

# **FINANCE COMMITTEE**

Tuesday 1 November 2005

Session 2

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## FINANCE COMMITTEE

23<sup>rd</sup> Meeting 2005, Session 2

### CONVENER

\*Des McNulty (Clydebank and Milngavie) (Lab)

### DEPUTY CONVENER

\*Mr John Swinney (North Tayside) (SNP)

### COMMITTEE MEMBERS

\*Ms Wendy Alexander (Paisley North) (Lab)

\*Mr Andrew Arbuckle (Mid Scotland and Fife) (LD)

\*Mark Ballard (Lothians) (Green)

\*Derek Brownlee (South of Scotland) (Con)

\*Jim Mather (Highlands and Islands) (SNP)

\*Mr Frank McAveety (Glasgow Shettleston) (Lab)

\*Dr Elaine Murray (Dumfries) (Lab)

### COMMITTEE SUBSTITUTES

Alex Neil (Central Scotland) (SNP)

Iain Smith (North East Fife) (LD)

Janis Hughes (Glasgow Rutherglen) (Lab)

\*attended

### THE FOLLOWING GAVE EVIDENCE:

George Brechin (Fife NHS Board)

Ron Culley (Scottish Enterprise Glasgow)

Tom Divers (Greater Glasgow NHS Board)

Tim Huntingford (West Dunbartonshire Council)

Councillor Anne McGovern (Fife Community Planning Partnership)

Councillor Steven Purcell (Glasgow Community Planning Partnership)

Douglas Sinclair (Fife Council)

Councillor Andrew White (West Dunbartonshire Community Planning Partnership)

### CLERK TO THE COMMITTEE

Susan Duffy

### ASSISTANT CLERK

Kristin Mitchell

### LOCATION

Committee Room 1



## Scottish Parliament

### Finance Committee

*Tuesday 1 November 2005*

[THE CONVENER *opened the meeting at 10:05*]

### Items in Private

**The Convener (Des McNulty):** Welcome to the Finance Committee's 23<sup>rd</sup> meeting in 2005. I welcome the press, the public and our witnesses. Please ensure that all pagers and mobile phones are switched off.

We have received apologies from Elaine Murray, who is on a train that has been delayed by a signal failure. She will join us shortly. Mark Ballard will need to leave us for a period during the meeting. Otherwise, we are all present and correct.

The first item on our agenda is to decide whether to take in private item 3, which is a draft submission to the Executive. Is that agreed?

**Members** *indicated agreement.*

**The Convener:** We also need to decide whether to consider our draft report on the Council Tax Abolition and Service Tax Introduction (Scotland) Bill in private at our meeting on 8 November. Do members agree to that?

**Members** *indicated agreement.*

## Cross-cutting Inquiry into Deprivation

10:05

**The Convener:** The second and more substantial item on our agenda is to take further evidence in our cross-cutting inquiry into deprivation.

I am pleased to welcome representatives from three community planning partnerships to today's meeting. I will introduce each group of people separately, but the intention is that the meeting will be a general session in which witnesses and committee members can interact on the issues.

First, I welcome the representatives from Glasgow community planning partnership: Councillor Steven Purcell, who is leader of Glasgow City Council; Ron Culley, who is chief executive of Scottish Enterprise Glasgow; and Tom Divers, who is chief executive of Greater Glasgow NHS Board.

Secondly, I welcome the representatives of West Dunbartonshire community planning partnership: Councillor Andrew White, who is leader of West Dunbartonshire Council; and Tim Huntingford, who is the chief executive of West Dunbartonshire Council. I suppose that Tom Divers could be a member of both community planning partnerships, as Greater Glasgow NHS Board covers Clydebank and is increasingly responsible for areas that were previously covered by Argyll and Clyde NHS Board.

Finally, I welcome representatives from the Fife partnership: Councillor Anne McGovern, who is from Fife Council; Douglas Sinclair, who is chief executive of Fife Council; and George Brechin, who is chief executive of Fife NHS Board.

I will give the leaders of each of our three delegations an opportunity to make a brief opening statement before we proceed to questions.

**Councillor Steven Purcell (Glasgow Community Planning Partnership):** Thank you, Mr McNulty, for the invitation to participate in the committee's review. I give evidence today in my capacity as chair of the Glasgow community planning partnership.

Since becoming leader of the council and assuming thereby the role of chair of Glasgow community planning partnership, I have been clear that my top priority is social renewal. In simple terms, although Glasgow has changed significantly in the past few years through provision of new homes and schools and more jobs than ever, too many Glaswegians do not share in that success. I have been supported by the partnership on the need to deal with the city's two main challenges: worklessness and addiction.

The main reason for identifying those two issues is that they have such an impact on the wider community and generate other problems.

The partnership can already provide a number of examples of joint working on addressing the problems. For instance, the addiction service in Glasgow is run jointly by the city council's social work service and the health service. The addiction service runs projects that help the health service and social work service to support people into employment and training. It has also increased the number of people who access addiction treatment. Equally, the health service and Scottish Enterprise Glasgow work together with Jobcentre Plus and the Wise Group to provide a training scheme that helps unemployed people into work in the national health service. Both of those are good examples of co-operation but, given that we would clearly like to do much more, we need to consider how to achieve that.

There are two main financial obstacles to tackling deprivation seriously in Glasgow that we would like the committee to consider in its review. The first is the fact that mainstream Executive funding, as opposed to funds for special projects, is not allocated on the basis of deprivation levels. The second is the use of ring fencing, which should be ended.

Let me be clear about the need for additional funding. Our demand is not simply that more money be given to Glasgow but that, if we are serious about the need to tackle poverty, we will need to provide additional resources to the areas that are most affected, wherever in Scotland they may be.

Obviously, although the problems are also to be found in other parts of the country, the main difficulty facing Glasgow is one of scale. For example, Glasgow has 25 per cent more benefit claimants than Birmingham, despite the fact that it is half the size of that city. Investment in lifting people out of poverty will bring clear benefits to the whole country. By improving education, offering new training opportunities and helping people off benefits into employment, we can make them economically active and reduce the need to continue deprivation-focused investment—a win-win situation. Investment of that nature has paid dividends in Glasgow in the past. For example, Glasgow City Council introduced a vocational training programme for schools. Its success was such that Glasgow now runs the programme on behalf of all councils in the Clyde valley area.

We are not calling for extra money without progress being made. We support the Executive's tying additional funds to the need to show continual progress in reducing poverty—for example, by improving education results. That would also mean an end to the need to ring fence

funds. Although we accept the premise behind ring fencing—to ensure that councils follow the strategic direction that has been set by the Executive—we believe that it can often be counterproductive because it forces councils to implement nationally set policies that may not fit in with local priorities and needs. It would be more productive for the Executive to allocate funds having taken account of deprivation issues and not to specify exactly how they should be spent but what outcomes they should deliver. It would be up to each partnership to consider how best to utilise its resources to overcome the key problems in its area. That would allow the Executive to embrace the opportunity that it has created through community planning by allowing genuine local decision making.

There is a huge amount to be optimistic about in Glasgow. Current conditions present us with the best chance to overcome poverty that we have had in a generation. The Executive can play an even greater role in achieving that by changing the manner in which it allocates spending to target resources where they are most needed to tackle poverty, and by ending ring fencing. That could bring real change not only to Glasgow but to Scotland as a whole.

Thank you again for inviting me to speak today. We will be happy to answer questions and to take part in the dialogue to which the convener referred earlier.

**Councillor Andrew White (West Dunbartonshire Community Planning Partnership):** I thank the committee for inviting me to address it.

As well as being the leader of West Dunbartonshire Council, as Stephen Purcell does, I chair my local community planning partnership. As you said, convener, the West Dunbartonshire community planning partnership can claim a bit of Tom Divers, because he is a key member of it.

West Dunbartonshire was born in difficult circumstances in 1996. As part of Strathclyde region, it had enjoyed positive discrimination as an area of need for key services such as education and social work. With the reorganisation of local government, the area lost that assistance and it has struggled to overcome the handicap ever since.

The Government of the day recognised some of the scale of the problem facing West Dunbartonshire Council and other councils such as Glasgow City Council and Dundee City Council, and introduced mismatch funding for two years to cushion the blow. Despite that, in the first two years of the council's existence, West Dunbartonshire saw council tax increases of 27 and 20 per cent, along with significant cuts in the

budget. We estimate that since the inception of the council we have made cuts of about £24 million. As a result, 10 years later it is still the case that the poorest areas, with the greatest concentrations of deprivation, have the highest council tax levels. That is a scandalous perpetuation of the inequality that has bedevilled the area, and it undermines the best efforts of the council and its community planning partners to reverse the vicious cycle of decline, poor health, low attainment and limited life chances.

As a council and a community planning partnership, we have not sat idly by bemoaning our fate. Instead, we have fought to develop high-quality services in social work, education and health. We have paid great attention to the quality of life of our residents and we have demonstrated our concern about combating issues such as antisocial behaviour. However, this is not the place for me to list what we have done and what we see as being our achievements in those areas.

10:15

In addition, through our commitment to joint working, we have developed a reputation for the quality of our partnership working, not least in our community planning partnership. Tom Divers is here from Greater Glasgow NHS Board, but he could equally be representing West Dunbartonshire community planning partnership—in fact, he is.

As the convener knows, when the First Minister was opening new business workshops in Clydebanks, he held up our regeneration vehicle, Clydebanks Rebuilt, as one of the best examples of partnership between the public and private sectors in Scotland. We have much to be proud of and we are now starting to see concrete evidence of the change that is starting to occur in our community. We are here today to argue that without fundamental change in the way Executive funding is allocated, the community planning partnerships in the most deprived parts of Scotland will always be working with one hand tied behind their backs.

Grant-aided expenditure is currently allocated largely on the basis of population, with only approximately 2 per cent being targeted to address deprivation. That might be fine in an area that has a growing population, but not in an area such as West Dunbartonshire, where the cost of providing services to a deprived community is higher and a declining population does not significantly reduce the cost of providing services. We believe that if the Scottish Executive and the Parliament are serious about tackling the deep-seated and intractable problems of Scotland's poorest communities, they must ensure that a greater share of the allocation is determined by the indices of deprivation. We are heartened by

the wish of the Minister for Education and Young People to allocate 20 per cent of the funding for extra teachers on the basis of deprivation rather than population. It is time for the committee to endorse that initiative and it should be implemented as a yardstick for allocation of a much greater proportion of GAE funding.

Thank you, again, convener for allowing me to address the committee and to participate in this morning's session.

**Councillor Anne McGovern (Fife Community Planning Partnership):** Thank you for the invitation to come along this morning. Fife has similar but different problems to those of my two colleagues here today. One of the benefits that we have is that the chair of the health board is mine—as leader of the council, I do not have to share him because we have coterminous boundaries, as we do with our police and fire services. That makes partnership working much easier.

One of the issues that is relevant to Fife and which makes it unique is that it is neither rural nor urban. There are seriously deprived ex-mining villages, one of which is in my ward. The demise of the dockyard has caused a shift in employment. At the other side of Fife from that is a large rural farming and fishing community and the issues there are diverse, although they are the same, if you know what I mean. There are pockets of deprivation in the rural areas of north-east Fife, especially in respect of housing.

In Fife sometimes the issue is not so much about poverty as about deprivation in a wider sense in terms of housing and health, or social deprivation. Although the national Government is targeting resources at areas such as central Fife and our other regeneration areas, there are ex-mining areas and small towns that have pockets of equally serious deprivation.

We have worked well through partnership and we have various projects that intend to address the issues that are relevant to those areas. However, in Fife there is an issue with deprivation funding that is allocated on an area basis in that some of the deprived areas in Fife are small but compact and have serious problems. A recent example was allocation of the supporting people money that was allocated on an area basis but was intended for delivering services to vulnerable people. Fife's population is changing dramatically and quickly, and the emphasis is now on the elderly and not so much on the young. Mechanisms that distribute funds such as the supporting people money are crucial to Fife, as are funding initiatives outwith GAE.

The use of the 15 per cent threshold, on the face of it, benefits urban authorities, but it does not target the people in rural Fife whom we need to

target. Under another mechanism, 3.5 per cent more per capita would go to Fife. We have to dish out antisocial behaviour orders and do everything that the larger urban authorities do, but the area-based measures will always disadvantage Fife. We nearly always fall through the crack in the pavement by being neither rural nor urban.

My plea is for a commitment from the Scottish Executive to find a way to distribute resources that can be dealt with through a community planning mechanism. I have always believed that deprivation is not caused by a single problem and it will not be solved by a single agency. If we are serious about dealing with deprivation, we must ensure that agencies work together. Ring fencing makes that difficult, especially for partner organisations, because of the time it takes to tap into some of the smaller resources. Another plea is that funding be allocated for longer—between three and five years—and on an outcome basis.

I am happy to answer any further questions of detail about Fife's situation. I thank the committee again for asking me along.

**The Convener:** We have several strands to discuss, so perhaps we should start with the question of what works in tackling deprivation. Last week, we heard presentations from Communities Scotland and the Wise Group. One interesting issue was the concentration on place on the one hand and people on the other. Has the Executive got the balance of priorities right in dealing with the people and place issues?

**Councillor Purcell:** Through the work of the community planning partnership and much of the successful work that existed previously, we are now more focused. We have learned that the most important aspect of the balance is people and that we need a clear view about the most important issues and obstacles that face people in Glasgow. Therefore, a thematic approach to tackling deprivation has been much more successful in Glasgow—our partners would agree with that. I would be happy to give specific examples. I mentioned addiction services in the city, which the council and the health service manage through a single agency. We take the same approach to the better neighbourhood services fund, which we target thematically.

In the years since devolution, we have piloted a number of projects in different services and agencies and together with partners, so we are confident that a thematic approach to the issue provides tangible outcomes. The issue has bedevilled us for too long. We are confident that, if we win the debates about the balance, the ending of ring fencing and the need for greater attention to deprivation, we can take specific measures that will change people's lives.

**The Convener:** So you argue that, if we compare the new life for urban Scotland initiative, for which specific estates were identified—in Glasgow, it was Castlemilk—with your approach to addiction or worklessness, the second type of approach has proven to be much more effective. However, the thematic approach receives only about 20 per cent of the money; the bulk of the money goes the other way from the way that you say is most effective.

**Councillor Purcell:** Absolutely. We are clear that the thematic approach that we have taken, mainly through putting our mainstream budgets together, is delivering outcomes that we cannot only point to in a tangible way but that we can evidence almost case by case.

**The Convener:** We are interested in the idea of an output-based approach and how you monitor the trajectory of progress. The Wise Group, which is coming at the issue from the point of view of a contractor, was strong on that. Such an approach involves considering what the resource input is, what process you are taking through and what the outcomes are. It is about considering progress more on a business-type basis. Are you saying that that is your preferred method of dealing with things?

**Councillor Purcell:** Absolutely. I am in full agreement with the Wise Group. The other problem that we have in respect of measurement of outcomes is that there are too many organisations auditing too many things. Groups that we fund—and, indeed, services that we fund—are expected to respond to a large range of monitoring organisations, funding streams and audit regimes. The partnership is considering whether it can devise a single structure that would meet organisations' requirements for measuring outcomes and auditing spending of public money, which would be much simpler for organisations. Such a structure would free up organisations—such as service providers, joint service providers and other groups in the city—to get on with the job that we all want to do, which is to achieve the outcomes that we all agree on.

**The Convener:** You seem to be giving a strong endorsement to the idea of regeneration outcome agreements and to the role of the community planning partnerships. As a commissioner of services, you are deciding what will work in your area and how money would best be spent. It does not really matter who delivers a service, or the particular configuration of the partners that are involved in delivering it, as long as it is proven to deliver the outcomes. Is that a fair summary of what you are saying?

**Councillor Purcell:** Yes. To elaborate further, the 10 community planning partnerships that will sit underneath the city-wide partnership have a



key role in implementing those outcomes. If we identify the strategic issues that are most important to us in Glasgow, such as worklessness and addiction, and if we accept that it does not matter who delivers services if they are effecting an outcome in our communities, I would expect the community planning partnerships to identify how best those outcomes are delivered in their communities. Indeed, I could imagine a situation in which one community planning partnership says, "In order to meet the objectives of tackling addiction and worklessness we want to spend more money supporting our work in addiction services, along with the community health partnerships, with which we have managed to get an almost coterminous boundary." Another community planning partnership might say, "While we are working in that regard as well, we would like to spend a bit more money supporting literacy tuition in our primary schools." Another community planning partnership might want to spend more money on improving infrastructure in its area, to provide access to jobs or to connect communities.

Our job, in the community planning partnership at city level, is to set the strategic direction, to work with the local community planning partnerships to find the best solution in those communities and to monitor the outcome. All the partners in our community planning partnership have signed up to considering our own organisations, to see whether service management and monitoring of outcomes can be devolved further to the community planning partnerships to make them as effective as possible.

**Mr John Swinney (North Tayside) (SNP):** I thank the different partnerships for their contributions. Councillor Purcell, the comment you made about there being too many organisations auditing the same information is like music to my ears. In the information that was given to us by all three speakers on behalf of each community planning partnership, I was struck that not one of you mentioned Communities Scotland. I am not necessarily suggesting that that is a bad thing. Having listened to what Councillor Purcell said about devolving responsibility as far down as one possibly can to community planning partnerships, I suspect that Communities Scotland will not necessarily appear on his radar screen in that respect.

10:30

May I hear more about the panel's reflections on the role of Communities Scotland? Does that organisation sit comfortably with the community planning structure, which is a good innovation in the delivery of services? Does Communities Scotland complement the work of the community planning partnerships? Is it an auditing obstacle to

ensuring that its money tackles some of the problems of deprivation that clearly exist in all three areas that you represent?

**Councillor McGovern:** I imagine that one of the difficulties for all the partnerships is the accountability trail and the reporting mechanisms. Those are entirely different in Scottish Enterprise Fife and Communities Scotland. Our colleagues in the health department are probably better at getting the spend lined up and the reporting and monitoring mechanisms in synch.

Communities Scotland has a seat at the table of the community planning partnership in Fife and has become increasingly active in the past two or three years. However, consistency is the one thing that we cannot guarantee from Communities Scotland because apart from anything else, its personnel keeps changing and it has to start again.

**Mr Swinney:** Do you mean consistency in decision making?

**Councillor McGovern:** I mean consistency in attendance and in the support of the planning partnership. In our endeavours to deal collectively with regeneration and deprivation, Communities Scotland has been helpful in delivering new rented accommodation for us in areas that are not necessarily seen as a focus in central Fife. Communities Scotland has delivered small housing projects in ex-mining areas that allow people to get on to the first rung of the ladder and to move into better accommodation. We now have approval in principle for sites in north-east Fife.

The wider role of Communities Scotland is rather more complicated—anyone who figures out the end result will get a prize at the end of the day. None of us is any too sure about what its exact role is in the wider scheme of things. We now hear its name linked with registered social landlords.

A plethora of work is, could be or might be under the auspices of Communities Scotland in the future. We might have the organisation called Communities Scotland, but we do not know what size, shape or form it will take in the future, which is difficult. However, it has been supportive of housing provision in Fife. The jury is out on how it will work in the wider scheme. I do not agree that it is the appropriate authority to disburse funding because it is so remote from the communities and does not understand what happens from the ground up.

Through our community budgeting pilot in Fife, we tested three particular areas and produced three pieces of work with our health colleagues. It was because those were carried out at the lowest level—with the local people—that we could identify the need, deliver the project, monitor it and evaluate it at the end of the day.

One small project took primary school kids skiing who would never otherwise have done so. The outcome was calm in the classroom, interest from the kids and discipline because they were determined to be included in the skiing project; if they did not do certain things, they would not be allowed to go. The project brought discipline to them and has shown that sometimes, small is beautiful. However, for Communities Scotland to try to deliver, monitor and evaluate such a project does not sit well with my interpretation of community planning at the lowest level.

**Councillor White:** I do not see Communities Scotland as a crucial partner in taking things forward at a local level. In West Dunbartonshire, it is an equal partner, but I question its role in the efficient government initiative. It tries to perform activities that councils have performed well for many years, but it does so without local knowledge and without the democratic accountability of local councils.

When Communities Scotland is at the table, there is in some ways a conflict of interest because of its dual role: it is there almost as the enforcer of the Scottish Executive's policy, but it is also there as a local partner. Communities Scotland is an equal partner at the table, but it is not a crucial partner in driving forward initiatives or in achieving the success that it wants.

**Tom Divers (Greater Glasgow NHS Board):** It has taken some time for Communities Scotland to be clearer about its role. At times, the organisation sits a little uncomfortably as part of local partnerships, given its responsibility within the Executive. There is some awkwardness.

I would like to come back to the regeneration outcome agreement. You will hear from us all how crucial it is that we can focus on outcomes and positive improvements as demonstrable means of assessing our progress annually or in the three-year lives of our plans. That said, the regeneration outcome agreement is a pretty cumbersome way of doing that. There is far too much detail in it. In some partnerships—West Dunbartonshire is a good example—the time and effort that have gone into the preparation of a satisfactory regeneration outcome agreement would have been much better spent in pushing forward some of the key objectives in the extant plan.

**The Convener:** That is an interesting and useful point; it underlines some of the things that we have heard before. I would like to unpick two or three strands of it. First, are you saying that the forms that you have to fill in contain such unreasonably high expectations that they need to be radically streamlined?

Secondly, does the regeneration outcome agreement cover a broad enough canvas? Does it

cover the amount of work that is required of you? It focuses on a limited number of funds, such as the community regeneration fund. Perhaps there should be a broad, tripartite agreement between the health board, the city council and Scottish Enterprise, as well as other partners in Glasgow, about what each agency is trying to contribute to a common project. Perhaps you should look beyond the canvas, which is significant but relatively narrow, of how funding is allocated.

Thirdly, the Executive is giving out little chunks of money to various initiatives, but I gather from Steven Purcell that that is not a good way of doing things, as you have to produce overelaborate justifications for small amounts of money. What you would prefer is to gather that money into a big chunk and account for it in a more organic way. Is that a reasonable summary of what you are saying?

**Councillor Purcell:** Yes.

**Douglas Sinclair (Fife Council):** Ministers have said that they see community planning as a flagship policy of the Executive. However, there is no great evidence of that rhetoric being translated into hard reality by the Executive engaging with the 32 community planning partnerships to ask what joint priorities it and the partnerships can sign up to. On priorities such as regeneration, the Executive could say to the community planning partnerships, "We trust you to deliver." At the end of the day, the degree of prescription and ring fencing is a mark of the Executive's lack of trust in the ability of local government and other partners to deliver. If we could shift the agenda away from such micromanagement, the Executive could simply judge partnerships according to whether they deliver the outcomes that were jointly agreed between the Executive and the partnership. In a small country such as Scotland, there must be a better way of addressing an issue on which there is no political disagreement—we are all committed to tackling regeneration—than the extended prescription and detailed micromanagement that we have just now.

**Tim Huntingford (West Dunbartonshire Council):** The problems that Tom Divers and Douglas Sinclair have mentioned have bedevilled us for years. As the convener will remember from his regional council days, we used to be required to spend hours scrutinising urban programme projects that were worth a few thousand or a few hundred thousand pounds while mainstream budgets that were worth hundreds of millions of pounds went largely unscrutinised.

As Tom Divers said, the detail that is required for an ROA for community regeneration fund money is often out of all proportion to the amount of funding that is received. Also, the process does not allow us to consider wider themes, such as the

worklessness and addiction that Councillor Purcell mentioned, yet those issues affect mainstream budgets of health boards and councils. We have the balance wrong.

**Mr Swinney:** It strikes me, given Mr Sinclair's comments, that the problem is actually worse today. Not only does the Executive not trust community planning partnerships but—certainly, this is the impression that I was left with last week—Communities Scotland spends its time second-guessing what community planning partnerships are doing and mulling over whether the priority on which a partnership has decided is justifiable and worthy of its gracious support. It strikes me that fragile amounts of taxpayers' money are thereby prevented from providing the services that we all agree are a good idea.

What is the extent of the added value that comes from the involvement of Communities Scotland in such projects? Would it not be more sensible to give the community planning partnerships some of those resources to ensure that they were more effectively spent? Surely that is the logic of where the conversation has reached.

**The Convener:** I am not sure that anyone would disagree with that.

**Douglas Sinclair:** If we want to move community planning partnerships forward, we need to trust them and hold them to account for delivery. They need to be given the resources to get on with the job. However, we also need a dialogue between the Executive and community planning partnerships, which does not happen just now. The programme for government details the shared priorities of the coalition partners, but we have a gap in Scotland's governance arrangements in that the Executive does not engage in a dialogue with the community planning partnerships on the shared priorities to which both parties can sign up. Many of those priorities would reflect the coalition's priorities, but some will be issues that are peculiar to, say, Glasgow, West Dunbartonshire or Fife. We need space for both. If we want to move community planning forward, the Executive must engage with the community planning partnerships, perhaps on a three-yearly basis, and measure their performance in delivering on those priorities.

10:45

**Ms Wendy Alexander (Paisley North) (Lab):** It is valuable to have councils and other major players represented in an individual capacity. I suspect that my only intervention in the debate will be to ask people to share their thoughts and comments on the hypothesis that I will outline.

Your real task is to try to help us to see the wood for the trees. What I am implying is that what we do with £100 million a year of the community regeneration fund is neither here nor there. We will have failed Scotland if the report that we produce talks about who owns a tenth of a billion pounds. At the bigger level, you guys should own it. Who cares who owns it?

I say that for the following reasons. We should consider what we spend in total, roughly, in Scotland. Health, as represented by Tom Divers, has about £6 billion to spend, which is allocated according to the Arbutnott formula. The totality of local government spending, including the police, also comes close to £6 billion. When we come to Scottish Enterprise, represented by poor Ron Culley, love him dearly as I do, the entire budget is £0.5 billion. Scottish Enterprise is not really a player in this, given that Tom Divers represents £6 billion and Steven Purcell represents £6 billion. The community regeneration budget is a tenth of a billion—£100 million. We should not reduce the argument about deprivation to who owns that £100 million, when in fact health and local government have £6,000 million each. In that context, who cares who owns the £100 million? That is the tragedy of where Communities Scotland is and of where the dialogue is on deprivation.

That comes back to not being able to see the wood for the trees. The Arbutnott formula is a good example of what I am talking about. Seven years ago, it would not have been possible for Greater Glasgow NHS Board on its own to get the issue brought forward, but there was ministerial leadership because it so happened that the minister with responsibility for health at the time had worked in the city of Glasgow, understood it and said, "We are going to sort this." Tom Divers was never going to be able to turn up to a meeting of health board chief executives and have Highland NHS Board or Orkney NHS Board sign up to a new formula.

On local government, we are talking about £6,000 million. Let us forget about the £100 million: who cares who is in charge of that? The problem is that nothing thoughtful or creative has been written about how that £6,000 million should reflect deprivation. I went grubbing around on the matter and, to my astonishment, I discovered that my council, Renfrewshire Council, which I do not always talk about in the Finance Committee, did a piece of work in 2002 that demonstrated the problem. The same problem exists in the Convention of Scottish Local Authorities as would have existed if Tom Divers had tried seven years ago to persuade Highland NHS Board to sign up to a new formula. The piece of work shows that, if we even had the English commitment on deprivation in the GAE equivalent, £750 million extra would go in to deal with the issue. Overnight,

at a stroke, we would have seven times the entire community regeneration budget of £100 million that we are fighting over with Communities Scotland. I invite all our witnesses to consider how we should get the discussion going about GAE. Obviously, because we have sparsity problems that England does not have, we will not be able to have identical systems to those in England.

In 2001, the year when the budget constraints came off after Labour came to power, there was an uplift for deprivation spend of half a percentage point, from 2 per cent to 2.5 per cent. That was a one-off; it was done for one year and it has never been repeated. I accept that COSLA, like the chief executives of the health boards, may not be the organisation that is capable of putting these issues on the agenda and discussing how we match England on GAE for deprivation. That is what a Parliament is for. We should be putting that issue on the agenda, rather than saying, "You guys should own the £100 million."

What would be the scale of the resource shift if the same sort of deprivation indices were reflected in our GAE as are reflected in the Arbutnott formula? It seems to me—I would be interested in Tom Divers's view—that, given all the many fights that we have about health, the Arbutnott formula has come to be accepted quite quickly; it is not used as a justification for success or failure, as it has become part of the furniture. Nevertheless, we have not revisited the GAE distribution in any meaningful way since 2001-02 and, over time, there has been an increasing divergence from even the United Kingdom position in relation to our willingness to reflect deprivation in the GAE core indices. How do we build a consensus on looking at GAE again and how does the £6,000 million reflect deprivation issues in Scotland? We do not know, but we would like some advice, as our report would be better if we tackled that elephant rather than bickering about who owns the £100 million of the community regeneration fund.

**The Convener:** Since that is the thrust of West Dunbartonshire's submission, Andrew White might want to answer those questions.

**Councillor White:** That was the point that we were trying to get across. There is an interesting debate about how the £100 million is allocated, as some of it presents us with problems. There can be political fallout for communities when the community regeneration fund is cut to fund a financial inclusion fund project, for example. We have to explain that to local people. It is important that we talk about those things.

Wendy Alexander is absolutely right. The issue is about the big budgets for local councils and for community health and about how resources are allocated. It is nonsense for the Parliament to say that it is serious about tackling deprivation while it

presides over a system of local government finance in which only 2 per cent is allocated to tackle deprivation.

Wendy Alexander mentioned the difficulty that Tom Divers would have in trying to get an agreement. That is a game in which COSLA would have losers as well as gainers. I am not here to speak on COSLA's behalf, but I know that such an exercise would be difficult for it. It is significant that, on Friday, COSLA reached agreement that 20 per cent of the resources for new teachers should be targeted towards deprivation. That is something to build on. Speaking frankly and honestly, as I did on my views of Communities Scotland, I do not think that we can solve the problem in local government. It is an issue for this committee to lead on, but ministers will have to take the decisions on it.

Education is a good example and we have given other examples in our submission. Everybody agrees that poverty and deprivation have an effect on educational attainment, yet we accept a situation in which few resources are allocated to fight deprivation.

I agree entirely with Wendy Alexander's point; it is certainly the main point that we are trying to make to the committee today. As for consensus, the Parliament must agree that deprivation has to be tackled seriously, decide on the best way of tackling it and take the difficult decisions that that will require.

**The Convener:** I want to bring in Tom Divers on health. The Arbutnott formula is applied, but there are serious issues about unmet needs. I wonder whether you have something to say about that.

**Tom Divers:** I have two or three observations. We do not always find agreement on such issues among groups of peers who have a core responsibility to do their best for the populations whom they serve. The Arbutnott formula—and I am mindful that Professor Arbutnott is now the chairman of our board—moved matters on substantially, although there was a degree of belly-aching about it. However, there was also a sense that the formula was fair, which meant that it bedded in. An important factor in that was that the timetable for moving towards the new parity lines in implementing the formula gave those who were on the wrong side of movement some opportunity to adjust.

As you said, convener, unmet need is a major issue in health and deprivation. John Arbutnott's work was heavily based on considering the use of health care services. He started a piece of work on unmet need, which in part the Health Department has followed through. I think that that will now be picked up in the new review of national health

service resource allocation that Professor Karen Facey is leading, which will be completed in 2007 and implemented thereafter.

I share Andy White's view entirely. There is now a wonderful opportunity for the funding of local government and its responsibilities to be brought into the same kind of frame of consideration. If we are serious about continuing to join up our resources—we can demonstrate that we are already doing that in many areas—and if the local government, police and health resources are considered within the same kind of timeline, we might be able to move forward more coherently. However, if we are going to move forward, the responsibility has to be picked up by the Finance Committee, the Parliament and the Executive.

When the Arbutnott formula was being implemented, the Executive held a consultation to see whether it was possible to get a coalescence of views. That was never going to be achieved fully, so the then minister and his colleagues made a decision that the formula was fair and would be implemented. Our local partnership has spoken about whether there are comparable ways in which funding for local government could be developed.

**Mr Andrew Arbuckle (Mid Scotland and Fife) (LD):** As a local councillor, I empathise with the views about ring fencing money. Indeed, I have been making that point for 20 years. I totally empathise with Douglas Sinclair's comment that the Executive should talk to and trust councils, thereby improving relationships on community partnerships.

My question is on coterminosity. Fife NHS Board, Scottish Enterprise Fife and the local authority have similar boundaries. Fife is not unique in that respect; I believe that Dumfries and Galloway has similarly coterminous boundaries, but other areas do not. Is it easier for George Brechin in Fife to deliver solutions for deprived areas, because he is dealing with only one body? Conversely, Tom Divers's local authority has to deal with I do not know how many bodies.

**Mr Frank McAveety (Glasgow Shettleston) (Lab):** It is the bodies that are buried that I am worried about.

**Mr Arbuckle:** I will leave Frank to deal with the bodies that are buried.

I do not know whether Ron Culley's organisation operates within the same boundaries as his local authority does. What difficulties arise? What is the best system for getting solutions into deprived areas?

**Councillor Purcell:** There are three levels of community planning. There is the metropolitan level and, in our case, Glasgow City Council chairs

the Clyde valley community planning partnership. For the first time since the abolition of the regional and district council system, that has delivered for us a shared economic, political and social vision for all Glasgow and the Clyde valley. All the partners on the Glasgow community planning partnership are represented along with our colleagues in partnerships in surrounding local authority areas.

We have been able to address some of the issues that Wendy Alexander mentioned in relation to the cities growth fund. There was no consensus in COSLA about that spend, which could have been seen as a threat to the funding for rural areas around Glasgow. However, all authorities have to face the challenge of deprivation. Without threatening people's boundaries or their ability to access the cities growth fund, we have been able to agree on how we spend that money. When the bulk of it has been spent in the economic centre, which is Glasgow, people are clear about the economic benefits of tackling deprivation throughout the Clyde valley area.

**Mr Arbuckle:** Thank you. I am interested in the views of Tom Divers, Ron Culley and George Brechin on that, because they face different priorities and calls.

11:00

**Tom Divers:** There is no doubt that the best arrangement is to have matching boundaries, as that makes things more straightforward. Until now, West Dunbartonshire Council and its partners have been working with two health boards—Greater Glasgow NHS Board and Argyll and Clyde NHS Board. We were moving forward even before the ministerial decision to dissolve NHS Argyll and Clyde. The development of community health partnerships, involving health and local government as key partners, has been based on the local authority boundaries. We were already working with Andy White and Tim Huntingford and their colleagues on a single community health partnership for West Dunbartonshire and we found a vehicle that would help us to overcome the complications arising from the mismatch in the NHS boundaries.

The same thing happened with East Renfrewshire, North Lanarkshire and South Lanarkshire. We are now moving towards a set of arrangements with all the authorities whereby there will be coterminosity in community health partnerships. In the case of the city of Glasgow and East Renfrewshire, that involved using an integrated model of community health and social care partnerships as a further step in developing successful models of integrated service provision, as we outline in our submission. Those are

important developments. As Steven Purcell has pointed out, community health and social care partnerships will play a significant role in connecting with the locality vehicles to take forward community planning.

The previous lack of coterminosity made arrangements more difficult, although it did not make them impossible. As Andy White said, some effective community planning arrangements have been developed with councils, including West Dunbartonshire, despite a lack of coterminosity. The arrangements are now moving forward in the context of the CHPs.

**Ron Culley (Scottish Enterprise Glasgow):** I spoke in London yesterday at an Organisation for Economic Co-operation and Development conference. Envious European eyes were being cast at Glasgow because of the transformation that has taken place between the 1970s and today. One of the reasons why we can point to success relates to the coterminosity arrangement that has always existed in Glasgow, pretty much. That arrangement brings about a stability in networks, relationships and resources—people know where they are from year to year.

Almost 20 years ago now, we commissioned a report from McKinsey and the old Scottish Development Agency. It set out a strategy that we have held to. The ability to embed an approach over a longer period is much more likely to exist if we are dealing with a single entity, rather than having to cope with the various changes that might be visited on an economy if that is not the case.

Steven Purcell and I are now attempting to go further in that regard. We are only at the early stages, but we are now considering the collocation of different regeneration bodies at one campus in the city of Glasgow. That would mean that we would no longer have what is effectively a pockmarked city, with the different agencies scattered all over it. Instead, we could coalesce energies and enable agencies to carry forward the agenda from one campus.

**George Brechin (Fife NHS Board):** I have thought about Mr Arbuckle's question. Fife NHS Board is indeed in a relatively unique position, although Mr Arbuckle is right to mention that there are one or two similar cases. There are considerable benefits for partners in being the only game in town, as it were, as they do not need to balance competing interests so much. However, there can also be disadvantages, as we might get too comfortable.

Judging from my experience of about 10 years ago, when I had responsibilities in Lothian, which involved both East Lothian and Midlothian having to balance their decisions with those of Edinburgh and West Lothian, I would conclude that the best

approach is all about the geography feeling right for the types of decisions that we make. It is perhaps also to do with stability. Ultimately, all the work that we are discussing comes down to making choices and decisions. We will always want to do more than we can do; some things will always be prioritised over others. We need a geographical and partnership framework within which decisions are, if not accepted, at least owned and understood. That is the benefit of coterminosity, but I absolutely accept that the work that Tom Divers and his partners and colleagues in the west have done shows that we do not in fact need coterminosity.

**Tim Huntingford:** I agree entirely that coterminosity is nice but that it is not the be-all and end-all. There will always be boundaries, wherever they are drawn. The important issue is the skills that people learn in order to cross those boundaries. I would be concerned if the committee got too wrapped up in issues of process and structure, rather than the fundamental issues that Wendy Alexander raised. Those issues, rather than boundaries, will make the difference.

**Dr Elaine Murray (Dumfries) (Lab):** I recognise Douglas Sinclair's point that there must be a better way of doing things that is less bureaucratic. It is disappointing that large amounts of officer time are still being spent on submitting bids for fairly small amounts of money. That is not an efficient way of proceeding.

We will want to make recommendations in our report. Do you have a feel for what a better way of doing things might look like? There is frustration in committees of the Parliament—this committee, the Health Committee and the Education Committee—that large amounts of money are being spent but that it is difficult to track how that is being done and how outputs are related to the input of those large sums. If there is a better way of doing things, we must at the same time be able to match outcomes with spending or somehow to relate the two—not just in order to track the public pound, but to share good practice and to see what is working well. Do you have further thoughts about how things could be done better than they have been done over many years that we could mull over for our recommendations?

**The Convener:** That might take us back to the point with which Steven Purcell started about the choices that Glasgow has made with regard to priorities.

**Dr Murray:** I apologise for being late—I was held up in a train.

**Councillor Purcell:** The convener is right. In our community planning partnership, we have been clear about the fact that the two most important issues that we have to tackle in Glasgow

to address deprivation are worklessness and addiction. The most successful outcomes have resulted from agencies across the city being prepared to put people who work in particular areas together under one management, being entirely relaxed about whether that management is in local government, the health service or elsewhere, and being most exercised about the impact that they are making on people's lives.

We now see the benefit of putting our funding together in one pot. We are doing more of that at the strategic level of the city community planning partnership. We are determined that when our 10 local community planning partnerships come together, they will work in exactly the same way. We want to get the balance right at community level, so that the partnerships can effect change in their community and work together in the areas of addiction and worklessness. Whether the people in a local community planning partnership work for the council, the health service or any other agency, I expect them to work to the direction of the partnership.

We are all committed to examining further ways of bringing together more of our mainstream funding into one stream. The Parliament and the Executive should be prepared to consider that issue across all agencies. The role of Communities Scotland was discussed earlier. We are frustrated about the fact that it is yet another auditing obstacle. When we sit round the table at the Glasgow community planning partnership, too many agencies have to go somewhere else in order to get agreement, while the rest of us are ready to commit right away. The same thing happens in the enterprise network. For six years, I have been on the board of Scottish Enterprise Glasgow. We are continually frustrated by the fact that we have to go back to the national agency. That can take time and it slows up the progress that we want to make on delivering economic and physical change in the city. I have described some of the obstacles that slow down partnership working in Glasgow.

I return to the point that I made in response to Wendy Alexander. This is about leadership. Local government will not reach consensus about funding and GAE. GAE is something invented by the civil service. We need politicians to have a national debate about what we should be targeting our public service expenditure on. At COSLA last Friday, we managed to disregard the issue of GAE for spending on education; we had an excellent debate—on the basis of educational policy and targets, rather than the mechanism of GAE—on where the extra teachers should be targeted and how the extra money that will be available should be allocated.

**Dr Murray:** Are you saying that you want politicians to state their priorities and the national

bodies then to tell people that they have a certain amount of money to spend, that they should come back and say how they have spent it and what they have achieved with it, but that people should not be burdened by bureaucracy and should be trusted to deliver and come back with the information?

**Councillor Purcell:** That is absolutely right. We have to accept that if we do not deliver on those outcomes, you would be quite right to decide at national level that there was no point in continuing to spend that money and that you would give it to someone else who was delivering. I would be extremely comfortable with such a debate.

**Councillor White:** Elaine Murray's second point was more or less what I was going to say. We should agree the priorities between national and local government in the partnerships and then get on with it. The better neighbourhood services fund is a good example of how, for a small amount of money, the bureaucracy and paperwork involved can become dreadfully time-consuming for councils. Councils are audited to death, usually with different people asking us the same questions. We comply with that, and it is right that the public pound is followed.

I am sure that you are interested in how communities are involved. I cannot think of any greater community involvement than the fact that people can get rid of local decision makers, because they do not like how they are spending their money or the decisions that they have taken. It is a matter of agreeing the broad themes and principles and letting us get on with it. There are already processes in place to audit us.

**Mr McAveety:** We have heard some interesting contributions. Wendy Alexander has claimed that local government leaders are now billionaires—that is a new one for Scotland. Two or three fundamental points have emerged in the last few comments that have been made. Even if something takes time to do, it is worth doing. I have been dealing with the council in the Gorbals area, and there was an article in *The Mail on Sunday*—I am not a regular reader—that used pictures of tenements in the Gorbals that were demolished in 1968. That just shows how much time it takes for people to get different perceptions of areas.

It strikes me that the committee can explore three fundamental questions with the benefit of the witnesses' experience. First, we can examine the role of local leadership, in the most generic sense, in driving up the dynamic for change and tackling the intractable issues of deprivation that have bedevilled not only the city of Glasgow but West Dunbartonshire and parts of Fife. What dynamic can be created in this morning's debate to help the committee to arrive at some firm conclusions?

How can we shift the natural reluctance of the peer group to face some challenging decisions about resource allocation?

The second question is about the role of national leadership through the Executive, its ministers and the First Minister, and the role that the Parliament can play in shaping the debate. Again, the committee can help, but it is equally important that senior ministers are coherent about the debate on tackling deprivation, rather than simply making the occasional visit to it. That has been a problem for lots of Governments over the past 30 or 40 years.

The third big issue is what we can do in a small country such as Scotland to achieve such things without taking the route that has been adopted elsewhere in the UK, in which local government may not be seen as a key agency for delivering change.

11:15

The interesting report that the Executive published last week on the factors that concern people showed that, apart from the fundamental issues such as health and education on which people always vote, people also highlighted street-level incivilities and various fabric-of-life and quality-of-life matters that local government can be good at sorting out. One part of that is to find a more effective way of using resources.

I do not want this discussion to centre on whether you have got the community planning model right. Although that question is important, we are discussing what we can do in partnership and how we all drop our shields before we walk into a room. In the past, people felt that they had to defend their budgets, agencies and even individuals until it was impossible to defend them any longer—that probably sums up the experience of the Tories over the past couple of weeks. Instead, we must get rid of our armour and adopt the model that has been outlined by Steven Purcell and others to bring together partners and find a way of linking their budgets to sensible timescales. After all, there are many different ways of pulling budgets together.

In short, I want to concentrate on three fundamental questions: national and local leadership; how we get partners to work together effectively on quality-of-life issues; and how the committee can help to open up a debate that might in the long run help the case for allocating resources to deal with deprivation.

**Councillor McGovern:** Our perception is that the spending ministers in the Executive have not quite signed up to the same agenda or are not moving at the same pace to distribute funding accordingly. I do not want to sound as if I am whingeing, but I feel that we need a different

approach to two or three different strands of deprivation. For example, with an issue such as area regeneration, it is clear that the bigger cities will require the most intensive resources.

On paper, some authorities might not look as if they have the greatest need for resources to deal with individual deprivation, but the fact is that an individual in Dumfries and Galloway, Fife or Aberdeen has the same needs, no matter whether we are talking about education, personal care or whatever. I realise that we now have free personal care, but if we are to support an increasingly elderly population, we will all have to be very careful about how we allocate resources. Indeed, even in quite affluent areas in Fife, the elderly population is increasing at such a rate that it is putting the core services that Fife Council and its partners deliver under more and more pressure. Concerns about individual deprivation seem to have fallen by the wayside, but we need cohesion in the Scottish Executive—

**The Convener:** May I interrupt you, councillor? I am concerned that the concept of deprivation seems to be spreading out in this discussion. For example, you have just mentioned deprivation affecting an elderly population in a more affluent area—say, in Fife. However, that is not about deprivation; it is about the cost of delivering a service to a population group that requires it. In Glasgow and other areas, deprivation can be defined as a concentration of often multilayered need that includes housing, employment and educational disadvantage, the proximity of high crime rates and so on. If we simply say that everything counts as deprivation, the concept becomes useless and we can no longer know what we are talking about. As a result, our discussions must be far more specific and precise. Already in this inquiry, we have heard claims that deprivation contains all kinds of different elements, but such an approach means that we cannot speak sensibly about a concrete concept.

**Councillor McGovern:** But data zones back up those claims, especially in rural areas in which small pockets of elderly people might be deprived because of health reasons, poor housing, or poor access to services. Those people might not be able to access the services that George Brechin and his people deliver. I appreciate that there is a huge variety of deprivation, but in Fife—and in other authorities—we have data zones, which are the indices that we have to go with. They are really important for Fife.

There needs to be joined-up working with the Executive if we want to achieve the same for our schools as our bigger colleagues have done. We have smaller schools, we have bigger schools—there is diversity in all age groups in Fife, not just among the elderly and the young.



I am trying to make a plea. We demonstrate leadership at a local level because we work with our partners in the community planning partnership to show what is needed locally and we devolve our budgets to a local level to identify areas of local need. Ministers must demonstrate that they understand the commitments and priorities in their partnership manifestos and that there has to be flexibility for community planning partnerships.

The deprivation that Steven Purcell sees is of a magnitude that we cannot experience, but our experience is different. We have to deal with huge teenage pregnancy numbers in Fife, which are in a specified data zone. We may not have the same magnitude of deprivation, but we have genuine social problems. Flexibility, rather than a prescriptive approach, is needed to allow us to deal with local issues.

**Mr McAveety:** I agree with that. However, in a year or two from now, if a parliamentary committee has to say something about deprivation, what are the coherent messages that will allow everybody, including you, us or Executive ministers, to shift the dynamic to make a genuine difference? I would like to hear two or three ideas from each of you, if possible, about how the dynamic can be shifted dramatically. That might help the committee in its deliberations.

**Councillor Purcell:** There is no doubt that we need to have a national debate. We must be focused on what deprivation is. The most important thing that we must accept is that deprivation is not just a Glasgow issue, although it is an issue of scale in Glasgow; deprivation affects all parts of the country. It is not that people are unable to access the services, but that they do not want to access them.

Many people have a poverty of ambition and a lack of confidence that are driven by multilayered deprivation—worklessness, a sense of not belonging in the community, having no ambition for their children at school, living off benefits and seeing no route out of that situation. Sitting beneath all that in many Glasgow communities is the fact that such people are in a cycle of addiction, whether to alcohol, drugs, smoking or gambling. Until we recognise that those are the most significant problems of deprivation and determine that all our agencies can tackle those deep-rooted problems by working together, we will hold back the growth of the economy in Scotland.

Frank McAveety asked about leadership. We need the Executive to send out a strong message and to take responsibility for having that national debate. It then needs to take political responsibility for the outcome of the debate, as happened with the Arbuthnott debate seven years ago. Our role is to deliver at local level—through community

planning partnerships or otherwise—the outcomes that we have all agreed are important.

The most significant measure that we need to achieve is single funding streams in our public service structure. I am convinced that where we have done that—within the constraints in Glasgow—we are seeing outcomes that we can evidence to both the Executive and the committee. We are operating within the constraints on our mainstream funding; the other obstacle is all the ring-fenced budgets in either local government or other agencies, which we are frustrated that we cannot access to enhance what we are doing to tackle deep-rooted problems. If we can demonstrate to the committee, the Parliament in general and the Executive that we can deliver and build up trust—as was said earlier, trust does not always exist—we will be in a marvellous position to effect the social change that motivates many of us as politicians. Our job locally is to provide leadership, drive and focus at the strategic level and at the point of service delivery in the communities that we are talking about, where we do not always get it right.

**The Convener:** Will you give us a couple of examples of what you mean by single funding streams so that we are absolutely clear about that? It is probably impossible to reduce funding to a single stream. The issue is how we get towards simplified funding streams, rather than the notion that there will be one fund for Glasgow for health, one for local government and so on. I am sure that you are not arguing the point to the extreme.

I accept that you need there to be less ring-fenced funding. How do you reconcile that with the Executive's wish to have mechanisms in place to ensure that national objectives are met? How do we strike the right balance?

**Councillor Purcell:** We need more opportunity to take more of our budgets to the community planning partnerships. We are certainly prepared to do so when we can and we are working hard with our partners to maximise that. We then consider how the budgets fit in with our objectives on worklessness and addiction and how we can move further towards single management of the delivery of those objectives, in relation to the addiction work, which has been particularly successful, or to the work with long-term benefit claimants in conjunction with Jobcentre Plus, the enterprise agencies and local development committees. We have to do more of that and to allow community planning partnerships flexibility, so we give them a strategic direction and they lead on it in their area.

The convener is right to make the point about the Executive ensuring that the national priorities for which it gives money to local government are met. The most important thing is to agree what our

national objectives are, particularly around deprivation, and what outcomes we want to see. It is also important to provide a single vehicle for auditing the performance of our public services in Glasgow, as opposed to the number of agencies that we have to go through just now.

Frank McAveety talked about armour. Unfortunately, the armour exists in several places, rather than directly between the Parliament and those who are charged with delivering public services in Glasgow.

11:30

**Tom Divers:** I will pick up a couple of points, including Frank McAveety's point about shields and armour, which I will link to one of Dr Murray's questions about how we might get more tangible and specific monitoring.

The operation of an effective community planning partnership is important, because it demonstrates that the agencies have reached a stage of joint working at which the levels of trust and shared objectives that they have developed are significant. Although I am not arguing that the process is wonderful, the fact that, for example, the NHS board in Glasgow is now bringing the budgets for all community health services—including mental health and specialist children's services and social work services for children and families—into single, integrated organisations that will be led by one director who will be responsible for the health and local authority services is a significant statement about the extent to which that model of partnership has developed.

Steven Purcell argued coherently for a clearer statement about a smaller number of local priorities that need to be worked through into the delivery of our local community plans. The things that we are doing in the integrated addiction service in Glasgow and other local authority areas are, again, based on a joint team, singly led. That means that people do not access a social care professional before being handed over to a health care professional and then to a general practitioner, because all those people work together in a team. We have set specific standards for the performance of those teams in terms of the number of cases that they will see to ensure that they can keep in touch with growing demand, the responsiveness of the service, how quickly they see clients and the number of clients who make their way through to rehabilitation programmes. Critically, in relation to linking addictions and worklessness, we have set targets for those who access further training programmes and are supported into employment. The care management pathway is not just about treatment and rehabilitation; it is about the key linkage to the work that Ron Culley's organisation and other

bodies, such as Jobcentre Plus, do to support people back into employment and—as will have been shown to be important by the Wise Group's work—for a period of time once they are in employment, to minimise the risk of high drop-out rates.

In our performance standards—around worklessness or addictions—we can set out explicitly what we will deliver. Those are the things that we should be measured against as a formal partnership.

**Councillor White:** I agree with the convener that a focused definition on deprivation is important. We must ensure that we target resources to the greatest need. Wendy Alexander referred to Renfrewshire Council making submissions. We have made a number of submissions to the Scottish Executive. Every year, we meet a minister with responsibility for finance and make the case to them as well. A lot of work has been done on that issue.

A point was made about ensuring that national priorities are achieved locally. The convener is a national politician representing West Dunbartonshire and I am a local politician representing West Dunbartonshire. We have disagreements but, in general terms, we share the same policy aims. We want to ensure that we get more people into work, that the people in the area are healthier, that people's educational attainment is improved and so on. There is not much disagreement on the way forward. As I said, the broad priorities are set and we are measured against them.

For the benefit of Frank McAveety, I am happy to confirm that we are all billionaires in local government. Things have moved on since he was a council leader.

**Mr McAveety:** Millionaires, more like.

**Councillor White:** Maybe millionaires.

The local leadership is there. At a COSLA meeting on Friday, Steven Purcell and I argued strongly and successfully for the need for education to take deprivation into account. Part of the answer can be provided by the process—I know that you did not want me to deal with that—that exists at local level. We need to secure the process at local level through strong partnerships, such as those that exist in Glasgow and West Dunbartonshire.

On the issue of national leadership, I think that Tom McCabe recognises the need for change. My key message to him, to the committee and to the Parliament is—as Wendy Alexander pointed out—that the issue is not how we allocate small pockets of money through Communities Scotland but how the big budgets for councils and health boards

take into account poverty and deprivation. Providing services in areas with high levels of poverty and deprivation requires more money. Recognising that is the way forward.

Obviously, more minor and basic things could be addressed through joined-up working in the Executive. For example, the prescribed format for an ROA should not be different, as is currently the case, from the format that is required for the children's services plan. The major issue is how we ensure that deprivation is taken into account in the allocation of council funding and health board funding, but we also need to ensure that the message on joined-up working goes across the Executive.

That is my key message on what is required from a national point of view.

**George Brechin:** One issue for me is that, although I am—quite correctly—held to account by Executive colleagues for the delivery of health outcomes, the £400 million health service budget for which I am responsible is a major factor in Fife's economy. The employment and economic activity that it generates is important for social and community well-being in Fife. In my debates with my Executive colleagues, I am sometimes frustrated that arguments that I attempt to make on the grounds of community well-being and my budget's role in the economy are not always taken into account because, understandably, people are much more focused on health outcomes. There is an issue—this perhaps picks up on Wendy Alexander's point about the size of the sector—about whether we perhaps need to understand our economic and social power as much as the health outcomes that we deliver.

In that context, the Fife partnership did some work about three years ago on scenario planning—which Douglas Sinclair might want to speak about further—that may be relevant to Mr McAveety's question about leadership. Looking 20 years ahead, we asked ourselves what good things we would want to see, what bad things we would want to avoid and what steps the different partners could agree on to safeguard Fife's economic and social well-being. The exercise went beyond day-to-day politics to ask what we were trying to achieve. We considered what disadvantages might reasonably be expected to arise and how we might avoid such things happening. The exercise was useful in building up coherence and consistency among the leaderships of the various entities. For example, we all now know that there are things that we need to sort out in education and transport. The scenario-planning exercise brought us together.

Let me make one final point about Fife. I note that Professor Bramley's report to the committee points out that the majority of people in Fife who

are defined as deprived do not live in the worst 25 per cent of the wards. We are required to struggle with a population mix that is not necessarily the same as the one with which my colleagues deal.

**Douglas Sinclair:** To take up Mr McAveety's point, the issue for local government is that we still define ourselves too much in terms of the services that we provide rather than in terms of our local leadership role. Local government is not unique in providing services—other agencies provide services, too—but we hold on to that role too much.

Local government needs to start thinking more in terms of place, which might mean providing people with a safe place in which social justice and quality of life are promoted. We also need to think of ourselves in terms of our critical regulatory role, which we tend to underplay. There is no more powerful expression of local democracy than a local planning hearing, at which councillors try to arbitrate between the rights of the developer and the rights of the community. Local government needs to think more in terms of place and of ensuring that services are provided and less in terms of being a provider of services. Perhaps the key role for community planning partnerships is to act as the commissioner of services and as an auditor that ensures that others deliver on the requirements that we set.

On national leadership, I believe that we need to simplify the governance of Scotland and—as Steven Purcell mentioned—give local organisations more freedom from the national agencies. For bodies such as Scottish Enterprise Glasgow and NHS Fife, there is an unresolved tension between delivering wholly or exclusively a national agenda and acting on their strong desire to address issues that are peculiar to Glasgow or Fife.

**Ron Culley:** I endorse the remarks of Tom Divers and Steven Purcell. There was talk earlier of finding a single stream of funding, but that is not usually the case. In Glasgow, we usually have to blend our funding and retain it in our organisations. Under the joint economic strategy, which has been up and running for five years and is about to be recast in a 10-year framework, there are many examples of policy areas in which implementation, timescales and budgets have been agreed on.

Wendy Alexander drew an important hypothesis to our attention. Like Tim Huntingford, I was also around many years ago in the dark days of the urban programme. Then, the holy grail was to use the urban programme to get mainline funding into play, and that was not achieved. Wendy's hypothesis should be taken seriously, because my experience of those years is that when resources become constrained, the first area to be hit is not

the mainline budgets; it is always the money that targets deprivation and underprivilege. Therefore, if we are serious about addressing deprivation, we must address the issue that Wendy raised.

**The Convener:** May I challenge a couple of things that have been suggested? You are drawing a particular picture, but there are tensions in what you have said about the route forward.

One contradiction is between local engagement and the parameters of service delivery. David Nichol said last week that it was disadvantageous to see too much local involvement in deciding how to take forward strategies to tackle worklessness. Organisations such as the Wise Group would never get contracts over local enterprise organisations with more of a local focus. Designing a system cannot just come down to everyone sitting happily together at a local level and deciding how to move things forward; there are hard decisions to take.

Those decisions depend on whether one is primarily a funder or a deliverer and whether one is trying to move towards the strategic, thematic approach that Steven Purcell talked about, or is talking about something that works from the local level up. There is a tension between the various approaches.

There is also a tension that we have not quite got to the bottom of yet: are you telling us that you do not want the very local focus of regeneration initiatives for Easterhouse or Pollok and would prefer a citywide approach?

Those political choices are harder than the approach of "Just give us the money, and we will do it all" that perhaps has been suggested. Are those fair questions?

11:45

**Councillor Purcell:** No. I think that you are overcomplicating matters. The role of the community planning partnership is to strike a balance. There are solutions that we will want to fund citywide with excellent organisations such as the Wise Group. However, at a city level, the fundamental role of the community planning partnership is to be clear about the strategic direction.

We could not be clearer about our two most important objectives: tackling worklessness and addiction. Those affect everything in our shared national and local priorities—education, health, worklessness, improving the quality of people's lives and improving our delivery of services. The role of the 10 community planning partnerships is to shape those services for the communities that they serve. We are not pretending that each community planning partnership is an actual

community; it is not. However, we have tried to strike a balance in how we deliver on our shared objectives, and we are trying to put the mechanisms in place that will best serve the communities for which the partnerships are responsible.

At the same time, we are trying to ensure that the community planning partnerships will be able to work at the right level. That involves the community health and social care partnerships in the city, as well as other organisations including the local development company network and the voluntary sector.

I am not pretending that the matter is easy, but it is important not to overcomplicate it. From the beginning, we need to recognise that effecting such a cultural change—which is what we are attempting—will take time. We have to be in it for the long term. If we expect each local community planning partnership to deliver on everything that we think is laudable, it will not happen.

In identifying the people who chair the community planning partnerships, we should remember that local leaders have a very important leadership role. It is for them to identify which areas of work their community planning partnership can get right in the beginning, so that we get a structure in place that can move and deliver at the right time. As those structures evolve, they will be able to concentrate on all the areas for which we have shared objectives. We have taken that approach from our experience of other joint services that we have managed under a single management structure.

If we try to get partnerships to deliver on everything from the beginning, they will not be able to do so. They must concentrate first on what they can do. It is important that the people who are leading them are focused on that. It is a matter of effecting change at the point of service delivery.

**The Convener:** I will try to paraphrase what you are saying. Looking up, you want the Scottish Executive's various funding packages to be simplified in a way that allows you to make positive choices, bearing in mind the information that you get about the problems that exist and what will best make a difference. Looking down, you presumably think that there are perhaps too many players in Glasgow and that you need to find a way to enforce the choices that are made more strategically—enforcing choices downwards as well as listening upwards. Is that a reasonable way of putting it?

**Councillor Purcell:** That is a reasonable analysis of what we have been saying. We are not simply arguing for more resources to tackle deep-rooted deprivation. We might have to take hard decisions about things that we are funding now

that are not effecting any change, although they might have been the right solutions at the time. I have in mind the urban programme, for example, from a time when there were no jobs in the city.

There should be urgency around the debate on deprivation because of the strength of the economy and the transformation that has been happening not just in Glasgow but in many other places. We have the best chance in a generation to effect changes, because of the jobs that are now available and the improved opportunities. We want to effect them through measures that have succeeded or will succeed, rather than simply to throw moneys at certain areas or at solutions that might have been more appropriate when there were no jobs and when the economy was not so strong.

**The Convener:** So it is about being absolutely clear while also being quite hard on what the outcomes are that you are trying to deliver. We need to ensure that those are clearly specified, and that they are modelled. Presumably, you would argue that, among the vast range of measures that are now coming through, the two or three programmes or initiatives that the Executive might keep coming out with might not offer the best way to use the funding if they cut across your strategic direction.

**Councillor Purcell:** Yes.

**Ron Culley:** I realise that this might lie to one side of the regeneration agenda but, some years ago, under Wendy Alexander's leadership, we considered how we offered business advice in Glasgow and found that 222 organisations in the city provided that service. We worked with those organisations to reduce the number until we had established one simple means of accessing business advice.

Under the chairmanship of Jim McColl, we are currently taking the same approach to welfare to work. In Glasgow—and I suspect throughout Scotland—there is a tradition of letting 1,000 flowers bloom. There is no question but that that is one model that can be adopted, but it is difficult to give a shape to such provision and to offer strategic orientation. We must make some hard choices but, ultimately, we need to strike a balance and ensure that bottom-up and top-down approaches converge to the benefit of all.

**Jim Mather (Highlands and Islands) (SNP):** I have listened to the discussion with considerable interest and have been impressed with the crisp focus on worklessness and addiction, which seems to offer a good way forward. However, have you drilled down beyond that to a full definition of the problem and a clear understanding of its root causes? I wonder what Steven Purcell thinks of the counter-hypothesis

that the problem cannot be optimally solved by funding.

**Councillor Purcell:** I ended my previous comments by saying that, at the moment, we are arguing that we should not get money for money's sake. Regardless of that, I have asked Glasgow City Council to audit everything that we spend in social policy on deprivation and to have a crisp focus—to use your term—on what effects change. It is a long time since we carried out such an exercise in Glasgow. People can sometimes be at their most creative when they are under the most financial pressure and are forced into taking hard decisions. After all, we are already spending hundreds of millions of pounds in Glasgow, not all of which is leading to the changes that we want. I am determined to change that situation.

**Jim Mather:** On the wider issue of the roles and responsibilities of the chief executives of local authorities and NHS boards, are the statistics under control? Do we have a clear idea of the number of workless people and addicts, how the situation is changing and so on? More important, is there any tangible evidence that the programmes are having a beneficial financial effect on local authority and health board budgets?

**Councillor Purcell:** Tom Divers will provide some examples of those tangible outcomes. However, I should first point out that, since the formation two years ago of the Glasgow city community planning partnership, what you describe as drilling down has benefited hugely from a determination to share information about people. For example, the health board is able to tell us the number of addicts on its books and Jobcentre Plus shares with the council's development regeneration services and Scottish Enterprise Glasgow not only employed figures but the names of unemployed people. As a result, we have begun to build up a people-centred picture, and our challenge is to examine the matter area by area and community by community. By sharing that information, we are absolutely clear about statistics and much more confident about outcomes.

As I said, Tom Divers will want to provide some specific examples in that respect.

**Tom Divers:** I will give two or three examples that lie at the heart of the matter. Over the past year, the development of the integrated model has allowed the output of the city's nine community addiction teams to increase by 37 per cent. That is a staggering increase in the service's responsiveness.

**Jim Mather:** But has that resulted in fewer addicts? I am interested less in output activity than in bottom-line outcomes.

**Tom Divers:** The most recent prevalence study of serious drug misuse in Glasgow city shows a reduction of 1,500 in the number of serious substance misusers—touch wood, because the challenge is huge. We are unquestionably much better in touch and up to date with that programme. For a period, the problem threatened to escalate away from us.

On responsiveness, more than 80 per cent of clients are seen within three working weeks, compared with a national average of 42 per cent. Such service standards are important to us.

On employment projects, we have specific standards in the work that the Wise Group has undertaken with us on working for health in greater Glasgow to ensure that 80 per cent of the individuals going through the programmes are supported into sustainable employment in the NHS. We started with a pilot programme involving 100 individuals; the target is to increase that to 350 by next year. The programmes are now beginning to have a material impact, not just in supporting a number of individuals, many of whom have been out of employment for five, seven or 10 years or have never worked, but in helping to give us a sustainable workforce in the context of the demographic challenge that we face, which you all understand fully. Therefore, there is a double beneficial effect.

That is the level of detail at which we are monitoring work and we continue to set ourselves challenging targets for improvement year on year.

**Councillor Purcell:** I will give another brief example. We have encouraged our secondary schools to buy in extra careers services in the shape of full-time careers advisers who work with and get to know pupils from secondary 1. In particular, they target children who are in the need category whom we expect not to go into employment, to fall off the books or to start playing truant. In the past couple of years, there has been a remarkable turnaround in the figures for how many go straight into employment or training rather than falling off when they are 16. I would be happy to furnish the committee with figures and details of the funding. The most remarkable thing about the league table of secondary schools in Glasgow is that the top five positive school-leaver destination schools are in the bottom five when it comes to other secondary school league tables. Three out of the five are in the east end of the city. Remarkable work has been done. I am happy to furnish the committee with the hard evidence.

**Jim Mather:** We heard about the concept of perpetual improvement when the Wise Group was here. You said that you were willing to have the extra funding—if it was forthcoming—tied to results. Professor Michael Barber of the Prime Minister's delivery unit has produced a common

way of evaluating the performance of different ministries. If there was a league table that covered all the 32 community planning partnerships, would you be happy for that to be a method of arbitration in determining who was doing the better job?

**Councillor Purcell:** Yes. If we all signed up to it at the beginning, we would be relaxed about it. We would have to accept where we were not making progress and hold up our hands to that. In the past, we have not been prepared to look in the mirror often enough.

**Councillor White:** I wanted to make a point a wee while ago, when Jim Mather made a point about national and local decisions. Worklessness is a good example. It is important that we ensure that local knowledge and experience are used when we make decisions. In West Dunbartonshire, by making use of national Government schemes and initiatives, we have seen unemployment more than halve, and youth unemployment is now less than a quarter of what it once was.

We should consider the scale of the problem. Local knowledge tells us that 26 per cent of the households that are affected by worklessness include children, 35 per cent of people who are unemployed in West Dunbartonshire have been unemployed for more than six months and 18 per cent have been unemployed for more than a year. Some of those issues will be missed with the top-down approach. That is an important dimension. We know the scale of the problem locally. In some cases, it is different from the situation in Fife and in some cases—although not in many—it is different from the situation in Glasgow. We should be allowed the resources to tackle problems and the ability to take local decisions to ensure that we address local issues.

12:00

**Dr Murray:** There seem to be slight differences between the submissions on the use of the Scottish index of multiple deprivation. Glasgow suggests that giving funds to the 15 per cent most deprived areas is too broad and that it would be better to hone it down to the worst 5 per cent of areas, where deprivation is very concentrated. On the other hand, Fife argues that the limit should be broadened out to 20 per cent or 25 per cent of areas in order to encompass the range of people who suffer some form of deprivation. We seem almost to be talking about two different things. There are areas where high unemployment, poor housing, poor educational achievement and low life expectancy are concentrated, but there are also communities of need, which might be elderly people in remote areas or people who have addictions. I am interested that Glasgow identifies addiction. Addiction, in particular heroin addiction, is a serious problem in Dumfries and Galloway.

We do not score particularly well on the 15 per cent limit, but we have a significant problem with addiction. Instead of Communities Scotland tagging on those people-related things to the end of the area-based analysis, perhaps those should be separated out so that we can tackle both the issue of concentrations of deprivation and the issue of how communities of need should be supported.

**Douglas Sinclair:** Andy White touched on the need for a single definition. That is a good idea, but we must also recognise the different dimensions of deprivation: the area, the thematic and the individual. This goes back to a point that the convener made at the start of the discussion about whether we have got the balance right. The question is not necessarily whether we have got the balance right, but whether we are using the right approach with the right client group. It strikes me that the use of the 15 per cent limit for the supporting people initiative is inappropriate because an area dimension is being applied to individual needs. The bottom line is that we should apply the appropriate dimension—whether that is area, individual or thematic—for the particular group with which we are dealing.

Glasgow also raises a concern in its submission about the arbitrary 20 per cent limit set by Communities Scotland for thematic groups. Where did that figure come from? What is the basis for it? We can certainly have an argument about the 15 per cent limit. Glasgow suggests in its submission that that could be reduced to 5 per cent. Would that have a bigger impact than dealing with 15 per cent? A wider view can be taken. Fife's view is that if we want to include all the people in Scotland who are unemployed, a higher factor is required. Choices must be made.

**Mr Swinney:** You have effectively made a case for flexibility in the type of approach—thematic, area or individual—that should be taken. What concerns me about that is that, because of the range of possibilities that would exist for how that money could be spent, the monitoring of the effectiveness of the use of the money that has been allocated to tackle deprivation problems would lose focus. Should we not cut our losses and instead focus on the individual dimension, which tackles the problem that will exist in some rural communities where there will be individualised problems? In the larger cities, it eventually comes down to an individual problem because individuals are operating in such a sphere. I am struck by your criticism of the multifaceted, multilayer levels of monitoring in which we look this way for one return and that way for a different return. To cut through that, would an individual approach not make a more discernible impact?

**Tim Huntingford:** I do not think that it would, because that would prevent us from making the concentrated attack that we need to make on the areas of serious deprivation in authorities such as Glasgow and West Dunbartonshire. That returns us to the question of what we mean when we talk about deprivation. Of course, there will be people in Morningside who are deprived, but we would not concentrate our deprivation policies on dealing with them as individuals. If we want to make a difference, we have to concentrate our efforts on those who are in the greatest need. We have to get that sorted as part of a root approach to dealing with deprivation.

**Mr Swinney:** My point is about how this issue can be effectively tackled. If someone is living in deprivation, it does not matter whether they live in Morningside or a suburb of Glasgow.

**The Convener:** It does, actually.

**Mr Swinney:** How does it? Surely someone who is living in deprivation has an entitlement to have their circumstances tackled and to be supported to overcome that problem—or do we simply say that unless someone is in a critical mass of 20, 40 or 100 people, they should get on with sorting their situation out themselves? That does not appear to be a universal argument.

**Councillor Purcell:** That point demonstrates why we have to have a clear debate about what deprivation is and what we want to tackle first. Scale is not just about numbers of individuals; it is about the investment in local schools and the ambition that teachers have for the children they have in their class.

There is a clear link between living in an area in which there is a concentration of individuals with deprivation and a person's chances of being affected by problems relating to addiction, crime, lack of public transport connections and poor environmental conditions, such as bad housing, a lack of local shops and places to enjoy recreation activities and so on. All those elements are connected. That is what I mean when I talk about multiple deprivation.

You are right to say that that exists all over Scotland. In my initial submission to the committee, I wanted to draw members' attention to the scale of the challenge that we face in Glasgow and to compare our situation with that of other big de-industrialised cities.

We need to have a debate that leads to a clear understanding of what multiple deprivation is. For me, it involves not only the number of people suffering from deprivation—although that is an important factor—but the sort of deprivation that exists.

**The Convener:** Is there not an argument about the demands that are made on a council in relation

to dealing with that? I would have thought that, in Glasgow, you are facing a situation in some parts of the city in which the council is not only having to deal with isolated elements of individual disadvantage—which might be a better term than “deprivation” for the sort of case that John Swinney was talking about—but also having to deal with mutually reinforcing aspects of disadvantage that, together, become deprivation. Because of that, the council is having to respond by providing that community with additional services, such as career support or a different pattern of social work provision. In Glasgow’s case, such work might need to be done on the basis not of a community but of a sector of the city in which those problems are multiply replicated.

Deprivation, in that sense, is not the same as individual disadvantage; it is a cumulative phenomenon that requires different kinds of responses from the local authority. That seems to me to be different from the costs-of-service issues that were being raised before. It might be that there are particular concentrations of specific types of disadvantage, but that will be different from the concentrated urban multiple deprivation that exists in parts of Easterhouse.

**Councillor Purcell:** Absolutely. We face a further challenge due to the fact that the situation differs across Glasgow, which means that the demands on the collection of services will differ from one part of the city to another. As I said earlier, if community planning partnerships are to help us to manage our collective services, we must try to get that balance right. In the past, we have tried to manage and direct our services through committees in the city chambers. However, what we must do is ensure that our local community planning partnerships focus and tailor the services to the communities that they serve.

You are absolutely right to make the point about the bigger demand that multiple deprivation makes on services, whether it be the ones that you mentioned or others. For example, in many of our schools, we act as surrogate parents and have a big job to do in terms of nurturing individuals as well as teaching classes. We are having to reinforce the policing service with closed-circuit television, community wardens and so on. In a range of areas, the demand on individual services—including some, such as the police, that you would not think of in terms of tackling multiple deprivation—is becoming greater and greater.

**Councillor White:** The issue is about the delivery of a service. We are all service providers and we have to meet the costs that deprivation places on the services that we provide. I have sympathy with the person who is poor and lives in Morningside. However, 25 per cent of the people in the area that I represent are on benefits and the area has the third lowest life expectancy in the UK.

Clearly, there is a significant additional cost to authorities such as West Dunbartonshire and Glasgow, which have to tackle those issues, when compared with the cost to the City of Edinburgh Council of the person in Morningside who is in poverty.

There must be a radical overhaul of the distribution system. It is a nonsense that only around 2 per cent of the money that is allocated to local government takes account of deprivation, given that we can see clearly that areas such as mine have serious additional costs because they have to target their services and put in additional services to tackle deprivation.

**Mr Swinney:** The central point that I am exploring is the extent to which the delivery of the services is best done on an individual basis, with the aim of ensuring that we cut away the many levels of reporting and monitoring that goes on so that we can focus services on individuals.

I was quite impressed with what Mr Divers said about the reduction in the number of drug addicts. Tangible achievements such as that are exactly what we are looking for from public services. I am struck by the advantages that are to be had by applying that kind of performance targeting, in a much wider sense, to the services that are delivered. That would enable us to see clearer outcomes as they affect individuals’ circumstances.

I accept that there are additional costs and pressures involved in providing services in areas of multiple deprivation. I am concerned about how we can tackle the life circumstances of individuals, which I think is more effectively done if the services are driven by the needs of the individual. I am sorry if I sound as if I am obsessed with the structure and complexity of government, but I have a sense that we are all looking in different directions for different streams of resources for different organisations. If we could cut through that, we might make more impact on people’s lives.

**Councillor Purcell:** I think that we are saying the same thing.

**The Convener:** I think that we have had a good bat around of the ball. I thank everyone for coming along and for giving us oral and written evidence. For the sake of completeness, if it is agreeable to you, we will write to you with one or two questions that we might not have got round to asking.

12:14

*Meeting continued in private until 12:46.*



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