The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

LOCAL GOVERNMENT AND REGENERATION COMMITTEE

Wednesday 28 March 2012

Session 4

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LOCAL GOVERNMENT AND REGENERATION COMMITTEE
8th Meeting 2012, Session 4

CONVENER

*Joe FitzPatrick (Dundee City West) (SNP)

DEPUTY CONVENER

*Kevin Stewart (Aberdeen Central) (SNP)

COMMITTEE MEMBERS

*James Dornan (Glasgow Cathcart) (SNP)
*Anne McTaggart (Glasgow) (Lab)
*Margaret Mitchell (Central Scotland) (Con)
*John Pentland (Motherwell and Wishaw) (Lab)
David Torrance (Kirkcaldy) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Martin Bruce (Scotia Homes)
Cathie Cowan (NHS Orkney)
Graeme Downie (National Endowment for Science, Technology and the Arts)
Dave McDougall (West Lothian Chamber of Commerce)
Derrick Thomson (Scotia Homes)

CLERK TO THE COMMITTEE

Eugene Windsor

LOCATION

Committee Room 2

Scottish Parliament

Local Government and Regeneration Committee

Wednesday 28 March 2012

[The Convener *opened the meeting at 10:03*]

Decision on Taking Business in Private

The Convener (Joe FitzPatrick): Good morning, everyone, and welcome to the eighth meeting of the Local Government and Regeneration Committee in 2012. As usual, I ask folk to make sure that they have switched off their mobile phones and other electronic devices, although I note from the message from the Presiding Officer that iPads are now allowed in committees when used as paper.

I give apologies from Dave Torrance, who is unable to attend today.

I suggest that we take items 4, 5 and 7 in private. Are we agreed?

Members *indicated agreement.*

Public Services Reform and Local Government: Strand 1 (Partnerships and Outcomes)

10:03

The Convener: Agenda item 2 is an oral evidence session in our inquiry into public services reform and local government, strand 1 of which concerns partnerships and outcomes. We will have three panels today.

I welcome our first witness. Graeme Downie is communications manager for Scotland and Northern Ireland at the National Endowment for Science, Technology and the Arts, which is responsible for promoting innovation in the United Kingdom economy in those areas.

Thank you for coming. I will kick off with some general questions but, first, I thank you for your written submission. A number of members have commented on its quality and usefulness. It is clear from your submission that NESTA believes that a number of issues remain unresolved in achieving the proper integration of partners. Will you talk about that and include some comments on the challenges of data sharing?

Graeme Downie (National Endowment for Science, Technology and the Arts): Yes. Thank you, convener. First, I quickly mention that NESTA's status will change next week. We are to move from being a non-departmental public body into the charitable sector, and that is expected to be finalised next week, following a decision of the House of Lords this week. The move will not fundamentally change our mission, which the convener correctly outlined, but it will allow us to involve ourselves in more unique and different partnership opportunities than we had when we were a quango, including from our office in the convener's constituency in Dundee, where we do a large amount of our work.

On NESTA's view on how we can get organisations to work together, the crucial thing is that culture is king. I am reminded of a quote from a previous NESTA event, which I will shamelessly steal—culture eats strategy for breakfast every time. No matter how many strategies the Government has and how many things are put in place, if we do not change the fundamental, underlying culture, we will not achieve the radical transformations that will be required in the coming years, not only to meet the financial challenges that we expect to face but to provide the different types of services that the public now expect and the social challenges that we face.

My primary opening comment would be to ask how we can tackle that cultural difference. There

are already signs—it comes out in some of the other submissions that the committee has received—that that is beginning to happen at the senior management level; there is an idea of shared responsibilities and outcomes. However, it is important that senior managers are also encouraged to lead that transformation throughout entire organisations and bring people together to share information.

You mentioned the need to share data and information, and that is one way in which to solve problems at a practical level. The more people share information, the more organisations will naturally have to interact with each other and change. We are keen on having as far as possible what we and others call a tell-us-once system, whereby information can be given from the public into the system, but also within the system, so that if a problem changes, particularly when families or others are facing a complex issue, it does not take weeks or even months to go round an entire system but becomes part of a common file and shared information to which different agencies can respond.

The Convener: That is helpful.

Another suggestion that we have heard from a number of witnesses is that the duty of community planning, which currently rests with local authorities, should be spread to more of the partners. What is NESTA's view on that?

Graeme Downie: Without getting into the technical detail of how the community planning partnerships work, which is something on which we have yet to undertake a thorough study, as a general principle it seems slightly unfair for an organisation to be responsible for delivering things that are not entirely within its remit. Again, from some of the other evidence that I read, it comes through clearly from the local authorities that, in some cases, they are not able to deliver the changes that they are expected to deliver under the single outcome agreement. That has to be addressed.

The committee should beware of thinking that passing a bit of legislation that requires everyone to do community planning would be a magic bullet. It will require a bit more than that; it will require continued engagement by the Scottish Government, local authorities and everyone else to ensure that that happens consistently. I return to my point—as I am sure I will throughout this session—about changing the culture to make sure it is seen as a shared objective. We need a statement or indication from the Government that single outcome agreements and CPPs are seen as something that everyone has to buy into, and that it is not just one agency's responsibility to deliver.

John Pentland (Motherwell and Wishaw) (Lab): Good morning, Mr Downie. Some witnesses have said that budget sharing would be difficult to implement, while others have told the committee that budget sharing is less important than cultural change and that, in line with the developing thinking, it is more important to concentrate on outcomes. What are the main barriers to budget sharing and how can they be overcome? Why does NESTA consider budget sharing essential?

Graeme Downie: With silo budgets, people end up working in silos. People tend to follow the money. Certainly, in my experience in a variety of roles, I have noticed that. It is becoming almost a cliché that people get to February and say, "Get the money out the door," because they believe that, if they do not do that, they will not get the money for the next financial year. That is the idea that officials have, although it is not in any way exclusive to the public sector. They become very protective of their budget and almost regard it as a sign of power—the bigger their budget, the bigger their responsibility.

The culture and the budget go together. I do not think that changing the culture will mean that everybody will immediately share budgets and, equally, I do not think that by requiring budget sharing, the culture will be immediately changed, but if there is a move towards shared budgets and shared outcomes, people will start to get to the right place. I do not think that it is about choosing one of the two; two or three different things have to be pursued in parallel. If one falls down, the other two will probably do so.

James Dornan (Glasgow Cathcart) (SNP): Would aligning the budget cycles of community planning partners, particularly health and local government, help to facilitate joint working?

Graeme Downie: I cannot comment specifically on the health and social care budgets because we have not done any in-depth work on those. I am wary of referring to anything that we are not able to comment on in detail.

Generally, aligning the work that the partners do would be beneficial. Piloting ideas in particular areas would be good and perhaps it would be better to start with smaller budgets. For example, if we said to NHS Lothian that it must share all its budget in one year or over a two or three-year period, that will not succeed. We would have to start at a smaller size and build it up, rather than having a top-down directive that would probably foster the kind of culture to which I referred in replying to Mr Pentland's question. The more top-down pressure there is, the more defensive people below become.

James Dornan: It has been suggested to the committee that it may be useful to complete mapping exercises to determine total public sector investment within an area and then examine how that is aligned with the area's strategic priorities and needs. How would you see outcomes from those exercises being used in practice? Is there a danger that such an exercise would lead to a focus on inputs rather than outcomes?

Graeme Downie: Rather than focusing on how much money was going in, a good mapping exercise could examine by what process the area came to understand its strategic objectives and whether that was done with the budget in mind—with the money following the budget—or whether it was done on a zero-line basis. There could then be an examination of how much public sector money was going in from the various agencies and whether it was following them. The other question would be what that was achieving. It cannot just be expressed as, "This is achieving X thousand places." It must be about what the people on the ground are saying.

That point probably moves us slightly further on in this conversation. It is about how an outcome is measured. It is much easier to measure an extra 1,000 of this or an extra 2,000 of that. What is required is a move to a different type of measurement and auditing, in which there is not necessarily a list of tables and numbers but rather a list of qualified reports. I know that Audit Scotland has mentioned in the past the idea of someone in the community saying, "You know what? This new service works for us," and that being taken roughly at face value and trumping any figures. Even if the figures show that that is not quite right, if the people who receive a service are happy, I do not think that we should mess with that too much.

I am sorry, because that was a very circular way of trying to answer your question.

James Dornan: That was helpful. Thank you.

The Convener: You are right that we need to move away from thinking about how much money we spend on things and move to looking at what we deliver. One of the challenges as we move towards preventative spending is that we need to have an idea of what the baseline costs are to know whether the preventative spend is achieving a saving down the line.

10:15

Graeme Downie: That will always be a challenge with preventive spending. Indeed, we are aware of that not only in preventive spending but in other areas of Government work and policy development. We have introduced with the Economic and Social Research Council a UK-wide initiative called the alliance for useful evidence—we will be holding an event later in the year to inform people in Scotland about it. The idea behind that is to bring together policy makers, politicians, think tanks and anyone who produces or uses data to inform policy and to create a virtuous middle ground between, on the one hand, pure academic studies that might not be as relevant to policy makers as they could be and, on the other, the demands of policy makers for evidence that cannot be got. The issue is how to get to that lovely bit in the middle where the genuine evidence sits. We will be pushing that agenda over the next few months in Scotland and across the UK to ensure that we start developing the kind of data and information that is crucial to the policy-making process.

Anne McTaggart (Glasgow) (Lab): Thank you for your inspiring submission, Mr Downie—it was a pleasure to read it. Part of the purpose of this evidence session is to look at the role of the community as a partner. In your submission, you emphasise that

"the most crucial partner in any effective intervention is often the community itself."

I found that inspiring, but what are the challenges of engaging the community in the community planning process?

Graeme Downie: Communities can be seen simply as those to whom services are done. Ironically, if you engage them at the earliest possible stage of policy development, you always end up with the best outcome.

We are always amazed by the number of times we have consulted communities and got results that, quite frankly, we would never have dreamed up on our own. We are very grateful that we have some very smart people working at NESTA. A few years ago, we ran the big green challenge, which offered a £1 million prize to a community-driven project to reduce emissions. The project had two aims, the first of which was a genuine attempt to reduce carbon emissions in communities. The second, underlying aim was to find ways of engaging with and empowering communities more effectively; we set an overarching goal and, instead of directing communities on how to reach it, we gave them support and advice. There was no money involved, at least at that point, but there was money at the end of the process. We received 350 applications, only 20 of which got any money, but more than 100 of those projects, which we still track, still exist. Once you give them a driving mission and once they coalesce around a particular goal, communities are unstoppable. Indeed, I imagine that they are the bane of the existence of many councillors in their areas, because they come not only with complaints but with solutions.

The question is how to bring these communities into existence, and I think that you do so by not patronising them and by giving them as much information as possible. In England, we ran a very small participatory budget exercise called my local budget and, in Scotland, PricewaterhouseCoopers ran a similar exercise, called the citizens' jury, as part of its submission to the Christie commission. The idea is to give the community access to top information from top officials who really know what they are talking about. For the citizens' jury exercise, Bob Black came along for a morning and laid bare all the issues. In the participatory exercise that we ran, communities came up with solutions to very difficult problems in only a few weeks. The politicians sat there, saying, "We'd never have got to that—and even if we had, we'd never have had the courage to tell the community what we were planning to do". If politicians think that something has to be done, it is better to let the community itself reach that conclusion than to impose it on the community.

In England, we are running with the Innovation Unit a project called transforming early years, which seeks to get communities to support families with young children by examining the role of politicians and officials in the area. Instead of politicians lobbying for more or less of a particular service, they should be working with their community to find out what services it wants, what resources the community has to deliver what it wants and at what point local government—and, by extension, other levels of government—should become involved to give the community the assistance that it needs. We need to break down the barrier between the community and officialdom and give the community the support that it is asking for. I have just made that sound very simple, but it is probably not that simple. It has to be done in small areas and you cannot treat two different communities exactly the same; each one has to be treated slightly differently.

Anne McTaggart: Thank you, Mr Downie, that was totally inspirational. You have answered my other question, which was about the role of the elected member.

Margaret Mitchell (Central Scotland) (Con): Good morning, Mr Downie, and thank you for your written submission, which succinctly addresses the issues with which we are grappling.

To what extent are CPPs focused on an outcomes-based, preventative approach? How can that be improved if it is not 100 per cent?

Graeme Downie: I do not want to comment on what individual CPPs are doing. From speaking to some local authorities as part of some work on preventive spending that we are considering doing later this year, I can say that some CPPs seem to be focused well on such an approach. Some are aware of the challenges that they face. I note that Stirling community planning partnership put in a submission that calls for the type of responsibility that the convener talked about at the beginning, saying that we all, not just the local authority, should be responsible.

I apologise, but I am going to talk about culture again. In the areas in which we have the right people who really understand what the partnership is trying to achieve, it can work extremely well. The difficulty is in transforming a community planning partnership that does not work particularly well. How do we do that? The Scottish Government or someone else coming in and saying, "You must do this," goes against the grain of community planning. Equally, doing nothing achieves nothing and leaves us not knowing how to transform the partnership.

We have to share learning and best practice across the board. We must take from community planning and other spheres the really good examples of organisations and partnerships that work. We need to decide how to structure that and give those examples to others by working with CPPs. We cannot simply send them a case study and say that they have to do it that way; we have to work with them and introduce them to things that work well, transforming them over a period of time.

Such transformations will not be achieved in two or three months, or—dare I say it—over an electoral cycle; they will take 10 to 15 years. I am willing to bet that, even if we crack it and get it all absolutely perfect, we will look back and say that it would have been perfect anyway. We will not realise the different steps that were taken to get there because they are often unidentifiable or the things that we thought would not do anything did a lot and the things that we thought would transform everything did not.

Margaret Mitchell: Your answer to Anne McTaggart's question was also key. We need to engage communities so that solutions come from them and not just from one organisation. If everyone in the CPP can sign up to that, we will get an outcomes-based approach and the preventative measures should follow from that.

I will ask about current performance management processes. Is performance management the same as decision making? How effective are those processes? How can they be improved?

Graeme Downie: The key to any performance management system for anyone who is trying to achieve radical change is not just to base it on telling someone that they must achieve something in a year. The entire system must change and

officials should be given the freedom to fail sometimes.

Our pilots have all been run using relatively small amounts of money. The more money is spent, the more risk there is and the less likely it is that people will be willing to gamble. They will play safe and ensure that the money is not wasted. I understand exactly why one would do that but, if council officials or departments are given smaller amounts of money to trial something by working with, for example, 50 people, not thousands, and it is a total failure, well, it is a total failure. They will not try it again, but they will have spent a small amount of money to show that.

The performance management of officials should reflect the fact that failure should sometimes be rewarded. Councils should be encouraged to say, "We tried this because we thought that it would work. It did not work, but look at everything that we have learned."

At its most recent round-table discussion on universal services, the Finance Committee talked about that issue and how to design a matrix to measure the correct outcomes. To be frank, that is well beyond my knowledge but, with all the intelligence and knowledge that we have in Scotland, we surely must be able to develop a way to measure the correct outcomes effectively at all levels of organisations.

As some of the other submissions state, we need to find a way to share outcomes and objectives at senior management level and throughout organisations. It should not be a case of somebody thinking that, just because they have done their bit, they are okay. It is also their job to ensure that their partner at equal level in another organisation also contributes. They might have done their bit but failed because they did not help that other person to do theirs when they were struggling. That different idea of management needs to be implemented.

Margaret Mitchell: We visited West Lothian CPP last week. It has a steering group that considers how successful the CPP has been. It is not all about saying that somebody has failed; it is about learning from a project. It is about saying, "This did not work. Let's get our heads together and see what might work or what we could have done better." That seemed to be quite a good approach.

Graeme Downie: Absolutely. West Lothian CPP is often held up as the case study for measuring performance. Mr Linkston, who is sitting next to the convener, was responsible for large chunks of that success. In a number of reports and submissions in Scotland over the past couple of years, we have used West Lothian CPP as an example of how to plan a process over the longer term. Its success was not achieved overnight and I am sure that it was not achieved without difficulty, but the CPP is nonetheless now reaping the rewards.

John Pentland: I understand why you would not want to comment on any individual CPP, but NESTA has said:

"partnerships are most successful when they are not restricted by unnecessary boundaries".

From evidence that the committee has gathered, it appears that CPP structures are quite complex and bureaucratic by nature. How could they be simplified? What advantages or disadvantages would simplification bring?

Graeme Downie: The first way that we can change CPPs from being overly bureaucratic is to give them a clear mission, say what they have to achieve, give them the timescales in which they have to achieve it and leave it up to them how they do that. There should be some kind of mechanism—I am not sure that penalty is the right word—to correct things as they move on. As comes out in the other submissions, they should be given one-year targets, five-year targets and 10-year targets, which should be tracked as time goes on.

The role of central Government should be to take away some of the tracking that must be done locally, which creates a lot of bureaucracy. I have dealt with different Government bodies in the UK and Scotland over the years. The biggest difficulties and disagreements often arise over agreeing what has been achieved. Everyone argues, "Oh no, we need that down. We did that." It becomes a bit complex and the partners end up arguing among themselves or making sure that the wording is just perfect so that it covers everyone. If someone independent came in to do that, such arguments would not be open to community planning partners. That would break down some of the bureaucracy.

John Pentland: Should the Scottish Government do more to encourage partnership working, or is some sort of regulation or legislation required for organisations to move out of their silos?

Graeme Downie: There is certainly a role for the Scottish Government in encouraging partnership. As I said at the beginning, you should approach with caution the idea of a piece of legislation making something happen. Legislation may or may not be appropriate, but any legislation must be effective in delivering. It cannot simply be a matter of saying, "The Scottish Government will do this," because the more the top pushes down on anything beneath it, the more the level beneath resists.

The Scottish Government must become involved in all the community planning aspects. It must track them and know what is going on. However, too heavy a hand could produce the opposite effect from the one intended.

The Convener: Thanks for that, Graeme. It was useful.

10:28

Meeting suspended.

10:30

On resuming—

The Convener: We move on to our next panel. We had hoped to hear from the chief executive of NHS Tayside, Gerry Marr, but unfortunately he is unwell today. However, we are pleased to welcome the chief executive of NHS Orkney, Cathie Cowan. It is a bit of a journey from Orkney, so I thank her very much for coming down.

Obviously, one of the challenges with partnership working is in breaking down the culture of silos. I understand that, as well as being the chief executive of NHS Orkney, you have a role in working for Orkney Islands Council in social care. How has that worked in breaking down barriers?

Cathie Cowan (NHS Orkney): Before I went up to Orkney, I worked with Glasgow City Council in one of the community health and social care partnerships, so I suppose that I had a depth of experience of what worked well and what did not work so well with regard to integration of health and social care to bring to Orkney.

A joint appointment was made with the local authority. I am one of its four executive directors and play a key role in social care leadership. That in itself stops people doing the sorts of things that go on between health and social care services or health and local authority services—it stops the shunting of costs back and forward with nobody really taking responsibility.

I wear two hats and so I have to think, "If I do this, what is the impact on that?" That is a very good thing, although I do not need those two roles to do that. I have been brought up in the public sector for more than 30 years and I value the fact that the public sector is all about us. The money is for all of us and should be spent wisely. That said, joint appointments such as mine have benefits.

The Convener: A number of our witnesses have suggested that it would make life easier and that community partnerships would work better if the roles and responsibilities that currently lie with local authorities also lay with other bodies in the partnership. Would that make sense?

Cathie Cowan: That would absolutely make sense. Power must be equally shared—I use the word "power" for a purpose. Whoever has the lead role assumes the power, so equality being brought to joint working will share that power. We could learn much from the voluntary sector in that regard. Sharing power and working in a new way, particularly in engagement with communities, can bring something quite special to partnership working.

There is a real need for collaborative leaders to evolve from that work and for leaders to be—dare I say it—developed, so that they have collaborative leadership qualities where there is that natural sharing of power, equality and conflict management. Many of us are very good at that, but some people are not. They go into their silos and become quite centric. They think, "Well, I'm in charge, and this is what I expect to do." That autocratic approach simply does not work, especially in partnership working.

John Pentland: Previous witnesses have said that budget sharing would be difficult to implement. Obviously, there is an opinion that there are barriers out there to sharing budgets among partners. How can those barriers be overcome? Most important, is budget sharing a desirable option?

Cathie Cowan: I think that budget sharing is a desirable option. The issue goes back to power and what prevents us from pooling budgets and joining up. The Parliament has given us the power to do that. Instead of focusing on what does not work, we should start thinking about what really works well and we should build appreciative inquiry.

On the budget stuff, it is a shame that we need directives, but there must be directives, because people keep playing the card of the section 95 accountable chief executive officer. Pooling budgets—regardless of where they sit—stops the nonsense of shunting costs around. We need to deal with that quickly, because we are public sector bodies and public servants.

John Pentland: Apart from all the obvious problems, would aligning budget cycles—particularly between the health service and local government—alleviate some problems?

Cathie Cowan: We have aligned our budget cycles in Orkney. If there is genuine willingness—if we really want to do it—it can be done. We have done it: when we signed off the local authority budget on 9 February, the health service was there to say, "Here is our budget, which we are ready to implement." Given what we are doing on savings, that ensured that we knew that we were not having a double impact on each other. If there

is willingness to align budget cycles, we can achieve it.

The Parliament has aligned the budgets for us in health this year. Early settlements were made, so we kind of knew what the budgets would be. The final decisions were a wee bit out of kilter, but we suspected that great change would not happen, because the parties had signed up to that. If there is willingness, we can at least share information, although we might be a couple of weeks out. We can tell each other where we will invest and disinvest, and we can discuss any issues with that.

Anne McTaggart: Thank you for your submission. I will home in on engaging communities, on which I have a range of questions. You might answer all my questions in answering my first question, but if you do not, I will come back to you. In your experience, what are the main challenges in engaging communities as equal partners?

Cathie Cowan: When I look back over my career, communities and engagement have always been extremely important. I learned lessons when I was the director of nursing and then the director of planning in what was then Fife Health Board. When we embarked on the right for Fife process, we had major opposition in our communities and we had to step back, but we had success from that failure, because we learned. We talked the talk but we did not walk the walk. I learned quickly that, to get communities to engage as equal partners, they must be informed. In the health service, we use loads of abbreviations—we have a language of our own. One question is how we get communities to a level at which they can be equal participants. Investment in the informing part of engagement is extremely important so that, when people come to the table, they do not feel inhibited about what they can offer.

As Graeme Downie said, communities often have the best ideas, because we are talking about their communities and they are in tune with their assets, whether that means people, such as community leaders and elected members, or community resources. A lot of the solutions that communities come up with are common sense. Informing and involving are important.

Another big point is that, when we consult, we must be open and transparent. My view has always been that when things are not up for debate—usually because of legislation and particularly in relation to the quality agenda in health—we must tell communities that at the outset, so that they know what we are talking about and what is up for debate.

Anne McTaggart: I have another wee question about the third sector's integration with the public sector. Will you tell me a wee bit about the third sector as a partner?

Cathie Cowan: In Orkney, we have spent quite a bit of time on that through the change fund, which is great. I have been used to such funds over the years in which I have worked in the public sector. Unless change is delivered at the end, all that we do is generate pilots and, when they end, people become frustrated and disenchanted.

We have spent a lot of time in co-production, bringing the third sector and all other agencies to the table. The third sector comes up with ideas about things that it can do and which the statutory organisations would perhaps find difficult because of bureaucracy. However, we all have something to offer. The feedback that we had from the third sector at the end of that process was very positive. We are one of the few NHS boards that has given a significant contribution to the third sector: we have given it 40 per cent of our change fund. We firmly believe in Orkney that we need a vibrant third sector. We work in harmony with it, and people bring to bear their different roles so that we cut out duplication and bureaucracy. I am a big fan of the third sector, and there are not just my words, but actual evidence, to prove that it delivers something positive.

Margaret Mitchell: I want to look at preventative spend in a bit more detail. How do you resolve the conflict between primary and acute care pressures and the need for long-term preventative decision making?

Cathie Cowan: That it is about leadership. I say that as a nurse who worked in the acute sector in Glasgow and who thought that that was the world of health work, then I suddenly realised that 90 per cent of care actually happens in primary and community care. If those parts are no good, the acute sector receives admissions. It is a compelling story: unless we do something different, we will cause harm to patients, according to the number of admissions. Some patients will experience emergency admission and re-admission, which is no good for anyone; it is no good for the organisation and—most important—it is no good for patients and their families.

The policy approaches over the past five or 10 years have been about putting resources into chronic disease management. For example, for heart failure cases we use nurses who have very good skills and talents in order to maintain people living in their homes and communities. If patients' families need a break because the pressure is a wee bit too much, there are respite services that can give them that break.

All the evidence suggests that if we get things right for children in the early years, that has consequences for our structures that deal with

crime and for our education structures, for example. The rotten thing about that is that it takes so long. In health, we talk about the logic model that asks what the quick wins are but does not lose sight of the long wins. We often tend to focus on the quick wins, get them in the bag and say "Phew! Our job's over." However, we need to ask what the next bit is and the next bit after that. That process can take a year, five years, 10 years or 20 years.

The early years fund is an excellent example of using resources for partnership working so that we can all contribute. The stuff around health and social care integration and the integrated resource framework that we have invested significantly in over the past two years are showing where we are spending our cash and what the outcomes are. We can look at the end result and consider whether it was the result that we expected. Often, we do not think about that, but about inputs and about how much effort we will put in. We do not ask what the end result will be, how we will measure it and, if it does not work, how we will intervene so that we do not just let it trundle on until we create another pilot to solve the problem that we have probably created.

Margaret Mitchell: In terms of ensuring buy-in from all the partners to an outcomes-based approach, you have indicated that it should come from the community up so that everyone is signed up at the beginning. I will probe a bit further into the logistics and the practical problems or pluses in that. How important is communication, and how important is co-location in facilitating that communication?

Cathie Cowan: I certainly learned the hard way in going to Orkney and all its islands, which is a big challenge in terms of communication. However, I learned very quickly that we have lots of teletechnology that helps us and that our communities are very good at using it. We use different media to connect with people—especially young people, but also older people. In Orkney, people do everything on the internet—they order everything on it—so they are very proficient in it. However, to say that it is easy would be folly, because the process is resource intensive and if we are going to commit to it, we have to be in it for the long haul.

We come out with a new campaign with all guns blazing—we engage, we get feedback and people say, "This is what's going to happen." Communities get apathetic, however, when they do not hear from us until there is another big campaign. I have been disappointed over the years by people's apathy. How do we get people to be enthusiastic? How do we pass the baton to communities and say, "We want you to lead this"? Third sector involvement helps us with that because many people in the third sector are volunteers and community activists. There is a medium there that we could use to more beneficial effect. However, communication is resource intensive for the public sector and we need to recognise at the outset that if we do it on the cheap we will not have success in the long run.

10:45

James Dornan: Nice to see you, Cathie. Are single outcome agreements meaningfully linked to the Scottish Government's national performance framework? Could they be better linked? How could that be achieved?

Cathie Cowan: The short answer is yes. I think of the purpose as a triangle of the five strategic objectives, the 15 national outcomes and the 45 indicators. Community planning partners sometimes lose that sense of purpose. How do they make that connection? Some things matter more to a community than others: for example, it might matter more to a community to be healthier than to be smarter. That is where we must prioritise. We try to do everything, but we need the flexibility not to need to do everything. We need to decide on our top three priorities, which are shaped by feedback from the community and by our needs assessments, and we need to invest time, energy and resources into those priorities. We try to do too much.

In preparation for the inquiry, I looked at some community planning meeting agendas; many items are merely for noting and a lot are silo organisational issues that really do not need partnership. Nothing should come to a partnership meeting for which a partnership response is not needed, although we might want to share things at the beginning so that there is a common understanding. We need to think about the joint problems that a collaborative approach can address.

On the single outcome agreements, we could nit-pick, but what will we put in their place? It is fairly simple—it is about how we use them locally to our advantage.

James Dornan: Further to that, are there any tensions between delivering on health improvement, efficiency, access and treatment targets and the partnership outcomes?

Cathie Cowan: I do not think so. It is about common understanding. Our HEAT targets are linked to the 45 local indicators, for example on waiting times. If you ask anybody in the street what is important to them, the answer will be that they want their treatment early. That is in there. Partners might say that that is nothing to do with them and that it is for hospitals to deal with, but it does have something to do with them because

unless we get people into and out of hospital speedily, home-care budgets go up. It is about trying to make those cross-cutting connections.

Maybe we need to ask ourselves what the cross-cutting issues are if those are our priorities. We did that in Glasgow, as James Dornan knows. Our community health and care partnership focused on five cross-cutting themes. I would love to take the credit, but people wrote them for us and we invested in that. People wonder why some things are successful: it is because people's time and energy have been invested in them. At community participant, staff and organisation levels, people want to own and deliver those things.

Anne McTaggart: In your experience, what is the role of the elected member in the community planning partnership?

Cathie Cowan: The role of the elected member is absolutely critical. I have probably had much more experience of that in Glasgow because of the set-up in the CHCPs and their alignment to the community planning partnerships within the 10 neighbourhoods. Officers sometimes forget that communities have elected their people to represent them because they stand for something on which those communities have campaigned. The elected members are the champions of the people. They hold officers to account, which is extremely useful. As officers, we sometimes forget—we have pet projects—and they pull us back to the purpose and how it aligns to performance management. That has sometimes been pretty challenging in Glasgow. We have perhaps been getting a hard time, but that is what we get paid for.

The democracy process in Scotland is excellent, with people electing their members and the championing of elected members. Where there is sometimes a disconnect is when an elected member has a pet project that is outwith the purpose. We must be brave; we must have the courage to remind them that we agreed the top three priorities, although we might come to their pet project later, and that if we move away from those priorities, we will lose time and will not deliver what we signed up to.

Anne McTaggart: As you have seen, Cathie, so far involvement in the community planning partnerships has been at local authority level.

Cathie Cowan: Yes.

Anne McTaggart: I am not sure how Orkney does it. Would you see any merit in MSP or MP involvement in the partnerships?

Cathie Cowan: To be fair to our MSPs, we sometimes had that in Glasgow, where the MSPs would be observers or participants. My Govanhill experience is that cross-party MSPs played a particularly important role. Their involvement pushed up the importance of the CHP, which as an officer I found extremely useful. It gave me resources to help to bring the community and partners together. If MSPs had not got involved I might not have got those resources. There is a role for MSPs. In Orkney, such involvement is a bit more difficult because of geography and so on.

We should not forget the conventions, such as, in the case of Orkney, the convention of the Highlands and Islands, which the First Minister attends. There is a connection there. I do not want to see the elected members every day, but I want to see them every so often to hold us to account. Is that cheeky? I do not mean to be. It keeps up the importance level. If we get too familiar, that may not be a good thing.

The Convener: Your honesty is appreciated.

Thank you for your evidence. That was helpful.

10:52

Meeting suspended.

10:53

On resuming—

The Convener: I welcome our final panel of witnesses, who represent the business community. We are joined by Martin Bruce, managing director, and Derrick Thomson, director of urban projects, Scotia Homes; and Dave McDougall, chief executive of West Lothian Chamber of Commerce.

I will kick off by asking the panel to indicate the benefits to business of involvement in community partnerships and the benefit to community partnerships of business involvement.

Dave McDougall (West Lothian Chamber of Commerce): Potentially there is huge benefit for businesses. However, to a large extent businesses are not involved. If most businesses in Scotland were asked what a single outcome agreement was, they would give a blank stare. There is a long way to go.

The reality is that, when businesses are involved, even on a small scale, that makes a big difference to the effectiveness of what is being done. It also makes a difference to how a business participates in other community activities. Although there is a huge distance to go before businesses are properly involved, we must try to move along that road. The more that we can involve businesses, the better it will be for the community and for the businesses.

Martin Bruce (Scotia Homes): From a development perspective, the public engagement process that we have carried out has been about enabling us to identify the issues in advance of producing any proposals instead of shaking out the issues only at the grand unveiling of a design. It has been a fact-finding exercise in the first instance, which has helped us to work with the community to identify solutions. Those solutions do not necessarily please all the people all the time, but we can get a balanced approach.

Derrick Thomson (Scotia Homes): It is critical to say that our take on all this is completely different from yours. Community planning partnerships are the key agencies at the local government level and talk to each other about health, infrastructure and social work, but our perspective has come through the planning process and we have had to create our own planning engagement process. Outwith the dialogue between community planning partnerships, we as developers have had to go into communities and start from scratch.

The difficulty for us has been in getting those who are involved in community planning partnerships to come and play with us as we talk to communities about designing and building better places. For too long, Scotland has built suburban developments all over the place that have no heart, soul or core to them, although those things are critical to delivering new places in the way that our forefathers used to build them. We see that in Edinburgh. You will all have in your minds that wonderful village in Scotland that you love, which has great streets, great character, great architecture and everything that is needed for a sustainable mixed-use environment.

We are on different sides of the fence. Although we definitely want to play with all those who are involved in creating better places, getting them to engage in that process has sometimes been an uphill struggle, and we have been at it for more than five years.

Kevin Stewart (Aberdeen Central) (SNP): I apologise for arriving a little late.

There are lessons to be learned from CPPs and the other bodies that have emerged from CPPs, including the Trinity group in Aberdeen. Would the Trinity group have come about if it had not been for the community planning partnership process? How is that going?

Martin Bruce: I declare an interest from my involvement in the Trinity group, which came about purely as a result of the economic downturn. It involved the coming together of business and the public sector to identify, from a development perspective, that things were going to grind to a halt and had already done so in some areas. It came out of a crisis situation without any real reference to a CPP or any other body. Businesses identified that they were not going to survive unless action was taken, and the only way in which they could see delivery being achieved was through working together to build bridges with the local authority—both the elected members and the officials. The Trinity group provided an effective forum in which to do that.

Kevin Stewart: Would that have been possible in yesteryear, when the community planning process was not in place? Previously, there were a huge number of barriers. Would the group have worked to the same extent if there had not been that change of mindset and CPPs had not been created?

11:00

Martin Bruce: I admit to not knowing the full detail of the CPP issue; I know only about the situation from the coalface or business perspective. In the early years, we found that it was particularly hard to get local authorities—the elected members and the officers—to engage. That is still the case, to some extent. There is a variety of reasons for that—sometimes, they felt that they were seen to have a biased interest; sometimes, they did not see what their role was. I understand that the CPP model might have broken down some of those barriers by convincing officials and elected members that it is possible to engage with people and find out more without having to declare their viewpoint.

Derrick Thomson: There has been a failure at local government level to establish lines of communication and forums through which CPPs can engage with the business community. However, the situation is getting better. Across Scotland, the variation that we face in the processes that we go through when we go in with planning applications is enormous. From Highland all the way down to the central belt, major differences in delivery and leadership can be found.

From the outset, we firmly believed that the Scottish Government's idea in trying to create a better Scotland was absolutely right, and that remains our opinion. However, the directives that various Governments have issued over the past few years, through "Designing Streets: A Policy Statement for Scotland" and "Designing Places: A Policy Statement for Scotland", have not been implemented to the highest standards by local councils.

There is a distinct lack of education, from the chief executive level right the way down through all the tiers of local authorities. What we are trying to do at the back end by creating better places

gets lost in the mists of time. Our concern is that the wonderful directives from the Scottish Government are not being implemented and that people do not understand the importance of communication between local authorities, the national health service, other agencies and the people on the ground who can deliver better places—us and the landowners.

The Convener: I ask Dave McDougall to comment on some of those points from a West Lothian perspective. In your submission, you mentioned that a lot of businesses did not know how to engage in the process.

Dave McDougall: I can offer more than a West Lothian perspective. I am involved with the Scottish Chambers of Commerce, too, so I have quite a lot of experience across the country.

The point is that CPPs provide a framework that brings bodies together on a structured basis. That can lead to informal contacts, which might make a big difference for the private sector. For example, in West Lothian, when the kinds of planning issues that have been highlighted have been brought to me, we have had discussions with the planners offline, which has made a difference to how the planning process has worked for businesses. Recently, instead of coming to me and moaning about the planners, people have been coming to me and saying, in a tone of surprise, that the planners have been really helpful.

Bringing people together for whatever specific reason opens the lines of communication, and all kinds of benefits can accrue from that. Starting that process is crucial.

Margaret Mitchell: Could Scotia Homes give us more details of its mixed-use developments? From there, perhaps we could explore some other issues with CPPs.

Martin Bruce: Over the past 20 years—for as long as we have been developing—mixed-use developments have not been commonplace. It has been all about single-use developments and suburban sprawl.

We decided in the early 2000s that we wanted to create clear differentiation between us and competitors. We identified that our approach was aligned to the direction in which the Scottish Government indicated that it wanted to go in "Designing Streets" and "Designing Places".

We had not looked at the risks at that point or identified that one of the major risks was that local authorities were not up to speed on the matter. We invested heavily in the public engagement process and bought in expertise from world-renowned designers who had delivered successful mixed-use places with real neighbourhoods and created a template for real neighbourhoods to blossom.

We took those ideas into communities. There was no grand unveiling of plans; it was all about fact finding to identify opportunities and constraints. Following on from that, we created master plans and, whether the development was on a small scale or a larger scale, we started to identify where the constraints were. We were romping ahead of where the local authorities were.

We now find that there is an appetite for such development in some local authorities, but others are still not up to speed. We have delivered a couple of developments, but the pace is very slow, predominantly because the pace at which developments get to the point of being on site is slow, as the issues are so great. That can be because the development does not comply with policy, because policy is for a housing development and not for mixed use that can create places that are active by day and by night, or for some other reason. Communities have been indoctrinated to believe that what they are looking for in an area is either houses or something else. There have been a lot of challenges and we are far from being at the finishing line.

Margaret Mitchell: I will comment on your response. I asked about mixed use, but you have still to define it. I suggest that a bit of the problem might be communication and getting across what you are trying to achieve. For example, if you could demonstrate that your mixed-use developments include key elements of preventative spend through having a mixture of family housing or housing that is particularly appropriate for an ageing population, the planners and community partnerships would see that you are delivering something that plays into the outcome-based, preventative spend approach that they want to adopt. Could communication be part of the difficulty? The issue might not only be the rules and regulations and how planning departments have always worked.

Derrick Thomson: At the start of our process, we go in with a blank sheet. I will explain what we mean by mixed use shortly. Developers were rightly tarred with brushes in the past, because when plans were unveiled the community had had no say in what was proposed.

As a business, we decided to move away from the development of suburbia and cul-de-sacs, which means that residents have to get in their car and drive a million miles to get to a tin shed on the edge of town to do their shopping. We wanted to create places that have the tenure that you talk about. We firmly believe that in one streetscape we should be able to get housing that is suitable for a range of people, from the janitor to the chief executive. That is what we aim to achieve with the community when we plan these places. The central core is about creating neighbourhoods that

are walkable in 10 minutes. That is crucial. The concept is based on the fact that people can walk through their front door in the morning and get all their basic daily needs within a 10-minute walk.

That is where the mixed-use concept comes in. It involves a little corner shop, a hairdresser and a live-work unit for a lawyer, an architect, a plumber or an electrician. Those types of buildings, streetscapes and styles provide the critical mixed-use element. They also meet the density requirements that are necessary to make a village work. That model has been played out for hundreds of years. We just need to go back to all the old towns and villages that were created in Scotland many moons ago and that model is there, staring us in the face.

When we go into a community, our approach is all about having a blank sheet and asking what is required, what people need and where the failings are. There will always be the nimbys and the no-taes who do not want development in their back yard or in other places nearby. That is fine. Once we cut through all that, we find that we can take communities through a 180-degree shift from being negative about development to being absolutely positive about it. They understand that, together, we are trying to create streetscapes and mixed-used ways of living, working, learning and playing that generate sustainability through the inclusion of smaller businesses, which is exactly what the Scottish Government has set out to do. We all know that, in the long term, there will not be the surplus of fuel that there is today and we will all have to start living and working in more local communities. The fuel supply may never disappear totally. That is a long argument that we could talk about forever.

We are trying to create communities that work under their own steam. From that point of view, suburbia does not work. In the morning, everyone has to get out of it and drive somewhere to do something. We are trying to create communities again. Whether that is good, bad or indifferent is a different argument.

On the community planning partnerships, all that we are saying is that we are involved in a process whereby we go through everything with the community, and we invite the local councillors and everyone from local government—people from transport, infrastructure, health and affordable housing—to come along and play with us. In many areas, we find that the councils adopt a half-hearted approach to sending people to such events. To the best of our knowledge, councillors are scared of those events because they feel as though they will have to make a decision, but that is not the case. Jim Mackinnon has made that clear in setting out how the processes work. We welcome everyone who has an input to the community and to making it a better place—even MSPs. That is what the process is all about.

The problem is that there is a huge disconnect in the discussions between us on the outside and the CPPs on the inside. That is purely down to education and a failure at local government level to tell the councillors and their officials that they have to engage with the process. We are usually told that they are too busy, that there is no room in the diary or that something else is up.

Margaret Mitchell: I will stop you there. You have mentioned only local authorities, but others in health and justice services will gain. By focusing on the local authorities and the negatives, you are missing the opportunity to promote the positives for the other partners. Community planning partnerships should involve an equal partnership. I leave that thought with you.

Derrick Thomson: But the other partners are there, too.

Kevin Stewart: Mrs Mitchell has hit on a significant point. I ask all the panel, particularly Mr McDougall from West Lothian, what benefits you see from the introduction of charrettes to deal with planning. Local authorities have been mentioned, and Mrs Mitchell referred to other agencies that would gain. However, for me, the key thing about the charrette that took place in Aberdeen was the input from the community. Ordinary people have a huge amount to give when it comes to creating the neighbourhoods that they want to live in. Instead of talking to the scaredy-cat cooncillors and various others, would it not be best to engage with communities to a much greater extent to get their input? Is the charrette process the way forward for Aberdeen and West Lothian?

Dave McDougall: I am not sure about processes of planning in terms of development. That is only one part of the work that I am involved in. Anything that helps to encourage a wider cross-section of the community into economic activity is desirable. The challenge is to find practical ways of doing that and not to listen only to the people who shout the loudest.

Where I live, a small number of people have held up a significant health sector development just because they made a huge noise. The reality is that most people in the community want the development to go ahead, and I am glad to say that it is now going ahead. There is no easy answer in that kind of discussion, but the principle should be that the more involvement there is and the wider the involvement is, the more effective the economic development will be. That is maybe all I should say on that.

11:15

Martin Bruce: A typical public engagement exercise tends to be a week long. It starts with a blank piece of paper and it is open to the public from start to finish—there are no closed doors. There is a working team in the room that has sessions with a range of contributors, which might include the health service or people who are involved in travel and public transport. Those meetings are preset and predefined. We engage with people to identify the issues before we even start to put pen to paper. The public are involved with input at each stage. Throughout the week, the issues are collated and a summary is given in evening sessions for the public. The plans evolve through that process.

We then go away and over roughly 12 months, or even 18, there will probably be three or four key week-long sessions with master planners and designers. They engage with the community to identify and shake out the issues in advance. They then have an evolving plan and can identify possible objections. Objections will come in any shape or form, and from the community or from service providers.

John Pentland: I am sure that Mr Thomson did his homework before he came to the committee, so he will realise that there are four sitting councillors on it. In my opinion, those councillors have never been frightened about making any decision whatsoever, whether it is good, bad or indifferent.

I realise that developers face obstacles. Mr Thomson talked about starting with a blank sheet and coming up with an agreed model. They then come up against all the bureaucracy when they try to get the thing through. The issue that I have with developers is that it sometimes seems that most developers are more likely to provide quantity rather than quality. What bureaucratic hurdles do developers face? Are the hurdles there because the planning regulations and legislation are not strict enough, or because they need to be improved or streamlined? Alternatively, is it just that, as you perhaps rightly said, councillors and planning officials fear making a decision?

Derrick Thomson: The planning regulations that have been laid out and the proposed way forward are absolutely right. We do not have any issue with the Government directive in "Designing Places". The issue for us is that the implementation at local council level varies so much. We have to go through different hoops and hurdles, and it takes time for councils to process everything. We are trying to do something different—we are trying to create better places. I agree that some developers have been lukewarm in what they do. We have put our heads above the parapet and said that we want to create great places.

When it comes to implementation, councils might take different views on a street structure, for example. Councils have their personal views on the guidance. At the end of the day, it is difficult to deliver in a way that meets the different wants and needs of each council rather than in a uniform way. The process should be far simpler—there could be 10 easy points to which developers must adhere in order to build good places. That would be a simple regulatory process. However, at the moment, there are 101 different things that can get lost in the mists of time and in the permafrost that exists between departments.

Do not get me wrong—there are good councillors who help us through that process. In Ellon, we have had great support from councillors who actually know about building better places. We have no issue with the planning process as such. The problem is its implementation, the time that it takes and the lack of communication between departments, which creates frustration.

To come back to Margaret Mitchell's point, I point out that we invite everyone to give views, including business, transportation, the NHS and commercial retailers, because they are all component parts of what makes a place great. However, as far as local authorities are concerned, the fact is that Highland Council is different from Aberdeenshire Council, which is different from Aberdeen City Council, which is different from Angus and so on. They are all making headway on changing the current situation, but there is still a communication issue with regard to the guidelines that have been issued. To my mind, although the guidelines are simple, bad developments—for example, suburban houses that do not look the part or that have had no thought put into them—still seem to get through the mix.

Having spent more than £2.5 million on this process, I can say in response to Kevin Stewart—I think that he was referring to the Grandhome charrette, which was sponsored by the Scottish Government—that the charrette approach is great and absolutely the way forward. Indeed, that is what we have been doing for the past five years. Charrettes bring together everyone who should be making the decisions. My question for everyone round the table is: how can we put in place some kind of three-line whip to ensure that people turn up to what is a critical part of the decision-making process? After all, making a change to a place—by, for example, giving it a good doctors' surgery, hospital or school—is ultimately a design decision that makes that place better.

The Convener: The committee will look at the specifics of the planning process at a later date.

Although we all want a simpler system, I think that we would all defend the right of local authorities to be different. After all, the point of having local authorities is that they do things differently and make different decisions. Simplicity is good, but I am not sure that uniformity is always best.

Did you want to come in, Dave?

Dave McDougall: We are talking about a fairly narrow aspect of the community planning process. I agree that it is important for local authorities and local areas to be able to control what goes on in that area. No one solution fits all.

That principle applies across the board. My main question for this evidence session concerns the private sector's involvement in community planning partnerships. Of course, the answer is that there is no one easy solution and a lot of communication at all sorts of levels is required.

Kevin Stewart: I have a final question about changes to local development and strategic plans and whether there has been any improvement in that respect. I agree with Mr McDougall that we are discussing merely one aspect of the process, but I am not entirely convinced that it is a small element of what should be going on. If we do not have a sustainable economy and nice places to live in, we are, to be honest, a bit knackered. Is the new process advantageous?

Martin Bruce: The process that is being implemented—and which was first adopted by Aberdeen City Council—is absolutely critical and authorities are embracing the guidelines that were set out so long ago. We hold our hands up to the mistakes that we made. For a start, we were probably far too quick off the mark and got ahead of the local authorities. That said, I should say in response to Mr Pentland that there are a lot of good officials and elected members out there but unfortunately we have often found that the vocal minority rises to the top. Nevertheless, the local plans that are coming out have embraced the fundamentals, and we are enthusiastic about delivering them. The public engagement process, which ticks so many of the CPP's boxes, is fundamental. We are learning about the process and identifying the strengths and weaknesses in what we see as a business across several local authority areas.

The Convener: As there are no more questions, I thank the witnesses for their evidence and suspend the meeting for a couple of minutes.

11:25

Meeting suspended.

11:31

On resuming—

Petition

Scottish Public Services Ombudsman (Review) (PE1405)

The Convener: Agenda item 3 is consideration of the oral evidence that we received from Mr Andrew Muir on 8 February on petition PE1405, which calls on the Parliament to request the Scottish Government to carry out urgently an independent fit-for-purpose review of the Scottish Public Services Ombudsman, encompassing a public inquiry to collect evidence to scrutinise the high rate of case closures since Mr Jim Martin took office in May 2009.

The committee will have received the paper from the clerk. If members have no comments, I have to say that my view is that we have given the petition a fair hearing. We must be careful that the committee does not end up as some sort of court of appeal, as that is not our role; indeed, neither the Scottish Government nor the Parliament has the statutory powers to do what the petitioner seeks.

I feel that the committee can do no more work on the petition and recommend that it be closed. Are members agreed?

Members *indicated agreement.*

The Convener: We now move into private session.

11:32

Meeting continued in private until 11:51.

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