



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

### **PUBLIC AUDIT COMMITTEE**

Wednesday 9 November 2011



---

**Wednesday 9 November 2011**

**CONTENTS**

	<b>Col.</b>
<b>DECISION ON TAKING BUSINESS IN PRIVATE .....</b>	<b>209</b>
<b>SECTION 23 REPORTS .....</b>	<b>210</b>
“The role of community planning partnerships in economic development” .....	210
“Modernising the planning system” .....	224

---

**PUBLIC AUDIT COMMITTEE**

**7<sup>th</sup> Meeting 2011, Session 4**

**CONVENER**

\*Hugh Henry (Renfrewshire South) (Lab)

**DEPUTY CONVENER**

\*Murdo Fraser (Mid Scotland and Fife) (Con)

**COMMITTEE MEMBERS**

\*George Adam (Paisley) (SNP)  
\*Colin Beattie (Midlothian North and Musselburgh) (SNP)  
\*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)  
\*Mark McDonald (North East Scotland) (SNP)  
\*Tavish Scott (Shetland Islands) (LD)  
\*Drew Smith (Glasgow) (Lab)  
\*Humza Yousaf (Glasgow) (SNP)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Miranda Alcock (Audit Scotland)  
Mr Robert Black (Auditor General for Scotland)  
Susan Lovatt (Audit Scotland)

**CLERK TO THE COMMITTEE**

Jane Williams

**LOCATION**

Committee Room 6



## Scottish Parliament

### Public Audit Committee

*Wednesday 9 November 2011*

[The Convener *opened the meeting at 10:01*]

### Decision on Taking Business in Private

**The Convener (Hugh Henry):** Good morning. I convene the seventh meeting in 2011 of the Public Audit Committee. I remind members of the committee and members of the public to ensure that all their mobile phones and electronic devices are switched off. No apologies for absence have been received.

I turn to item 1 on our agenda, and ask members whether they agree that we should take item 4 in private.

**Members** *indicated agreement.*

## Section 23 Reports

### “The role of community planning partnerships in economic development”

10:01

**The Convener:** Under agenda item 2, we will consider a section 23 report on community planning partnerships. I invite the Auditor General to brief the committee.

**Mr Robert Black (Auditor General for Scotland):** Good morning, convener. The report that we have produced on community planning partnerships, with a focus on economic development, is one of those joint reports—prepared by Audit Scotland for me and for the Accounts Commission. It was published last week, on 3 November.

As I am sure that I need not say to members of the committee, community planning was given a statutory basis by the Local Government in Scotland Act 2003, and all councils have established community planning partnerships, or CPPs, in their areas, to lead and manage community planning. As well as councils, other statutory partners in CPPs are national health service boards; the police; fire and rescue services; the two enterprise agencies; and the regional transport partnerships. Many bodies that might be called central Government bodies are required to participate in CPPs, under the leadership of the local authority. It is an important process, through which public sector bodies are expected to work together to plan and deliver better services in their local communities.

I remind the committee that CPPs are not statutory committees of councils, nor are they public bodies in their own right. They do not employ staff and they do not have budgets; they rely on the partners and, of course, the local authorities to provide all the necessary resources.

Community planning covers a wide area of activity, including, for example, community safety, homelessness, lifelong learning and tackling antisocial behaviour. However, in this audit, we decided to concentrate on a single area—CPPs’ roles in economic development—in an effort to produce some general findings on how CPPs are doing in Scotland. It would have been too much of a challenge, and too complex a study, to attempt to cover all the activities.

Back in 2006, Audit Scotland published an initial review of community planning, which highlighted a number of areas for improvement. They included the need for better performance reporting; the need for better understanding of the cost of delivering on priorities; and the need to work

harder to break down barriers to effective partnership working. Today's report provides an update on how those issues have been addressed, using the theme of the role of CPPs in economic development.

CPPs cover a wide range of initiatives, and economic development covers a wide range of activities, too—from local training initiatives to major inward investment. On page 10 of the main report, at exhibit 2, you can see that a large number of bodies are involved in supporting economic development at local, regional and national level. It is clear that CPPs have an important role in planning and co-ordinating improvements in local economies, for example by improving the skills of local people in order to improve their employment chances. However, it is probably fair to say that other aspects of economic development might be better planned at regional or national level; areas such as transport infrastructure projects come to mind.

In 2007, the Scottish Government introduced reforms to the enterprise structure, which had a significant impact on CPPs. One such effect was an initial loss of local economic development skills and expertise to support economic development activity through CPPs. We have highlighted the impact of the enterprise reforms on page 13, at exhibit 4. Because there are different levels of planning, a wide range of activities and quite a variety of bodies and partnerships involved in this area, it is very important to ensure that effective co-ordination is taking place of all the activity designed to promote and support sustainable economic growth. In making these findings, we are conscious that many are similar to those of the Economy, Energy and Tourism Committee following its inquiry into enterprise reforms not that long ago.

Another important finding is that CPPs need to have a good understanding of the economic needs of their area in order to support improvement in the local economies. However, the report highlights that, in many cases, CPPs are not making best use of the available economic information in developing their strategies and linking the strategies to single outcome agreements. To show what is possible, Audit Scotland has analysed a range of economic development indicators for each CPP area. We have put those on our website and we hope that managers and practitioners in this area will take an interest in them. We think that that sort of analysis should be used routinely to inform local economic strategies and relevant parts of single outcome agreements. Single outcome agreements have generally helped to improve the way in which CPPs monitor and report performance, although, as can be seen from the report, there are significant improvements still to be made.

As part of the audit, we looked at the three national outcomes relating to economic development and found that CPPs have identified a wide range of local outcomes and indicators in this area. That is demonstrated in a large exhibit—exhibit 7, on pages 20 and 21—in which we highlight a range of local outcomes for economic development used in four CPPs. That pattern could be generalised and made more complex if we looked across the whole of Scotland.

On page 22, in paragraph 65, we comment on the wide range of local outcomes and indicators, which mean that it is not really possible for Audit Scotland to compare the performance of CPPs, or to assess their overall contribution to achieving national outcomes. There is a message there for the Government about satisfaction with the role of CPPs in their contribution in this area. The use of agreed sets of indicators would help and some useful work has been undertaken, by both the Scottish local authorities economic development group and the Society of Local Authority Chief Executives and Senior Managers itself to improve consistency and allow performance to be compared in the future.

CPPs have been directly involved in supporting successful local economic developments; case studies of that—for example, case study 4 on page 26—are included in the report. However, there is limited evidence that CPPs understand the costs of delivering agreed local priorities, which means that there are implications for individual partners' budgets, which are not made explicit. It is difficult to align budgets to outcomes, but community planning managers reported that that challenge needs to be addressed if agreed outcomes are to be achieved.

It is widely recognised that it can be difficult and complex to manage performance in a partnership context. As I mentioned, our report highlights that the introduction of single outcome agreements has improved the monitoring and reporting of performance, but we think that partners should take more of a shared responsibility for managing performance in general against the single outcome agreement content.

Finally, there is the very important question of how to hold partner bodies to account for their contribution to achieving local economic outcomes. There is a clear emphasis in the Christie report on the future of public services on making partnership working more effective. If it is to operate more effectively, stronger accountability arrangements need to be in place. At present, the holding to account has to be undertaken through existing statutory arrangements. In exhibit 8, on page 27, we outline the accountability arrangements for CPP partners that are typically involved in economic development. However,

there are tensions between local priorities and national priorities, which is perfectly understandable. It means, though, that the holding to account does not always happen in practice. In other words, CPPs are limited in the extent to which they can hold individual partners to account for their contribution to agreed outcomes or, indeed, be held to account themselves for delivery of their single outcome agreement.

The report makes a number of recommendations that are aimed at the Scottish Government, CPPs and their partners. The recommendations are summarised on page 5: members will see that they are not centred only on the economic development theme, but relate more generally to how CPPs could be made more effective. As I said initially, the report is about using the economic development theme as an example of how CPPs are operating.

We suggest that the Scottish Government might do more to ensure that organisations are held to account for their performance in community planning and their contribution to single outcome agreements. We suggest that the Scottish Government might further clarify what it expects to see in practice in the alignment of local and national priorities and its own role in the single outcome agreement process. We suggest that each individual CPP should take its challenge role more seriously in areas where there is a lack of progress in delivering the agreed local outcomes that are identified in its single outcome agreement.

In appendices to the report, we have summarised good governance principles and provided a checklist that CPPs should use to assess their effectiveness as a partnership. We think that CPPs must develop a much better understanding of their costs and what they mean for the budgets of the main partners and what that, in turn, implies for the ability of partners to deliver the expectations that are placed on them. Finally, all the partners should ensure that the commitments in the single outcome agreements that they have signed up to are clearly built into their plans and can be transparently seen there.

As ever, convener, my colleagues from Audit Scotland and I are happy to attempt to answer any of your questions.

**The Convener:** Thank you for that introduction. May I ask about the issue of accountability? Notwithstanding what you said about aspirations for greater accountability, clearer transparency and so on, in many areas accountability lines are as clear as mud. Apart from perhaps a few senior council officials and senior officials in the organisations that you list in exhibit 8 on page 27, not many others would know who was responsible for what and who was accountable to whom.

Indeed, if something went wrong, not many would know how somebody would be held accountable.

It seems to be a feature of developing public life that we set up more and more bodies that are quite complicated and include various strands of relationships, while the public become more and more disengaged and disempowered. We had a similar discussion about arm's-length external organisations.

If we leave aside the business sector, which is clearly not publicly accountable and, to a lesser extent, the voluntary sector, all the other organisations that are listed in exhibit 8 on page 27 are recipients of significant elements of public funding. However, very few of them are directly accountable for what happens locally, even those that are responsible to either the United Kingdom Government or the Scottish Government. Accountability is at arm's length and is distant. It is really only the council that has local accountability. If I were to ask many councillors, never mind members of the public, how those bodies are held to account, I do not think that they could give a clear answer. Are we not in danger of disenfranchising people as a result of the complicated relationships that we set up?

10:15

**Mr Black:** A key theme of the report, which is highlighted towards the end, is the need for more work to be done on clarifying those accountabilities, ensuring that they are described transparently, and ensuring that individual bodies that are involved are held to account through appropriate reporting lines to the CPP. That is why we outline in the appendices how CPPs might exercise their role effectively; that includes getting clarity about the contributions of the partner bodies and how those bodies are to be held to account for their contributions. That is a significant issue; I am sure that my colleagues would agree.

In a sense, the picture is even more complicated from the local authority point of view. In the report on our first look at community planning that we published a few years ago, we had a diagram of one relatively small council and the range of partnerships in which it was involved. It was like a complex wiring diagram. As you know, convener, my background is in local government, and I wonder how councillors can be expected to keep a hold of that complexity. That is a real issue.

When we look at the picture from the perspective of a Government that has a huge, wide-ranging and complex remit, there is a similar issue with complexity and how the Government comes to terms with it. In the early days of single outcome agreements, the Government introduced

an arrangement whereby there were locational directors. I am not sure when that first happened.

**Miranda Alcock (Audit Scotland):** It was when SOAs were first introduced.

**Mr Black:** Yes. When SOAs were first introduced, a reasonably senior civil servant within the Scottish Government was appointed as a locational director, who was meant to act as an interface between central Government and the local authority. As our report says, that was quite useful in the early days of SOAs. However, I imagine that the pressure on civil servants these days, not least with the reductions in the number of posts and the general pressures on the job, will make it increasingly difficult for them to cover that area.

The area is quite complex. I am sorry that that was a long answer, but I wanted to build out from the report into some of the important contextual issues.

**The Convener:** Before I ask about Scottish Enterprise and skills, do any other members want to come in on accountability or transparency?

**Murdo Fraser (Mid Scotland and Fife) (Con):** I have a question on a related issue. Mr Black talked about the complexity of the landscape. Exhibit 5 on page 14 has a diagram of the partnerships in West Lothian. Again, although the area is relatively small, the diagram shows a disparate range of groups involved in delivery. Is there a need for some sort of rationalisation of all those organisations? Would we deliver enterprise policy better, and would we get better accountability, if we could reduce the number of groups that are involved?

**Mr Black:** In essence, that is a policy question for the Scottish Government. However, our report highlights, in the same way as did our previous report on CPPs, the complexities and challenges out there in the public sector for public sector delivery. When we lay that complexity against the current financial climate and resource reduction, the challenges are pretty significant.

**Murdo Fraser:** Of course, each individual organisation will have to take into account its costs for governance and audit.

**Mr Black:** Each individual organisation has its own costs. Unfortunately, it is not possible to attribute costs to individual CPP activity. We would dearly like to do that, but separate costs are not identified for that activity. That is why one of the key recommendations in our report is that we need to find a way of achieving greater transparencies in the cost burden that lies on all the partner organisations of their contribution to CPPs and what we are getting for the money.

**Tavish Scott (Shetland Islands) (LD):** I wonder whether I could ask Mr Black a first-principles question. The report is on how community planning partnerships relate to economic performance, but it does not tell me whether CPPs make a blind bit of difference. From your earlier answer, Mr Black, I take it that there are 32 single outcome agreements, 274 local outcomes and 574 local indicators and that that is why you do not know.

**Mr Black:** I hesitate to provide you with a one-word affirmative answer. It is a message of the report that it is difficult for us to be clear about the added value of CPPs across Scotland as a whole. We have found that there are quite a number of good examples of effective local CPP activity, which is primarily in relation to things that can be influenced and are important at the local level, such as the work in Dumfries and Galloway on the food sector and the work on skills development and training in other parts of Scotland. However, I do not think that we could offer Mr Scott a general assurance, positive or otherwise, about the overall impact of CPPs in Scotland at this time.

**Tavish Scott:** So, on Mr Fraser's theme, if CPPs did not exist today and had not existed for the past 10 years, the economic growth figures that came out yesterday might be exactly the same. We simply do not know whether CPPs make a blind bit of difference to economic performance in Scotland today, do we?

**Mr Black:** The report is an audit of what we have done and it is not really possible for me to comment on alternative scenarios. However, I emphasise that, in parts of Scotland and in particular sectors, areas and themes, CPPs have made a difference.

**Tavish Scott:** You say that they have made a difference, but where are the figures that support that? Where can I see a report that tells me, for example, that the economic performance of Dumfries and Galloway has improved because of the performance of the CPP?

**Mr Black:** I turn to my colleagues and ask whether they can provide examples of where performance support works well.

**Miranda Alcock:** There is the Glasgow works partnership example in the report. Jobs have been sustained and people have gone back into work because of that partnership. Partnership working has delivered benefits for communities, but the problem is collating all the information on that to get a national picture of the overall benefits to all communities. The community planning partnerships are very variable in that they are structured differently, they operate differently and the environments in which they work are different. It is therefore difficult to collate individual



examples of good initiatives that have delivered improvements for local communities into a national picture of overall improvements.

**Tavish Scott:** I accept all that, but the mantra from Audit Scotland and others in the public sector to us as policy makers is “You’ve got to base it on evidence.” That is very fair, but I am struggling to find evidence that tells me whether community planning partnerships make a blind bit of difference to economic growth. That is the policy issue, is it not? The Scottish Government’s number 1 purpose, with which I agree, is to improve economic performance to achieve greater economic growth, but I am still looking for help from this report on whether the community planning partnerships assist in that process. Forgive me, but I have read it all and I have not found it.

**Susan Lovatt (Audit Scotland):** We have evidence in the report of community planning partnerships developing economic development strategies.

**Tavish Scott:** I am really not terribly keen on strategies. I am very keen on numbers that tell me that economic performance is improving. Maybe you could just help me—maybe not today but at some point—with where I can find that information.

**The Convener:** Can I take you back to what Miranda Alcock said about the Glasgow works partnership? Most people would agree with her point that there must be co-operation and partnership working but, correct me if I am wrong, the concept of Glasgow works stretches back a number of years and possibly predates community planning partnerships. Glasgow works was regarded as an effective model even before CPPs, so I am not sure that we can use it to demonstrate that the CPP works.

**Mr Black:** It is certainly true that sometimes we use the word attribution in the sense of the extent to which we can attribute a gain or loss in performance to a certain cause. The Glasgow works partnership example has been around for some time. Because we do not have the information, we are not really able to say the extent to which the CPP itself has added real value in that area. We simply do not have the data to do that fine level of analysis.

**Tavish Scott:** I apologise for pursuing this line of questioning but, in paragraph 101, the report makes a very clear statement that there is

“little evidence of action taken by the Scottish Government as a result of either any SOA annual report or the summaries of overall progress.”

If growing the economy is your number 1 objective as a Government, I am puzzled about why paragraph 101 appears. If this is your local economic mechanism for delivering that goal,

would you not, as a Government, want to be pursuing it rather more vigorously than the paragraph suggests?

**Mr Black:** Of course, I am not a member of the Government.

**Tavish Scott:** No—neither am I.

**Mr Black:** It would be a reasonable question to put to the Government, however.

**Tavish Scott:** Perhaps I can put it the other way round. Can you add to paragraph 101’s reference to

“little evidence of action taken”?

Would it be possible to give the committee some examples of what that little evidence was or is? For example, there are 32 local authorities and 32 CPPs. Has anyone got in touch with all 32 and asked what they are doing about economic development, for example?

**Miranda Alcock:** We did not find any formal evidence of that happening. Informally, the location directors might well have fed back to their CPPs some of the reactions or the Government’s views on the SOA annual report. We certainly did not find any formal evidence of particular actions that have been taken against outcomes that had not been achieved.

**The Convener:** Can you clarify? It seems rather strange that there is no record of formal feedback but that there might have been informal feedback. Would it have been informal feedback on the opinion of the person feeding it back or informal feedback on the views of ministers? Is there evidence of that? Is informal feedback fed into the formal process at a local level? It seems a very unsatisfactory way of doing business if it is just informal.

**Miranda Alcock:** That would have to be a question for the Government, particularly as regards the extent of the role of location directors in that respect.

**The Convener:** I fully take your point that it is the responsibility of the Government but, from your perspective—when you look at it objectively from a quality perspective and a perspective of trying to improve methods and standards—is what you have discovered acceptable?

**Mr Black:** CPPs generally found the role of the location directors helpful when they were initially formulating the strategies and they recorded that in the report. I think it is fair to say that the general view was that the location directors could perhaps do more in the future to continue to shape that strategy and provide that feedback. I ask the committee to remember that this is a high-level review across the whole of Scotland and we are founding it on the views of the key players in local

CPPs of how they find their interaction with various agencies in government, including the Scottish Government.

**Mark McDonald (North East Scotland) (SNP):**

I note that, in paragraph 17, the report mentions the overarching purpose that the Scottish Government defined for CPPs. You have also mentioned the wide range of activities in which CPPs are involved. Although I note that sustainable economic growth is mentioned, to what extent do you see economic development playing a key part in CPPs and their discussions across Scotland? Does it vary? Furthermore, at what stage do CPPs drive initiatives and at what stage do they serve as a forum within which partners ensure that they are working in a complementary rather than a counterproductive way? Is that a role they have that is of benefit? Rather than simply being the driving force behind initiatives, do they ensure that the work they are doing is complementary?

10:30

**Susan Lovatt:** On your first point, we found a real focus on economic development in the community planning partnerships. All 32 CPPs reflect economic development in their single outcome agreements and they all have an emphasis on economic development in their discussions in CPP meetings. We certainly found an emphasis on that aspect of development.

**Mark McDonald:** On the second part of my question, are CPPs performing a role as the driving force behind economic development strategies and pushing things forward, or are they a vehicle for the partners to ensure that their work on economic development is complementary? For example, a council will have an economic development strategy, as will the business sector in the area. Does the CPP ensure that those are complementary and work together rather than against each other? Is that how CPPs provide a benefit in relation to economic development?

**Susan Lovatt:** The situation varies across Scotland. As we said, the review was a high-level one and we did not visit every single community planning partnership. However, generally, there is variation. Some CPPs take hold of the issue. Rather than having just a co-ordinating role, they drive forward the work. For example, in Grampian, ACSEF—Aberdeen city and shire economic future—very much drives things forward, but other CPPs play more of a co-ordinating role by pulling together all the activity in an area.

**Willie Coffey (Kilmarnock and Irvine Valley) (SNP):** I should declare an interest, as a local authority councillor. That brings advantages on this subject, as councillors can see the ebb and

flow of community planning partnerships in operation and the reporting and accountability mechanisms that they observe.

Tavish Scott asked whether the CPPs make “a blind bit of difference”.

I spring to their defence and say that they do. The local outcome agreements, by their nature, are diverse, so it is inevitable that they seem to be a set of completely different outcomes and targets, as we see in the Audit Scotland report. I have with me East Ayrshire Council's community regeneration plan. It is not just a plan and strategy. Local members are forever requesting reports and updates on performance and on whether we are achieving outcomes. The CPP can certainly provide that standard of reporting to members. I appreciate that we do not see that level of detail in the Audit Scotland report, but I assure members that such reporting exists. It certainly helps with accountability and brings comfort to local authority members.

**Mark McDonald:** Convener, I forgot to declare my interest: I, too, am a local authority councillor and I spent a short period on the community planning partnership in Aberdeen.

**The Convener:** Mr Black, you referred to the changes in Scottish Enterprise. Correct me if I am wrong, but I think that you suggested that there was a worry about a loss of skills in local areas. In my area, as a result of the structural changes to Scottish Enterprise, I witnessed a diminution of local focus. That might or might not be a bad thing, because there was always a tension between Scottish Enterprise and councils about who was driving the enterprise agenda. I am not entirely sure that the councils were given sufficient resources or equipped to take up the slack that was created by the changes to Scottish Enterprise. Do you have any evidence of a diminished focus as a result of those changes? Are the relevant skills available at an adequate level to drive forward a local economic development agenda?

**Mr Black:** That theme was explored by the Economy, Energy and Tourism Committee in its report on the issue, which picked up on issues to do with the continuity and adequacy of skills. Our report simply captures what we hear from those who are knowledgeable in the area. With the reduction in the national bodies' provision of local economic expertise and support, there was a dip in the availability of such skills in some areas. The local areas relied instead on the strength of the economic development service that was intrinsic to the local authority. The report mentions specifically that West Lothian Council is continuing to develop that service strongly. There was certainly an issue in that regard, but the general

theme of the report is that there has been a recovery from that position, which is better now than it was in the early period following that transition.

**The Convener:** That is encouraging. However, I am aware from talking to people in a number of local authorities that, given the voluntary redundancies and early retirements as a result of budget reductions, many of the people with the requisite skills, who are in their 50s and early 60s and are probably at the top of their game, are leaving because they represent the highest cost layers for local government, and they are attracted by the most beneficial packages.

We have raised that issue before, and it hits many public service areas. We are trying to get through a very difficult economic period—and we know that many of the decisions are made internationally—but we need to do what we can locally to mitigate the worst effects. Notwithstanding what you have said about improvements, is there not a danger that, if we lose a whole layer of skilled individuals who have networked and built up contacts, and who understand the local business community, we might not be able to encourage sufficient economic initiatives at a local level to provide jobs?

**Mr Black:** Yes, that must be a risk. In the report, we summarise the work that the Scottish local authorities economic development group undertook back in 2010. It carried out a study of councils and the four main national economic development bodies, and reported—although these are not audited numbers—that the level of economic development investment had fallen between 2007-08 and 2009-10 from approximately £977 million to £876 million, which is a loss of about £100 million and a fall of approximately 14 per cent in real terms. That was before the three-year spending review was promoted and began to impact on the funding of the relevant bodies.

Over the spending review period, there are likely to be real-terms reductions of 9 per cent in the finance, employment and sustainable growth portfolio and 11 per cent in local authority funding, and a small percentage reduction in education and lifelong learning. Funding for the universities has been protected, but further education colleges are significantly affected.

It is fair to form an assessment that the pressures in this area will not reduce at all, and are likely to increase in the coming years. That is why it is important to be very clear about priorities with regard to single outcome agreements, and the need to achieve better transparency on the available resources and relate those to achievable targets.

**Tavish Scott:** I will pursue that point. Exhibit 4 on page 13 indicates that support was withdrawn from local economic development projects because of a change to the remit of Scottish Enterprise and Highlands and Islands Enterprise in accordance with the Government's new national priorities, as explained in paragraph 42. The exhibit implies that if a CPP and its economic development plans align with the Government's national priorities, Government bodies will support it, whereas if a CPP produces different ideas or plans for local initiatives that do not align exactly with national priorities, it will not get development support from the enterprise network. Is that assumption correct?

**Mr Black:** Yes. There is a real sense in which that is happening. As Susan Lovatt outlined a moment ago, Scottish Enterprise is still actively engaged in the north-east of Scotland because its national strategy aligns well with the local strategy in that area, but that is not true for the rest of Scotland.

**Tavish Scott:** In researching the report and investigating the issue, did Audit Scotland find that CPPs consider that change to be an impediment to striving for better economic growth and development? In effect, CPPs are being told that, unless they follow X, Y and Z, the Government in the round—through the enterprise agencies and other organisations—will not provide them with economic development funding.

**Susan Lovatt:** It is important to note that Scottish Enterprise sits on the board of 31 community planning partnerships. It is still there to provide advice and information to all those CPPs, but the level of involvement will vary depending on the types of projects that are under way in each area. Some CPPs will face more of a challenge, and there will be less involvement from Scottish Enterprise, but that does not mean that there is no involvement; advice and knowledge will still be transferred at the community planning partnership meeting.

**The Convener:** Yes, but the person from Scottish Enterprise who sits on a CPP does not control a discrete budget as local enterprise companies would have done in the past. How can they make any decisions or relevant contributions when decisions have been made elsewhere?

**Mr Black:** That question is best put to the Scottish Government, if I may say so. The Government took a major policy decision to focus more tightly on what Scottish Enterprise was doing and, as a consequence, the agency's active engagement has been reduced in parts of Scotland.

**Tavish Scott:** Yes, but did Audit Scotland find in conducting its inquiry that CPPs viewed that

change as an impediment? To paraphrase the convener, the Scottish Enterprise person, who is no doubt well meaning, is now driven from the centre by the central command control structure in Glasgow, and is therefore not aligned to local economic priorities, because everything is being pushed around three or four main economic priorities. Is that person just the messenger for Scottish Enterprise nationally? If they are, they will not do anything other than say, "As long as you follow what we're saying from the national centre, we'll do our best".

**Mr Black:** I am sorry, but I do not think that we have that level of detailed information from the audit. Do we have anything that can help with that?

**Miranda Alcock:** No.

**The Convener:** If not, I thank you for your input to the discussion this morning. We will reflect on the comments that you have made.

### **"Modernising the planning system"**

10:43

**The Convener:** Item 3 is a section 23 report on "Modernising the planning system". The committee has received responses from the Scottish Government and Audit Scotland. The Government's report is fairly positive and accepts many of Audit Scotland's points.

I see that members have no comments on either of the responses. Do members agree to note the correspondence?

**Members** *indicated agreement.*

**The Convener:** Thank you. We will now move into private session.

10:44

*Meeting continued in private until 11:18.*

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice to SPICe.

Members who wish to suggest corrections for the revised e-format edition should e-mail them to [official.report@scottish.parliament.uk](mailto:official.report@scottish.parliament.uk) or send a marked-up printout to the Official Report, Room T2.20.

---

Available in e-format only. Printed Scottish Parliament documentation is published in Edinburgh by RR Donnelley and is available from:

All documents are available on  
the Scottish Parliament website at:

[www.scottish.parliament.uk](http://www.scottish.parliament.uk)

For details of documents available to  
order in hard copy format, please contact:  
APS Scottish Parliament Publications on 0131 629 9941.

For information on the Scottish Parliament contact  
Public Information on:

Telephone: 0131 348 5000  
Textphone: 0800 092 7100  
Email: [sp.info@scottish.parliament.uk](mailto:sp.info@scottish.parliament.uk)

e-format first available  
ISBN 978-0-85758-942-2

Revised e-format available  
ISBN 978-0-85758-955-2

---

Printed in Scotland by APS Group Scotland

---