



REPORT TO AUDIT COMMITTEE – 13 DECEMBER 2018

AUDIT SCOTLAND – COMMUNITY PLANNING: AN UPDATE IMPACT REPORT

1 Recommendations

The Committee is recommended to:

- 1.1 Consider the impact that has resulted from the recommendations made by Audit Scotland in the 'Community Planning: an update' report published in March 2016.

2 Discussion

- 2.1 The [Community Planning Update Impact Report](#), attached as Appendix 1, was published by Audit Scotland in September 2018 and summarises the impact made since the publication of the Audit Scotland/Accounts Commission report [Community Planning: an update](#) in March 2016, attached as Appendix 2.

2016 Report Summary

- 2.2 The March 2016 report was Audit Scotland's third report on community planning in Scotland, building on reports published in March 2013 and November 2014. The report provided an update on progress since the 2014 report and examined the policy context for community planning and developments since November 2014 and progress made nationally and locally against the recommendations in previous reports. In summary the 2016 report included the following key messages:

- Community planning was progressing both locally and nationally, but was not yet delivering the ambitious changes in the way public services are organised and delivered, with and for communities
- CPPs continued to build on positive progress in leadership, scrutiny, the use of data to set priorities, and projects to reduce inequalities. But there had been little sharing, aligning or redeploying resources in significantly different ways
- The Scottish Government was improving understanding of CPPs priorities, but had not developed a national programme of support, tailored to meet individual CPP needs
- The way in which public bodies reported performance, and were held to account, did not always reflect the Scottish Government's policy of promoting outcomes, prevention and reducing inequalities. Some short-term national performance targets are making it difficult to reform services to deliver more preventative service models
- Stronger national leadership was needed to enable community planning to meet its full potential.
- There was a need to streamline national performance management frameworks and create a better balance between measures of service performance and local outcomes, prevention and the performance of partnerships. This should involve placing the views of local communities at the heart of measuring success in public service delivery

National Developments Since March 2016

2.3 Since the 2016 report was published, the Scottish Government has published the following statutory guidance, to support provisions in the Community Empowerment (Scotland) Act 2015:

- guidance on community planning, December 2016 (Part 2 of the Act)
- guidance to enable community bodies to request the transfer of assets to them, January 2017 (Part 5 of the Act)
- guidance to enable communities to request participation in decisions and processes which are aimed at improving outcomes, April 2017 (Part 3 of the Act).

2.4 In addition, in June 2018, Audit Scotland, NHS Health Scotland and the Improvement Service undertook a review of Local Outcomes Improvement Plans so far and a briefing on this review is attached as Appendix 3.

2.5 The Community Empowerment Act also places a duty on Scottish Ministers to consult on, develop and publish a new set of national outcomes for Scotland. The Scottish Government launched a refreshed National Performance Framework in June 2018.

2.6 Audit Scotland's work programme includes a performance audit on community assets in 2019/20. This is likely to assess how organisations across the public sector are working with local communities to make best use of community assets.

Progress Made on 2016 Actions

2.7 The majority of 2016 recommendations have a progress status of 'Green' based on the traffic light status, showing that they are progressing well within any deadlines. These include:

- Providing clarity for CPPs through guidance on the Community Empowerment Act;
- The establishment of a national portal for improvement support for CPPs; and
- Creation of the Outcomes, Evidence and Performance Board (OEPB) to act as a national forum to coordinate improvement activity for community planning. A briefing on this Board and the plans for a further review of Community Planning is attached as Appendix 3.

2.8 'Amber' status recommendations include:

- Set out how the impact of Community Empowerment (Scotland) Act 2015 will be assessed

The Scottish Government (SG) plans to review the overall effectiveness of community planning during this Parliamentary session, most likely to take place in 2019/2020, to allow time for the new arrangements to bed in. An approach to evaluating community planning is being developed, as part of the work for the OEPB. A briefing on the plans for evaluation has been completed for circulation to partners in Aberdeenshire.

- The Scottish Government should streamline national performance networks.

CPPs still operate within a complex network of accountability frameworks. Although, performance frameworks are being reviewed in specific sectors e.g. Health and Social Care, Police Scotland

- The Scottish Government should create a climate where local public service leaders feel they have the autonomy to respond to needs of their communities

The Scottish Government considers that its statutory guidance on community planning has helped to emphasise the importance of local autonomy in responding to the needs of communities.

2.9 There is also a 'Red' status recommendation:

- Implement a Test of Change in a CPP to assess if greater local autonomy would improve outcomes

This was not progressed as CPPs and the SG saw greater potential from pursuing flexibilities within City Region Deals to secure additional investment. The SG has received no specific requests since then to consider other tests of change.

2.10 For information, the Community Planning Update Impact Report will be taken to the CPP Board for discussion at its meeting on 8 January 2019.

2.11 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3 Scheme of Governance

3.1 The Committee is able to consider this item in terms of Part 2 A, Section G 1.3 as it relates to a report that considers compliance with relevant codes of practice.

4 Implications and Risk

4.1 An equality impact assessment is not required because the report is to advise Committee of progress nationally.

4.2 There are no staffing and financial implications as a result of this report.

4.3 There are no Town Centre First Principle implications arising from this report.

4.4 The following risks have been identified as relevant to this matter on a [Corporate Level](#):

- ACORP002 Changes in government policy, legislation and regulation
- ACORP005 Working with other organisations

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14 November 2018

Community planning: an update Impact report

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Summary of overall impact

1. The Scottish Government, COSLA and the Improvement Service provided updates on progress against the recommendations in our report in early 2018. In its update, COSLA noted that our report “was very helpful in taking stock of community planning progress, and in focusing national and local government and wider public services on further improvement.”
2. There is a mixed picture of progress against our recommendations (see appendix). A number of changes brought about by the Community Empowerment (Scotland) Act 2015 and the Scottish Government’s accompanying statutory guidance on community planning (December 2016) are relatively recent. It will take time to see the full effect of these changes and Community Planning Partnerships (CPPs) still face difficult challenges in delivering change and improving outcomes in an increasingly complex landscape of public service reform.
3. Progress is being made in some areas. The Scottish Government’s statutory guidance on community planning (December 2016) places local communities at the heart of public service delivery and clarifies expectations for CPPs. The Improvement Service and NHS Health Scotland are leading work to provide improvement support and identify and share good practice within CPPs. Although the ‘test of change’ did not happen, the Outcomes, Evidence and Performance Board (OEPB) will increasingly look to identify, test and tackle potential obstacles to effective community planning.
4. In other areas, activity is ongoing. For example, the Scottish Government is taking steps to encourage and support local public service leaders to decide how to respond to the specific needs of their communities, but it is too soon to assess the impact of this. There are concerns amongst some community planning partners about the extent to which community planning is still seen as central to the Scottish Government’s broader public service reform agenda. The Scottish Government has launched its refreshed National Performance Framework and continues to review performance frameworks and indicators across specific sectors to increase the emphasis on outcomes, but CPPs still operate within a complex network of accountability frameworks.
5. Since our community planning report was published in March 2016, the wider public service reform agenda has evolved. This has increased the importance of local and regional partnership working, in particular Integrated Joint Boards, City Deals and education regional improvement collaboratives. This increasingly crowded landscape of public service reform creates risks around the capacity and ability of CPPs to fulfil their role in delivering the system-wide change envisaged by the Christie report.
6. There remain some outstanding issues that we would like to see the Scottish Government address. In particular, we would like to see further progress made in developing an approach to evaluating the impact of community planning on driving public service reform and improving outcomes. This includes assessing how changes to national performance frameworks and governance arrangements are supporting improved partnership working at local level.

7. We anticipate that these issues will be addressed in the Scottish Government's national review of the overall effectiveness of community planning following the Community Empowerment Act. This is likely to take place in late 2019/2020, to allow time for the new arrangements to bed in. This will be an important strategic test of the effectiveness of community planning as a vehicle for delivering change and improvement, given the key finding in our 2016 report that, over a decade after it was placed on a statutory basis, 'community planning [was] not yet delivering the ambitious changes in the way public services are delivered with and for communities'.
8. The recommendations in our report were focused on two of the four audit dimensions - governance and transparency and value for money (Exhibit 1).

Exhibit 1
Impact in terms of the four audit dimensions



Action taken by the Scottish Government to clarify its expectations of CPPs have helped to improve governance by setting out long-term expectations against which performance can be assessed.

The creation of a publicly accessible portal of improvement support should facilitate improved targeting and therefore better value for money of national improvement support.

Introduction

9. This report summarises the impact made by the joint Accounts Commission and Auditor General for Scotland performance audit *Community planning: an update*, published on 3 March 2016.
10. This was our third report on community planning in Scotland, building on reports published in March 2013 and November 2014. The report provided an update on progress since the 2014 report, and examined:
 - the policy context for community planning and developments since November 2014
 - progress made nationally and locally against the recommendations in our previous report.
11. Community planning is the process by which councils and other public bodies work with local communities, businesses and voluntary groups to plan and deliver better services and improve the lives of people who live in Scotland. Community planning is led by Community Planning Partnerships (CPPs). There are 32 CPPs, covering each council area.

Key messages and recommendations

12. The key messages from the report were as follows:
 - Progress on community planning is being made both locally and nationally. But it is not yet delivering the ambitious changes in the way public services are organised and delivered, with and for communities, that were envisaged in the Statement of Ambition. This is at a time when the role of CPPs becomes increasingly important as public bodies work together to address the growing challenges identified by the Christie Commission.
 - Overall, CPPs continue to build on the positive progress we reported in 2014. In particular, they are improving leadership and scrutiny and are using data to set clearer priorities. CPPs also continue to implement a range of projects targeted at specific groups or communities. But we have yet to see CPP partners sharing, aligning, or redeploying their resources in significantly different ways and on a larger scale to deliver the CPPs' priorities, in line with the 2013 agreement on joint working on community planning and resourcing. The Statement of Ambition was clear that communities have a key role to play in shaping local public services, but involving communities fully in planning and delivering local services still remains at an early stage in many CPPs.
 - The Scottish Government is improving its understanding of how individual CPPs are performing and has identified priorities for improvement. It has not yet used this to develop, with COSLA, a well-coordinated national programme of support that reflects known good practice and is tailored to meet individual CPP's improvement and development needs.

- The Scottish Government is strengthening its focus on outcomes in some policy areas. But the way in which public bodies report performance, and are held to account, does not always reflect the Scottish Government's policy of promoting outcomes, prevention and reducing inequalities. In particular, some short-term national performance targets are making it difficult to reform services to deliver more preventative service models. It is difficult to see how CPPs can meet the expectations of the Statement of Ambition without changes being made to how public sector partners and CPPs are held to account for their performance.
 - Stronger national leadership is needed to enable community planning to meet its full potential. The National Community Planning Group (NCPG) has not met since December 2014 and the Scottish Government is proposing to disband it. The Community Empowerment (Scotland) Act 2015 sets out new statutory duties for CPPs and statutory guidance provides an opportunity to clarify the Scottish Government's expectations for community planning. But this is not enough to deliver the ambitious changes that were envisaged in the Statement of Ambition. To meet these expectations, fundamental changes must be made to the way public services are planned and delivered.
 - There is a need to streamline national performance management frameworks and create a better balance between measures of service performance and local outcomes, prevention and the performance of partnerships. This should involve placing the views of local communities at the heart of measuring success in public service delivery. The Scottish Government also needs to work with others to create a climate and culture where local public service leaders feel confident that they have autonomy and authorisation to decide how to respond to the specific needs of their communities. Local public service leaders also need to play their part by showing strong local leadership of change.
13. The report made recommendations for the Scottish Government, COSLA and CPPs. A full list of the recommendations can be seen in the appendix. It also provides a summary of progress against the recommendations for the Scottish Government and COSLA.

Raising awareness and communication of key messages

14. There was not significant media coverage of the report. It was covered by The Scotsman and The Herald and received some attention online by specialist publications.
15. In the 12 months since publication, the report was downloaded 3,937 times from Audit Scotland's website and the podcast was downloaded 88 times.
16. The team presented the findings of the report at a Holyrood conference on community planning in Edinburgh in May 2016.

Parliamentary consideration

17. The report was considered by the Public Audit Committee on 9 March 2016.¹ The committee's questions focused on national leadership for community planning, pooling of resources and shared services, engagement with local communities, and supporting improvement. As this was the last committee meeting before the Scottish Parliament election, the committee did not take any further evidence on the report.
18. Although the Public Audit and Post-Legislative Scrutiny Committee (established June 2016) has not considered community planning specifically, it has expressed an interest in how the Scottish Government implements change. In particular; the effectiveness of national leadership, how well reform is evaluated, and the impact reform is having on improving public services.
19. The audit team met with the clerk of the Scottish Parliament Local Government and Regeneration Committee on 17 March 2016 to discuss the findings of the report in relation to the ongoing work of the Committee.

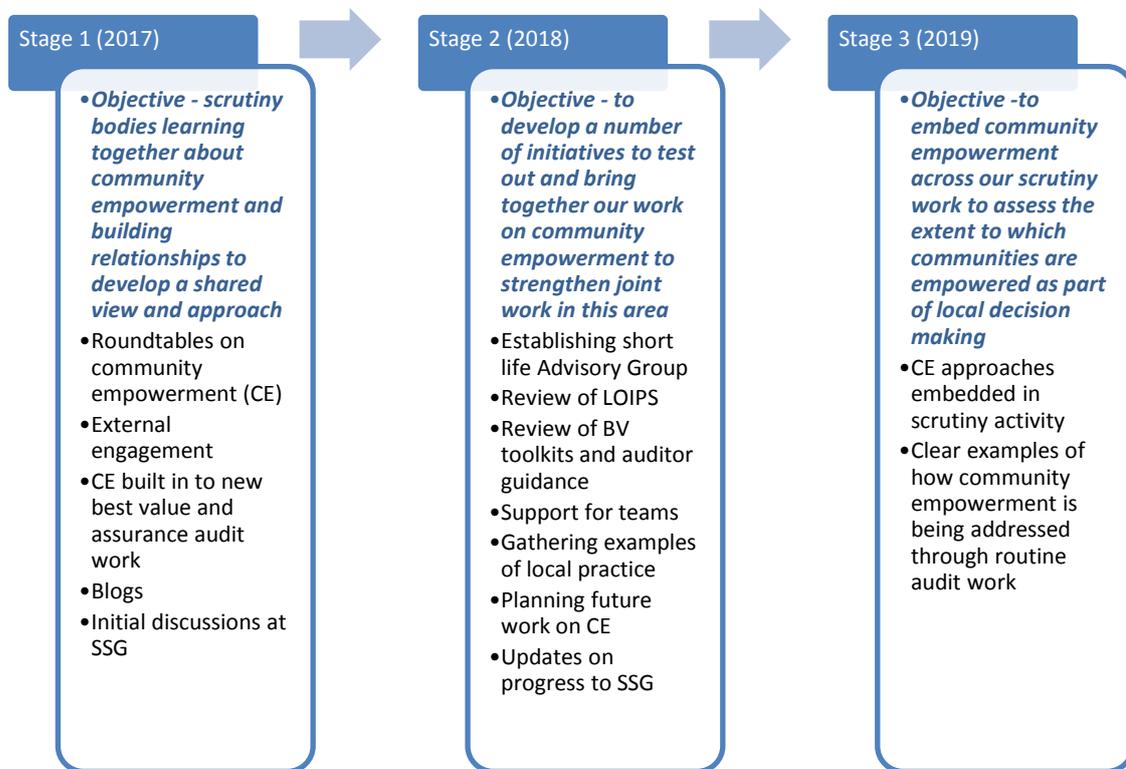
Contribution to national developments

20. Since our report published in March 2016, the Scottish Government has published the following statutory guidance, to support provisions in the Community Empowerment (Scotland) Act 2015:
 - guidance on community planning, December 2016 (Part 2 of the Act)
 - guidance to enable community bodies to request the transfer of assets to them, January 2017 (Part 5 of the Act)
 - guidance to enable communities to request participation in decisions and processes which are aimed at improving outcomes, April 2017 (Part 3 of the Act).
21. At the end of 2016, Lorraine Gillies was seconded to Audit Scotland for a year from West Lothian Council to help develop our approach to assessing community engagement. During this period Lorraine was involved in discussions with the Scottish Government and others on the development of this guidance and an approach for evaluating community planning.
22. Audit Scotland is part of the Strategic Scrutiny Group (SSG), which is a national forum (hosted by the Accounts Commission) of all scrutiny bodies in Scotland. The SSG ensures that the scrutiny of public sector bodies is better targeted and scrutiny reflects any risks identified. With the SSG we have undertaken a range of activities with the aim of developing a coordinated approach to the scrutiny of community empowerment. A summary of this activity is shown in Exhibit 2.

¹ The official report of the meeting can be found here:
<http://www.parliament.scot/parliamentarybusiness/report.aspx?r=10427&mode=pdf>

Exhibit 2

Activity by the Strategic Scrutiny Group to develop a coordinated approach to the scrutiny of community empowerment



23. Audit Scotland, the Improvement Service and NHS Health Scotland reviewed Local Outcome Improvement Plans (LOIPs) on behalf of the Outcomes, Evidence and Performance Board (OEPB). The findings were published in June 2018, and showed that overall there is variability in the scale and scope of LOIPs across Scotland.² Progress is being made against the expectations of the Community Empowerment Act and associated guidance, but there remains a need for LOIPs to be more focused on the areas where the CPP can make the biggest impact. The review will be used to help the Improvement Service, working with others, to continue to develop and deliver appropriate support for CPPs.
24. The Community Empowerment Act places a duty on Scottish Ministers to consult on, develop and publish a new set of national outcomes for Scotland. The Scottish Government consulted on this during 2017 and launched a refreshed [National Performance Framework](#) in June 2018. This includes 11 national outcomes and 81 national indicators that will be used to track and measure progress towards achieving them. The framework will play an important role in the

² *Local Outcomes Improvement Plans stocktake: emerging themes*, Audit Scotland, Improvement Service, NHS Health Scotland, June 2018.

http://www.improvementservice.org.uk/documents/community_planning/loip-stocktake-emerging-findings-may2018.pdf

Scottish Parliament's scrutiny of the Scottish budget. The new budget process places increased emphasis on evaluating the economic and social outcomes being achieved by public spending. This includes assessing the extent to which previous spending plans are delivering the national outcomes.

25. Audit Scotland's work programme includes a performance audit on community assets in 2019/20. This is likely to assess how organisations across the public sector are working with local communities to make best use of community assets, and the local impact of the Community Empowerment (Scotland) Act. It may provide an opportunity to evaluate further progress in some of the areas highlighted in this impact report.

Appendix - Progress on implementing recommendations

This table provides a summary of progress against our recommendations. It is based on responses and evidence provided by the Scottish Government, COSLA and the Improvement Service. Where recommendations are closely related, we have grouped them together.

| Recommendation | Progress |
|---|---|
| <p>The Scottish Government should:</p> <ul style="list-style-type: none"> clarify its specific performance expectations for CPPs and partners through its statutory guidance on the Community Empowerment (Scotland) Act 2015. | <p>The Scottish Government has clarified performance expectations for CPPs and partners through its statutory guidance on the Community Empowerment (Scotland) Act 2015. (Green)</p> <p>The Scottish Government published statutory guidance on community planning in December 2016, when the new statutory provisions for community planning in Part 2 of the Community Empowerment (Scotland) Act 2015 came into force. The Scottish Government's response notes that this guidance supersedes the Statement of Ambition from 2012 and work of the National Community Planning Group. The guidance sets out the Scottish Government's vision for community planning, a clear set of principles for effective community planning and specific long-term expectations for CPPs and partners.</p> |
| <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> set out a clear route map for improving community planning with short-, medium- and long-term steps that will be taken locally and nationally to implement the Statement of Ambition and the Community Empowerment (Scotland) Act 2015 including how the impact of these changes will be assessed. | <p>The Scottish Government reports that feedback on the guidance from CPPs and partners indicates that they value the focus on what effective community planning should achieve, rather than on the mechanics of how CPPs organise themselves. The guidance, alongside the development of Local Outcome Improvement Plans (LOIPs), provides CPPs with an appropriate balance between national expectations and the flexibility to reflect local needs and circumstances.</p> |
| <p><i>Audit dimension – governance and transparency</i></p> | <p>The statutory guidance sets out long-term expectations for CPPs and short-term steps in preparing Local Outcome Improvement Plans. But it stops short of providing a 'route map' for improving community planning, which is now in the hands of individual CPPs. (Green)</p> <p>The statutory guidance includes long-term expectations on what community planning should achieve. It also includes specific short-term steps that should be taken by CPPs in preparing their LOIPs and Locality Plans. It stops short of providing a 'route map' of steps that should be taken, locally and nationally, to achieve the long-term vision for community planning set out in the guidance.</p> |

| Recommendation | Progress |
|----------------|---|
| | <p>The Scottish Government's consultation on the guidance included a specific question on this – 'Do you think there are common short or medium-term performance expectations which every CPP and partners should be expected to meet?' A small number of respondents (16%) indicated that this would be beneficial but did not suggest what the expectations could be. Overall, there was no strong appetite for this among CPPs on the grounds that it might create tension between national expectations and local flexibility.</p> <p>COSLA's response notes that embedding the community planning approach (e.g. local integration, shared outcomes, services built around place) within wider service delivery and reform has helped to set a broader 'route map' for reform in Scotland. And so any steps to improve community planning/partnership working need to be seen in this wider context.</p> <p>Assessing the impact of the Community Empowerment Act in improving community planning is proving difficult. But the Scottish Government is working with others to develop an evaluation framework and plans to evaluate the effectiveness of community planning during this parliamentary session. (Amber)</p> <p>The statutory guidance requires CPPs to evaluate and report on progress towards local outcomes in their LOIP and locality plan(s) and to publish annual progress reports. At a national level, the Scottish Government plans to review the overall effectiveness of community planning following the Community Empowerment Act during this Parliamentary session. This is likely to take place in 2019/2020, to allow time for the new arrangements to bed in.</p> <p>The Scottish Government and NHS Health Scotland are working with others to develop an approach to evaluating community planning, as part of the work for the Outcomes, Evidence and Performance Board (OEPB). It is proving challenging to develop a framework that can support evaluation at both local and national levels, and support OEPB's improvement work (e.g. to inform self-evaluation tools for CPPs or to map improvement support needs and offers). At its meeting in November 2017, the OEPB agreed to organise an event to test what people would find most useful from an evaluation framework. The Scottish Government is in the process of setting this up.</p> <p>We would like to see further progress made in developing an approach to evaluating the impact of community planning on driving public service reform and improving outcomes. This includes assessing how changes to national performance frameworks and governance arrangements are supporting improved partnership working at local level.</p> |

| Recommendation | Progress |
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| <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> work with the Improvement Service and others to establish a locally tailored national programme of improvement support for CPPs. <p><i>Audit dimension – value for money</i></p> | <p>The Improvement Service is working with others to provide improvement support for CPPs nationally, including a portal that signposts CPPs to support provided by national improvement agencies. (Green)</p> <p>In summer 2016, the Improvement Service and NHS Health Scotland launched a publicly accessible portal for CPPs and partnerships that contribute to community planning (e.g. health and social care partnerships). It brings together information about the wide range of support available from national improvement agencies. The Improvement Service and NHS Health Scotland continue to develop the portal, with the OEPB providing oversight. The OEPB is also developing arrangements for monitoring the portal's use and impact, assessing the quality and impact of support offered and identifying any gaps in support.</p> <p>An Improvement Service survey of Community Planning Managers in autumn 2016 highlighted that community participation was an area where CPPs would welcome support. In response to this, the Scottish Government is funding the Improvement Service and Scottish Community Development Centre (SCDC) to support CPP boards to develop their approaches to community participation. This will involve working with CPPs in six regional groupings to develop learning, take action to improve practice, and reflect collectively on opportunities and challenges in the current context.</p> |
| <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> establish arrangements through which good practice within individual CPPs can be identified and shared. <p><i>Audit dimension – value for money</i></p> | <p>The Improvement Service and NHS Health Scotland are leading work to identify and share good practice within CPPs. (Green)</p> <p>The Improvement Service and NHS Health Scotland are jointly funding a part-time Community Planning Portal Manager for 12 months to develop the community planning portal (see above). The aim is to use the portal to showcase good practice. The OEPB anticipates that its work to evaluate 'what works' should provide case studies and evidence for this. Development of the portal was expected to start in January 2018.</p> <p>What Works Scotland has played an important role in progressing good practice and key development themes around community planning. Forums such as Community Planning Managers networks also provide ongoing opportunities to develop, share and collaborate around new ideas and opportunities. More widely, Local Government has taken steps to ensure that effective work by CPPs and local partnerships is built into existing channels for identifying and sharing best practice and innovation. For example, the COSLA Excellence Awards and SOLACE Innovation Exchange.</p> |

| Recommendation | Progress |
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| <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> establish a national forum which has the credibility and authority to address any national and local barriers to effective community planning. <p><i>Audit dimension – governance and transparency</i></p> | <p>The Scottish Government and COSLA have agreed that the Outcomes, Evidence and Performance Board (OEPB) will act as a national forum to coordinate improvement activity for community planning. (Green)</p> <p>The Scottish Government and COSLA believe that, since the publication of our report, both national and local government have united around a wider reform agenda based on local place, empowerment and participation. At the heart of this is designing and delivering services in ways that suit local communities. The Scottish Government and COSLA think that national leadership on shared challenges and opportunities can now be seen across a range of forums. This includes the following developments:</p> <ul style="list-style-type: none"> The Community Empowerment (Scotland) Act 2015 and statutory guidance on community planning, which provide clear expectations for community planning. Ministers and COSLA leaders agreed that the Scottish Government, COSLA and SOLACE officials should work together to add momentum to the Public Service Reform journey. They were initially planning to take forward workstreams on five specific themes, which were jointly identified as areas where working in partnership can drive accelerated progress. These were - a Place-Based Approach to Tackling Inequality; Local Inclusive Economic Growth; Shifting the Balance of Health and Social Care; Public Health Reform, and Education and Children’s Services. COSLA and the Scottish Government jointly launched the Local Governance Review in December 2017, and agreed that work on promoting a place-based approach to tackling inequalities and local inclusive growth would be taken forward through this review. The Scottish Government and COSLA continue to work together on specific policy delivery programmes on shifting the balance of health and social care; public health reform; and education and children’s services. The OEPB has recently refreshed its remit, which will increasingly look to identify and test potential obstacles to effective community planning and, where possible, take steps or offer advice on how to tackle these. <p>COSLA notes that, as wider reform processes take shape, leadership will be required to ensure that opportunities are explored for CPPs to develop in the context of the changing landscape.</p> |

| Recommendation | Progress |
|---|---|
| <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> • put in place a ‘test of change’ within a CPP to assess the impact of greater local autonomy on improving outcomes and identify any barriers to effective locally focused partnership working. <p>The Scottish Government and COSLA should:</p> <ul style="list-style-type: none"> • evaluate the ‘test of change’ and implement the lessons learnt. <p><i>Audit dimension – governance and transparency and value for money</i></p> | <p>Proposals for a ‘test of change’ did not go ahead as CPPs saw more potential benefit in testing opportunities for freedoms and flexibilities through the new City Region Deals. (Red)</p> <p>When we published our report in March 2016, Scottish Government officials were working with local authority and NHS chief executives in two areas, to test their interest in developing proposals for a ‘test of change’. These proposals would have invited Ministers to agree to relax specific performance targets and/or funding conditions, in return for a commitment to direct additional investment towards prevention. In the end, neither area decided to proceed with this approach. They saw greater potential from pursuing flexibilities within a new City Region Deal to secure additional investment. The Scottish Government has received no specific requests since then to consider other tests of change.</p> |
| <p>The Scottish Government should:</p> <ul style="list-style-type: none"> • streamline national performance management frameworks and create a better balance between short-term measures of individual service performance and the delivery of longer-term local outcomes through effective partnership working. <p><i>Audit dimension – governance and transparency and value for money</i></p> | <p>The Scottish Government continues to review performance frameworks and indicators to increase the emphasis on outcomes, but CPPs still operate within a complex network of accountability frameworks. (Amber)</p> <p>Following the Community Empowerment (Scotland) Act 2015, Scottish Ministers are now under a duty to consult on, develop and publish a new set of National Outcomes for Scotland. The Scottish Government consulted on national outcomes during 2017 and launched a refresh of the National Performance Framework in June 2018. The Scottish Government notes the new outcomes should allow it to better track progress in reducing inequalities, promoting equality, and encouraging preventative approaches.</p> <p>Performance frameworks are also being reviewed in specific sectors. For example:</p> <ul style="list-style-type: none"> • The findings of the National Review of Targets and Indicators for Health and Social Care were published in November 2017. The review looked at how current targets and indicators align with the Scottish Government’s strategy for the future of NHS and social care services and support the best use of public resources. |

| Recommendation | Progress |
|---|---|
| <p>The Scottish Government should:</p> <ul style="list-style-type: none"> place the views of local communities at the heart of measuring success in public service delivery. <p><i>Audit dimension – governance and transparency and value for money</i></p> | <ul style="list-style-type: none"> Police Scotland are currently developing a new performance framework for national reporting, which will in turn influence local reporting. This framework will place a greater emphasis on how to better evidence more meaningful outcomes for local communities and those most at risk from harm. The OEPB has a workstream to ‘Ensure performance management arrangements for Scotland’s public services are fit for purpose and reflect the reform agenda’. This includes actions to: revisit and update where necessary work undertaken by the Public Service Reform Board to review performance management arrangements across the community planning sector; to report on key findings of this review; and to propose recommendations for national and local consideration arising from the findings of the review. This work is due to be reported to the OEPB by the end of August 2018. |
| <p>The Scottish Government should:</p> <ul style="list-style-type: none"> place the views of local communities at the heart of measuring success in public service delivery. <p><i>Audit dimension – governance and transparency and value for money</i></p> | <p>The Scottish Government placed the views of local communities at the heart of community planning, through the Community Empowerment (Scotland) Act 2015. (Green)</p> <p>The Community Empowerment (Scotland) Act 2015 clearly sets out that CPPs are accountable to their local communities for progress towards their community planning ambitions. CPPs are required to publish annual reports on progress towards local outcomes in their LOIP and locality plan(s). More broadly, statutory CPP partners are required to participate with community bodies in ways which enable those bodies to participate in community planning to the extent they wish. This includes reviewing progress towards local priorities and assessing the continued relevance of the LOIP and locality plans.</p> <p>One of the objectives of the review of national outcomes in the National Performance Framework was to ensure that they reflect the values and aspirations of the people of Scotland. Phase one of the review involved consulting with the public on what kind of Scotland they would like to live in. A total of 515 participants in both deprived and affluent areas were consulted, and the Children’s Parliament undertook engagement with children.</p> |

| Recommendation | Progress |
|--|---|
| <p>The Scottish Government should:</p> <ul style="list-style-type: none"> work with others to create a climate and culture where local public service leaders feel confident that they have autonomy and authorisation to decide how to respond to the specific needs of their communities. <p><i>Audit dimension – governance and transparency</i></p> | <p>The Scottish Government thinks that its statutory guidance on community planning has helped to emphasise the importance of local autonomy in responding to the needs of communities. (Amber)</p> <p>In its response, the Scottish Government notes that Scottish Ministers are committed to fostering a climate which encourages public sector leaders to reform services in order to better meet the needs of people and communities. The First Minister expressed this in a speech to the Scottish Leaders' Forum in June 2016, when she said: “...(W)here you show leadership and find ways to deliver services in a better way, we will back you. And where that means bringing to life truly collaborative leadership to improve outcomes for people, we will do everything we can to support you.”</p> <p>The statutory guidance talks about effective community planning in terms of what it achieves (i.e. identifying and responding to a set of local priorities in a way that reflect the needs, circumstances and aspirations of local communities) rather than prescribing particular actions partners should take. The Scottish Government notes that this helps to reinforce its view that CPPs and local partners have the autonomy and authorisation to decide how to respond to the specific needs of their communities. Based on discussions with local partners, the Scottish Government feels that this is now well recognised. It is too soon to assess the impact of this.</p> |
| <p>Community Planning Partnerships should:</p> <ul style="list-style-type: none"> target their resources on a larger scale towards their priorities and shift them towards preventative activity. | <p>Although we have not done any further local audit work in CPPs since publication of the update report evidence from our community empowerment development activity with our scrutiny partners, relevant performance audit activity, and local Best Value audit work indicates that:</p> <ul style="list-style-type: none"> local authorities and their partners are still finding it difficult to make a strategic shift of resources towards preventative activity some progress is being made in using the Community Empowerment legislation to give local communities a stronger voice in planning local public services more work is needed to align CPP activity and public service reform at both national & local level there are concerns amongst some community planning partners about the extent to which community planning is still seen as central to the Scottish Government's broader public service reform agenda. |
| <p>Community Planning Partnerships should:</p> <ul style="list-style-type: none"> ensure local communities have a strong voice in planning, delivering and assessing local public services. | |
| <p>Community Planning Partnerships should:</p> <ul style="list-style-type: none"> promote and lead local public service reform. | |

| Recommendation | Progress |
|----------------|--|
| | <p>Improvements in community planning at a local level are being picked up through the work of other organisations and forums.</p> <p>The OEPB is taking the lead on coordinating improvement activity for community planning. The Improvement Service is working with others to provide improvement support for CPPs nationally. What Works Scotland plays an important role in progressing good practice and key development themes around community planning.</p> <p>The Improvement Service, NHS Health Scotland and Audit Scotland conducted a review of LOIPs and published the findings in June 2018 (see paragraph 23).</p> <p>Audit Scotland is part of the Strategic Scrutiny Group, and is working with its scrutiny partners to develop a coordinated approach to the scrutiny of community empowerment. We will also continue to monitor developments in community planning through the Health, Care and Communities cluster, the Shared Risk Assessment process, our Best Value audit work, and work on health and social care integration.</p> |

Community planning

An update

ACCOUNTS COMMISSION 

AUDITOR GENERAL 

Prepared by Audit Scotland
March 2016

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

You can find out more about the work of the Accounts Commission on our website: www.audit-scotland.gov.uk/about/ac 

Auditor General for Scotland

The Auditor General's role is to:

- appoint auditors to Scotland's central government and NHS bodies
- examine how public bodies spend public money
- help them to manage their finances to the highest standards
- check whether they achieve value for money.

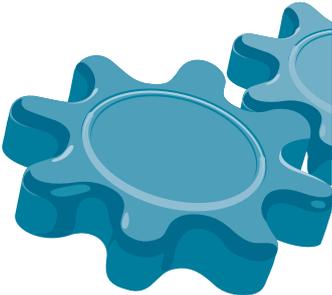
The Auditor General is independent and reports to the Scottish Parliament on the performance of:

- directorates of the Scottish Government
- government agencies, eg the Scottish Prison Service, Historic Scotland
- NHS bodies
- further education colleges
- Scottish Water
- NDPBs and others, eg Scottish Police Authority, Scottish Fire and Rescue Service.

You can find out more about the work of the Auditor General on our website: www.audit-scotland.gov.uk/about/ags 

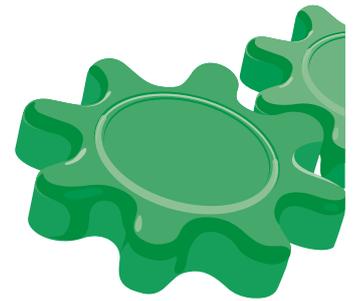
Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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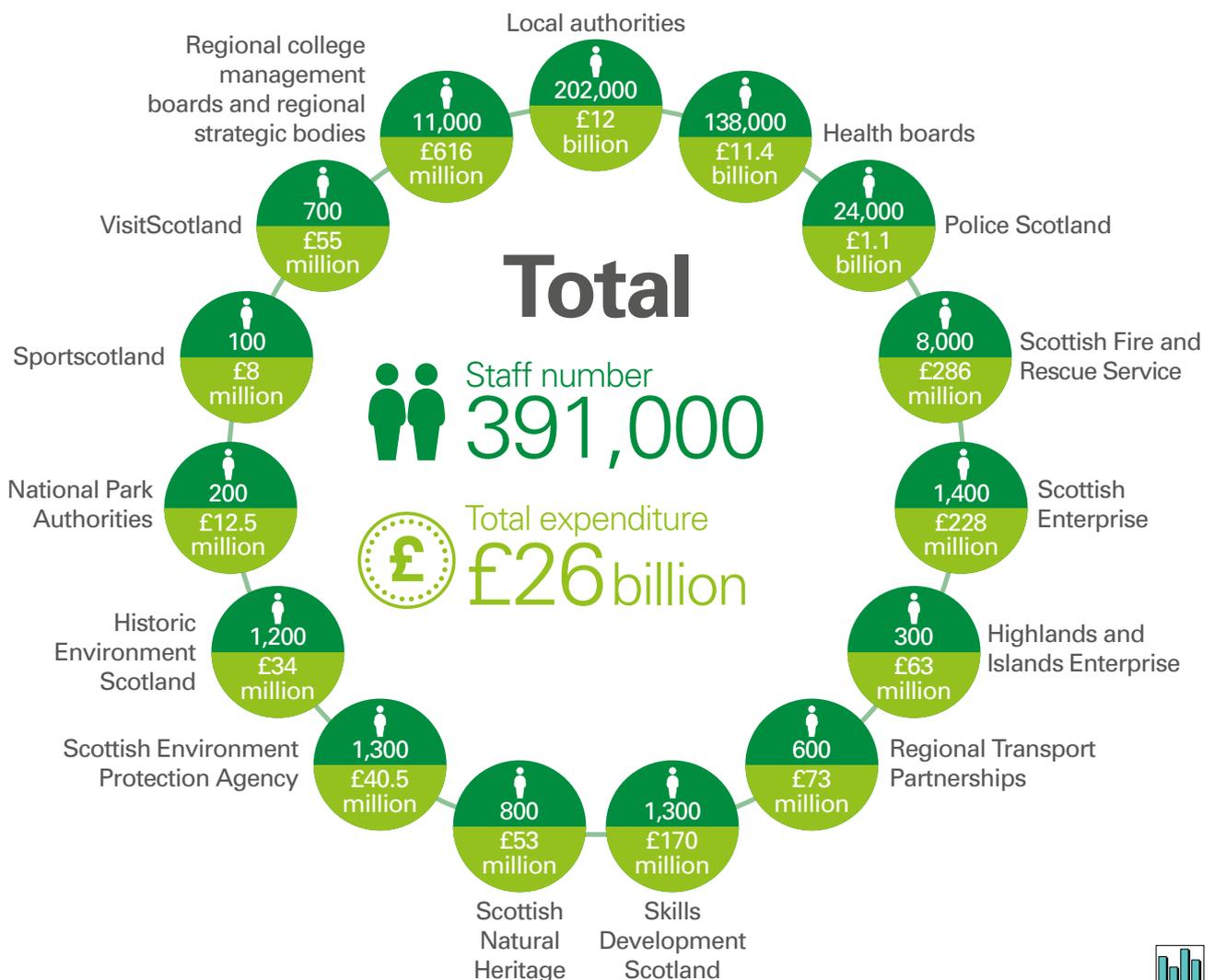


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Key facts



Total resources available to statutory partners under the Community Empowerment (Scotland) Act 2015



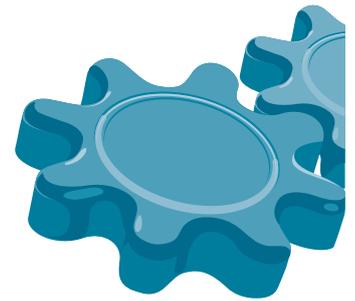
Notes:

1. Staff numbers are full-time equivalent where available.
2. Integrated Joint Boards will be a statutory partner but have not been included to avoid double counting of staff from local authorities and health boards.
3. The expenditure figure for colleges partners are based on Scottish Funding Council funding from a 16-month year due to a change in the financial year.

Source: Audit Scotland analysis of CPP statutory partners most recent audited accounts and annual reports. Figures have been rounded.



Summary



Key messages

- 1** The Scottish Government and COSLA have ambitious expectations for community planning. Since the publication of their joint Statement of Ambition in 2012 they have continued to promote community planning as central to effective public service reform. Progress on community planning is being made both locally and nationally. But it is not yet delivering the ambitious changes in the way public services are organised and delivered, with and for communities, that were envisaged in the Statement of Ambition. This is at a time when the role of Community Planning Partnerships (CPPs) becomes increasingly important as public bodies work together to address the growing challenges identified by the Christie Commission.
- 2** Overall, CPPs continue to build on the positive progress we reported in 2014. In particular, they are improving leadership and scrutiny and are using data to set clearer priorities. CPPs also continue to implement a range of projects targeted at specific groups or communities. But we have yet to see CPP partners sharing, aligning, or redeploying their resources in significantly different ways and on a larger scale to deliver the CPPs' priorities, in line with the 2013 agreement on joint working on community planning and resourcing. The Statement of Ambition was clear that communities have a key role to play in shaping local public services, but involving communities fully in planning and delivering local services still remains at an early stage in many CPPs.
- 3** The Scottish Government is improving its understanding of how individual CPPs are performing and has identified priorities for improvement. It has not yet used this to develop, with COSLA, a well-coordinated national programme of support that reflects known good practice and is tailored to meet individual CPP's improvement and development needs.
- 4** The Scottish Government is strengthening its focus on outcomes in some policy areas. But the way in which public bodies report performance, and are held to account, does not always reflect the Scottish Government's policy of promoting outcomes, prevention and reducing inequalities. In particular, some short-term national performance targets are making it difficult to reform services to deliver more preventative service models. It is difficult to see how CPPs can meet the expectations of the Statement of Ambition without changes being made to how public sector partners and CPPs are held to account for their performance.

stronger leadership is needed if CPPs are to work in partnership with communities to improve outcomes and address inequalities

- 5 Stronger national leadership is needed to enable community planning to meet its full potential. The National Community Planning Group (NCPG) has not met since December 2014 and the Scottish Government is proposing to disband it. The Community Empowerment (Scotland) Act 2015 sets out new statutory duties for CPPs and statutory guidance provides an opportunity to clarify the Scottish Government's expectations for community planning. But this is not enough to deliver the ambitious changes that were envisaged in the Statement of Ambition. To meet these expectations, fundamental changes must be made to the way public services are planned and delivered.
- 6 There is a need to streamline national performance management frameworks and create a better balance between measures of service performance and local outcomes, prevention and the performance of partnerships. This should involve placing the views of local communities at the heart of measuring success in public service delivery. The Scottish Government also needs to work with others to create a climate and culture where local public service leaders feel confident that they have autonomy and authorisation to decide how to respond to the specific needs of their communities. Local public service leaders also need to play their part by showing strong local leadership of change.

Recommendations

The Scottish Government and COSLA should:

- set out a clear route map for improving community planning with short-, medium- and long-term steps that will be taken locally and nationally to implement the Statement of Ambition and the Community Empowerment (Scotland) Act 2015 including how the impact of these changes will be assessed
- work with the Improvement Service and others to establish a locally tailored national programme of improvement support for CPPs
- establish arrangements through which good practice within individual CPPs can be identified and shared
- establish a national forum which has the credibility and authority to address any national and local barriers to effective community planning
- put in place a 'test of change' within a CPP to assess the impact of greater local autonomy on improving outcomes and identify any barriers to effective locally focused partnership working
- evaluate the 'test of change' and implement the lessons learnt.

The Scottish Government should:

- clarify its specific performance expectations for CPPs and partners through its statutory guidance on the Community Empowerment (Scotland) Act 2015
- streamline national performance management frameworks and create a better balance between short-term measures of individual service performance and the delivery of longer-term local outcomes through effective partnership working
- place the views of local communities at the heart of measuring success in public service delivery
- work with others to create a climate and culture where local public service leaders feel confident that they have autonomy and authorisation to decide how to respond to the specific needs of their communities.

Community Planning Partnerships should:

- target their resources on a larger scale towards their priorities and shift them towards preventative activity
- ensure local communities have a strong voice in planning, delivering and assessing local public services
- promote and lead local public service reform.

Background

1. Community planning is the process by which councils and other public bodies work with local communities, businesses and voluntary groups to plan and deliver better services and improve the lives of people who live in Scotland. Community planning is led by Community Planning Partnerships (CPPs). There are 32 CPPs, covering each council area.

2. The Local Government in Scotland Act 2003 provided the initial statutory basis for community planning. It was introduced to:

- enable public bodies to work together to deal with complex, long-term challenges that a single organisation can not deal with, for example inequalities in health, employability and levels of crime
- involve local communities more in the decisions that affect people's lives.

3. The Community Empowerment (Scotland) Act 2015 introduced new statutory duties for community planning along side other changes that are intended to give local people more say in how public services are planned and run ([Exhibit 1, page 12](#)).

4. In March 2013, we published [Improving community planning in Scotland \[PDF\]](#) , which provided a national picture of community planning in Scotland.¹ We published an update on progress in November 2014.² That report, [Community planning: turning ambition into action \[PDF\]](#) , assessed progress locally and nationally and identified opportunities for further improvement. We reported that there was renewed energy nationally and locally to improve community planning since the publication of the Statement of Ambition.³ But we found that the pace and scale of activity are unlikely to lead to the radical changes to public services and how they are delivered that the Christie Commission called for ([paragraph 8, page 9](#)). Our report included recommendations for the Scottish Government, Convention of Scottish Local Authorities (COSLA), the National Community Planning Group and CPPs.

5. This report provides an update on progress, and is in two parts:

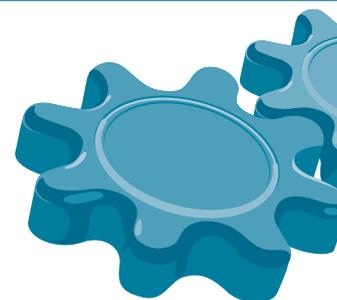
- [Part 1](#) examines the policy context for community planning and developments since November 2014.
- [Part 2](#) assesses the progress that has been made nationally and locally against the recommendations in our previous report.

6. A summary of progress against the recommendations in our 2014 report is provided in [Appendix 1](#). These have been classified into red (no progress made to date), amber (some progress) and green (recommendation fully implemented). We have repeated some of our previous recommendations in this report where progress has not been made and the recommendations remain relevant. There are a number of recommendations which the Scottish Government plans to address when implementing the Community Empowerment Act. These are referenced where appropriate throughout the report.

7. Our findings are based on reviewing published documents, assessing local progress in eight CPPs, and interviewing representatives from public bodies and national organisations. We also commissioned consultants to review documents on international approaches to community planning. Our audit methodology is set out in [Appendix 2](#).

Part 1

Policy developments



Key messages

- 1 The Scottish Government and COSLA have ambitious expectations for community planning. Since the publication of their joint Statement of Ambition in 2012, they have continued to promote community planning as central to effective public service reform. Recent legislation, such as that on community empowerment, health and social care integration and community justice, has important implications for the role of community planning although it is too early to assess their impact on CPPs. This is at a time when the role of CPPs becomes increasingly important as public bodies work together to address the growing challenges identified by the Christie Commission.
- 2 International evidence shows that most service changes to improve outcomes through partnership working have delivered incremental rather than radical transformation. This highlights the scale of the challenge in implementing the Statement of Ambition.
- 3 A range of approaches to community planning is being developed across the world. This presents an opportunity for public bodies in Scotland to share and learn lessons with other countries.

community
planning
continues to
be given a
pivotal role in
transforming
public
services in
Scotland

The Scottish Government and COSLA have ambitious expectations for community planning

8. In 2011, the Christie Commission concluded that reducing public finances and increasing demand for services will make public services unsustainable if they do not change.⁴ It highlighted the need for fundamental public service reform. The Commission was clear that this reform was not just a matter of financial necessity, but was also needed to improve the quality of public services to better meet the needs of people and their communities.

9. CPPs were seen as central to delivering the fundamental changes the Christie Commission outlined which focused on balancing reducing resources with improving services, involving local people more effectively in decisions that affect their lives, and addressing the significant inequalities experienced by some communities. As the scale and nature of these challenges have become clearer, the importance of CPPs has grown given their key role as the main forum for public bodies to implement the Christie agenda. In March 2012, the Scottish Government and COSLA published a shared statement on their expectations for community

planning (the Statement of Ambition).⁵ This drew on the findings of the Christie Commission and highlighted the important role of CPPs in the following:

- **Improving outcomes:** taking action that will, over time, result in positive changes to people's lives, for example people living longer, healthier lives in safer communities with better employment opportunities.
- **Reducing inequalities:** reducing social and economic differences between the most and least disadvantaged communities and areas, for example differences in income, educational attainment and crime rates.
- **Prevention:** identifying potential problems and taking action to intervene at an early stage to prevent them from happening, for example reducing reoffending or avoiding unnecessary hospital admissions.
- **Community engagement:** consulting with local communities on decisions that affect them and getting communities more involved in planning and providing local services.
- **Public service reform:** providing the foundation for effective partnership working within which the Scottish Government's wider public service reform initiatives, such as health and social care integration, will happen.

10. Since the publication of the Statement of Ambition in 2012 the Scottish Government and COSLA have continued to emphasise that community planning is central to effective public service reform. More recently, overall Scottish Government policy has shown a clearer focus on some of the principles in the Statement of Ambition, such as addressing inequalities and improving life chances for specific communities. This can be seen most notably in policies on community empowerment and aspects of health and social care integration. It is also reflected in other areas, such as education in the Scottish Government's Attainment Scotland Fund.

The Community Empowerment Act provides an opportunity to clarify national expectations for CPPs

11. In our previous report, we recommended that the National Community Planning Group, Scottish Government and COSLA should clarify their expectations for CPPs. We highlighted that there was a range of views, both nationally and locally, about the role and purpose of community planning and what it can be expected to achieve. A significant area of ambiguity was the extent to which community planning should focus on specific local concerns and the weight that CPPs should give to national priorities. There were also differences of opinion about the extent to which community planning should focus on prevention and inequalities or whether it should have a broader role in improving and reforming mainstream public services. This has important implications for the level and range of resources that CPPs see as falling under their influence, which in turn influences the scope and potential impact of community planning in the local area. Our recommendation has not yet been addressed, and the issues that we identified at that time still continue ([paragraphs 43–46, pages 22–23](#)). The Scottish Government anticipates taking this recommendation forward through the publication of draft guidance on the Community Empowerment Act. This guidance will supersede the Statement of Ambition and reflect current thinking on Scottish Government expectations of community planning.

12. The Community Empowerment (Scotland) Bill became an Act in July 2015. The Community Empowerment (Scotland) Act 2015 is a significant piece of new legislation which reflects some important principles from the Christie Commission and the Statement of Ambition. Part two of the Act includes new duties aimed at strengthening community planning ([Exhibit 1, page 12](#)).

It makes clear that the focus of community planning should be on improving outcomes and tackling inequalities across communities. The preparation of statutory and non-statutory guidance to support implementation of the Act provides an opportunity for the Scottish Government to clarify its expectations for CPPs.

13. Under the Local Government in Scotland Act 2003, it was the duty of the council to lead and develop the community planning process. The Community Empowerment Act makes clear that running the CPP, and making sure it works effectively, are now a shared enterprise. It introduces duties on named partners to share the leadership and governance of the CPP. Those named partners are the council, NHS board, Scottish Enterprise and Highlands and Islands Enterprise, Police Scotland and the Scottish Fire and Rescue Service. The Act describes the proposed governance arrangements for CPPs, including the specified members of the CPP and how they should work together to ensure the community planning process is efficient and effective. It sets out how communities may be more involved in decisions affecting their lives but is silent on how CPPs might be held collectively to account for their performance alongside their individual accountabilities as partners.

14. Most parts of the Act are expected to be in force by summer 2016. The Scottish Government is currently preparing regulations and statutory guidance for CPPs and partners to help them fulfil their duties set out in part two of the Act. This is likely to be a package of guidance, including regulations on locality planning, statutory guidance for CPPs and partner bodies, a guide to community planning for the public, and examples of good or innovative practice. The development of statutory guidance provides an important opportunity for the Scottish Government to clarify specific performance expectations for CPPs and partners. It is anticipated that a key theme in the guidance will be an explicit expectation that CPPs:

- identify ambitious, rather than incremental, approaches to improvement
- start making more rapid progress in sharing, aligning and deploying their resources to deliver better outcomes for communities.

Exhibit 1

What the Community Empowerment (Scotland) Act 2015 means for community planning

The Act introduces new statutory duties for community planning.

Community Empowerment (Scotland) Act 2015



Gives CPPs a statutory purpose of focusing on improving outcomes



Requires CPPs to produce a local outcomes improvement plan (LOIP)



The Act requires CPPs to:

- identify which geographical areas have communities that experience the poorest outcomes
- prepare and publish locality plans to improve outcomes on agreed priorities for these communities



Requires CPPs to review and report publicly on the progress towards their LOIP and locality plans and revise and update the plans as appropriate

Expands the list of statutory partners to include:



- Skills Development Scotland
- the integration joint board (integration authority)
- Scottish Natural Heritage
- Scottish Environment Protection Agency
- Historic Environment Scotland
- a National Park authority
- Scottish Sports Council
- VisitScotland
- the Board of Management or a regional college
- a regional strategic body in Further and Higher Education (Scotland) Act

Specific duties on statutory partners to:



- contribute funds, staff and other resources to improve local outcomes
- work collaboratively with other partners on community planning
- ensure community organisations play an active role in community planning
- take account of LOIPs when they are carrying out its own functions

Introduces duties to support leadership and governance beyond the local authority to:



- the NHS board
- Scottish Enterprise and Highlands and Islands Enterprise
- Police Scotland
- Scottish Fire and Rescue Service



Gives a specific focus to tackling inequalities

Major reform is under way to integrate health and social care services

15. The Public Bodies (Joint Working) (Scotland) Act 2014 sets out a framework for integrating adult health and social care services. This aims to change how people with health and social care needs are supported by promoting a shift to more community-based and preventative services. The Act creates new partnerships, known as integration authorities (IAs), with statutory responsibilities to coordinate local health and social care services. We reported on progress in establishing IAs in December 2015.⁶

16. The Act puts in place several national outcomes for health and social care and IAs are accountable for making improvements to these outcomes. This is the first time that outcomes have been set out in legislation in this way, signalling an important shift from measuring internal processes to assessing the impact on people using health and social care services. IAs are required to report every year on the progress they have made towards improving outcomes. The Act also aims to ensure that services are integrated, taking account of people's needs and making best use of available resources, such as staff and money. These new partnerships will manage more than £8 billion of resources that NHS boards and councils previously managed separately, which presents huge opportunities for targeting resources at local priorities for improvement.

17. Scottish Government guidance on health and social care integration highlights the importance of creating effective relationships between IAs and CPPs to help achieve national health and wellbeing outcomes.⁷ This approach is supported by the addition of IAs to the list of statutory community planning partners in the Community Empowerment Act. CPPs are now required to prepare locality plans ([Exhibit 1, page 12](#)) and IAs are required to divide their area into at least two localities to help plan and decide how to make changes to services in that area. It is important that individual IAs and CPPs are clear about how they will work together and ensure their approaches to locality planning are aligned.

Changes to community justice services are likely to include a major role for CPPs

18. The Community Justice (Scotland) Bill was introduced to the Scottish Parliament in May 2015. The Bill includes proposals to establish a national body to oversee community justice and to transfer responsibility for delivering community justice services to named community justice partners from April 2017. All of the proposed community justice partners are also statutory community planning partners under the Community Empowerment Act, except for the Scottish Courts and Tribunals Service and Scottish ministers. The Bill includes a proposed duty on community justice partners to publish an outcomes improvement plan. The Scottish Government expects CPPs and community justice partners to consult each other when preparing their respective outcomes improvement plans, to ensure consistency.

19. The arrangements set out in the Bill for community justice partners to plan, monitor and report largely mirror arrangements for CPPs. The Scottish Government anticipates that community justice planning will take place using community planning structures.⁸ This introduces complex governance arrangements. As currently proposed, a single national body (Community Justice Scotland) would have to provide assurance to Scottish ministers on the collective

achievement of improved community justice outcomes. The various partners involved in supporting improved community justice outcomes have a large and complex network of responsibilities.⁹ During the Bill's progress through the Scottish Parliament there has been considerable challenge around the proposed governance and accountability arrangements.

20. CPPs are not yet clear on what the changes will mean for them. The Scottish Government has established a working group to help with the transition of community justice arrangements into the new structure. CPP managers are represented on the group and its work includes talking to community planning and community justice partners across Scotland. The Scottish Government and COSLA will draft guidance setting out how the planning and delivery community justice services should be set within the community planning context.

21. The three pieces of legislation outlined above share many of the principles that guide the Scottish Government's reform of public services. Specifically, they focus on outcomes, prevention, partnership working and tackling inequalities. They also face common challenges, such as complex governance and accountability arrangements and difficulties managing performance in partnership settings. This legislation has important implications for the role of community planning, but it is relatively new and it will be some time before we can assess the impact it has had.

Countries across the world have established partnership working arrangements to deal with complex problems

22. Over the last few decades, many countries across the world have implemented public service reform programmes. These reforms have taken place because many of the challenges facing the public sector are common across advanced industrialised nations. These include an increased demand for services, less money, and the need to address interrelated and complex problems, such as climate change and crime and disorder, that one organisation or service can not solve on its own. A common response to this has been to establish formal arrangements for public bodies to work together to deal with these complex issues.

23. We reviewed approaches to community planning in seven countries: Australia, Denmark, England, Germany, Netherlands, New Zealand and Wales. We use the term community planning here to mean any model of formal strategic partnership working across a range of public bodies that is designed to improve services and deliver better outcomes for communities. The methodology for this work is in [Appendix 2](#). This work highlighted that the Scottish Government is not alone in reforming public services to:

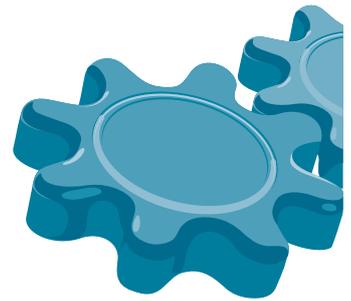
- improve the efficiency and effectiveness of public services, and ensure they remain responsive to the needs of the people who use them
- place a greater emphasis on early intervention and preventative approaches
- reduce inequalities between the most and least disadvantaged groups
- shift the focus from outputs to the achievement of better outcomes for communities.

24. The countries reviewed have different public service delivery arrangements, and as such there is no single approach to community planning. Local government is the most common lead body for leading and developing community planning among these countries; only Scotland and Wales have placed a statutory duty on other named partners to be involved. There has been a particular emphasis on pilots and testing new approaches, some of which are still in the early stages. These tend to focus on individual services rather than the place-based approach seen in Scotland.

25. Despite the shift towards outcome-based planning and performance measurement in public services in many countries, there is little evidence demonstrating the impact of community planning. In particular, there is a lack of evidence on the extent to which it has improved outcomes for communities. A report by the Organisation for Economic Co-operation and Development (OECD) found that there has been an increased focus on working in partnership to deliver improved public service outcomes. But it adds that 'most of the service changes could be defined as incremental, involving additions or modification of services, rather than radical transformation'.¹⁰ Nevertheless, there may be useful lessons for Scotland to learn and share with other countries as they each develop their approaches to community planning.

Part 2

Progress update



Key messages

- 1** Overall, CPPs continue to build on the positive progress we reported in 2014. In particular, they are improving leadership and scrutiny and are using data to set clearer priorities. CPPs also continue to implement a range of projects targeted at specific groups or communities. But we have yet to see CPP partners sharing, aligning, or redeploying their resources in significantly different ways and on a larger scale to deliver the CPPs' priorities, in line with the 2013 agreement on joint working on community planning and resourcing. The Statement of Ambition was clear that communities have a key role to play in shaping local public services, but involving communities fully in planning and delivering local services still remains at an early stage in many CPPs.
- 2** The Scottish Government is improving its understanding of how individual CPPs are performing and has identified priorities for improvement. It has not yet used this to develop, with COSLA, a well-coordinated national programme of support that reflects known good practice and is tailored to meet individual CPP's improvement and development needs.
- 3** The Scottish Government is strengthening its focus on outcomes in some policy areas. But the way in which public bodies report performance, and are held to account, does not always reflect the Scottish Government's policy of promoting outcomes, prevention and reducing inequalities. In particular, some short-term national performance targets are making it difficult to reform services to deliver more preventative service models. It is difficult to see how CPPs can meet the expectations of the Statement of Ambition without changes being made to how public sector partners and CPPs are held to account for their performance.
- 4** Stronger national leadership is needed to enable community planning to meet its full potential. The National Community Planning Group has not met since December 2014 and the Scottish Government is proposing to disband it. The Community Empowerment Act sets out new statutory duties for CPPs and statutory guidance provides an opportunity to clarify the Scottish Government's expectations for community planning. But this is not enough to deliver the ambitious changes that were envisaged in the Statement of Ambition. To meet these expectations, fundamental changes must be made to the way public services are planned and delivered.

CPPs have improved leadership and scrutiny but more effort is needed to shift resources towards prevention and outcomes

- 5** There is a need to streamline national performance management frameworks and create a better balance between measures of service performance and local outcomes, prevention and the performance of partnerships. This should involve placing the views of local communities at the heart of measuring success in public service delivery. The Scottish Government also needs to work with others to create a climate and culture where local public service leaders feel confident that they have autonomy and authorisation to decide how to respond to the specific needs of their communities. Local public service leaders also need to play their part by showing strong local leadership of change.
-

Progress since our last report

26. Last year we reported that there was a strong sense of renewed energy to improve community planning, with more active participation by partners and more shared ownership of priorities. We have continued to see a shared commitment by community planning partners to improving outcomes for their local communities, building on the positive progress we reported last year. Our follow-up work in 2015 in the eight CPPs we have audited found evidence of progress against the recommendations in our previous national and local audit reports. In particular, we found progress regarding improving governance and accountability arrangements and setting clearer improvement priorities. CPPs are, though, still finding it difficult to make a significant shift towards targeting resources at prevention and fully involving communities in planning and providing local services.

27. CPPs are all making progress at a different rate. This is understandable given that they are all starting from a different place and face specific local challenges. The measure of success of CPPs will be a reduction in inequalities between the most and least deprived groups and the improvement of outcomes for specific local communities. This is a long-term goal and demonstrating any impact in this area may take years. It is important that all CPPs get the help they need to improve their performance and to maximise the opportunities presented by partnership working to change the way they deliver services and, over time, improve outcomes for their local communities.

CPPs are improving leadership and scrutiny

28. We previously reported that although aspects of community planning are improving, leadership, scrutiny and challenge are still inconsistent. In 2014, we found little evidence of CPP boards demonstrating the levels of leadership and challenge set out in the Statement of Ambition. Governance and accountability arrangements in CPPs are complex given the range of partners involved, all of whom are accountable to different bodies and are not formally accountable to the CPP board. There are ways that CPPs could work within these arrangements to improve the level of leadership, scrutiny and effective challenge. For example:

- jointly agreeing clear priorities for improvement
- bringing local partnership working arrangements in line with local improvement priorities

- clarifying the roles and responsibilities of partners
- developing the skills and culture that are needed to allow board members to challenge more effectively
- agreeing performance measures that reflect the CPP's priorities and outcomes.

29. Overall, CPPs are improving in these areas, although it is too early to assess the impact on the effectiveness of CPP boards. CPPs are setting clearer priorities for improvement ([paragraph 34, page 19](#)), and are starting to restructure their working arrangements around them. For example:

- We previously reported that Orkney CPP had an overly complex structure that limited partners' ability to participate fully or contribute effectively.¹¹ The structure was organised around the CPP's 16 priorities. In February 2015, Orkney CPP agreed three new strategic priorities and streamlined its structure around this. A new board was formed comprising all partnership bodies with a duty to participate in community planning under the Community Empowerment Act. The CPP has replaced its 18 thematic groups with three delivery groups, which plan, progress and report against the CPP's three strategic priorities. An executive group, comprising senior executive officers from partner bodies, provides support and advice to the board.

30. Some CPPs are also taking steps to clarify the role, responsibilities and scrutiny arrangements of their CPP boards, subgroups and partners, for example by revising the CPPs' terms of reference. This has been supported in some CPPs by training and other activity to raise awareness of what these roles and responsibilities mean in practice. For example:

- West Lothian CPP has clarified the terms of reference on governance arrangements for all groups in the CPP structure. It is working with Public Sector Collaborative Learning to develop practical actions to help partners understand and fulfil their roles in the CPP. This includes development sessions with the CPP board to explore the role of board members, their challenge and scrutiny role and the added value the board can bring, and to strengthen relationships and links between the board and thematic groups.

31. Effective scrutiny and challenge relies on a clear performance management framework. This allows the CPP board to monitor progress against its priorities for improvement and hold partners to account for their contribution. In general, CPPs are improving their performance management arrangements, and placing more emphasis on outcomes. For example:

- Glasgow CPP has put in place a performance management framework to monitor progress against its implementation plans. This includes a plan for evaluating how successful partners are in working towards the CPP's priority outcomes. The CPP structure is divided into three geographic sectors, each of which has its own partnership group. The role of these three sector partnerships in scrutinising performance and holding partners to account has improved. They now receive regular progress reports on the delivery of the CPP's priorities at a sector level. The CPP is planning to include more detailed performance data in these reports.

CPPs are improving how they use data to set clear and targeted priorities for improvement

32. The Community Empowerment Act requires CPPs to publish a local outcomes improvement plan, which sets out the local outcomes that the CPP will prioritise for improvement. CPPs must also identify which geographical areas have communities that experience the poorest outcomes, and publish locality plans to improve outcomes on agreed priorities for these communities. CPPs are required to report on progress towards their improvement and locality plans each year. In developing these plans, CPPs will need to use data at a neighbourhood level to get a better understanding of the experiences and needs of their local communities.

33. The Improvement Service has developed three data analysis tools to help CPPs better understand their local communities. The tools provide data on outcomes at a neighbourhood level which CPPs can use to help develop their local outcomes improvement plan and locality plans. The tools are as follows:

- Community Profiler is designed to analyse changes in outcomes for the most and least deprived communities across Scotland over time. It provides data on a series of outcomes, including income deprivation, employment deprivation, crime, emergency hospital admissions and life expectancy.
- Viewstat displays data on a map from over 600 indicators covering health, education, safety, economic participation, housing and income. The data can be analysed for the whole council area and for local neighbourhoods.
- Welfare Reform Dashboard shows data on welfare reform by council and neighbourhood area, such as local labour market figures, benefit claimant levels, and discretionary housing payments.

34. We reported previously that some CPPs, such as Glasgow and West Lothian, were using data to identify a small number of specific priorities for their area. More CPPs are now improving the way they use data to identify relevant and targeted priorities for improvement. CPPs are considering the requirements of the Community Empowerment Act and some have started to draft local improvement plans that reflect these priorities. For example, Aberdeen and Falkirk CPPs are collating data from a range of sources to help them identify strategic priorities for their new outcomes improvement plans. This includes quantitative data as well as feedback from local communities.

CPPs are still finding it difficult to shift resources on a larger scale towards their priorities and prevention

35. In September 2013, the Scottish Government and COSLA issued an agreement setting out their expectation that partner organisations would work together through CPPs to target resources towards their jointly agreed priorities.¹² CPPs are continuing to identify how partners use their resources, such as money and staff, in particular priority areas or specific communities. For example, Glasgow CPP is carrying out an exercise to assess existing services, support and strategic approaches around the themes of alcohol and homelessness in Glasgow City. Some CPPs are taking steps to plan how they use their resources, such as money and staff, in a more joined-up way. For example, Aberdeen CPP, following the review of its single outcome agreement (SOA), will have discussions

on resource allocation and in future years look to bringing its budget-setting schedule in line with the timetables of partner organisations. There continues to be small-scale examples of joint resourcing. But, overall, CPPs are not using their resources in a significantly different way. They are still finding it difficult to target their resources on a larger scale towards their priorities and shifting them towards preventative activity.

36. Moving resources towards prevention is challenging and often requires a significant change in how services are delivered. It may involve reducing some budgets and increasing others, and targeting resources more effectively at specific groups of people. CPPs are currently exploring small-scale preventative projects, with funding from partners. If CPPs are to use partners' resources to promote early intervention and prevention approaches and reduce inequalities, then a significant scaling up of activity will be required. This would involve difficult local choices about how resources are to be used and stronger shared strategic planning for prevention.

Local communities are not yet central in CPPs' decision-making

37. When community planning was established on a statutory basis in 2003, it was seen as a way for public bodies to work together with local communities to plan and deliver better services. It aimed to involve local communities more in the decisions that affect their lives. Overall, CPPs have been improving how they consult with local communities over the last few years. For example, Moray CPP is streamlining its community engagement arrangements and developing a plan of engagement activities, with the aim of better coordinating this activity across Moray. But, as we reported last year, CPPs are not yet routinely working with communities to ensure they can influence or change the way local services are provided.

38. The Community Empowerment Act builds on the expectation in the Statement of Ambition that community planning should be about 'planning for place' and makes clear that the participation of communities lies at the heart of community planning. It requires CPPs to consider which community bodies could contribute to community planning, and make all reasonable efforts to get these bodies involved. Statutory partners must contribute money, staff or other resources to secure this participation. To fulfil the requirements of the Act, CPPs will need to make a significant shift from one-off consultations with communities about specific services or projects to routinely building the views of local communities into their overall decision-making processes.

39. Many CPPs are introducing or refreshing locality-based planning arrangements. They have the potential to give communities more of a say in how local services are planned and delivered, but can take time to establish ([Case study 1, page 21](#)).

40. Implementing effective community engagement arrangements, in line with the expectations of the Statement of Ambition and the Community Empowerment Act, is essential if CPPs are to be at the heart of public service reform. Reducing resources will require difficult choices to be made about which services are to be prioritised within CPP areas and where and how they will be delivered. It is essential that communities are involved in that debate if the trust and support that the public has in public services is to be retained.

Case study 1

North Ayrshire locality planning approach



In 2012, North Ayrshire CPP started developing a locality planning approach. This approach was intended to help the CPP better understand local needs throughout North Ayrshire and then to target resources and activity accordingly. It divided the council area into six localities, and developed in-depth neighbourhood profiles to help understand the unique characteristics of each area. The CPP is working with communities to develop plans for each area that will include specific priorities for each locality, and is establishing six locality forums.

The CPP hopes that its locality planning approach will enable communities to influence how services are delivered to meet their own needs and priorities. It has consulted with local people in each of the six localities as it has developed this approach. During 2015, the CPP carried out a second round of consultation events across the six localities. A range of partners took part in accredited training on community engagement and consultation and were involved in these consultation exercises. These exercises have allowed the CPP to build up a picture of local strengths and priority needs across each area and get the views of local residents on the locality planning approach. The CPP has recently concluded consultation over the governance structures and responsibilities of locality forums. The CPP has set up a board to help maintain momentum and give clear oversight of how locality planning develops.

Source: Audit Scotland

There is a need for stronger national leadership to enable community planning to meet its full potential

41. The Scottish Government established the National Community Planning Group (NCPG) in 2012 to ‘provide the strategic leadership needed to drive the step change in community planning that has been set out in the Statement of Ambition’.¹³ Its membership is drawn from senior leaders from across the public sector, ministers, elected members and voluntary organisations. The overall purpose of the NCPG is to enable the conditions for success required to deliver the overarching vision for community planning by:

- ensuring that the vision and key principles in the Statement of Ambition are reflected in CPPs’ activity
- ensuring that the necessary actions, cultures and resources are in place across public services to enable an effective environment for community planning to operate within
- ensuring that community planning promotes, contributes to and is embedded within the wider public service reform agenda
- building and maintaining the capacity of CPPs, including knowledge-sharing and best practice, and identifying national performance issues

- resolving any tensions between national and local priorities and providing an environment within which the Scottish Government's sponsorship of public bodies can help to secure the effective participation of appropriate bodies in community planning.

42. The NCPG issued a set of key principles to CPPs in summer 2014 that were intended to provide an ambitious but realistic improvement agenda for community planning. Those principles were consistent with the Statement of Ambition but indicated an approach to community planning that was more clearly focused on prevention and reducing inequalities. In 2014, we highlighted the need for the NCPG, Scottish Government and COSLA to convert those key principles into a clear set of performance expectations for CPPs that reflected the NCPG's refocused approach to community planning.

43. At its meeting in December 2014, the NCPG considered the recommendations in our report. It agreed to update the Statement of Ambition to ensure expectations on CPPs and partners are clear and place appropriate emphasis on where CPPs should make the greatest impact. It also decided to review its structure, including an enhanced role for the Senior Officer Group that supports it. The NCPG has not met since then. It has not updated the Statement of Ambition or reviewed its structure, although the Scottish Government and COSLA have refreshed and broadened the membership of the Senior Officer Group. This group met once during 2015.

44. The failure of the Scottish Government and COSLA to clarify performance expectations of CPPs, in line with the NCPG's refocused approach to community planning, is a significant issue. This is not helped by the expectation in the Statement of Ambition that CPPs should be genuine boards, with all the authority, behaviours and roles that implies for them, when partners' formal accountabilities lie elsewhere. As we reported previously, the Statement of Ambition is being interpreted in different ways and there are different views about what community planning is for ([paragraph 11, page 10](#)). Although this might seem to offer welcome flexibility, it is getting in the way of developing a clear narrative that sets out realistic expectations about what impact community planning should have on Scotland's public services, and when we might expect to see improved outcomes for communities. It also makes it difficult to assess the adequacy of the pace of improvement in community planning.

45. The Scottish Government plans to issue a range of statutory and non-statutory guidance as part of its implementation of the Community Empowerment Act. This will cover leadership and governance, priorities, prevention and equalities, community engagement and participation, performance management and shared use of resources. It is important that this guidance clarifies the Scottish Government's and COSLA's performance expectations of community planning and CPPs to address this outstanding recommendation. The guidance also presents an opportunity for the Scottish Government to set out how community planning sits within its broader agenda of public service reform and how its Theory of Change for community planning will deliver improvements.

46. Setting national performance expectations for community planning is difficult but important. A careful balance needs to be struck between providing sufficient clarity on what is expected of CPPs while at the same time allowing local flexibility for CPPs to organise and manage their business in ways that work best for them. Any national performance expectations have to allow CPPs to respond to local needs and improvement priorities. The Scottish Government’s improvement framework for Scotland’s public services sets out key characteristics that must be in place to secure transformational change, such as the review of community planning.¹⁴ The characteristics of the improvement framework include a clear vision, a story, and a set of actions to move towards the vision. Clarifying performance expectations for community planning will help to:

- provide a clear vision for community planning
- enable CPPs to develop their own story, that is setting out where they have been and where they are going
- develop a clear set of actions among CPPs about the proposed changes they intend to make to deliver the vision
- set a framework for assessing progress towards implementation of the Statement of Ambition and the Community Empowerment Act.

47. The Scottish Government recognises that the absence of NCPG meetings has not resulted in a slowdown of progress locally. It has also been able to initiate action, such as the proposed ‘test of change’ ([paragraphs 62–64, page 28](#)), without involving the NCPG. On that basis, the Scottish Government is proposing to disband the NCPG, although it will continue to review the value of some form of national leadership role.

48. The lack of leadership from the NCPG during 2015 does not appear to have hindered progress in CPPs. However this local progress, important though it is, continues to be largely incremental improvements in delivering services or small-scale pilots targeted at specific groups or communities. Both of which affect relatively limited levels of public service resources. We have yet to see CPP partners sharing, aligning, or redeploying their resources in significantly different ways and on a larger scale to deliver the CPPs’ priorities, in line with the Statement of Ambition and the 2013 agreement on joint working on community planning and resourcing.

49. Although community planning is increasingly recognised as an important task for all CPP partners, for many it still remains secondary to their core priorities and accountabilities. This is a reflection of the complex and cluttered accountability arrangements that apply to CPP partners. Given the pace of change in CPPs since the re-launch of community planning four years ago, it is difficult to see how the transformational change anticipated in the Statement of Ambition can be achieved without more fundamental changes being made to the way public services are planned, delivered and held to account.

50. While the ultimate success of community planning depends upon action at a local level by CPPs, there are important areas where national leadership is needed to create the conditions under which community planning can flourish. These include:

- making changes to how the Scottish Government holds public sector partners and CPPs to account for their performance, by strengthening the focus on place and outcomes
- taking action to address the impact that some short-term national performance targets (notably in the NHS) are having in making it difficult to reform services to deliver more sustainable preventative service models
- ensuring that CPPs receive both support and challenge to further drive improvement.

51. While the NCPG may not have been successful in fulfilling the role set out for it ([paragraph 41, page 21](#)), there is still a need for ongoing national leadership (both political and managerial) to establish the necessary conditions for community planning to realise its full potential as set out above. Establishing a national forum for CPPs that has the credibility and authority to both influence government policy and shape the behaviour of CPPs would help to drive continued improvement in community planning. The work of this forum should include creating appropriate policy and accountability arrangements, maintaining oversight of progress in implementing the Community Empowerment Act and addressing any barriers to improving community planning at both national and local level. There is also an important national role for such a forum in resolving any systemic tensions between national and local priorities. A group of this kind would meet the requirement in the Scottish Government's improvement framework for Scotland's public services for a 'guiding coalition' to drive change and sustain support. This forum would need to engage effectively with other groups and forums with responsibility for leading and driving public service reform such as the Scottish Leaders Forum.

The Scottish Government is strengthening its focus on outcomes but this is not reflected in national performance management arrangements

52. The Statement of Ambition highlights the important role of CPPs in delivering better outcomes for communities, which reflects the Scottish Government's wider outcomes-based approach. Since 2007, the Scottish Government has been committed to outcome-based policies and preventative models of delivering public services. It introduced its National Performance Framework (NPF) in 2007. This sets out the Scottish Government's purpose, strategic objectives, the 16 national outcomes it wants to achieve, and 50 national indicators that track progress towards these outcomes. The Community Empowerment Act reinforces the Scottish Government's focus on outcomes. It requires Scottish ministers to consult on, develop and publish a set of national outcomes at least every five years, and regularly and publicly report progress towards them. The Act places a duty on public bodies to consider these national outcomes in carrying out their functions. The Scottish Government is currently in the process of reviewing the NPF.

53. In our last report we recommended that the Scottish Government should implement its outcomes approach more systematically, so that the contribution of all parts of government to supporting the delivery of national outcomes is better understood. Linked to this, we also recommended that the Scottish Government should streamline national performance measurement arrangements and create a stronger prevention and outcome focus. The Scottish Government is strengthening its focus on outcomes in some policy areas. It has used legislation, such as that on community empowerment, health and social care integration and community justice, to clarify the role that it expects public bodies and partnerships to play in helping to deliver improved outcomes ([Part 1](#)). It also continues to use its guidance to some public bodies to reinforce its expectation that they will work in partnership to achieve better outcomes for communities.

54. Arrangements to measure performance in public sector bodies are still heavily focused on inputs such as budgets and staffing numbers (eg, police officers and teachers), and outputs such as the number of people receiving services. Although changes are being made, for example in health and social care, the overall balance of performance measures does not reinforce the principles of outcomes, prevention and reducing inequalities set out in the Statement of Ambition. Even in health and social care, new outcomes measures are being introduced in addition to existing input and process measures, rather than as a replacement for them. It is not clear that the Scottish Government has reviewed the full range of existing planning and performance reporting frameworks to assure itself that:

- they all align with the Scottish Government’s 16 national outcomes
- there is clarity about the contribution that the bodies working within these planning and performance reporting frameworks are making to the Scottish Government’s five objectives and 16 national outcomes.

55. In September 2014, the Scottish Government’s Public Service Reform Board (PSRB) considered work by the Outcomes, Evidence and Performance Board (OEPB) on how public bodies measure their performance ([Exhibit 2, page 26](#)). This work was a snapshot at a moment in time but it highlighted a cluttered landscape of performance, benchmarking and evaluation frameworks. It found that most of the measures in these frameworks are input-focused, short-term measures, which report on day-to-day performance rather than progress towards longer-term outcomes. The OEPB’s analysis showed that very little of the data that is currently being recorded and reported focuses on inequalities, prevention, or performance at a local level. It highlighted the need for performance frameworks to focus more on how partnerships are improving outcomes, while retaining key service standards in individual public bodies. Professional and sectoral bodies were concerned that they did not have the authority to reduce or radically change what is reported. The PSRB concluded that the need for change was well understood and accepted but it could not agree about what change was needed and how to implement it.

56. At its meeting in February 2015, the PSRB concluded that no aspects of performance management arrangements were creating a significant barrier to CPPs focusing on prevention or outcomes. The evidence in [Exhibit 2 \(page 26\)](#) suggests though that there is scope to streamline national performance frameworks and place more emphasis on longer-term outcomes measures. The OEPB’s analysis indicated that only 20 per cent

of the performance data being reported is based on statutory requirements. This indicates that there is a significant opportunity to streamline performance management arrangements in the public sector to create space for CPPs to more clearly focus on outcome improvements that are more relevant to local communities, as anticipated in the Statement of Ambition.

Exhibit 2

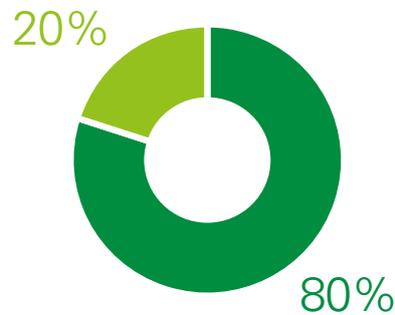
Measuring performance in Scotland's public sector

Most performance measures are short-term indicators of inputs and outputs, and do not give a sense of progress towards outcomes.

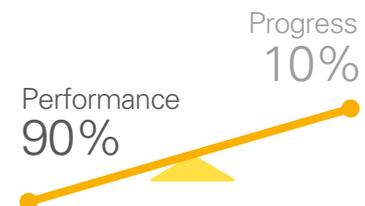
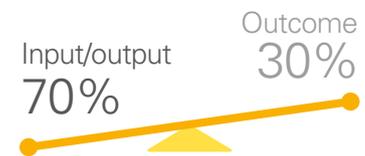
The level of frameworks operating at



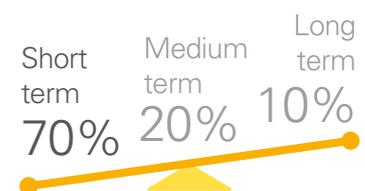
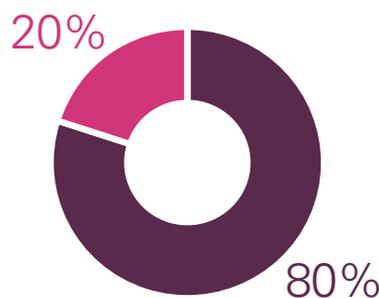
Local autonomy/ nationally set



Balance of measures



Statutory vs non-statutory



Source: Improvement Service; and Outcomes, Evidence and Performance Board

57. We recognise that changing national reporting requirements is not straightforward, particularly in those service areas such as the NHS where there are public expectations of consistent national standards of performance alongside longer term outcomes. It is important to maintain key measures of day-to-day service performance. We also recognise that monitoring and reporting on outcomes is challenging. There are well-known difficulties in attributing outcomes across partnerships and the long-term nature of many outcomes requires good-quality, consistent data to be gathered over a number of years, supported by interim process monitoring. However, it is difficult to see how CPPs can meet

the expectations of the Statement of Ambition without changes being made to how public sector partners working in a community planning setting are held to account collectively for their performance. There is strong evidence that important aspects of existing performance management and accountability arrangements can have a detrimental effect on public bodies trying to deliver services differently and in a more preventative way.

58. For example, our most recent annual report on the NHS in Scotland noted the extensive effort and focus placed by the Scottish Government and NHS boards on meeting performance targets and standards. We reported that this may be detrimental to the longer-term ambitions of changing how services are delivered, focusing more on prevention and moving more care into the community.¹⁵ We recommended that the Scottish Government and NHS boards should consider setting targets that will help them achieve longer-term aims. This would help ensure that short-term actions do not conflict with longer-term plans. The 14-day delayed discharge target is an example of a performance measure that is creating unintended consequences that run counter to the Scottish Government’s commitment to more preventative models of care. In health and social care integration, we also recently reported that the Scottish Government and IAs need to resolve tensions between targeted local measures and national reporting on the impact of IAs. An increasing focus on local measures means it is timely to review whether existing national measures are fit for purpose. When reviewing national measures careful thought needs to be given to the distinction between measures (short and long term) and targets to avoid the distorting effect of measures being seen or used as targets. The Scottish Government is working to ensure that new outcome-based indicators are given the space to develop alongside existing targets and performance measures. It recognises the need to engage widely on the targets and standards that are set for the NHS, reviewing targets and tolerances and support improvement and transformation. In doing this the Scottish Government should think carefully about how it can implement a whole-system approach to targets and measures that reinforce the importance of local partnership working.

The Scottish Government and COSLA are working with CPP partners to explore opportunities to work more flexibly

59. The Senior Officer Group ([paragraph 43, page 22](#)) has identified two challenges that it considers are hindering public services from making community planning a successful collaboration that leads to using collective resources effectively. These are:

- Community planning partners’ accountabilities currently focus on the delivery of services, and this is inhibiting their ability to focus their effort on directly improving outcomes.
- Public bodies currently lack the flexibility and devolved powers that would enable them to contribute effectively to improved outcomes.

60. The challenges identified by the Senior Officer Group are reflected elsewhere. For example, What Works Scotland’s review of partnership working across UK public services and Edinburgh University’s Academy of Government’s work on the challenges of making the ambitions for community planning a reality.^{16, 17} These challenges can be seen in various public services, such as health and social care and the police service. In 2013, we reported that the lack of flexibility

over managing staff and officer numbers was increasing the challenge facing the Scottish Police Authority (SPA) and Police Scotland in achieving required savings. We found that the Scottish Government's commitment to maintain police officer numbers and no compulsory redundancies for police staff was limiting the SPA's and Police Scotland's flexibility to deliver savings.¹⁸

61. The Senior Officer Group recognised that there are some steps that senior officers can take locally to mitigate the impact of these challenges. But it concluded that if local partners are to focus on improving outcomes and be held to account for the progress they make towards this, decisions need to be made about what local authorisation partners should have. With this in mind, the group suggested offering the opportunity to partners in one or two CPPs to be more flexible in how they work. This included flexibility in their existing performance management arrangements and their allocation of resources. In return for this flexibility the CPP and partner bodies would redirect more resources towards:

- working collaboratively to tackle inequalities and grow the economy in their area
- making greater progress towards achieving local outcomes.

62. The Scottish Government and COSLA have termed this opportunity a 'test of change'. They are currently working with some CPP partners to develop proposals for a 'test of change' for consideration in early 2016. Complex discussions within and across national and local government will have to take place to establish appropriate ground rules before these proposals are agreed. For example, how the proposed new flexibilities are reflected in schemes of delegation across public bodies. It is also likely that implementing any proposed 'test of change' will highlight complicated issues that will affect CPP partners, Scottish Government policy makers and others, such as the Scottish Parliament. Coordinated national leadership will be needed to address any such challenges.

63. The proposed 'test of change' provides an important opportunity to gather evidence on what is preventing community planning from making the transition from valuable, but largely small-scale change, to community-focused public service reform. This evidence may take time to emerge and will be based on the experiences of only one or two CPPs. It is important that the Scottish Government and COSLA explore other ways to develop a clearer shared understanding of what has hindered CPPs from making progress to date. In particular, what the barriers are to CPP partners sharing resources and changing how they deliver services to address their communities' needs and concerns.

64. The Scottish Government and COSLA should not wait until the 'test of change' has concluded before starting to take action to remove any barriers to improvement. This includes addressing the challenges identified by the Senior Officer Group by:

- refocusing community planning partner bodies' accountabilities more towards achieving improved outcomes for the CPP area
- identifying further opportunities to give public bodies more flexibility and devolved powers to enable them to contribute more effectively to improved outcomes. This could include reviewing the extent to which schemes of delegation reflect, for key national bodies, the ambition of the community empowerment legislation.

The Scottish Government is improving its understanding of performance in individual CPPs

65. We previously reported that there is no coherent national framework for assessing the performance and pace of improvement of individual CPPs. There is a similar gap in evidence on the extent to which community planning as a national process is at the core of public service reform, driving the pace of service integration, increasing the focus on prevention and supporting the delivery of improving outcomes for communities. This means that the Scottish Government and COSLA have no overall picture of how individual CPPs are performing and what progress they are making towards implementing the Statement of Ambition. The Scottish Government is improving its understanding of what actions individual CPPs are taking to improve their performance. They are doing this by drawing on a range of information sources, including the Improvement Service's supported self-assessments of CPPs, audit reports, and intelligence from location directors.

66. Since we last reported, the Scottish Government has reviewed and updated the role of location directors, and is working with them to assess the performance and progress of CPPs. Each CPP has been assigned a location director, whose role is primarily to provide advice, support and challenge to CPPs in delivering their priorities. Updated role descriptions were issued to location directors in September 2015. These set out the expectation that they will focus their work with CPPs on tackling inequalities, progressing local improvements, democratic participation and economic development. They are also required to feed back to the Scottish Government on progress in their CPP, including any particular challenges.

67. The activity outlined above provides the Scottish Government with information on progress in each CPP against some of the key elements of the Statement of Ambition. This has allowed the Scottish Government to identify a number of common areas that CPPs are finding challenging. These include joint resourcing, prevention, community engagement and tackling inequalities.

68. The Community Empowerment Act introduces new reporting requirements that may help the Scottish Government and COSLA to assess CPPs' progress towards improving outcomes. CPPs are required to publish a local outcomes improvement plan and locality plans and report progress against them each year ([Exhibit 1, page 12](#)). The first set of progress reports will be published in 2017. The Scottish Government and ministers currently monitor how public bodies perform against their corporate plans, national targets and outcomes. With the introduction of the Community Empowerment Act, it will be important that the Scottish Government uses these arrangements to hold statutory community planning partners to account for fulfilling the duties set out in the Act.

69. Measuring and reporting progress is a fundamental element of the Scottish Government's improvement framework for Scotland's public services. At the delivery level within CPPs the expectation is that they:

- **Plan** – through the CPPs' and individual partners' plans and strategies
- **Do** – implement their improvement commitments
- **Study** – analyse and reflect on their performance
- **Act** – implement new changes.

70. This concept of local performance reporting is consistent with the more general public performance reporting requirements that apply to those public bodies that are subject to a duty of Best Value. However, it needs to be complemented by improved community engagement by CPPs in order to strengthen accountability to communities if the ambitions of the Community Empowerment Act are to be delivered.

A framework is needed for assessing progress in implementing the Statement of Ambition and the Community Empowerment Act

71. There is a need for assessment and learning at the whole-system level on progress in implementing the Statement of Ambition and the Community Empowerment Act, to complement the assessment of performance locally by individual CPPs. This should focus on assessing whether the Scottish Government and COSLA have created the conditions through which community planning can flourish through:

- effective policy development and implementation
- ensuring that the necessary actions, cultures and resources are in place across public services to support effective community planning
- well-targeted improvement support and capacity building within CPPs and across government
- knowledge sharing and best practice
- identifying any significant national performance or community planning governance issues and implementing appropriate improvement actions (including resolving any tensions between national and local priorities).

72. The Statement of Ambition included a commitment to establishing a programme and timetable for delivering the improvements in community planning that it set out. Although a number of updates and correspondence focusing on issues such as Single Outcome Agreements were issued following the Statement of Ambition, these fall short of a comprehensive programme and timetable for change. Given the ongoing significance of community planning and CPPs as part of the Scottish Government's reform agenda it would be useful, for transparency and accountability purposes, if the Scottish Government and COSLA now set out a clear route map for improving community planning. Given the complex and long-term nature of this programme of change it will be important to establish a range of short-, medium- and long-term steps that will be taken locally and nationally to improve community planning and how the impact of those changes will be assessed. The proposed publication of statutory guidance provides the opportunity to do this. This would reflect the requirement in the Scottish Government's improvement framework for a clear set of actions that support the delivery of the vision, underpinned by appropriate measurement and reporting on progress both nationally and locally.

73. Responsibility for improving public services rests with community planning partnerships but external scrutiny can be a catalyst for improvement, influencing the behaviours and cultures of partners and highlighting good practice. Scotland's scrutiny bodies undertake a range of audit and inspection work that focuses on the quality and effectiveness of local partnership working. Alongside this

existing activity, the Strategic Scrutiny Group (SSG), (a national group that brings together Scotland’s main public sector external scrutiny bodies to facilitate and coordinate local government scrutiny) is currently considering the implications of the Scottish Government’s public service reform agenda. In particular its focus on place, partnerships, prevention and performance, on future approaches to scrutinising public services. The SSG is working closely with the Scottish Government as part of its consideration of the links between public service reform and external scrutiny.

Priorities for helping CPPs improve have been identified but providing this support continues to be poorly coordinated

74. CPPs continue to get help to improve from a wide range of organisations. This support covers some of the areas we have previously highlighted for improvement. These include using data to help make decisions, moving towards prevention, tackling inequalities, and improving leadership and scrutiny. During 2015, a range of work has progressed including:

- The Improvement Service is working with partners to develop community planning outcomes profiles. These profiles will provide better and more consistent data on outcomes to help community planning partnerships make decisions. The tool is being piloted with six community planning partnerships in Aberdeenshire, Fife, Glasgow, Highland, North Ayrshire and Shetland.
- The Improvement Service, NHS Health Scotland and NHS National Services Scotland are developing a proposal to offer tailored support to four CPPs. This will help them develop a local outcomes improvement plan that is focused on prevention and tackling inequalities at a neighbourhood level.
- The Improvement Service published a series of notebooks in September 2015 that provide information, guidance and support to CPP board members. They cover the roles and responsibilities of a CPP board and individual board members, and the skills and behaviours required to fulfil the role effectively.
- The Improvement Service, Voluntary Action Scotland and the Scottish Government have launched phase two of their programme to improve the impact of Third Sector Interfaces (TSIs) in community planning. A further six TSIs are now participating in the programme, following the initial work in five areas during 2014/15.
- What Works Scotland continues to work with its four case study CPPs of Aberdeenshire, Fife, Glasgow and West Dunbartonshire to identify where and how they can improve, in ways that meet their local circumstances and priorities.

75. The Improvement Service is at the early stages of developing an online resource for CPPs, on behalf of the Scottish Government and COSLA. This will profile the full range of support available to them from national improvement bodies. It is designed to address our recommendation to establish and coordinate a programme of well-targeted practical support that will help CPPs to implement the Statement of Ambition effectively.

76. The OEPB has started to take action that will help to address our recommendation concerning using data to make decisions. The OEPB was established as a response to the need to improve how CPPs use evidence and data. Members include representatives from the Improvement Service, the Scottish Government, Society of Local Authority Chief Executives (SOLACE), community planning partner organisations and the voluntary sector. It is developing a three-year plan, focusing on where it can add value in supporting CPPs. The plan will aim to help CPPs improve by:

- giving CPPs better information on how to measure outcomes and helping them develop clear and accountable systems to manage their performance
- ensuring better use of data and evidence in decision-making and planning for the most deprived communities
- strengthening accountability and governance arrangements
- encouraging all CPP partners to collaborate and learn from each other.

77. There is an important opportunity for the Scottish Government and COSLA to work closely with the OEPB and improvement bodies working with CPPs to establish a more coordinated approach to the prioritisation and management of improvement support for CPPs. Any such approach needs to be grounded in a better understanding of what the particular support and development needs of individual CPPs are. There is also a need to identify how best to communicate the important messages from research on community planning to those who could convert it into changes of policy or practice. This is an area where there are important gaps in the research literature, in particular in relation to what specific factors contribute to effective partnership working and how good practice can be transferred across complex systems. This is something that the OEPB is focusing on as part of its work programme, working closely with public sector improvement agencies.

Delivering the Statement of Ambition will require major changes

78. Progress on community planning is being made both locally and nationally. But it is not yet delivering the changes in the way public services are organised and delivered as envisaged by the Scottish Government and COSLA in the Statement of Ambition. Major changes to current arrangements will need to be made to create the conditions nationally through which CPPs can deliver an outcomes-based approach to local public services that focuses on prevention and tackling inequalities.

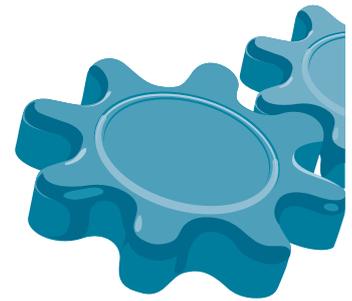
79. The growing financial and other pressures on Scotland's public services increases the urgency for community planning to deliver sustainable reformed public services that truly meet the need of local communities. The current policy environment provides real opportunities for community planning partners to rethink how they deliver services. It also presents challenges that will require national leadership, from the Scottish Government and COSLA, to overcome. For CPPs to feel that they have the power and authority to transform services radically in line with the Statement of Ambition, rather than just making further incremental changes, difficult decisions need to be made. This includes decisions about the appetite for local devolution of power and the shift towards outcome and partnership-based performance assessment, including managing the risks associated with doing this.

80. This programme of change needs to include ensuring that performance measurement frameworks reflect the Scottish Government's longer-term ambitions of changing how services are delivered, focusing more on prevention and inequalities alongside its commitment to sustainable economic growth. As part of that process the Scottish Government needs to take more of a whole systems approach to assessing the performance of how public bodies work together in partnership. It also needs to work with others to identify and remove any short-term targets and measures that conflict with its longer-term plans. Strong national leadership (both political and managerial) will be needed to establish the necessary conditions for community planning to realise its full potential, building on the momentum that is already in place. That national leadership role will involve creating an appropriate policy and accountability framework and addressing any barriers to improving community planning at both national and local level. Given the increased emphasis on localism set out in the Community Empowerment Act tensions may arise between national and local priorities. There is therefore also an important national leadership role to resolve any systemic tensions between national and local priorities.

81. Change and improvement are required at a local level too. While some aspects of current planning and performance management arrangements are getting in the way of CPPs delivering services in different ways, public service leaders also need to use the discretion that they already have to make the changes required in their areas.

82. Delivering this kind of major change will be challenging and will take time. What is clear, though, is that continuing on the current path of delivering local improvements is unlikely to deliver the system-wide transformational change outlined in the Statement of Ambition.

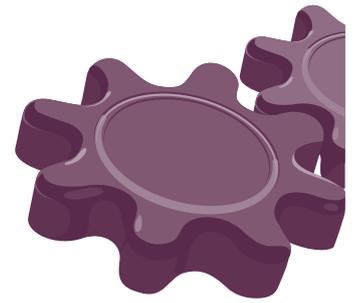
Endnotes



- ◀ 1 [Improving community planning in Scotland \[PDF\]](#) , Audit Scotland, March 2013.
- ◀ 2 [Community planning: Turning ambition into action \[PDF\]](#) , Audit Scotland, November 2014.
- ◀ 3 *Review of community planning and single outcome agreements: statement of ambition*, Scottish Government and COSLA, March 2012.
- ◀ 4 Commission on the future delivery of public services, June 2011.
- ◀ 5 *Review of community planning and single outcome agreements: statement of ambition*, Scottish Government and COSLA, March 2012.
- ◀ 6 [Health and social care integration \[PDF\]](#) , Audit Scotland, December 2015.
- ◀ 7 *Localities guidance*, Scottish Government, July 2015.
- ◀ 8 *Future model for community justice in Scotland: response to consultation*, Scottish Government, December 2014.
- ◀ 9 *Community Justice (Scotland) Bill: written submission from Audit Scotland*, Justice Committee, August 2015.
- ◀ 10 *Together for better public services: partnering with citizens and civil society*, Organisation for Economic Co-operation and Development, 2011.
- ◀ 11 [Orkney Community Planning Partnership \[PDF\]](#) , Audit Scotland, November 2014.
- ◀ 12 *Agreement on joint working on community planning and resourcing*, Scottish Government and COSLA, September 2013.
- ◀ 13 *Terms of reference of the national community planning group*, September 2012.
- ◀ 14 *The 3-step improvement framework for Scotland's public services*, Scottish Government, June 2013.
- ◀ 15 [NHS in Scotland 2015 \[PDF\]](#) , Audit Scotland, October 2015.
- ◀ 16 *Partnership working across UK public services*, What Works Scotland, December 2015.
- ◀ 17 *Delivering real community partnerships: Local Government Information Unit (LGIU) Scotland policy briefing*, James Mitchell, December 2015.
- ◀ 18 [Police reform: Progress update 2013 \[PDF\]](#) , Audit Scotland, November 2013.

Appendix 1

Summary of progress against recommendations



This table provides a summary of progress against the recommendations in our report [Community planning: Turning ambition into action \[PDF\]](#)  that was published in November 2014.

| Recommendation | Progress made |
|---|---|
| The National Community Planning Group should: | |
| <p>Set out what its refocused approach to community planning means for the Statement of Ambition and its performance expectations of CPPs</p> | <p> This recommendation has not been addressed, as the National Community Planning Group (NCPG) has not met since December 2014.</p> <p>At its meeting in December 2014, the NCPG considered the recommendations in our report. It agreed to update the Statement of Ambition to ensure expectations on CPPs and partners are clear and place appropriate emphasis on where CPPs should make the greatest impact. The NCPG has not met since then and has not updated the Statement of Ambition (paragraph 43, page 22).</p> <p> The Scottish Government is taking steps to address this issue.</p> <p>The Scottish Government plans to issue a range of statutory and non-statutory guidance as part of its implementation of the Community Empowerment Act. This will cover leadership and governance, focus on key priorities, focus on prevention and equalities, community engagement and participation, performance management and shared use of resources (paragraph 45, page 22).</p> |

Cont.

Recommendation

Progress made

The Scottish Government and COSLA should:

Clarify their performance expectations for CPPs in the context of the National Community Planning Group’s refocused approach to community planning



This recommendation has not yet been addressed, and the issues that we identified in our previous report still continue.

The failure of the Scottish Government and COSLA to clarify performance expectations of CPPs, in line with the NCPG’s refocused approach to community planning, is a significant issue. As we reported previously, the Statement of Ambition is being interpreted in different ways and there are different views about what community planning is for. This is not helped by the expectation that CPPs should be genuine boards with all the authority, behaviours and roles that implies for them when partners’ formal accountabilities lie elsewhere. Although this might seem to offer welcome flexibility, it is getting in the way of developing realistic expectations about what impact community planning should have on Scotland’s public services and when we might expect to see improved outcomes for communities [\(paragraph 44, page 22\)](#).

The development of statutory guidance for the Community Empowerment Act provides an important opportunity for the Scottish Government to clarify specific performance expectations for CPPs and partners [\(paragraph 14, page 11\)](#).



The Scottish Government is taking steps to address this issue.

The Scottish Government plans to issue a range of statutory and non-statutory guidance as part of its implementation of the Community Empowerment Act. This will cover leadership and governance, focus on key priorities, focus on prevention and equalities, community engagement and participation, performance management and shared use of resources [\(paragraph 45, page 22\)](#).

Develop a national framework for assessing and reporting progress in improving community planning and implementing the Statement of Ambition



The Scottish Government and COSLA have not developed a national framework for assessing and reporting progress in improving community planning. However, the Scottish Government is improving its understanding of how individual CPPs are performing.

The Scottish Government is improving its understanding of what individual CPPs are achieving to establish an overview of progress in improving community planning at national level. The Community Empowerment Act introduces new reporting requirements that may help the Scottish Government to assess CPPs’ progress towards improving outcomes. It should be possible for the Scottish Government and COSLA to develop an evaluation framework that, drawing on evidence from location directors, CPP annual reports and other data sources, can be used to monitor and report on overall progress towards the Statement of Ambition [\(paragraphs 65–70, page 29-30\)](#).

| Recommendation | Progress made |
|---|---|
| <p>Work with the Improvement Service and other national improvement agencies to establish and coordinate a programme of well-targeted, practical support that will help CPPs to implement the Statement of Ambition effectively</p> | <p> The Scottish Government and COSLA have not made any progress against our recommendation to establish and coordinate a programme of well-targeted practical support that will help CPPs to implement the Statement of Ambition effectively.</p> <p>CPPs continue to get help to improve from a wide range of organisations across a range of areas, and the Scottish Government is improving its understanding of progress in individual CPPs. However, it has not yet used this intelligence to develop a coherent programme of national improvement support for CPPs.</p> <p>The Outcomes, Evidence and Performance Board has started to take action in response to our recommendation. It is developing a three-year plan, focusing on where it can add value in supporting CPPs (paragraphs 74–77, page 31-32).</p> |
| <p>The Scottish Government should:</p> | |
| <p>Ensure that future guidance on the implementation of public service reform programmes is clear about the specific role that CPPs should play and the contribution they are expected to make in supporting improved outcomes</p> | <p> The Scottish Government is providing clearer guidance on the role CPPs should play in health and social care integration, and plans to draft guidance setting out CPPs' role in community justice services.</p> <p>Scottish Government guidance on health and social care integration highlights the importance of creating effective relationships between Integration Authorities (IAs) and CPPs to help achieve national health and wellbeing outcomes. This approach is supported by the addition of IAs to the list of statutory community planning partners in the Community Empowerment Act (paragraphs 15–17, page 13).</p> <p>The Community Justice (Scotland) Bill includes a proposed duty on community justice partners to publish an outcomes improvement plan. The Scottish Government expects CPPs and community justice partners to consult each other when preparing their respective outcomes improvement plans, to ensure consistency. The arrangements set out in the Bill for community justice partners to plan, monitor and report largely mirror arrangements for CPPs. The Scottish Government anticipates that community justice planning will take place using community planning structures. CPPs are not yet clear on what the changes will mean for them. The Scottish Government has established a working group that will draft guidance that sets out CPPs' roles in community justice services (paragraphs 18–20, page 13-14).</p> |
| <p>Implement its outcomes approach more systematically across all policy areas</p> | <p> The Scottish Government is strengthening its focus on outcomes in some policy areas.</p> <p>The Scottish Government has used legislation, such as that on community empowerment, health and social care integration and community justice, to clarify the role that it expects public bodies and partnerships to play in helping to deliver improved outcomes. It also continues to use its guidance to some public bodies to reinforce its expectation that they will work in partnership to achieve better outcomes for communities (paragraph 53, page 25).</p> |

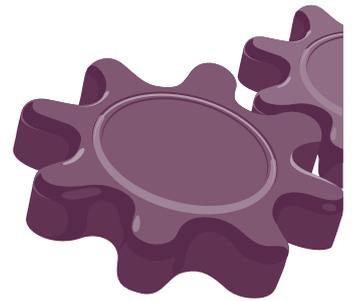
| Recommendation | Progress made |
|---|---|
| <p>Ensure that its review of national performance measurement arrangements streamlines approaches and creates a stronger prevention and outcome focus</p> | <div data-bbox="507 322 603 421"> </div> <p data-bbox="619 322 1396 421">It is not clear that the Scottish Government has reviewed the full range of existing planning and performance reporting frameworks to assure itself that:</p> <ul data-bbox="619 443 1455 622" style="list-style-type: none"> • they all align with the government’s 16 national outcomes • there is clarity about the contribution that the bodies working within these planning and performance reporting frameworks are making to the Scottish Government’s five objectives and 16 national outcomes. <p data-bbox="507 645 1455 779">Arrangements to measure performance in public sector bodies are still heavily focused on inputs such as budgets and staffing numbers and outputs such as the number of people receiving services, rather than whether public services are actually delivering better outcomes for individuals and communities.</p> <p data-bbox="507 801 1455 900">Although changes are being made, the overall balance of performance measures does not reinforce the principles of outcomes, prevention and reducing inequalities set out in the Statement of Ambition (paragraph 54, page 25).</p> |
| <p>Hold central government bodies and the NHS to account more consistently for their performance within CPPs</p> | <div data-bbox="507 945 603 1043"> </div> <p data-bbox="619 945 1455 1146">The Scottish Government continues to use its guidance to some public bodies to reinforce its expectation that they will work in partnership to achieve better outcomes for communities. But the way in which public bodies report performance, and are held to account, does not always reflect the Scottish Government’s policy of promoting outcomes, prevention and reducing inequalities.</p> <p data-bbox="507 1169 1455 1339">There are important areas where national leadership is needed to create the conditions under which community planning can flourish. This includes making changes to how the Scottish Government holds public sector partners and CPPs to account for their performance, by strengthening the focus on place and outcomes (paragraph 50, page 24).</p> <p data-bbox="507 1361 1455 1563">The Scottish Government and ministers currently monitor how public bodies perform against their corporate plans, national targets and outcomes. With the introduction of the Community Empowerment Act, it will be important that the Scottish Government uses these arrangements to hold statutory community planning partners to account for fulfilling the duties set out in the Act (paragraph 68, page 29).</p> |
| <p>Review the role of location directors</p> | <div data-bbox="507 1608 603 1706"> </div> <p data-bbox="619 1608 1455 1675">The Scottish Government has reviewed and updated the role of location directors.</p> <p data-bbox="507 1720 1455 1921">Updated role descriptions were issued to location directors in September 2015. These set out the expectation that they will focus their work with CPPs on tackling inequalities, progressing local improvements, democratic participation and economic development. They are also required to feed back to the Scottish Government on progress in their CPP, including any particular challenges (paragraph 66, page 29).</p> |

| Recommendation | Progress made |
|---|--|
| <p>CPPs should:</p> <p>Strengthen the effectiveness of the leadership, challenge and scrutiny role at CPP board level</p> | <p> CPPs are making improvements in this area, although it is too early to assess the impact on the effectiveness of CPP boards.</p> <p>Governance and accountability arrangements in CPPs are complex given the range of partners involved, all of whom are accountable to different bodies and are not formally accountable to the CPP board. CPPs are improving how they work within these arrangements to improve the level of leadership, scrutiny and effective challenge. For example, by:</p> <ul style="list-style-type: none"> • jointly agreeing clear priorities for improvement • bringing local partnership working arrangements in line with local improvement priorities • clarifying the roles and responsibilities of partners • developing the skills and culture that are needed to allow board members to challenge more effectively • agreeing performance measures that reflect the CPPs' priorities and outcomes (paragraphs 28–29, page 17-18). |
| <p>Streamline local partnership working arrangements and ensure they are aligned with local improvement priorities</p> | <p> CPPs are setting clearer priorities for improvement and are starting to restructure their working arrangements around them (paragraph 29, page 18).</p> |
| <p>Ensure that local community planning arrangements are clear about who is responsible for:</p> <ul style="list-style-type: none"> • agreeing the priorities of the CPP and SOA • allocating resources and coordinating activity • implementing activity • scrutinising performance and holding partners and others to account for their performance | <p> Some CPPs have taken steps to clarify the role, responsibilities and scrutiny arrangements of their CPP boards, subgroups and partners, for example by revising the CPPs' terms of reference.</p> <p>This has been supported in some CPPs by training and other activity to raise awareness of what these roles and responsibilities mean in practice (paragraph 30, page 18).</p> |

| Recommendation | Progress made |
|--|---|
| <p>Work with the new health and social care integration joint boards to develop services that meet the needs of local people and support SOA priorities</p> | <p> It is too early to assess how effectively CPPs and health and social care integration joint boards are working together.</p> <p>Scottish Government guidance on health and social care integration highlights the importance of creating effective relationships between Integration Authorities (IAs) and CPPs to help achieve national health and wellbeing outcomes. This approach is supported by the addition of IAs to the list of statutory community planning partners in the Community Empowerment Act. CPPs are now required to prepare locality plans and IAs are required to divide their area into at least two localities to help plan and decide how to make changes to services in that area. It is important that individual IAs and CPPs are clear about how they will work together and ensure their approaches to locality planning are aligned (paragraph 17, page 13).</p> |
| <p>Set clearer improvement priorities focused on how they will add most value as a partnership, when updating their SOA</p> <p>Use local data on the differing needs of their communities to set relevant, targeted priorities for improvement</p> | <p> CPPs are improving how they use data to set clear and targeted priorities for improvement.</p> <p>The Community Empowerment Act requires CPPs to publish a local outcomes improvement plan, which sets out the local outcomes that the CPP will prioritise for improvement. More CPPs are now improving the way they use data to identify relevant and targeted priorities for improvement. CPPs are considering the requirements of the Community Empowerment Act and some have started to draft local improvement plans that reflect these priorities (paragraph 34, page 19).</p> |
| <p>Start to align and shift partners' resources toward agreed prevention and improvement priorities</p> | <p> CPPs are still finding it difficult to target their resources on a larger scale towards their priorities and shifting them towards preventative activity.</p> <p>CPPs are continuing to identify how partners use their resources, such as money and staff, in particular priority areas or specific communities. Some CPPs are taking steps to plan how they use their resources, such as money and staff, in a more joined-up way. There continues to be small-scale examples of joint resourcing. But, overall, CPPs are not using their resources in a significantly different way.</p> <p>CPPs are currently exploring small-scale preventative projects, with funding from partners. If CPPs are to use partners' resources to promote early intervention and prevention approaches and reduce inequalities, then a significant scaling up of activity will be required. This would involve difficult local choices about how resources are to be used and stronger shared strategic planning for prevention (paragraphs 35–36, page 19–20).</p> |

Appendix 2

Audit methodology



We carried out follow-up work in the eight CPPs that we have audited since 2012/13 – Aberdeen, Glasgow, Falkirk, Moray, North Ayrshire, Orkney, Scottish Borders and West Lothian. This involved:

- a written update from each CPP on the progress made against their improvement agenda
- a review of supporting evidence.

We requested update reports from the Scottish Government and COSLA on the progress that they had made against the recommendations in our 2014 report. We reviewed these update reports and supporting evidence.

We interviewed representatives from public bodies and national organisations, including:

- Convention of Scottish Local Authorities (COSLA)
- The Improvement Service
- The Scottish Government
- Voluntary Action Scotland.

We reviewed minutes and papers from relevant groups, including:

- National Community Planning Group and Senior Officer Group
- Public Service Reform Board
- Outcomes, Evidence and Performance Board.

We commissioned consultants to review documents on international approaches to community planning:

- This involved a desk-based review of published documents on approaches to community planning in Australia, Denmark, England, Germany, Netherlands, New Zealand, Wales, focusing on:
 - the policy context for community planning
 - the objectives and outcomes set for community planning activities
 - governance arrangements

- how community planning has developed and evolved
- evidence of success in meeting community planning objectives
- information on the key challenges faced.

Community planning

An update

This report is available in PDF and RTF formats, along with a podcast summary at:

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Briefing Note

Improvement Service LOIP Stocktake

June 2018

The [Local Outcomes Improvement Plans \(LOIPs\) Stocktake – Emerging Themes](#) was coordinated by Audit Scotland, the Improvement Service, and NHS Health Scotland.

Process

Each of the 32 CPPs in Scotland has a duty to produce a LOIP. The published, publicly available LOIPs were reviewed by the panel using six agreed statements as a guide. These are shown in the findings below. Links to the National Performance Framework were also considered.

Findings

Statement 1 - The LOIP is clearly based on evidence and analysis of the area and its communities

- It can be difficult to see the links between evidence base / community engagement and agreed outcomes in LOIPs
- There is a need for a sharper focus on intractable/stubborn inequalities and scope for better identification of communities of interest (e.g. not so broad as “children” or “young people”)
- LOIPs are supported by Locality Plans though many are still under development
- Some LOIPs have a very specific area of focus and some are very broad, this impacts achievability
- LOIPs are found to be between 5 to 65 pages in length indicating variation in detail provided

Statement 2 - The LOIP identified the preventative work required

- LOIPs tend not to highlight specific preventative actions and how partners are working to address those
- Limited detail around how partners will realign resources to take a preventative approach
- Locality Plans are often more likely to contain detail of initiatives

Statement 3 - The LOIP is clearly based on active participation by communities and the resources allocated to enable the participation should be documented

- It is not always clear how “hard to reach” or disadvantaged groups are engaged with in the LOIP development process
- How communities will continue to participate through the implementation stage is still often under development

Statement 4 - The LOIP is clear about the resources necessary to deliver the planned improvements and how they will be provided by statutory partners. Links are provided to evidence commitments have been built into partners' own corporate and financial plans

- Partner plans and strategies are often referred to, to emphasise the links between the CPP and partners' strategic planning functions
- Some plans are still in their infancy, stating development of actions or detail around realignment of resources as a next step

Statement 5 - LOIPs are clear on the timescales for and measurement of achievement of outcomes

- A number of LOIPs include how outcomes will be achieved through established performance indicators. Baseline information is identified together with progress targets for medium (2-3 years) and long term (10 years). All of the targets aim to improve but for some the levels of change and success may be small.
- There is an intent to review progress annually, sometimes more frequently.

Statement 6 - The LOIP is clear about scrutiny, performance and accountability arrangements for the plan, including the role of the CPP Board, the role of partners' own corporate governance arrangements and the role of communities in scrutiny and performance monitoring

- The majority of plans have a clear vision and those that don't have clear priorities
- Many LOIPs identify the need to consider current governance arrangements within this new environment and how communities can be enabled to become participants in the process.
- There is a commitment to annual progress reports, sometimes more frequent reporting.
- LOIPs could benefit from further information around how they envisage communities being part of the scrutiny of progress (and what this might look like), i.e. how they will be accountable to their communities.

Examples were drawn from various individual LOIPs where relevant to the six statements above, however Aberdeenshire is not specifically mentioned in any of the examples.

Support for CPPs

The report states that support for CPPs should be considered nationally on the following:

- Leadership and culture (to promote a greater focus on impact and joint resourcing)
- Governance and scrutiny (particularly around how this involves communities)
- Developing approaches to effective empowerment and participation
- Effective use of data and business intelligence.



Briefing Note

Outcomes Evidence and Performance Board (OEPB) – Proposals for National Community Planning Review

July 2018

In line with a commitment in the SNP's 2016 Manifesto, the Scottish Government intends to review the impact of reforms to community planning in Part 2 of the Community Empowerment (Scotland) Act 2015.

Process

The [review](#) proposes to focus on progress to date and on two purposes:

- Providing an understanding of progress made in strengthening community planning since Part 2 of the 2015 Act came into force
- To support further strengthening in community planning

It has been recommended that the **scope of this review** should be on community planning in a wider sense, meaning this should extend beyond what happens in formal CPP meetings and what is agreed in Local Outcomes Improvement Plans and CPP Locality Plans.

It is proposed that the review ***bases its findings on some clear expectations about what community planning should achieve*** and should ***provide a critique and examples of progress being made***. But it is less important that the examples are directly attributable to specific provisions in the Act.

Based on this, ***key markers for effective community planning*** will include:

- extent of community participation in community planning, and its impact in influencing local priorities and actions
- what difference community planning makes in improving outcomes and tackling inequalities, reflecting:

- a. what difference CPPs and partners want to make for their communities – in other words, how ambitious their local priorities are.
- b. whether the decisions and actions by the CPP and partners mean that they should be well placed to make this intended difference.

The two overarching research questions that will aim to be answered are:

- **How has Community Planning changed in light of Part 2 of the Community Planning Act and Statutory Guidance?**
- **What difference has been made for communities as a result?**

Sources of Information for the Review

A comprehensive list of sources of information are proposed for informing the review, including but not limited to:

- CPP self-evaluations that have been supported by the Improvement Service (*Aberdeenshire have not undertaken this specific self-evaluation support*)
- Community Planning Outcomes Profile (CPOP) Tool
- Review of LOIPs
- Forthcoming evaluations of the CE Act 2015 parts 3 (participation requests) and 5 (asset transfer)
- Recent and forthcoming Best Value Audits of local authorities
- Outputs of What Works Scotland Work, including two community planning managers/officers surveys

Next Steps

Engagement will take place with key stakeholders to refine the plan for review and encourage participation in the review. This is likely to take place by early 2019 in order to inform the review process in 2019-20.

SG Location Directors will be asked to provide an understanding of local ambitions and progress in community planning in the areas they link with (*Aberdeenshire's Location Director is Neil Rennick, Director of Justice*).

At their meeting in May 2018, the OEPB were asked to endorse the proposed way forward as detailed above.

Prepared by Erin Wood, Policy Officer, Corporate Policy and Strategic Community Planning Team, Business Services.