

**LOCAL GOVERNMENT AND REGENERATION COMMITTEE**

**PUBLIC SECTOR REFORM AND LOCAL GOVERNMENT**

**SUBMISSION FROM THE SCOTTISH NATURAL HERITAGE**

Scottish Natural Heritage (SNH) is a non-departmental public body, funded by Scottish Government and responsible through Ministers to the Scottish Parliament. Our purposes are to promote the care and improvement, responsible enjoyment, greater understanding and appreciation, and sustainable use of Scotland's nature and landscapes.

We very much welcome the opportunity to contribute towards this call for written evidence on "public services reform and local government in Scotland". We see this as an opportunity to highlight and reflect upon some key aspects of our recent experience in working in local partnerships towards shared outcomes.

A healthy natural environment provides food and water, minerals and energy, flood protection and climate regulation, and sustains our mental and physical wellbeing; in short that the health and prosperity of all Scotland's people is underpinned by high quality nature and landscapes. As such we are keen to work with others to ensure that the contribution made by the natural environment to the economy, and to individual health and well-being, is both recognised and realised.

We believe that these benefits or services should be as much a part of discussions about the reform of public services and preventative spend as those services that involve a more direct transaction or time, money or other resources.

Our work contributes towards many National Outcomes and has a strong local dimension through partnership approaches with local delivery partners, including local authorities and community planning partners across the whole of Scotland. We have made a significant contribution to the Improvement Service "Improving Local Outcome Indicators Project" and we have played a key role in establishing an Environmental Indicators Framework to co-ordinate a sectoral approach. The process of embedding the outcome-based approach within our own business planning and aligning performance management with the National Performance Framework has given us additional insight that we have tried to reflect in our response below. We have also worked as a member of the NDPB partnership group piloting the use of contribution analysis to evaluate progress towards the built and natural environment (National Outcome 12).

Our comments can be found in Annex A. If you would like any further information from SNH on this topic please contact Clive Mitchell (Strategic Development Manager) on 01738 458623 or email [clive.mitchell@snh.gov.uk](mailto:clive.mitchell@snh.gov.uk)

Yours sincerely

**Ian Jardine**

## **Annex A: Public Sector Reform and Local Government in Scotland - call for evidence**

### **Strand 1 – Partnerships and outcomes**

#### **Q1. 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?**

At present, local authorities are required to invite and encourage other public bodies to get involved in the community planning process. In practice, SNH is involved in the majority of community planning partnerships to a greater or lesser extent, and we enjoy a high level of engagement in several, including in both rural and urban areas, although there are a few community planning partnerships in which it is extremely difficult for non-statutory partners to engage. Perhaps local authorities could be encouraged to look more widely when inviting partners to contribute to topics, including the environment and sustainable development, and to think broadly about the actions required to support the delivery of outcomes.

The resources available to organisations, including SNH, to engage in Community Planning Partnerships are limited and declining, so we can only afford to engage when we can see a way to deliver clear benefit. Sharing roles between environmental bodies has been tried in a few circumstances, and the experience of SEARS has helped in our sector.

We see our principal role as a provider of information and expertise at local and national level, and in fulfilling that role we aim to support continuous improvement in partnership working and Single Outcome Agreements (SOAs). We would be pleased to continue and further our work with the Improvement Service in this regard.

For the last 2-3 years we have been working closely with Scottish Government and the Improvement Service on the “Improving Local Outcome Indicators Project”. The project provides and develops a menu of local outcome indicators which can be used to inform SOAs. The current menu features around 60 indicators covering economic, social and some environmental interests. Scottish Government and Improvement Service recognise that the Menu is weak on environmental indicators, and have asked us to help in finding and adding suitable indicators, and in coordinating input across the environmental sector.

To this end, we have worked to develop an Environmental Indicators Framework, which describes 11 outcome indicators covering the broad topics covered by Strategic Environmental Assessment. The indicators may be used to describe progress towards specific outcomes, or the whole suite may be used to describe the state of the environment and hence inform the Area Profile. We are supportive of the principle that the Framework is not prescriptive, and that if SOA partners think that there is a more relevant indicator to use, then that can be used.

Work on the Environmental Indicators Framework may point the way towards how local topic-based frameworks could support community planning partners in areas where specific experience and knowledge may be particularly valuable but where resources are constrained.

SNH is aware that there remain some issues around how accountability may be ascribed within local partnerships as set out the evidence from the National Community Planning Partnership Group to the Christie Commission. The proposed Community Empowerment and Renewal Bill may provide opportunities to advance the case for environmental issues to be better represented on CPPs.

## **Q2. How can local authorities and their partners move further towards real, integrated working?**

Single Outcome Agreements are about the quality of people's lives in the places where they live; bringing improvements to both lies at the heart of both the planning system and of SOAs.

In the same way as the National Planning Framework provides the spatial representation of the National Performance Framework, it is important that development plans provide the spatial expression of the SOA. However, this potentially powerful connection between SOAs and development planning is not as widely recognised as it might be, and in our experience the activities of development planning and SOAs in many local authorities remain separate. Further benefits could be brought by a closer alignment of the evidence base underpinning development plans with that underpinning SOAs (i.e. between the Main Issues Report and the Area Profile).

The quality of the local environment is fundamentally important to people's quality of life and to their well-being, and there is a strong correlation between poor health outcomes and areas of multiple deprivation and poor quality local environments. This relationship is behind the argument that actions to improve the quality of local environments support a wide range of social and economic outcomes set out in SOAs, even if that contribution is indirect.

Approaches based on "placemaking" attempt to take a more holistic approach, as set out by Scottish Government in "Delivering Better Places in Scotland"<sup>1</sup>, and in the discussion of place-based approaches contained in the report of the Christie Commission<sup>2</sup>. We would be keen to participate in pilots or pathfinder studies that help SOA partners to make these links, including for example, assisting the Improvement Service in further studies. We recognise the findings recently reported by the Improvement Service<sup>3</sup> that there remains a gap between theory and practice in applying the outcome-based approach and that barriers and challenges persist in articulating outcomes, within partnership structures, and in managing change.

<sup>1</sup> Scottish Government (2010) *Delivering Better Places in Scotland* ([www.scotland.gov.uk/Resource/Doc/336587/0110158.pdf](http://www.scotland.gov.uk/Resource/Doc/336587/0110158.pdf), accessed 3 February 2012)

<sup>2</sup> Scottish Government (2011) *Report on the Future Delivery of Public Services*. ([www.scotland.gov.uk/Resource/Doc/352649/0118638.pdf](http://www.scotland.gov.uk/Resource/Doc/352649/0118638.pdf), accessed 3 February 2012)

<sup>3</sup> Improvement Service (2011) *Embedding an outcomes approach in tackling poverty & community regeneration* (<http://www.improvementservice.org.uk/embedding-an-outcomes-approach-in-tackling-poverty-community-regeneration/>, accessed 3 February 2012)

**Q3. What steps would facilitate the sharing of budgets in pursuit of shared outcomes?**

We outline below an important piece of work that we are aware of and have been involved in that provide insights on this difficult question, while noting that a study by the Improvement Service<sup>4</sup> on “budgeting for shared outcomes” highlights the need for further work to address the need for significant local and national change in processes, cultures and ways of working.

A first step in aligning budgets in pursuit of shared outcomes is to establish “lines of sight” between spending on activities and progress towards the associated outcomes. SNH contributed to a useful exercise conducted by Scottish Government and the Built & Natural Environment Group (BNE). This group was established to help the Scottish Government achieve the national outcome for the built and natural environment (National Outcome 12), in particular to improve understanding of the relationships between our actions and what we want to achieve. It brought together representatives from across Government and key agencies involved in managing the environment who worked together to pilot the application of contribution analysis to the national outcome. This is not simple task and further work would be required to quantify the impact of activities and spend on outcomes.

**Q4. 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?**

While a topic-based approach can help to engage with “communities of interest” from within the voluntary sector, a spatial approach can encourage local communities and neighbourhoods to engage, perhaps in parallel with consultations on the local plan (we refer to the connection between the SOA and the local plan above under Q2), or through more innovative approaches to community involvement in identifying local priorities.

**Q5. How can the community planning arrangements be adapted and developed to promote outcomes-based and preventative approaches?**

We strongly support working to prevent unnecessary spend, and we recognise that for nature and landscapes it is much more cost-effective to prevent decline in the first place than to attempt to restore them. Further, improving the quality of local environments can contribute directly and indirectly to health and regeneration outcomes.

However, where nature and landscapes make an indirect contribution to socio-economic outcomes, it can be difficult to quantify the impact of environmental improvements and specify the contribution to the outcome. This is likely to be a problem for all complex open systems, but it is not insurmountable. Agreement is required on the nature of the evidence required to support specific interventions in these settings, although a narrowly-defined focus on budgets and costs in which cost-saving drives prioritisation of activities and approaches can lead to the wrong things being cut.

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<sup>4</sup> Improvement Service (2011) *Outcome Budgeting in the Scottish Public Sector* (<http://www.improvementservice.org.uk/news-and-features/news/project-identifies-foundations-for-outcome-based-budgeting/> , Accessed 2 February 2012)

A 'placemaking' approach (as referred to above under Q2) emphasises the interdependencies of social, economic and environmental aspects of a place. The reference in our response to Q2 to "*Outcome Budgeting in the Scottish Public Sector*" and the submission from Professor John Seddon to the Scottish Government Finance Committee<sup>5</sup> point towards possible ways forward on planning for preventative spend.

**Q6. 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?**

No comment.

**Q7. 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?**

Part of the rationale for SOAs was to bring together fresh partnerships to find new ways to solve old problems. However there is still some way to go to bring about the changes in governance and culture required to support outcome approaches. This is challenging at an organisational level, and this challenge is amplified when it comes to involving ordinary citizens in the preparation and delivery of SOAs. Nevertheless SNH has welcomed the challenge to align our work with the national outcomes through introducing a programme-based approach to business planning and budgeting focussed more on outcomes.

**Q8. How could local authorities and other public bodies contribute more to influencing and improving outcomes in their area?**

SNH encourages the incorporation of good environmental data alongside socio-economic data in SOA Area profiles, and that local priorities are evidence-based. There is scope to ensure that lessons from the development of practice in one SOA are shared with others. This could be done, for example, through something like the "Sharing Good Practice" events that SNH hosts.

**Q9. How can arrangements, processes and accountability be improved?**

No comment.

## **Strand 2 – Benchmarking and performance measurement**

**Q10. What are the main challenges (cultural, technical, geographical or other) in developing performance measurement and benchmarking systems for local authorities across Scotland?**

One challenge is that of resourcing the regular collection of high quality data at a local authority level. In response to this challenge SNH has recently worked with

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<sup>5</sup> Finance Committee (2010) Inquiry into efficient delivery of public services: Submission from Professor John Seddon ([http://archive.scottish.parliament.uk/s3/committees/finance/inquiries/budget/BSP\\_seddonv2.pdf](http://archive.scottish.parliament.uk/s3/committees/finance/inquiries/budget/BSP_seddonv2.pdf), accessed 3 February 2012)

national partners to secure support for several questions to be added to the Scottish Household Survey. The larger sample size will generate better data at the local authority level which will benefit national and local bodies, and allow more sophisticated analyses to be carried out.

It is important that the process of gathering data for the benchmarking statistics is as clear and simple as possible.

**Q11. 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 Local Outcome Indicators Menu developed by the Improvement Service is very useful (please see also our response to Q1).

**Q12. What technical or other resources are needed to continue and complete the development of recent work on benchmarking?**

It may be helpful for local and national partners to have access to guidance on building Area Profiles and on using data from "Scottish Neighbourhood Statistics" and "Scotland's Environment Web"<sup>6</sup> in the process of setting local priorities, outcomes, targets and measures.

A key driver behind SNH work on the Local Outcome Indicators Menu is the challenge for many local partners in achieving minimum sample sizes for some types of data (such as from population surveys), coupled with the desire to employ indicators for which data can be most easily accessed without undertaking new surveys or analysis.

**Q13. 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?**

Please see our response under Q8.

**Q14. How can the development of benchmarking help improve the performance of local authorities in Scotland?**

Comparison across local authorities in a consistent way can often lead to better informed questions about performance, although benchmarking can also lead to unhelpful competition if managed badly.

**Q15. Should the Scottish Government have a role in providing national impetus to the development of benchmarking and performance measurement?**

Yes, through working in partnership with CoSLA and the Improvement Service.

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<sup>6</sup> <http://www.environment.scotland.gov.uk/>

### **Strand 3 – Developing new ways of delivering services**

**Q16. 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?**

We have some experience of developing new approaches to joint working through SEARS and the SRDP. The lessons are in fact pretty obvious – strong and consistent leadership, demonstration of trust, and a clear sense of delivering measurable benefit to the customer.

**Q17. 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 any resulting job losses be resolved?**

Not easy! Maintaining a focus on the benefits being delivered is however essential.

**Q18. How can any legislative or institutional barriers to developing shared and innovative service delivery models to their full potential be overcome?**

No comment.

**Q19. Is there scope for further national shared services along the lines of the shared recruitment portal for local authorities, 'myjobscotland'?**

Our feeling is 'yes' although there are no proposals close to implementation in our sector at the moment. Problems over sharing staff resource and having multi-agency teams usually seem to be the key stumbling blocks.

**Q20. What can be learned from elsewhere, for example from initiatives such as the Nottingham Early Intervention City or the Birmingham total place pilot?**

Not able to comment on these.

**Q21. How can innovative delivery methods for services and collaborative arrangements (as mentioned, for example, in the Christie Commission report) help to improve outcomes and tackle embedded social problems focused in defined geographical areas?**

We refer to some possible approaches in our responses to Q2 and Q5 above, in particular to the benefits from a systems approach to local service delivery.

**Q22. What scope is 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?**

No comment.

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