Introduction
1. The Convention of Scottish Local Authorities (COSLA) welcomes the opportunity to provide evidence to the third strand of the Local Government and Regeneration Committee’s Inquiry on Public Sector Reform and Local Government in Scotland.

2. Democratically elected councils and their partners work at the heart of every local community. They provide the services people rely on; they improve lives every day; and they are uniquely accessible and accountable to their electorate. Councils have built on these foundations to deliver a strong track record of working hard with local people to forge ahead with innovation. Neither is that process of change new; councils have constantly invested in exploring, and where the business case is compelling, implementing alternative ways of working developing and service improvements.

3. At the same time local government also recognises that our nation faces significant challenges. Poor outcomes for a small proportion of the population drive very large amounts of public spending. We have an ageing population, and we face poverty and disadvantage in too many parts of Scotland. Current and projected demand, budget pressures, technology, the drive for engagement and coproduction and other factors also all mean that councils have been thinking very differently about the way they plan and deliver services.

4. It is for those reasons that COSLA – the voice of local government in Scotland – has backed a bold approach to the reform of public services based on a strong evidence base and our democratic values. That approach recognises that even where individual organisations are achieving high levels of efficiency, up to 40% of public spending is on negative outcomes, and that the complex issues our communities face cannot be tackled by one partner acting alone. Indeed, while all those with a stake in local government in Scotland will know that councils are in a considerable period of change as they work to improve responsiveness, reduce cost and increase effectiveness across Scotland, their starting point is ensuring that high quality public services fully translate into better outcomes for everyone in Scotland. That approach is based on integrating services, and using all the levers of reform to bring a ‘whole systems’ approach to wider integration and reform across the public sector.

5. We will use this evidence submission to describe why it is important that single dimensions of reform do not distract us from the more ambitious journey we have embarked on, and why effective community planning must instead be strategic driver of reform in Scotland, and the catalyst for change locally. Although the scale and scope of change is too great to capture systematically in this document, we will provide some insight into the work taking place to drive community planning forward, and a flavour of the many change programmes that are taking place nationally and locally to integrate and join up services, focus on prevention, and implement new ways of working that are transforming service delivery across the country.

6. Finally, we are also inviting the Committee to get behind that approach, use its resources and influence to enable further progress, and to resist being side-tracked into taking an input driven view of success that counts numbers of shared services or adopts other simplistic proxies for success. Although these arrangement have a role to play, they do not define effective reform, and thinking about specific service delivery models is much
less ambitious than working to secure the huge long term benefits of public services reform that we know are possible. Doing that will tell us little about how effective overall reform is, what impact is being felt by communities, or whether there is in fact a business case for sharing or re-engineering services. We do not believe that these narrow definitions about the ‘best’ ways to reform add to a productive debate about reform and we have not engaged in them. Instead, we set out some key enablers of effective reform for the Committee to consider at the end of this submission.

**COSLA’s Routemap to Reform: Improving outcomes through Community Planning**

7. Local government has consistently argued that improving lives across Scotland’s communities requires public agencies to be empowered to work together to focus on prevention, early intervention and ‘place’. At times, those debates have been at odds with wider public or political discourse which has sometimes been pre-occupied with structural change, or managing inputs, as the route to better, more efficient public services.

8. Thankfully, that debate is now over, with both the Christie Commission, and the Government’s response galvanising political commitment to put Community Planning and Single Outcome Agreements at the heart of effective and sustainable reform in Scotland.

9. Significant progress has been made. That progress has not simply been to drive an ideological shift across public services; working jointly with the Scottish Government on a Review of Community Planning and Single Outcome Agreements, we have also made relatively quick and meaningful progress to remove previous barriers to CPPs working effectively, particularly in relation to fulfilling local government’s long standing ask that all partners, and not just local government, are required to make community planning work effectively and bring their resources to the table.

10. The review has focussed on the conditions in which Community Planning Partnerships can flourish, by setting out ‘triple locking’ proposals to deliver the aspirations set out in the Statement of Ambition for Community Planning. These locks are:

- **Strengthening duties on individual partners** through a new statutory duty on all relevant partners to work together to improve outcomes for local communities, whether acting nationally, regionally or locally - ensuring collective accountability for improving outcomes, as well as a basis for external scrutiny to ensure that all partners are fulfilling their partnership role effectively.

- **Formal requirements of Community Planning Partnerships** to ensure they operate as genuine Boards - to facilitate more effective partnership working and planning, resourcing and delivery of local priority outcomes.

- **Establishment of a joint group at national level** to provide political and strategic leadership and guidance to support effective delivery and capacity at a local level - bringing together for the first time national and local government at a strategic political level together with non-elected chairs

11. Neither is that simply a theory. For the first time, there is agreement at a Scotland-wide level that there are key priority areas where, through working together and consistent use of the evidence base, a difference can be made to improve outcomes for people and communities and reduce inequalities. Across Scotland all CPPs and all partners are therefore working towards agreed priorities and using SOAs to demonstrate how local inequalities of outcome will be reduced in relation to Economic recovery and growth; Employment; Early years; Safer and stronger communities; Health inequalities and physical activity; and Outcomes for older people. This is not a one-size-fits-all policy driven from the centre and does not replace the local work going on to focus and target outcomes locally, but it should ensure that the ability of CPPs to deliver them is enhanced by a
“whole systems approach” to outcomes, particularly in relation to wider policy and finance decisions.

12. The revised approach to SOAs also recognises that making an impact on outcomes is a medium to long term project that requires the combined resources of all relevant partners. Rather than being constrained to short term targets and activities, CPPs are therefore able illustrate what will be different for communities in 10 years, what will be done to secure those improved outcomes on a rolling basis, and show how plans for prevention are being established through each partnership.

13. In summary, we have put in place building blocks for community planning to work more effectively, created an appetite across local and national government for that process to be at the heart of public sector reform, set out the characteristics that partners and government need to exemplify, and significantly raised expectations about what might be achieved as a result. The development and implementation of a new SOA as a shared ‘plan for place’ in each CPP area is one key element in giving practical expression to that process.

**Paradigm Shift across Public Services**

14. Expectations of the process are therefore justifiably high. In fact, our view is that just as the introduction of Best Value propelled a new paradigm in local government in 2003, a decade later so too does community planning mean a major paradigm shift for all public services across Scotland. That paradigm shift might be described as a cycle of reform in which CPPs:

(a) **Understand place:** CPPs mobilise the knowledge and resources of all relevant local and national agencies to develop a clear and evidence-based understanding of local needs and opportunities, underpinned by data, and capable of being monitored over time.

(b) **Plan for outcomes:** CPPs translate this understanding into genuine planning for places that recognises the particular needs and circumstances of different communities, within the context of appropriate national requirements and standards, and provides clear and unambiguous joint prioritisation of outcomes and improvement actions.

(c) **Deliver outcomes:** CPPs translate plans into hard-edged delivery of local priorities and appropriate integration through a clear understanding of respective partner contributions, targeting total resources to priorities, and holding partners to account for delivery.

(d) **Improve Outcomes:** CPPs commit to outcomes-focused performance improvement and quality standards, including national requirements where appropriate, with robust self-assessment as a starting point, underpinned by public reporting and appropriate external scrutiny. While local circumstances may lead to different approaches, CPPs are accountable for the achievement of improved outcomes and driving out inexplicable variations in performance.

15. That approach seeks to empower community planning partnerships to focus on the issues that matter most to communities. However, we do not think that transfer of power should stop with the organisations that make up those partnerships. It is widely accepted in local government that ‘doing’ services ‘to’ people is ineffective, costly, and jeopardises the trust of communities. That is why community engagement and empowerment is at the heart of the community planning process, including a major role for communities in setting and developing the priorities in SOAs. Over time that also means a dialogue about responsibilities and building capacity within communities to take ownership of outcomes.
Local democratic voice and control is therefore one reason why services will not be uniform across Scotland, although council improvement programmes bear down hard on differences that are simply a product of poor quality.

16. Councils are already working hard with communities to create new, innovative and more responsive forms of local delivery, including coproducing services and transferring assets where appropriate. For example, East Dunbartonshire’s Stakeholder Engagement Programme is just one example of how representatives from community and voluntary sector organisations are working with local elected members and community planning partners to identify future priorities, consider alternative delivery models and inform corporate budgetary processes and Single Outcome Agreements.

17. In as much as a Community Empowerment Bill might have a role in helping make progress, that should be to provide the tools and remove the barriers to local action being taken at a local level though we are not convinced that bringing forward detailed statutory requirements offers an effective route to empowerment. Recognising that the third sector is particularly close to communities, that is also one of the reasons we are working to realign our relationship with them. Much good practice already exists, and we include some examples in Appendix 1, but agree that this needs to be shared more widely to achieve a wider culture change and build capacity and accountability.

18. Of course, delivering a paradigm shift towards community planning across Scotland is a huge and difficult project. It extends across not just local government, but right across the way that all public services do business and focus on communities, and the scale of its ambition and challenge must not be underestimated. So we must be prepared for obstacles to emerge. These obstacles will be frustrating and may even be interpreted by some as pointing towards slow progress or failure. But rather than abandon reform, we must recognise that the improvement in outcomes for communities will not be fully delivered in this term of parliament, or even the next, although significant progress will be felt. Instead, success will need long term galvanised, authentic and concerted effort from individual partners, local and national government, and of course the Scottish Parliament. The challenge is equip partnerships to deliver the full potential of that model, and to remove barriers.

19. A key challenge is to ensure that all components of reform sit clearly within the CPP process and that we resist a proliferation of competing agendas diluting and diverting attention and resources away from our core task. That means helping all partners rally around locally agreed outcomes and the six agreed policy priorities and ensuring that organisations with separate accountabilities innovate and work together to share and allocate budgets in pursuit of agreed outcomes.

Alternative Ways of Working

20. We have not set out our routemap to reform simply to show that there is a clear ideology underpinning change across local government, important as that is. We have done so because that ideology is the starting point for reforms that councils have been taking forward, and are planning in the future. Improving outcomes and a focus on community planning is a reform process for public services in itself, but importantly, it is also the enabler and driver of reform within councils and partnerships.

21. Four essential characteristics generally underpin the approaches to change and improvement that are taking place:

a. **Integration**: Outcomes are interdependent – for instance, a person’s well-being is defined not just by their overall health but also their safety, their opportunities, their environment. In other words, only by integrating public services will we begin to truly
nurture an outcomes ethos. Councils are therefore looking across the whole of the public sector and focusing on local service integration for community benefit.

b. **Sharing and Joining Up Services**: While joined up local partnership delivery offers the major opportunities for change, where the business case is sound, local government and its partners are exploring and investing in a range of national, local or regional platforms to address efficiency and effectiveness. Councils are energetically driving that process forward and have built good capacity to make decisions based on transparent information and a robust assessment of available options.

c. **Prevention and Early Intervention**: Councils and CPPs are ambitious and committed to maximising the opportunities presented by the prevention agenda. That means strengthening not circumventing community planning, including designing services and investing ‘upstream’ to prevent social problems from emerging in the first place. That also includes being responsive to local needs, being enabling, and building on local assets in order to maximise community engagement and empowerment.

d. **New Ways of Working**: Councils understand that it is their people who are essential catalysts of change. Workforces represent the single biggest element of council budgets, and a core focus for council and partnership change programmes has been on ensuring that the workforce is the right size, shape and cost, and that staff are effectively deployed, led and trained. The challenge is not simply to ensure that the workforce is effectively managed and motivated, but to empower it to take responsibility for delivering excellent services.

22. Against this overall trajectory, councils are progressing a myriad of different changes, at operational and strategic levels, across a multitude of service delivery areas, and through a range of delivery mechanisms programmes. The workstreams inevitably vary from authority to authority but common key themes include:

- Business Support and Information Management
- Customer Management
- Finance
- Flexible, mobile and home working
- Human Resources
- Procurement
- Programme and Change Management
- Property and asset management
- Transport.

23. Some very significant transformations have been taking place, supported through major change programmes and dedicated support functions looking at customer focussed process reengineering; shared services; alternative providers, arm’s length companies or joint ventures; flexible workforce design; and integrated or collaborative approaches to delivery. Many smaller, less formal changes, are also almost constantly emerging. Councils have been prepared to nurture and grow these over time to ensure that they realise the fullest possible benefits.

24. There is no one size fits all model and we do not intend to capture the full breadth, or account for the decisions that have been made. It would be impossible to do full justice to those complex issues in this short document, although we have set out a range of examples at Appendix 1.

25. At the same time, alternative methods of delivery can have far significant consequences for service users, systems and staff, and may require significant investment with financial returns taking 5, 10 or even 20 years. While there is an obvious pressure to realise
efficiencies, councils also recognise that change cannot simply be about cost and that services need to be designed with the user in mind and enhance rather than diminish accountability.

26. Indeed, while shared services can deliver service improvements and benefits, the experience of councils has been that they will not provide all the answers to efficiencies and should not be seen as an end in themselves. Where the business case has been compelling, these have been taken forward and have played a role in the efficiency savings delivered by local government. Yet high upfront costs, change management issues, and low or slow returns mean that they are just one part of the change process.

27. There is also evidence that systematic approaches to robust local review, improvement and transformation are of lesser risk and more likely to deliver than what has been achieved or projected for shared services. The range and scope of that work has been diverse and huge efforts are being made through business transformation processes to standardise, streamline and simplify existing methods of delivery and implement new models. Local government has prioritised these types of changes and demonstrated real efficiencies when reporting its performance. Indeed, many of these revised services provide a good basis for further service sharing should a suitable business case to do so emerge in the future.

28. The crucial point is that it would be wrong to assume that local government in Scotland is holding back from reforms or failing to identify opportunities for change. In fact, new ways of working that improve services, deliver efficiencies and improve outcomes are critically important across local government. Neither should shared services be viewed as the sole route to reform. The reality is that councils are constantly looking for opportunities for improvement, assessing the scope for change, and have good expertise in overcoming practical barriers to that.

29. Councils and their partners are also constantly exploring how to evolve that process, including creating community capacity and encouraging communities to take responsibility and control of assets. Aberdeenshire Council, for example, has developed a robust Community Asset Transfer Policy which enables the transfer of assets and services to community and voluntary organisations where they can utilise or deliver these more effectively or efficiently, or where these are no longer a core council function.

30. Put another way, resources are being deployed to make changes that have a compelling business case, and a strong fit with priority local outcomes. The essential test, we believe, is whether an alternative service delivery or shared service is capable of improving lives and reducing future pressure on services, and it is from there that service delivery and design should follow. Joined up local partnership working is central to that process and is why we are excited about driving forward a paradigm shift in reform across public services. The concept of Total Place is one useful dimension to that, we provide a flavour of that work in Appendix 2.

Conclusion
31. Local government in Scotland has a track record of delivering innovation. Councils are changing in different ways, at many levels, and with a host of partners in the public, private and third sectors. From joining up services through community planning, commissioning services in smart ways, personalising services, devolving power to local people, and, where the business case is sound, sharing services, councils are leading the way in making services more responsive, more efficient and more effective. These have driven up quality and efficiency and helped protect funding for frontline services and prevent
negative outcomes from arising. In fact, the independent evidence is that councils appear to have coped well with the financial pressures they are facing.¹

32. Yet while council services are more agile, more responsive and more efficient than ever before, the scale of future challenge means that a more fundamental approach is needed. The arguments around demand failure show clearly that current working methods and investment are not addressing inequalities in particular communities. Rather simply focus on counting specific models such as shared services, our plea is therefore for the committee to think much more ambitiously in terms of “whole public sector”. Local government is already engaged in that journey, including West Lothian’s Community Planning Partnership which became one of the first in Scotland to complete a CPP wide Strategic Assessment to evidence priorities for communities and partners and put in place a development plan as the focus for prevention, community engagement, understanding place and equalities across partners.

33. Indeed, across Scotland councils already have experience and evidence to demonstrate how partnerships can yield huge preventative benefits, but at a time when resources are reducing and demand is growing quickly, that need is all the more acute if all relevant organisations are to come together with communities to shield them from the perfect storm of increasing demand and diminishing resources. The Community Planning and SOA process has been a major catalyst to that process: stronger relationships have been forged across organisations, the evidence base further developed, priorities aligned, governance put in place and multi-agency delivery models embedded. The recent Review, the forthcoming duty to participate in community planning, the reinvigoration of partnership based audit, and revised Single Outcome Agreements should all improve that position further over time, alongside other processes like robust partnership self-evaluation and shared workforce development.

34. There is, however, still a considerable distance to go. However ambitious and challenging our work to energise and drive forward community planning has been, we also know that on its own these elements do not deliver our ultimate goal of a step change in performance across Scotland, which will require sustained effort locally and nationally. The practical issues associated with creating joint budgets, sharing data, planning and then integrating services remain hugely difficult.

35. These are long term, large scale, and complex challenges, and require similarly long term focus and commitment. Councils have a role to play in addressing them, as do individual partners. So too does national government and parliamentarians. In fact that ‘whole systems’ environment will only work if changes are made that drive forward cultural and organisational change, a collective focus on total resources, and early intervention through all parts of the public sector and not just local government. We have therefore set out some key conclusions that the Committee may wish to reflect on:

a. Councils are best placed to decide how to deliver services that meet the needs of communities and demonstrate best value. The business cases and design imperatives are complex and driven by different local circumstances and community needs, and the solutions that are being found are similarly local in their approach. That means avoiding unnecessary prescription; top-down constraints and performance frameworks only frustrate change and create bureaucracy.

b. Shared services have a role to play in reform, but are not an end in themselves. Although it is easier to focus on these as measures of success, doing so misses the opportunity to deliver more ambitious change for Scotland’s communities.

The essential test is to judge services by the difference that they make to people’s lives, not to count how many shared services have been established or to adopt other proxies for success.

c. Ambitious transformational reform therefore needs to look at the whole of the public sector not individual parts, and looks at systems not structures. It is crucial that CPP Boards can be satisfied that there is strong governance, accountability and operating arrangements within and across partners, and that partners are challenged where this is not the case.

d. Success will require a long term focus and commitment from partners, national and local government, and parliament over a sustained period. CPPs are reinvigorating their SOAs but need to be able to rely on strong links between work being led at national and local levels, and a strategic overview of policies and priorities led by different government departments. It is too early to understand how the Review has had an impact in that regard, but past experience is that it can be challenging to secure buy-in from partners whose focus is on national targets and objectives.

e. If local communities are to exercise control and choice over their lives, they need locally delivered and accountable services. It is local democracy that breathes life into the outcomes approach through a mix of community development, co-production, and personalisation. Whether services are delivered directly, in partnership, or through other forms of provision, they should therefore have local democratic choice and control at their heart.

f. While public services are increasingly steering their resources towards the delivery of outcomes, there is more to do to accelerate the amount of total resources that are targeted on prevention to prevent social problems from emerging. Those changes need to be negotiated not simply between local and national government, but across public services.

g. Similarly, national initiatives such as Change Funds are providing some of the space needed to allow redesign to be progressed, but the scale may not be enough to make the shift to prevention with the pace and urgency we aspire to. “Total Place” approaches are helping target resources to agreed outcomes, but difficult investment decisions still need to be taken locally, and our experience is that individual partners’ governance mechanisms do not always enable these to be moved away from reactive care and crisis intervention.
Appendix 1

National Change and Improvement

1. At national level, initiatives that can enhance efficiency and deliver economies of scale are already in place and delivering benefits. By comparison across the UK, and with other parts of the public sector, the pace of change has often been notable and includes:

- **myjobsscotland** is the shared recruitment portal for Scottish local government. An innovative, multi faceted programme, it has revolutionised HR recruitment processes across Scotland’s local authorities, and put Scotland at the forefront of online recruitment. A UK first in size and scope, the platform has become a watchword for effective shared services in Scotland, and is testament to the expertise being developed across local government as part of its drive to set new standards in efficiency and quality of service.

  Since its launch in June 2008 and until the end of 2012, over 78,000 jobs have been advertised, and over 2.4m applications received. The site has received over 32.4m visits, promoting local government in the process. With £13.5m spent on recruitment advertising across before the site was introduced; this has subsequently dropped to £4m by 2009/10, and nearer £2m in 2011/12 (including annual running costs of the portal).

- The **Customer First** infrastructure provides over 1.6 million customers with entitlement cards and has released benefits of £30 million per annum. Customer First is a Scottish Government-backed programme that enables councils to deliver better, faster and more efficient services to a wider section of the population. Utilising cutting-edge technology and promoting collaborative procurement between local authorities, Customer First encourages online access to services and aims to ensure that at least 75% of core service requests can be handled at the first point of contact.

  Key among these is Customer First's common platform for Customer Relationship Management (CRM), which allows councils to manage and track customer interactions, service requests and entitlements through a single point of contact. Moving to the common platform has saved each council around 46% on the standard cost of buying, installing and maintaining a CRM system.

- **Scotland Excel** is one of the largest public sector shared service organisations in Scotland and works to deliver best value through collaborative contracts and active management of supplier relationships, and works to raise procurement capability across the public sector through training and development, advice and consultancy and knowledge management. Scottish local authorities spend around £4 billion annually in procuring goods and services to deliver services to their communities. In 2012, Scotland Excel had 44 contracts on its portfolio with an estimated annual value circa £290 million and work in progress to add a further £105 million. Savings of around £3.9 million per quarter have been generated on around £55 million spend per quarter. This varies from entering into contracts for the supply of utilities and the purchase of computers, supplies and equipment to buying in professional services or social and community care.

- **www.tellmescotland.gov.uk** is Scotland's national public information notices (PINs) portal, allowing public notices across Scotland to be published in a single online location for the first time. The aim is to provide improved accessibility to enhanced statutory information. The portal is scalable for use by the wider public sector and is part of a major national shared services collaboration.
The Portal provides economic opportunities not previously available to all local councils, to generate savings and to maximise their ability to communicate effectively. Savings in the order of 40% are projected with a potential £2 million being realised, contingent on changes to a range of legislation to enable electronic publication as an acceptable, (or indeed complimentary) alternative to existing print channels. COSLA continues to look to the Scottish Government to introduce the enabling legislation that will allow the tellmescotland project to be fully delivered.

- **Business Gateway** (BG) is the brand for Scotland’s flagship business support service. Delivery of this national service is managed by local government with additional products and services delivered by partners including Scottish Enterprise (SE) and Highlands and Islands Enterprise (HIE). A central team, the Business Gateway National Unit, is an integral part of COSLA. The service is the only pan Scotland universal business support service available to all Scotland’s businesses. Key components of the service, such as the website and the enquiry service, are managed and delivered by Scottish Enterprise under a Partnership Agreement.

- As part of the UK wide review of the **consumer protection** landscape, councils have agreed to establish a national team to address cross-boundary and national consumer detriment issues from April 2013. This consumer protection service is being established to provide additional capacity to local authorities to address national trading standards issues and is not to provide a replacement for local trading standards provision. The service will be able to identify and set its own priorities for cases based upon priorities identified by local authorities that best tackle Scottish national/cross-boundary concerns.

- Alongside SEPA, local authorities have been progressing a review of **Public Analyst** service provision in Scotland. A new shared service is envisioned to deliver build capacity and expertise to deliver sustainable, high quality scientific analysis and advice, which supports regulation and safety and quality of food, water and the environment. Detailed exchange of information on laboratory capabilities and resources has been undertaken to establish synergies and all councils have now agreed a way forward and will review the business case at completion in autumn 2013.

- The **Secure Care Contract** is just one successful example of local government working together to bring a national commissioning approach to a shared issue. Secure care is a sizeable cost for local authorities with bed rates of over £5000 per week and a total local government spend of around £15 million per year. The national secure care contract was introduced to help improve the quality of secure care in Scotland and to control costs to purchasers – local authorities and Scottish Government.

- The advent of the **Local Government IT Strategy for Scotland** and **National Broadband Plan** presents numerous opportunities which will support public service reform and greater efficiency. Local Government recognises that ICT has a crucial role as an enabler of public services that are high quality, continually improving, efficient and responsive to local needs, and that rapid changes in internet usage, smart phones etc. mean that online and digital services are an increasing part of our front line delivery.

The strategy, developed in active partnership across local government, identifies a range of areas for collaboration in the design, procurement and deployment of technology with the potential to share across multiple public sector organisations. The development of common ICT platforms will also enable collaboration and shared service delivery across organisational boundaries, for example around core systems running financial services, human resources and payroll.
The National ICT Strategy focuses on the building blocks that will be required to allow organisations to collaborate on ICT. The implementation of the strategy will seek wider reuse and exploitation of these assets and services across the wider public sector, for example the development of the proposed Scottish Wide Area Network to support local partnerships as well as the potential for procurement savings, and in relation to joined up ICT platforms around Welfare Reform and Health and Social Care integration.

Councils have also reported that data sharing is an on-going issue as they seek to integrate across services or partnerships. NHS bodies and councils can use different information systems, and work to different data definitions and different security systems. The general experience is that this remains an issue, although some excellent progress is being made locally. In Stirling, for example, a new Vulnerable Children Reporting solution allows data to be brought together from Social Work, Education, the Third Sector, Housing, Police and NHS records (following data sharing protocols) and provides unprecedented access to information about the child on a single screen. The system also has a predictive analytics capability which enables qualified professionals to predict which children are likely to become vulnerable in the future, and give an insight into what previous interventions have been successful and which have not.

- Many individual councils are also taking the lead in developing shared services on behalf of local government. Dundee City Council delivers the National Entitlement Card (NEC) Scheme, part of the Customer First programme, which is a shared service for all 32 Local Authorities that has saved the Scottish taxpayer around £4million since 2006 and provides a catalyst to integrate services. The NEC provides citizens with a card account for life that they can use for a variety of public services on a daily or weekly basis (transport, work, education and leisure) Since implementation of the NEC throughout Scotland in 2006, over 1.7m cards have been issued with an average reduction in costs of £1.37 per card, as well associated benefits for service users. The implementation of e-planning software is also a good example of shared approaches that do not always garner significant profile. E-planning has modernised the planning application process and enabled councils to reduce the cost and time involved in administering applications. Other opportunities for similar regulatory services such as Building Standards and Licencing may also be possible using common technology platforms and processes across all local authorities. Similarly, SEEMiS is the education management information system used for over 85% of Scotland’s pupils. Originally formed by 11 councils, it is has grown into a Limited Liability Partnership wholly owned and managed by 28 member councils.

Local and Regional Change and Improvement

2. There are also many new ways of working and collaborations taking place across Scotland at regional level or at cross sectoral level between councils and partners. Some are simply part of established structures. For example, Tayside Contracts is a long running example of a shared service which provides catering, cleaning and roads maintenance services across all three local authority areas, while Tayside Procurement Consortium was established in 2007 as a central procurement team by the three Councils and Tayside Contracts to save money through collective buying power and efficient business processes. A similar example exists in Aberdeen City and Shire, and Hub North Scotland Ltd has been established as a joint venture between north of Scotland local authorities, health boards, police, fire and ambulance services and the private sector to improve procurement and development of community infrastructure. Many councils such as South Lanarkshire Council and Highland Council routinely
provide services, on a shared services basis to other public bodies. South Lanarkshire’s **Caird Data Centre** is now also one of two main data centre facilities within the Scottish public sector and currently has a number of clients.

3. **Health and Social Care** is at the core of local work to integrate relevant local government and NHS service provision across Scotland by bringing together the two statutory agencies to improve care pathways and shift the balance of care. Significant activity is taking place across Scotland. For example, in 2011 the Highland Council and NHS Highland agreed to the integration of health and social care services through the adoption of a Lead Agency Model. Under this arrangement, the Council manages integrated health and care services for children, while the NHS does the same for the adult population. Another type of integrated arrangement has also been devised across a number of local authority areas, where health and care budgets have been aligned under a single officer who reports to the Council and NHS Chief Executive. For example, East Renfrewshire entered into a full Community Health and Care Partnership with Greater Glasgow and Clyde Health Board in 2006 in order to eliminate duplication and to provide integrated community-based health and social care services. There are similar examples in West Lothian, Edinburgh, West Dunbartonshire, Shetland and Inverclyde.

4. Most councils are also looking beyond traditional geographic boundaries to join up an increasing number of services and can cite numerous examples of joint or shared working. For example, **Pathfinder North** is a collaborative programme which has implemented and delivered managed high speed broadband services to five local authority areas across the Highlands and Islands (Highland, Moray, Argyll and Bute, Orkney and Shetland). The five local authorities formed a consortium to undertake the procurement, with support and funding from Scottish Government. The partnership has invested £68 million to improved services. The **Clyde Valley Learning & Development Project** delivers efficiencies by working jointly around staff training and development to promote best practice, minimise duplication and improve on standards and quality. Savings are pursued in relation to First Aid, Vocational Qualifications, Diversity & Equal Opportunities Training, Training in Social Care, Accredited Programme in First Line Management, and through the introduction of E-Learning Systems. In **West Lothian**, the council and West Lothian College have been working together to develop a new and innovative shared service model around senior school campus development and across backroom functions, CPD and shared expertise to improve transitions and outcomes for young people and realise efficiencies.

5. Through **EuipU**, Glasgow, East Dunbartonshire, East Renfrewshire and West Dunbartonshire Councils and Greater Glasgow & Clyde NHS provide disability equipment for people living at home and has rationalised 14 separate stores in and services over 1 million people by supporting 1200 District Nurses, Occupational Therapists and other Health and Social Services professionals. Across Scotland, councils have been joining up their aids and adaptations services in these ways. Other examples include Renfrewshire, Inverclyde and East Renfrewshire Councils’ shared **Civil Contingencies Service** that creates additional capacity and has reduced operating costs for individual organisations. **Out of Hours Social Work** and **Kingspark School** are examples of services shared by Dundee City and Angus Councils, and Midlothian and East Lothian Councils are delivering improved service and considerable savings through **shared telecare** arrangements. East Renfrewshire CHCP operates **Drug Treatment and Testing Team** across the local authority areas of East Renfrewshire, Inverclyde and Renfrewshire.

6. Councils are experienced in exploiting the benefits of collaborations around major construction projects. For example, the **M74 Completion** was a genuine, multi-agency partnership set up to link the M74 with the M8, and involved Glasgow City, South
Lanarkshire and Renfrewshire Councils, Transport Scotland as Scheme Promoter and a private sector consortium, Interlink M74 JV. A strong emphasis on partnership working was crucial in the successful delivery of this complex scheme, 8 months early and around £20m below budget.

7. Many authorities have also looked to new business models. **Arms Length External Organisations** can offer councils an alternative to other forms of partnerships and service delivery options and are an established part of the local government landscape. The number of ALEOs set up to provide leisure services has almost doubled in recent years and more councils are considering this option in relation to other service areas to achieve recurring annual savings and access to sources of external income not available to local authorities. Like a number of authorities, North Lanarkshire Council are developing arm’s length arrangements to generate capital receipts through externalisation of the property portfolio. Other innovative examples include **Forth Valley GIS**, established as a shared service in 1996 and then as an arms length company in 2007. Year on year savings of c.40% are made compared to each Council providing their own GIS service and there may be scope for wider sharing of GIS across the Scottish public sector.

8. **Colocation** of services is also increasingly routine. For example, joined up **Community Safety** provision has been established in a number of authorities including Renfrewshire, Scottish Borders, Highland and Dundee Councils that bring together a range of services under one roof and to improve collaboration and focus on early intervention. Scottish Borders has co-located and integrated **Child Protection** bringing together key council services together with NHS Borders and the Police to focus on supporting children families. In Dundee, ‘**The Corner**’ was one of the first examples of integrated NHS, local authority and voluntary sector delivery. Over 15 years, The Corner has delivered integrated, confidential sexual health advice to vulnerable young people through co-located staff, integrated management and strong client focus. In North Ayrshire, the council and NHS Ayrshire & Arran are driving a strategic approach to co-location to look at **Council and NHS property management**. In North Lanarkshire, the **Buchanan Centre** in Coatbridge houses NHS and Council services and plays a key role in town centre regeneration policy. The centre provides a range of NHS community health services, a dentistry teaching centre, and a council first stop shop, registrars and library services. West Lothian Council has also secured significant organisational and cultural change and communication improvements as a direct result of integrated physical working arrangements. Their **Civic Centre** hosts a range of organisations in one location, including the highly successful Community Safety Unit, and is replicated locally via the Bathgate Partnership Centre which has created “savings” in building costs and staff numbers, whilst increasing the number of customers receiving a service. Bringing services together under one roof in these ways can lead to a better customer journey and ensure that customers are able to maximise their entitlements. Like many authorities, West Dunbartonshire has implemented a **One Stop Shop** approach designed to improve customer experience and streamline access to council services in one location. East Dunbartonshire has also been working to improve customer experience through the setting up of **Community Hubs**, based on the “Click-Call-Come in” model. As these types of services progress across Scotland, there is scope to consider the role of CPP partners in developing a shared services partnership based model at a very local level, consistent with the needs and aspirations of residents.

9. Some councils are also achieving benefits from sharing **Education and Social Services**. In December 2010, Stirling and Clackmannanshire councils agreed a shared approach to education and social services and appointed joint heads Education and Social Services. Significant progress has been made in embedding shared management of the two services. Joint management structures are in place, service managers are co-located and the management teams are working effectively across
both Council areas. Education Service management integration has been completed and the co-located team are now focused on improving attainment and addressing wider issues for young people across Clackmannanshire and Stirling. Specific achievements include improved attainment, reduced management costs, a decrease in the number of senior posts and associated financial savings for both Councils. Social Services standards have been maintained in difficult circumstances and the project is delivering integrated Criminal Justice and specialist teams in Adults’ and Children’s services.

10. Similarly, East Lothian and Midlothian Councils have already appointed a shared Director of Education and Children’s Services for both Councils. Both authorities have now also recently agreed to continue with this arrangement, demonstrating shared commitment to finding partnership solutions going forward. In 2009, East Renfrewshire and Midlothian formed the first collaborative partnership in Scotland through the Scottish Futures Trust to deliver new Eastwood and Lasswade High Schools, saving at least £4m as a result of the partnership approach.

11. In January 2010 the Clyde Valley Councils identified four potential areas where closer joint working and a potential shared service approach could be developed. Progress and engagement has been influenced by several factors including whether effective and efficient service delivery arrangements were already in place within individual councils, market conditions and budget constraints:

i) Clyde Valley Waste Management Initiative
North Lanarkshire Council is leading the Clyde Valley Waste Management Initiative (CVWMI) to procure a joint waste management and disposal solution across the partner authorities. Five councils (East Dunbartonshire, East Renfrewshire, Renfrewshire, North Ayrshire and North Lanarkshire) have signed an Inter Authority Agreement to deliver the project. An OJEU Contract Notice will signal the start of the procurement process which is expected to last around two years. This will be followed by a further period of up to two years to undertake consultations and secure planning consent, with a further three years to design, build and commission the new facilities. A target service commencement date has been set for December 2019.

ii) Social Transport
Partner local authorities are exploring potential shared service opportunities around social transport in areas such as Scheduling, Planning & Dispatch, Computerised Scheduling, and Shared Policy for Social Transport Provision.

Working with SPT, transport information, driver and taxi costs have been updated. A pilot exercise is being undertaken to determine if there are savings in taxi costs at an SEN school where SPT have provided a bus and GPS enabled route planning as an alternative.

iii) Shared Support Service
Initially seven Clyde Valley Councils agreed to the preparation of a detailed business case examining the potential for sharing support services across the Clyde Valley on a phased basis. East Renfrewshire, Renfrewshire, Inverclyde and North Lanarkshire councils agreed to move forward to verify projected financial benefits and focus on assessing the issues such as the impact of Universal Credit on Revenues and Benefits services and the National ICT Strategy for Scotland. Those councils have concluded that, given the uncertainty around the impact of Universal Credit, the immediate budget challenges facing councils and the need to focus on in-house transformation projects that the establishment of a public company and the transfer of services is not the best option at this time.
Meantime, Renfrewshire, Inverclyde and East Renfrewshire Councils have agreed to pursue further the potential to share ICT services

iv) **Health & Social Care**
The Clyde Valley Health and Social Care collaborative was established in February 2010 and is led by Renfrewshire Council. The objective is to support Clyde Valley local authorities and health boards to develop and commission services on a joint basis. An outline business case was developed during 2010 which identified a number of initial areas to be investigated such as child care services, adult care services; shared training and development opportunities; and telecare and telehealth initiatives.

It is estimated that collaborative members achieved £10.6 m of savings across key areas during 2011/12. The collaborative has also been successful in forming the Clyde Valley Assessment Centre for staff vocational training assessment.

Renfrewshire, East Renfrewshire, North Lanarkshire and South Lanarkshire Councils, along with NHS Greater Glasgow and Clyde and Lanarkshire are participating in a Scottish bid for European telehealthcare funding. NHS Ayrshire and Arran, North, South and East Ayrshire Councils are also participating in this bid, which will seek to roll out integrated telehealthcare solutions across these population areas at scale. In August 2012 the partnership secured €1.5 million to take this project forward.

12. Our evidence is also of many more **informal collaborations** – few of which are badged as formal changes or shared services. These often get underway quickly and thrive because they are locally initiated and are not defined as ‘shared services’ projects; they are simply practical solutions to practical problems at local level. One example is in relation to how Clackmannanshire, Fife and Perth & Kinross Councils deal with contaminated land. In place for around 2 years, the three councils share physical resources such as equipment, as well as officer time and expertise. This arrangement means that the councils do almost all their contaminated land investigations in house without having to use consultants and contractors. It has led to increased efficiency, more investigations taking place and up to 60% savings. There is no exchange of cash and no elaborate agreements - the councils just get on with it.

13. Finally, the third sector is also central to this renewal, and to prevention. For example, **Dundee Early Intervention Team** is a unique collaboration between the big 4 national children’s voluntary organisations in partnership with the City Council and supported by NHS Tayside. For the first time in Scotland, the 4 organisations agreed to work in partnership to deliver services designed to move from crisis to early intervention. The creation of a new voluntary sector interface organisation in **South Lanarkshire** has also created a major opportunity for greater and more effective representation of the sector at Partnership level. In Falkirk, the **Public Social Partnership Approach** is a groundbreaking multi agency approach that co-creates service specifications and strategic commissioning in an innovative, person centred and effective manner. The service is developed to maximise community benefit before being competitively tendered and is also being considered in relation to wider service areas. Co-production has also been used to deliver services such as **ROAR** (Reaching Older Adults in Renfrewshire) which provides a network of clubs and opportunities for older people provided jointly by the third sector and Renfrewshire Council Social Work services.

**New Ways of Working and Workforce Change**

14. Council and public sector employment is critical to demand, consumption and the strength of local economies across Scotland. Local authorities are large employers and know that the way that they manage their workforces and organise services has the potential to make a significant impact on the wellbeing of local people and their communities. Indeed, some economies in Scotland are particularly vulnerable to cuts in public sector funding.
15. Across Scotland, the wide spectrum of changes taking place, and projected changes around major new projects such as welfare reform and health and social care integration mean that the size, shape, and management of the local government workforce is changing considerably.

16. Councils have managed workforce reductions largely through a policy of natural staff turnover, recruitment freezes, redeployment and training, and voluntary severance schemes. The economic impact of any service change would be typically also be factored into business cases for new ways of working at an early stage to allow for a managed transition as appropriate.

17. There are numerous challenges; making terms and conditions of employment agile and flexible; ensuring appropriate skills and leadership; embedding a public sector ethos that supports the delivery of outcomes in partnership with other public services; and exploring how best staff can be supported to develop a sense of ownership of the services they provide. Glasgow City Council, for example has Leading With Impact, a service reform programme engaging senior managers in cross-cutting initiatives and the Tomorrows Leaders programme operated by Glasgow’s Community Planning Partnership brings together aspiring leaders to jointly develop their leadership skills. All councils are pursuing workforce development programmes, with appropriate national support.

18. One of way of meeting the current challenges is through more flexible working. The traditional style of fixed office working with co-located teams is being replaced by a more agile approach to working and delivering services. No longer tied to a fixed desk, the objective is for staff to be empowered to be closer to where and when the service demand occurs. This is enabled by innovative technology, less reliance on office space, measuring performance by outcomes and virtual team work. Over 5 years it is estimated that local authorities could achieve approximately £250m of net savings by working in this way through reduced office requirements, productivity savings through time saved on travelling and administration, and reducing unnecessary face to face meetings.

19. Almost all Scottish Local Authorities have initiated a new ways of working programme and many are delivering this collaboratively. For example, West Lothian Council, East Dunbartonshire and Aberdeenshire Councils are investing in mobile and flexible workforce through “Worksmart” projects. These have been mutually beneficial for service deliver, for the organisations and for participating employees. Worksmart is projected to generate savings in operational costs and up to 15% increase in productivity (saving an average of 1 hour per day per employee).
Appendix 2

Place Based Change

1. Ideas around ‘total place’ are core to how councils and their partners are considering new ways of delivering services. By capturing the activity and resources deployed by all partners and analysing their relative impact, the ambition is to get common agreement on which actions and spend is effective, irrespective of the partners who deliver it. That approach is inevitably challenging because it requires a methodology for assessing and agreeing impact across a range of partners and agencies.

- In East Dunbartonshire, work on a Community Planning Partnership ‘place’ pilot in Hillhead, Kirkintilloch, commenced in early 2012. The work is aimed at regenerating the area (which has four data zones within the most deprived twenty five per cent in Scotland and two in the top five per cent) and reducing disadvantage through targeted interventions and an enhanced focus on early prevention involving a joint programme of work with all local public services to address inter-generational cycles of inequality. The project targets support across 4 workstreams and the establishment of a new community centre, all of which are jointly owned and developed with members of the community. Early successes and efficiencies are now being evaluated and it is anticipated that a wider place programme will be implemented in other areas across East Dunbartonshire.

- In Dundee, the Lochee Early Years Pathfinder is looking at how a whole area approach to public services can lead to better services at less cost. This pathfinder project aims to design and implement a ‘getting it right’ approach by developing opportunities for joint working, planning and integration of services for children, from pre-birth to 5 years, and their families. At the heart of the pathfinder is the adoption of a fully integrated service model based on a neighbourhood approach which puts children, their families and their communities at the centre of service development and delivery and brings practitioners and the community together physically and virtually. The vision is a ‘community model', which will make local people the catalysts and deliverers of change.

- Aberdeen City Community Planning Partnership has undertaken significant research into collaborative, preventive spend approaches. At a local level the community planning partners have committed to “place based” initiatives to address social problems which generate service costs for all partners. In North Ayrshire, the Council is taking forward an Integrated Resource Framework pilot with NHS Ayrshire and Arran, building on learning from the Birmingham total place pilot.

- In West Lothian an innovative Families Included service, building on the Swindon ‘Life’ project is using an asset-based coproduction family intervention approach to help vulnerable families through crisis and develop long term coping skills. A strategic multi-agency Preventative Interventions Board was established to drive this approach forward. The model will also reflect the high level of partner commitment to establishing a shared understanding of families with complex and multiple needs and the drive to work collectively to improve outcomes within constrained budgets. The approach will be reviewed regularly with an evaluation of impact in 2014/2015.

- Scottish Borders Council and NHS Borders have adopted a new place-based model of service redesign based on the Integrated Resource Framework (IRF) from Scotland and the English experience of Total Place to re-design services area by area. Stakeholder involvement and service user consultation is ensuring that local people and organisations express their views and propose ideas which will take the project further. The first phase of the Cheviot programme aims to ensure that individuals can live safely in the community for longer, and is targeting a 15 per cent return on investment. The Scottish Borders
Community Planning Partnership is also developing a ‘whole town’ approach to the development of towns and their wider hinterland.

- The One Glasgow project was initiated by Glasgow City Council, NHS Greater Glasgow and Clyde, Strathclyde Police, Strathclyde Fire and Rescue, Glasgow Housing Association, the Department of Work and Pensions and Job centre Plus and has identified three priority themes relating to children aged 0-8, reducing offending, and older people. These themes were selected because they affect large sections of Glasgow’s population, attract large volumes of Glasgow’s total public service expenditure and require the input of a number of diverse organisations, and provide a ‘test bed’ for a genuinely transformational approach to public service management and delivery.

- Orkney, Shetland and the Western Isles are taking many aspects of this philosophy further by jointly developing a model for integrated service provision for islands communities, referred to as the Single Public Authority. The intention is for these island authorities to explore whether a single public body would be best placed to provide the majority of public services needed by small islands communities.