



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# PUBLIC AUDIT COMMITTEE

Wednesday 9 March 2016

Session 4

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**Wednesday 9 March 2016**

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**PUBLIC AUDIT COMMITTEE**  
**7<sup>th</sup> Meeting 2016, Session 4**

**CONVENER**

\*Paul Martin (Glasgow Provan) (Lab)

**DEPUTY CONVENER**

\*Mary Scanlon (Highlands and Islands) (Con)

**COMMITTEE MEMBERS**

\*Colin Beattie (Midlothian North and Musselburgh) (SNP)

\*Nigel Don (Angus North and Mearns) (SNP)

\*Colin Keir (Edinburgh Western) (SNP)

\*Stuart McMillan (West Scotland) (SNP)

Tavish Scott (Shetland Islands) (LD)

\*Dr Richard Simpson (Mid Scotland and Fife) (Lab)

\*David Torrance (Kirkcaldy) (SNP)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Antony Clark (Audit Scotland)

Caroline Gardner (Auditor General for Scotland)

Douglas Sinclair (Accounts Commission)

**CLERK TO THE COMMITTEE**

Anne Peat

**LOCATION**

Committee Room 3



**Scottish Parliament**  
**Public Audit Committee**

*Wednesday 9 March 2016*

*[The Convener opened the meeting at 10:00]*

**Decision on Taking Business in Private**

**The Convener (Paul Martin):** Good morning. I welcome members of the press and the public to the seventh meeting in 2016 of the Public Audit Committee. I ask all present to ensure that their electronic devices are switched to flight mode so that they do not affect the committee's work.

Item 1 is a decision on taking business in private. Do we agree to take item 7 in private?

**Members** *indicated agreement.*

**“Community Planning: An update”**

10:00

**The Convener:** Item 2 is evidence on the joint Auditor General for Scotland and Accounts Commission report “Community planning: An update”.

I welcome our panel of witnesses: Caroline Gardner, Auditor General for Scotland; Douglas Sinclair, chair of the Accounts Commission; and Antony Clark, assistant director of Audit Scotland. I understand that the Auditor General would like to make a short opening statement.

**Caroline Gardner (Auditor General for Scotland):** Good morning. The committee might remember that, in December last year, the Accounts Commission chair and I gave evidence on our report “Community planning: Turning ambition into action”. Today's report provides an update on progress since then, and gives a sense of the direction of travel for community planning in the context of the statement of ambition.

As you will see in part 1 of the report, there have been changes to the policy landscape since our last report. Those changes include the Community Empowerment (Scotland) Bill becoming an act, the integration of health and social care and the introduction of the Community Justice (Scotland) Bill. Those all have important implications for community planning, which we cover in the report.

Overall, we found that progress on community planning is being made locally and nationally, but it is still not delivering the ambitious changes to the way in which public services are delivered that were set out in the statement of ambition. We make a number of recommendations in the report for the Scottish Government, the Convention of Scottish Local Authorities and community planning partnerships.

Community planning partnerships are building on the positive progress that we reported in 2014. In particular, they are using data to set clearer priorities, and they are continuing to implement a range of projects targeted at specific groups or communities. However, we have yet to see community planning partnerships sharing their resources in significantly different ways and on a large enough scale to deliver their priorities.

We found that there is also a need to streamline national performance management frameworks to allow community planning partnerships to focus more clearly on outcome improvements that are more relevant to local communities as set out in the statement of ambition. Critically, that should mean placing the views of local communities

“at the heart of measuring success in public services”.

We would like to see greater leadership at a national level by the Scottish Government and COSLA through a strong, authoritative national forum that can address the barriers to effective community planning and ensure that partnerships get the support that they need to flourish. We would also like to see leadership at the local level driving forward local public service reform. Partnerships should ensure that local communities are given

“a strong voice in planning, delivering and assessing”

their own public services.

Finally, the report recommends that the Scottish Government and COSLA should

“set out a clear route map for improving community planning, with short-, medium- and long-term steps that will be taken nationally and locally.”

They should also

“work with the Improvement Service and others to establish a locally tailored ... programme of improvement support”.

Convener, as always, my colleagues and I are happy to answer the committee’s questions.

**The Convener:** I thank the Auditor General for her statement. I draw her attention to appendix 1 of the report, which says that

“the National Community Planning Group has not met since December 2014”.

I understand that you have received a response from the Scottish Government about that, but does the situation concern you? The group is a significant part of the strategy that is to be progressed, and it cannot even meet regularly.

**Caroline Gardner:** Yes, it is a matter for concern. As we say in key message 5 of the report,

“Stronger national leadership is needed”.

Community planning is intended to be right at the heart of public service reform to manage the financial pressures that public services face and the move towards prevention, which is a core part of the Scottish Government’s policy. There is a need for a strong national forum to provide leadership and tackle some of the problems that get in the way of that happening.

The Scottish Government says that it is reviewing how to provide that leadership in future, but the fact that the group has met only once since our previous report is a matter of concern.

**The Convener:** Has there been any substantive explanation of why the group did not reconvene after December 2014?

**Caroline Gardner:** That question would be better put to the Government, but our

understanding is that the Government is reviewing how leadership is provided across the piece.

**The Convener:** If it cannot arrange regular meetings to ensure that the strategy is progressed, that creates a certain picture. What about monitoring, keeping proper records of the meetings and ensuring that action points are being progressed? If regular meetings are not taking place, how can the work be progressed?

**Caroline Gardner:** I can only agree that strong national leadership is needed, given the scale of the reform that is required. It was not just a matter of drift. The Government has told us that it is reviewing whether to stand the group down and put some other forum in its place. That forum is not yet in place, and that is slowing down the pace of change.

**The Convener:** What Government department would be responsible for that?

**Caroline Gardner:** Because of the way in which the Scottish Government structures itself, there is not a department as such; the accountable officer is the director general for communities.

**The Convener:** The director general for communities should have ensured that such meetings are progressed. That is when you would expect leadership to be shown.

**Caroline Gardner:** That is where the responsibility for leadership sits.

**The Convener:** You have audited the situation, reported on there being no meeting held, and said that you are concerned. Has there been a meeting recently?

**Caroline Gardner:** As we say in the report, there was a meeting immediately after our 2014 report was published. Since then, the Government has been looking at how to progress the other recommendations and the requirements of, for example, the Community Empowerment (Scotland) Act 2015 and the new Community Justice (Scotland) Bill. In our audit engagement with the Government, it has told us that it is planning how best to make progress. That said, there has been no meeting since the initial one after our November 2014 report.

**The Convener:** This seems to be another example of highly paid public officials who have significant responsibilities failing to carry out the basics. In this case, ensuring that there is a plan for and a timetable of meetings to progress the issues and to show leadership has not happened. Given the challenges that you have set out in your report, if the Government cannot get such basic matters right, it calls into question the other basic matters that must be progressed.

**Caroline Gardner:** All I can do is restate what is in the report: strong national leadership is needed for reform on such a scale. We have not seen enough of that since our previous report.

**Mary Scanlon (Highlands and Islands) (Con):** We seem to have been talking about community planning since 1999. I think that all parties were signed up to it. In the Christie commission report, which colleagues will remember, community planning was seen to be the answer to the future delivery of public services, which were seen to be unsustainable and working in silos.

I want to go over a wee bit of the history. I have in front of me three reports, and I know that more have been done. The March 2013 report says:

“ten years after community planning was given a statutory basis, CPPs are not able to show that they have had a significant impact in delivering improved outcomes”.

It also says that CPPs were not clear about their priorities:

“Too often, everything has seemed to be a priority, meaning that nothing has been a priority.”

It continues:

“there are no consequences for not participating”.

You would have thought that, after that fairly hard-hitting report, the next report would be better. The second report, from November 2014, says:

“There is little evidence that CPP boards are yet demonstrating the levels of leadership and challenge set out in the Statement of Ambition ... many still do not set out the ... improvements CPPs are aiming to achieve. They ... lack a focus on how community planning will improve outcomes for specific communities and”—

this is so important, especially for this Government—

“reduce the gap in outcomes between the most and least deprived”.

My huge concern is that CPPs are not, in any shape or form, tackling inequalities across Scotland.

The third report takes us up to March 2016. Being an optimistic person, I would have thought that, having seen all the problems, people would have addressed them, but we seem to be no further forward.

The third report says that community planning is “not yet delivering the ambitious changes in the way public services are organised ... that were envisaged in the Statement of Ambition”

and that

“we have yet to see CPP partners sharing, aligning, or redeploying their resources”.

The report also says that “stronger leadership” is required. Paragraph 44 states:

“The failure of the Scottish Government and COSLA to clarify performance expectations of CPPs ... is a significant issue.”

So, 13 years after the introduction of community planning partnerships and—if I may say so, Auditor General—the huge amount of work that Audit Scotland has done on the issue, and the fact that the community planning partnership concept has the support of 129 MSPs, that is a significant failure and it should be laid at the door of the Scottish Government for lack of leadership. Am I right?

**Caroline Gardner:** I understand your frustration, Ms Scanlon. Paragraph 4 of our report sets out the work that we have done in this area, and there has been a lot of it during the past few years. There have been efforts to move community planning forward. However, as we reported, and as you highlighted, those efforts have not resulted in the necessary pace and scale of change, particularly given the Government’s position that community planning is at the heart of its reform agenda. We will be reviewing our plans for further audit work in this area because there is a sense that community planning is simply not having the desired effect. The chair of the Accounts Commission might want to say something more about that to reflect the fact that the cabinet secretary asked the commission to take on responsibility for auditing this important policy area back in 2012.

**Douglas Sinclair (Accounts Commission):** I can well understand your frustration, Ms Scanlon.

**Mary Scanlon:** You have been here before, and you have heard it all before.

**Douglas Sinclair:** Indeed, but it is not quite right to lay all the blame at the Scottish Government’s door. Equally, there is—

**Mary Scanlon:** I quoted from the report.

**Douglas Sinclair:** Yes, but there is equally an issue for COSLA. The national leadership is a shared one, given the commitment of both parties to ensuring that community planning was a success.

One of the difficulties has always been the statement of ambition, because in many ways it was overambitious. For example, it suggested that community planning partnerships should have all the characteristics of boards, but they are voluntary partnerships rather than statutory bodies. There was also a sense that everything, including the kitchen sink, was the responsibility of community planning partnerships, rather than their being more precise about the areas in which they could make a difference, such as cross-cutting budgets between health and local government.

There has been a process of refinement and trying to focus on where community planning can make a difference. It has taken longer than one would have liked, but key message 2 in the report identifies that there has been progress and that CPPs are “improving leadership and scrutiny”. At the same time, we are saying that there is still a strong need for national leadership to ensure that local delivery is as effective as possible.

On the convener’s point about the national community planning group, the existence of a national leadership group is important because it signifies a statement of commitment by the Government. The existence of such a group, which represents all key stakeholders, demonstrates and underlines the Government’s commitment; the absence of such a group runs the danger of sending a very contrary message.

**Mary Scanlon:** Thank you. You talked about everything but the kitchen sink being included. I noted that the list of participants in community planning has been extended. I am sorry that I cannot find the page in the report that refers to that, but if you are complaining about everything but the kitchen sink being included, there is even more now.

**Douglas Sinclair:** No. It is good that all the partners who should be at the table are there. One of the problems in the past has been a variability of representation on community planning partnerships. There is no excuse for all the partners that are statutorily required to be there not being there. My earlier point was that, if there was a fault with community planning partnerships, it was that they were overambitious about what they could do. There has been a process whereby they have focused on the areas in which the partners have a common interest. For example, they can add value in areas such as drugs and alcohol because they have overlapping budgets.

**Mary Scanlon:** Okay. I was a member of the first Health and Community Care Committee, along with Richard Simpson, in 1999. When we were considering the Community Care and Health (Scotland) Bill, which introduced free personal care, we were constantly told that health and social work did not really talk to each other. Seventeen years later, we had to bring in legislation to make them work together. That is pretty serious in a country of five million people. Do we need to legislate to make community planning partnerships work? Do you think that legislation is required, given the lack of progress?

10:15

**Caroline Gardner:** One concern that the Accounts Commission and I share is that there are now two pieces of legislation on community

planning: the Local Government in Scotland Act 2003, and the Community Empowerment (Scotland) Act 2015, which shares out the responsibility for leading community planning and increases the number of statutory partners.

Legislation can take us so far but it will not really make a difference to people’s genuine willingness and ability to develop a shared vision for their area and bring together their resources—not just money, but people, communities, and everything else—to focus on where they can get to.

The legislation is not the problem. The issue is how the legislation is used, and how performance management frameworks, accountability arrangements and incentives are aligned to make community planning happen in practice.

**Mary Scanlon:** I understand.

**Douglas Sinclair:** First, it is interesting that no community planning partnership has used the legislation to become an incorporated statutory body.

Secondly, given the complex public service landscape in Scotland, the question is whether there would be enough space for two statutory partnerships: a health and social care partnership and a community planning partnership. That is a real issue.

**Mary Scanlon:** I thought that the question was worth asking.

I will finish with some smaller points that I picked up. At paragraph 37, you use the example of Moray, which is a nice coterminous council area. Is that because Moray is the exception to the rule? Is there best practice in Moray that we could perhaps learn from?

I will throw in my other questions at this point. I did not quite understand what was meant by the statement in paragraph 58 that

“The 14-day delayed discharge target is an example of a performance measure ... creating unintended consequences that run counter to the Scottish Government’s commitment”

to be “preventative”. Perhaps Caroline Gardner or Antony Clark could provide some clarity on that.

My final question is on paragraph 61, which states:

“We found that the Scottish Government’s commitment to maintain police officer numbers and no compulsory redundancies for police staff was limiting the SPA’s and Police Scotland’s flexibility to deliver savings.”

That comment is just left there. I would appreciate some clarity on that point.

**Caroline Gardner:** I will pick up the latter two points and ask Antony Clark to pick up the point about Moray; that is the best approach.



On delayed discharges, as we have said in previous reports on the national health service and health and social care, there are good reasons for measuring the critical parts of people's journey through health and social care and, in some instances—as you have heard from the accountable officer—for having targets to tackle bottlenecks and particular problems.

The reason for including delayed discharges relates to the concern that we have reported previously, which is that the target came down from 28 days to 14 days without a proper understanding of whether the resources were in place and consistent across Scotland to make that a reality and ensure that the whole system was working in balance rather than focusing on one number in isolation.

In our overview report entitled "NHS in Scotland 2015", we highlighted the fact that there are a range of targets at different points in people's journey—through accident and emergency and elective surgery to delayed discharge—and it is not clear that the whole system is in balance to make sure that that works properly.

**Mary Scanlon:** What were the "unintended consequences", and how does that work counter to preventative care?

**Caroline Gardner:** The unintended consequences are that, if people are managing particular points in the system rather than the system as a whole, decisions may be made that will help them to hit the target of 14 days for delayed discharge but which might make it more likely that people are discharged slightly before they are ready or without the ideal package of care in place, which increases the chance of them being re-admitted later. That is what we are looking at.

Our report expresses the wider concern that people who are running individual public bodies such as health boards or councils are being held to account much more vigorously for the targets that affect their body—such as the target on delayed discharges for an NHS chief executive—than for the overall working of the health and social care system in their area.

**Mary Scanlon:** So the targets come before the patients.

**Caroline Gardner:** The targets come before the working of the system as a whole, and that is the risk that is in there—

**Mary Scanlon:** If people are being discharged inappropriately when the whole care package is not in place but the NHS has met a target, the targets are coming before the patients' wellbeing,

**Caroline Gardner:** Patients are obviously best served by the system as a whole working—

**Mary Scanlon:** Yes, I understand.

**Caroline Gardner:** That is what we are hoping to see.

On police reform, my November 2013 report, entitled "Police reform: Progress update 2013", highlighted that, although the Government's target of maintaining police numbers at a minimum of 17,234 through the commitment to an additional 1,000 officers was an entirely appropriate policy choice to make, it made it harder for the Scottish Police Authority and Police Scotland to manage the financial pressures that they are facing. We do not yet have a financial strategy for the SPA and Police Scotland, so we do not know how they are looking to reconcile that—

**Mary Scanlon:** There is still no financial strategy.

**Caroline Gardner:** What we describe is a straightforward consequence of the choice that is there.

**Antony Clark (Audit Scotland):** Moray, which is mentioned in paragraph 37, is an example that we found in our audit work of a partnership working together to develop an approach to community engagement. Rather than individual partners consulting and engaging with communities, there was engagement across the piece.

It is one of the many examples that we found when we were doing our audit work of CPPs working well together to do things that make sense for their communities. The examples fell into five different categories. We found a lot of examples of people focusing on early years and prevention, and of people working on community safety and youth offending. There were quite a few good examples of what we might call community-led projects, in which the partners identified assets such as an unused pub in their area that the community has taken over and used to run youth groups, evening classes and so on.

Moray is an example of where really good projects are working well in communities.

**Mary Scanlon:** That is good—thank you.

**The Convener:** Richard Simpson has two questions that he has promised me are 30-second questions.

**Dr Richard Simpson (Mid Scotland and Fife) (Lab):** One is on the police issue. Auditor General, you said that the commitment to 1,000 extra officers was an appropriate policy. Obviously, it is up to the Government to decide what its policy is, but if the consequence of its policy of determining the number of police in any given area is increased inefficiency, that is in fact dangerous, as call centres now contain people who are not

trained. We have seen the effect of that in my constituency with the case on the M90, but there are others.

Can you comment on the effects and make comparisons with other jurisdictions? The crime rate has gone down just as much in England as it has in Scotland. The police numbers have gone down substantially in England, but that has not had a negative effect on crime rates, and yet the cost of policing in Scotland is huge.

**Caroline Gardner:** At this stage, I cannot comment on that. I am specifically precluded from commenting on the merits of policy, and it is a Government policy choice to make—that is absolutely appropriate for Government to do, as I said in my 2013 report.

A consequence of that decision is that there is less flexibility in ways of making the financial savings that are required. I have the powers to come along, once we have seen the changes that are being made and once the financial strategy is in place, and assess the value for money that that has achieved.

**Dr Simpson:** Can you also compare with other jurisdictions?

**Caroline Gardner:** I am not in a position to do that at present.

**Dr Simpson:** You do not have the power to do that.

**Caroline Gardner:** No. I can make comparisons to help me with my assessment of value for money—

**Dr Simpson:** Yes—value for money.

**Caroline Gardner:** Absolutely, but I am not in a position to do what you describe at present.

**Dr Simpson:** No. I understand.

**Colin Beattie (Midlothian North and Musselburgh) (SNP):** Auditor General, I welcome the positive aspects of the report. It is good to see that some progress is coming through. However, you have said that progress is incremental rather than showing the radical results that everybody is looking for. Worryingly, you have looked at seven other countries that have had exactly the same experience, in that improvements have been incremental rather than radical. What are we learning from that? Is it an ominous portent of what is to come?

**Caroline Gardner:** You rightly identify that, as we say in the report, other Governments have had experience of trying to tackle similar problems in similar ways, and the change that they have achieved has been incremental rather than transformational. That tells us that making progress in this area is very hard and that there

are no easy answers. We have certainly not come across an example of something happening elsewhere that we think the Government should be doing.

However, given the central place that community planning has in the Government's policy agenda with regard to meeting the financial challenges that lie ahead and moving upstream to prevention rather than dealing with the effects of problems, we need to up the pace and scale of change. We think that there is room to do that further by, for example, putting in place the national co-ordinating mechanism that is needed to co-ordinate policy, deal with problems and monitor progress, and by doing some of the things that we have suggested around performance frameworks and the targets and outcomes for which people are held to account. We are clear that there is no magic wand that will suddenly result in policies having the kind of impact that has been desired for a while.

**Colin Beattie:** I do not know how deeply you looked at the seven countries concerned. Is there anything that we can learn? Are some countries doing better than others? Are there examples of good practice that could be transported here?

**Caroline Gardner:** Antony Clark will talk you through that, as he is our expert in that area.

**Antony Clark:** As Caroline Gardner said, we did not find an example of a silver bullet that can make everything perfect on partnership working and community planning. We found that the same challenges that Scotland faces of complexities of governance and resourcing pressures have been hindrances in those countries. However, it is important to put on record that, across the piece, we did not find another country that has set such high expectations of community planning.

**Colin Beattie:** The report talks at several points about national leadership, and it mentions that the national community planning group—the NCPG—has not met since 2014. I am curious about that because, although it is a concern if there is a lack of national leadership, you say in paragraph 48 of the report:

“lack of leadership ... does not appear to have hindered progress in CPPs.”

How do those two things tie up?

**Caroline Gardner:** One reason why Douglas Sinclair and I are here is that we think that national leadership needs to be provided by the Scottish Government and by COSLA and local government. Douglas might want to comment on that in a moment.

In paragraph 48, we go on to say that, although local progress is being made, that progress is incremental and small scale, and is not enough to

tackle the scale of the challenges that, for a range of reasons, communities across Scotland face and to allow them to achieve their potential, or to fulfil the central role in policy that the Scottish Government has given community planning since the 2012 statement of ambition. Therefore, although progress is being made, we think that stronger national leadership could help that progress to be faster and wider reaching.

**Douglas Sinclair:** I will give a further example of that. One of the recommendations that we make is about the importance of

“a well coordinated national programme of support that reflects ... good practice and is tailored to meet individual CPPs’ ... needs.”

That is an identical replica of a recommendation that we made in our previous report. Although we recognise that a lot of work is being done by bodies such as the Improvement Service and what works Scotland, the absence of overall co-ordination of those initiatives by COSLA and the Scottish Government remains an outstanding issue.

In our report, we make the point that CPPs are making progress at different rates. If we can close that gap, that will be in everyone’s interest.

**Colin Beattie:** I want to build on that point about progressing at different rates. Paragraph 44 says:

“the Statement of Ambition is being interpreted in different ways and there are different views about what community planning is for.”

That seems pretty fundamental. Is there really a huge divergence in approaches?

**Douglas Sinclair:** I come back to the point that I made earlier and which we made in previous reports. If anything, the statement of ambition was overambitious. It refers to CPPs and voluntary bodies acting with all the authority and attributes of boards. To be fair to the NCPG, one of the last things that it did was to refocus and to narrow down the priorities that it saw CPPs having. It felt that they should focus on outcomes, reducing inequalities and having better community engagement. I think that slimming down the expectations to a more realistic level has been and will continue to be important.

**Caroline Gardner:** There is a real opportunity to do that through the statutory guidance that is planned to accompany the Community Empowerment (Scotland) Act 2015. We have not yet seen that in detail. As we say throughout the report, that guidance represents a real opportunity to tackle some of the things that we think are slowing down progress or preventing it from being as fast as it could be. Getting that guidance right and making sure that it takes the intentions of the

act and makes them real will be a key step forward.

**Colin Beattie:** To what extent is a reluctance at local level to pool resources and to pool responsibility, for want of a better word, holding things up? Is that a key issue?

**Caroline Gardner:** There are probably a couple of issues at play. Douglas Sinclair will want to come in on this.

For community planning partnerships to fulfil the ambition that is set out for them, they will need to pool not just budgets but people, planning and all the things that they do around their key priorities—the communities that are most disadvantaged and the outcomes that they most want to shift. That is difficult to do in any case, for a range of reasons, but it is particularly difficult to do at a time when budgets are being cut, for reasons that we all understand.

It seems to us to be key to think through what that means for the ability to get the joined-up working that should be at the heart of community planning partnerships and to take away as many of the barriers as possible. That is why a focus on different performance targets and indicators in different bodies does not help. It results in people being pulled in two directions: they are thinking about the partnership, but they are also thinking about things such as the waiting times for elective treatments, rather than being able to say what the most important things are for that area.

10:30

**Colin Beattie:** Did you find any good examples of positive aspects of a CPP resulting in the partnership being successful in pooling resources and so on?

**Caroline Gardner:** Antony Clark will have a couple of examples.

**Antony Clark:** Glasgow is an obvious example. Glasgow City Council, the police and other partners, including the Glasgow Housing Association, have made great strides in targeting resources at disadvantaged communities. They have also made great progress in using the Scottish Fire and Rescue Service in innovative ways to support people in residential care homes and other social housing facilities.

In North Ayrshire, there are great examples of the police working collaboratively with the council to address reoffending, to reduce fear of crime and to tidy up the local environment.

In the Scottish Borders, the partnership has been working with communities to make better use of unused assets, such as dilapidated buildings that might have a community use.

I could list a few more examples. We found many in all eight of the CPPs that we have worked in.

**Colin Beattie:** Do those projects constitute the incremental improvements that you are talking about?

**Antony Clark:** Absolutely. They are all good projects in their own right but, as Caroline Gardner and Douglas Sinclair said, they do not represent wholesale systems change. They make a real difference to communities, but they do not necessarily affect the way in which resources are used across the whole system.

**Douglas Sinclair:** Caroline Gardner has touched on the difficult financial environment in which public bodies operate. There is an issue about the capacity to support CPPs. One of the positive things about the Community Empowerment (Scotland) Act 2015 is that it shifts the leadership from the council to all the partners, so that there is collective leadership. It requires all the partners to have a duty to commit staff resources and so on to support the partnership. That is all well and good, but the act is light on what happens if they do not do that.

Secondly, a lot of the people who are involved in the councils, health boards and so on that support CPPs are the same people who are supporting the introduction and development of the integration joint boards. There is an issue about the depth of capacity to support both partnerships.

**Colin Beattie:** Has the Scottish Government accepted your recommendations on the matter?

**Caroline Gardner:** That would be a useful thing for the committee to confirm, having considered the report today.

**David Torrance (Kirkcaldy) (SNP):** Page 7 of the report says that community planning partnerships should

“ensure local communities have a strong voice in planning, delivering and assessing local public services”.

How engaged are local communities? Are their voices and views listened to? In my experience as a councillor and, over the past five years, as an MSP, they are often not listened to and, instead, lip service is paid to them.

**Caroline Gardner:** That is a really good question. In the report, we say that there are lots of examples of communities being consulted on specific issues, projects and policies but no signs that the way in which public services are planned, managed and assessed is being turned on its head, so that it starts with what people want.

Douglas Sinclair and Antony Clark might want to colour that in a bit more.

**Antony Clark:** I echo what Caroline Gardner said about the situation. However, we have observed a commitment on the part of the CPPs to do what Mr Torrance suggests. The community empowerment legislation has been welcomed by many CPPs. They recognise the value of designing services that are more community focused, but they also recognise that, as Douglas Sinclair mentioned, there are difficulties around capacity and whether they have the staff with the skills and the time to deliver all of that. There are also issues around rigidity in the way in which services are delivered, as services have been delivered in particular ways for good reasons and changing that is not always easy. However, we get the sense that there is an appetite to try to move that agenda forward.

**Dr Simpson:** I have a couple of questions. The first concerns areas where things have not worked. For example, Stirling and Clackmannanshire endeavoured to start sharing significant services and were doing what Christie wanted them to do, until we got the current budget, when officials in Stirling reported to their councillors that the council was subsidising the neighbouring council to the extent of £400,000 a year. The result is that the services have now been split. In relation to where we are trying to get to, that is a clear backwards step, but it is an understandable one for politicians if taxpayers in their area are subsidising another area to that extent in what are two relatively small councils.

Have you had the opportunity to look at that CPP failure, the community health partnership failure in Glasgow or the regional plan that Sir John Arbuthnott was engaged in, which involved trying to get all the councils in the Clyde valley to co-ordinate and share, but which does not seem to have progressed at all? There have been some significant major projects of the radical sort that you seem to be saying we need but, for the large part, the radical projects seem to have failed. I am a little surprised that I did not see that covered in your report.

**Douglas Sinclair:** You are talking about a slightly different agenda. It touches on community planning, but it is more about the relationship between councils than it is about community planning partnerships.

I will try to address the point that you are making. On the Stirling Council and Clackmannanshire Council example, my criticism of that is that the input is a judgment about saving money. The judgment should be about whether that shared service delivers better educational outcomes. I do not know what evidence the two councils have. For a small council such as Clackmannanshire, being involved in a partnership that has access to a wider set of resources might

deliver better outcomes for children. Presumably that was the point of doing it in the beginning. That example underlines the point that, with shared services, the partners need to be clear about what outcomes they are trying to achieve.

You are right to refer to Sir John Arbuthnott's report. One of the difficulties with that is that, although there was an initial enthusiasm for sharing services, in many cases it came down to people saying, "I am not prepared to give up my job in Hamilton to go to Glasgow." There was a defensiveness in relation to that.

The Accounts Commission has no view on whether shared services are a good or a bad thing. The important thing is to have a clear business case that sets out the outcomes and benefits of shared services. There are, however, significant steps for councils to take well before shared services. The danger of shared services has been to view them as the panacea or the answer to everything.

In the commission's view, councils still have huge scope to look at their processes and procedures. For example, they should look at the process of how they invoice people to pay bills and at how their council compares with the best in class. If it costs Clackmannanshire Council £5 to invoice for council tax and another council can do it for £2, we would want Clackmannanshire to drill down and find out why the other council can do it for £2.

There is a message about councils simplifying and standardising their procedures. They should share services only if there is a business case to do so. There is huge scope for councils to compare their individual costs with those of other councils and become more efficient.

**Dr Simpson:** That is what I banged on about endlessly over most of the 13 years for which I was a member of health committees in the Parliament—the variation and the fact that we could narrow it, as you pointed out.

Is there a data set available? We now have the integrated resource framework for the integration joint boards and we have the new framework on top of that with additional information, which will be looked at later today. Do we have something similar for the CPPs so that they can look at the variation in cost that you have talked about, for example, and consider how to introduce best practice?

That leads on to my second main question. On the health side, we have Healthcare Improvement Scotland, which is not perfect but at least it tries, on a non-mandatory basis, to have good practice identified and spread. In backing up the IJBs in their extended role, will we simply have HIS doing a little bit of that again or will there be a national

structure to push the IJBs alongside the CPPs? That landscape is going to be cluttered, so who in Government will be responsible for picking up best practice and spreading it? Will there be a clear, identifiable source so that, if I am a councillor, I can go on to a website and then question my officials about why my council is not doing things that other councils are doing?

**Douglas Sinclair:** On the point about data for councils, there is national benchmarking information, and we encourage councils to drill down and look at their performance to see whether they can improve in relation to the family of councils to which they belong. Work has been undertaken to develop indicators for community planning partnerships.

On IJBs, I make exactly the same point as we have made in the context of community planning partnerships, which is about the importance of a co-ordinated programme by local and national Government to ensure that improvement activity is well co-ordinated. That has been the lesson of CPPs. It is clear that many of the issues and lessons that apply to CPPs will be exactly the same for IJBs.

**Caroline Gardner:** That is exactly right. We said in paragraph 74 of our report that, although lots of bits of improvement support are available, support is still not co-ordinated so that there is critical mass and capacity is in place to enable support to be tailored to the needs of individual partnerships.

I agree entirely with Douglas Sinclair that many of the issues are likely to be similar for IJBs, and there will be similar issues for the criminal justice field when the Community Justice (Scotland) Bill is implemented. We need to ensure that improvement support and everything that goes with it, such as the what works Scotland initiative, are used once to best effect, rather than being replicated on a smaller scale, which potentially dilutes the effect.

**Dr Simpson:** In exhibit 2, you show indicators, outcomes and something else—I cannot read the text in the circle at the bottom, because it is too small. How do your findings compare with those of your previous examination? I think that we all agree that we have been far too focused on processes and that targets can get in the way. Of course, targets can be valuable. In health, they have been hugely important and have driven the system forward to a position that I would not have recognised as a doctor in 1997, so there has been fantastic change. However, targets are now getting in the way, because they are not nuanced. How much of a switch from indicators to outcomes and from short-term effects to medium and long-term effects are you perceiving? Is the position relatively stuck?

**Caroline Gardner:** Probably the most important statement that we make in the report in that regard comes at the end of paragraph 55, where we say of the public sector reform board, which looked at the issue:

“The PSRB concluded that the need for change was well understood and accepted but it could not agree about what change was needed and how to implement it.”

There has been progress, in so far as there is now recognition of the problem and that something must be done, but we do not have much evidence that the indicators, targets and frameworks are being streamlined. As exhibit 2 shows, there is still a large number of indicators and the focus is still much more on inputs than on outcomes.

That is not to say that fixing the problem is easy. I do not want to give the impression that it can be fixed overnight. However, you are right that that needs to become a reality.

**Dr Simpson:** That is something that our legacy report needs to reflect. We need to say that things should be more outcomes driven than process driven. We will never get rid of targets, which are a politician’s delight, in opposition and in government, but if targets are not nuanced they are dangerous. I have attacked the 12-week treatment time legal guarantee on many occasions, because we cannot have a 100 per cent guarantee, and to have a legal guarantee that has been broken for 32,000 Scots is, frankly, disrespectful to the law. I am not asking you to comment on that, but I really worry about a legal guarantee of that sort affecting clinical priorities in the health system. It is one of the worst examples of a target that is counterproductive in terms of cost and, more important, patient outcomes.

**Nigel Don (Angus North and Mearns) (SNP):** I will carry on with the theme that Dr Simpson took up. There is a well-understood phenomenon of leaders working in silos because of their perceived responsibilities to those who employ or govern them. I think that people in public services such as the police and the Scottish Courts and Tribunals Service could easily work together, because they are responsible to the Government. I get the impression, however, that those who are elected—local councillors, in this context—always feel that they are looking over their shoulders and have a very territorial responsibility. As I was a councillor once upon a time, I recognise that. Have you seen any good practice or other means that could enable elected members to get outside their territorial responsibilities and work collectively over a wider area, or are we just stuck with it?

10:45

**Douglas Sinclair:** Could you perhaps expand a little on that?

**Nigel Don:** I do not want to personalise what I say in any way. However, I am left with the perception that the leader of a local council finds it very difficult to sit on a joint board with other local councils and a health board, which will cover a wider area, and commit the council’s resources to that wider area.

It comes back to the point about authorities working together. It is instinctive to think, “I am the guardian of resources for my people, because they are my people and they elected me”. Constituency MSPs will recognise that phenomenon completely. I think that it is very difficult for councillors to sanction anything that looks as if they are giving resources to somebody else.

**Douglas Sinclair:** I would like to think that the motivation for the council leader would be not territorialism but the best interests of his or her constituents.

There are examples of councils that have seen the potential of working together to improve the economy of the area. Most recently, Aberdeen City Council and Aberdeenshire Council have come together in a city deal, as have Glasgow City Council and the Clyde valley councils. There is a willingness to look more widely than simply at the territory of an individual council and to think of the potential for generating wealth in the area, which can benefit all constituents, including the council leader’s constituents.

**Nigel Don:** I challenge that example, because the city deal is about additional money coming in. I do not want to personalise it to Aberdeenshire, but if Aberdeen City sees that it is getting, say, 30 per cent and Aberdeenshire 70 per cent, the Aberdeen City councillors can still say that their area is getting 30 per cent of a pot of new money and will benefit from the rest of it, so that is okay. It is easy to be generous in those circumstances.

When councillors have a core budget that is shrinking, doing anything that means that some of that budget goes elsewhere seems quite difficult, and we have seen examples of that.

**Douglas Sinclair:** It is less about money going somewhere else and more about getting better outcomes collectively from putting a budget together and sharing it. For example, if resources are scarce, it may be in a council’s interests to share specialised resources in areas such as procurement or educational psychology. The service for the public is better if resources are shared.

The motivation of council leaders should be how to get better outcomes for citizens, and there are opportunities for councils to share where there is a business case for that.

**Nigel Don:** Could you point to examples where that has been done on a substantial scale?

**Douglas Sinclair:** Yes. Aberdeen and Aberdeenshire, for example, share procurement functions and are working on sharing finance functions such as internal audit, for which resources have declined. There are quite a lot of examples across Scotland where councils are doing that because they see the benefits.

The key issue for leaders and councils is that the public wants to know that there is a clear line of accountability. Who is accountable for a shared service? Where does the accountability lie? That is an important factor as well.

As resources continue to be constrained, it will be interesting to see whether there is more of an appetite within local government to do more work in partnership, where that adds demonstrable value and where there is a business case to support it.

**Nigel Don:** I move on to another point. The *Official Report* of today's meeting will not be the first to include the phrase "What gets measured gets done", but I am going to say it again—indeed, I just did.

Exhibit 2, to which Dr Simpson referred, is a hugely useful infographic. I am in favour of such things and thank you for it. Clearly, the infographic is intended to demonstrate that the vast majority of the measures are "input/output", "performance" and "short term". I put it to you, Auditor General, that that may not necessarily be a bad thing. It might well be that if 20 things can go wrong, you need to have 20 numbers to know whether they are going wrong, whereas if life is okay, you might need one or two measures to demonstrate that it is okay. I understand what you are trying to demonstrate. What needs to change to get people to focus on the outcomes? Do they just need more outcome measures?

**Caroline Gardner:** You are absolutely right. We are not saying that you can just measure outcomes and everything else goes by the board—not least because most outcomes will take a generation to fix, and keeping our fingers crossed for 20 years is probably not a very sensible strategy.

We are keen to make sure that the measures that underpin the outcomes are the measures that will genuinely take you in the direction that you want to go in, in order to change and improve outcomes over time. Previously, we talked about some of the unintended consequences of input or activity measures for the outcomes that you are looking for. There is something quite subtle in taking a measure and turning it into a target. As Dr Simpson said, it can have a very powerful effect on a priority or a bottleneck or on something that

you are trying to fix. Equally, I think that it can have an unintended effect.

One of the examples that we have reported on previously is the four-hour A and E target. That target is important; it is a target that matters to people, and it has seen a huge improvement over this session of Parliament—there is no question about that. The figures for A and E departments are reported weekly and they receive a lot of attention and a lot of public and media focus. I would challenge people in this room to indicate what the equivalent might be for people who are waiting for a care package in the community, which is just as important in some ways. The focus on A and E drives people's attention, efforts and resources towards those figures in a way that not only neglects the rest of the system, but potentially distorts away from it. That is the easiest example to point to.

The conclusion of the work done by the board that has been set up by the Scottish Government and COSLA is that there are other examples of that sort of approach, in which we take one part of the system but potentially either ignore other important things or drive the wrong outcomes elsewhere. Streamlining is needed, with appropriate mapping of different measures at different levels; it should also look at the short, medium and long term.

**Nigel Don:** You said earlier that a whole-system approach is required. Of course, the committee endorses and understands that.

Finally, I turn to the issue of the integration joint boards and community planning partnerships. There is now a timetable for IJBs—actually, the deadline is pretty close. As Mr Sinclair commented, in many places, it will be the same people who will be worrying about both partnerships. If IJBs have a timetable and CPPs have managed to wait this long, is there any real prospect that they will be the focus of people's attention?

**Douglas Sinclair:** Yes, because they are statutory bodies. That is the difference. They are accountable to ministers and will report annually on the progress that they are making in relation to the outcomes specified by the Government. The process is a different beast altogether, and I think that it will drive things much more effectively.

I return to the point that you made about sharing, because that made me reflect on the sense that councils are not good at sharing. I can think of at least a couple of examples from my career in which the health board's director of finance resigned or retired, and the council offered to take over that responsibility, in order to provide a shared service for the health board and the

council. In both cases, that offer was turned down by the health department.

**The Convener:** Can you clarify, for the record, where that was?

**Douglas Sinclair:** It was in Orkney and in the Scottish Borders.

The issue around sharing is wider than just a criticism of councils. There is a general attitude—sometimes in central Government as well—of an unwillingness to share something that might have the potential to give benefit and save money.

**Nigel Don:** I do not want to get too territorial or personal, but councils not a million miles away from where I have been over my career have totally failed to join up, even in back-room services such as in accounting. If—for what I perceive to be essentially territorial, “It’s mine” reasons—they cannot manage to do that, I do not think that there is much prospect that they will ever join up at the sharp end.

**Douglas Sinclair:** Well—

**Nigel Don:** Forgive my cynicism.

**Colin Keir (Edinburgh Western) (SNP):** Quite a lot of what I had noted down has been mentioned in the first part of Nigel Don’s questioning. Having come from a local authority into Parliament, my experience is that virtually everything that Nigel Don, Richard Simpson and Colin Beattie have said is perfectly true. There is nothing new in the idea of shared services. I remember discussing it some years ago.

We know that this is incremental, but why is it incremental? Why are changes happening in that way? There are some obvious answers to do with the political climate that we all live in. There are strains between the Scottish Government and COSLA and between COSLA and local government, and if you try to take the power from any partner and put it into a general pot you will automatically get to the point where somebody will fight for that. It cannot be easy, and I understand that those are all problems that underpin some of the questioning.

If we really want to speed things up, how do we get those four elements—the Scottish Government, COSLA, local authorities and partners—all together? I know that COSLA and local authorities are the same thing, but there is a clear difference between them and there are clear arguments. We must address the idea of partnership. If you are a councillor at a Monday night surgery and somebody asks you, “Can you help me with this, councillor?”, you will probably say, “Well, I can, although it’s not really the council’s business,” even though the council may provide that service on behalf of a partner. There is an issue of accountability that we seem to be

wavering about a little bit. How do we get the public to understand that there are services that are shared, if not on a statutory basis, then on something pretty close to that? The chances are that, if you ask a member of the public, they will not understand what a community planning partnership is.

**Caroline Gardner:** That is absolutely right, I am sure that Douglas Sinclair will want to comment but I will kick off. I think that the way in which we convince the public that shared services are a thing and are important is by delivering good shared services so that you do not end up with people passing responsibility or concerns backwards and forwards. I recognise all the things in the environment at the moment that you have highlighted as making the situation more difficult than it otherwise would be. All of that is true. It is still the case that community planning is a central part of the Government’s reform agenda. If Government and COSLA were to conclude that, in the current context, it is overambitious and not possible, we would be looking for a plan B for managing the constrained resources that will continue for the next few years and the policy commitment to move towards prevention. At the moment, community planning and the things that are related to it are the main thrust in achieving that. If that is no longer the case, we must ask what the alternative is. You are right to say that there is a difficult set of challenges to tackle, both for individual councillors and for the public bodies involved.

**Douglas Sinclair:** The case for community planning still exists. You may say that the police are responsible for crime, but the causes of crime—they could include bad housing, few employment opportunities and poor education, for example—are outwith the control of the police. Therefore, it is critical that bodies come together and design services around the individual and around communities in a joined-up way. The public expect services to be joined up. That was the whole point of the Christie commission, and it is the driver for the integration joint boards. Our report returns to the point that, if that is a flagship policy for the Government, national leadership is important, at the level of the Scottish Parliament and COSLA, in terms of a co-ordinated support framework and an effective performance management framework, because those are the bodies that can will the means to make it more effective.

11:00

**Stuart McMillan (West Scotland) (SNP):** Mr Sinclair, you asked about the need for both the health and social care partnerships and the CPPs.



That is my interpretation of what you were asking—is that correct?

**Douglas Sinclair:** I was asking, in answer to a question, whether, if you put community planning partnerships on a statutory basis, there would be space within the very complex public sector landscape in Scotland for those two types of statutory partnership. Where one stopped and the other started might be an issue. We would need to think about that very carefully.

**Stuart McMillan:** You later highlighted the issue of the capacity needed to support the CPPs. It may be that some individuals are attempting to support both types of partnership.

**Douglas Sinclair:** Yes. In our audit work, we find that, as councils—particularly small councils—reduce their workforce through voluntary redundancy, there is a danger that they begin to lose really important staff who do pretty important jobs in specialised areas.

**Stuart McMillan:** Exhibit 2 on page 26 of the report shows that 20 per cent of measures are statutory and 80 per cent are non-statutory. This may be a policy question that you will not want to answer, but is it your opinion that those percentages need to be altered in some shape or form so that the statutory element increases from 20 per cent?

I regularly hear calls in the chamber for a more consistent approach to be taken in service delivery across the country, but the difficulty that I have with that is that it could be seen as central Government dictating what local authorities should or should not do. Ultimately, local authorities and organisations that deliver services in local authority areas know those areas better than whichever party is in power at a central Government level.

**Caroline Gardner:** My concern is less about whether the measures are statutory or non-statutory than about whether they point you towards the longer-term outcomes that you are looking to improve. We touched on that discussion earlier. The Government may think that some measures are so important that it wants to set them in statute. The argument against that is that things change over time and what is important this year might be quite different from what is important in five years' time.

What is interesting about exhibit 2 is not any of the individual things that you could pull out of it so much as whether there is a coherent picture overall for achieving the national outcomes, with every public body in communities across Scotland playing its part in doing that. The statutory/non-statutory dimension is one aspect of that, but it is not the most important thing from my perspective.

**Douglas Sinclair:** There was confusion around whether the statement of ambition was simply about community planning partnerships delivering on national outcomes, or whether it was about having sufficient space within community planning partnerships to deliver on local priorities as well. It seems to me that getting that balance right is quite important.

**Antony Clark:** When the senior officer group looked at the 20/80 per cent statutory/non-statutory split in exhibit 2, it suggested that the fact that 80 per cent of the measures are non-statutory arguably identifies scope for a decluttering of the landscape, as they are not underpinned by primary legislation.

**Stuart McMillan:** That is a good point. The benchmarking tool for local authorities has been mentioned. That is not a statutory tool and it has a degree of flexibility, in that indicators can change annually. As Caroline Gardner said, the landscape can change within a short space of time. Could it be considered as a measurement tool that is not solely for local authorities? Could it be an additional tool for community planning partnerships or other joint operations that allows for flexibility without the need for a statutory element?

**Antony Clark:** That is already taking place. The Improvement Service has been working with a number of CPPs to develop a benchmarking data set that it can use to identify how well and how quickly they are moving towards delivering the outcomes that they are all committed to.

Quite a lot of interesting work is going on within Government to ensure that the data that CPPs might need to plan and understand local needs and to target improvement is available at a very local level, so that they can focus on the needs of specific communities. That is an agenda that people are moving forward on.

**Douglas Sinclair:** it is not quite right to say that the national performance framework is not a statutory tool. That derives from the fact that the statutory responsibility for specifying performance and performance information lies with the Accounts Commission. A few years ago, the commission decided that it wanted local government to take much more ownership of performance and performance information. That is why we have allowed the development of the national performance information through the Society of Local Authority Chief Executives and Senior Managers and COSLA. We are clear in our direction that we expect councils to use that information to drill down and examine their performance in comparison with other councils. That is the acid test: to learn from the information that is made available.

**Stuart McMillan:** Exactly. I was a member of the Local Government and Regeneration Committee when the benchmarking tool came into being, and that was certainly the ethos. I am supportive of the whole idea. There will be some very good examples of work that is taking place. I am sure that everyone will want community planning to be a success.

**Mary Scanlon:** We have scrutinised the report, but I want to ask in particular about the final words, in paragraph 82. To be honest, they are neither hopeful nor optimistic for the future. Paragraph 82 states:

“What is clear ... is that continuing on the current path of delivering local improvements is unlikely to deliver the system-wide transformational change outlined in the Statement of Ambition.”

I refer to the historical events that I outlined today—and I appreciate that you would never write anything that was less than honest. Given the questions that have been raised by colleagues today, the issues that have been raised and the contents of all your reports, I am not filled with confidence that things will change in future and that we will deliver the outcomes that we hoped to deliver. Am I misinterpreting the final point in your report?

**Caroline Gardner:** You are not misinterpreting it. The strong message that has been coming through our evidence this morning is that community planning is, as Douglas Sinclair has said, a flagship policy of the Government; it is a key part of the response to the Christie commission, the challenges of tight financial resources and the move towards prevention. The progress that we have been seeing so far is real, but it is small scale and incremental, and it is not leading to the sort of transformational change that was envisaged when the statement of ambition was agreed between the Government and COSLA. If community planning is to continue to hold that place in policy terms, much more

“Strong national leadership ... is needed”,

as we say in the report.

**Mary Scanlon:** I have no doubt that future audit committees will come back to the matter.

**The Convener:** I thank the Auditor General for her final report before the end of the parliamentary session. I take this opportunity to thank her and her staff for the support that they have given the committee over the session. We wish you the very best for the future.

**Caroline Gardner:** Thank you very much, convener. It is a pleasure and a privilege for us all to support the committee. We are pleased to have been able to do so during this session of Parliament, and we are very much looking forward

to working with the Parliament in the new session. Best wishes to everybody.

## Section 23 Reports

### “NHS in Scotland 2015”

11:09

**The Convener:** Item 3 is a response from the Scottish Government to the committee’s request for further specific information relating to the Auditor General’s report, “NHS in Scotland 2015”. I invite colleagues to make comments or propose actions.

**Dr Simpson:** The backlog maintenance issue is very interesting. The target is now a 2020 target. The previous target was a 2015 target, which was not met. I for one was certainly not aware that there was a new target of reducing the backlog maintenance figure to £100 per square metre of the estate by 2020, and only 10 per cent of the backlog is to be high risk. The new set of targets is completely different from the previous target, which was defined in millions of pounds. I am slightly concerned about the fact that we have new targets.

Even if we accept what the Government says in the letter, the present backlog balance is £181 per square metre, and 47 per cent of the backlog is high risk, which is a huge amount. I think that the information that has been provided obfuscates matters and that transparency is lacking. What it might be useful for us to find out is how much of the high-risk element is clinically important. I will give an example of something that is clinically important: in the past few weeks, there has been sewage running down the walls of the Southern general hospital. That problem has occurred on a number of occasions over the past few years. It seems to be such a high risk that it should have been dealt with. Our successor committee will have to ask Audit Scotland to look into the system in far greater depth and to produce information that is meaningful and helpful. I do not know whether it would be worth asking for intermediate targets, at least. If the new target of £100 per square metre is to be met by 2020, what is the Government going to do about the high-risk stuff?

My other concern is that what is low risk today might—if it is clinically important—become high risk tomorrow. The impression is given that we are talking about a fixed feast. That is not the case; things will come on to the agenda as risks, and things will move from being low risk to high risk. I feel that the whole process is extremely obscure. I am really concerned that the Government set targets for 2015-16, which it has missed by quite a long way, because the boards have not delivered on the existing high-risk elements of the backlog, as far as I can see.

Therefore, we should ask how much of the backlog that was defined to be high risk in each of the years between 2012 and 2015 has gone off the agenda. If what was high risk in 2012 has not been addressed by now, what is the point of defining it as high risk?

**Colin Beattie:** I do not disagree with what Richard Simpson says.

One thing that I am curious about is the fact that, in the past, we have been told by the Government that a proportion of the backlog would be dealt with by way of new builds and so on as opposed to buildings maintenance. At one point, the Government gave a percentage on that, and I am surprised that it has not given that figure this time. That would be interesting to know, because it could be that, if we understood what was to be replaced, the figure of £181 per square metre could come down substantially, which would answer some of Richard Simpson’s questions. That question should be asked, but it will probably be for the successor committee to do that.

**Mary Scanlon:** I appreciate that it is for the successor committee to do that, but for those of us who have been on the committee for most of the session, it has been an on-going issue. It is not the first time that the Government, on being unable to change a target, has changed the date. In this case, it has changed it quite significantly, which is very disappointing.

I say to Richard Simpson that we asked for a definition of “high risk”. I do not want to use my words, but “high risk” means that something is fairly detrimental and, in fact, quite dangerous to staff and patients from a health and safety point of view. It is an issue that we have looked at over the five years of the session, and I agree with Richard Simpson that we should include it in our legacy paper for the successor committee. It is an extremely serious issue.

As far as Colin Beattie’s point is concerned, we have been given more explicit information in the past, which has helped our understanding. If an old hospital is not meeting the standards and a new one is being built, that information helps us to understand the maintenance backlog figures. We have been given less information, and a target that could not be met has been shifted far over the horizon.

11:15

**Nigel Don:** I would like to extend the discussion by making the point that this is not a continuum—we are talking about discrete buildings, some of which are quite big and some of which will probably be underused. We all recognise that, if a building is old and the roof needs to be replaced, the whole building will be regarded as being at the

worst end. It might not even be being used, or only the ground floor might be being used, or it may well be going to be replaced in a year and a half's time, in which case no sensible person would expect anything to be done with it until the new one is built. Our successor committee or perhaps a future health committee will need to be able to extract the individual segments from the big numbers in order to understand what is going on. I suggest that average numbers do not help us.

**Stuart McMillan:** I agree with my colleagues' comments. It would be useful for our successor committee in the next session to get a breakdown of what is planned. As Mary Scanlon said, this committee has discussed the matter before. The information is relevant for a future health committee, but our successor committee should obtain that information, too.

**Dr Simpson:** I will make one final comment on this. There is much criticism of what were originally public-private partnerships, were then private finance initiatives and are now non-profit-distributing schemes—they are all the same—but they include a maintenance contract. Our successor committee should recognise that those are maintained buildings and that the contract requires the contractor to maintain them for the 30-year lifespan of the contract, which is a fantastic saving to the health service. If colleagues would agree to this, I suggest that, in our legacy paper, we invite a future audit or health committee to look at the savings that are accruing in that area. The backlog of maintenance and repairs has been up to £1 billion, with £250 million or £300 million of it high risk; now there is no backlog in the maintenance of NPD schemes.

**The Convener:** Colleagues, I suggest that we pull those suggestions together. We could respond to the correspondence, asking for a response in the two-week period before Parliament dissolves; we could pass the *Official Report* of this meeting to our successor committee; or we could do both—see what information can be provided within the next two weeks and, if any further information needs to be sought, suggest that our successor committee does that.

**Stuart McMillan:** I think that we should do both.

**Dr Simpson:** We should ask what was considered as high risk in 2012, 2013, 2014 and 2015 but was not about the replacement of buildings. Nigel Don is absolutely right to say that there is not a continuum. We should ask the Government to take out the buildings that are scheduled to be replaced and are not being used—in relation to which there is a general safety issue—and provide us with a list of the important high-risk items that relate to buildings that are being used for clinical purposes.

**The Convener:** We need to be careful what we put in the legacy document.

**Dr Simpson:** Yes, but that is not for the legacy document; it is what we should ask the Government for.

**The Convener:** I suggest that we correspond with Mr Gray on the points that committee members have made today and request a response within two weeks.

**Nigel Don:** As a general point that we will come back to, we need to be careful that we are asking for things of significance. There will always need to be some kind of de minimis level, although I am not sure how we could set that. It could be addressed in the correspondence. We do not want information about 10m<sup>2</sup> in the corner of the smallest and least relevant building; we need relevant stuff and should not ask people to do unnecessary work.

**The Convener:** I think that we can ask for common sense to prevail but still put the question in the interest of openness.

**Nigel Don:** Yes, please.

**Colin Keir:** We cannot legislate for common sense.

**The Convener:** Absolutely.

### “Health and social care integration”

**The Convener:** Item 4 is a response from the Scottish Government to four points arising from the committee's consideration of the AGS report entitled “Health and social care integration”. Do colleagues have any comments to make?

**Colin Beattie:** The offer made is one that we probably would have taken up had we been carrying on, but clearly at this point there is no time for that. Is it a matter that should be carried forward for the next committee? We cannot put it in the legacy document.

**The Convener:** We can ask for the matter to be on the record.

**Colin Beattie:** That would be useful.

**The Convener:** Do colleagues agree to that approach?

**Members** *indicated agreement.*

### “Implementing the Scotland Act 2012: An update”

**The Convener:** Item 5 is a response from the Scottish Government on the AGS report “Implementing the Scotland Act 2012: An update”. The committee had asked the Scottish Government whether it accepted the report's findings and recommendations. Is the committee

content to note the Scottish Government's response?

**Members** *indicated agreement.*

## Annual Report

11:20

**The Convener:** Item 6 is the committee's annual report. In line with previous years, this is simply a factual report on the committee's work for the past year. Are members content to agree the draft report and for me to liaise with the clerks on the publication date?

**Members** *indicated agreement.*

**Stuart McMillan:** I do not know whether it is relevant to highlight this, but paragraph 25—the draft report's final paragraph—says that the committee met 21 times and all the meetings took place in the Parliament. It struck me that other committees have undertaken various meetings outside the Parliament, across the country, but this committee has not done so.

**The Convener:** We had a tour around NHS Highland.

**Stuart McMillan:** Oh, sorry—so we did.

**The Convener:** You were there.

**Stuart McMillan:** No, I was not at that one.

**The Convener:** Sorry.

**Stuart McMillan:** Nonetheless, I stand corrected. Given other committees' external activities, it is clear that they have been out of the Parliament a lot more. I mention the issue for the next committee in the next session.

**The Convener:** A fair point has been raised. The Public Audit Committee's work is of public interest, so hopefully the future committee will keep the issue in mind.

I point out to colleagues that this is our final meeting before dissolution. Before moving into private session, I want to thank, on the committee's behalf, Audit Scotland and the Auditor General for their hard work and professionalism over the past five years. Their reports and the evidence and the support that they have provided to us have, as I am sure that all members will agree, been invaluable. I am sure that our successors will be as grateful as we are for their good work.

I would also like to thank our clerking team, led by Anne Peat. It goes without saying that we would be lost without the team—we would not be able to progress the committee's agenda and the other supporting elements. I also thank the other staff who have supported us: the media team, the official reporters and the sound engineers, who ensure that the good work of the committee can be taken forward. I also thank the deputy convener, Mary Scanlon, Dr Simpson and Colin

Keir, who are not seeking re-election to the Scottish Parliament. We hope that you have a long and healthy retirement, and we wish you all the very best for the future.

My experience is that we have worked together as a committee, despite our political differences. There have never been any divisions, despite there being a Government majority built into the committee. That is a credit to all committee members.

**Mary Scanlon:** Hear, hear.

**The Convener:** All the parliamentary committees should operate in that way—they should ensure that we can work together on the common agenda.

Does any member have a brief comment before we close?

**Mary Scanlon:** When I came here in 1999, David McLetchie was my leader. He offered me the Health and Community Care Committee. I said, “I don’t know much about it. I go to the doctor once a year—that’s about it.” He said, “What is it that you want to do?” I said, “I would like to go on the Audit Committee.” He said, “That’s just a tick-box exercise. Nobody pays attention to that; it’s just a by-the-way committee. You’d be wasting your time on that committee.”

I must say that it is a committee that we have not heard of much until this session of Parliament. I would like to thank Hugh Henry, who gave me the courage to be a bit feistier in committee, and Iain Gray. Most of all, convener, I would like to thank you because you have convened this committee—it is the first one that you have convened—in a thoroughly professional manner. You have taken each and every one of us with you in both the public and the private sessions.

This is only my humble opinion, so it is not worth much, but I used to watch Margaret Hodge at Westminster and think, “The Public Accounts Committee is a really good committee—maybe we should be a bit more like that.” Under the convener’s leadership, with the forensic questioning of Tavish Scott and other long-standing committee members such as our resident auditors—Colin Beattie, the convener and me—and with the help of John Doyle and a few other characters along the way, I think that each and every one of us around the table has helped to bring this committee close to being on a level with the Public Accounts Committee at Westminster.

I know that people out there looked at John Doyle and thought, “I don’t want to be there.” I think that those people might be paying a bit more attention to the handouts that they take, and that they might even check their contracts with IT systems before signing them.

I want to commend the convener for his measured, thoughtful, consensual and thoroughly professional approach. It has been a privilege working with him, and it has been a great privilege working on the committee.

Again, I want to thank the Auditor General and her staff. Thank you so much.

**Colin Beattie:** I would like to join in the convener’s sentiments by thanking the Auditor General and her team; the clerks; the members around the table; the convener; Mary Scanlon, the deputy convener; and everybody else involved. I think that the committee has generally operated as the best example of a parliamentary committee. As a cross-party group, we have been quite collegiate. I welcome that. I have enjoyed my five years here. We will see what the dice roll brings next year and where we all end up.

**Dr Simpson:** As a latecomer, I have thoroughly enjoyed my brief time on the committee. The role of Audit Scotland has been phenomenally important in every committee that I have sat on throughout my 13 years in the Parliament—mainly on health committees, although I was on the Finance Committee at the beginning.

Without Audit Scotland’s reports, we could not provide the sort of scrutiny that we have been able to provide. In the past few months, it has been a great pleasure to serve on this committee. In fact, it has been the most collegiate committee that I have served on since the first Parliament. I commend colleagues for that.

**Colin Keir:** I thank the convener for his comments. I totally agree with the comments about the Auditor General and the support staff as well as, of course, those about my fellow members. A couple of us are not coming back, and we have the privilege of looking back. Perhaps, like most people, we originally saw audit as a bit of a dry subject to get involved in. However, we have come across some of the most important situations, events and calling of people to account in this Parliament.

This committee is not like any other committee. I welcome the consensus. It has been an honour and a privilege to serve on the committee, so thank you very much and the best of luck for the future.

**Stuart McMillan:** I agree with the comments that have been made so far. What struck me about the committee during this session is the collegiate fashion in which members undertook their duties. I have been fortunate to be on committees in which that has regularly been the case, but it has not been so for the entirety of the time. The members of this committee have tried to work together as a team, and they all deserve credit for that. It shows that, when the politicians from the various parties

are able to come together, they can get a good job done—and we have certainly done that.

My final point is about a former member of this Parliament and this committee—Andrew Welsh. I joined the Public Audit Committee at the very beginning of the previous session in 2007, and Andrew told me that the Audit Committee was a fabulous committee. He said that Audit Scotland provides you with the bullets and it is up to you to fire the gun. He told me that on a regular basis. Audit Scotland certainly provides invaluable information and a huge amount of assistance. In this session, I think that the members of this committee have undertaken their duties with that information to hand. Thank you very much to Audit Scotland. That wee anecdote about Andrew Welsh will always stick with me.

**The Convener:** Okay colleagues, before there is any disagreement, I will move the committee into private session. I note that we have received apologies from Tavish Scott.

11:29

*Meeting continued in private until 12:01.*





This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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