



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# LOCAL GOVERNMENT AND REGENERATION COMMITTEE

Friday 2 May 2014

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**Friday 2 May 2014**

**CONTENTS**

	<b>Col.</b>
<b>FLEXIBILITY AND AUTONOMY OF LOCAL GOVERNMENT.....</b>	<b>3441</b>

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**LOCAL GOVERNMENT AND REGENERATION COMMITTEE**  
**13<sup>th</sup> Meeting 2014, Session 4**

**CONVENER**

\*Kevin Stewart (Aberdeen Central) (SNP)

**DEPUTY CONVENER**

\*John Wilson (Central Scotland) (SNP)

**COMMITTEE MEMBERS**

\*Cameron Buchanan (Lothian) (Con)

\*Mark McDonald (Aberdeen Donside) (SNP)

\*Stuart McMillan (West Scotland) (SNP)

\*Anne McTaggart (Glasgow) (Lab)

Alex Rowley (Cowdenbeath) (Lab)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Alistair Buchan (Orkney Islands Council)

Malcolm Burr (Comhairle nan Eilean Siar)

Councillor Angus Campbell (Comhairle nan Eilean Siar)

Nicola Cowsill (Western Isles Community Care Forum)

Huw Francis (Stòras Uibhist)

Marine Munro (Harris Voluntary Service)

Councillor Gary Robinson (Shetland Islands Council)

Anne Sobey (Co-Cheangal Innse Gall)

**CLERK TO THE COMMITTEE**

David Cullum

**LOCATION**

Comhairle nan Eilean Siar



# Scottish Parliament

## Local Government and Regeneration Committee

*Friday 2 May 2014*

[The Convener *opened the meeting at 13:32*]

### Flexibility and Autonomy of Local Government

**The Convener (Kevin Stewart):** Good afternoon and welcome to the 13th meeting in 2014 of the Local Government and Regeneration Committee. I have apologies from Alex Rowley, who cannot attend the meeting. Everyone present is asked to switch off mobile phones and other electronic equipment as they affect the broadcasting system. Some committee members may consult tablets during the course of the meeting. That is because we provide meeting papers in digital format.

I thank all the officials and staff of Comhairle nan Eilean Siar—I am sorry for my bad pronunciation—for their hospitality and assistance in hosting us today. This afternoon's meeting falls on the back of a very successful community engagement meeting held here this morning, which sets us up nicely for this afternoon's panels of witnesses.

Our first item of business is oral evidence on our inquiry into the flexibility and autonomy of local government in Scotland. I welcome the first panel this afternoon, who are Councillor Angus Campbell, leader of Comhairle nan Eilean Siar; Councillor Gary Robinson, leader of Shetland Islands Council; Malcolm Burr, chief executive of Comhairle nan Eilean Siar; and Alistair Buchan, chief executive of Orkney Islands Council. Good afternoon, gentlemen. Would you like to make any opening remarks?

**Malcolm Burr (Comhairle nan Eilean Siar):** Thank you, convener. It is good to see the committee here in our chamber. I am glad to hear that you are having a good day so far.

The committee's inquiry comes at an opportune time for all three councils. As you will be aware, we are currently engaged in the our islands, our future initiative with the Scottish and United Kingdom Governments, the European Union, the Convention of Scottish Local Authorities, academic partners and indeed our own communities, with a view to discussing the very subject of the committee's inquiry, which is how flexible we can be about public sector delivery and integration of services. There are some

fundamental questions about shared responsibility and authority for local government and the various other Governments with which it interacts.

We have given evidence to the COSLA commission on local democracy. There will no doubt be an overlap between that and what we say to you today. This is a time of prospective constitutional change. Is there ever a better time to discuss the relationship between local government and central Government, and between local government and its own communities?

**Alistair Buchan (Orkney Islands Council):** I endorse everything that my colleague Malcolm Burr has said. I should also convey apologies from the leader of Orkney Islands Council, Steven Heddle, who wished to be here today but already had commitments prior to receiving the invitation. I look forward to engaging with the committee.

**The Convener:** I will ask the first question. You have given us a brief overview of your work in relation to the our islands, our future campaign. How have your discussions with the Governments been progressing?

**Councillor Angus Campbell (Comhairle nan Eilean Siar):** As you probably know, one of the fairly early actions was the setting up of a ministerial working group. We have had a series of meetings over the past five months, and we have one more to go, which will take place in Orkney. We hope that that will reach the point of providing a prospectus for what will be the agreement with the Scottish Government.

There has been a lot of detailed work, and a lot of effort has been made to put together something based on facts and information. I have been very pleased, and I think that we have all been pleased, with the response that we have had from the Government and Government officials with regard to that work. I suppose that, as our communities say to us, the proof of the pudding will be in the eating: we will not know what we are getting at the end of the process until we see the offer in the document.

From my perspective, the issues have been dealt with. For all the issues that we have brought up, we have tried to find things to take forward together. I cannot prejudge the final outcome, but I am optimistic.

**Councillor Gary Robinson (Shetland Islands Council):** I share Angus Campbell's view. We have had a really positive engagement with both the Scottish and UK Governments. European engagement is a further important aspect in the islands. Through both the Scottish and UK Governments we have been working on how we can achieve better representation. The European Parliament impacts on everyone's lives in the whole of the country but, in remote and rural areas

such as ours, that is even more the case, considering the agriculture, fishing and transport that we rely on. It is essential that we get things right as far as those things are concerned. I am looking forward, as we all are, to seeing what will ultimately come out in the prospectus in the summer.

**The Convener:** Some committee members have been on a whistle-stop tour to Germany, Denmark and Sweden to speak to local government representatives there. Last week, the committee took evidence by videolink from folks from the Åland Islands. Local authorities have a place in the constitutions of Germany, Sweden, Denmark and the Åland Islands—the latter under the terms of the Finnish constitution. Should local government have a constitutional place? Should the islands have a special constitutional place?

**Councillor Campbell:** The answer to that lies at the heart of the our islands, our future campaign. Not only should local government have a constitutional place; the islands, in particular, should have the constitutional guarantee that is available in other parts of Europe. Representatives from the Åland Islands came to our conference and gave the example of where they sit.

Over the years, we have dealt with other islands through our European connections. Gotland, off the Swedish coast, is another example. If we go to the Faroes, we see what they have in terms of rights and the ability to determine their own future while still being connected to their national Government. That has been used as an example by the campaign. We are asking for no more than what is given to islands in other areas. We are asking for something similar while recognising that not every situation is the same and that flexibility should be built in to anything that comes out. There is an emphatic answer to your question—yes.

**Mark McDonald (Aberdeen Donside) (SNP):** My first question is about the way in which the our islands, our future campaign developed. Part of the discussion that we had this morning was about whether there has been a bottom-up or a top-down approach and whether the peoples of the islands have had a real opportunity to feed into the process. What is your perspective on that? Has there been enough engagement with the islands' communities to find out their views?

**Councillor Robinson:** We have certainly had a degree of engagement in all three island communities. What has made it quite difficult has been the incremental approach that has been taken. Rather than our going out at the outset with a suite of things that we would like to see in the our islands, our future campaign, the process has very much been to explore the art of the possible with both Governments.

Between the three islands' leaders, we worked out at the outset the things that we thought would make the most difference to our communities, and that was the starting point. There was then an incremental process of working through how easy it would be to deliver those things. In some cases, we believe that delivery would be quite easy, in that powers exist that could be devolved directly to the islands, but in other cases we have had to work things through and in some instances we have had to accept that what we originally thought it would be good to have would not be that easy to get.

It was not easy to go out at the start of our campaign saying, "These are the things that we want" and have that discussion, but we have all done community engagement now, in all three islands, and we have had a good response. Usually, people are quick enough to tell us if we are not getting it right. I think that, through the amount of media that we have been able to generate around the campaign, most people have an awareness and understanding of what we are trying to achieve.

**Councillor Campbell:** At the core of our islands, our future is the provision of economic activity and job opportunities for our young people to enable them to live here. That has been at the heart of every response that we have had to consultations, certainly in my 14 years in the council. With every type of consultation that we do, whether it is a budget consultation, an island consultation or a community planning consultation, we get the same emphatic answer back.

Our islands, our future is nothing new. It is a tool to manage us to get to the place where our communities tell us they want to be, and it is coming through consistently in many ways. Last week, I talked to some schoolchildren. We have now done the four senior schools yet again, for probably the fourth year in a row, and the message that comes from them is clear. It is the same message being reinforced. They want to see the campaign produce the outcomes that our communities are asking for.

Our islands, our future should not be seen as something to the side of the job that we were elected to do. It is the core of what we were elected to do. I am absolutely convinced that we have got that message from our communities.

**The Convener:** Mr Buchan, do you want to answer from an Orkney perspective?

13:45

**Alistair Buchan:** I do not know that I have an awful lot to add to what Gary Robinson and Angus Campbell have said. Each council area has undertaken a fairly comprehensive community

engagement exercise and we have had various web-based approaches as well. As Angus Campbell said, much of the content of the campaign is based on pre-existing council policy and community planning policy in each of the areas, so we have looked to build on that.

Although our campaign is very much based on our history as island councils—as you know it goes right back to 1975; we were the precursors of the unitary authorities in Scotland—much of the content of the campaign is about a broader agenda for local democracy generally and is widely recognised as such in our communities.

**Malcolm Burr:** I have very little to add to that. The difference is that we are taking forward our existing policies jointly, as a group. The point of that is not just to advance those positions but to recognise the times in which we live, which are times of decreasing financial resource and the need for further integration of public services with communities and different ways of delivering services. It is all part of that policy framework for involving communities more in the services that they receive and that we develop with them. It is a continuum.

Public engagement does not stop. It will depend on what is in the prospectus of the concordat. We will then wish to discuss with our communities how what we have achieved is best implemented, and in their best interests, too. Much depends on what comes through the process. Public engagement is part of the DNA in the islands. It is not a community in which you can have secrets, even if you wish, and we have no such wish. We have communicated through the traditional means of public meetings, media and so on. It is a big topic of discussion, which in itself is good. When we see what comes through in the prospectus of the concordat, that will continue both formally and informally.

**Mark McDonald:** I will pick up the issue around what constitutes inclusion in the our islands, our future campaign. You all represent island authorities, but there are island communities that are not part of island authorities. Where do they fit into this discussion and debate? Many of them would say that they have identifiable need that would link entirely with what your campaign is looking at, but they are outside the discussion at present.

**Councillor Campbell:** Each of those local authorities—the Argylls of this world—has made its views known to us, but we are not local authority leaders for Argyll. However, one commitment that we made right from the beginning is that a lot of the principles that we are trying to get at, such as sea bed reform in relation to the Crown Estate, will have a much wider effect than just on the communities that we serve.

We have lines of communication through the Highlands and Islands leaders meeting, where we have made a commitment to report back. For instance, on several occasions I have met—as have the other leaders—Argyll and Bute Council to say that what we can gain, we are willing to share. However, we are not there to do it for other authorities, if you know what I mean. We have responsibilities to our own islands. We are in a very distinct place in that we are the only island authorities. In Scotland there are also local authorities with islands, so some of the things that we are asking for will not necessarily apply to all, although some will. We very much support authorities with islands and they seem to be very supportive of our achieving those things, because there will be mutual benefit.

**Councillor Robinson:** As well as the point that Angus Campbell has just made, another key issue for all Scotland's islands is transport. One of the key strands of our campaign is fairer ferry fares. I imagine that if we are successful in our arguments, North Ayrshire, Argyll and Bute, Highland Council and other councils with islands will benefit. I cannot imagine a situation in which there was a special arrangement for only the islands that have been part of the campaign. If we manage to reach a situation whereby we have a model for fair fares—for a fair ferry fares structure for Scotland—that would obviously involve everyone.

**The Convener:** That is not the easiest thing in the world to say—a bit like my Gaelic.

**Alistair Buchan:** It is important to emphasise that we have a long and successful history of collaboration and co-operation with our colleagues in Argyll and Bute Council, Highlands and Islands Council and, indeed, North Ayrshire Council, which covers Arran. We have a collaborative partnership that goes right back to the early days of European objective 1 funding, so the arrangements or institutions have been around for a long time. We have certainly had a pretty full discussion of the our islands, our future campaign in the Highlands and Islands conveners and leaders group, and in the convention of the Highlands and Islands, which we are privileged to have.

**The Convener:** You said that you have tried to engage the various communities in your island groups with the our islands, our future campaign. Has that been top-down engagement, or has there been a grass-roots-up level as well? Is there perhaps some room for improvement there?

**Councillor Robinson:** There is certainly room for improvement. I would not say by any means that we have done it perfectly. From Shetland's perspective, I think that we have been slower off the mark. Both Orkney and the Western Isles were

able to do public engagement meetings earlier than we were. We have tried to be innovative and we have tried different things. For example, in Shetland we set up the Twitter feed that has been used across the three island groups for people to feed in comments and we created an email address quite early on so that people could feed in to the campaign any suggestions that they had. We have also had themed meetings with, for example, the Association of Shetland Community Councils and local businesses. The public meeting that Angus Campbell was able to attend this week in Shetland was streamed live on the internet to try to reach out to more people. There has been a mixture of top-down and ground-up engagement. We have certainly taken soundings all the way along about the themes of our campaign.

**The Convener:** Perhaps you can give us the Twitter feed address and the email address so that the clerks can put them out. Certainly, we have had a lot of Twitter activity here today.

**Councillor Campbell:** I take a slightly different view, because I believe that we have a bottom-up approach. The message that we as elected members got was to go and find a way of achieving things for our communities, which is what we are trying to do. The tool is the our islands, our future campaign. I have been in my role since 1999, and the message from the communities has been consistent in that time.

The most recent public meeting that we had was a week last Tuesday down in South Uist, at which we had 60 or 70 people who were absolutely supportive and the message was to get on with it. The message up in Shetland last Tuesday was, "Get more. Ask for more. Push it more." I am absolutely comfortable that that is the message that is coming from our communities and that we are acting on it.

**Mark McDonald:** I have a final question. The point was made during the earlier discussions that a person in Barra would view Stornoway as being as remote from them, if not more remote, as Edinburgh as a centre of decision making. It could also be argued, but perhaps to a lesser extent, that a person in Fair Isle might not necessarily view Lerwick as being a local centre of decision making, although they are in the same group of islands. The our islands, our future campaign obviously focuses on the possibility of more autonomy and power for the islands, but is it also looking at how power can be spread among the island communities and perhaps disaggregated from where it currently rests?

**Malcolm Burr:** To answer from an official's perspective, that is very much part of the campaign. An example is the theme of community benefit from the resources around the islands' shores. The principle of community benefit is

exactly that: it does not mean local authority benefit but benefit to the communities where developments are sited. Obviously, there has to be a scheme that is fair in the assessment of need for how the benefit is distributed, which is the case for every level of government.

It is a case of having different models for different communities. We are saying to the Scottish Government and to the UK Government, "Recognise our special needs, our special status and our special conditions." We want them to look kindly on different models not just of service delivery, but of integration of public services and even of governance. It would be odd if we were not saying that we would be open to different ways of delivering services throughout our islands, and I do not believe that that is the case. That comes through very strongly in the submissions.

Again from an official's perspective, I observe that the speed at which the process has moved is quite unusual. It started only last summer; by October, we were having monthly meetings with the Scottish Government and regular meetings with the UK Government. The pace of engagement among the various levels of government has been very fast. We have been keeping our communities up to speed on what we are doing and why we are doing it. We have emphasised that, as Councillor Campbell said, we are developing what is there already, but there will be further discussion and engagement on what comes out of the process.

**Alistair Buchan:** The profile and the standing of community councils across the country is very variable—it is a mixed bag—but in the Orkney context the community council network is a main part of the structure for most immediate discussion and engagement with communities. Over the years in Orkney, we have established a highly effective approach to community councils. We give them much more resource than others do, comparatively, and we devolve to them responsibility for certain matters in their areas—right down to parish level—whenever we can. We also have a liaison function for them in the council, which is quite effective in our context. I know that each of the island groups adopts a slightly different approach. Engagement at that level has been the major plank of our approach.

In addition, we have an effective approach to the development of trusts. Many trusts have local schemes for wind farms that have generated income for them, and on which they want to build. In all the islands, we are looking to generate further community benefit and to recycle that into community development. That is all happening and further developments are taking place.

As Malcolm Burr said, there is no doubt that the speed of the campaign and the extent of the



engagement with ministers have meant that the process has become an imperative and has gained its own momentum. To an extent, that has limited the scope for there being as much community engagement as we would have liked, but it is interesting that the comparatively low prevalence of the party machinery in Orkney means that, in most cases, the community council structure is where we tend to see the councillors of the future developing, which is a good thing for the fabric of our community.

**Councillor Robinson:** I took a paper to this year's Convention of Scottish Local Authorities conference on the subject that we are discussing. Since the three island unitary authorities were created in 1974, at around the same time as community councils were created, local government has been reviewed and revised and has evolved, but community councils have not been touched—there has not been any review of community councils. We need to reinvigorate community councils; it would help local government immensely if community councils were reviewed, reinvigorated and given more powers and greater ability to do things in the community.

One of the criticisms that was levelled at our campaign at the outset was that it is just a power grab for councils. We had to say quite categorically that it is not. We want the powers at local level, but that does not necessarily mean that it must be the council that deploys them.

One thing that I wanted to make clear in my presentation to the COSLA conference was the difference between representative democracy and participative democracy. There needs to be a shift down to more grass-roots participative democracy. There is still a place for representative democracy, but the line needs to shift more in favour of participative democracy if we are going to deliver for the communities that we serve. I think that a reinvigoration of community councils and a review of what community councils can do is the right way to take that forward.

14:00

**Councillor Campbell:** I just want to make the small point that we should recognise that one size does not always fit all. For instance, the community council network in the Western Isles is quite mixed, and communities express themselves in different ways. More than 70 per cent of our land is now owned by communities, and the trusts that run that land do all sorts of things. They are taking tourism into their own hands, and they are doing everything that we would want in terms of participative democracy.

In Stornoway, in my area, we do not have a community council and we cannot get one together, but we have very active residents associations—or community associations, as they are called. A lot of people get involved in those and we as councillors have to go and answer to them. For instance, my association had two nights of questions on our islands, our future. I have been invited to other associations in the area to do the same thing. Although we might not have the badge of an active community council, communities express themselves on what is important to them. We should recognise that.

**Anne McTaggart (Glasgow) (Lab):** As we have heard, the our islands, our future campaign looks to develop and extend the powers of the island councils. We have spoken a lot about additional powers and responsibilities, but what are they? In tangible terms, what do we mean?

**Alistair Buchan:** Perhaps a good starting point in response to that is to mention the powers that Orkney and Shetland, and to an extent the Western Isles, have had since the establishment of the three unitary authorities back in 1975. Under local powers legislation, Orkney and Shetland got to set up and administer the harbour operations that accommodated the commencement of the North Sea oil industry; the authorities were given powers to incur expenditure in the interests of the inhabitants of Orkney and Shetland. That was a very broad precursor to the 2003 power of wellbeing. We had local legislation in 1975, so we argue that we have a 30 or 40-year history on the issue and we are looking to develop further what we have done throughout that time.

The asks are fairly well set out. We are looking for legislation that is more sensitive to the unique characteristics of the island areas of Scotland, and for more of a structural presence within Government to represent the interests of islands and ensure that those interests are catered for in new legislation. Primarily, we see it as the next development in a journey that we have been on for many years.

**The Convener:** Let me play devil's advocate and add to Anne McTaggart's question. Do you envisage things such as health or welfare coming under local authority control, as is the case in many municipalities in Scandinavia, including islands?

**Alistair Buchan:** The point has already been well made that this is not a power grab by the councils, in any sense. As people who are deeply embedded in local government, we get up in the morning to do the best for the communities that we represent and serve. However, we believe strongly that, especially in the challenging economic circumstances that we all face, given flexibility and additional autonomy we can do a lot better with

the public money that we are there to administer if we have the ability to rationalise and optimise public services to get the best results in the unique circumstances in which we operate. It is not in any sense a power grab—it is about the ability to do better and to do everything that I think we would all agree we should be doing to join up services better and get as much money into the front line as possible.

**Councillor Robinson:** I agree with Alistair Buchan; he summed it up very well. It is important that we find a sustainable model for local democracy on the islands.

That has been a challenge for all local government across Scotland, but has been even more so in the islands, where we have been used to a certain level of income. A number of things impacted on that and left Shetland in a very difficult situation. The pooling of non-domestic rates in 1994 had an impact on us; the ending of disturbance payments for the oil industry in 2000 had an impact on us; the continued throughput of oil had an impact on us; and the financial crash in 2008 brought to a head a perfect storm.

There had been a failure in the local authority to recognise all those things, which happened over a period of 10 or 15 years. Had we done nothing in 2012-13, we would have ended up with structural deficit in Shetland of £42.7 million. We keep hearing that Shetland is a wealthy council; unarguably we are, but with £189 million of reserves and a £42.7 million deficit, by the end of the council's term that reserve would have gone. There was a collective impact, but I am pleased to say that we have pulled all that back over the past two years. We now have a deficit of about £18 million, £11 million of which is unsustainable. We are on the right track, although we have a real challenge. We still have to deal with our own self-made mess before we can deal with the cuts in annual funding that we all know are coming beyond next year.

There is a real challenge to delivering services in the islands. The councils in the Highlands and Islands and Highlands and Islands Enterprise jointly commissioned a minimum income standard report, which indicated that to maintain the same standard of living, incomes need to be 40 per cent higher in some of the most remote parts of the Highlands and Islands. That also impacts—I am sorry to say—on delivery of services, and everything that we do on the islands. We are dealing with a complex and difficult picture.

I have maybe wandered a wee bit off the topic there.

**The Convener:** That was useful.

**Councillor Campbell:** We might be looking at a new model for delivery of services for the islands:

how we can best use our resources in a different way, so that more resources go to delivery of services than to backroom staff. There are 26,000 people on the Western Isles and we have three organisations delivering health, economic development and council activities, with three chief executives. How is that delivering the best services? I have nothing against chief executives, I might say, no matter whom they work for. *[Laughter.]*

The point is that when resources are drawing back, we should look at how we can deliver services most efficiently, and direct as much of our resources as we can to that.

Anne McTaggart asked what powers we are looking for. One of the most important powers is island proofing: how the effects of legislation and systems on the islands are tested. I have plenty of examples, but I will use one: the change of European funding that is happening with the new programme. European funding has been very important to the Highlands and Islands. Things have changed in Europe, with a move away from structural funding, but even within the UK and Scotland, national priorities take over direction of funding.

Apprenticeships for young people is one of the most important things in Scotland—no one can debate that—but if they are provided on the basis of numbers, we will not tie into it at all. Our problem as a community is that young people leave the islands to find work, so we need to deal with a different problem, which is how to encourage our young people to stay here. If we cannot add that point of view into the mix and tap into that, we will miss out badly. I can give examples of several other areas where the effects on the islands are different from the effects on other places. That is one of the most important aspects of the powers.

Our natural resources are the best tool that we have to create economic development, but we have very little control over them. That is why we are looking at things such as the Crown Estate regarding powers over the seabed, in order to ensure that our local communities—not councils—get the benefit from what is happening in their own backyards.

**Malcolm Burr:** Transport is critically important to us all. This is not to decry the massive improvements that have been made in transport over many years, but a lot of money goes into it, and in addition to being consumers of those services, we contribute a lot by being commissioners and sometimes deliverers of them. There are many parallels in islands throughout Europe where the islands authorities are the commissioners of transport services as well as the consumers. The same resource could produce

different and better services because transport does a lot more than move things from A to B. It is an economic and social development lifeline in itself.

**Alistair Buchan:** I have a brief but important point around piloting. The local government community in the broadest sense welcomed the concordat when it came in, and from my perspective now, I think that we need some more bold moves in the shape of public services initiatives. Things such as shared services within individual sectors have been incredibly difficult to get moving.

We have already alluded to the history of the islands councils that were the precursors to the unitary authorities. We think that we can evidence a track record on things such as engagement with the oil industry. We are looking for the Government to take a bold step and to free us to act as pilot places to experiment with new ideas. We are small areas and there would be plenty of risk for us, but at national scale there would be comparatively less risk, so we could try out new ideas in order to get moving towards the new model of public services that has been alluded to.

**Anne McTaggart:** Thank you for those examples. You obviously have some of the powers that you spoke about—and some that you did not speak about—in mind for the our islands, our future campaign. Can all those powers be delivered by the Scottish Government under the current constitutional set-up?

**Councillor Campbell:** Some powers can quite clearly be delivered now, and some would need changes. Some clearly cannot be delivered by the Scottish Government—in relation to European funding, and the Crown Estate, for example. It is frustrating that responsibility for interconnection between the islands that would enable us to take advantage of renewable energy sits with London and the Office of Gas and Electricity Markets and cannot be delivered by the Scottish Government.

Some powers could be delivered now, regardless of what happens in the referendum.

**Councillor Robinson:** We had a quite interesting and illuminating end to our conference last year when Lord Wallace told Derek Mackay what the Scottish Government could deliver for us now, and Derek Mackay told Lord Wallace what the UK Government could deliver for us now. That is the case as we see it: some things can be delivered now.

**Stuart McMillan (West Scotland) (SNP):** Councillor Campbell said something a few moments ago about natural resources being the best tool to develop an area, but I argue that people should be the best tool to develop an area, and the natural resources should come after that. I

might be splitting hairs, but I will let you answer that.

**Councillor Campbell:** If we do not have control over our natural resources, we cannot give people the tools to live here. Our population figures are still showing a massive decline in the working population and a loss of young people. For the first time ever, our population has slightly increased by 10, but the age profile underneath that shows that older people are coming back to the island to retire because it is safe and housing is cheap.

We do not have the young people here now to deliver some of the services that we are charged with providing, far less to build the economy. We need control of the resources so that we can give people the tools to stay here. I have two children in my family—they are in their 20s—who want to work here and live in the islands. I am in politics to ensure that our islands have the tools to deliver the possibility that people can do that.

14:15

**Stuart McMillan:** No one has so far mentioned the role that the third sector can play in the delivery of services. In the public engagement exercise that we held this morning, it was clearly indicated to us that the voluntary sector and the third sector already play a huge role in the Western Isles. Further to your submissions, how do you see the third sector playing a more important part in local democracy, in particular in relation to the need for more participative democracy?

**Alistair Buchan:** It is fair to say that the history and the tradition of voluntary effort, charity fundraising and so on in the Scottish islands is second to none. The results are often quite astonishing.

In Orkney, Voluntary Action Orkney is the interface for community planning. It is very much at the centre of things. It sits on the overall steering group for community planning and has an absolutely crucial role to play in terms of engagement with the wider community and the agenda.

**Councillor Robinson:** In Shetland, we have a respected partner in the voluntary sector. Over the past two or three years, we have had difficult times as we have tried to deal with the difficulties that I was talking about earlier. We have had to help and empower our voluntary sector in order to keep some of our communities going. We have had to find a massive amount of savings in our budget and we have had to actively engage with the third sector, the voluntary sector and the private sector in order to keep a lot of services going.

We were keen not to simply offload council services and say, "Well, somebody has to pick them up." There was active engagement in explaining what we had to do and in engaging with them to see what they could do for us. That engagement has been positive, and we hope to continue it.

**The Convener:** Earlier today, and elsewhere, we have heard that, in budgetary situations, communities and the third sector are presented with two bad options. In the engagement that you have, do you allow community groups and the third sector to come up with alternatives to the proposals that you put forward?

**Councillor Robinson:** Absolutely. For example, when Alistair Buchan was the chief executive of Shetland Islands Council, we put forward proposals to review our internal ferry services to save £3 million. Given the amount of savings that we had to make, it was necessary to save that money. However, when people in the communities examined our proposal and considered what we were going to do, they came back to us and told us that there was a better way to make the savings, so it was they who delivered the £3 million of savings. If there is a viable alternative, we will listen to people. That is a good example in which we were able to implement what the communities asked for.

**Councillor Campbell:** Some good examples of engagement with the third sector stick in my mind from when the Western Isles was engaged in its most recent budget cuts. When we had consultation meetings in Uist, there was an issue with sheltered housing that was not being used and was going to be disposed of. A community group there told us that there was a need for respite care in the area. It offered to take on the houses and adapt them, saying that that would save the council money that would otherwise be spent on getting people off the island to access respite care and that it would also give the community group an income. That proposal had a successful outcome.

Similarly, our recycling efforts have been taken on in Barra, the north of Uist and up in Ness by community groups that have said that they will run those services better by themselves. That saves us money and gives the communities the power to design the services around their needs.

During that budget process, community transport was high on the list of issues that we were looking at. A very strong case was made in the consultation process that community transport is valuable, particularly in our remote and rural areas. In consultation with the third sector, we redesigned the service to be more effective and ensured that its place was kept in our budget.

Those are three tangible examples of engagement, but more than that happens under the badge of the third sector in the Western Isles. Our communities are taking on the running of services. For example, a lot of community shops have sprung up to replace those that the private sector no longer provides, and we have supported that effort. When we dispose of property, our first option is housing and the second is to offer the property to the community for a nominal fee. Examples exist right across the Western Isles where such property has been taken on. The latest example of that is in Harris, where we have just agreed that the West Harris Trust will take on the building that used to be the school at Seilebost and use it as the hub for its new ventures.

Overall, the third sector has a real effect on the budget and how the money is spent.

**Stuart McMillan:** What about your future engagement on the our islands, our future exercise? I did not notice any mention of the third sector in your submission. Will you guarantee a continued dialogue with the third sector, so that it plays a part in helping to shape your ultimate proposals and what you want for your areas?

**Councillor Campbell:** Yes. The third sector is interwoven into our communities, so we do not have to explicitly write it in. I think that all of us would give that guarantee, because the third sector is part of our day-to-day work; indeed, we cannot do anything without involving the third sector.

**The Convener:** Given what we heard at the committee event this morning, we are getting mixed messages on communication. Are you communicating enough with the third sector, taking on its feedback and explaining why you are doing what you are doing?

**Councillor Campbell:** I feel that we are. The third sector is involved in our community planning partnership. Almost every councillor is involved in the third sector in some way. Indeed, many of them worked in the third sector before they became councillors.

I can look in my diary and tell you the number of meetings that I have had with third sector organisations. For example, yesterday, I had a meeting about providing care for young people. Such conversations are going on all the time. If someone can point out where we can do more, I will take that on board, but I cannot think of a day that goes by in which I do not have some connection with the third sector.

**The Convener:** We will be hearing from third sector representatives later, so I am sure that references to on-going communications may happen sooner than you think, Councillor Campbell.

**Councillor Robinson:** I very much think the same as Angus Campbell. Voluntary Action Shetland is a valued member of our community planning partnership, and the Shetland Charitable Trust also sits on the partnership. The trust is an umbrella organisation for a lot of smaller voluntary trusts, which it funds. We have really good engagement. As Angus Campbell says, the third sector is interwoven into everything that we do. For example, we have service level agreements with voluntary organisations and we try where possible to give them three-year budgets, so that they have certainty on the business that they need to conduct.

**The Convener:** We are getting pushed for time, so I ask Mr Buchan to be brief.

**Alistair Buchan:** On that basis, I have absolutely no difficulty in giving the reassurance that you seek. It is perhaps unfortunate that the document does not reflect the reality in Orkney, which is that strong engagement takes place with the voluntary and wider third sector.

**John Wilson (Central Scotland) (SNP):** In section B of your submission on our islands, our future, you say of the funding position:

"The three islands councils are seeking a fair and equitable annual funding settlement that guarantees sufficient resources commensurate with the responsibilities provided for by law."

The annual local government settlement usually involves a debate between the Scottish Government and COSLA. As I understand it, COSLA usually agrees the funding settlement that goes to the local authorities. Are the three islands councils now saying to the other 29 local authorities that you are no longer happy with the funding settlement that comes via COSLA?

**The Convener:** Mr Buchan, you caught my eye first.

**Alistair Buchan:** I think that that is one for me, because it is primarily a matter for Orkney Islands Council. There are a number of aspects of our campaign in which we are being mutually supportive. For example, Orkney and Shetland support the Western Isles in getting the same sort of local legislation that we have been privileged to have for many years for administering and accommodating the oil industry.

For many years, it has been Orkney Islands Council's specific position that there is a flaw in the system, which has been argued within COSLA, together with a number of other authorities. That is a particularly hot topic at the moment. We run a fleet of internal ferry services in Orkney. By virtue of our circumstances, we also do a number of other things that other local authorities are not required to do. Our clear

argument is that the formula does not recognise that.

With the cost of fuel these days, we know how expensive it is to try to run ferries. Many other authorities will argue that they are unique but, in my view, that is a clear example. Our colleagues support that position, but on the basis that there is no detriment to them. We will continue to argue that with Government and within COSLA.

**The Convener:** Was it not an Orcadian who came up with the formula originally?

**Alistair Buchan** *indicated agreement.*

**Councillor Robinson:** We do not blame them. To be honest, this is an issue for all three islands authorities. In a few short years, our grant has been reduced from a peak of around £91 million down to about £77 million. We are still having to deliver services against a backdrop of increasing demand in many areas, particularly care for the elderly. It is increasingly difficult. As Alistair Buchan mentioned, ferries have suffered greatly. Part of the reason why we needed to save the £3 million that I mentioned earlier was the quickly escalating fuel costs and the increased costs of manning those ferries. Many things are highlighted in the islands that other authorities just do not have to deal with. The other thing that plays into that is the minimum income standard report that I mentioned, which sets out just how much more expensive it is to deliver services in the islands.

**Councillor Campbell:** I think that, at the moment, all 32 local authorities need to shout for more resources.

We have each spoken about the differences in the islands. Although we differ slightly in relation to what we spend our money on and how we get it, there is no doubt that we are reaching a tipping point at which we can no longer deliver services because of the much greater cost of delivering services on the islands. If we have to go 30 miles down the road to empty one bin, the unit cost will be much more than it is in other areas.

Our fear is that, when we reach that tipping point, we will probably go from £122 million down to about £98 million or £99 million. The purpose of the campaign is to say that we, as islands, need more to deliver services. However, we also recognise the differences between our authorities. We were at COSLA last week and, with the falling resources, it is every man for himself. It is very difficult. However, we think that we are making a logical and straightforward case.

**Malcolm Burr:** With efficiencies, there are not as many options open to islands councils. For example, we do not have contiguous authorities for shared services for roads, waste and recycling, because there is sea between us. Shared services

in the conventional sense are not an option. Waste and recycling have an inevitable cost. Often, we do not make anything from the recyclates that we rightly collect because there is a transport cost for sending them away. All we are saying is that, where there are genuine, evidenced differences such as that, they must be taken into account.

14:30

**John Wilson:** I thank the panel members for their responses. As Councillor Campbell said, various discussions are taking place in COSLA regarding the funding settlement, and they will need to be resolved at some stage.

I go back to Mr Buchan's earlier comment about structural changes. Mr Buchan, if I picked you up correctly, you made a point about representation in Government. Will you clarify that? Is it our islands, our future campaign making a demand in relation to direct representation? My reason for asking the COSLA funding question was that a lot of the negotiations that take place between local government, the Scottish Government and ultimately the UK Government happen through COSLA. Is there still a need for that special relationship, which we saw recently in the cross-governmental discussions at UK and Scottish Government levels, or do you see something else emerging that will give island councils direct representation or consultation rights with the Scottish or UK Governments?

**Alistair Buchan:** It is important for us to stress that we very much appreciate the privileged dialogue that we are having with Government on a range of matters at present. We would certainly not want to say anything to prejudice that dialogue in anticipation of the publication of the prospectus round about June. I am sorry if I am being a bit cagey here, but our fundamental position is that islands occupy a unique position in Scotland, and Scotland has got to be the whole of the country including ourselves. We previously belonged to Denmark—all of us—at one point in our history. To give Government its due, across all parties of different colours, I note that there has been recognition of that, to a large extent, over the years, and we are looking for a continuation of that.

I can only speculate, but we might be asking, for example, whether there should be a minister with portfolio for the islands. Should Scotland become an independent nation, an obvious question to ask is what the regions of Scotland are and what questions that brings about representation in Europe. We would certainly argue that we should have some direct representation there, for example. However, I acknowledge that, as I said at the outset, much of our agenda is a broader

agenda for local democracy that all councils could subscribe to, in large part.

I am sorry if that is a bit cryptic.

**John Wilson:** It would be interesting to find out whether Councillor Robinson and Councillor Campbell have the same view.

**The Convener:** Ah, I thought that you were directing that question only to Mr Buchan.

**John Wilson:** No. It would be interesting to get the others' views.

**Councillor Robinson:** To some degree, we based our submission on the European Charter of Local Self-Government—some of it is a direct quote. The other thing that we believe applies to us is the Lisbon treaty. The Highlands and Islands should receive special recognition, but we are rightly asking what recognition we are getting, because it is difficult to put a finger on it.

**Councillor Campbell:** As well as being about the level of funding, the issue is about the ability to use the funding in the best way to suit our circumstances. In other parts of Europe, people can use funding in ways that are not only good for the islands but good for the country's economy, because more use is got out of the funding that is put in. We all feel that, if we had the ability to use our money in a different way, we would not be so reliant on Government. In the Western Isles, we raise only 8 per cent of our budget and 92 per cent comes from the Scottish Government. We feel that, with the right tools, we can change that. As well as being about the amount, the argument is about the freedom to direct the funding in different ways. That also brings us back to the different delivery of public services.

**John Wilson:** A common thread that has come from the witnesses has been about flexibility and how you use the money that you get from central Government. Councillor Campbell said that his local authority raises only 8 per cent of its own spending. What flexibility do you want to be applied in the funding that your local authority receives from central Government? As I understand it, the present Scottish Government lifted a lot of the ring-fencing constraints that were put on local authorities and freed up local authorities in many respects to self-direct the funding. That came about through the concordat that was agreed in 2008. What more flexibility are you looking for? How much more of your own finance would it be appropriate for your local authority to raise to get the balance right?

**Councillor Campbell:** It is hard to put an absolute figure on that, but I can give you some examples. If the Scottish Government gave us the money that it puts into transport in these islands and allowed us to work with it in a different way,

we would get better value and a service that is tailored to increasing the economy of the Western Isles. A lot of our argument is around being given the tools to develop our economy, to get more economic activity, to bring more jobs here and to become less dependent. I see us working towards a point at which we might have a 50:50 split.

We welcomed the removal of ring fencing, which has made a big difference. However, we have to look a bit further than just having the freedom to use some of that money. It is about the ability to raise our own money and do different things with it. Economic development is another area in which we could combine the resources of the agency with what the council raises.

We have used revolving funds for economic activity. We have a revolving fund to promote fishing, to buy licences and quotas. All that money comes back into our coffers. We have done it with Harris tweed, for instance. We provided a fund that helped the industry to produce tweed in advance of sales, and we got the money back afterwards. Those are the sort of exciting and innovative things that we could do if we had the tools.

Renewables is a huge thing for us, particularly marine renewables. As we identified back in 2002, renewables could deliver massive change. However, we are constrained by the inability to build an interconnector across to the mainland. In 2004, a private company offered to do that as a business venture. We are being held back by man-made systems, so we cannot take advantage of our natural resources.

The issue is much wider than ring fencing, although we welcome the fact that we do not have ring fencing to anything like the extent that we used to have.

**The Convener:** We certainly understand the frustrations of all the islands about interconnectors. The issue was raised by the community this morning. We know that the Scottish Government is doing all that it possibly can to get rid of the barriers that have been put in place by the Department of Energy and Climate Change. I do not think that anyone round this table would disagree that the barriers should be removed.

I think that Mr Wilson will want to come back at you about the 50:50 split, but we are getting pushed for time.

**John Wilson:** No, I am fine at that, convener.

**Cameron Buchanan (Lothian) (Con):** Councillor Robinson and Councillor Campbell mentioned community councils. Do they have full representation here? How do you want to strengthen them? Councillor Campbell said that

the community council in Stornoway had disbanded. How would you strengthen them? Do you think that they are vital? Would you give them more powers?

**Councillor Campbell:** In the example that I mentioned, I gave the comparator of our active and resilient residents associations. If we changed the name, they would be community councils. The communities have chosen to represent their own areas, because they see the residents associations as a better tool than having a Stornoway-wide community council. The group does not have to have the badge of a community council for the same message and functions to come through from the communities. Allowing them to operate more strengthens the area. The point that I was trying to make was that we do not need to have the badge of a community council to do what we think is using the democratic process of showing what the people want.

**Cameron Buchanan:** I think that I followed that—your point is that the name, whatever it is, is irrelevant. Do you have representation throughout the area? That is what I was asking.

**Councillor Campbell:** Yes, we do.

**Cameron Buchanan:** What about Councillor Robinson?

**Councillor Robinson:** We have representation throughout Shetland. In fact, we have 18 active community councils. However, we have seen an increase in community development companies, which often come about because the community councils cannot do what the communities would like them to do. I would like to consider things such as allowing community councils to become bodies corporate, which can hold property and employ people, because that would allow community councils to do more for the communities that they serve.

**Cameron Buchanan:** So, to paraphrase, you would strengthen community councils.

**Councillor Robinson:** Absolutely.

**Alistair Buchan:** In my view, freeing up the local authority frees up the community councils.

To go back to ring fencing, much good progress has been made, but there is still quite a lot of ring fencing in practice on the ground—it is just not called that. If the input measures in services are defined, that is in effect ring fencing. If we had less of that, we could do more co-production—I think that that is the jargon these days—with our partners, including community councils, and get them doing some more. The last time I checked, we had 100 per cent representation of community councils in Orkney.

**The Convener:** We do not like jargon very much in this committee, although we hear a lot of it.

Gentlemen, thank you for giving us your time today—it has been extremely useful. During the lunch break, I said to some of you that it was a toss-up for us to decide where we would go. The committee has been to Shetland recently, and this is the first time that we have been to the Western Isles for a while. It is also my first time in Lewis and Harris, and I am enjoying it. It might be Orkney's turn next time, Mr Buchan.

**Alistair Buchan:** You would be most welcome.

**The Convener:** Thank you.

I suspend the meeting for about five minutes to allow for a change of witnesses.

14:42

*Meeting suspended.*

14:49

*On resuming—*

**The Convener:** We move on to this afternoon's second panel of witnesses. I have to go through the Gaelic pronunciations again, so please forgive me, people. I welcome Anne Sobey, chair of Co-Cheangal Innse Gall; Marine Munro, chair of Harris Voluntary Service; Huw Francis, chief executive of Stòras Uibhist; and Nicola Cowsill, manager of Western Isles Community Care Forum.

Good afternoon to you all. Would anybody like to make any opening remarks?

**Marine Munro (Harris Voluntary Service):** Just to say that I am not chair of Harris Voluntary Service but the manager.

**The Convener:** I beg your pardon, Marine.

**Nicola Cowsill (Western Isles Community Care Forum):** I add that I am not the manager of Western Isles Community Care Forum but a member of the forum.

**The Convener:** Okay. We stand corrected. We will amend that accordingly for the record. Would anyone like to make an opening statement?

**Huw Francis (Stòras Uibhist):** I thank the committee for this opportunity for the third sector to make representations to you. It is always good to see the Scottish Parliament out in the Western Isles. I am glad to be here today.

**The Convener:** Thank you for that, Mr Francis. We are certainly grateful for the contributions that you and community members made this morning in the informal session.

You will have heard the council representatives on the previous panel talk about our islands, our future. Do you feel engaged in that process? Do you believe that it is a top-down process? Do you think that there are bottom-up elements to it? Can I pick on Ms Sobey to answer first?

**Anne Sobey (Co-Cheangal Innse Gall):** I probably know more about the process than most people simply because I represent the third sector on the executive group for community planning. I am not aware of there being a great groundswell of knowledge about our islands, our future even though it is such an important document—or prospective document, as we are not there on it yet. There is probably a great deal more work to be done on getting the message across. If you asked somebody in any of the communities about it, I think that you would get a quizzical response because I really do not think that people know about it.

**Nicola Cowsill:** From the grass-roots perspective, there are mixed messages. People think that our islands, our future is linked to the vote for independence. They do not see those as two distinct items on the agenda. Am I right in saying that, Anne?

**Anne Sobey:** Yes, I would say so—if they think about it at all.

**Marine Munro:** I thought that a lot more was known about our islands, our future. I did not really know what powers were being talked about or about the whole constitutional picture. However, what I got from the evidence that was given earlier was that such matters have not necessarily been decided yet and that the councils do not know what the decisions will be. A document and some correspondence about our islands, our future have gone out, but I would not say that there has been a bottom-up approach.

**Huw Francis:** I echo that. There is probably a feeling that the communities would like the issues of peripherality and regional disparity to be addressed but that the our islands, our future approach is not necessarily the appropriate way in which to do that. Powers are being sought, but it is the exercise of those powers that is important. How they are applied to the Western Isles is the critical thing that needs to be addressed.

**The Convener:** For clarification, when you talk about regional disparity, do you mean regional disparity within the Western Isles or within Scotland?

**Huw Francis:** If you are pushing me, it is probably both.

**The Convener:** I thought that you might say that, but I thought that it was best to clarify that point.



**Marine Munro:** I would agree with that.

**The Convener:** We have agreement—and no disagreement, it seems.

Some of you are heavily involved in community planning. Is community planning in the Western Isles top down or bottom up?

**Anne Sobey:** We are an infrastructure organisation, so we have a good relationship with community planning. On paper, the third sector is both mentioned and encouraged in every aspect of the single outcome agreement, and we are also represented on all the key decision-making committees. However, we do not represent just one organisation or agency; we represent many organisations, interests and agencies, and there is a disparity between interface organisations' perception of community planning and the sector's perception.

I do not think that the sector in general is as engaged as it could be. That is not just the local authority's fault—we in the interface also have to engage the sector, but we need support to do that. We are still at the stage at which our presence is thought to be enough when, actually, I do not think that it is enough. To get real community engagement, we have to work together with the local authority and all our community planning partnership partners to ensure that representation actually means that.

**Nicola Cowsill:** I will talk about the wider issues with community planning, particularly from a health and social care perspective. The models for the integration of health and social care have yet to be decided on the island. As third sector care providers, the Western Isles Community Care Forum and organisations such as mine, which is Crossroads Lewis, do not know where the goalposts will be in 12 months' time or how we are going to organise and fund our services. Sitting next to that is the joint commissioning of services, but we have not been consulted on how we can be part of that.

**The Convener:** So you are not involved at this moment in the construction of the changes to services.

**Nicola Cowsill:** No—not at the moment.

**Marine Munro:** As we are one of the interface partners, I am on the joint commissioning group, which involves the NHS, the comhairle and the interface. There is still much uncertainty surrounding the integration agenda and there has been no agreement on a model or on issues such as which budgets are going to be pooled.

I am on the group and the third sector is supposed to have an input into the writing of the joint commissioning strategy and a market position statement, which should then be used to inform

the wider sector. However, when I sit round that table, I feel that I do not have the inside knowledge, because I am not involved in all the other discussions on integration that are going on at senior management level and I do not know what the budgets are. I therefore feel that we have not been given a proper opportunity to contribute innovative ideas on how integration could work or on the commissioning process.

At a lower level, the third sector and the public sector up here work well together, but when we go higher up the ranks we are not privy to the information. For me, the important thing about the third sector being a player round the table in community planning is that it must be on an equal footing, but it is not, because we are not budget holders and we do not set the local agendas. We are there, but it is difficult for us to be on an equal footing.

**The Convener:** Mr Francis, what is your trust's view of the CPP?

**Huw Francis:** We have not had a great involvement in that. We do not really overlap with the areas that the CPP is involved in, so I cannot comment.

**John Wilson:** Ms Cowsill said that she does not know where the goalposts will be in a year's time and Ms Munro said that she is not being given all the information that is necessary to make an informed decision and, in particular, that she is not aware what the budgets will be. Is it part of the wider problem with the community planning partnership process that you not only have no budget to control but are not being given the budgetary information to allow you to make informed decisions or choices?

I am particularly worried about a situation in which a service delivery organisation does not know where the goalposts will be in 12 months' time and is not currently engaged in that debate. How do we deal with such issues? Should local authorities be more open and transparent? It worries me that they are not open and transparent at the community planning partnership level, and it is even more worrying that some of the delivery agents are not aware of what is coming down the road.

15:00

**Marine Munro:** I agree that local authorities need to be more transparent. The interface is at the table to be involved in confidential conversations or whatever, but we want to be able to use the information so that we can have an input and can share it with the sector. We want to be preparing ourselves for the changes.

It might be the case that the third sector has to operate in a different manner or has to collaborate more with different communities. It is perhaps just that the council and the NHS are not there yet, but my point is this—we can all say that we are engaging, that we are sitting at the table together and all the rest of it, but if we are to have a meaningful partnership on an equal footing, the third sector should be able to look at planning and designing services to as great an extent as the council and the NHS can, which are the two big controlling organisations up here.

**Nicola Cowsill:** The impact is not only on the people whom we are trying to support, but on our workforce. It is a very vulnerable workforce that is trying to survive on the island, and we cannot guarantee that the jobs will be there in a year's time. Angus Campbell talked about island proofing. The rates of pay in the third sector are very poor. Historically, that has always been the case because, with all the services that we deliver, we add in what we call the goodwill factor. That is often overlooked by statutory services and we are not always seen to be that efficient.

**Anne Sobey:** The integration of health and social care is an extremely important agenda that will have a huge impact on how services are delivered. Other organisations—I hoped that one of them would be represented here today, but it will make a submission to the committee—are engaged in co-production of services with the education department and community learning and development, and for them that seems to work well. They will design training services with the council. That is a good example, but it is very much the exception rather than the rule.

The result is that the innovation that the third sector can bring is stifled. We are there because we are flexible. We work with the communities on a daily basis, as do our council colleagues. We are certainly not the voice of the community. That means that the radical ideas that could make a big difference, which are sometimes risky, do not really have a chance to flourish and to be supported. Every time, we are missing a trick.

**John Wilson:** Ms Munro, you said, "the council and the NHS are not there yet".

Where is "there"?

**Marine Munro:** I meant that they have not yet produced an agreement on where they are going with the integration agenda. Which budgets will be pooled? What will be commissioned? I sit at the table, but I still do not have a proper understanding of those things. The integration agenda is one that I happen to be heavily involved in, but the picture goes much wider than that.

**John Wilson:** As I said, it is fundamental to the development and delivery of a strategy that people know what money they have to play with to deliver the services. Ms Cowsill clearly indicated that, for her, the issue is about not just the service users who require the service, but the long-term sustainability of the service and the need to retain the staff who currently deliver it. If there is uncertainty about the funding and if staff think that it will not be available and that, at the end of the day, a job will not be there, the first thing that they will do to protect themselves economically is start looking for other work.

At what stage would you expect to become involved in consideration of the budgetary issues that surround the decision-making process? If you are not engaged at that stage, how will you be able to help to make decisions and how will the providers of those services be able to say what they can and cannot do?

As Ms Sobey said, although the third sector is innovative and flexible in its approach, unless there is engagement and discussion about budgets, how can we get round the issue about the decisions that will be made? Full engagement and discussion are required in the decision-making process.

**Marine Munro:** The council is constrained by bureaucracy but we do not have so much of that, hence we can be very flexible. Both organisations are at the stage of protecting their own staff and budgets. I am sure that they would say that it is not cloak and dagger, but to us it feels very much cloak and dagger because they are probably looking at all their back-end staff before they bring the agreement to the table.

The whole concept of a CPP and partnership working is that, from the very beginning, all partners should be on a level playing field and should have the full information. A lot of the time I feel bamboozled because we have not just NHS levels of bureaucracy, responsibility and accountability, but different ones for the council. All of that is going on.

We need to sit down and look at the picture going forward. That stuff should have been sorted out a long time ago and has been dragging on for far too long. A lot of the third sector and its staff are being left in a position of uncertainty that is not allowing innovation.

**Anne Sobey:** Marine Munro is absolutely right. One constraint is that this is a small authority that does not often have the flexibility that would make a difference. For instance, a city authority would have statutory requirements that would take up most of its budget, but there would be some money left over that would allow for innovation. In this authority, that is not possible because

resources are so tight, particularly in social care. I know that that is a problem everywhere, but resources are particularly tight here. The council has to do certain things that seem to take up all the money, and that does not allow it to look at things in a different way. That is not the council's fault; it is just the world in which we live, and that has to be borne in mind. We are all aware that the council has its constraints.

**Stuart McMillan:** Anne Sobey mentioned that the council should be radical and risky. A previous panel member—I think that it was one of the chief executives—said that the council should consider pilot areas in which to do things a bit differently. Would you welcome that?

**Anne Sobey:** I definitely would welcome that. I will use an advertising metaphor, if I may. A lot of things used to happen in Aberdeen because Grampian Television had a clear demographic area and got to a certain sort of people. We have particular problems here, but we have a very tight area, which would allow things to be different and to change.

One of the key messages is that this is not a single community but lots of communities that act as a body corporate. I am not expressing myself very well, which is not like me at all.

**The Convener:** You are doing just fine, Ms Sobey.

**Anne Sobey:** We have lots of different types of community here in a small area, which could be more useful. Voluntary Action Scotland is considering an Improvement Service initiative that will involve CPPs, and this would be a good area for that to happen in because we have a lot of different communities.

**The Convener:** I am going to start a campaign to bring back Grampian TV.

**Stuart McMillan:** My next question is for all the panellists.

In the previous question-and-answer session, and earlier in this one, we heard that there was a lack of clarity about what the document from the our islands, our future campaign was about. Concerns have been expressed that issues within it have been mixed in with issues around the referendum that is taking place in September.

Would you welcome attempts to disentangle the document from the referendum? Would you welcome it if the three local authorities provided a more detailed proposal and held a consultation with the citizens of their areas in, say, a month's time, two months' time, three months' time or whenever?

**The Convener:** I will add a third question. Do you think that the our islands, our future document

would have existed if the constitutional question had not arisen?

**Huw Francis:** The councils would probably have produced something like the document, but there needs to be greater clarity about how, if what they are trying to achieve is to be delivered, they will deliver it themselves. Whatever they said earlier, the issue appears to be primarily about acquiring more powers in those council areas. If powers are delegated, will they be concentrated in the three island councils' capitals or will they be used more widely within the community?

The Western Isles is a very strung-out community—it is a long way from Vatersay to the Butt and back to Barra. It is a huge travelling distance. It took me four hours to come up from South Uist today and it will take me four hours to go home tonight. It is a long way and I have crossed eight inhabited islands to get here. We need greater clarity about the use of the proposed new powers in the very different communities that people have referred to today. We need to think about how that will be delivered with reducing transport between the islands, the reduction in flights, the difficulty of travelling back and forth between the islands and so on. There must be local delivery of those powers as well as a delegation of them to Stornoway, and we need greater clarity on those issues.

**The Convener:** Are you saying that, if there are more powers, there must be subsidiarity to the various communities in the archipelago?

**Huw Francis:** Not necessarily. I am talking about the delivery of those powers and how they will be used. Some of the departments could be hosted in other communities. Tarbert, Benbecula and Barra are capable of playing host to certain functions of the council. My understanding is that, in the past, more directors were based in other places in the isles, but now they are all concentrated in Stornoway. There seems to be a bit of a disparity there.

**Anne Sobey:** I thought that I knew about the our islands, our future campaign, but I learned a lot about the nitty-gritty of it from listening to the previous panel. If people such as ourselves, who are in the business, do not know about it completely, you can bet your life that the folk out there in the communities do not know and probably do not care. That situation needs to be addressed. It cannot be difficult to do that, and I am sure that Councillor Campbell will do his best to do that. However, that is probably the fact of the matter.

On the question of whether the our islands, our future campaign should be separated from the wider constitutional question, the two issues seem to be running in parallel. People might equate the

two, but I do not think that they do. I am sure that, if they know anything at all about the campaign, they see it as a local authority matter. That is a personal opinion—I have no evidence for it.

15:15

**Marine Munro:** I agree that the islands should have more power because of the differences that we face and so on. I also have concerns about whether that power would go out into the communities. I would like to see that happen.

Angus Campbell raised a point that I was not aware of: there are no community councils in Stornoway; instead, there are residents associations. I am not quite sure about the mechanism of community councils because I do not see them as being involved with the major agendas that we are involved with. They are more community organisations. There are a lot of development land trusts and community development companies such as my own that are established in communities, and I see those as a good mechanism. I would like to see more island powers, but I would also like to be assured that they would go out into the community and that they would not just be local government and Stornoway-centric.

**Nicola Cowsill:** I agree with Marine Munro that everything seems to be becoming increasingly Stornoway-centric. I live right up in the north of the island, and there has definitely been a reduction in services and resources in remote areas of the island compared to the towns. I am not here to talk about education, but there have been closures in secondary schooling, the small primary schools and the care units.

Councillor Campbell talked about council-owned buildings being put on the market to be sold for private housing. The care units might have taken only two or three people for respite or acted as a step-down facility from hospital for someone who was recovering from an illness, but they were placed right in the heart of the communities and they have been closed in the past few years. There are now only two or three left, in Harris. People no longer have access to those facilities, so they have to come to Stornoway for residential care and support. They are taken out of their communities and the buildings have been sold into the private market. The biggest problem is that we have not seen the transfer of resources—that money has not come back into the communities.

**Stuart McMillan:** My question is for Ms Munro, but if anyone else wants to answer they may do so. You talked about how you would like the islands to have more powers, which you would like to be dispersed. What additional powers would you like?

**Marine Munro:** Renewables and control of the sea bed are very important, as is transportation. Those are all factors in which we are disadvantaged. I would like us to have powers over them so that the islands can be more flexible or work a bit more out of the box and not be tied to national directives.

On the issue of power moving from local government on the island out to the community, I would like to see locality planning. That term gets bandied about an awful lot but I do not see it happening. To me, locality planning means each locality looking at the big picture for its own area, whether that is to do with social care, transport or whatever. We need to get key people from the communities around a table or to form a body or group—I am not quite sure of the mechanism—to look at the big picture for their area and to liaise with local government on the budget. There should be a budget assigned to that.

I see from a response from the Comhairle nan Eilean Siar about community empowerment that it feels that

“further delegation of service budgets to communities would almost certainly reduce the effectiveness”.

I totally disagree with that. Where there is effective service delivery, the service is being delivered in the community by the community; it is not coming from a Western Isles-wide approach. The big authorities have a lot of restrictions on their budgets and are ultimately service led, whereas communities are led by outcomes for the people.

**Huw Francis:** Community trusts have been mentioned, and Angus Campbell said that about 70 per cent of the Western Isles is now in community ownership. Community trusts are democratically led. Their directors are elected from within the communities and there is often a high participation rate in the elections. At one of our elections, 85 per cent of our members voted. A lot of votes are required to become a director of a company. However, there needs to be much greater interaction between the council, the Scottish Government and the development trusts that are proactively working for and on behalf of their communities in taking forward substantial projects.

Stòras Uibhist is large. The estate that we own encompasses about 13 per cent of the Western Isles and a similar percentage of the population. It encompasses about 3,000 people, 93,000 acres and four inhabited islands. We have been very successful in raising funds—both private finance and grant funding—for projects to generate revenue to reinvest in the local community. More needs to be done to recognise that and to bring community trusts into the government and running of the islands.

Other people here are involved in other trusts. Each trust has a different focus in what it does that reflects the local community that it represents. Trusts are different—for example, Stòras Uibhist is commercial in its approach whereas others have different approaches—but they all reflect their communities, and more needs to be done to bring them into the system.

**The Convener:** We could only hope and pray for an 85 per cent turnout in the local government elections. I wish that we had that.

**Mark McDonald:** As somebody who has chaired a locality planning forum at a local authority, I hear what Ms Munro says.

Some of the powers that were mentioned will require changes, whether they come direct from Westminster to local communities or there is a transfer via Edinburgh, but we also have on the agenda the community empowerment (Scotland) bill, which will be considered in the Scottish Parliament. Do you see that bill providing opportunities for some of the disaggregation that you have spoken about to start in earnest, which could then feed a greater disaggregation should further powers come to the island authorities in future?

**Anne Sobey:** I see the community empowerment (Scotland) bill as a crucial piece of legislation. Again, it is about a subtle movement of the goalposts. The bill will change the way in which local authorities view themselves and their ownership. There has always been a patriarchal approach—I know that that is not a pleasant term, but I will use it—because local authorities have always acted as the ultimate safety net for community projects. The shift in responsibility that will come with the bill will be quite a massive psychological shift, if nothing else.

In these islands, there is a huge reliance on volunteering and volunteerism, which is actually in the bones here. One of our partners is the Volunteer Centre Western Isles. People here do things for themselves and their neighbours in a way that I have never seen in any community that I have lived in before. Volunteering levels are much higher than elsewhere—it is just what people do. That is crucial.

**The Convener:** You have lived in small communities previously.

**Anne Sobey:** Absolutely. I have lived in communities that were quite isolated—not geographically, but by transport constraints and all sorts of things.

**The Convener:** Thank you.

**Nicola Cowsill:** I want to pick up on Anne Sobey's use of the phrase "safety net". We hope that our local authorities are our safety net, but our

experience as a care provider is that we feel obligated to fill the gaps in service delivery, particularly in care in the community.

However, we do not have the statutory funding to support us to do that and, as Anne Sobey has said, we are having to rely on volunteer donations or fundraising. It is all very hit and miss and the situation is certainly not sustainable, given that the island population is decreasing and given the ageing demographic. It is a major concern.

**The Convener:** Mr Francis?

**Huw Francis:** I have nothing else to add. The issue has been covered very well.

**Marine Munro:** There will be huge opportunities for communities in the community empowerment (Scotland) bill. I hope that there will continue to be huge opportunities to work with others but that communities will be able to take more of a lead in things that are relevant to them.

**Mark McDonald:** I am quite interested in how public authorities, whether it be the council, the health board or the Government, engage with communities. What seems to be coming across is that although there are active communities in the Western Isles, their approach might not conform with what happens in an urban setting, where people get involved in, for example, community councils. Is there still work to be done to get people engaged in what is going on in their community or would you say that, given the greater level of volunteering that you have here than exists elsewhere, there is a history of more active communities than is perhaps the case in mainland authority areas?

**Anne Sobey:** The rhetoric that applies on the mainland, where volunteering is a thing, cannot be applied here. Here, volunteering is what you do. Traditionally, the social enterprise sector has had a reputation for picking up on market failure—for example, it might step in if the community shop shuts—but that is not how it works here. I am sure that Huw Francis would echo this: community engagement is in the bones of the crofting tradition. People never have to think about being engaged in their community or having to be consulted, because they do all of that quite naturally.

Councillor Campbell has already touched on this point, but people here will tell you everything and, if they do not know something, they will ask about it. I think that that is unique to these parts.

**Huw Francis:** People here are very engaged. I have a volunteer board that is elected, but my own paid staff also volunteer for boards of other social enterprises and community groups on the islands.

The feedback that you get here is different from that in many places, in that the vast majority of it

is—shall we say—informal. In general, people do not like to sit in forums like this one and talk. However, if they think that your organisation is doing something wrong, they will tell you so in the Co-op, in the pub at night or wherever.

That reflects what we have been saying this afternoon—one of the difficulties with centralising things in Stornoway and not taking them out into local areas is that, when public meetings are held, the same 10 people turn up. There is an awful lot more to the community than that. The difficulty lies in how we distil that informal feedback into formal policy when we have a mechanism that accepts only formal consultation and feedback. That issue needs to be addressed, and one way of bringing informal consultation into the main stream is to engage the community and development trusts, which are very local and receive very direct feedback, and to involve the staff and directors of those trusts in the formal policy process.

**Nicola Cowsill:** The consultation process can be warped by the fact that the public sector provides the majority of the employment on the islands; indeed, 70p in every pound that is spent on the island comes through public sector employment. However, those jobs might not be the only ones that people have. Indeed, many of us have two or three jobs to provide us with full-time work. If someone who happens to be a care worker with the council is consulted on, say, the closure of care units, they will simply not be free to voice their ideas.

15:30

**Marine Munro:** I totally agree with all of that. The council has learned that third sector organisations, whether they are land trusts or community organisations, are naturally engaged with the community. We do not do it through a formal process, which does not really go down well here, because people do not feel all that comfortable speaking out, as Nicola Cowsill said. We engage, but we do it in a localised way. As I said, the council has now caught on to that and it uses us quite a lot to communicate with communities; the NHS does the same. We have much more of an idea of what is happening on the ground.

**Anne McTaggart:** How could public engagement be improved?

**Nicola Cowsill:** It needs to be anonymised, because people are frightened of losing their jobs if they speak out, or they might not want to speak out because they are in a different church from their neighbours. Religion has a big impact on the islands. I am not a churchgoer, so I can stand aside from that, but religion has a significant impact on people's way of expressing themselves.

Perhaps there could be more online consultation—the previous panel spoke about Twitter feeds—but that brings us back to the lack of connectivity in certain parts of the island and the fact that we have an ageing demographic, which mean that we have people who are digitally excluded, to use the current phrase.

**The Convener:** So a bit of investment in broadband and other communication could increase the level of consultation by email, Twitter or whatever, which might anonymise the process.

**Nicola Cowsill:** That would help.

**The Convener:** Does anyone else want to comment?

**Marine Munro:** That approach might improve some elements, but we have an ageing population. In my community, there are a lot of elderly people, and they are the ones who deliver many of the community services, but they do not want to engage with technology. They do not even do email, so we still use post or do things face to face. Engagement is not easy, given the spread-out nature of the community. The way to go is to take it back into localities. We should let local organisations engage at local level and then have them feed back to the council.

**The Convener:** We will maybe have to get the silver surfers in Aberdeen to come and give folks here a few tips.

**Anne McTaggart:** Obviously, volunteering has a lot of importance, and a lot of it is done by the elderly population. Are young people involved and is intergenerational work taking place to encourage that?

**Marine Munro:** Yes. A lot of young people are involved in volunteering through the Duke of Edinburgh and saltire awards, but I feel that people in the middle age bracket—people who are raising families, working offshore or working full time—do not necessarily volunteer. If someone has a pre-school child in a community-run nursery, they will volunteer because it is an area of interest or, basically, because they need to do it to ensure that the service is provided.

We cannot expect volunteers to do everything in our communities. People are getting fed up with being expected to volunteer. You ask whether younger people are coming through. Younger people and people in my age range are a bit despondent about that. The older generation have always had to work that way, because they did not have services or they rallied together, but there is a middle generation who wonder why they should do everything voluntarily.

**Anne Sobey:** To answer Mr McDonald's question, I would say that people are sick to death of being consulted and finding that nothing

happens at the other end of it. There is no community more vocal about that than the community in the Western Isles. People say, "You said you would do it—why didn't you do it?" As Nicola Cowsill said, people meet in the Co-op. Two people might fall out, but they will still have to meet in the Co-op. That is small community living.

Consultation must be meaningful, on-going and built into the fabric of everything that is done, rather than being a consultation on this or that. What we want to achieve is active and engaged citizens, rather than asking people six times a year how they feel about something.

**Marine Munro:** A lot of the time, people want to engage just on issues that are relevant to their community. That is the old thing of people not being interested in the high-brow, strategic stuff. When people are talked to about the integration agenda or even stuff that is going on in the whole third sector, their eyes glaze over. People are interested in what is relevant to and happening in their community.

**John Wilson:** Ms Sobey said that people are—to paraphrase her—fed up with being consulted, because they do not see anything happening at the end of the consultation. The committee's inquiry is partly about how consultation takes place, how people are engaged with and what the outcomes of consultations and engagement are. Are you saying that decisions are taken and then people are told what will happen? Alternatively, is the taking of decisions followed by a smoke and mirrors scenario, in which the community is asked what it thinks and whether it wants to engage in consultation, even though the decisions have already been made?

**Anne Sobey:** That makes the situation sound more sinister than it is. Agencies must work within the mechanisms that they have to deal with. They must give the Government what it asks for and do that in a particular way, which does not apply to the rest of us.

The answer is probably yes, but I do not think that there is malice or—to quote you—smoke and mirrors behind that. The issue is that the system that is being used for engagement is probably not effective. That needs to be looked at. The our islands, our future campaign should be a big part of that, if consultation is to be meaningful and if what we have suggested today is to happen. We are working within systems that are not up to the job.

**The Convener:** I see that the other witnesses generally agree. I am aware that we are running out of time.

**John Wilson:** One of my concerns, which we have heard about from other communities, is that people think in the consultation process that they

have a blank sheet of paper, that they can interact and that they can help to make the decision, whereas all that is happening is that they are being consulted but the decisions have been taken or they are just going through an exercise. Some people have described that as a tick-box exercise to show that the community has been consulted on a decision, but the decision is simply imposed.

**Anne Sobey:** There is absolutely no doubt that that is the case. If we are honest, that is definitely the case and has been so for 10 years. Those of us who were involved in the social inclusion partnerships know that that was the case then, when millions of pounds were spent. That means that the process is flawed, but it does not mean that the intention is flawed. Elected members do not want to take decisions that are totally in opposition to what their communities want. We are all in the same boat. However, your point is valid—that is the reality. We need a better system.

**Cameron Buchanan:** I will tease out the community councils aspect and the distances that are involved.

Should it be mandatory for community councils, rather than being like residents associations, to involve a person from the third sector?

**Marine Munro:** Yes—or somebody from an anchor organisation in the community. Community councils tend to deal with small things, such as a hole in the street—

**Cameron Buchanan:** Hedges and so on.

**Marine Munro:** They write letters to the council; they do not deal with all of community planning.

**Cameron Buchanan:** You think that somebody from the third sector or another section—

**Marine Munro:** From a community organisation.

**Cameron Buchanan:** You think that a community organisation representative should be on each community council, so that community councils are not like residents associations, as the Stornoway people said.

**Marine Munro:** Absolutely. The little organisations are the drivers of community development in a lot of communities.

**Cameron Buchanan:** Given the transport difficulties here, such bodies are surely even more important, because of the extended distances. Is that right?

**The Convener:** I see heads nodding.

**Anne Sobey:** When people go to Barra, they know that what happens in Stornoway is as meaningless to folk in Barra as what happens in Dubai. Barra is its own community, which is strong and active. It is in the air. People there never

pointed towards Stornoway; they always pointed towards Glasgow. People in Barra know best what Barra needs.

**Cameron Buchanan:** Castlebay is a distinct community anyway, because the island is so small.

**Marine Munro:** That is why allocating budgets to communities would be beneficial, because it would allow them to take ownership. They would show more interest and get on with it.

**The Convener:** Does Mr McDonald have a question?

**Mark McDonald:** My points were covered in other questions.

**The Convener:** That is grand.

I thank all the witnesses for their evidence and for attending the earlier session. You have been fantastic. I know that giving evidence can be a little nerve-wracking, but you have been great.

15:41

*Meeting continued in private until 16:08.*



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e-format first available  
ISBN 978-1-78457-257-0

Revised e-format available  
ISBN 978-1-78457-273-0