



Response

South Lanarkshire Council response to the Local Government and Regeneration Committee Inquiry into Public Sector Reform and Local Government

Partnership and Outcomes

The relationships between the Council and other public service providers remain strong and has been relatively successful.

The current partnership approach to Community Planning is based entirely on goodwill and personal relationship and has seen the Council provide funding for additional community police officers and has a Joint Problem Solving approach involving partners tackling community safety issues at a local level.

In relation to NHS Lanarkshire, there are joint appointments and the community planning partnership for Health and Care has now merged with the joint Operating Management Committee of the South Lanarkshire Community Health Partnership, a sub-committee of the NHS Lanarkshire Board

The Council now believes that it is the time to consider making all public sector bodies' full mandatory partners in the Community Planning process and the Single Outcome Agreement (SOA). Without the mandatory aspect the achievement of an early intervention and preventative approach will always be difficult to deliver. The Council notes the comment by Audit Scotland that few partner organisations include details of their commitment to an SOA in their corporate plans and sees this as an example of the problem of moving forward together. For certain partners, the focus is on achieving targets and outcomes outwith the Community Plan, outcomes set by the Scottish Government, for example, the HEAT targets.

In the past the Council has highlighted that one of the main issues around partnership working lies with the fact that many of the public sector partners do not have multi-year settlements and work to different budgetary cycles. With some partners, the budgetary decision process is carried out at a higher level and all that exists locally is an operational budget.

Both these factors can make coherent partnership planning and management almost impossible.

The Council welcomes the development of cross-cutting strategies on economic recovery, health inequality, tackling poverty and early years. and believes that the requirement to develop Partnership Improvement Plans as part of the SOA process should help take the Community Planning process to a new level as the SOA itself did. However, this will only work if the Scottish Government moves away from its current silo based approach to policy making and target setting and moves towards the cross cutting themes.

The Council believes that the present system of Local indicators has to be reconsidered. At present many of the indicators are at a very high level which limits the ability of local for partners to make a difference, for example in areas like economic development and jobs, globalisation and EU and UK policies are much more likely to influence economic prospects than the efforts of the Council. The placing of targets for local partners on these indicators can render them meaningless and operationally redundant. The Council believes that

some of the higher level indicators should be considered more as being important for local partners to come together and understand the context and environment they operate in and that local indicators and targets should focus on the areas that they can directly influence which can help improve outcomes.

The South Lanarkshire Partnership (the Partnership) has found that the Single Outcome Agreement has helped focus activity on outcomes, but recognises the process is still at an early stage of development, the latest SOA report is only the 3rd annual report and it believes that the outcomes of some interventions can take significantly longer for the effects to become apparent. The Partnership seeks to ensure that interventions focus on identifying changes in the pre-intervention conditions to post-intervention, both in hard and soft terms, and where possible track the situation for periods after the intervention. However, such activity can be costly and can, for example, meet resistance from some individuals.

It must also be recognised that even the Scottish Government still retains a focus on inputs in some areas to measure "success".

The Council has watched with interest the work on the joint Outcome Budgeting Project and notes the findings that more work is needed to identify and measure outcomes and the difficulty faced in mapping the relationship between budget and activity and from activity to outcome. The project also noted the difficulty in identifying how resources are used to deliver outcomes and how hard it was to identify and cost discrete activities and so making it difficult to assess the role of different activities in achieving outcomes.

Benchmarking and Performance Management

The South Lanarkshire Partnership tends to benchmark itself against Scotland as a whole in the Single Outcome Agreement. In many ways, the area most "similar" to South Lanarkshire is Scotland.

The Partnership believes that there can be issues in benchmarking with other partnership areas due to the vast differences in both their local circumstances and the challenges they face and that at a time of scarce resources it is best to focus on understanding what is happening locally around local needs and the challenges being faced rather than having to try and understand the situation, needs and challenges facing other parts of Scotland and how they differ or are similar to our own— even though they may have some basic similarities in terms of population size or area or employment structure

The Council notes the results from the Outcome Budgeting Project which found that too many initiatives and performance targets distract frontline workers and service managers from focusing on outcomes.

As this work highlighted, moving to a consistently applied and mainstreamed outcome framework would require significant local and national change in processes, systems, roles, culture and ways of working and would be a long term project that would have to be supported by a comprehensive change management and stakeholder engagement strategy. As the project stated, 'an outcome framework is being retrofitted to a system focused on inputs and outputs'.

The project also outlined issues in relation to seeking to isolate and price the cost of activities that might improve outcomes, the budgeting system of NHS Scotland faces technical and systematic problems as it is based on speciality and function and for the Police, the breakdown is by division or function and that substantial activity analysis would

be required to enable activity based costing to be undertaken and for unit costs to be established.

Councils similarly face challenges in isolating and pricing the cost of activities that might improve outcomes as their budgeting systems also are based on function and structure which can cover a range of discrete activities and much of the budget relates to fixed costs.

The Council would draw attention to the SOLACE Benchmarking Project and believes that this provides a starting point for a common approach to benchmarking activity. One of its strengths is that it aims to make the best use of information that is already collated for the Local Financial Returns – though for this to be of value as a starting point effort will be required to ensure that the data produced has been compiled to common agreed definitions and standards.

The Council also believes that it is important that the Scottish Government and the various scrutiny bodies are clear about the uses they will make of such information and jointly agree over what is important and how information is provided to ensure that the burden on councils of providing comprehensive and comparable data is reduced to a minimum.

The Council strongly supports the statement in the Outcome Budgeting Project results 'that the Scottish Government needs to clear away reporting burdens which are not outcome focused and to help local partners to better align those which are'.

It also pointed out that spending data is often not of the right type to be able to isolate the costs of individual units of service activity and so to test the role they each might play in achieving outcomes and the difficulties that a lack of a common ICT infrastructure and systems between partners.

In respect of the Single Outcome Agreement, the South Lanarkshire Partnership has agreed to use the Council's customised version of the CORVU performance management system to capture activity and interventions in respect of the National Outcomes as well as raise awareness and understanding of the economic and social situation in South Lanarkshire than the partners are operating in, both generally and in specific service driver areas.

At a service level, the Council does use benchmarking with other councils in relevant council "families". The Council and six other councils have come together voluntarily to create a Cross Council Liaison Group aimed at promoting the sharing of progress and lessons learned on topical work streams and to discuss best practice and developments in the areas of Best Value and improvement. The group was established in February 2009 and has looked at a range of issues including Best Value 2, self-assessment, PSIF, change communication, Community Planning, SOAs and public performance reporting. The Council believes that this approach can work more effectively than promoting 'community of interest' that can run out of steam.

The Council is concerned about any moves to impose a common set of indicators on SOAs to support benchmarking and comparisons of outcomes. It does see merit in the work to develop a Local Menu of Indicators and the work to provide councils and partnerships with easy access to both data and analytical expertise. However, SOAs are about looking at national priorities, identifying local need in relation to them and devising local programmes and projects to deliver positive outcomes and the Council would be concerned over a proscriptive imposition of a nationally agreed set only of indicators, seeing this as a move away from local government towards local administration.

The Council does believe that the new desire to see local Improvement Plans around the three cross-cutting strategies as part of the SOA process is a positive development and joint work has begun on them. However, it has been decided that these plans should not just focus on the main issues identified in these strategies but where appropriate should also focus on those areas where local priority needs have been identified. It has also agreed to provide an Improvement Plan in the area of Improving Community Safety and reducing crime as it is one of the partnership's key objectives. If the Improvement Plans are developed effectively in an environment that promotes early intervention and preventative spending it could be a significant driver of improved performance.

Developing New Ways of Delivering Services

In the refreshed Community Plan, formally adopted in 2011, the Council and partners introduced a new Aim; to promote opportunities throughout life for its residents. This highlights the particular need to provide support for people at critical transition phases in their lives. Four areas were identified; Early Years Intervention to improve life chances; activity based around the Getting It Right for Every Child agenda; targeted approaches aimed at specific adult groups; and support for people as they age. The aim is to develop activities and interventions to help people in ways that are simple, accessible, streamlined and make sense to them.

The Council believes that this shows the commitment of all South Lanarkshire Community Planning partners to the reform of public services which chimes with the findings of the Christie Commission and the Scottish Government's Renewing Scotland's Public Services.

The Council has been investing in its population forecasts and employment forecasting capabilities and linking these to long term financial planning in order to improve the overall long term planning procedures.

The Council shares these forecasts with Community Planning Partners and is beginning to seek to look not just at changes in different population groups or household composition or at an area level within South Lanarkshire but also at issues like projected health characteristics of the population. This latter work is still at an early stage of development and there are opportunities for taking this work forward on a collaborative way with partners.

An issue that does arise is that many partners have operational responsibilities covering wider areas than a single Community Planning Partnership area; therefore their ability to incorporate this work into their organisation's overall planning processes can be limited as whilst they may operate at a 'sub-area' level, such as South Lanarkshire the ability to reflect the outcome of this work in their activity and planning may be limited by their operational and budgetary freedom.

The Council believes that there are useful lessons to be learnt from the Clyde Valley Shared Services project in the west of Scotland. There was considerable support for the broad principles of this review and a significant amount of work was undertaken to go from these broad principles into detailed proposals for service delivery. However, what was perhaps lost in this process was the need to ensure that such proposals were being developed in an understanding of the local vision, culture and challenges affecting each area and the local impact of the proposals. The lack of such reflecting of local practicalities in the development of proposals was always likely to lead to a lesser commitment to the final proposals than would otherwise have been the case. There remains a danger of a shared services agenda being driven more by external desires than based on a shared vision that is sensitive to local needs, gains and losses.

The Council believes that an issue for concern is the use of the term 'preventative spend' and the fact that no agreed definition of this has been developed. The danger is that it becomes a label that is put on everything and so its usefulness becomes devalued. The Council's view is that preventative spending is primarily related to early intervention. It recognises that in dealing with the pressure on services through "negative outcomes interventions" can affect the path an individual is on which may reduce the demands on services in the future, but views this as more about seeking to reduce further harm or existing demands on services than preventative spending per se.

The Council has been moving in recent years from a resource based allocation service to one where the outputs, if not the outcomes, have been actively considered. Budgetary decisions have been made which reflect the priorities of the Council with service prioritisation discussions ensuring that outputs/outcomes of services are fully considered. The current consultation on the new draft Council Plan reflects a change in thinking away from the delivery of discrete projects towards a more holistic achievement basis. The new plan covering the period 2012-2017 does not contain a large list of things that will be done but sets out a series of high level measures of success linked to agreed aspirations – emphasising the impact of what the Council will do and how it will do it and the differences intended to be made with and to communities.

Over the past 18 months a new approach has been taken by the Council in identifying savings proposals. The authority has consciously avoided 'target percentage' approaches to savings, in favour of approaches weighted towards service and savings prioritisation. This has involved the commissioning of a cross-Council working group under the chair of an operational Director. Criteria considered included: need for the Council to deliver the service; Council priorities; and, where available, the current unit costs of service delivery. The aim of this process was to ensure a balanced view of the Council's activities and of where savings should be directed, initially in preparation for financial year 2011/12. This process has been continued into 2012/13, thereby providing the basis for a package of efficiencies for that year.

Included in this process of identifying savings for years 2011/12 and 2012/13 were management and administration diagnostic projects, asset management and procurement. The Council will continue to focus on all of these areas in an attempt to produce balanced budgets for the remaining years of the Spending Review period.

The Council sees a crucial role for the use of Change Funds to aid the development of new ways to deliver services and embed the early intervention and preventative spend ideals. At a time when demand for services is rising and budgets are tightening it sees these funds as providing the 'space' to allow service redesign to be progressed. However, it believes that to be effective they must be linked into the Improvement Plan approach being promoted under the SOA and must involve all relevant partners who must be mandated to deliver this change and not see change as something that others must do, or involving things that are not operationally their responsibility or an opportunity for 'cost-shunting'

The Council notes that in relation to Total Place, the concept is now seem much narrower than originally planned and is now focusing more on dealing with so-called "problem families". The Council has successfully operated its own project, Intensive Support Project (formerly Breaking the Cycle), focusing on such families but this has had to be funded entirely from the Council's own resources even though these families can create demands on other services like the NHS and police. This is an example of the situation that while the need for early intervention and a preventative approach is widely recognised, reducing revenue funding tends to bring about in all partners a desire to avoid new commitments, or an acceptance of 'cost shunting' to one partner, and that this can hamper progress in moving towards preventative approaches.

The creation of the new voluntary sector Interface organisation in South Lanarkshire has created a major opportunity for greater and more effective representation of the sector at Partnership level. A core area is to improve the connection between the sector and the Partnership to ensure that that the sector is better organised to participate more effectively in the decision making structures within South Lanarkshire and provide greater opportunity for the sector to inform and influence service delivery. A consultation exercise, managed by the interface, is to take place with the sector as a whole to promote the benefits of a Network approach, to take forward proposals for new Networks, to explore how best these can feed into partnership structures, and identify potential issues.