be overcome?

This is complex and requires a wide range of governance, legal and management issues to be addressed. Organisations with separate accountabilities, funding and governance arrangements must develop appropriate mechanisms to allow them to innovate and share. Appropriate legal powers should be put in place so that public sector organisations can work together, vires issues around shared arrangements (simple example one body procuring on behalf of itself and others for a multi partnership project) need to be addressed to eliminate risk. A review of the well being power and an extension of that power to other public sector bodies as appropriate might address this.

For example, within health and social care whilst we have witnessed increasing partnership working and improved performance in linked areas of activity since publication of "Joint Futures", terms and conditions' issues have not been addressed. Central policy has not provided clear, consistent and standardised direction – for example, whilst Single Status was being applied in local government, 'Agenda for Change' operated in a very different way in the NHS.

Similarly, the Scottish Government's impending legislation on Self-Directed Support imposes (legitimate) budgetary requirements on local authorities, however, there is no reciprocally clear direction on the role of the NHS in this matter.

It is inevitable that creating one type of new organisational arrangement creates different organisational boundaries elsewhere. For example integrating community care services with health fragments it from children's services; education; housing; addiction; homelessness, criminal justice etc. The Scottish Government has commissioned the Chief Social Work Adviser to consider the impact of proposed changes, including the proper officer role of the Chief Social Work Officer.

An effective structure can facilitate positive relationships, processes and outcomes and the challenges posed by any structural reform should not be underestimated. An alternative approach may be for the Scottish Government to work with local government and other partners to devise and put in place an appropriate set of common powers and duties for public agencies and review public sector funding arrangements to increase flexibility. As recommended in 1.3 above funding models should be developed which expressly require integrated provision of services.

3.4 Is there scope for further national shared services along the lines of the shared recruitment portal for local authorities, 'myjobscotland'?

"Myjobscotland" is a welcome public sector resource. We consider there may be scope for similar initiatives to be investigated.

3.5 What can be learned from elsewhere, e.g. initiatives such as Nottingham Early Intervention City and Birmingham Total Place pilot?

The recognised benefits from these initiatives have informed our recommendations in Strand One.

3.6 How can innovative delivery methods for services and collaborative arrangements help to improve outcomes and tackle embedded social problems focused in defined geographical areas?

Within North Lanarkshire we have recently developed the Buchanan Centre in Coatbridge which houses NHS and Council services and plays a key role in our town centre regeneration policy. The centre provides a range of NHS community health services and a dentistry teaching centre. Council services include the first stop shop, registrars and library services. Already strong evidence is in place demonstrating the benefits of our partnership and innovation. This includes:

- Access to library based IT facilities enabling the public to complete First Stop Shop forms;

- Health information services, targeted at young people, and delivered within the library; and,

- The development of social prescribing and joint planning with GPs, especially in mental health.

3.7 What scope if there for developing ways of delivering services, such as the personalisation of care, in order to mitigate the effects of shrinking resources while also promoting improved standards of care?

In social work and social care it is possible to meet need in many different ways. Local authority spending patterns on social work demonstrate very wide variation in performance although inspection bodies highlight that there is not a close correlation between spend and performance.

Personalisation is a broad concept that is in danger of being discredited by being too closely associated with the need for budget cuts, yet it is fundamental to meeting increasing need at a time of diminishing resources. Too often it is narrowly interpreted to mean formal services- and of course where people's needs can best be met by a formal service, it should be as highly personalised as possible. However, entering formal services as a way of meeting need is not necessarily a desirable option and not an aspiration for the majority of the population. It therefore requires vision, imagination and different partnerships with a wide range of public, private and third sector bodies, some of whom have no traditional view of themselves as a service in this way.

In North Lanarkshire we have considerable experience and evidence to demonstrate how partnerships with a range of service providers and private sector businesses can yield huge benefits for people who would otherwise have either entered formal services or not even been able to access them or any

alternatives. This approach is improving outcomes, managing demand and promoting inclusion.

Modest investment in these types of preventive approach is essential and cost-effective. The alternative- continually increasing the threshold at which people can access support - achieves the opposite and is counter-productive in that it chooses not to address needs until a person is at or near crisis (when the outcomes are likely to be poorer and the cost greater).

Where peoples' needs are such that they require the direct allocation of resources to meet their identified need and mutually agreed outcomes, our experience is that highly individualised approaches and genuine engagement lead to much more effective ways of using scarce resources.

Any social care system requires a spectrum of support to be provided, commissioned or facilitated whether it is for children and young people, older people, or adults with disabilities. This includes intensive alternatives to institutional care and preventive approaches, and many points in between.

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