

**REPORT TO: POLICY AND RESOURCES COMMITTEE – 7 JANUARY 2019**

**REPORT ON: LOCAL GOVERNANCE REVIEW**

**REPORT BY: CHIEF EXECUTIVE**

**REPORT NO: 15-2019**

**1. PURPOSE OF REPORT**

To advise members of a Review of Local Governance and to seek agreement on the Council's response.

**2. RECOMMENDATIONS**

It is recommended that Committee:

- (i) notes that the Scottish Government and COSLA are jointly consulting as part of a Review of Local Governance.
- (ii) agrees the Council's response to the consultation as set out in Appendix 1.

**3. FINANCIAL IMPLICATIONS**

None.

**4. BACKGROUND**

4.1 Launched by the Scottish Government and Convention of Scottish Local Authorities (COSLA), the Local Governance Review is looking at the changes that are needed across all public services, and local and national Government, to give communities more say in decisions that impact on them. The review is based on the idea (shared by the Scottish Government and COSLA) that the best outcomes for citizens and communities will come from decisions being made at the right geographical level. This in turn is based on an acceptance of an increased level of variation in decision making arrangements; that the best arrangements for one place may not be the best for another.

4.2 The Review is being conducted through two strands:

- **Strand 1 Community decision making** focuses on a programme of community engagement being co-ordinated by an Enabling Group involving organisations from public services, the third sector and wider civic Scotland. Supporting community conversation "Democracy Matters" materials were made available at [www.gov.scot/democracymatters](http://www.gov.scot/democracymatters) The community conversations ended late November 2018.
- **Strand 2 Public service governance** focuses on identifying and developing the reforms that councils and other public services wish to seek. The invitation to participate has been widely distributed across public services to Chief Executives and Chairs of all public bodies including Heath Boards, Community Planning Partnerships and IJBs, and Scottish Government Director Generals and Directors. The deadline for responding was 14 December 2018, but due to events running through December this was extended.

4.3 These two strands of the Local Governance Review have run in parallel for around 6 months, and will inform changes to governance arrangements in different places where these can increase the pace and scale of public service reform, focus on shared outcomes, and strengthen local decision making.

- 4.4 All stages are being overseen through joint political arrangements involving the Cabinet Sub Committee and COSLA Presidential Team and Group Leaders, and bi-monthly meetings between the President and Cabinet Secretary for Communities, Social Security and Equalities. These arrangements provide the forum for determining how proposals will be progressed. Should legislation be required, an initial consultation on a Local Democracy Bill is anticipated around Spring 2019.
- 4.5 COSLA's Local Governance Review Special Interest Group asked Professor James Mitchell from the University of Edinburgh to undertake an initial scoping exercise in the summer to map out existing positions on reform, any preparatory work undertaken by councils or in the pipeline, and other key priorities to consider. The themes from the initial feedback are outlined below:
- a) **“Asymmetric” and “Permissive” approaches to governance**
- Many Councils highlight the diversity of their communities and the importance of ensuring that public services can meet that diversity. There is support for exploring different models of governance for different communities. Options vary, with reference to city powers, islands governance, and single public authority models. The emphasis is on enabling/permissive legislation, which could create the capabilities to provide locally sensitive services. Potential tensions include the relationship between greater variation in local delivery and perceptions of ‘postcode lotteries’
- b) **Collaboration and Integration across public services and Councils**
- This includes collaboration across neighbouring authorities (or those with similar needs/interests e.g. island authorities), with other public bodies including Community Planning Partnerships, and with social enterprises, the third sector and community models. The extent of potential collaboration varies from versions of an integrated single public authority/public sector delivery vehicle to collaboration on specific policy fields and greater budget sharing with other services including the NHS.
- c) **Subsidiarity, Empowerment and Participation**
- This theme relates to devolution of power and rebalancing the relationship between national and local government and communities comes across strongly. Examples include opportunities for greater local democratic control of other public services beyond local government, and the roles, functions and capabilities of Area Committees within local government and Community Planning Partners. This theme also covers to participatory budgeting, community engagement, the role of Community Councils and the need to push down power and resources beyond local government to communities
- d) **Scale**
- Some Councils are suggesting that work should be undertaken to address how to develop public services at the right scale, for example in relation to regional collaborations, existing council or CPP levels, and community level. There is interest in capturing economies of scale or scope at regional level, but in ways that enable local government and communities to deploy this according to local circumstances and priorities.
- e) **Fiscal Empowerment**
- There is a desire among local authorities to have more financial autonomy over the resources available to provide services, the consideration of specific measures such as a transient visitor tax, and reviewing the ways in which financial measures are used for central policy initiatives or specific input measures. Opportunities such as budget sharing within CPPs and across specific public services also came under this theme.
- 4.6 COSLA and the Scottish Cities Alliance (SCA) advised that the Review team was keen to have an early indication of any likely proposals so that these can be explored and worked on in the meantime. New approaches to city region governance, transport planning, economic

development and delivery of affordable housing as set out in the Tay Cities Deal submission were highlighted via the SCA discussions.

**5. PROPOSED RESPONSE BY DUNDEE CITY COUNCIL**

- 5.1 A draft submission on behalf of Dundee City Council is set out in Appendix 1. This submission begins by highlighting good examples of community planning, participation and collaboration in Dundee, then goes on to suggest some potential improvements grouped under the themes listed above.

**6. POLICY IMPLICATIONS**

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risks. There are no major issues.

**7. CONSULTATIONS**

The Council Management Team has been consulted in the preparation of this report.

**8. BACKGROUND PAPERS**

Letter from the COSLA President, Cabinet Secretary for Communities, and Deputy First Minister – [22 June 2018](#).

ANDREA CALDER  
HEAD OF CHIEF EXECUTIVE'S SERVICES

DAVID R MARTIN  
CHIEF EXECUTIVE

DATE: 27 NOVEMBER, 2018

## LOCAL GOVERNANCE REVIEW

## Appendix 1

### Submission on behalf of Dundee City Council

#### 1. INTRODUCTION

As part of any review it is important to reflect on experiences, including what is working well, and to set out some local context. This first section of our submission highlights good practices in Dundee that could be developed or deployed by other areas of the country and require little or no legislative change.

Rather than new legislation, what may be required is an acknowledgement that the use of existing provisions, (particularly the Community Empowerment Act) need to be better supported, resourced and deployed.

#### 2. WHAT WORKS IN DUNDEE

##### a) Current Legislation

The Community Empowerment (Scotland) Act 2015 made significant changes to community planning legislation which now has a clear statutory purpose focused on improving outcomes. Community Planning is explicitly about how public bodies work together and with the local community to plan for, resource and provide services which improve local outcomes in the local authority area, all with a view to reducing inequalities.

It applies duties to support shared leadership and collective governance on specified community planning partners, i.e. the local authority, NHS, Police Scotland, Scottish Fire and Rescue Service and Scottish Enterprise. So running the Community Planning Partnership (CPP) and making sure it works effectively is a shared enterprise.

The participation of and with communities lies at the heart of community planning, and apply in the development, design and delivery of plans as well as in the review, revision and reporting. The 2015 Act and guidance make clear that consultation is no longer enough and that CPPs and community planning partners must act to secure the participation of communities throughout.

Whilst the provisions in the 2015 Act set out statutory duties on CPPs and community planning partners, effective community planning requires more than simply complying with these duties. CPPs and community planning partners need to apply the principles of effective community planning summarised in the guidance, as without them community planning is unlikely to make the difference to people and communities that it can and should.

##### b) Community Planning

We believe the logic of Christie, and charted by Scottish Government from the National Performance Framework to the Community Empowerment Act, is to eliminate boundaries and obstacles between public service providers in delivering improved wellbeing for citizens.

In Dundee we are committed to being a leader in implementing the Community Empowerment Act. The Dundee Partnership (Dundee's CPP) has led community planning in the city for almost 20 years and has an even longer record of joint working to achieve economic development, regeneration and improved outcomes. Our community planning arrangements have evolved in line with changing national expectations and through capturing the lessons of local experience.

The Dundee Partnership is proud of the reputation it has gained for the positive nature of our collaboration across the city. We have a very inclusive approach to involvement with central roles for both the Third and private sectors within our arrangements at a strategic level. The Dundee Partnership management group also includes elected members and very capable community representatives.

We have regularly assessed our effectiveness and worked closely with the Improvement Service through their CPP self-assessment model to improve and enhance our governance.

During the process of preparing and publishing our ten year Local Outcomes Improvement Plan (LOIP), known as the City Plan for Dundee 2017-26, we took the opportunity to consider previous experiences and improve further, so we:

- rationalised and refreshed the strategic relationships between partners within the Dundee Partnership, resulting in the creation of Executive Boards. These Boards are co-chaired by an Executive Director (from the City Council) and an equivalently placed officer from the most appropriate community planning partner and have overall responsibility for the delivery of improved outcomes.
- strengthened the democratic relationship to citizens in Dundee, by each Executive Board including elected members from the Administration Group and Opposition Group(s).
- built in new relationships within our CPP due to the creation of Health and Social Care Partnerships, the integration of Community Justice and the formation of new bodies like Leisure and Culture Dundee
- developed locality plans to show how we work with communities to respond to their priorities. The production of these plans is also helping to make services, projects and initiatives more sensitive to the needs of their communities.
- prioritised participatory budgeting and greater community involvement in decision making e.g. Dundee Decides and the current budget consultation and expanding community asset transfer.
- are reviewing our local community planning partnerships to ensure membership is further strengthened and widened

Dundee identified a number of challenges during the development of the Local Outcome Improvement Plan that may require new approaches, collaborations and arrangements to be effective. The key areas are:

- New approaches to city region governance, transport planning, economic development and delivery of affordable housing as set out in the Tay Cities Deal submission.
- Health and Wellbeing impacts on services provided by many community planning partners. Challenges with supporting mental health issues for all ages, have a significant impact on individuals and communities. Prevention is key to reduce demand on our services from poor health. We believe that new arrangements for Public Health at local (CPP) level should be integrated into existing forums and approaches rather than the creation of additional governance bodies.

### **c) Participation**

The City Plan for Dundee 2017-26 was built on considerable learning and extensive consultation with local communities and incorporates the findings of the Engage Dundee initiative. This employed a range of techniques, generated a meaningful response and identified a number of clear and consistent community priorities.

Findings from the Engage Dundee consultation directly informed the key priorities in Local Community Plans developed in each multi-member Ward. During this engagement we also identified priorities to inform potentially how the Community Infrastructure Fund was allocated. Under the branding 'Dundee Decides' we trialled some new techniques and approaches to expand engagement across all our wards, in how this Fund was spent.

Dundee Decides' was the biggest Participatory Budgeting project undertaken by any Council in Scotland in relation to its mainstream budget, with citizens empowered to make decisions on the spending of £1.2 million on local infrastructure projects such as play areas, pedestrian crossings, pavements, lighting and planting. The process involved community engagement throughout, including the selection of projects, a community conference to shape the ideas, and an easily accessible voting system with support for people to take part. This support included access to IT in community settings and additional assistance to those with IT, language or health barriers. A comic, a film and social media were among the innovative approaches used to widen participation. This resulted in very high levels of participation, with 11,472 people directly engaged in decisions affecting their areas by voting on their priority projects. This equates to over 10% of the eligible voting population of those aged 11 years +. We targeted age 11+ to involve younger people, making this also an educative process in citizen involvement and democratic accountability, and the 'vote on your phone' initiative was

particularly well received in schools where use of mobiles is often prohibited. Pupils took up the offer enthusiastically and took the message home to their families.

Within the City there is flexibility in the ways our citizens can engage with the Council and influence how we work. These range from surveys and consultations to face to face discussions, as well as via their locally elected members. Examples include Local Community Planning Partnerships, Community Councils, tenant groups, parent and pupil councils, youth council and deputations at Council Committees.

For harder to reach groups, the city endeavours to listen to and involve those with 'lived experience' in how we improve services and develop policies. Examples of this are the Fairness Commission, the Looked After Champions Board and most recently the Drugs Commission. The Fairness Commission approach has been invaluable as a route to shared scrutiny and influence over the delivery of inequalities outcomes.

Our elected members have a keen interest in how local democracy can work better. A number of actions can be taken forward by the Council and work is underway to do this e.g. decisions on disaggregated budgets being made locally, mainstreaming participatory budgeting, improving our local planning partnerships and improving our relationship with neighbourhood representative structures.

Engagement is changing through the use of social media interactions with the public on topics such as Dundee Decides, Take Pride In Your City, the Council's budget and Your Council Your Services. This again is resulting in quicker and highly interactive engagement with citizens, some of whom have not taken part previously.

More recently, Dundee City Council has placed a major emphasis on using service design principles and methods to transform the way services are delivered. Techniques such as customer journey mapping and personas ensure services are more responsive to the needs of the citizens. We have worked with the Scottish Government to trial and develop a 'Scottish Approach to Service Design' which can be used across all public services.

#### **d) Collaboration**

Collaborative working with our neighbouring authorities is not a new concept for Dundee, with several very successful partnerships running currently e.g. Roads & Street Lighting Partnerships, Tayside Procurement Consortium and Tayside Scientific Services. Tayside Contracts is our most established model of collaboration, having been in existence for 20 years. This is a commercially based shared arrangement that operates under a Joint Committee of elected members from each of the three constituent councils, for the provision of catering, cleaning, roads maintenance, vehicle maintenance and winter maintenance.

The Tayside Plan for Children, Young People and Families 2017-2020 is the first joint plan to be produced in Angus, Dundee and Perth and Kinross. It reflects shared leadership towards multi-agency cross-border collaboration in the planning, management, commissioning, delivery and evaluation of services to children, young people and families. The Plan has been developed by the three Councils, NHS Tayside, Police Scotland, Health and Social Care Partnerships and other organisations to ensure a consistent approach towards agreed priorities and an absolute focus on improving outcomes for all children, young people and families.

A single Joint Committee has been established to manage the principal levers of economic growth across four local government boundaries to deliver on the Tay Cities Deal.

### **3.0 PROPOSALS FOR IMPROVEMENT**

Initial work by COSLA identified a number of key themes emerging in the Local Governance Review. For each of these key themes, Dundee City Council has set out below our proposals for improvement to help shape any changes that may be formulated:

#### **a) "Asymmetric" And "Permissive" Approaches To Governance**

We support COSLM's position on a proposed Private Member's Bill to incorporate the European Charter of Local Self-Government into law in Scotland. This would guarantee the political,

administrative and financial independence of local authorities to work in the interests of their local population acting within the limits of the law.

Greater recognition is required by national organisations about the implications for local delivery of national strategy commitments; and that community empowerment means that delivery can be by public services, third sector, charities and local communities/communities of interest.

Following the reforms of Fire and Police, the Council introduced processes for the scrutiny of local police and local fire and rescue services within our Committee meetings attended by elected members. This demonstrates that with the right governance arrangements in place, training of members in good scrutiny and having local senior officers of national organisations who are open to challenge and value local scrutiny, this model could work for other public services which are currently not within local government control. However, the Council has concerns about the influence it can have on decisions made nationally for these services.

### **b) Collaboration And Integration Across Public Services And Councils**

Ensuring all public bodies actively commit to new ways of working that support delivery of better outcomes across the Tay Cities Region as a result of our Tay Cities Deal.

The creation of the new Social Security Scotland Agency could see strategic local partnerships built with local authorities and employability partnerships and might be a means of reducing inequalities through sensitive service design, early intervention and a proper holistic person-centered approach to the client. This could result in improving poor outcomes that within the city appear to have been exacerbated by welfare reform.

In light of the findings of the Accounts Commission's report on the Integrated Authorities in November 2018, further work may be required in relation to governance and financial resources to ensure that services are sustainable for the longer term

Governance and financial models for the Integrated Authorities should be reviewed in light of the findings of the Accounts Commission report published November 2018 and experiences so far from across the country.

### **c) Subsidiarity, Empowerment And Participation**

We support the principle of subsidiarity - Central Government to share more power and better support the democratic mandate of Local Government to make decisions for the best interest of their communities. There needs to be more discussion on decision making taking place at different levels, creating conditions to allow the implementation of local approaches that work for the local area and build on this with communities.

Enhanced engagement with and empowerment of communities is important. Local people know their areas and their needs very well. The correct form of engagement and empowerment at local level can improve decision-making within public services but there needs to be flexibility. The role and function of Community Councils is a fundamental aspect of this, but we ask that the focus is not exclusively on community councils. As a model, they work very well in some places and struggle in others. Our neighbourhood representative structure in Dundee is a much more flexible approach that still empowers local people without overbearing bureaucracy.

Public bodies understand that they are civic leaders and custodians of public services which are delivered on behalf of and with their residents. Innovative ways of involving residents and service users in the development and delivery of services needs to be researched and supported so there is a genuine partnership culture and approach to service delivery. A good example is the service design approach currently being deployed in central and local governments.

We need to go further, particularly in engaging the hard-to-reach. This means working with partner and external organisations (such as Third Sector, Youth Council, the Police, tenants' associations, etc) who support those who are less well-represented through the traditional engagement processes. It necessitates prioritising those forms of engagement which get the views of the hard-to-reach to the table, be this participatory budgeting or social media. Above all, it means grafting community engagement into the business model of local Councils, so that citizen and community-responsiveness is automatic and integral to our policy development and service delivery.

The Local Governance Review provides an opportunity to tackle issues which can improve outcomes for our communities. We support making decisions at the most local level appropriate and support a rationalisation of partnerships and individual bodies rather than creating any new bodies or legislating for change. However, there are a number of other reviews (e.g. Public Health, Education Governance and Employability) that all need to link in to this agenda and be part of it. The Education Governance review has much about parents and communities having greater involvement in schools and schools in the wider community, but no reference to what is already existing and legislated for through the Community Empowerment Act. Directorates within the Scottish Government have a key role in 'joining up' thinking around topic specific matters and wider areas, like the Community Empowerment Act

#### **d) Scale**

Support the delivery of the Tay Cities Deal 'asks', ensuring that all stakeholders locally, regionally and nationally maintain engagement and resources to implement this long-term programme.

Public bodies could explore greater regional planning but with the ability to deliver differently at a local level.

#### **e) Fiscal Empowerment**

Effectively delivering strategic plans requires fully aligned budget planning for the medium term (confirmed budgets over 3 years) and long term (indicative budgets over 5 years). In addition, the finance periods should begin and end at the same time to allow public services and partners to better understand and co-ordinate activity.

There should be less ring fencing of budgets by Central Government, allowing local authorities greater flexibility to determine local priorities and allocate resources accordingly.

Fiscal powers should be devolved to local authorities to raise taxes locally (e.g. Tourist Tax) to have more financial autonomy over the resources available.

In addition to the service delivery and outcomes to our citizens, Dundee will benefit economically from having the Social Security Scotland HQ located in the city. More opportunities for national public bodies to relocate jobs to help stimulate economic growth in different parts of the country should be explored. Public sector relocation can stimulate the local economy in two main ways; the first, direct impact is the move of the jobs themselves and the wages they pay; the second is the 'multiplier effect' that these jobs can have, boosting demand for local goods and services and attracting jobs in related industries; enhancing the intellectual capacity of the area; and improving the attractiveness of the area to businesses.