

REPORT TO: East Lothian Council

MEETING DATE: 30 October 2018

BY: Chief Executive

SUBJECT: Local Governance Review

1 PURPOSE

- 1.1 To propose an appropriate way of contributing to the Local Governance Review currently being carried out by the Scottish Government and COSLA.

2 RECOMMENDATIONS

- 2.1 It is recommended that the Council agrees to set up a cross-party working group to draft a response to the Local Governance Review. This draft response would be presented for agreement at the next scheduled Council meeting on 11 December.
- 2.2 It is further recommended that each political group on the Council nominate up to two councillors to take part in the working group.

3 BACKGROUND

- 3.1 The Scottish Government's *Programme for Government 2017-18* set out the intention to 'decentralise power to a more local level in Scotland and launch a comprehensive review of local governance ahead of a Local Democracy Bill later in this Parliament'. In December 2017, the Scottish Government and COSLA jointly launched the Local Governance Review.
- 3.2 In June 2018, the relevant Cabinet Secretaries and COSLA's President wrote jointly to Public Sector Leaders, setting out information about the Review.
- 3.3 Professor James Mitchell, who holds the Chair in Public Policy at the University of Edinburgh, undertook a scoping exercise to which council officers contributed in July 2018. The Council's Senior Management Team

also invited Prof Mitchell to join one of their regular meetings on 20 August for dialogue around the Review.

- 3.4 The Scottish Government are seeking to arrange regional events around the country: they anticipate holding an event in eastern Scotland in November, although the date has not yet been announced.
- 3.5 The deadline for responses to the Review is 14 December. In order to prepare a draft response for consideration by the Council at its 11 December meeting with the aim of receiving all party support, it is proposed that a cross party working group be established to consider the principles behind the review and possible responses from East Lothian Council.

4 POLICY IMPLICATIONS

- 4.1 This is an opportunity for the Council to contribute to a potentially far-reaching review which will look at the way the public sector is organised across Scotland.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none.
- 6.2 Personnel – the staffing resource required to service this group can be provided from within the current workforce. In order to meet the review deadline of 14 December, East Lothian Council's response would have to be agreed at the Council meeting on 11 December 2018. In order to meet the Council's deadline for reports, the draft response would have to be ready before 29 November.
- 6.3 Other – the members of this cross-party working group will need to be able to attend and contribute to at least three meetings of the working group held in November 2018. Planned dates are 6, 13 and 20 November, all at 14.00 in Haddington, with the possibility of a further meeting on 27 November.

7 BACKGROUND PAPERS

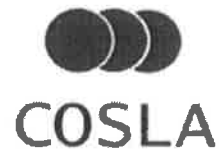
- 7.1 Letter from Cabinet Secretaries and COSLA's President, 22 June 2018 (Appendix A).

7.2 Officers' response to Prof James Mitchell's Scoping Exercise, 5 July 2018
(Appendix B).

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DATE	19 th October 2018



Scottish Government
Riaghaltas na h-Alba
gov.scot



Public Sector Leaders
By email

22 June 2018

Dear Public Sector Leader

LOCAL GOVERNANCE REVIEW – ENGAGEMENT PHASE

Programme for Government 2017-18 set out the intention to “decentralise power to a more local level in Scotland and launch a comprehensive review of local governance ahead of a Local Democracy Bill later in this Parliament”. In December 2017, the Scottish Government and COSLA jointly launched the Local Governance Review.

We believe that it is important to review how powers, responsibilities and resources are shared across national and local spheres of government and with communities in the context of significant change to the governance of Scotland over the last two decades, and in recognition that outcomes for citizens and communities are best when decisions are taken at the right level of place.

This review reflects local and national government’s shared commitment to subsidiarity and local democracy, and builds on joint agreement between COSLA and the Scottish Government to focus on and strengthen local and community decision-making and democratic governance in ways that improve outcomes in local communities, grow Scotland’s economy for everyone’s benefit, support communities to focus on their priorities, and help new ideas to flourish.

The Review of Local Governance will explore what might be achieved, and highlight opportunities for positive change. In doing so it brings a wide range of Scotland’s public services into scope, takes cognisance of reforms where work is already progressing, and will include powers and functions held at national level. It is therefore very important that we hear from you.

Many of you will know that the review is being undertaken in two key strands. First, a highly inclusive conversation with communities is getting underway, and will listen to views about how decision making can work best for towns, villages and neighbourhoods around the country. This reflects our shared commitment to community empowerment, and builds on the work already done to give people a direct say over the decisions that matter most to them. If you would like to support this process, for example by hosting events, please get in touch. As part of that

conversation, we expect people will be interested in how decisions about a range of public services can be made in the communities that they serve.

Second – the main purpose of this letter – we wish to involve you, as Scotland's public sector leaders, in a dialogue about how changes to how Scotland is governed can make the lives of Scotland's people better. Accordingly, we are now inviting you to bring forward proposals to feed into the review.

Just like the first strand, the second strand of the Local Governance Review offers a broad scope, and we anticipate that all public services will wish to offer proposals for improved governance arrangements at their level of place. This is based on an acceptance of increased variation in decision-making arrangements across the country: what is right for one place will not necessarily be right for another. For example, these could be at the level of a city or local authority, community planning partnership or regional economic grouping, or focus on how existing national arrangements can support a more local way of working.

We know that there are already many examples of working creatively across traditional boundaries to deliver responsive services for people. We want to hear how these approaches can be strengthened and scaled up, whether there are new powers or other changes that are needed to make more progress and the benefits these would produce, and about opportunities to hardwire better local governance arrangements into the places you serve. We are also keen to hear about how this landscape could be made to work better overall.

What is important is that proposals reflect our shared aspirations in light of the new National Performance Framework to tackle inequalities and drive inclusive growth, are consistent with Christie Commission principles, and strengthen local decision making.

We also want to have an interactive process with you to consider and develop ideas. Whilst we are setting a deadline for written proposals and evidence of 14 December 2018, we want to hear from you as early in the process as possible in order to understand your proposals, help them take shape and identify where other evidence or assurances might be required to deliver change, and consider how they might link with other ideas.

To get that process underway, we are seeking an initial indication of the kind of issues you would like to discuss by the beginning of September, and we will follow up this letter at that point. There is no fixed format for this, however we do want to receive your initial input no later than early Autumn in order to leave enough time to work with you on proposals. We also want to avoid setting an arbitrary date that would put you under undue pressure to take things forward. But we can't stress enough that we would welcome you getting in touch as early as possible in the process of you forming your ideas. We would of course be happy to meet with you and your networks as part of this process too.

Where there is interest in developing an idea, it will also be important to involve all partners with a potential contribution to make. For example, this approach is already opening up new possibilities for the Islands, following the commitment in Programme for Government 2017-18 to support those Island authorities who want to establish a single authority model of delivering local services.

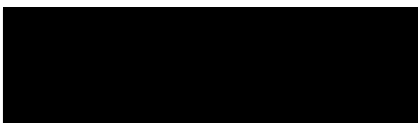
These two strands of the Local Governance Review will run in parallel for a period of around 6 months, and inform a programme of changes to governance arrangements in different places where these can increase the pace and scale of public service reform, focus on shared outcomes, and strengthen local decision making. In the event of legislative change being required a Local Democracy Bill is provisionally scheduled for introduction later this parliament. However, should you have ideas that will make a real difference, but will take longer to develop and deliver, we do of course still want to hear from you.

Joint oversight for the Local Governance Review overall is provided by the Cabinet Sub-Committee on Public Service Reform Delivery and COSLA's Political Leadership Team. These arrangements provide the primary forum for determining how proposals will be progressed, with Ministers reflecting this in the scope and content of legislation.

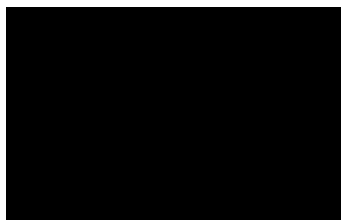
The Local Governance Review is part of a long term commitment by national and local government to place based reform and a more local approach to decision making in Scotland. The newly refreshed National Performance Framework provides a shared set of outcomes that this way of working can help to deliver. It is therefore vital that we hear from all parts of Scotland's public services in line with the timescale above. We look forward to your participation, and to discussing your proposals in the coming months.

To begin this process, you can make contact with the team at: democracymatters@gov.scot or 0131 244 0709.

ANGELA CONSTANCE, MSP
Cabinet Secretary for Communities,
Social Security and Equalities



JOHN SWINNEY, MSP
Deputy First Minister and
Cabinet Secretary for
Education and Skills



CLLR. ALISON EVISON
COSLA President



Local Governance Review: Initial Scoping Exercise Survey – response 5th July 2018

Appendix 2

Over the coming months we will be seeking to collate ideas in order to provide a collective view of reform to supplement that of individual local authorities.

This initial scoping exercise is only the first stage in this process. We are seeking brief high level responses from each local authority to three key questions.

We would appreciate responses by Friday, 29th June. As we are not seeking detailed responses at this stage we hope this deadline is appropriate but please contact us if this will prove difficult.

At this stage, we are not looking for detailed reform proposals (though please let us have such if they exist). Our aim is to collate the issues and themes from across local government to ensure that an authoritative collective view can be identified and developed.

1. Has your authority prepared a position on reform, identified key issues for reform or engaged in any other preparatory work related to the local governance reform? Can you briefly outline what has been done, if anything, to date?

East Lothian Council has not yet prepared a position on reform or identified the key issues for reform. However, the issue of public sector reform is a key element of the Council's 2017-2022 Council Plan and the Plan sets out the Council's position in relation to reform.

Firstly, the Plan is based on a recognition that significant change is required in the way the council (and public services) are delivered and in the relationship between the Council and its citizens.

"This Plan is based on the understanding that East Lothian Council cannot address the diverse needs of our population on its own. At the heart of the Plan is the concept that the Council and the people and communities of East Lothian can best deliver these solutions in partnership – 'working together for a better East Lothian'. Therefore, over the next five year, the lifetime of this Plan, the Council will increasingly become:

- an enabling and empowering authority that works with its citizens and communities, the business and third sectors and other public sector partners to deliver the solutions that work best for East Lothian.
- a more entrepreneurial authority, developing new ways of ensuring services are provided in the most effective and efficient way possible;
- a 'digital' authority, fully embracing and exploiting opportunities to use technology to deliver services."

The background context of the Plan includes a review of Public Sector Reform and the Scottish Government's Programme for Government

"The public sector in general and local government in particular is becoming increasingly complex. Public sector reform has never been higher up the public policy agenda. Whilst attempts have been made to simplify matters and create greater synergy between various

public service providers (for example, through Community Planning) other policy imperatives push in the opposite direction.

East Lothian Council has embraced public sector reform over the last few years and has implemented major changes in governance around vital services. Most notably, East Lothian established a shadow Health & Social Care Partnership Board in advance of the legislative requirement. The Council has developed an innovative form of community engagement and empowerment through establishing Area Partnerships with significant funding to direct resources to local priorities. More recently the Council and the East Lothian Partnership have been managing the transfer of responsibility for Community Justice from a regional board to the Community Planning Partnership with the establishment of a new East Lothian Community Justice Partnership.

There is growing concern about centralisation, with decisions being taken at the Scottish Government level to meet national policy agendas rather than in the best interests of East Lothian. For example, the decision to close Haddington Sherriff Court against the advice and unanimous views of East Lothian Council; some key planning decisions being overturned on appeal to the reporter resulting in wind farm developments and housing developments in areas not zoned for housing in the Local Plan. The Scottish Minister went against the unanimous views of the Council and accepted the Scottish Local Government Boundary Commission's flawed and short-sighted recommendation to cut the number of elected members on East Lothian Council from 23 to 22.

The Council also is concerned about the Scottish Government's proposals for education – moving responsibilities away from local authorities to new regional bodies. This fragmentation of a core local public service flies in the face of the approach which is being developed to take a more holistic (less silo'ed) approach to people and services, and the generally accepted view that diverse services and factors impact on children's readiness to learn and achieve their best – health, housing, physical activities (sport, leisure, access to the countryside) culture and the arts all contribute to a child's well-being and readiness to learn.

The Community Empowerment (Scotland) Act 2015 has created new duties and responsibilities on local authorities and Community Planning partners that could bring about significant change in the local government environment. However, even before these changes have been enacted, the Scottish Government is planning to carry out a major a review of local government and to introduce a Local Government and Democracy Bill.

East Lothian Council acknowledges and embraces the need for change if it will lead to improved outcomes and further our goals; as is demonstrated by our implementation of changes such as Health and Social Care integration, our support for partnership working and the vision and ambition set by the Council's Transformational Change Programme and Digital Strategy."

Finally, the Plan concludes with the following statement:

" the Council will continue to resist central government attempts, directly and overtly, to move responsibilities away from local control and accountability. A 'one size fits all' approach to reforming local government may not be in the best interests of East Lothian.

East Lothian has a proud tradition of standing on its own as an effective, well run, responsive and accountable local authority. Any proposal to reform local government and public services in East Lothian will be measured against the impact that change would have on its citizens and communities. Reform proposals will only be supported if they are in the best interests of East Lothian and help to achieve our vision of 'An even more prosperous, safe

and sustainable East Lothian, with a dynamic and thriving economy that enables our people and communities to flourish.' "

2. What, if any, plans, does you have to inform the process of reform?

The Council will encourage the public and community organisations to respond to the 'Democracy Matters' consultation. We are already signposting to the Democracy matters consultation from our Consultation portal and following the summer holidays will be writing to Community Councils, Area Partnerships and a wide range of community organisations as well as launching a social media campaign to alert the public of the opportunity to respond to the Democracy Matters consultation. At the same time we will be re-launching the Council's 'Guide to Community Participation Opportunities: Getting Involved, Making Your Voice Heard' which outlines how the Council supports and encourages community participation and engagement.

At the same time the Council will be preparing its own response to Phase 2 of the Local Governance Review with the intention of responding formally by the deadline. This will include engagement with the Council's Senior Management Team (Council Management Team plus Service managers and Head Teachers) as well as all elected members.

The Council's response will build on and develop the position set out in the Council Plan.

3. Can you provide a list of the key themes/issues/reforms, and offer these in order of priority, that you want placed on the reform agenda?

Not yet. The Council's response will be formulated over the autumn.

4. We are keen to develop a network of contacts as the review process unfolds. Please provide your contact details or that of the appropriate point(s) of contact within your organisation

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