OFFICIAL REPORT
AITHISG OIFIGEIL

Public Audit Committee

Thursday 25 November 2021

The Scottish Parliament
Pàrlamaid na h-Alba

Thursday 25 November 2021

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PUBLIC AUDIT COMMITTEE
9th Meeting 2021, Session 6

CONVENER

*Richard Leonard (Central Scotland) (Lab)

DEPUTY CONVENER

*Sharon Dowey (South Scotland) (Con)

COMMITTEE MEMBERS

*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)
*Craig Hoy (South Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

David Allan (Scottish Community Development Centre)
Stephen Boyle (Auditor General for Scotland)
Pippa Coutts (Carnegie UK Trust)
Anna Fowlie (Scottish Council for Voluntary Organisations)
Euan Leitch (SURF—Scotland's Regeneration Forum)
Ryan Smart (Collydean Community Centre)

CLERK TO THE COMMITTEE

Lynn Russell

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Public Audit Committee

Thursday 25 November 2021

[The Convener opened the meeting at 09:01]

Decision on Taking Business in Private

The Convener (Richard Leonard): Good morning. I welcome everyone to the ninth meeting of the Public Audit Committee in the sixth session of the Parliament. Before we begin, I remind members, witnesses and members of staff that the Parliament's social distancing rules are in force. If you are moving around, leaving or entering the room, please wear a face covering.

Our first item of business is to agree to take items 3 and 4 in private. Are we agreed?

Members *indicated agreement.*

"Community empowerment: Covid-19 update"

09:02

The Convener: The principal item on our agenda this morning is to consider community empowerment during Covid-19. Back in 2019, Audit Scotland and the Accounts Commission produced a report entitled "Principles for community empowerment", which provides a foundation stone for our discussion this morning. In late October, Audit Scotland and the Accounts Commission jointly prepared and published a briefing that considered how community empowerment had been affected or changed by Covid-19.

I am delighted that we will be having a round-table discussion this morning among participants with knowledge and experience of how community empowerment has looked over the past 18 months to two years. I thank those witnesses who are joining us online for taking the time to give us your insights this morning. As you would expect, there will be some questions from members of the committee, but this is quite a discursive session, and you can ask questions of each other, if you like. It will be a bit more conversational, and hopefully not at all like an interrogation. I am keen to encourage a free flow of discussion. By that token, if questions are asked or if there are parts of the discussion on which you do not have any strong views, or if there is nothing that you particularly wish to put on the record, do not feel obliged to answer every question or to take part in every area of the discussion.

For those who are joining us virtually, the best way to attract our attention and to indicate that you wish to come in and take part is by putting an R in the chat box. Your microphone will be activated for you, so you do not need to press unmute on your screens. Again, I welcome you all here. I also welcome Stephen Boyle, the Auditor General for Scotland, who joins us in person in the committee room.

As this is a round table, I would like us to go round and introduce ourselves. Perhaps you can each say a little bit about the organisation that you are here to represent this morning. I begin, however, by inviting committee members to introduce themselves, before I ask the witnesses to do so.

Sharon Dowey (South Scotland) (Con): Good morning, everyone. I am an MSP for South Scotland.

Colin Beattie (Midlothian North and Musselburgh) (SNP): I am the MSP for Midlothian North and Musselburgh.

Craig Hoy (South Scotland) (Con): I am one of the MSPs for South Scotland. I draw attention to my entry in the register of interests, as I will refer to it later. I am an East Lothian councillor.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I am the MSP for Kilmarnock and Irvine Valley.

The Convener: I ask Stephen Boyle to introduce himself.

Stephen Boyle (Auditor General for Scotland): Good morning, everybody. I am the Auditor General for Scotland. As the convener says, Audit Scotland and the Accounts Commission have together produced the update briefing for discussion this morning. Along with the Accounts Commission, we audit 200-plus public bodies across the public sector in Scotland.

The Convener: David, do you want to introduce yourself and tell us a little bit about the organisation that you represent?

David Allan (Scottish Community Development Centre): Good morning, everybody, and thanks for inviting me to present evidence to the committee. I am from the Scottish Community Development Centre, which is the principal body in Scotland for community development and good practice in community engagement, community research and community capacity building. We work at a range of levels, from policy through practice to working directly with communities and community organisations.

The Convener: Pippa, I invite you to introduce yourself and tell us a little bit about the organisation that you work for.

Pippa Coutts (Carnegie UK Trust): Thank you for having me here this morning. I work with Carnegie UK. We are an endowment, working across the United Kingdom and Ireland to promote wellbeing. We have a particular focus on community wellbeing and, although we are a policy organisation, we have strong links into communities and a desire to promote enabling states where communities are further empowered.

The Convener: Anna, I ask you to introduce yourself and tell us a little bit about your organisation.

Anna Fowlie (Scottish Council for Voluntary Organisations): Thank you very much for having me. I am the chief executive of the Scottish Council for Voluntary Organisations. We are the national membership body for charities, community organisations and social enterprises.

The Convener: Euan, I ask you to introduce yourself and tell us a little bit about your organisation.

Euan Leitch (SURF—Scotland's Regeneration Forum): Good morning, and thanks for having me, too. I am the chief executive of SURF—Scotland's Regeneration Forum. We are a network organisation of more than 300 members, including local authorities, housing associations and community groups, with a focus on the regeneration of deprived communities in a holistic way, ensuring that the community leads on that regeneration process.

The Convener: Ryan, do you want to introduce yourself and tell us a little bit about the organisation that you are involved with?

Ryan Smart (Collydean Community Centre): I am the centre manager for a charity based in Glenrothes in Fife. We are a small charity or community centre, which runs in one of the most deprived areas in Glenrothes. We are very much at the coalface, working with families, the community and individuals on a number of projects and initiatives in Glenrothes north.

The Convener: Ryan, you are here not least because the Collydean community centre was one of the featured case studies in the briefing paper that was produced. We thought it would be good to have somebody with that on-the-ground experience joining us.

The themes that we want to cover this morning are largely grouped into three areas. First, we want to examine key factors that lie behind what has worked well during the pandemic. Secondly, we want to get your views and reflections on what you perceive as the risks, how we might go back to the old ways and what we need to do to embed some of the good practices that have been adopted over the past 18 months to two years. In the third section, we want to concentrate on what can be done to strengthen community empowerment and participation across the public sector, building on any lessons that you have learned over this past period of time.

I want to begin by hearing what your experience has been and what your reflections are. It seems to me that, because of the urgency of the situation that some of our communities face, there has been a degree of agility and flexibility, and the public sector has supported community bodies and placed trust in them to deliver services and support to communities in a way that has perhaps not been seen previously. It has been put to me that some of the old red tape and bureaucracy has been set aside in order to ensure that things are delivered with speed.

Is that a fair summary of the picture? Has that been the case everywhere, or has the approach

been uneven? How have things differed over the past 18 months or so from how they were before the pandemic?

I ask David Allan to kick off on that. Others can indicate if they want to comment, and we will take you one by one.

David Allan: Over the past 18 months, we have managed to get a fairly good impression of how the response has developed at the community level. We have been involved in a number of collaborative initiatives to help us to learn from the experience of community organisations. In particular, we have been involved in evaluating the response, recovery and resilience fund, which was administered by Foundation Scotland over three phases. The first phase was the rapid-response phase immediately after the pandemic hit, and phases 2 and 3 took place over the subsequent six to 12 months. The process involved fairly small amounts of funding going to community organisations to help them with their response to the pandemic and the recovery from it.

We found that, quite consistently across the board, small community organisations were very fleet of foot and agile, as you have said, and could respond quickly to the hugely changing situation. They were able to do that because they were supported by funders who were willing to trust them and responded to applications that came in by paying out almost immediately. That was to the funders' credit, and what community organisations were able to do with that money was to those organisations' credit.

We looked at the impact that the community organisations were able to have with those relatively small amounts of funding in the immediate response—we are talking about sums of less than £5,000 and, in many cases, around £1,000. Using that money, they were able to not only provide the immediate response but connect with other people and bring in other sources of funding to deliver services that met the needs of their communities. Collydean community centre, managed by Ryan Smart, was one of the organisations that really stepped up in that regard.

On the evaluation of phases 2 and 3, which were more to do with supporting the recovery, what is significant is the extent to which quite small community organisations had taken a lead in the pandemic response in their areas and wanted to continue to be involved in developing community resilience and regeneration in their areas, too. For us, there is still a bit of a gap there, because we are conscious that all local organisations need resources to be able to participate on an equal basis with public authorities and other such bodies that are set up to do that kind of work. However, the strength of the community organisation lead in that area

cannot be overemphasised. That came through not only in our evaluation of the triple R fund but also through our examination of things such as cross-sector collaborations that were led by others, including SCVO.

I am happy to leave it at that. Those are our main impressions.

09:15

The Convener: Thank you; that is a very useful introduction to our conversation. I know that Anna Fowlie and Pippa Coutts want to come in. Ryan Smart was mentioned by David, so I will bring him in whether he likes it or not. I go to Anna first.

Anna Fowlie: I agree with what David Allan said and will build on it, focusing on two things. We have done longitudinal research with academics and various organisations on the impact of the pandemic on the sector. I commend to the committee a report called "Together We Help", which I emailed to the clerk yesterday. The report was written by the Collective consultancy and looked at social action that worked during the pandemic, what we should hang on to and what was tricky.

We need to remember that we were responding to a crisis. When people mobilise, they have energy, they get together and go for the right thing at the time, but you cannot sustain or rely on that. We need to consider longer-term ways, as David Allan said, of supporting communities to continue to participate in a sustainable way that is not exhausting or doing things to fill gaps that the public sector has left. The public sector was slow to build on what happened in communities.

Public and independent funders moved quickly on new funding, as David Allan described, and they were good at recognising when what was already in place was not going to work and would not be sustainable. Organisations were able to flex and change what they were doing to meet immediate needs. That is unusual; normally there would be lots of hoops to jump through to do that because people are very focused on what was in the original terms, but existing funding was actually very flexible. That is important to remember and hang on to. The original intended outcome is not always fit for purpose as you progress, which is not only true in a crisis situation. You can learn as you go along and think, "This could be different and better."

The Convener: That is helpful. I will go to Pippa Coutts before I ask Ryan Smart to give his thoughts. Euan Leitch wants to come in as well.

Pippa Coutts: Among the organisations that were involved, we worked with the Corra Foundation and others. I would definitely

recommend doing that, because the foundation used community researchers during the pandemic, which is a good way to involve new voices.

On what worked, partnership did, which I know came across in the briefing. One of the key things was that in some places there was, whether they knew it or not, a degree of disaster preparedness—for example, where resilience groups had been set up previously because of floods or snow. Having that kind of existing partnership is important, and in some places community planning and local community planning groups are stronger.

Having that bed of existing partnerships is important. We talk about that often. It is difficult to realise that, but during the pandemic, it was realised for one of the reasons that Anna Fowlie gave, which was trust. People had to come together and the public sector had to trust local organisations. They were given some control, there was a degree of burgeoning understanding between different sectors and, in some places, public sector staff were redeployed to the front line, which built trust.

There was something about moving to a more relational state—improving relations between individuals across different sectors—that built stronger partnerships and enabled the community to respond quickly. I urge a continuing focus on the hyperlocal, because enabling that hyperlocal response is what really works.

The Convener: Thanks, Pippa. That is helpful. I will come back in a moment to a couple of the points that you made, but first I will bring in Ryan Smart before I ask Euan Ritchie to give his perspective from the regeneration forum.

As was mentioned earlier, Ryan, you were the lead person in one of the projects that was a case study in the report. What is your take on how things have been and on what you saw emerging?

Ryan Smart: For the committee's information, I came in as centre manager at the latter end of the process. Rose Duncan was before me. However, I am very much aware of what happened up until that point.

As has been mentioned, one of the big things has been an end to silo working, as we would call it—people working in isolation—especially in the smaller charities; we might have referred people on to those, but we were not as integrated as we needed to be. We saw that happen in Glenrothes. I know that this will be covered in a later question, but one of the positive outcomes is that we are looking at a number of different forums being set up in the Glenrothes area, such as on food resilience. That is absolutely fantastic.

I do not think that we were doing as much community empowerment—in the purest sense of the word—as we could have, because we cannot empower people if they are hungry. If people are starving, or do not have gas or electricity, we need to make sure, as a basic principle, that those sorts of needs are met. That is what we did. The local authority was very good for us, and Fife Voluntary Action was very good in taking the lead, across the local authority area, with the council.

We were very good at that initial response to people in crisis who did not have food or other things that they needed, and at being able to react quickly, but we struggled sometimes in following up. We were very much an anchor organisation and a crisis centre, so we did that as much as we could. However, for example, a housing officer was not able to do that when they went out to speak with somebody on behalf of the council, because of the restrictions and rules that were in place. That was one of the barriers, but as we went through the pandemic, we were able to rectify those.

In the early days, it was very scary. At the very start, Rose Duncan, the previous manager, asked the staff of the centre whether they wanted to keep the centre open or whether they should close the doors. It was very much the staff and Rose who decided that they should keep the centre open, because people in the community needed them at that time. They stepped up. There was a lot of fear, because, back in March 2020, people—and even Governments—did not know what the effects of the pandemic would be. There really was a few weeks of asking, "What are we doing here, and how do we mobilise?"—if that makes sense.

The Convener: That makes perfect sense. We will return to some of those themes as the morning goes on.

I want to bring in Euan Leitch from SURF, to give us his perspective on some of the challenges and how they have been risen to.

Euan Leitch: Like Ryan Smart, I am new—I joined SURF in May, so I am drawing on the work of my colleagues Emma Scott and Elaine Cooper, who worked for SURF during the pandemic, particularly in its early stages. They did a lot of research with our network, drawing on the experience of about 150 organisations to find out what they were doing in the early stages, followed up by some regional research that looked at whether there were differences in experience across Scotland.

I am not going to repeat what everyone else has said, but collaboration and the reduction of risk aversion in funders and public authorities were the dramatic things that happened. That reflects the fact that the situation was seen as an immediate

crisis of basic human needs such as access to food. That is what made things happen.

That raises the question whether we currently view other aspects of poverty as being as immediate and important as the ones that we faced during the pandemic. At that time, there was a response to a real crisis situation. The response from some public authorities was slow to begin with, and community groups were so close to communities that they were able to identify where help was needed.

One point in particular came out of our research. SURF runs an annual awards process for regeneration, which recently included a specific award relating to organisations' response to the pandemic. That award went to Larkhall community network, as it is now called. The network's good work was based on the fact that it had drawn up a community plan in 2019, just before the pandemic hit. That meant that it had already had around 34,000 interactions with the community and had begun to do some work, so when community networks were beginning to emerge, it already had access to the people with whom it had already interacted. Some places were in a slightly better position than others—someone referred earlier to disaster preparedness—and they were therefore able to step in at the point when the pandemic hit.

One piece of feedback for funders concerns something that happened during Covid. There is a big need for core funding. Most funding is project based, but organisations need funding just to exist, not merely to run specific projects. That ties into the fact that, during the pandemic, funding became responsive to community needs. Communities were saying, "This is what we need to spend the money on", rather than funders setting certain criteria and agendas that they wanted to see delivered. The priority switched from funders' preferences to the needs that communities were saying that they were able to identify locally.

That is one of the things that happened during the pandemic that we hope will carry on beyond it. We are now in a liminal stage, because the pandemic is clearly not over, and funders are reviewing their processes. It remains to be seen whether that approach will continue.

The Convener: I think that that will be a recurring theme in our discussions this morning. Pippa Coutts talked about whether, and the extent to which, there has been a shift in control and power, and a decentralisation. Has there been a shift to greater community empowerment? If so, is that—or has it been—temporary, or is it permanent? That is of interest to us.

We are the Public Audit Committee, and I want to ask the Auditor General to give us his view, not least because it is important that we cover the extent to which there has been an evaluation of the experience; the extent to which things have been measured; the extent to which any good practice has been disseminated; and the extent to which the lessons that have been learned as we have gone along have been embedded into the way that we will look at things in the future.

Perhaps you can give us a general view, Auditor General, and do your best to help us to understand the extent to which there has been an evaluation of the times that we have been living through in the context of the community empowerment agenda.

Stephen Boyle: We clearly recognise the themes that colleagues have mentioned this morning from the five principles of successful community empowerment that we addressed in our 2019 report, "Principles for community empowerment", and the update that was published last month. Those include the strength of pre-existing relationships and variations in culture that require different responses in different contexts.

Pippa Coutts and Euan Leitch made the point that it took a crisis for much of the change to happen, and for communities to be empowered to take decisions based on the fact that they know best about the needs of individual communities across the country. What is the model for sustainability as we move forward? That is a fundamentally important point.

You asked about evaluation, which I will come to in a minute. I am keen to say a word—I know that this is one of the committee's themes for discussion later—about the sense of red tape and bureaucracy that inhibits risk taking to some extent, and which can prevent decisions from being made and actions from being taken where that needs to happen.

We recognise a lot of those elements. As colleagues have mentioned, some of the criteria that existed before the pandemic were stripped right back, so that the pace of the action that needed to happen became much quicker. That was essential. What matters now is whether that state will remain, or whether we will revert to a more constrained environment.

09:30

Convener, you would expect me to advocate for some degree of evaluation controls, so that there is a sense of following the public pound. There is a need for that, but when we go through the evaluation model, it is important that funders have a sense of what work, such as audit trails, was necessary to ensure value for money and what was not.

I will make one last point and then I will be happy to say more about our forward work programme. We recognise that there is an audit role in here, too; we are part of that ecosystem and culture. We often hear the comment that people need to do something because the auditors will expect or demand it. We are keen to push back against that somewhat, because what matters most fundamentally about evaluation is what outcomes were achieved, as opposed to having an audit trail or bureaucracy for the sake of it. Auditors are part of that conversation across the 200-plus public bodies that we audit. There is plenty of evaluation to come over the course of next year, and our work programme continues to build on how well Covid money has been spent. I can say a word or two about that later if you wish.

The Convener: That is great—thank you. The emphasis on outcomes is right, because we were living in unprecedented times, with people at risk of hunger and isolation and all the things that go along with that. We have already heard some of the experiences of communities rallying round, coming together and making sure that people did not fall between the cracks.

We have a large number of questions and areas for discussion this morning, so we will move on. Sharon Dowey will get the next part of the conversation going.

Sharon Dowey: The witnesses have already touched on some of these subjects. We worked differently during the pandemic—we definitely worked at pace and had to change our ways of working. David Allan said that people were fleet of foot and agile. There have been a couple of comments about public bodies being slower, but it is recognised that third sector bodies worked at pace and changed their ways of working as they were going through the pandemic. To what extent are the new ways of working being sustained? What were the enablers and the barriers during the pandemic?

Anna Fowlie: Some things are being sustained, particularly with independent funders, who have been really keen to learn. We have been doing a lot of work with independent funders on how we can maintain some of that joint and collaborative working and a more proportionate approach to monitoring, evaluation and application of funding. Pippa Coutts talked—as we all probably did—about the fact that, now that the relationships are there in local areas, that collective approach will be more difficult to back off from, and that is really positive.

For me, there is an issue to do with parity of esteem, which David Allan referred to at the very start. For many years, we in the third sector have been the extras on the edge of the public and private sectors but, through the pandemic,

voluntary and community organisations—large and small, whatever their function—were absolutely at the heart of the situation and were really important. I would like to see us holding on to the visibility and recognition from local and national politicians, the media and the public of the expertise and trust in the sector. The public trust community organisations and charities more than they trust the public or the private sector. Whether that is right or wrong does not matter at the moment; we should build on that trust and that focus on what people need and what works, rather than wonder what organisational turf we are on or whose budget the money is coming out of. All that is important, but the primary thing should be the outcomes and the impact on individuals and communities.

To follow up on what the Auditor General said, I think that the work that the Accounts Commission and Audit Scotland are doing to embed the voice of the voluntary sector and communities in their work and in their forward strategies is really inspiring. You can feel the commitment. Scrutiny drives behaviour. I hope that, with the leadership that those organisations are showing, that approach will help to drive change in the future.

David Allan: To echo what Anna Fowlie has just said, I think that the work of Audit Scotland and the other scrutiny bodies around community empowerment has been hugely important over the past few years. We have been involved in that, along with other third sector organisations.

There are a couple of points that I want to come back to. A couple of mentions have been made of local authorities being a wee bit behind the game on the Covid response. That is probably unsurprising: the bigger the organisation, the longer it takes to turn it around and to shift things. The smaller and more local things are—Pippa Coutts mentioned the "hyperlocal"—the easier it is for organisations to flex and respond quickly.

The other main aspect is the importance of communities coming together in collaboration. Somebody mentioned to me that there had been an outbreak of peace in the community early in the pandemic, with community organisations that had traditionally been used to competing with one another for funding coming together for the common good. That was supported by the approach that was taken by funders in supporting more strategic approaches to how money is spent, used and allocated, particularly through community anchor organisations. It is worth following up on that.

On the local authority response, it should be acknowledged that there are staff in local authorities whose role involves supporting community empowerment and community development. Those staff are normally in

community learning and development teams or similar teams in the authority. By and large, at the start of the pandemic they were shifted to emergency response. They were taken out of their traditional role and were shifted to the emergency response, which was a perfectly natural and obvious thing to do.

What we need now—hopefully, this is developing—is for those staff to come back into the role that they are used to playing in supporting communities and community responses—[*Inaudible.*]—around things such as developing community resilience, community empowerment and local community influencing—[*Inaudible.*] They could be strengthened to continue to support those developments, so that we do not waste all that energy and enthusiasm and the steps that have been taken, led by communities themselves.

Ryan Smart: I completely agree with what has been said so far about how things are looking on the ground. As we have come out this side of the pandemic, we have seen less focus on the council being the lead on the projects that are happening within a given area, or on waiting for the council to come in and do something. In my area, we or Fife Voluntary Action, or whoever it is locally, have taken the lead or have been the lead partner, rather than waiting on the council, which I think is very good.

As has been stated, in my organisation, for example, my board of management are all people who live within a five-minute walk of the centre. They are from the communities who most need support. That is where we are seeing things change, rather than things being run by the council—whatever political party is in charge at local government or national level. That sort of change is very good.

Funders can be flexible on what we are trying to achieve. At Collydean, for example, we have a neighbourhood plan that was researched in 2019 and came out in January or February 2020. By April 2020, a lot of that was obsolete because it said nothing about social isolation and so on. One of the things that will help the new approach to be maintained is for local area plans to be as flexible as possible, rather than being too stringent. The situation in relation to local area plans that were produced pre-March 2020 is very different now. We need specific ones for Covid recovery, because that is very different from how other local area plans have been done, if that makes sense.

Sharon Dowey: Yes, it does. Thank you.

Pippa Coutts: It is really interesting to hear what is happening now.

In answer to your question about enablers, I have a few points to make. Anna Fowlie mentioned parity of esteem. We have talked about partnership. I am a big fan of the Christie commission and I want its recommendations to be enacted, but we will not achieve that until there is mutual respect between different partners.

This is perhaps something of the past, but I previously worked in the national health service and, for a while, if you worked in the public sector, you were always asking who the third sector was and how you could connect with it. We must realise that the third sector is a very disparate group. There are the big non-governmental organisations, such as the Scottish Association for Mental Health and Alzheimer Scotland, but during the pandemic we saw the vitality of the hyperlocal agencies. In fact, many of them were not agencies. There might just have been a street where there was already a volunteer group that had no constitution, was not necessarily part of any umbrella body and had no particular financial accounting. It might have got less than £5,000 during the pandemic, which really helped, because that enabled it to pay for basic stuff, such as snacks or people's out-of-pocket expenses.

We need to understand and live with that complexity. It has come up a lot as we have thought about how we can support and hear from a more diverse group of people. We need to think about how to involve people, no matter the difficulties or complexity around that.

The other thing that we have going for us on enablers is our policy. I was involved in a piece of cross-United Kingdom work at the end of 2020 and the start of 2021 called "Shifting the Balance: Local adaptation, innovation and collaboration during the pandemic and beyond" with New Local. That considered the relationship between the third sector and local authorities throughout the UK. Scotland—and, to a certain extent, Wales—comes out strongly because of our Community Empowerment (Scotland) Act 2015 and the community planning structures. We have the policy in place, and we need to build on it to enable it to work out in practice.

Euan Leitch: I also agree with what Anna Fowlie said. The feedback that we got from particular third sector groups was that they were now equal partners at a table whereas, previously, they had felt that there was a hierarchy. They felt that that had totally shifted in the services that they provided during the pandemic.

To reflect what Pippa Coutts said, things happened faster in places where there was a good record or register of community groups, which third sector interface organisations sometimes hold. Where such a register existed, it was easy to access a range of groups, but where it did not exist, it was hard for the public sector to reach into those community groups. As David Allan said, there was also a higher degree of working across

community groups that had previously been at war, which is a benefit that came out of the situation.

One thing that I wrote down after the Auditor General spoke was "Christie". Some of the things that needed to happen were about behaviour change. My predecessor Andy Milne would say, "We've got policies coming out of our ears." Policies are great, but the practice is not consistent enough on the ground. We need behaviour change from people who, if I am honest, have permanent, secure jobs who deal with people who are in more precarious positions. We need to see the Christie recommendations really rolling out. With Christie, there are inherent tensions around localising things and having to accept a higher degree of risk.

09:45

Going back to what David Allan said at the beginning and looking back over what has happened in the past 18 months, we have seen colossal sums of money going to private sector organisations—I am not necessarily talking about a Scottish perspective—and it is quite shocking to see the degree of scrutiny that has not been applied to them. The small amounts of money that go to community groups make significant differences. Yes, there could be risks in having less red tape around them, but the benefits of those small amounts of money go much further towards making a difference to the communities that need a difference made to them.

Stephen Boyle: I am really struck by the contributions that have been made and the sense that the pandemic has reframed who we think of as being our key workers in this country. We can clearly see that in the incredible impact that Scotland's voluntary sector has had in sustaining communities during the crisis.

I had heard about the competitive environment around funding that exists within communities. I also recognise that a vast amount of additional money has come through during the pandemic, and one of the keys to whether that will be sustained as and when we move out of the pandemic will be about longer-term financial sustainability, certainty and financial planning. If we are operating in a 12-month funding environment, that inevitably leads to poorer decisions and poorer longer-term outcomes. One of the enablers that we would like to see is a longer-term environment that will allow organisations to plan better for the impact of their work, so that a more efficient and more effective set of proposals can come through.

Sharon Dowey: Thank you. Those are really good comments. I think that it was Pippa Coutts who talked about partnership and mutual respect, and about who is the third sector. However, after the pandemic, I do not think that anybody is in any doubt about who the third sector is. I do not think we would have got through it without you.

There are similar themes in my next set of questions about the risks of losing good practical experience and going back to the old ways of working. There is a risk that we will lose the improved and more efficient ways of working that have developed during the pandemic. To what extent are public bodies embedding the new approaches to community engagement and delivering public services?

David Allan: I am not sure to what extent new approaches to community engagement are becoming embedded. Part of the difficulty with that is that we are still in the phase of some people getting back to face-to-face working. Generally, that seems to be more the case in community settings whereas local authorities are still largely working remotely in those areas.

I am still a bit tentative about the extent to which public authorities are taking on board learning from the pandemic and how it can be turned into better practice. I am not saying that it is not happening at all, but I think that we are at quite early stages at the moment.

SCDC has focused on participatory budgeting for example, and that has been supported by the Scottish Government and local authorities. Obviously, local authorities now have a commitment to mainstream participatory budgeting for 1 per cent of their budgets, and I think that they are finding it challenging to see how they can make their processes more participatory and genuinely involve people in influencing how budgets are spent and decisions are made. There is a way to go on that yet, but doors are opening.

For us, the main concern is that lessons from the pandemic must be fed into that. If we do not learn from that and from the role of communities in taking a lead, influencing decision making and doing all the things that Euan Leitch mentioned, including community action planning, we will go back to decisions being done to communities in the way they are made and taken forward.

Encouraging learning about the hyperlocal from the pandemic will be very useful. The local governance review, which started before the pandemic hit, suffered a bit, and it would be useful for it to come through strongly over the next period. People now have an appetite for being involved in a local governance discussion, which they perhaps did not have beforehand.

Pippa Coutts: I am also not sure. The pandemic has reinforced the fact that we need more of a local and relational public sector. Many

of the anecdotal stories that we have heard about partnership working during the pandemic are that employees in the public sector, in particular those who were seconded to the front line, felt a sense of—I am not sure that "achievement" is the right word, but it was a positive thing for them to feel engaged in very local partnerships. However, there is a barrier to that, which is the on-going siloed nature of our public sector. That is definitely not only a Scottish disease; it is probably the same across the world. We could achieve a lot more if we changed our performance management systems, operating incentives and career reward structures, to which a siloed approach seems to have been taken. Alongside the fantastic work that Audit Scotland talked about earlier, we need to develop structures that reward people for giving back some control to hyperlocal organisations and for developing strong and mutually respectful partnerships.

Anna Fowlie: I want to make a couple of short points. I thank the Auditor General for making the point that I usually have to make about sustainable funding—that is much appreciated.

Building on what Pippa Coutts said, I think that this is not all about how the public sector works with the voluntary sector or the third sector; it is about how the parts of the public sector work together, which we saw during the pandemic. Throughout the session, we have all talked about councils, which, of all the public bodies, are the closest to their communities. They are doing great stuff, although they could do better, but what about the national health service, the enterprise and skills agencies and the rest of the public sector? What are they doing to build community empowerment? Councils might take a lead role in that and the voluntary sector takes a key role in its delivery and in working in partnership, but what role is the rest of the public sector playing?

On making things happen, as Euan Leitch said, we have many reports and recommendations going back decades and we have great policy and legislation on community empowerment, but we need to implement some of those recommendations. The social renewal advisory board and the report that I mentioned earlier, "Together We Help", have great things in them that support this. Could we not have any more commissions talking about stuff and just do the things that we already know? That would be nice.

Sharon Dowey: I totally agree with you on that point.

Ryan Smart: I whole-heartedly agree with Anna Fowlie, which I am sure will not come as a surprise.

It is a great question, which we must continue to ask, but it is in the very early stages. Although

people who work at the coalface for organisations such as the NHS, Police Scotland or councils want to do this work and continue working in this way, it is different when it comes to targets, and service managers sometimes have a different view because they are not based in communities but are based at headquarters or in a management block, wherever that is.

We need to change that top-down approach into more of a grass-roots approach, of the kind that we have seen during the pandemic. As I said, the members of my board of management are all local people who live in the local community. The question is, are the service managers for those bigger organisations based in the communities that are most in need—in communities that are in the most deprived 10 per cent according to the Scottish index of multiple deprivation—or are they based in areas that are more affluent? The hardest-hit areas are those SIMD areas, and that is where Collydean is based. The question is, how many service managers and other such people have come from those areas and have lived the life of a single parent who is coming in and needing help at a point of crisis? We need to look at those sorts of things and at how we maintain that.

Sharon Dowey: Thanks, Ryan. Those are great points.

Stephen Boyle: Of course, I agree with what has been said. I have a number of points to emphasise.

Performance measures are too narrow. Across performance measures for public bodies, there is still a lack of the breadth that encourages collaboration, shared working and a commitment to working across traditional boundaries in order to achieve better outcomes. Ultimately, users of public services care much less about those boundaries than those of us who work in public bodies do. That needs to shift.

I will pick up on the point that Anna Fowlie made. Absolutely, local authorities are closest to their communities, but many national bodies also have very clear obligations under legislation such as the Community Empowerment (Scotland) Act 2015 to play an important part. That is often forgotten and not given enough emphasis. This was a feature of the progress in implementing the act before the pandemic. Participation requests have been seen as not being strong enough or have even been taken as an indication that community empowerment has not worked well enough—that feels like quite a strange conclusion to reach.

A second point is about the community control of assets as public bodies emerge from the pandemic. Many public bodies will be evaluating

their working practices and use of their estate—we can expect that, as people's habits have changed—whether it be in offices for workers or in other assets that are widely held across the public sector. They will be looking at how those will be used in future and whether they would be better used by community organisations. I expect a very significant opportunity for community organisations and public bodies to progress with that part of the legislation, for community benefit.

It is too early to say definitively that the practices and the progress that we have seen over the pandemic have been embedded, but there is a huge opportunity to continue some of that learning, as and when we emerge from the pandemic.

Euan Leitch: I agree with what has been said. My response to the question whether things have changed is that it is variable. For example, we work directly in two communities that have a direct interest in publicly owned assets. One local authority is bending over backwards—it is not marketing a property and has provided funding for a feasibility study for future community ownership and use. In the other case, the body just wanted access to a building in order to use it for a weekend, but was told no, because that might have conflicted with a decorating scheme that might have been planned but was not definite. It was a bit of a "computer says no" scenario.

As Ryan Smart has said, the community development workers on the front line are, very often, responsive, but more senior management are maybe more risk averse, and say, "Well, this just doesn't fit in with other things," or, "What if it goes wrong?" They are less likely to be flexible, because they are not working directly with the community and seeing its needs.

10:00

To pick up on what Stephen Boyle said, the Scottish Futures Trust yesterday launched a new report called "The Place Guide", which deals with the living well locally ambition and ties into 20-minute neighbourhood-type stuff. Again, it reflects on how we use public assets. Looking back on the pandemic, we know that in some of the communities that our members were working in where food was a need, there were great catering facilities lying in school buildings but they were inaccessible, and development trusts, museums and other community-owned facilities ended up opening up their kitchens. We could have used the school facilities better.

Thought is being given to how we use such public assets and the Scottish Futures Trust—which has a lot of money behind it—is looking at the principle of making them multifunctional so that they are not just used during the day but are accessible to communities in the evenings and are of much wider benefit. I suppose that we are still waiting to see those approaches being enacted consistently in practice.

As others have said, to be fair to the public authorities—local authorities and national agencies—they are also in a state of shock and have also been through extreme stress. They may not be in the financially precarious positions that some of the communities are but, nonetheless, they have been through a stressful period and are also exhausted. We are having to go through this liminal stage when we are waiting to see what the fallout is, including the economic fallout in a much wider sense.

The Convener: I am conscious of time and I want to move things on a bit. We are exploring some important areas and we want to hear about your experiences and views, as well as any lessons that can be drawn from what has been happening. Colin Beattie has a series of questions on that.

Colin Beattie: I am pleased that, in the course of the discussion, we are recognising the contribution that communities made during the pandemic and are continuing to make.

The Auditor General said that funding is all too often provided on an annual basis. The problem is that the Scottish Government is funded on an annual basis and does not have certainty about what its budget will be, and that uncertainty trickles down to other organisations that get funded by the Government and makes things a bit harder. I think that that is fairly common in the public sector these days—everything is short term.

I want to look forward a bit, because it is important that we do not lose the momentum that we have gained. Are public bodies now seeking feedback from communities on what has been learned from the pandemic? How are they doing that?

Euan Leitch: Some are asking for it, but it is not consistent. Some funders—particularly private sector and philanthropic funders—are doing so. We are not being approached for direct feedback by other public authorities, but they do not need to ask for it because Carnegie UK Trust, the Corra Foundation, SURF and the SCDC are all providing evidence, examples and case studies—we also worked with Audit Scotland on its report, and provided case studies for it.

I suppose that it comes back to what we were talking about in response to the previous question. Are people in a position to be asking for that information or are they still dealing with the consequences of and the fallout from the situation?

David Allan: I would reinforce what Euan Leitch said. Some public authorities are seeking feedback and have been doing so throughout the pandemic. One example that is mentioned in the Audit Scotland report, which we highlighted, is Argyll and Bute Council, which worked throughout the pandemic with local community organisations and community anchors to try to keep on top of what the response was and see where it could best deploy its efforts. That kind of feedback has been sought in various areas, but I agree with Euan Leitch that it is not happening across the board. The situation is still patchy.

Colin Beattie: It is quite important that we learn these lessons. We need to ask whether this is the right time to be engaging with people in order to learn these lessons or whether we are too early and we should really be doing this in six months or a year, after the pandemic is—we hope—adequately under control.

David Allan: I think that now is the right time. People are engaging online and, in some instances, are meeting safely face to face. I think that, if we leave it for six to 12 months, there is a danger that we will lose the momentum and energy that was established during the pandemic. As has been mentioned, people are tired, but they want something good to come out of the other side of the awful experience that we have had over the past 18 months.

We can find ways of engaging innovatively with people. There are a number of examples of that that we know about. Everyone on the ground knows that there are now more opportunities to engage with public bodies about how we develop much more resilient community responses.

The time is right, over the next few months. If we do not do it now, we face losing that momentum.

Colin Beattie: I have a question for Anna Fowlie. Given that the number of public bodies that are seeking that sort of engagement and feedback is limited, is there any indication that the ones that are seeking the feedback are using it in a positive way?

Anna Fowlie: I do not have any information on that at the moment. The next phase of our longitudinal research, which we are launching next week, will deal with that. Euan Leitch and David Allan are probably closer to that issue right now than I am.

Since I have the microphone, I would like to push back slightly on what you said about annual funding. With the Scottish Government and local government, the uncertainty is about the quantum—it is about how much they are going to get—whereas, for most voluntary and community organisations the uncertainty is about whether they are going to get any funding. Councils and Government are not issuing annual redundancy notices to their staff—there is not that sense of precariousness. You make a fair point, but the uncertainty is not present to the same extent as it is in the voluntary sector.

Colin Beattie: Auditor General, I presume that you are looking at how public bodies are engaging with the community. Is it mainly councils that are doing so? I would expect that to be the case. If so, are you seeing any sign that the feedback that is being received is being used positively?

Stephen Boyle: You are right in thinking that it is predominantly local authorities that are taking a lead role in community engagement, although bodies such as the enterprise agencies, the national health service, the police, Creative Scotland and so on, that have been funders over the course of the pandemic, are doing so, too.

You ask whether now is the right time to look for lessons that have been learned and whether we are seeing that happening. The answer is that we are seeing it in pockets, which is reasonable, up to a point. We are still in the midst of the pandemic and public bodies are still fulfilling their core purposes—of which community empowerment is one—in a different way from what they were doing before the pandemic.

Through the report and our continuing work, we highlight that we should not miss the opportunity to learn lessons about what has worked well in terms of community empowerment and engagement during the course of the pandemic and we should not revert to previous practices when people go back to their offices, when there might be a tendency to fall back into the way that things were done previously. Things were not perfect before the pandemic in relation to the extent to which the Community Empowerment (Scotland) Act 2015 had been implemented. There was still a way to go in all parts of the public sector, including local government and other public bodies.

In relation to the report that we are talking about this morning, there are some terrific examples of where partnership working between public bodies and community groups has had an impact. We should share that good practice and knowledge and continue making further progress on community empowerment. We will keep doing that through our work on the reports and papers that we will produce during 2022. Through our annual audit work in a local government context, we will look at the statutory duty of best value in relation to community empowerment and the wider duty on all accountable officers of public bodies to implement the principles of best value.

Colin Beattie: I will ask a slightly different question. A lot of the changes that have been

made during the pandemic have been, by their nature, temporary. Are public bodies consulting on how to take forward those temporary changes and whether they will fall away or remain in place? Ryan, you are at the coalface—have you been asked about that?

Ryan Smart: I have not been asked that directly. It has been more about reacting to people's needs. I could give you evidence and stats on how many food parcels I gave out or how many people we engaged with during the pandemic for different things, but a lot of the evidence that comes from colleagues in public bodies is anecdotal, because we have not had time to collate evidence. We have tried our best to keep track of numbers, which is why I said that I could tell you how many food parcels the Collydean centre gave out during the pandemic, but the finer detail on the longer-term impact of what a food parcel means is not really there. That has not really been discussed. It is sporadic and depends on who you are asking for funding, if that makes sense.

Colin Beattie: Pippa, have you seen any signs of good consultation on temporary changes?

Pippa Coutts: No, not necessarily, although I would hope that people would not come to us, because we are a UK policy organisation, and that consultation would happen at local level.

On your question about whether this is the right time, taking into account what people have said about the degree of exhaustion, it is very much the right time. There is now an opportunity. About a year or nine months ago, I spoke to people in local areas who were working for third sector organisations. They wanted the changes to be embedded, but they were fearful about the situation reverting to how it was before, which was more of a top-down management approach.

Another reason why now is the right time is because of the underlying issues, which others have mentioned. Ryan Smart said at the beginning of the meeting that much of the poverty, deprivation and lack of access to food and security that was revealed during the pandemic was there already. That is also true in relation to inequality and access to policy making for people with disabilities and people from ethnically diverse groups and so on. That lack of access was there already and it came to the fore during the pandemic.

We have a responsibility to try to right those wrongs, some of which would be helped by a more preventative approach, which the Christie commission talked about. We are back to the idea of whether we can more effectively enact the good policies that were previously recommended by very strong commissions.

Colin Beattie: I would like to bring David Allan back in to comment on the question of public bodies consulting on temporary changes to determine whether they will fall away or stay. Are they just temporary for the pandemic?

10:15

David Allan: We do not have any regular examples of that. We are not working directly on the ground in local areas; we tend to work through programmes, and we get more anecdotal evidence or examples, as Ryan Smart said. I am not aware of any major consultations on temporary changes to the way in which public services are— [*Inaudible*.] Several authorities have done that on an on-going basis, but not particularly in relation to any kind of temporary changes.

There is one thing that I want to ask about, rather than commenting on it. We are talking about local authorities a lot, but there are plenty of other public bodies. What is the role of community planning in all this? For me, there is a question about where community planning has been in the response, collaboration and co-ordination of efforts. That could have been a natural role for community planning partnerships, but I get the feeling that it has not been across the board— although I might be wrong. There may be other opinions about that.

Colin Beattie: You make a good point.

The Convener: There is a broader discussion there about the extent to which we have any participatory democracy beyond participatory budgets in local authorities. What is the engagement on that broader spectrum? As Anna Fowlie has said, it is not just about local government. What is the rest of the public sector doing about community empowerment? Those are strong themes that have come out of the session so far.

We are now into the final part of the session. I invite Craig Hoy to ask a few questions and steer us through the final section.

Craig Hoy: Welcome, everyone. There is one question that perhaps has not been answered. I want to use the closing stages to look forward and see how we can strengthen community empowerment. There are clearly still challenges, despite the huge and, at times, heroic efforts of the third sector, in particular during Covid.

It might be worth asking this question to David Allan, who could respond from a national perspective, and then to Ryan Smart, with a local perspective. Despite all the progress that we have made, to what extent is there still a hard-to-reach group that we did not manage to engage with during the pandemic? On the basis of the learning

that we have and the progress that we have made, what can we do to move forward and to reach groups that are marginalised, for whatever underlying reason? How can we finally move forward and ensure that the legacy is that we reach them in future?

David Allan: That is an interesting question. We have probably made more progress in engaging with less-heard groups through the pandemic—I would not say "hard-to-reach groups". Primarily, that was done by working through the people or organisations who have contact with those less-heard voices. It could be a matter of providing better support to community organisations working in particular areas or sections of the community and helping them to engage with their communities and wider—[*Inaudible*.] When we looked at the evaluation of the RRR fund, I was struck by the range of different kinds of community groups and organisations that are involved.

One or two organisations reflected to us that they found parts of their community that they did not know existed, and that did not engage with them prior to the pandemic. That highlighted the levels of need, which were even greater than they had originally envisaged. There is still a bit of work to be done on that. That definitely should be done through the organisations that have the local networks and contacts. We need to make use of the community networks that exist because they are strong and useful, as came out through the work that was done during the pandemic.

With regard to how we strengthen community empowerment as we move forward, we need to build on the work that has been done and build support for anchor organisations and networks in local areas. We are already beginning a piece of work on how resilience partnerships can be strengthened. In one area, we thought that the existing resilience partnerships did not quite connect with wider community networks at certain times and in certain respects. It would be useful to seek to strengthen those partnerships and their links across communities more widely.

As was mentioned earlier, we can develop our approach to local governance, with hyperlocal approaches and really strong and flexible community-led action planning. Things such as participatory budgeting and an increased focus on local control and influence can also affect people.

Craig Hoy: Perhaps Ryan Smart can comment from a local perspective. You made the point that all the members of your centre's management board live within five minutes of each other in Glenrothes. However, sometimes the most extreme problems are the ones that are nearest to us, and yet we do not see them. Do you feel that you have made progress on the ground in reaching people with whom you had not engaged previously?

Ryan Smart: Yes, I think that we have. There is one thing that I worry about to a certain extent. During the pandemic, a huge number of volunteers came forward to help. However, we are now at a point where not only the volunteers but even some of my staff have Covid fatigue, given that we are now coming to the end of year 2. How do we sustain that effort?

With a lot of the work that we have done, such as working with people to empower them to come forward, it has been a very intense two years. How do we keep up that work, and, given the support that people have been receiving in the past two years, keep the community's expectation where it should be?

In addition, as we have seen—it has always been there, but it is now highlighted—we have not only an on-going Covid pandemic, but an on-going mental health pandemic as a result of increased social isolation. People are still scared to come out of the house or to interact because of the pandemic. How do we engage with those people who will not leave the house?

That is a huge issue, and we have to think about how we overcome those barriers. If people are not going to open the door, how do we deal with that? How do we work with partners in our national health service when those people go to the doctor and say that they have anxiety or depression, and they are told that there is a waiting list of two years to see a psychologist or psychiatrist? What community support is available there? Is it about places such as Andy's Man Club or community groups providing support? How do we marry things up a bit better and make our public sector colleagues more aware of what is happening in the community in order to help those people?

That is a huge issue, and it links in with what I said earlier about community empowerment. My management committee and our volunteers are very empowered, but we work with individuals who are in crisis mode, and it becomes just about feeding them. How do we take that on and give them the tools to empower themselves?

The same goes for mental health and how we can achieve empowerment there. Anna Fowlie spoke about funding. For me, as a centre manager, I find one aspect of that particularly hard. If I want to apply for funding to employ two youth workers to run a mental health talking cafe at the Collydean centre, which I do, it is relatively easy to find funding for that. However, it is extremely difficult to get funding to employ an administrative assistant to ensure that all the background admin is done, and a caretaker to open the centre and make sure that it is clean and

that all the Covid regulations are ticked off. That is where I am struggling. I do not want to blow my own trumpet, but I can get funding relatively easily to do project work and to do this or that, but it is particularly hard to meet the core costs of switching the lights on and getting a caretaker and an admin assistant, who are just as key to the process.

That goes back to what I said about the need for longer-term funding. I could have my mental health drop-in cafe for a year, but I do not know whether I will have it next year. When we go back to funders, they ask what the outcomes were but, a lot of the time, we struggle, because it is about the long-term outcomes. If we are working with a young person, aged 13, who has mental health issues, we might see small things straight away, but we will not see the longer-term effects of that work for three, four or five years. It is about how we capture and explain that to funders.

As David Allan said—and as I said earlier—local community plans need to be flexible, but a great deal of work needs to be done to look at them again. A lot of them need to be put in the bin and started again from scratch, because we are in a completely different world, nationally and locally.

Craig Hoy: Thank you. From a national or international policy perspective, to move that forward to the next phase, political will and public bodies will set the framework that allows community empowerment to thrive. To what extent are all parts of the public sector in Scotland currently supporting and empowering communities? Is there any ready-made template of international best practice or policy that we could embed in Scotland to improve that empowerment and engagement? That question is for Pippa Coutts first.

Pippa Coutts: As I said, we have some very good policies in Scotland. We are often given as an example of somewhere where there is good practice, particularly in relation to the more holistic purpose of government, which we have in the national performance framework. That is a wellbeing framework.

A severe challenge for us is supporting the public sector to be comfortable with complexity. As the Auditor General and I have said, we have a real challenge with the siloed and target-driven nature of the public sector, which makes it much more difficult for managers and senior managers to take on the complexity of building strong partnerships at the hyperlocal level and understanding the third sector, which is a disparate group that requires patience and a degree of relational management. That is very difficult to do if those managers are in a system that requires them to deliver.

I know that many people who currently work at a senior level in the public sector feel extremely stressed. That might be because they have fewer people than they previously had working in their teams or because of a lack of funding that means that they just think, "How can I house these homeless people?" rather than thinking of a more holistic approach to people's wider needs.

There is very much a need to support the public sector to think differently and to tackle those problems differently, in a more future-focused, longer-term way. We have the answers, but it is about how we can overcome the barriers that stop people acting in a relational and kind way. That would lead to a huge difference.

Craig Hoy: I ask Euan Leitch the same question. You talked about the fact that your predecessor said, "We do not need any more policy; we just need practice." How can we move forward from policy to doing, in practical terms, what Pippa Coutts talked about? It strikes me that that is very much about moving away from firefighting and starting to plan for the long term.

Euan Leitch: I will pick up on that question and go back to Colin Beattie's question as well. Everything that needs to happen has already been mentioned. The issues that we were talking about before the pandemic have become heightened during it. Behaviour has also changed during the pandemic, and we need that to continue. Five years ago, we were all saying that we needed parity at the table, collaboration and long-term core funding. I said that in my previous job, and we continue to say it, but it has become more important.

Your question to Pippa Coutts about international comparisons was interesting. We often consider Scandinavian countries to be good examples. That is to do with how close local governance takes place, the principle of subsidiarity, and where decisions are made. Those are also high-tax states, and it is not by accident that those things happen together.

We are particularly interested in the outcome of the local governance review. It is interesting that, in the review's final report, community councils are mentioned perhaps once. We could be utilising that layer of governance if there was funding for it.

10:30

There are all sorts of things that could happen; we have all recommended that they happen. I got in touch with Anna Fowlie after she wrote a blog that said that she would not be contributing to any more advisory groups. All sorts of recommendations have been made by the SRAB and the citizens assembly, and they are consistent with the recommendations that have been made

for the past 10 years about changing behaviours in local authorities and other public bodies.

The mass resignations and the changes that are happening around employment perhaps present an opportunity. Staff are changing, so new and refreshed work practices could become embedded in public bodies. However, the changes are taking far longer than is desirable.

Craig Hoy: Before I ask Stephen Boyle about the audit function, I will bring in Anna Fowlie. Earlier, the Auditor General said that the audit function is far more than a tick-box exercise; it is about learning, evaluating and assessing outcomes. I think that the SCVO has about 2,700 members. Is there still a view that the audit and evaluation process comes at the end and is very much about ticking a box to close a project or to reapply for funding? Is enough learning taking place in the sector to ensure that we evaluate, assess the outcomes, and collectively learn from what has or has not been achieved?

Anna Fowlie: There are two parts to that question, the first of which is about the public audit function. That is quite far removed from most of our members, which are generally quite small community organisations, but it is vital that that work is done behind the scenes. Collective accountability is important. We should ensure that our accountability frameworks in Scotland look at outcomes and the national performance framework. All the issues about process are important, but it is also important to look at outcomes and to bring the NPF to the fore of the work that all scrutiny organisations do.

As Euan Leitch was speaking, I was thinking that there is an important point about learning in our sector. There is a lot of learning to be done, especially in managing to get away from the competitive environment that results from competitive tendering or grant funding. Even in public fundraising—in the kilt walk and such things—there is obviously an element of competition. However, we need to try to park the competition so that we can share learning.

We and third sector interfaces such as Euan Leitch's organisation are working on that. It is important that we do that, because organisations such as Ryan Smart's are delivering really good services on the ground, and it should not be incumbent on them to add an extra layer to that. Those of us who have local or national infrastructure should facilitate and help with that work, rather than expect everybody to do everything themselves.

Craig Hoy: The convener mentioned two words that I was going to bring up: participatory budgeting. That is a concrete example of community engagement and empowerment. Given

that the local government budget is £11,108 million, by my maths, about £111 million is being spent following some degree of community engagement. Auditor General, should more be done to audit that expenditure—it might not be done in a mandatory sense—not only to ensure that the public pound is being well spent but, more important, to ensure that the audit function is evaluating outcomes so that we can all learn and share best practice to allow us to accelerate the work that we have heard about today?

Stephen Boyle: I think that we are starting from a strong place in Scotland, not one of complacency. We have made no secret of the fact that we are supporters of the national performance framework, which connects public spending to outcomes. More needs to be done to move beyond the framework and to better translate what public spending of taxpayers' money has gone towards longer-term outcomes.

On the audit model that we have in Scotland, we already operate a wider-scope model of auditing. As well as auditing annual accounts, we look at value for money, best-value arrangements, how well the money has been spent, and what is being achieved with it. As you will have seen in our paper, one of the case studies concerns the success of participatory budgeting in Renfrewshire.

Beyond that, there is a clear need not just to follow the pandemic pound, which participatory budgeting is an aspect of. Communities closest to the delivery of services will know best what is being achieved. There are two strands to that. Auditors must recognise and accept that and so, too, must the accountable officers of public bodies. They must know what is being achieved and create the right culture and the right conditions for service delivery by communities, which understand best.

As I mentioned earlier, auditors have a clear role to play there. We rise to the challenge—and we challenge back where necessary—that we are inhibitors of innovation and risk taking. We can respond as a country in a crisis to all the things that we have seen during the pandemic, but the innovation needs to be sustained. The last thing that I want is public audit thwarting some of the innovation that is clearly so necessary and which should continue across public services in Scotland.

We are clear that we have an important role in supporting accountability but also in being enablers of some of the innovation and change that still needs to happen.

The Convener: We have just a few minutes left. One of our members—Willie Coffey—is joining us virtually this morning. I am keen to bring him in, as

I know that he has some questions and reflections on this morning's conversation. You will probably get the final word this morning, Willie.

Willie Coffey: Thanks very much, convener. I have really enjoyed our colleagues' contributions. The discussion has been absolutely fascinating.

Most of the questions have now been asked. I hoped to give our colleagues a last chance to offer a final thought about what their key wish would be now. We are the Public Audit Committee of the Scottish Parliament and, as has just been discussed, we have to follow the public pound, with the Auditor General's help.

I was struck by some of Ryan Smart's contributions. He mentioned giving food parcels to families who are desperate for them. Is that an audit function? How on earth do we audit such things and the outcomes that flow from them?

I want to give our colleagues a wee chance to offer some final thoughts about what a key ask would be to protect, enhance and retain the good things and the good practices that have come through Covid. How can we retain those into the future? I would be obliged to hear a short contribution on that from each of the panellists, if that is possible.

The Convener: Of course it is. I ask Ryan Smart to start.

Ryan Smart: For me, it is about listening to communities. We need to continue to listen to communities, more than ever before. However, in the third sector, we need the funding to be able to do that. The core funding that goes around the infrastructure is a huge thing that we will need. We need the money, essentially, for the purposes of the Public Audit Committee.

We have the Covid recovery grants that are coming in. I am in the process of applying for one now. That is for the next year, but we need some sort of commitment that that money will be there for the next two or three years. We are still here. Covid is still affecting the most vulnerable people in our society, and we need that funding to continue.

We need the flexibility of funders to continue, too. We need all funders—not just Government money—to continue so that we can be at the end of a phone call and make decisions relatively quickly. If I have applied for £10,000 to do one thing and we soon realise that something else is now a priority, can we use the money for that? For the trust to continue, the answer should be yes, we can use the money. At the end of the day, we are helping the most vulnerable people in our society.

Anna Fowlie: I thank Ryan Smart for saying what I was thinking. Given that he has done so, I will say something about focusing on success and outcomes.

The fear of failure is a big factor, especially for public authorities. The fear of being hauled up in front of the *Daily Record* or the Public Audit Committee or of being pulled up for a procedural infringement—that risk averseness—can really get in the way. If we could be more enabling and trusting and see the effort as a collective effort towards outcomes rather than focusing on individual targets, that would make a big difference.

Pippa Coutts: I want change in our systems so that we will continue to hear from people who are seldom heard. That might mean more participatory democracy, for example.

In addition, I want support for the development of performance management systems that enact the raison d'être of the national performance framework, which is wellbeing for all. That means holistic management and funding, and performance management systems that support real partnership working and devolution of power to local communities.

David Allan: One of the main things for me is learning from the emergency that we have lived through over—[*Inaudible.*]—to apply that to the on-going emergency—[*Inaudible.*]—of poverty and inequality. If we do not learn from how we have responded to that and apply that learning to the on-going emergency in our—[*Inaudible.*]—we will be failing.

Willie Coffey: Can we have a final key ask from Euan Leitch?

Euan Leitch: Stop looking for new things. Fund things that already exist and that need continued long-term support. More fundamentally—this may be for MSPs—prioritise the places that really need the funding. There are communities that really need it, and there are communities that want it and are really loud about wanting it. Members will have both of those in their constituencies. It is quite difficult for members, as they represent both types of community, to support those that need it most, and it is difficult for some people to accept that they are not going to be the beneficiary of public funding in the short term when there are people with much more fundamental needs that need to be met. I strongly advocate prioritisation in long-term funding.

The Convener: I certainly echo loudly Ewan Leitch's final comments.

I thank each of the panellists for their contributions. The session has been instructive and insightful, and it has given us lots to think over in respect of what we can do as the Public Audit Committee of the Scottish Parliament in ensuring

that the harsh lessons that we have been forced to learn because of circumstances beyond our control are embedded in our public institutions, including the Parliament, and that they find a ready echo in the communities that you all serve and that we also seek to serve.

I will have to draw the session to a close. I emphasise to the people who have been kind enough to join us this morning that, if there are further things that they want to get across that they have not had time to get across because of the time pressures this morning, please do not hesitate to put them in a written submission. It does not have to be an omnibus piece of work; it can be short, sharp and pithy. If there are points that you have not felt that you have had the opportunity to raise or that, on reflection from this morning's session, you think are important for us to consider, please put something in writing to us, and we will consider that in our deliberations.

Once again, I thank all of you who are online, and I thank the Auditor General for joining us in the committee room.

I close the public part of the meeting.

10:44
Meeting continued in private until 11:45.

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