

The Accounts Commission for Scotland

Agenda

Meeting on Thursday 14 February 2013,
in the offices of Audit Scotland, 18 George Street, Edinburgh

The meeting will begin at 10:00 am

1. **Apologies for absence**
2. **Declarations of interest**
3. **Decisions on taking business in private:** The Commission will consider whether to take items 11 to 14 in private.
4. **Minute of meeting of 17 January 2013**
5. **Minute of meeting of Performance Audit Committee of 24 January 2013**
6. **Chair's introduction:** The Chair will report on recent activity and issues of interest to the Commission.
7. **Update report by the Controller of Audit:** The Commission will consider a report from the Controller of Audit on significant recent activity in relation to the audit of local government.
8. **Improving engagement and reinforcing messages in Accounts Commission reports:** The Commission will consider a report by the Director of Performance Audit and the Controller of Audit.
9. **Audits of Community Planning:** The Commission will consider joint reports by the Controller of Audit and the Auditor General for Scotland:
 - a. **Aberdeen**
 - b. **North Ayrshire**
 - c. **Scottish Borders**
10. **Any other business**

The following items are proposed to be considered in private:

11. **Improving Community Planning in Scotland – key messages:** The Commission will consider a draft report.
12. **The Performance Audit Programme 2013/14:** The Commission will consider a report by the Director of Performance Audit.
13. **Performance audit - Major capital investment in councils:** The Commission will consider a draft report.
14. **Local government in Scotland 2013:** The Commission will consider a draft report.

The following papers are enclosed for this meeting:

Agenda Item	Paper number
Agenda Item 4: Minutes of the meeting of the Commission of 17 January 2013	AC.2013.2.1
Agenda Item 5: Minutes of the meeting of the Performance Audit Committee of 24 January 2013	AC.2013.2.2
Agenda Item 7: Report by Controller of Audit	AC.2013.2.3
Agenda Item 8: Report by Director of Performance Audit and Controller of Audit	AC.2013.2.4
Agenda Item 9: Cover note by Secretary and Business Manager	AC.2013.2.5
Agenda Item 11: Report by Controller of Audit and Auditor General for Scotland	AC.2013.2.6
Agenda Item 12: Report by Director of Performance Audit	AC.2013.2.7
Agenda Item 13: Cover note by Secretary and Business Manager	AC.2013.2.8
Agenda Item 14: Report by Controller of Audit	AC.2013.2.9

ACCOUNTS COMMISSION

MEETING 14 FEBRUARY 2013

MINUTES OF PREVIOUS MEETING

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland at 18 George Street, Edinburgh, on Thursday, 17 January 2013, at 10.00am

PRESENT: John Baillie (Chair)
Michael Ash
Alan Campbell
Sandy Cumming
Colin Duncan
Jim King
Bill McQueen
Colin Peebles
Linda Pollock
Graham Sharp

IN ATTENDANCE: Fraser McKinlay, Controller of Audit
Paul Reilly, Secretary and Business Manager
Antony Clark, Assistant Director [Items 7, 8 and 10]

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Decisions on taking business in private
4.	Minutes of meeting of 13 December 2012
5.	Chair's introduction
6.	Update report by the Controller of Audit
7.	Auditing community planning partnerships and outcomes – update report
8.	The future role and purpose of the Local Government Scrutiny Co-ordination Strategic Group
9.	Any other business
10.	Local Government and Regeneration Committee: Inquiry on Public Services Reform and Local Government: Strand 3 – Proposed response

1. Apologies for absence

Apologies for absence from Colin Duncan, Christine May and Douglas Sinclair were noted.

2. Declarations of interest

The following declarations of interest were made:

- Michael Ash, in item 7, as a member of NHS Lothian Board.
- Bill McQueen, in item 7, as a member of the Scottish Fire and Rescue Service.

3. Decisions on taking business in private

It was proposed that item 10 should be taken in private as it included a draft report and confidential issues.

4. Minutes of meeting of 13 December 2012

The minutes of the meeting of 13 December 2012 were submitted and approved, subject to noting that, in paragraph 2, Colin Peebles had declared an interest as a property owner and registered private landlord in the City of Edinburgh.

5. Chair's introduction

The Chair reported that:

- On 10 January he and Douglas Sinclair met David O'Neill, President and Rory Mair, Chief Executive, COSLA.
- On 16 January he briefed the Public Audit Committee of the Scottish Parliament on the Commission's reports (published jointly with the Auditor General) on the overviews of Best Value in police and fire services.

Following discussion, it was agreed that a note of the meeting with COSLA, and the official report of the meeting of the Public Audit Committee, be circulated to members.

Action: Secretary and Business Manager

6. Update report by the Controller of Audit

The Commission considered a report by the Controller of Audit providing an update on significant recent activity in relation to the audit of local government.

During discussion the Commission agreed:

- To note advice from the Controller of Audit that the report of the Inspection of Highlands and Islands Fire Service, carried out by the Fire Service Inspectorate, was published on 9 January 2013.
- That in liaising further with the Improvement Service in relation to Accounts Commission involvement in its elected member masterclasses, the Controller of Audit propose the following as possible topic areas: the role of

the Commission, Auditor General and Audit Scotland; support for elected members; and governance, including arm's length external organisations.

Action: Controller of Audit

- That the Controller of Audit brief the Financial Audit and Assurance Committee on issues in relation to council reserves, in the context of the forthcoming Local Government Overview Report 2013 and the Audit Commission report *Striking a Balance*.

Action: Controller of Audit

- That members be provided with further information on the David Hume Institute publication *Unlocking the Potential in Scotland's Public Services – From Good to Great*.

Action: Secretary and Business Manager

Thereafter the Commission agreed to note the report.

7. Auditing community planning partnerships and outcomes – update report

The Commission considered a report by the Controller of Audit providing an update on progress to date with the first phase of audits of community planning partnerships and outcomes, at Aberdeen City, North Ayrshire and Scottish Borders councils, and setting out the timetable for reporting the audits and subsequent national report and plans for evaluating the approach.

During discussion the Commission agreed:

- To note that, in paragraph 3, "South Ayrshire" should read "North Ayrshire".
- To note the progress of the three early audits.
- To note the arrangements for publication of a national key messages report alongside the three early audits.
- To note the planned independent evaluation of the three early audits.

Thereafter the Commission agreed to note the report.

8. The future role and purpose of the Local Government Scrutiny Co-ordination Strategic Group

The Commission considered a report by the Controller of Audit which set out issues in relation to the future role and direction of the Strategic Scrutiny Group.

During discussion the Commission agreed:

- To note the restatement of commitment which scrutiny bodies agreed to promote within their respective organisations.
- To endorse the revised remit for the Strategic Scrutiny Group.

Action: Controller of Audit

- To note the proposed potential areas for future scrutiny development and the key priority areas identified by the Strategic Scrutiny Group.

- To note the continued role of the Operational Group in the shared risk assessment process.

Thereafter the Commission agreed to note the report.

9. Any other business

The Commission noted that there was no other business to be considered.

10. Local Government and Regeneration Committee: Inquiry on Public Services Reform and Local Government: Strand 3 – Proposed response [in private]

The Commission agreed that this item be held in private to allow it to consider a draft paper.

The Commission considered a report by the Controller of Audit setting out a proposed response, prepared by Audit Scotland on behalf of the Accounts Commission and the Auditor General for Scotland, to the call for evidence from the Scottish Parliament's Local Government and Regeneration Committee in relation to its inquiry on public services reform and local government.

During discussion the Commission:

- Noted advice from the Chair that he had received notification (which he would circulate) from the Director-General Governance & Communities, Scottish Government, about the Government's intention to lay an Order before Parliament to allow National Services Scotland – with the agreement of the Scottish Ministers, a Scottish public body or a local authority - to provide services to them.

Action: Secretary and Business Manager

- Agreed a number of revisions to the draft response, and thereafter agreed its terms.

Action: Controller of Audit and Secretary and Business Manager

- Agreed that other appropriate submissions by other bodies be circulated to members for information.

Action: Controller of Audit and Secretary and Business Manager

ACCOUNTS COMMISSION

MEETING 14 FEBRUARY 2013

MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE OF 24 JANUARY 2013

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held in the offices of Audit Scotland, 18 George Street, Edinburgh on Thursday, 24 January 2013, at 1.30pm.

PRESENT: Douglas Sinclair (Chair)
Mike Ash
John Baillie
Alan Campbell
Colin Peebles

IN ATTENDANCE: Barbara Hurst, Director, Performance Audit
Fraser McKinlay, Controller of Audit
Paul Reilly, Secretary and Business Manager
Angela Canning, Assistant Director, PAG [Items 4, 5 and 6]
Angela Cullen, Assistant Director, Performance Audit Group (PAG) [Items 4, 5, 6 and 8]
Ronnie Nicol, Assistant Director, PAG [Items 4, 5, 6 and 9]
Dick Gill, Portfolio Manager (Public Finances and Public Sector Reform, PAG [Item 6]
Gordon Neill, Portfolio Manager, Best Value and Scrutiny Improvement (BVSU) [Item 7]
Mark MacPherson, Portfolio Manager, PAG [Item 8]
Claire Sweeney, Portfolio Manager, PAG [Item 9]
Sally Thompson, Project Manager, PAG [Item 9]

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Minutes of meeting of 1 November 2012
4.	Update report on performance audit programme and Best Value and Scrutiny Improvement work
5.	The rolling Performance Audit Programme 2013/14
6.	Improving the promotion and impact of Accounts Commission work
7.	Performance audit: project brief – Early severance schemes
8.	Performance audit: project brief – Reshaping Scotland's public sector workforce
9.	Performance audit: emerging messages – housing in Scotland
10.	Any other business

1. Apologies for absence

Apologies for absence were received from Jim King and Christine May.

2. Declarations of interest

Colin Peebles declared an interest in item 9, *Performance audit: emerging messages – Housing in Scotland*, as a registered private landlord in four council areas.

3. Minutes of meeting of 1 November 2012

The minutes of the meeting of 1 November were approved as a correct record.

4. Update report on Performance Audit Programme and Best Value and Scrutiny Improvement work

The Committee considered a joint report by the Director of Performance Audit and Controller of Audit providing an update on progress of performance audits, the *How Councils Work* series, and impact reports. It also provided information on development work to support the performance audit rolling programme approach.

During discussion, the Committee agreed:

- To recommend to the Accounts Commission that the *Renewable energy* audit be done solely on behalf of the Auditor General.
- Accordingly, that in any follow-up audit of the *Modernising the planning system* audit, consideration be given to including a review of local authorities' handling of planning for renewables projects.

Action: Director of Performance Audit

- To note in relation to the *How Councils Work* report *Managing performance: are you getting it right*, that the issue was to be covered as part of the Improvement Service's 'masterclass' series for elected members.

Thereafter the Committee agreed to note the report.

5. The rolling performance audit programme 2013/14

The Committee considered a report by the Director of Performance Audit seeking its approval for performance audit programme projects that would be published during 2013/14, for onward consideration by the Accounts Commission. It also proposed a wider discussion at a future meeting on ensuring that the programme is reflecting effectively the Commission's strategies and the Auditor General's priorities.

During discussion, the Committee:

- Noted advice from the Director that the Assistant Auditor General was currently undertaking an exercise that maps Audit Scotland's income against its outputs.
- Noted advice from the Chair that the Commission's annual strategy seminar would be considering issues around the Commission's outputs against its strategic priorities, including that of the balance between 'new' issues and revisiting or following-up previous work.

- Agreed that the issue of court processing times, in relation to the audit *Reducing reoffending in Scotland*, be included in scoping for future years' audit work.
- Agreed that further thought be given to how option appraisal – not confined to shared services - can feature as an issue in the Commission's future work.
- Accordingly, noted advice from the Controller of Audit that a report on the *How Councils Work* series would be submitted to the next meeting of the Committee.
- Agreed that it would be essential for consideration of future years' audit work to include dialogue with the Auditor General.
- Agreed to note advice from the Chair that the Commission's visiting speaker programme should help inform and reflect those issues arising from consideration of future years' audit work.
- Agreed to recommend to the Commission the proposals for the performance audit programme, as set out in the report.
- Agreed that the Director submit a further report on wider discussion of the programme beyond 2013/14.

Action: Director of Performance Audit

6. Improving the promotion and impact of Accounts Commission work

The Committee considered a report by the Director of Performance Audit and Controller of Audit setting out proposals to improve the promotion and impact of the Accounts Commission's work and improve its engagement with local government stakeholders.

During discussion, the Committee agreed:

- To recommend to the Commission a package of proposals as set out in the report, on the basis of priority being given to activities around reinforcement of messages and engagement with key local government stakeholders.
- Accordingly, that as a working principle, the proposals in the report be applied selectively to each performance audit report.

Action: Director of Performance Audit

- To note that since the Committee agreed a new approach at its meeting on 9 December 2011, covering reports in relation to draft performance audit reports include proposals on how they are to be promoted in the period following publication.
- To note that the update reports on the programme provide an opportunity for proposals on how audit work can be followed up.
- To note that further consideration of issues around promotion, marketing and impact would feature in the Commission's annual strategy seminar.

7. Performance audit: project brief – Early severance schemes

The Committee considered a report by the Controller of Audit seeking approval of the approach to the audit – conducted jointly with the Auditor General for Scotland - on *Managing early departures in the Scottish public sector*.

During discussion, the Committee agreed:

- To note the importance of setting out in the project brief the detail behind the audit, including its strictly defined scope.
- To note that some consideration would be given to workforce planning in arm's length organisations in the performance audit *Reshaping Scotland's public sector workforce*
- That the Controller of Audit consider how to feature in the report the practice of reemployment of those who have already been granted voluntary early release.

Thereafter the Committee approved the approach as set out in the project brief.

8. Performance audit: project brief – Reshaping Scotland's public sector workforce

The Committee considered a report by the Director of Performance Audit seeking approval of the approach to the performance audit – conducted jointly with the Auditor General for Scotland - on *Reshaping Scotland's public sector workforce*.

During discussion, the Committee agreed that:

- The scope include clearer reference (e.g. in paragraph 12 and in the issues and investigations matrix) to business re-engineering and service redesign.
- In the issues and investigations matrix (i.e. issue 9), reference be made to COSLA as the local government employers' organisation.
- In the issues and investigations matrix (i.e. issue 10), the issue of capacity of human resource support functions be included.
- In giving further consideration to the case studies to be used in the audit, that issues such as rurality and dependence and impact on local economies be considered.

Thereafter, the Committee approved the approach as set out in the project brief and accompanying issues and investigations matrix

9. Performance audit: emerging messages – Housing in Scotland

The Committee considered a report by the Director of Performance Audit outlining the emerging messages from and seeking comments on the performance audit *Housing in Scotland*. This was supported by a presentation from the audit team.

Following discussion, the Committee endorsed the emerging messages and agreed that a draft audit report should be submitted to the March meeting of the Accounts Commission prior to publication in May.

10. Any other business

The Committee noted that there was no other business to be considered.

ACCOUNTS COMMISSION

MEETING 15 FEBRUARY 2013

REPORT BY THE CONTROLLER OF AUDIT

UPDATE REPORT

Introduction

1. The purpose of this regular report is to provide an update to the Commission on significant recent activity in relation to the audit of local government.
2. It is intended to complement the intelligence reports to the Financial Audit and Assurance Committee, which provide a more detailed update on issues arising in local government.
3. The most recent such report was at the Committee meeting of 29th November 2012.

Local government issues

Shared Risk Assessment

4. Work on the latest round of shared risk assessments for councils is nearing completion. Draft scrutiny plans have been prepared for each council and have been subject to a first round of quality assurance. The second stage quality panel has been arranged to discuss a sample of reports showing significant change in risk assessments. Senior officers involved in planning scrutiny activity in each of the scrutiny bodies are met on 11th February to look at the how the individual council scrutiny plans come together to form the draft national scrutiny plan. Following this, the national round table of the chief officers of each of the scrutiny bodies will consider the national scrutiny plan on 6th March.

Correspondence

5. We have experienced a recent upsurge in correspondence from elected representatives about specific items in councils. We have dealt with most of these through our normal process of collecting information from the external auditor to frame a written response. However on a few items I have taken the opportunity to discuss the issues involved directly with the person who has raised them. Fiona Kordiak and I have already met with Cllr Graeme Hendrie from Glasgow City Council about severance payments and I am arranging meetings with Alex Neil MSP about leisure services in North Lanarkshire and Kevin Stewart MSP about development land in Aberdeen City.

Current activity in local government

6. The Scottish Government, NHS Scotland and COSLA have announced the creation of the Joint Improvement Partnership Board. The Board, which will be established by April 2013, will be chaired by Professor Jim McGoldrick, formerly chair of NHS Fife and will

include representatives from Aberdeenshire Council, the Health and Social Care Alliance Scotland, the Scottish Council for Voluntary Organisations and NHS Forth Valley. A Memorandum of Understanding on the subject has been created and signed by representatives from the Scottish Government, NHS and COSLA, as well as representatives from the independent and third sectors.

7. In January the Scottish Government announced a consultation on the proposed draft Public Service Reform (Commissioner for Ethical Standards in Public Life in Scotland etc.) Order 2013. The proposed draft Order would replace the Commission for Ethical Standards in Public Life in Scotland (and its two Commissioners) with a single new Commissioner to perform all the functions of the predecessor body and offices. The consultation period closes on 29th March.
8. The three remaining members of the Scottish Local Authorities Remuneration Committee (SLARC) set up to scrutinise councillors' pay and expenses, have resigned. The Scottish Government has responded saying that since there are currently no significant issues about councillors' pay on which ministers require advice from SLARC it intends to stand SLARC down until further review work is required.
9. The Improvement Service and Forth Valley GIS have launched Viewstat – an interactive mapping tool that enables users to look at a range of neighbourhood and community information through a single application. The information covers outcome indicators related to areas such as economic wellbeing; health; educational attainment; housing; crime; and population.
10. Kenneth Hogg has taken up post as Director of Local Government and the Third Sector at the Scottish Government.

Other Audit Agencies

Audit Commission

11. The Department for Communities and Local Government has appointed four new Commissioners to the Audit Commission's Board:
 - Councillor Adrian Collett
 - Nicola Scrivings
 - Andrea Sutcliffe
 - Ruth Thompson
12. The Commission has published its annual report on Auditing the Accounts. It report summarises the results of auditors' work for 2011/12 at councils, fire and rescue authorities, police bodies, other local government bodies, parish councils and internal drainage boards. The report covers the timeliness and quality of financial. It found that auditors had been able to issue the audit opinion by 30 September 2012 at 98 per cent of councils, all fire and rescue authorities, 97 per cent of police bodies, all other local government bodies, 97 per cent of parish councils and 97 per cent of internal drainage boards. This was an improvement for all types of body compared with 2010/11.

National Audit Office

13. In January the National Audit Office published a report on financial sustainability of local government in England. The report examined central government's approach to local authority funding, and highlighted the increasing difficulty faced by local authorities in absorbing the reductions in central government funding without reducing services. It recommended that the Department for Communities and Local Government work with other government departments to improve the evaluation of the impact of decisions on local authority finances and services.
14. A review by the National Audit Office of 'early action' has concluded that this approach has the potential to result in better outcomes and greater value for money. Early action is the early deployment of resources by public bodies to prevent problems occurring or getting worse in service provision, rather than spending money reactively once those problems have occurred.

Wales Audit Office

15. The Auditor General for Wales is undertaking a value for money study to find out if pupils, schools and the public purse are well served by arrangements to cover teacher absence. The views of supply teachers and other cover staff are being sought as part of the work.

Northern Ireland Audit Office

16. The Chief Local Government Auditor for Northern Ireland has published her report on the exercise by local government auditors of their functions in the year to 31 March 2012. The report comments on a range of topics arising from financial audit work in local government bodies and identifies scope for improvement in areas such as: prompt payment performance; property asset management; governance; and absenteeism. .

Conclusion

17. The Commission is invited to consider and note this report.

Fraser McKinlay
Controller of Audit
9 January 2013

ACCOUNTS COMMISSION

MEETING 14 FEBRUARY 2013

REPORT BY DIRECTOR OF PERFORMANCE AUDIT AND CONTROLLER OF AUDIT

IMPROVING ENGAGEMENT AND REINFORCING MESSAGES IN ACCOUNTS COMMISSION REPORTS

Purpose

1. This paper invites the Accounts Commission to consider proposals to improve engagement about findings and recommendations in reports and reinforce messages to encourage improvement.

Background

2. The Performance Audit Committee requested that we consider how to improve the engagement and impact of reports done on behalf of the Accounts Commission. This is in addition to us making proposals to the Accounts Commission about how reports can be promoted after publication, which is currently done when draft reports are presented to the Commission; and suggestions about timings for follow-up audits, which will be considered by the performance audit committee alongside updates to the rolling programme.
3. We presented a paper to the committee at its meeting on 24 January 2013. The committee agreed that the options outlined should be considered on a case-by-case basis for each report and should be taken to the next full Accounts Commission meeting for consideration. It was noted that the Commission would be considering these issues further at its 2013 annual strategy seminar.
4. This paper sets out a range of proposals to improve engagement about Accounts Commission reports (including joint reports with the Auditor General) and reinforce the messages to encourage improvement. These proposals align with the Accounts Commission's strategy for 2012-15 and the supporting annual action plan for 2012-13.
5. Most of these proposals have resource implications to some extent. However, whilst some can be easily managed within current resources, some may need to be considered alongside other priorities and programmes or work or require additional resources. The paper sets out the potential resource implications and the Commission may want to consider these, whilst considering the benefits of the proposals.
6. The Commission is asked to consider these proposals and agree which it would like to take forward.

Proposals

7. We would like to make the following proposals to the Accounts Commission:

Improve engagement about reports by:

Increasing engagement with COSLA, SOLACE and a wider group of stakeholders to promote the findings of published reports.	Including the COSLA Leaders' group, COSLA policy spokespeople, the Improvement Service, elected members, conveners' groups and professional bodies.
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	There are potential resource implications for Commission members and Audit Scotland staff in arranging, preparing for and attending meetings. We can start doing this immediately.
Specifically targeting MSPs whose constituencies cover bodies commented in reports on individual local authorities (eg BV reports) or CPPs to alert them to the report.	We can start doing this immediately and there are no significant resource implications for this proposal.
Targeting journalists that have a specialist interest in an area covered by a report to encourage wider media coverage.	We already do this for some reports and there are no significant resource implications.
Hosting events for local government to promote findings and recommendations of reports.	This could be a series, ad hoc or annual events to promote the findings of one or more reports. This may help target larger audiences, for example elected members. We do not currently do this and there could be significant resource implications e.g. time to organise and prepare for events; venue and catering costs.
Developing an annual engagement plan.	This could set out, at a high-level how the Commission will engage with key local government stakeholders about the rolling programme, including discussion about forthcoming and current audits, and promoting the findings of published reports.

Reinforcing the messages and encouraging improvement by:

Producing annual bulletins that summarise the findings, recommendations and checklist from recent reports with hyperlinks to the website.	The target audience for bulletins would largely be elected members but they may also be of use to officers. We could start this during 2013. This would be an additional publication so we would need to identify resources from within our current teams.
Including in the Accounts Commission's annual report a summary of progress or improvement against the Commission's themes, based on the key findings and impact of audit work during the year.	This could help demonstrate improvement and/or identify where the Accounts Commission expect local government to make progress in the following year.
Including recommendations in the annual local government overview.	To increase the impact of reports and encourage local authorities to improve public services we need to ensure that reports include strong, clear and specific recommendations. We have already started to implement this.

<p>Increasing the scope of targeted follow-up of national reports, including <i>How Councils Work</i> reports, by local auditors to measure and encourage improvement by local authorities.</p>	<p>The Commission may want to consider asking auditors to report back on the findings of self-assessment and whether action plans are likely to sufficiently address the areas for improvement identified.</p> <p>Significant resources are needed for this approach and will need to be considered carefully.</p>
<p>Publishing summary reports on targeted follow-up to further promote the report and encourage improvement.</p>	<p>This could be accompanied by a news release, which reiterates the original messages from the report, includes the Accounts Commission's view on the extent of improvement achieved, whether it is satisfied with the pace of improvement and highlights areas where further action is needed.</p> <p>PAG is currently drafting a paper summarising the findings from targeted follow-up of roads maintenance, which will be submitted to the Performance Audit committee's meeting on 28 February for consideration.</p>
<p>Asking Audit Scotland to carry out further work where the Commission is unsatisfied with progress.</p>	<p>This could be considered as part of the rolling PA programme. It may mean prioritising follow-up work over a new audit.</p>

Conclusion

- The Accounts Commission is asked to consider the proposals outlined and identify which it would like us to take forward.

Barbara Hurst
Director of Performance Audit

Fraser McKinlay
Controller of Audit

6 February 2013

ACCOUNTS COMMISSION

MEETING 14 FEBRUARY 2013

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

AUDITS OF COMMUNITY PLANNING

Purpose

1. The purpose of this report is to introduce for the Commission's consideration the reports of the three early audits of community planning, in Aberdeen, North Ayrshire and Scottish Borders. These reports have been prepared by Audit Scotland for the Accounts Commission and the Auditor General for Scotland.

Background

2. At its meeting on 17 May 2012, the Commission endorsed a proposed approach to the audit of community planning. On 29 June 2012, this approach was shared with the Cabinet Secretary for Finance, Employment and Sustainability, John Swinney. Feedback from Scottish Government officials and the minister's office on the proposals was positive.
3. Aberdeen City, North Ayrshire, and the Scottish Borders community planning partnerships agreed to participate in three early audits, which took place during 2012. At its meeting on 13 September 2012, the Commission noted a report by the Controller of Audit on the progress of the three audits.
4. The reports of the three audits are attached for the Commission's consideration.
5. A draft report setting out key messages around how community planning can be improved, drawing upon the three audits and previous wider work on partnerships, is also on today's agenda.

The report

6. The reports are made under section 102(1)(a) of the Local Government (Scotland) Act 1973 (as amended by various subsequent pieces of legislation including the Local Government in Scotland Act 2003).
7. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
 - a) the accounts of local authorities audited under the Act;
 - b) any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
 - c) the performance by a local authority of their statutory duties in relation to best value and community planning.

8. The reports are made jointly with the Auditor General for Scotland, who makes the report under Section 23 of the Public Finance and Accountability (Scotland) Act 2000. As such, the reports will be laid before the Scottish Parliament.

Consideration of the report

9. The Controller of Audit and members of each of the audit teams from Audit Scotland will be present at the Commission meeting to answer questions.
10. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
 - a) direct the Controller of Audit to carry out further investigations;
 - b) hold a hearing;
 - c) state its findings.
11. If the Commission considers that it requires further information to proceed with its consideration of the report, it may direct the Controller of Audit to carry out further investigations. If the Commission is satisfied with the information which it has, it may wish to proceed to make findings unless members consider that a hearing is necessary.
12. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.

Conclusion

13. The Commission is invited to:
 - consider the reports by the Controller of Audit and the Auditor General on the audits of community planning in Aberdeen, North Ayrshire and Scottish Borders; and
 - decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
6 February 2013

Community Planning in Aberdeen

Audit Report

A report by Audit Scotland prepared for the Accounts Commission
and Auditor General

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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The audit of community planning

Background

1. Community planning is the process by which councils and other public bodies work together, with local communities, the business and voluntary sectors, to plan and deliver better services and improve the lives of people who live in Scotland.
2. Community planning was given a statutory basis by the Local Government in Scotland Act 2003 (the Act). Under the Act:
 - Councils have a duty to initiate, facilitate and maintain community planning.
 - NHS boards, the police, the fire and rescue services, and the enterprise agencies (Scottish Enterprise and Highlands and Islands Enterprise) have a duty to participate in community planning. This duty was later extended to Regional Transport Partnerships.¹
 - Community Planning Partnerships are required to engage with communities, report on progress, and publish information on how they have implemented their duties and how outcomes have improved as a result.²
 - Scottish ministers, through the Scottish Government and its agencies, have a duty to promote and encourage community planning.
 - Councils can invite other bodies such as colleges, higher education institutions, business groups, voluntary organisations and community groups to take part in community planning, although these are not statutory partners.
3. All councils have established a CPP to lead and manage community planning in their area. CPPs are not statutory committees of a council, or public bodies in their own right. They do not directly employ staff or deliver public services. Under Section 19 of the Act, it is possible for the CPP to establish the partnership as a legally distinct corporate body. Some CPPs have considered this option but, to date, none has taken it forward.
4. The structure of CPPs and the areas they cover vary considerably, depending on the size and geography of the council area, the local economy, local political priorities, and socio-demographic factors such as age, gender, and relative wealth.

¹ Transport (Scotland) Act 2005

² The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

The Christie Commission and the Scottish Government and COSLA review of community planning

5. Between 2011/12 and 2014/15, the Scottish Government's spending will fall by 5.5 per cent (£1.5 billion) in real terms.³ Reductions of this scale are a significant challenge for the Scottish public sector. The Christie Commission report on the future of public services highlighted the need for a new, more radical, collaborative culture throughout Scotland's public service. It called for a much stronger emphasis on tackling the deep-rooted, persistent social problems in communities across the country to enable public bodies to respond effectively to these financial challenges.⁴
6. The Scottish Government's response to the Christie Commission included a commitment to review community planning. That review led to the publication of a Statement of Ambition for community planning which stated that effective community planning arrangements will be at the core of public service reform. CPPs will drive the pace of service integration, increase the focus on prevention and continuously improve public service delivery to achieve better outcomes for communities⁵. The Statement of Ambition also emphasises the need for all partners to have collective accountability for delivering services. This includes being accountable for their own contribution to local planning.

Previous audits of community planning and partnership working

7. Audit Scotland's national report community planning: an initial review, 2006, found that there had been some progress with community planning, but that important issues needed to be dealt with:
 - The complexity of community planning structures and different accountabilities could be a barrier to effective working.
 - Performance management and monitoring processes were not well developed.
 - Community engagement could be more sustained and systematic.
 - CPPs should be clearer about the resources required to achieve their outcomes.⁶
8. Audit Scotland's 2011 national report, '*The role of community planning partnerships in economic development*' found that:
 - CPPs had supported local economic developments, and
 - The introduction of Single Outcome Agreements (SOAs) had improved how CPPs monitor and report progress.
9. However it also found that many of the problems identified in 2006 persisted.⁷

³ *Scottish Spending Review 2011 and Draft Budget 2012-13*, (Table 6.02 – Departmental Expenditure Limits, applying the following deflators: 2012/13 = 2.5 per cent; 2013/14 = 2.7 per cent; 2014/15 = 2.7 per cent), Scottish Government, September 2011.

⁴ *The Commission on the Future Delivery of Public Services*, Christie Commission, June 2011.

⁵ *Review of Community Planning and Single Outcome Agreements: Statement of Ambition*, Scottish Government/Convention of Scottish Local Authorities, March 2012.

⁶ *Community Planning: an initial review*, Audit Scotland, 2006.

10. Audit Scotland's 2011 national report on Community Health Partnerships found that approaches to partnership working had been incremental and there was a cluttered partnership landscape. CHPs were set up in addition to existing health and social care partnership arrangements in many areas. This had contributed to duplication and a lack of clarity of the role of the CHP and other partnerships in place in a local area. Partnership working for health and social care requires strong, shared leadership by both NHS boards and councils. Differences in culture, planning and performance management arrangements are barriers that need to be overcome.

About the audit

11. The role of community planning in improving Scotland's public services has become increasingly important. The Scottish Government therefore asked the Accounts Commission to lead development work to prepare an outline case on how external audit and inspection might hold CPPs to account for their performance and help them to deliver better outcomes.
12. The Commission and the Auditor General for Scotland worked with their scrutiny partners (Education Scotland, Care Inspectorate, Her Majesty's Inspectorate of Constabulary for Scotland (HMICS), the Scottish Housing Regulator (SHR) and Healthcare Improvement Scotland). It worked with the Convention of Scottish Local Authorities (COSLA), the Society of Local Authority Chief Executives (SOLACE) and the Scottish Government. The Accounts Commission and the Auditor General developed an audit framework designed to strengthen the accountability of CPPs and supporting improved performance.
13. Those proposals were submitted to the Cabinet Secretary for Finance, Employment and Sustainable growth in June 2012.
14. Aberdeen City, North Ayrshire, and the Scottish Borders CPPs agreed to participate in three early audits to help the Accounts Commission and the Auditor General for Scotland test the CPP audit framework. For the first time, these audits focus on the impact and effectiveness of individual CPPs, rather than community planning as a national process.
15. The overall aim of our audit was to assess the effectiveness of community planning in making a difference to local communities. We did this by gathering and evaluating evidence to allow us to answer the following four questions:
 - **Strategic direction** – has the CPP set a clear strategic direction, with clear improvement priorities, agreed by all partners, which reflect the needs of the area, and are based on effective community engagement?
 - **Governance and accountability** – does the CPP have effective governance and accountability arrangements, and is it able to demonstrate effective shared leadership which ensures improved outcomes for the area?
 - **Performance management and use of resources** – has the CPP established effective performance management arrangements which are delivering performance

⁷ *The role of community planning partnerships in economic development*, Audit Scotland, 2011.

improvements, including effective self-evaluation arrangements; and securing best use of public resources, including service integration?

- **Impact and outcomes** – can the CPP show its actions are making a difference for the area and improving outcomes for local people?
16. The audit of Aberdeen's CPP was carried out in September 2012, by a team from Audit Scotland, with support from the Care Inspectorate, Education Scotland and Her Majesty's Inspectorate of Constabulary Scotland (HMICS). We gratefully acknowledge the co-operation and assistance provided to the audit team by all the CPP partners and representatives involved in the audit. We are particularly grateful for the constructive approach adopted by the CPP to the audit process at a time of significant change and development for the CPP in response to the SG and COSLA community planning review.

Summary

17. Community planning has been established for almost a decade in Aberdeen. Over this period, partnership working between different parts of the public sector has steadily developed. Despite this, there is little evidence to show that community planning has had a major impact on people living in Aberdeen. Significant differences remain between the least and most deprived communities in aspects such as health, crime and education levels gaps. Community planning Aberdeen (CPA) has recognised the need for improvements and has started to implement a series of ambitious reforms. It is, for example, piloting a greater emphasis on preventative work. CPA has shown that it is now starting to move in the right direction. However, it still has much to achieve before it will be able to meet the aspirations set out in the Statement of Ambition.
18. Aberdeen is a prosperous city. As the 'energy capital of Europe', its economy remains strong. Unemployment and benefits dependency are well below national levels and average earnings are relatively high. Reflecting this affluence, average life expectancy is higher than in other parts of Scotland.
19. Within this picture of overall prosperity, however, Aberdeen faces some important challenges. Some of these reflect national issues, such as managing the impact of the global recession and maintaining health and social care services for an ageing population. Others are more specific to Aberdeen, with sharp differences between affluent and deprived parts of the city, not just economically but also in terms of health and education. There are also high levels of drug and alcohol abuse, and relatively high crime levels.
20. It has long been recognised that tackling these complex and deep-seated issues requires strong and effective partnership working. In 2003, The Aberdeen City Alliance (TACA) was established, consisting of Aberdeen Council and its local public and private sector partners, as the key group for improving outcomes for local people. TACA developed a series of community plans, setting out long-term plans for developing the local economy, reducing inequalities within the city, and improving health, education and community safety. These led to the first Single Outcome Agreement (SOA) in 2008, which aimed to establish a more structured approach to directing resources towards agreed improvement areas, and monitoring progress against local and national targets.
21. Over the past decade, joint working has steadily developed within Aberdeen. A series of Challenge Forums were established, bringing together local organisations and coordinating their work. A Community Health Partnership was been successfully established, designed to strengthen the links between health and social care services. In addition, other groups were established to address particular areas of concern, such as the Aberdeen Drugs and Alcohol Partnership and the Integrated Children's Services Partnership.
22. The challenges facing community planning partnerships are complex. Deep-seated social issues can take many years, if not decades, to resolve. In addition, with many factors at

play, it can be difficult to match partnership actions and investments with subsequent changes in community outcomes such as health and deprivation. However, there is little evidence to show that this increased partnership working had any significant impact in tackling the sharp inequalities within Aberdeen. Together, local partners in Aberdeen spend over £866 million a year, with a further £451 million spent by the Department of Work and Pensions. But TACA has not had a significant impact on redirecting resources towards partnership priorities.

23. By 2011, there was a growing awareness by Aberdeen Council and its partners that they needed to make significant changes in their approach to community planning. Following an external review, TACA was replaced by CPA. This has led to a series of reforms. A CPA Board, consisting of eight members, has been created to help improve decision-making. Governance structures have been simplified, with the 14 Challenge Forums replaced by six Theme Groups. Needs assessments are being carried out to help identify the key community priorities which need to be addressed by CPA. And a new long-term Vision for Aberdeen has been established.
24. CPA has also started to put a greater emphasis on preventative work. It has piloted a new 'whole-systems approach', which aims to shift partner resources from dealing with social problems to preventing them. There are two pilot projects, in education and community safety. While it is too early to assess their impact, they do provide a potential model of how public organisations can work more effectively together.
25. Despite these significant changes, CPA knows that it still has much to do before it will be in a position to meet the challenging agenda set out in the joint Scottish Government and CoSLA 'Statement of Ambition' for community planning. A Development Plan has recently been approved by the CPA Board, aimed at improving performance management, governance and accountability, and community engagement.
26. In addition, there are other, more difficult issues, that the partnership are now planning to address:
 - Ensuring that all key public sector leaders, particularly from NHS Grampian, are committed to CPA acting as the strategic coordinating group for partnership working and public service reforms locally.
 - Agreeing a clear set of shared priorities that focus on what is important for Aberdeen, rather than try to meet every aspiration.
 - Ensuring that shared community planning priorities are embedded in the strategies and resourcing plans of partner organisations.
 - Developing a joint resourcing framework, underpinned by a better understanding of costs and service impact, and use this to shift resources towards preventative work which can generate long-term savings or improved outcomes.
 - Establishing a strong focus on outcomes that will allow it to monitor the impact it is having on individuals and communities within Aberdeen and to hold partners to account for their performance.

27. There are also barriers at a national level which will need to be overcome. For example, there is a need for the Scottish Government to avoid short-term funding of initiatives aimed at addressing long-term issues. Similarly, there is a need to ensure that performance data that is collected nationally is regularly updated and collected at consistent ward or data zone levels to help monitor any progress in reducing deprivation and inequalities.
28. CPA has shown that it is now starting to move in the right direction. Its revised structures and processes provide a good framework to meet the more demanding expectations of community planning partnerships that are set out in the Statement of Ambition. However, it has a long way to go before it will be able to meet the aspirations set out in the Statement of Ambition. The CPA Board will need to provide sustained leadership, with all partner organisations aligning their work and, perhaps more importantly, their resources to achieve its wider community priorities.

Local context

Community planning in Aberdeen

29. Aberdeen City, in consultation with other local organisations, published its first community plan in 2001. This was followed by the establishment of a formal community planning partnership, known as 'The Aberdeen City Alliance' (TACA). This included representatives from over 30 local organisations, such as NHS Grampian, Grampian Police, Grampian Fire & Rescue, and local colleges and universities. It also included representatives from the business and voluntary sectors.
30. In addition to TACA, several regional structures were also maintained, recognising that some strategic issues, such as the economy or transport, needed to be addressed in a wider context. The Aberdeen City and Shire Economic Future (ACSEF) represents business interests. NESTRANS acts as the transport partnership for Aberdeen City and Aberdeenshire.
31. In 2008, following the national Concordat agreement between the Scottish Government and local authorities, TACA published a combined Community Plan and Single Outcome Agreement (SOA). This sought to combine local and national priorities and to provide a more structured approach to setting targets and monitoring progress.

Exhibit 1

Timeline of community planning in Aberdeen

Month/Year	Key Event
2001	Aberdeen Council, with input from other local organisations, publishes its first community plan.
2002	Aberdeen's community planning partnership is formally established. The Aberdeen City Alliance (TACA) is established.
2003	The Local Government in Scotland Act (2003) gives councils statutory responsibility for leading community planning in their area.
2008	Following the Concordat agreement between the Scottish Government and local authorities, TACA publishes a combined Community Plan and Single Outcome Agreement (SOA).
2010	Review of community planning in Aberdeen commissioned from the economic and social research consultancy EKOS.
2011	Community Planning Aberdeen (CPA) replaces TACA.
2012	Scottish Government and CoSLA publish a Statement of Ambition on community planning.

2012	Progress report on community planning in Aberdeen commissioned from External consultants.
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Source: Audit Scotland

32. A number of local initiatives were introduced during this period, such as the introduction of locality based planning, the chairing of TACA by a community representative, and moves to make TACA an incorporated company. However, by 2011 there remained long-standing frustrations that community planning had not delivered significant changes for the people of Aberdeen. Following a locally-commissioned review in 2010, TACA was disbanded and replaced by CPA. This started a series of reforms in community planning structures and management arrangements:
- a new Vision for Aberdeen has been agreed;
 - a CPA Board of eight members has been created;
 - the 14 Challenge Forums, which supported TACA, have been replaced with 6 theme groups;
 - two 'Whole Systems Approach' pilots have started to provide a greater emphasis on preventative work in community safety and education.
33. At the time of our audit, CPA was in the process of overseeing further changes in community planning within Aberdeen. A Development Plan, agreed by the CPA Board in October 2012, sets out plans to establish a new Community Plan and SOA. This is a clear response to the main themes the Statement of Ambition, placing a greater emphasis on the preventative agenda, the best use of shared resources and a sharper focus on outcomes and their impact on the community.

Local economy

34. Aberdeen City is a major global centre for the oil industry. The energy sector provides a greater percentage of jobs in Aberdeen than in Scotland as a whole (ten per cent of jobs compared with two per cent for Scotland). In turn, this supports other areas of employment such as retail, wholesale and hotels (21 per cent), finance and business (21 per cent) and other service industries, such as public administration and education (30 per cent). With a large oil industry, the public sector makes up a significantly smaller proportion of the local economy than in other parts of Scotland.
35. Even in a time of general recession, Aberdeen's economy is relatively buoyant. A higher proportion of its population (67 per cent) are of working age compared with the Scottish average of 63 per cent. 5.4 per cent of Aberdeen's economically active population are unemployed, compared with 7.9 per cent for Scotland. Similarly, a lower proportion of Aberdeen's working age population claim key Department of Work and Pensions (DWP) benefits (11.2 per cent, compared with the Scottish average of 16.5 per cent).
36. Gross average weekly earnings in Aberdeen are also high at £481, well above the Scottish average of £432.

Health

37. People in Aberdeen are relatively healthy. The average life expectancy for both males (76.3 years) and females (80.9 years) is slightly above the Scottish average (75.8 and 80.4 respectively).
38. Within this overall picture, however, there are areas of concern. The proportion of its population hospitalised for alcohol and drug related causes is significantly worse than the Scottish average. In 2010/11, Aberdeen had 842 hospital patients per 100,000 population with an alcohol-related diagnosis, compared with the Scottish average of 695. Similarly, Aberdeen's rate for diagnosis of drug misuse was 211 per 100,000 population, compared with 123 for Scotland as a whole.

School attainment levels

39. There is no consistent picture on educational attainment levels for Aberdeen's schools. At S4 level, attainment levels have improved significantly over the past decade. But they have remained consistently below the Scottish average. In 2009/10, the average S4 Tariff scores for pupils in Aberdeen was 177, compared with 182 for Scotland as a whole.
40. In contrast, attainment levels for S5 pupils in Aberdeen are slightly higher than the Scottish average. In 2011, 27.2 per cent of pupils in Aberdeen gained three or more Highers, compared with 26.3 per cent in Scotland as a whole.

Crime levels

41. Aberdeen has relatively high levels of crime. While these have fallen significantly over the past decade, they have remained consistently above the Scottish average. In 2010/11, for example, 2,120 crimes per 10,000 population were recorded for Aberdeen, compared with the Scottish average of 1,634.
42. To some extent, this simply reflects the urban nature of Aberdeen. However, its crime rates are second only to Glasgow and are higher than those for Edinburgh and Dundee. Reported levels of domestic housebreaking are particularly high in Aberdeen (72 crimes per 10,000 population, compared with the Scottish average of 34). Domestic abuse and offences related to drugs and alcohol are also of particular concern.

Environment

43. Aberdeen has a direct economic interest in environmental issues. With an expected long-term decline in oil and gas reserves, the community planning partnership has sought to encourage the creation of jobs in sustainable energy. The Department of Trade and Industry, for example, has based its renewables headquarters in the city. This aims to maximise jobs and investment in renewables worldwide.
44. Aberdeen's carbon footprint has been estimated at 12.9 tonnes per head of population, broadly in line with other Scottish cities.
45. Transport is a significant contributor to the city's impact on the environment, with many people commuting into Aberdeen from surrounding areas. Around 71 per cent of people

use their car to get to work. Major capital projects, such as a city by-pass, are planned to help improve the transport infrastructure.

Deprivation levels in Aberdeen

46. Overall, as might be expected for a relatively prosperous city, Aberdeen does not have a high proportion of Scotland's most deprived areas. It contains 267 data zones used to compile the Scottish Index of Multiple Deprivation (SIMD). Of these, only 22 (8.2 per cent) were in the 15 per cent most deprived data zones in Scotland in 2012.
47. Within this overall picture, however, there are some significant variations in terms of the individual components which make up the overall SIMD scores (Exhibit 2). Aberdeen has particularly low levels of deprivation for employment, income, and services and facilities. In contrast, significantly more parts of the city are in Scotland's most deprived areas for crime, health, and housing.

Exhibit 2

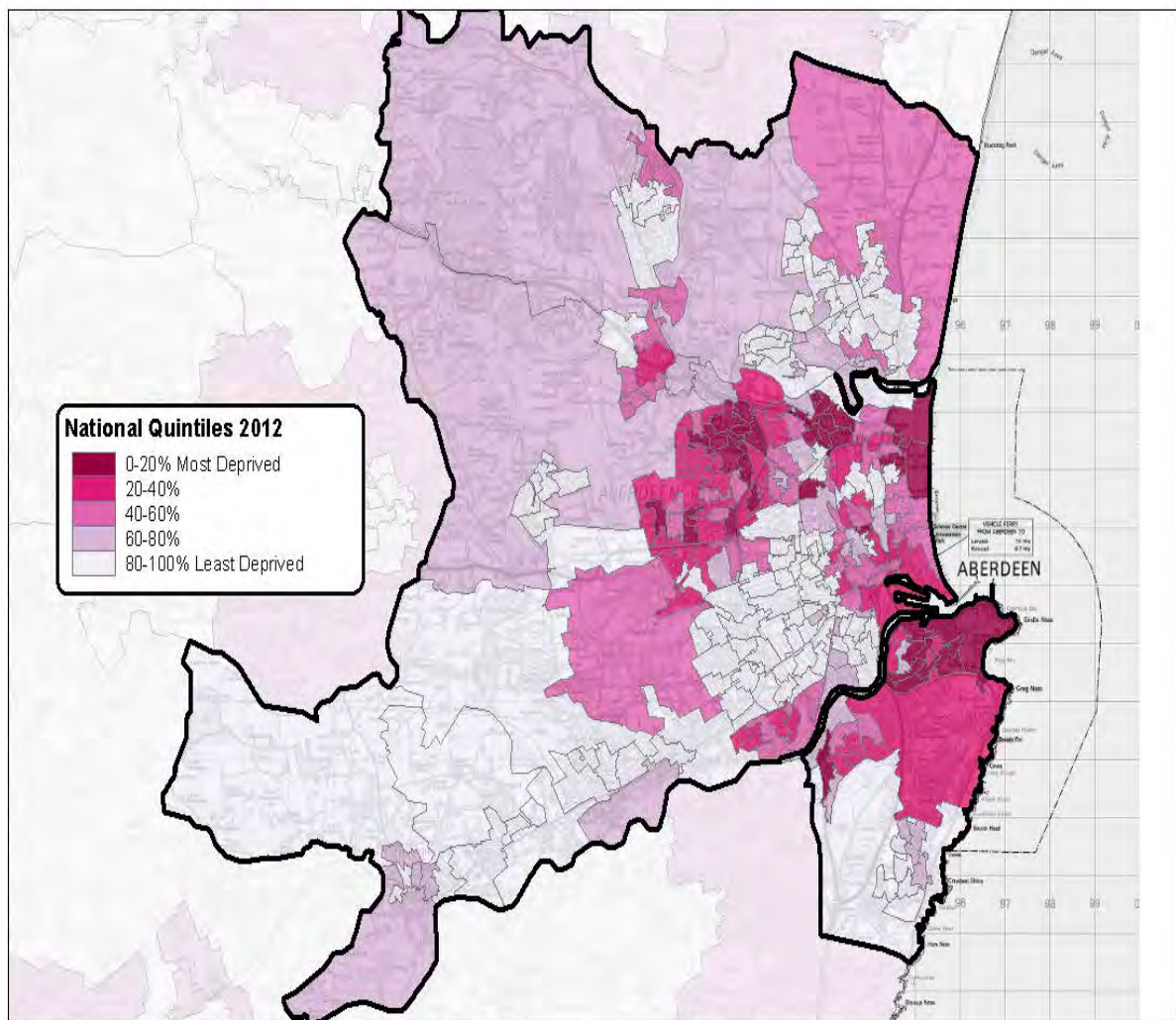
Levels and types of deprivation in Aberdeen

Aberdeen has more datazones in Scotland's most deprived areas for crime and health than for other domains

Domain	Number of data zones in Aberdeen which are in Scotland's 15% most deprived:
Crime	49
Health	48
Housing	41
Education	34
Employment	14
Income	12
Access	10

Source: Scottish Government: Scottish Index of Multiple Deprivation (SIMD) 2012

48. These significant variations in deprivation levels, with sharp contrasts in local socio-economic indicators which tell a tale of two cities (Exhibit 3). Some wards, such as Lower Deeside and Hazlehead/Ashley/Queens Cross, are amongst the most affluent in Scotland. Other parts of the city, such as the Northfield and Torry/Ferryhill wards, have high levels of deprivation which are accompanied by high levels of crime, low education performance, and significant health concerns. This represents a significant challenge for Aberdeen's community planning partnership which has a long-standing objective to reduce inequalities within the City.

Exhibit 3**Affluent and deprived areas in Aberdeen**

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Source: Scottish Government: Scottish Index of Multiple Deprivation (SIMD) 2012

Leadership and governance

In previous years, the Aberdeen City Alliance did not provide strong leadership or decision-making

49. The Local Government in Scotland Act 2003 recognised the leading role of local authorities in relation to community planning. But it also indicated that the leadership role should be carried out by the organisation best placed to discharge this role and that participating partners should be encouraged to lead on appropriate themes.⁸ The Scottish Government/CoSLA Statement of Ambition for community planning reinforces the importance of shared leadership, with its emphasis on CPPs being genuine boards, with all the associated authority, behaviours and roles that this implies, for both them and constituent partners.
50. When the TACA was formed in 2002, it had 30 members. This helped to ensure a broad representation from Aberdeen's public, private and voluntary sectors. However, this wide membership did not promote effective decision-making. Increasingly, it became seen as a discussion forum, useful for developing organisational relationships and sharing information, but not for driving forward changes in service delivery and improving outcomes for local people.
51. In addition, membership of TACA was often not at a sufficiently senior level which meant individuals often had very limited delegated authority from their organisations to commit their organisations to actions. This hindered TACA's ability to make decisions and ensure these were implemented.

The strategic leadership of community planning in Aberdeen has improved, but there is still a need to strengthen NHS engagement

52. CPA has now established a new structure, aimed at improving decision-making and accountability. It retains a broad representation from the local public, business and voluntary sectors. However, it has also created a smaller CPA Board, supported by six theme groups. There are three formal tiers to this new structure but many other groups also operate outwith this structure:
 - Tier 1 - CPA. This brings together 30 representatives from a wide range of local public business and voluntary organisations.
 - Tier 2 - CPA Board. This has eight members: the Leader and Chief Executive of Aberdeen Council, ACVO Chief Executive, Community Health Partnership NHS general manager, Police Area Commander, Fire Area Commander, Civic Forum representative,

⁸ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

and a business sector representative. The creation of this smaller group is designed to provide greater strategic decision-making.

- Tier 3 - Strategic Thematic Groups. There are six groups, covering: healthier, wealthier, fairer, greener, smarter, and safer and stronger. These replace the previous 14 challenge forums. Their aim is to focus on issues that cut across all the services the partners deliver and oversee their operational plans and performance.

Exhibit 4

The number of partnership structures has been reduced

	TACA in 2002	CPA in 2012
Tier 1	30 members	Wide membership
Tier 2	-	8 members
Tier 3	14 Challenge Forums	6 theme groups

Source: Audit Scotland

53. It is too early to say whether the new structure will be any more effective as it has only been set up in recent months and few meetings have been held to date. The CPA Board has recognised the need to ensure that it has representatives from all key sectors and with sufficient delegated authority from their individual organisations. The CPA Board is now seeking to strengthen its representation from Higher and Further education, the business sector and from NHS Grampian.
54. There is also a need to strengthen the role of elected members. They can play an important role in leading and promoting community planning. However, in earlier years, they have provided little leadership in community planning. This has started to improve. The Council Leader now chairs CPA Board meetings and it has been agreed to increase the number of councillors on the Board. However, much work still remains. Councillors we met during our audit were interested in practical examples of partnership working in their local wards, but unsure of the relevance of the community planning partnership.

CPA is establishing clearer governance and accountability arrangements, but these need to be extended to partner organisations

55. Good governance is critical to successful partnership working as it provides a framework for managing performance and risks, and ensuring accountability. Audit Scotland published *A review of Community health partnerships in Scotland* in 2011 which sets out several key principles for good governance for partnership working. CPA has recently used these principles to assess its own governance and begun to address some areas for improvement.
56. Since 2002, when TACA was established, community planning in Aberdeen has been supported by 14 challenge forums. These aimed to provide operational oversight of plans and to monitor progress. It is now recognised by all key partners that this structure was

cumbersome and ineffective. TACA did not properly scrutinise the work of the forums and rarely asked for, or was provided with, progress reports on what they were doing. Some forums, such as the community safety partnership met regularly and had a strong focus on setting objectives and monitoring progress. Others, however, did not meet regularly, did not have well-developed strategies and action plans, and had poor links with other challenge forums.

57. CPA has now taken steps to greatly simplify these structures. The 14 challenge forums have been replaced with six theme groups. There are now plans for the CPA Board to receive regular progress reports from each of the theme groups, on a cyclical basis. More time is needed to see how these proposals develop, but this new structure does provide an opportunity for clearer lines of accountability and greater focus on the links between different priorities.
58. However, there may still be scope for some further rationalisation of structures. Below the six theme groups, some challenge forums still operate. In addition, there are a number of other partnership groups, such as the Drugs and Alcohol Partnership. It is not yet clear how all of these fit within the overall structure and how they have been accountable to the CPA Board. Further work is now needed to clearly identify the specific and distinct roles, membership, responsibilities and accountabilities of the various groups and indeed whether all of these add value. For example, there is still a need to clarify the distinct roles, membership, responsibilities and accountabilities between tier 1 and tier 2, as these currently overlap.
59. There is also a need to embed community planning activity into each partner's formal governance and decision-making structures. Some partners, such as Aberdeen City Council and the police and fire & rescue services provide board members with progress reports on partnership objectives. In other organisations, such as NHS Grampian, these arrangements are less clear.

CPA needs to oversee local public service reforms such as health and social care integration

60. The Scottish Government and COSLA review of community planning is clear that CPPs should maintain strategic oversight of the local implementation of broader aspects of public service reform. This includes health and social care integration and the local impact of the creation of a single police service and fire and rescue service for Scotland. Until recently, the CPA board has been focussed on developing its own vision and strategy for the area and strengthening its leadership and governance arrangements.
61. It is now important that the CPA board begins to influence these major reforms, to ensure they align with its new vision and SOA. The CPA board needs to delegate some of the detailed planning, coordination and management to more mature partnerships that already exist, while ensuring that it receives regular updates on the progress of these developments, while also retaining responsibility for strategic decisions. The Aberdeen Community Safety Partnership, which has a line of accountability to the CPA board, is better placed to take on police and fire reform planning. Similarly, the newly established

Aberdeen Community Health and Social Care Partnership (CHSCP) could take on the planning for health and social care integration. Before this happens, the CPA Board must put measures in place so there is clear accountability between it and the CHSCP.

62. We would expect to see the CPA board overseeing these developments very closely through perhaps having these as standard agenda items at every meeting, and requesting progress reports from the two partnerships already mentioned. However, so far, CPA has had limited involvement in planning for health and social care integration. Over the last year, for example, the CPA board has received only one verbal progress update on this. It now needs to ensure it is able to both influence and learn from this major reform to ensure integration plans align with and support the delivery of partnership objectives.

There is a need to clarify responsibilities and improve links between the city and broader regional partnership groups

63. Many of the issues facing Aberdeen go beyond the city boundaries and can only be properly addressed on a regional basis. There are a number of regional groups that have been established to take this wider perspective. The Aberdeen City and Shire Strategic Development Planning Authority is responsible for joint strategic joint planning between the two councils in the North East. The Aberdeen City and Shire Economic Future (ACSEF) represents business interests. NESTRANS acts as the transport partnership for Aberdeen City and Aberdeenshire. There is also a Chief Officers Group which brings together the chief executives from a wide range of public bodies throughout the region. There are also many other cross-organisational groups which operate at a regional level.
64. There is a need for CPA to continue to work with its counterparts across the region to examine options for coordinating the work of the various regional groups and to clarify the responsibilities between Aberdeen and the wider region, particularly for issues such as economic development and transport.

Managing performance

In previous years, Aberdeen's community plans and Single Outcome Agreements have lacked a clear focus.

65. The Local Government in Scotland Act 2003 requires the CPP to develop and set out a joint vision, with shared objectives for the area and jointly agreed, challenging performance outcomes relating to service improvements.⁹ The Scottish Government/COSLA Statement of Ambition highlights the importance of CPPs developing an explicit and binding 'plan for place', that will deliver improved local outcomes. The plan should be underpinned by a clear and evidence-based understanding of local needs and opportunities, drawn from robust and relevant data.¹⁰
66. A vision for the city has been in place since 2001 and accepted by all partners. However, despite this, the partnership lacked strategic focus. This is because the vision was supported by 14 broad priorities setting out ambitious plans to tackle a wide range of issues across all aspects of community life. Although the number of priorities was reduced to ten in the first Single Outcome Agreement (SOA) in 2008, many partners still felt that there had been too many priorities and that partnership resources were spread too thinly. There have been subsequent revisions to the SOA but priorities still do not reflect the key issues that need to be addressed by partnership working. Instead, the SOA has continued to act as a passive summary of existing plans.

A new vision and single outcome agreement plan is being developed to provide greater clarity and focus for the partnership

67. CPA is currently developing a new vision and Single Outcome Agreement covering 2013/14 to 2017/18. A good structured and inclusive approach has been taken to its development. A Visioning day was held earlier this year, which was attended by over 40 stakeholders, including local partners, elected members and community representatives. A draft Vision has now been discussed by the CPA Board. This provides a recognisable picture of Aberdeen as an economically strong city with pockets of deprivation. It contains a number of broad aspirations, such as Aberdeen becoming a socially, economically, and environmentally sustainable global city by 2022. But it also sets out a clear intention to build on the oil and gas legacy to develop centres of excellence in renewable industries, while also developing tourism, maritime resources and culture. It also clearly expresses partners' intentions to tackle inequalities in communities, and improve digital connectivity and transport infrastructure to attract businesses to Aberdeen.

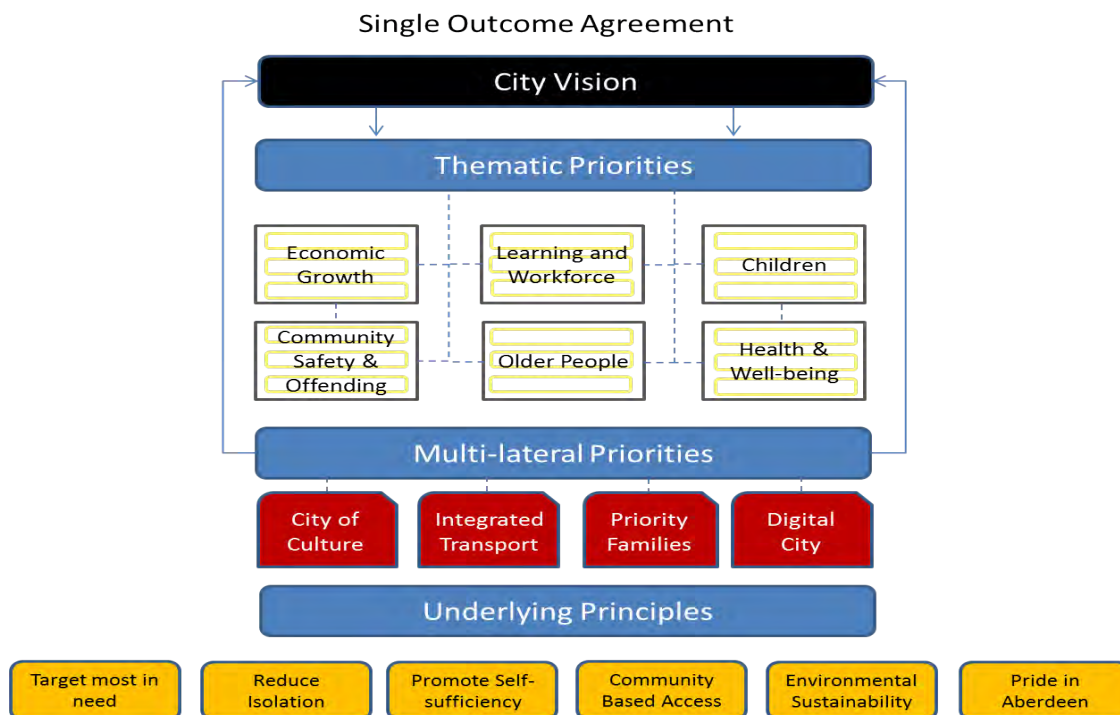
⁹ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

¹⁰ Review of Community Planning and Single Outcome Agreements: Statement of Ambition, Scottish Government/Convention of Scottish Local Authorities, March 2012.

68. In support of this broad Vision, CPA took part in a facilitated workshop with an external consultant to identify the key drivers and enablers that would help deliver the vision. These are shown in Exhibit 5. There are now only four key priorities (city of culture, integrated transport, local families and digital city), indicating an intention to focus on fewer, but core, issues. These key priorities are consistent with the vision for Aberdeen and appear reasonable at this stage. CPA now needs to develop a set of specific objectives for each of these priorities and explain how these will address the marked inequalities within Aberdeen.
69. Strategic needs assessments are now being carried out by each Thematic Group to help ensure that all priorities are based on objective evidence. These needs assessments follow the approach used in earlier years by the Community Safety Partnership. It involves analysing data, including analysing the relationship and connections between different data sets, such as crime and health statistics. Once completed, the strategic assessments will be used to confirm the priorities and work programmes for each Thematic Group before they are formally approved by the CPA Board.

Exhibit 5

Planning framework for the new Single Outcome Agreement



Source: Draft SOA, January 2013.

There is a strong commitment to engaging with local communities and using this to help inform priorities

70. The 2003 Act is clear that effective engagement with community bodies is an essential element of community planning, and that the purpose of community engagement should be to improve the planning and delivery of services, by making them more responsive to

the needs and aspirations of communities. The Statement of Ambition emphasises the need for partnerships to work effectively with communities to allow them to help shape and co-produce better outcomes.

71. The community planning partnership in Aberdeen, along with individual organisations, carries out a wealth of consultation with people in Aberdeen. For example:
 - It operates a citizens' panel, known as **City Voice**. The Board of City Voice has representation from all partners and is currently chaired by the representative of the voluntary sector. Three questionnaires are distributed each year to around 900 residents.
 - It also supports a **Civic Forum** which includes representatives from community councils and communities of interest groups. The Forum is represented on CPA and on each of the joint thematic groups which support community planning. Representatives of the community planning partners regularly attend the Forum to discuss service planning and provision.
 - **Regeneration Matters** is a group of community representatives from the regeneration areas of Aberdeen who have a membership of approximately 30. Members come from all the regeneration areas and have been meeting monthly since November 2006.
 - More recently, a **What Matters? Survey** was carried out in January/February 2012. The survey was designed to give people who live or work in Aberdeen the opportunity to help determine community planning priorities. 566 people responded to the survey.
 - Aberdeen City Council undertook unprecedented engagement with the community and other key stakeholders to help develop a **5 year Business Plan**, using a priority-based budgeting approach. This included more than 1,000 responses to a public questionnaire seeking views on what matters to the community.
72. The results of this consultation are considered and used to help shape community planning priorities. However, in its draft development plan, the CPA Board has recognised the need to improve its approach to community engagement, locality based planning and service delivery, and support for civic representatives on a wide range of community planning forums. There is also a need for the CPA Board to coordinate this wide range of consultation activity to help ensure that it is focused on partnership priorities.
73. A key challenge for CPA will be ensuring it has sufficient resources not just to consult with communities but to work with them in a meaningful way to help shape and co-produce better outcomes.

Performance targets have focussed on inputs and activities, rather than outcomes

74. Robust performance management is an essential component of an effective community planning process. The 2003 Act sets out the need for CPPs to monitor progress with regard to agreed outcomes, and to use that monitoring to improve local arrangements for the planning and delivery of services to deliver better outcomes. The Statement of Ambition places great emphasis on the CPP monitoring performance over time to drive and demonstrate continuous improvement.

75. There are clear difficulties in monitoring outcomes for long-term objectives in areas such as health, life expectancy, and deprivation. It can take many years before there are any significant changes in these community outcomes. Partnerships need to monitor the progress being made towards their long-term objectives but, in practice, this needs to be blended with monitoring inputs and medium-term proxy measures.
76. Performance targets have been set for each of the high-level objectives contained within Aberdeen's Single Outcome Agreement. However, in most cases, the balance of these targets have focused on activities and inputs, rather than outcomes. For example, targets are set for the number of staff trained in suicide assessment and prevention, rather than reducing the number of suicides in the area. Similarly, the number of children completing 'healthy weight intervention programmes' is monitored, rather than the number of children overweight or obese. These simply reflect NHS HEAT targets determined by the Scottish Government. In other cases, targets seem to be driven by the data that is available, rather than the data that is required. For example, the average number of seconds lost by vehicles travelling on the A90 is used to assess progress in Aberdeen having a fully integrated transport network. No other measures are used to assess how cars, buses and trains are actually integrated.
77. Our audit found that effective performance management is also hindered by a marked inconsistency in the data which is available locally and nationally. These reflect historic factors, with different data sets relating to different initiatives. In some cases, such as crime levels, performance data is available at police beat level, of which some of this can be aggregated to SIMD data zone level. However, there is a lack of consistent data available nationally at SIMD or police beat level to enable comparisons of crime figures with other parts of Scotland. A small number of health statistics are available at SIMD data zone level, while some are available at intermediate zone, CHP or NHS board level. Others, such as economic data, are mainly available only at council or regional level. This cluttered landscape of statistics makes it very difficult to form a clear and consistent picture of performance and to monitor any progress in closing the gaps between deprived and non-deprived areas.

The community planning partnership has been poor at scrutinising performance and driving improvement

78. Scrutiny by board members of partnership performance has been poor. There has been no routine system for performance reports being provided to the TACA or CPA board by the thematic groups. The board's monitoring of performance has largely been limited to reviewing the annual SOA Progress Report, which is produced for the Scottish Government. This is not used to identify shortcomings in performance and to help drive improvements.
79. As part of its current Development Plan, CPA has identified the need to greatly improve its performance management. It is considering proposals to establish a cyclical approach, with each meeting of the CPA Board considering a performance report from one of the six thematic groups. As the board meets every two months, this would mean that thematic

groups would only report once a year. The board needs to consider whether this is sufficient to maintain oversight of performance, or whether an exception report could also be provided to each board meeting covering the key performance indicators across all thematic groups.

80. Below board level, there has been an inconsistent approach to scrutiny. The Community Safety Partnership, which oversees the 'Safer' theme, has had a relatively strong approach to performance management. Some its targets measure activity, but there is some focus on community outcomes. Moreover, performance monitoring forms a part of each of its meetings, with comparisons made against the previous month and year to help drive further improvements in performance. In contrast, most other previous challenge forums have had a weak approach to performance management. Meetings have been held infrequently and performance monitoring has not formed a standard part of agendas. Where performance has been discussed, this has tended to focus on activities, rather than outcomes. The CPA Board is aware that the scrutiny role of the new Thematic Groups needs further work. It has included this as an area for improvement within its development plan but it has still to agree actions to address this.
81. The Community Plan and the Single Outcome Agreement are not used by all partner organisations to routinely monitor their own contribution to the SOA or overall progress in achieving shared objectives. Instead, some partners focus their performance monitoring entirely on their own plans, which may include some of the same targets which are reflected in the Community Plan and Single Outcome Agreement.

The annual SOA monitoring reports do not provide a clear picture of performance

82. In 2008, as part of a national Concordat between the Scottish Government and local authorities, Single Outcome Agreements (SOA's) were established for each community planning partnership. These were intended to help ensure that national priorities were properly reflected in each local community plan. They also aimed to improve the setting of targets and the monitoring of performance.
83. In accordance with these national arrangements, CPA published an SOA Progress Report in 2010/11. This is the only document which seeks to provide the CPA Board or the public with an overview of the progress being made towards local community planning objectives. This summarises its main activities over the previous year and seeks to provide a comprehensive account of its performance. Although there is a lot of information in the 2010/11 report, there are major gaps in performance data. In many cases, this is due to the long delays in the availability of national data on areas such as transport, employment, and business start-ups. In addition, the format of the SOA can be confusing, with no clear links between partnership objectives and performance information. . As such, the report does not provide a clear picture of the progress being made towards CPA's strategic objectives.
84. The report was submitted to the CPA Board and to the Scottish Government. Some comments, aimed at improving the SOA, were provided to the CPA Board by managers

within the Scottish Government, but these were on points of detail rather than seeking fundamental improvements in the underlying performance management arrangements.

Use of resources

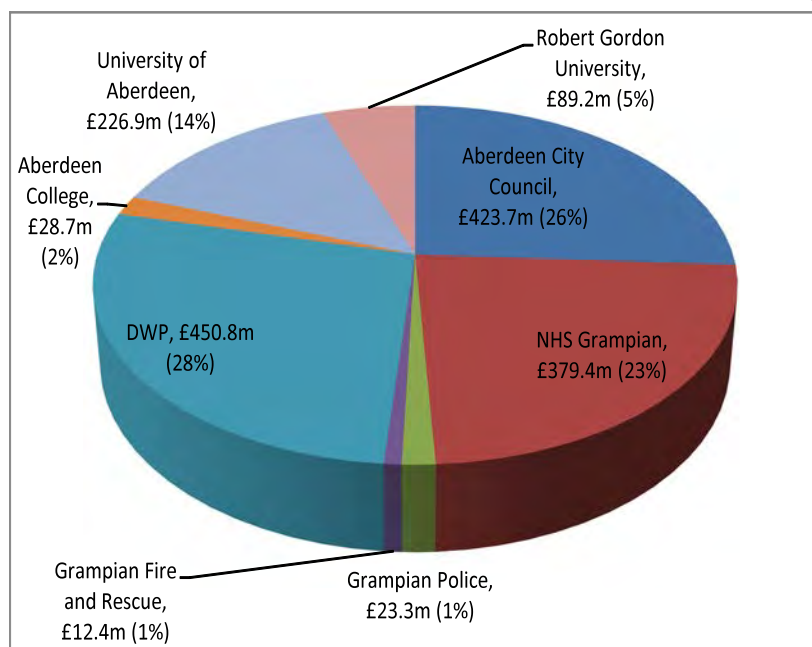
Aberdeen's public sector spends around £1.6 billion each year, but it faces cuts of over five per cent over the next few years

- 85. The 2003 Act was clear that effective participation in community planning obliged partners to identify and allocate the resources necessary to achieve agreed outcomes. More recently, the Statement of Ambition places an expectation on CPPs to have a clear understanding of respective partner contributions, and how total resources will be targeted to deliver agreed priorities.
- 86. An estimated £1.5 billion in cash terms will be spent by public sector bodies, including the Department for Work and Pensions, in Aberdeen in 2012/13 (Exhibit 6). The 2011 Scottish Spending Review and Draft Budget 2012-13 estimates that, between 2011/12 and 2014/15, Scottish Government spending will fall by 5.5 per cent (£1.5 billion) in real terms.

Exhibit 6

Public sector budgets in Aberdeen

Public sector bodies in Aberdeen have combined net budgets of around £1.5 billion



Source: Audit Scotland, 2012

- 87. The council recently concluded an extensive Priority Based Budgeting exercise which is the basis for its five-year business plan, approved in August 2011 and covering the period 2011-16. The plan sets out £71.5 million of essential savings which need to be achieved if the council is to deliver a balanced budget in the coming years. In addition, the

partnership is also having to respond to the national reform of welfare benefits and services such as police and fire, and the integration of social work and health care.

88. NHS Grampian's 2012/13 revenue budget and capital budget outlines how over £930 million of resources will be used during 2012/13 and includes new resources of some £30 million which are offset by projected additional expenditure of £42 million. The most significant new expenditure commitments include £7.4 million associated with waiting times including vanguard/ mobile theatre and £4.1 million non-pay inflation costs including energy costs. This has resulted in NHS Grampian looking to achieve revenue savings of around £12 million in order to reach financial breakeven.
89. There are broader pressures on Aberdeen's public sector. An ageing population is likely to lead to an increase in demand for NHS and social care services. In addition, the CPA Board will need to assess the financial implications for the national reform of welfare benefits.
90. These pressures create a strong impetus for CPP partners to identify opportunities for joint working and resource-sharing. In common with other CPP's, the CPA does not yet have an overview of the resources available to it or those required to deliver its SOA priorities.

It has proved difficult to align resources to shared priorities or to shift them from short-term targets to long-term preventative work

91. CPA aims to place a greater emphasis on preventative services. To do this effectively, resources will need to be moved between organisations, including money and staff, across their organisations to where it is needed most. It previously managed the Fairer Scotland Fund and more recently the Change Funds, which are used to help support preventative initiatives. However, these ring-fenced funds only represent around two per cent of overall funding. With continuing pressures on Scotland's public finances and growing demands on services due to factors such as an ageing population, there is a pressing need for organisations to work together, avoiding any duplication of effort, and placing a greater emphasis on preventative expenditure.
92. There is little evidence to show that TACA or CPA has had any strategic success in influencing individual partner organisations to align their mainstream funding towards community planning priorities. Almost inevitably, it is very difficult to persuade partners to shift resources from short-term targets to preventative work which might only deliver benefits in the long-term for other public organisations.
93. Moving resources towards preventative services is extremely challenging to achieve. For example, NHS boards in Scotland are experiencing increased demand in hospitals. As a result, they are finding it extremely difficult to release resources from acute services to invest in more community-based preventative services. In 2013/14, NHS Grampian has identified that it will also need £4 million additional one off capital funding and around £8.3 million annual recurring revenue funding to ensure it has the capacity to meet and sustain

waiting time targets. This will further impact on its ability to free up resources for preventative services.

There are several examples of joint appointments across agencies and some joint training, but the CPP has not yet developed a cross-sectoral staff development strategy linked to its key improvement objectives

94. The Statement of Ambition highlights the importance of investing in the people who deliver services through enhanced workforce development and effective leadership. Similarly, the Scottish Government's response to the Christie Commission report identifies workforce development as one of its four pillars of public service reform. That document emphasises the key role that front-line staff can play in identifying how to make things work better and contains a commitment to invest in workforce engagement and development and support leadership collaboration across public service organisations. It states that the Scottish Government will look to leaders of Community Planning Partnerships across Scotland to disregard boundaries between public services and focus on the achievement of shared outcomes and cross-sectoral workforce development strategies.
95. While it is proportionately smaller than in other parts of Scotland, the size of the public sector workforce in Aberdeen is still significant, with over 10,000 people employed in the city by the council, the NHS, and the police and fire and rescue services. In addition, others are employed in further and higher education and in the voluntary sector.
96. Delivering improved outcomes in public services will be dependent not just on strong and effective strategic leadership, but will also require staff in managerial and front-line positions understanding the contribution they can make in improving local public services, having the skills needed, and feeling empowered to make change happen at the local level.
97. There are examples in Aberdeen of joint public sector posts and joint training, particularly between the NHS and social work, reflecting areas of shared interest, such as health and social care integration. Work has also been taking place within the CPP board to raise awareness of the important role that it is expected to play in responding to the increased expectations of community planning contained within the Statement of Ambition.
98. A series of Collaborating for Outcomes seminars was also started in 2012, with the intention to establish these as an annual training programme for managers across the public sector in Grampian. These are overseen by the North East Chief Executives' Forum, but viewed by CPA as an important part of its approach to workforce development that will ensure that staff across agencies are aware of key partnership objectives, what their contribution to meeting them will be, and staff are provided with the training and development needed to allow them to contribute effectively to local public service improvement.
99. It is important that as the CPP takes forward its local improvement it continues to develop a coherent and joined-up approach to communicating its key priorities to staff, providing

them with appropriate training and development opportunities and creating a climate where staff are able to identify and deliver local service improvements.

There is no clear understanding of the costs of SOA objectives or if they provide value for money

- 100.** The matching of costs to activities and their subsequent impact on priorities, such as health and education, is particularly complex in community planning. Even at a broad strategic level, however, there has been little attempt in previous years to determine the costs or potential savings associated with the priorities set out in Single Outcome Agreements and Community Plans. As a result, it has not been clear if budgets have been sufficient or if money has been well spent.
- 101.** During 2011/12, CPA participated in a “Budgeting for Outcomes” pilot project with the Improvement Service and the Scottish Government. Significant time and effort was committed to this project by all main partners with the objective of showing the relationship between partners’ spend and the impact on communities and on the outcomes set out in the SOA. However, this has not provided CPA with practical tools to help transfer funding to where it might have greatest impact. Rather than such a complex, high level, exercise, CPA staff now feel that smaller scale costing exercises will prove to be more practical. The 'Whole Systems Approach' pilots, on education and community safety, are hoped to provide a better understanding of the impact of preventative work on overall costs and the budgets of different organisations.

Working together

There are many examples of joint working in Aberdeen but there has been little strategic oversight of these activities or evidence on their effectiveness

- 102.** The Statement of Ambition emphasises the need for community planning partnerships to have a much stronger focus on making demonstrable improvements to people's lives, including reducing the outcome gaps between communities. To do this, the community partners must work more closely together, on preventative work, and pool resources, such as money and staff. There is growing evidence that these actions will improve outcomes for people across different services and help ensure that investment delivers value for money.
- 103.** Partners in Aberdeen are involved in many joint working arrangements. There are examples where there are clear benefits, such as reduced costs through shared premises, while others are less tangible, for example older people feeling safer in their neighbourhoods. Most of these examples of joint working have evolved gradually to meet the needs of individual organisations. However, in previous years, there has been little strategic oversight of partnership working by TACA. As a result, it is not clear if it is properly aligned to community planning priorities. CPA has now started to rationalise joint working arrangements and, through the SOA, is planning to introduce this strategic oversight.
- 104.** In addition, partners are often unable to demonstrate the benefits of these arrangements due to a lack of evaluation. Therefore the evidence base to support the effectiveness of joint working interventions in improving outcomes or secure better value for money is often weak.
- 105.** The scale of joint initiatives also significantly varies. Some of the examples of joint working arrangements include:
 - Reshaping care for older people as part of the older people's change fund to develop preventative care, involving health, social work and voluntary sector.
 - Youth Reoffending Development programme - a pilot programme which has now been completed which adopted a 'whole systems' approach to youth offending, including early intervention and prevention support.
 - Integrated Children's Services Partnership (various initiatives based on GIFREC).
 - Police officers based in schools to improve links between the force and communities.
 - A major capital project to construct a new Healthcare Village in Aberdeen is underway which will co-locate health, social care and police staff (Case study 1).
 - Community Safety Partnership - various initiatives to tackle antisocial behaviour, including one specific example of a pragmatic solution being taken by partners to secure a derelict building which had been causing difficulties for over 10 years (Case study 2).

Case study 1

Community Healthcare Village

Aberdeen partners have secured £24 million capital funding from the Scottish Futures Fund Hub investment to develop a Community Healthcare Village. The construction of the Village started in April 2012 and is expected to take 18 months to complete and be ready to open in December 2013.

The Village will accommodate a range of diagnostic and treatment services within a single location. This is expected to mean that many people will be able to receive care in a community setting rather than in the city's main hospital complex. Health, social work and police will be based in the new centre providing a range of services.

The North Scotland Hub approved the application for this project. To secure the investment, the partners had to prepare a full business case, including a financial appraisal to demonstrate value for money, and an affordability assessment. The business case also set out a plan for delivering the expected benefits. There are still outstanding financial risks with the project, although the latest financial implications have been included in NHS Grampian's five year financial plan.

It is too early to say whether the Aberdeen Healthcare Village will deliver the intended benefits or provides value for money. However, the North Scotland Hub will follow this up after the facility has been operational for a suitable time period. There are however already significant learning opportunities from this development for public sector partners in Aberdeen and throughout Scotland.

Source Aberdeen Healthcare Village business case, 2012.

Case study 2

Preventative action over a derelict building

For over ten years, the Maberly building which is a derelict building in Aberdeen had become a magnet for vandalism, persistent fire raising and anti social behaviour. In addition, the site presented physical hazards to intruders, including flooded lift shafts and unstable fittings. This was not only a safety issue and nuisance to people living in the area but also a drain on public resources due to the high volume of call outs from a number of agencies to the building each week. CPA took ownership of the issue and coordinated several actions from different partners which rendered the building inaccessible. The actions immediately had the desired result, as for the first time in over ten years, there were no call-outs to this building. The approach is now being rolled out to other derelict buildings across the city.

Source: Community Safety Partnership minutes, September 2012

Aberdeen partners are piloting a new 'whole-systems' approach to tackle deprivation but progress is slower than expected

106. Since early 2010, public sector partners in Aberdeen, have been working to establish three separate pilot projects which aim to take a 'whole systems approach' to tackle deprivation issues in different parts of the city. The approach is based on lessons from the

'Total Place' initiative in England which aimed to put citizens at the heart of service design and shift the way services worked in isolation towards working jointly. It seeks to identify the total resources used by all local organisations to tackle certain issues and to then shift some of these resources towards more cost-effective preventative measures. In the case of tackling low educational attainment in deprived areas, for example, this might mean a greater emphasis on pre-school years and a transfer of resources from education to social work budgets. Similarly, in the case of older people's services, this might mean transferring money out of acute health care and investing the money to help older people live independently at home for as long as possible. There is some evidence to suggest that this focus on prevention can deliver long-term savings and better outcomes. However, it can take some time before these benefits are realised and partners must be willing to pool their resources.

107. Three pilots were approved by Aberdeen Council in June 2010 and subsequently supported by the CPA Board:

- Aberdeen wide - whole systems approach to improving older people's services.
- Torry - whole systems approach to improving community safety.
- Northfield - whole systems approach to raising educational attainment.

108. However, earlier this year, the older people's pilot was cancelled due to the planned integration of health and social care. Additionally, two years on, there is limited evidence of progress being made with the Northfield pilot (Case study 3).

Case study 3

Northfield 'Whole Systems Approach' pilot on educational achievement

This pilot aims to raise educational attainment and achievement in Northfield which is an area of multiple-deprivation. The council's decision was based on information relating to low educational attainment, comparatively high absence and exclusion rates alongside a range of existing investments aimed at tackling disadvantage in the area. The pilot is being managed through the Integrated Children's Services Partnership Board (ICSPB) which is accountable to the CPA Board.

The initial work 'themes' were to:

- improve services to support families, young people and parents
- improve support to families, young people and parents to engage in lifelong learning
- provide an integrated programme to promote mental health and wellbeing, including services for children, young adults, parents and families
- find out how much services currently cost and review their effectiveness .

However, the work themes are very broad and there is no plan which sets out the aims and scope of this work or timescales for delivering these. Although the ICSPB routinely discusses the pilot at its meetings, it does not receive regular reports on progress. Similarly, CPA does not receive sufficiently regular progress reports on the project to maintain strategic oversight of this development.

Source:

109. At present, there is also limited evidence of progress or benefits being achieved as a result of the community safety pilot (Case Study 4).
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Case study 5

'Whole Systems Approach' pilot on community safety

The Community Safety Partnership prepared a business case for establishing a Community Safety hub which was approved by the CPA board in May 2012.

The aim of the Hub is to encourage greater levels of integration of community safety services by co-locating a number of agencies in one place, while increasing the partnership focus on prevention and early intervention. It is also expected to encourage closer working between analysts from different agencies, creating more opportunities to identify risks and emerging problems, while a daily tasking meeting is expected to provide an on-going impetus for early and joint actions to tackle emerging problems.

A number of benefits have been highlighted from the approach, with early interventions and the delivery of more effective and sustainable solutions prominent. For example, by tackling antisocial behaviour early, it is expected that this will reduce young people's behaviour escalating into more serious antisocial behaviour and crime. A second phase of the approach is planned to start in 2013, which will involve working with a small number of priority families to tackle cross-cutting issues which impact on community safety.

As the Hub only became operational in October 2012, it is too early to say whether the expected benefits will be delivered. The business case does not include details of the set-up or annual running costs of the Hub. Each partner is expected to meet its own set-up costs, and the estimated annual estimated cost to non-council agencies is £2.5k - £3k per desk space per annum. While the concept of the hub seems sound, there is a risk that the uncertainties about the costs may lead to sustainability issues a later date.

Source: *Audit Scotland, 2012*

110. These 'whole systems' pilots received enthusiastic support from partners when we interviewed them during the audit. At least at an operational level, there is a genuine commitment to this new approach. However, if the whole systems pilots are to provide valuable learning as well as deliver sustainable service improvements, it is crucial that CPA examines the reasons for the slow progress to date, and addresses this. It also needs to monitor progress more rigorously and put a system in place to evaluate the success of the projects, including whether or not they offer value for money.

CPA needs to ensure short-term initiative funding supports long-term improvements

111. The Scottish Government has provided various short-term funding over the years to support local public sector bodies to tackle inequalities and change the way services are delivered. However, there are often short timescales for using these funds. As a result, local organisations can find it difficult to take a strategic approach to tackling the particular

issue. CPA needs to ensure a more strategic approach is taken in the future to ensure short-term funding support long-term sustainable improvements.

112. In 2008, the Scottish Government set up a Fairer Scotland Fund which aimed to help tackle inequalities. CPA was responsible for overseeing the Aberdeen allocation and it established A Fairer Scotland Board to manage the Fund on its behalf. The Board's membership was drawn from various public and voluntary sector partners and community representatives. The Board established criteria for funding which included projects demonstrating that their activities aligned with the SOA.
113. The Scottish Government Fairer Scotland funding allocation ended in 2010/11. Once the funding stopped, the council decided to continue allocate a reduced amount of money to the fund every year. This meant the Aberdeen Fairer Scotland Fund Board could continue its work. Between 2009/10 and 2011/12, Aberdeen's Fairer Scotland Fund Board allocated funding of around £6.2 million to 314 projects. Approximately £1.8 million (28 per cent) of this funding was allocated to neighbourhood projects specifically tackling problems in the seven most deprived areas of the City.
114. We found some examples where these small-scale projects have clearly made a difference to peoples' lives. The Homestart project, for example, used its budget of £7,000 in 2011/12 to support five families under stress, helping to prevent family breakdown and future interventions from other public sector organisations. These projects have been subject to some evaluation, but this has mostly focused on the activities carried out rather than their impact. The partnership is now testing a more sophisticated Social Return on Investment methodology for partnership working in order to better assess the effectiveness of initiatives such as these.
115. CPA also has overall responsibility for Scottish Government Change Fund allocations:
 - **Reshaping Care for Older People** - Responsibility for managing this fund has been delegated to the Aberdeen Community Health and Social Care Partnership (CHSCP) - formerly known as the Community Health Partnership. The CHSCP is a committee of NHS Grampian but also acts as Community Planning Aberdeen's 'Healthier' thematic group. Aberdeen's reshaping older people change fund allocation was £2.7 million in 2011/12 and £3.1 million in 2012/13. So far a wide range of projects have received funding but there is a lack of evidence on the impact these have made. Further work is now underway to improve monitoring and evaluation systems.
 - **Early Years and Early Intervention Change Fund** - Aberdeen's indicative allocation is worth almost £4 million between 2012/13 and 2015/16.¹¹ Aberdeen Integrated Children's Services Partnership (ICSP) is expected to manage the Fund on behalf of CPA. The funding has still to be allocated, therefore it is too early to assess the impact of this fund.
 - **Reducing Reoffending Change Fund** - Nationally, £7.5 million has been made available between October 2012 and March 2015. Two key aims of this Fund are to provide offenders with substantial one-to-one support through evidence-based mentoring

¹¹ Education and Culture Committee, The Scottish Parliament, 13th Meeting, 2012 (Session 4), 1 May 2012.

schemes; and promote strong, equal partnership working between third and public sector organisations. Two types of funding are available: two year funding for partnerships of third and public sector organisations (from April 2013 to March 2015), and shorter term funding (from October 2012 to March 2013) either to support the development of partnerships or to support the expansion or enhancement of existing mentoring interventions.

Impact and outcomes

Gaps in data prevent a full assessment of the impact of community planning in Aberdeen

116. Community planning partnerships need to demonstrate that they have had an impact in improving outcomes for their local communities. The Statement of Ambition places CPPs at the centre of local public service reform, driving improved outcomes for local communities. However, measuring changes in community outcomes is not straightforward. It can take years, if not decades, for improvements to be made in areas such as life expectancy or deprivation levels. Measuring outcomes rather than simply inputs can be difficult. And, with so many factors affecting these broad outcomes, it can be difficult to attribute any changes to any specific activities.
117. As mentioned earlier in this report, however, there are also significant weaknesses in the performance management systems supporting community planning and the SOA in Aberdeen with serious gaps in the availability of reliable and consistent performance data, both locally and nationally.
118. In this section of our report, we have sought to comment on performance, based on the information provided in the partnership's SOA Progress Report 2010/11. We have also drawn from other sources, such as Scottish Neighbourhood Statistics (SNS) and the Scottish Index of Multiple Deprivation (SIMD), to find performance information which matches the targets and objectives set out in the SOA. Despite this, however, there remain significant problems in measuring outcomes and in attributing and changes to specific partnership activities. As a result, this section of the report can only seek to provide a high-level picture of trends over the past decade, rather than a comprehensive assessment of community planning's impact on Aberdeen's communities.

There has been some success in reducing the outcome gap between the least and most deprived areas in Aberdeen.

119. The national Statement of Ambition emphasises the role of community planning partnerships in reducing the outcome gaps between the most and least deprived communities. TACA and CPA have recognised that there are particularly sharp differences in health, education and crime levels within Aberdeen and, for many years, have aimed to reduce these gaps. Despite this, there has been little monitoring of any progress towards this goal within Aberdeen. SOA monitoring reports, for example, only provide broad references to SIMD data. Over the past year, CPA has developed a range of data on aspects such as deprivation, education and crime levels. This should help the monitoring of performance trends in future years.

Exhibit 7

Outcome gap between most and least deprived areas over last 10 years

Table 1
The gap between the most and least deprived areas – outcome trends over the 10 year period c2002/3 to 2010/11.

	Scotland	Aberdeen City
Economy and Education		
% of working age people claiming key benefits		
% of school leavers in sustained positive destinations		
S4 – average tariff scores		
S5 – average tariff scores		
S6 – average tariff scores		
Health		
Hospital admissions for coronary heart disease – rate per 100,000		
Low weight live singleton births as % of all live singleton births*		
Smoking in pregnancy - % of women smoking at booking		
Emergency hospital admission: rate per 100,000		
Male Life expectancy		
Female Life Expectancy		
Emergency hospital admission, 65yrs and over: rate per 100,000		

Key

Narrowing gap

Unchanged

Widening gap

* very slightly reducing for Scotland

The above analysis uses indicators that are available at the data zone level to compare the average outcome results for the 20 per cent most deprived data zones and the 20 per cent least deprived. Where available this is based on data covering the 10 year period 2002/3 to 2010/11.

Source: Audit Scotland, 2012

120. Beyond the SOA Progress Report, the limited data that is available elsewhere shows a mixed picture, with no clear patterns, in terms of outcome gaps being reduced in Aberdeen (see Exhibit 7). Progress has been made on some health measures. Similarly, some education indicators, such as S4 examination results and the proportion of school leavers going to positive destinations, suggest the gap has narrowed over the past decade. Others, such as S5 and S6 results, suggest the opposite.

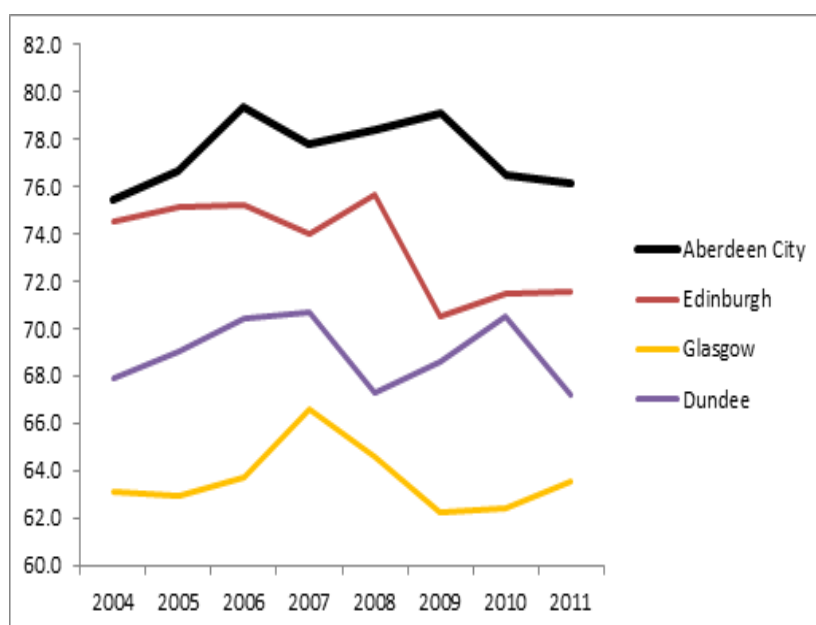
Aberdeen continues to be prosperous, but there is mixed evidence to show progress towards the SOA's economic priorities

121. Aberdeen's Single Outcome Agreement contains several broad aspirations on the continuing development of the local economy. There is clear evidence that, despite the general recession, Aberdeen's economy is still relatively strong. For example, while employment levels have fallen slightly since 2009, they are still significantly higher than in other Scottish cities (Exhibit 8).

Exhibit 8

Employment rate

Aberdeen has maintained a significantly higher employment rate than Scotland's other cities



Source: Scottish Neighbourhood Statistics / Audit Scotland, 2012

122. The SOA contains a series of targets under National Outcomes 1 and 2 'We live in a Scotland that is the most attractive place for doing business in Europe' and 'We realise our full economic potential'. These are grouped into seven areas:

(1) Deliver a fully integrated transport network. The SOA provides no clear definition given on what is meant by this objective. The only targets set relate to average journey times on the A90 and A96 trunk roads. There is no clear picture of performance against this narrow target, with journey delays increasing but targets for the time lost also being raised. There are no targets relating to public transport or, specifically, to the integration of transport. As a result, no conclusions can be drawn on any progress towards achieving an integrated transport network.

(2) Anchor the oil and gas industry. The SOA Progress report shows that the number of companies attending seminars, workshops and trade missions hosted or co-hosted by Aberdeen Council is above target. This doesn't provide a direct measure on the health of Aberdeen's oil and gas industry, but does give some indication of council activity.

(3) Diversification of the economy. The number of local companies developing renewable technologies has steadily increased in recent years and is ahead of target. In contrast, the net number of new businesses has fallen sharply since 2007/8, from 595 to 50 and is well below target.

(4) Improve the efficiency of planning decision making. Aberdeen has an up-to-date Development Plan, covering all parts of the city. The SOA also provides evidence that delays in processing planning applications have been reduced.

(5) High quality employment opportunities. In general, performance in this area confirms the sustained strength of Aberdeen's economy. Average earnings have continued to rise, although the gap between male and female earnings has widened. The number of people claiming a range of benefits has either reduced or, at a time of general recession, remained stable. However, the number of people claiming Jobseeker Allowance has increased markedly and is now above target.

(6) Providing affordable, quality childcare places. The SOA Progress Report does not provide a clear picture of performance in this area. No target has been set since 2009/10 and there appears to have been a sharp, unexplained halving of the number of childcare places within the City. This suggests that the data is not reliable.

(7) Sufficient skilled people to meet needs of local economy. The SOA Progress Report does not provide a clear picture of performance in this area. It includes a target based on job density and the number of hard-to-fill vacancies. But no performance data is provided after 2009.

Limited progress has been made on Aberdeen's main SOA health priorities

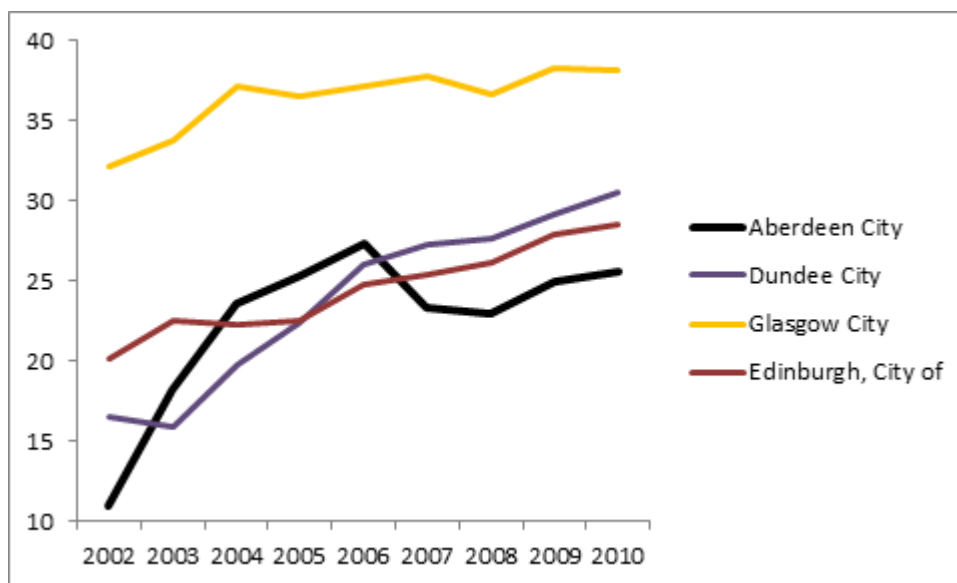
123. Audit Scotland's report on *Health inequalities in Scotland* highlighted the lead role that CPPs have in bringing together all relevant local organisations to address health inequalities. The report concludes that current performance measures do not provide a clear picture of progress and that CPPs' reports on delivering their Single Outcome Agreements (SOAs) are weak in the quality and range of evidence used to track progress in reducing health inequalities. It highlights that differences among SOAs mean that a Scotland-wide picture is hard to identify. The report recommends that CPPs ensure partners have a shared understanding of health inequalities, their respective roles and the shared resources available, and that they involve local communities in initiatives to tackle health inequalities.
124. Aberdeen's SOA Progress Report provides examples of the initiatives being carried out by NHS Grampian, Aberdeen Council and their partners to improve the health of the local population. However, most of the targets and performance measures focus on activities, rather than their impact on improving health outcomes.
125. The preface to the section of the SOA dealing with National Outcome 6 'We Live Longer, Healthier Lives', identifies four key local priorities:

(1) Responding to an increasingly elderly population. The SOA recognises that an ageing population is an issue that needs to be addressed, with older people being more frequent users of health services. Two aspects are mentioned: delayed discharges and trying to ensure that patients can receive care in their own home, rather than in hospital or in a care home. The number of delayed discharges, defined as when patients have to stay in hospital more than six weeks until appropriate home care or social care can be organised, has been held at minimal levels in recent years. However, there is evidence that more needs to be done to help people receive care at home. There has been a significant rise in the proportion of people aged over 65 with intensive needs who receive care at home, but this still lags behind Scotland's other cities (Exhibit 9).

Exhibit 9

Care at home

Fewer people aged 65 or over, with intensive needs, receive care at home in Aberdeen compared with other Scottish cities



Source: Scottish Neighbourhood Statistics/Audit Scotland, 2012

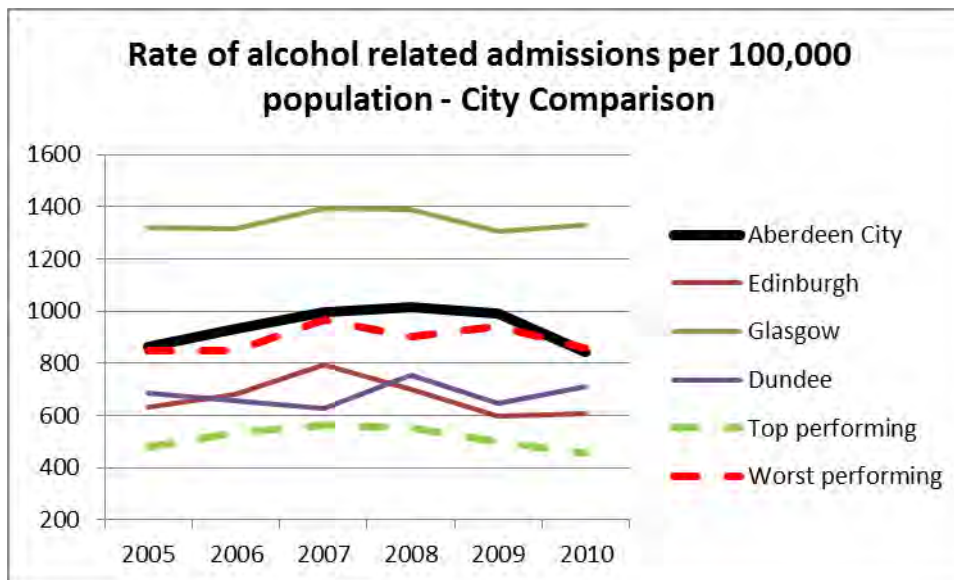
(2) Reducing alcohol and drug related harm. The Aberdeen City Drugs and Alcohol Partnership has published a Drug Strategy 2011-21 and an Alcohol Strategy 2009-19. These set out a wide range of actions, aimed at increasing awareness, reducing availability and improving treatments. However, neither strategy contains any measurable targets on reducing the impact of drugs and alcohol on people living in Aberdeen.

The SOA identifies that the proportion of the population hospitalised for drug and alcohol related conditions is worse than the Scottish average. However, it does not contain any targets for reducing the number of hospitalisations. Instead, it has some activity based targets, such as reducing the number of people waiting for drug treatment services and increasing the number of alcohol brief interventions. The SOA Progress Report shows that there has been a dramatic increase in the number of alcohol brief interventions, although the impact of this is not clear. Evidence obtained by our audit also suggests that there has been some success in

recent years in reducing the number of alcohol-related hospital admissions. After a rise in earlier years, this has now fallen back to the levels reported in 2005. However, this is still amongst the highest in Scotland and well above the rates reported for Edinburgh and Dundee (Exhibit 10).

Exhibit 10

Alcohol related hospital admissions



Source: *Scottish Neighbourhood Statistics / Audit Scotland, 2012*

(3) Tackling health inequality. The SOA identifies significant health inequalities within Aberdeen. However, it contains few targets that are directed at reducing specific health inequalities. Our audit has obtained evidence which suggests that progress has been made in reducing inequalities in areas such as smoking during pregnancy and in low weight births. Despite this, SIMD data for 2012 shows that health inequalities have worsened in Aberdeen, with the number of data zones that are amongst the 15 per cent most health deprived in Scotland increasing between 2004 and 2012 from 39 to 48. Clearly, it can take many years, if not decades, to address long-term issues. However, we found no evidence that the gap in life expectancy has closed over the past decade. On average, people living in the more deprived parts of Aberdeen still live around 5.6 years less than their neighbours in the least deprived parts of the city.

(4) Addressing the needs of more vulnerable communities. The SOA defines these vulnerable communities as including gypsies, travellers, people who are homeless, prisoners, and young people leaving care. But it contains no health targets or performance measures relating to gypsies, travellers, people who are homeless, prisoners, or young people leaving care.

Progress has been variable in relation to community safety priorities

126. The SOA identifies seven community safety priorities. The adequacy of targets and outcome measures related to these priorities is variable. Similarly, performance is mixed between priorities and outcome measures:

(1) The organisation of child protection services. The SOA set two targets for 2009 and 2010, aimed at supporting children and parents to stay together and being re-registered on the child protection register. The targets for both outcomes were not achieved in either year.

(2) Controlled drugs. The SOA includes three targets aimed at reducing the impact of drugs on community safety: increasing the number of recorded drugs offences year on year; increasing the weight of drug seizures; and reducing the number of drug-related deaths. The 2010/11 SOA Progress Report shows that drug deaths have steadily reduced since 2007, but performance against the other two measures has been less clear.

(3) Antisocial behaviour. The SOA aims to reduce the impact of antisocial behaviour on the community. A target was set to achieve a year on year reduction of antisocial behaviour crimes such as vandalism and underage drinking. Conversely, a target was also set to increase the number of racially motivated incidents reported to the police, which partners believe indicates an increase in confidence by victims of these crimes. The 2010/11 SOA Progress Report shows that most antisocial behaviour targets are being. Longer-term trend data is not readily accessible for all of these measures. However, in June 2012, the Scottish Government published a crime statistics bulletin which shows that racial incidents significantly increased between 2004/05 and 2010/11.

(4) Domestic abuse and (5) Serious and violent crime. The SOA includes a target to reduce the impact of serious and violent crime, including domestic abuse incidents. The SOA Progress Report shows that, since 2007, the targets to reduce serious and violent crime were met in each year, with the exception of 2009/10. However, it also shows that the number of reported domestic abuse incidents increased each year. It is argued that this reflects an increased confidence from victims in reporting these incidents.

(6) Fire safety. The SOA includes one local outcome which aims to collectively reduce the number and impact of accidental dwelling house fires, fire-related injuries and wilful fire raising incidents. A direction of travel target was set to achieve a year on year reduction in the number of accidental dwelling house fires, wilful fires, home fires resulting in injury or death and fire-related injuries. The SOA Progress Report provides performance data for 2007/08 to 2010/11. This shows that the first three targets were met in three out of four years, while the target for fire-related injuries was only met in one year.

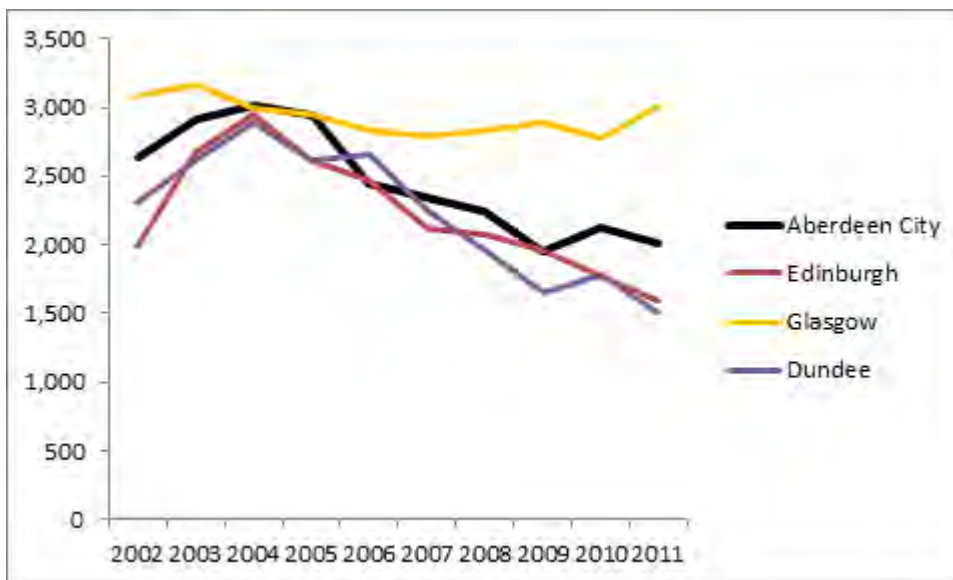
(7) Sex industry. The Community Safety Partnership's strategic assessment outlines the health and community safety issues related to the sex industry. However, although the SOA includes this as a priority, it does not clearly identify outcomes, targets or performance measures.

127. In line with national trends, overall crime rates have reduced significantly over recent years (Exhibit 11). The results from the last two Scottish Neighbourhood Surveys also suggest that people in Aberdeen now feel safer from crime.

Exhibit 11

Crime rates per 10,000 population

Aberdeen's crime levels have reduced significantly



Source: National crime statistics, Scottish Government website

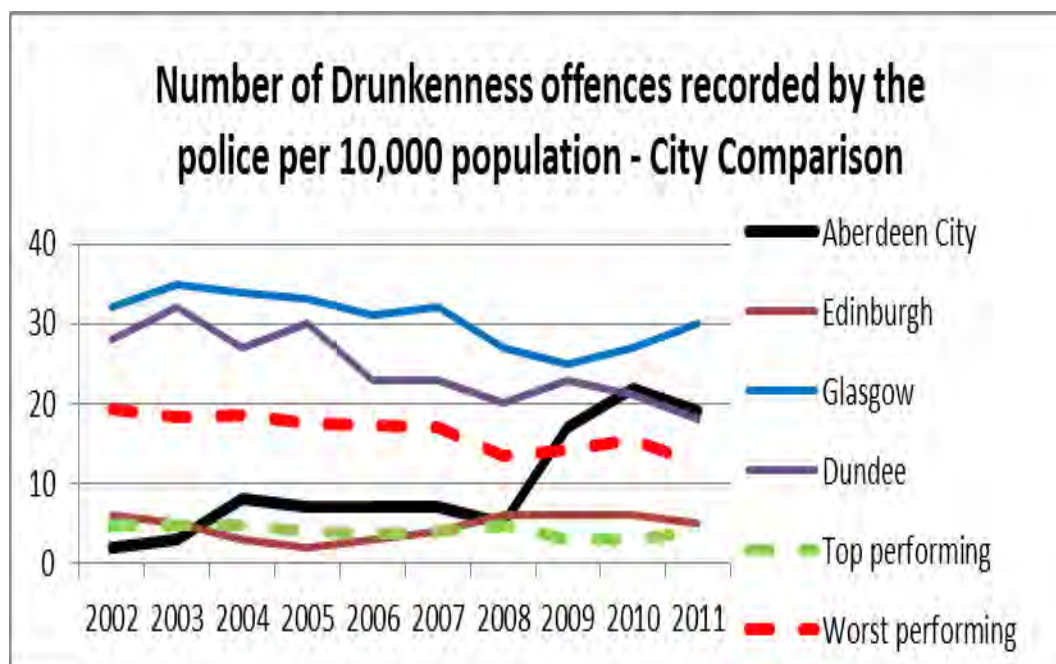
128. While the SOA identifies a link between alcohol and drug misuse and crime levels, it does not include targets to reduce drunkenness offences or drug crimes. Between 2002 and 2010, the number of recorded drunkenness offences increased significantly in Aberdeen, although this negative trend slightly improved in 2011. This contrasts to other Scottish cities, where drunkenness offences in 2011 have either improved or are around the same level as they were in 2002 (Exhibit 12). This increase is thought to reflect a more robust enforcement campaign by Grampian Police.

Source: National crime statistics, Scottish Government website

Exhibit 12

Drunkness offences per 10,000 population

The number of drunkenness offences reported has increased significantly in Aberdeen since 2002



Source: Recorded Crime in Scotland publication (Scottish Government) obtained from Scottish Neighbourhood Statistics website

There has been limited success in raising attainment levels or reducing inequalities in education

129. The SOA contains a series of targets under National Outcomes 3 and 4 'We are better educated, more skilled, renowned for our research and innovation' and 'Our children are successful learners, confident individuals and responsible citizens'. The preface to these sections is written in fairly general terms, referring to broad initiatives such as the Curriculum for Excellence and aspirations to develop the professional development of teachers. The SOA identifies five outcomes and related targets. We found that performance against these was mixed:

(1) Attainment levels. Three main targets are set for attainment levels in Aberdeen's publicly funded secondary schools. The SOA Progress Report for 2010/11 shows that one of these targets has been met. 92 per cent of S4 pupils achieve five or more level 3 awards. The other two targets, for the numbers of S4 pupils achieving English and Maths at level 3, and the numbers of S5 pupils achieving five or more level 5 awards, have not been met.

(2) Number of school leavers in positive destinations. The SOA sets a target that, by 2010/11, 90 per cent of secondary school leavers will be going to positive destinations, such

as employment, college or university. There is no reference to this target in the SOA Progress Report for 2010/11.

(3) Skills shortages. The SOA refers to 'well documented' skills shortages and employers' concerns about a lack of core skills. No targets are provided in this part of the SOA for addressing these concerns. Elsewhere the SOA Progress Report shows that the number of hard-to-fill vacancies in 2009 was 27, within the target of 31.4. It is not clear what this means. Perhaps more importantly, there is no reference to feedback from employers on any continuing concerns.

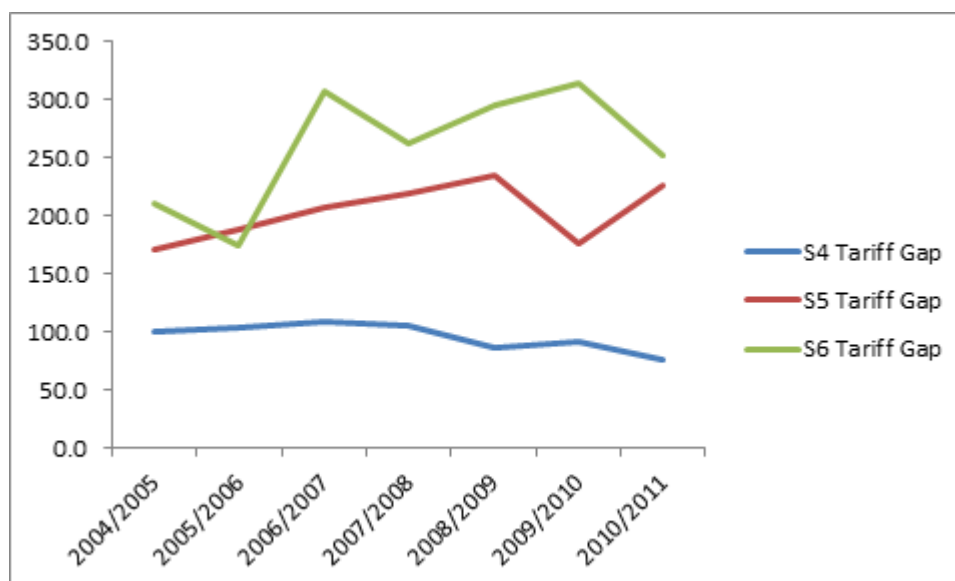
(4) Positive inspection reports. The SOA set a target that 90 per cent of schools being reviewed by Her Majesty's Inspectorate of Education (HMIE) would receive positive reports. This target has not been met, with 67 per cent of schools inspected in 2010/11 receiving positive HMIE reports.

(5) Reducing inequalities. While the SOA identifies Aberdeen as amongst the most divided in Scotland for education outcomes, it sets no targets for reducing these inequalities. The SOA refers to the Northfield 'Whole Systems Approach' pilot, aimed at raising attainment levels in a deprived area, but contains no specific targets for the project. All the performance measures are provided for Aberdeen as a whole, rather than distinguishing between deprived and affluent areas of the city. There is little evidence that the gaps in attainment levels between deprived and affluent areas have been reduced. Some progress has been made at S4 level, but the gaps in attainment levels for S5 and S6 are greater than they were in 2004/5 (Exhibit 13).

Exhibit 13

School attainment levels - gap between 20% most deprived and 20% least deprived

There is no clear evidence that the gap in attainment levels has narrowed



Source: Audit Scotland, 2012

There is little to show that any significant progress has been made in achieving CPA's environmental objectives

- 130.** The SOA contains seven targets relating to CPA's environmental objectives. In contrast to other SOA themes, many of these measures relate to high level outcomes and community impact. However, in almost all cases, the SOA Progress Report for 2010/11 contains no up-to-date targets or performance information. For example, no data on the city's carbon footprint has been available since 2006. Similarly, data on the use of public and private transport has not been available since 2008.
- 131.** There has been success in recycling domestic waste. Since 2007/08, this has almost doubled to 31.7 per cent, above the target set of 27 per cent. This is in line with improvements made by other councils throughout Scotland. It is also not clear how this target relates to partnership working with other public organisations.
- 132.** Overall, however, the general lack of performance data suggests that environmental matters have not been treated as a local priority.

133.

Improvement agenda

134. Continuous improvement in public services and strong local leadership and governance are central elements of the joint Scottish Government/COSLA Statement of Ambition for Community Planning. That document and the Scottish Government's priorities for public service reform in response to the Christie Commission report share common themes:

- a decisive shift towards prevention
- greater integration of public services at local level, driven by better partnership, greater collaboration and effective local delivery,
- greater investment in the people who deliver services through enhanced workforce development and effective leadership, and
- a sharp focus on improving performance.

135. This is a stretching and demanding agenda. It will require strong and sustained leadership from public sector leaders to deliver the ambitious step change in performance from community planning that are required to respond to:

- the financial pressures facing public services'
- rising demand due to demographic change and public expectations, and
- the deep-rooted social problems that affect many parts of Scotland.

136. CPA has shown a high level of self-awareness, with two external reviews commissioned over the past two years. It has made many significant changes in recent months and now has many of the fundamental structures and processes in place. However, it has set itself a demanding improvement agenda and much still needs to be fully established before it can demonstrate clearly how it is improving outcomes for its communities.

137. The audit has identified a number of areas where improvement is required by the CPP. These are set out below.

Strategic direction

- **Identify a limited number of strategic priorities on which the community planning partnership can make an impact.**
- **Ensure that CPA has a strategic oversight of all significant partnership working to help ensure that there is a match between resources and strategic priorities.**
- **Review the approach to community engagement to help avoid any duplication of effort by different organisations.**

Governance and accountability

- **Review the level of representation of partner organisations, to help ensure that CPA Board members have sufficient seniority to contribute to decision-making.**

Improvement agenda

- **Strengthen the scrutiny of performance, by regularly providing monitoring reports to Thematic Groups and to the CPA Board.**
- **Hold partners to account for their contribution to shared objectives and use this to help drive improvements.**

Performance management and use of resources

- **For each strategic priority, set performance targets that provide a stronger focus on outcomes and community impact.**
- **Ensure that reliable performance data is available to match targets. Avoid setting targets that cannot be monitored.**
- **Assess the impact made by Fairer Scotland and Challenge Funds.**
- **Identify the total resources available to all partners and determine how resources can be targeted and aligned towards agreed priorities and outcomes.**

Impact and outcomes

- **Assess the impact of the Whole Systems Approach, currently being piloted in education and community safety.**

Community Planning in North Ayrshire Audit Report

A report by Audit Scotland prepared for the Accounts Commission
and Auditor General



February 2013

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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The audit of community planning

Background

1. Community planning is the process by which councils and other public bodies work together, with local communities, and the business and voluntary sectors, to plan and deliver better services and improve the lives of people who live in Scotland.
2. Community planning was given a statutory basis by the Local Government in Scotland Act 2003 (the Act). Under the Act:
 - Councils have a duty to initiate, facilitate and maintain community planning.
 - NHS boards, the police, the fire and rescue services, and the enterprise agencies (Scottish Enterprise and Highlands and Islands Enterprise) have a duty to participate in Community Planning. This duty was later extended to Regional Transport Partnerships.¹
 - Community Planning Partnerships (CPPs) are required to engage with communities, report on progress, and publish information on how they have implemented their duties and how outcomes have improved as a result.²
 - Scottish ministers (through the Scottish Government and its agencies) have a duty to promote and encourage community planning.
 - Councils can invite other bodies such as colleges, higher education institutions, business groups, voluntary organisations and community groups to take part in Community Planning, although these are not statutory partners.
3. All councils have established a community planning partnership to lead and manage community planning in their area. CPPs are not statutory committees of a council, or public bodies in their own right. They do not directly employ staff or deliver public services. Under Section 19 of the Act, it is possible for the CPP to establish the partnership as a legally distinct corporate body. Some CPPs have considered this option but, to date, none have taken it forward.
4. In 2007, the Scottish Government and the Convention of Scottish Local Authorities (COSLA) signed a concordat, setting out the new relationship between the Scottish Government and local government. This included introducing Single Outcome Agreements (SOAs) between individual councils and the Scottish Government. Each SOA outlined the council's strategic priorities, expressed as local outcomes, and identified how these would contribute to

¹ Transport (Scotland) Act 2005

² The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

achieving the Scottish Government's 15 national outcomes. Since 2009/10, CPPs, rather than councils, have been responsible for developing SOAs.

5. The structure of CPPs and the areas they cover vary considerably, depending on the size and geography of the council area, the local economy, local political priorities, and socio-demographic factors such as age, gender, and relative wealth.

The Christie Commission and the Scottish Government/COSLA review of Community Planning

6. Between 2011/12 and 2014/15, the Scottish Government's spending will fall by 5.5 per cent (£1.5 billion) in real terms.³ Reductions of this scale are a significant challenge for the Scottish public sector. The Christie Commission report on the future of public services highlighted the need for a new, more radical, collaborative culture throughout Scotland's public service. It called for a much stronger emphasis on tackling the deep-rooted, persistent social problems in communities across the country to enable public bodies to respond effectively to these financial challenges.⁴
7. The Scottish Government's response to the Christie Commission included a commitment to review community planning. That review led to the publication of a Statement of Ambition for community planning which stated that effective community planning arrangements will be at the core of public service reform. Community planning partnerships must seek out opportunities for integrating public services, provide services that help to prevent problems arising and continuously improve public service delivery to achieve better outcomes for communities⁵. The Statement of Ambition also emphasises the need for all partners to have collective accountability for delivering services. This includes being accountable for their own contribution to local planning.

Previous audits of community planning and partnership working

8. Audit Scotland's national report *Community planning: an initial review*, 2006, found that there had been some progress with community planning, but that important issues needed to be dealt with:
 - The complexity of community planning structures and different accountabilities could be a barrier to effective working.
 - Performance management and monitoring processes were not well developed.
 - Community engagement could be more sustained and systematic.
 - CPPs should be clearer about the money and other resources required to achieve their outcomes.⁶

³ *Scottish Spending Review 2011 and Draft Budget 2012-13*, (Table 6.02 – Departmental Expenditure Limits, applying the following deflators: 2012/13 = 2.5 per cent; 2013/14 = 2.7 per cent; 2014/15 = 2.7 per cent), Scottish Government, September 2011.

⁴ *The Commission on the Future Delivery of Public Services*, Christie Commission, June 2011.

⁵ *Review of Community Planning and Single Outcome Agreements: Statement of Ambition*, Scottish Government/Convention of Scottish Local Authorities, March 2012.

⁶ *Community Planning: an initial review*, Audit Scotland, 2006.

9. Audit Scotland's 2011 national report *The role of community planning partnerships in economic development* found that:
 - CPPs have an important role in planning and coordinating improvements to local economies
 - the introduction of Single Outcome Agreements (SOAs) had improved how CPPs monitor and report progress.
10. However it also found that many of the problems identified in 2006 persisted.⁷
11. Audit Scotland's 2011 national report on Community Health Partnerships (CHPs) found that approaches to partnership working had been incremental and there was a cluttered partnership landscape. CHPs were set up in addition to existing health and social care partnership arrangements in many areas. This had contributed to duplication and a lack of clarity of the role of the CHP and other partnerships in place in a local area. Partnership working for health and social care requires strong, shared leadership by both NHS boards and councils. Differences in culture, planning and performance management arrangements are barriers that need to be overcome.

About the audit

12. The role of community planning in improving Scotland's public services has become increasingly important. The Scottish Government (SG) therefore asked the Accounts Commission to lead development work to prepare an outline case on how external audit and inspection might hold Community Planning Partnerships (CPPs) to account for their performance and help them to deliver better outcomes.
13. The Accounts Commission and the Auditor General for Scotland worked with their scrutiny partners (Education Scotland, Care Inspectorate, Her Majesty's Inspectorate of Constabulary for Scotland (HMICS), the Scottish Housing Regulator (SHR) and Healthcare Improvement Scotland). They worked with COSLA, the Society of Local Authority Chief Executives (SOLACE) and the Scottish Government. The Accounts Commission and the Auditor General developed an audit framework designed to strengthen the accountability of Community Planning Partnerships and supporting improved performance. Those proposals were submitted to the Cabinet Secretary for Finance, Employment and Sustainable growth in June 2012.
14. Aberdeen City, North Ayrshire, and the Scottish Borders community planning partnerships agreed to participate in three early audits to help the Accounts Commission and the Auditor General for Scotland test the CPP audit framework. For the first time, these audits focus on the impact and effectiveness of individual CPPs, rather than community planning as a process.

⁷ *The role of community planning partnerships in economic development*, Audit Scotland, 2011.

15. The overall aim of our audits was to assess the effectiveness of community planning in each area. We did this by gathering and evaluating evidence to allow us to answer the following four questions:
- **Strategic direction** – has the CPP set a clear strategic direction, with clear improvement priorities, agreed by all partners, which reflect the needs of the area, and are based on effective community engagement?
 - **Governance and accountability** – does the CPP have effective governance and accountability arrangements, and is it able to demonstrate effective shared leadership which ensures improved outcomes for the area?
 - **Performance management and use of resources** – has the CPP established effective performance management arrangements which are delivering performance improvements (including effective self-evaluation arrangements) and securing best use of public resources (including service integration)?
 - **Impact and outcomes** – can the CPP show its actions are making a difference for the area and improving outcomes for local people?
16. The audit of North Ayrshire Community Planning Partnership was carried out in September 2012, by a team from Audit Scotland, with support from the Care Inspectorate, Education Scotland and HMICS. We gratefully acknowledge the co-operation and assistance provided to the audit team by all the CPP partners and representatives involved in the audit. We are particularly grateful for the constructive approach adopted by the CPP to the audit process at a time of significant change and development for the CPP in response to the Scottish Government and COSLA community planning review.

Summary

17. Community planning is well established in North Ayrshire. The CPP has a good record of critically reviewing and refining local partnership working and joint planning. CPP structures and relationships position it well to contribute to and influence public service reform developments locally. The CPP has also streamlined and prioritised its activities, and there are examples of CPP partners working together to improve outcomes. There are pockets of good practice in many aspects of CPP working but, overall, health, economic and social outcomes for citizens remain poor.
18. North Ayrshire is one of Scotland's five most deprived local authority areas. The area faces significant, complex long-term challenges in employment, health and community safety, which the CPP has focused on for many years. The CPP's shared vision for improving outcomes in North Ayrshire, to which the partners are all committed, clearly reflects the area's main challenges.
19. Historically, the council led community planning activity. The last 18 months have seen more involvement of partners in planning and development activities, with constructive working relationships between partners and an improving balance of leadership and support.
20. The challenges facing community planning partnerships are complex. Deep-seated social issues can take many years, if not decades, to resolve. In addition, with many factors at play, it can be difficult to match partnership actions and investments with subsequent changes in community outcomes such as health and deprivation.
21. The CPP has made good progress in specific areas including community safety and employment skills programmes, but it has not improved overall outcomes for North Ayrshire. Jobs growth and improving health remain major challenges, and the outcome gap for individuals living in the most and least deprived parts of North Ayrshire remains significant.
22. An important expectation of community planning is that partners work together to better align and share their resources towards meeting agreed goals. Together, the main local partners in North Ayrshire spend over £500 million a year, but the CPP cannot yet demonstrate significant examples of sharing resources to achieve better outcomes, or of directing resources towards agreed priorities. As pressures on budgets and demands on services increase, CPP partners need to better align their combined resources to secure efficiencies.
23. The CPP has recognised that it needs a sharper focus on delivering improved outcomes. Its 2012/13 interim SOA focuses on fewer and clearer outcomes than previous SOAs and has a streamlined set of actions and indicators. In implementing its new SOA, the CPP needs to translate the agreed priorities, outcomes and actions into a plan that:
 - recognises the differences in need across North Ayrshire
 - targets partnership activity and public money accordingly
 - delivers improved outcomes for neighbourhoods and the wider community.

24. The CPP has recognised the need for change and is seeking to improve its effectiveness, through its ambitious Neighbourhood Planning Approach. Through this, partners aim to:
 - tailor local service delivery to reflect local needs
 - deliver better joined-up local services
 - make better collective use of public money.
25. The Multi-Agency Problem Solving Group (MAPSG) is a good example of partners working together and effectively using local data to coordinate actions and improve local outcomes. It has made a difference for local people, by improving the quality of the local environment and reducing antisocial behaviour. The CPP needs to consider how to sustain this success, and how to apply more widely the success factors from this and other local joint working initiatives.
26. The CPP has demonstrated a good awareness of the need to strengthen its focus on identifying and intervening early in problem areas. Its early and effective intervention initiative and an early years intervention programme in two communities are good examples of its attempts to do this. But it needs to quantify the benefits these are delivering and consider how to build on good practice.
27. The Statement of Ambition highlights the need to strengthen how CPPs work with local communities to unlock their potential and encourage them to take a more active role in identifying and delivering local improvements. Individual partners in North Ayrshire have shown some good community engagement practice, but this is not yet shared effectively across the CPP. The CPP recognises that it needs to develop further its consultation and engagement activity, to get a clearer picture of, and better reflect, local community needs. It has established a dedicated group to do this, but progress has been limited.
28. The Scottish Government and COSLA's community planning review is clear that CPPs should maintain strategic oversight of broader aspects of public service reform. This includes health and social care integration, and the creation of single Scottish police and fire services. North Ayrshire CPP has a good foundation to take on this role. Partners already work closely together on health and social care issues through the local community health partnership, and the chair of the community safety partnership ensures a link to the council's shadow police and fire committee.
29. The CPP has established a performance management system to monitor progress against SOA actions and indicators, including regular reporting to the CPP's core groups. However, in practice, the CPP's challenge and scrutiny of performance are limited. Individual partners also need to include SOA commitments within their planning and performance management arrangements. The CPP Board and Senior Management Team (SMT) need to take a stronger role in setting the direction for its strategic groups and in scrutinising performance and improvements more effectively.
30. The CPP's rationalised structures, group memberships and processes provide a good basis for meeting the Statement of Ambition's demanding expectations of CPPs. It has set itself

ambitious improvement goals, with its neighbourhood planning project and improving performance management arrangements.

31. The neighbourhood planning approach could lead to significant changes in the way services are delivered, including the way partner resources are deployed. To make this a success, partners will need to build on their working relationships, and clearly identify the required resources and individual commitments to deliver the CPP's priority outcomes.

Local context

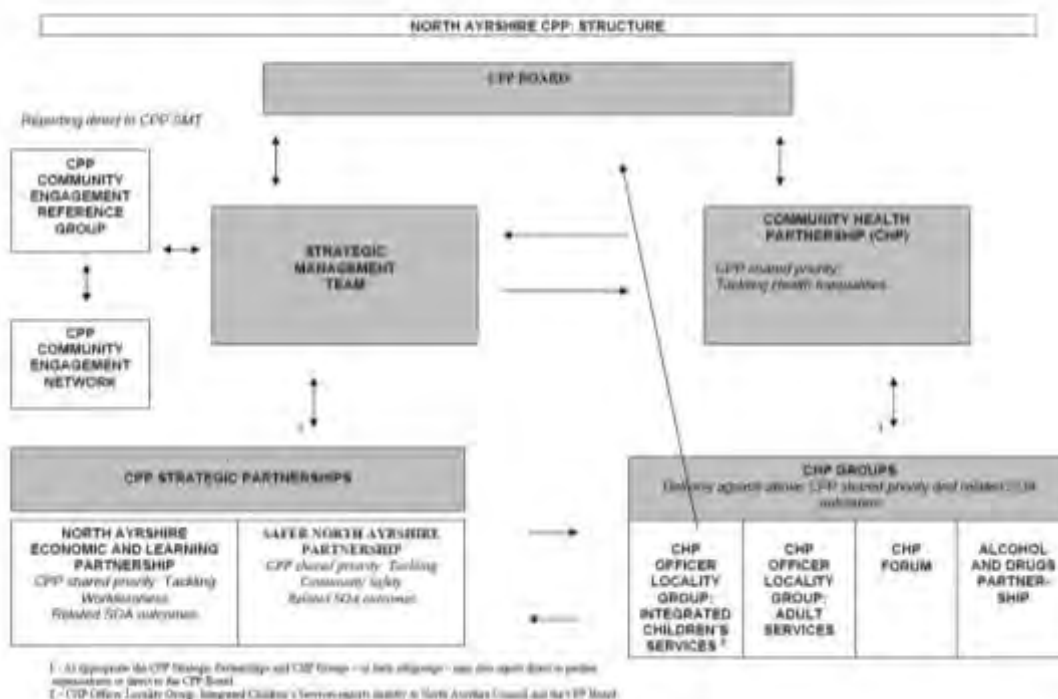
Community Planning in North Ayrshire

32. The Community Planning Partnership was formed in 2000, several years before the statutory introduction of community planning. The North Ayrshire Community Plan 2000-2010 was based on the strategic plans already produced by local partner groups and partnerships. The 2005 Audit of Best Value and Community Planning in North Ayrshire found that the CPP priorities reflected local issues, and that partners worked effectively with communities. However, North Ayrshire's strategic aims were aspirational and not translated into specific actions. At that time the partnership was also too focused on structures and processes, rather than delivering improved outcomes.
33. Following the Best Value audit, the CPP commissioned an external review which identified the need for it to:
 - establish a clear shared vision and set of shared priorities, rather than simply joining up what individual partners do
 - clearly identify the role of community planning in adding value to what is already going on.
34. This led to the CPP partners re-shaping the ten-year community vision around an agreed set of shared priorities covering the economy, health, community safety, education, equalities, and the environment. At that time, the partnership had a strong focus on regeneration. Partners were also making progress on integrating services for children and young people, and introducing aspects of shared delivery of health and other services.
35. North Ayrshire CPP prepared its first partnership SOA, *North Ayrshire - a better life*, in June 2009. As part of that process, the CPP streamlined its governance structure around four strategic groups, with responsibility for the following themes:
 - economy
 - community safety
 - environment
 - housing.
36. The CPP also introduced specific groups to strengthen community engagement. At the same time, the new CHP structures were implemented nationally. In North Ayrshire, the CHP also established three thematic groups.
37. After the first year of the 2009-12 SOA, the CPP undertook a full end of year governance review. This led to the CPP removing the housing and environmental partnerships from its structure, on the basis that their activities were already integrated in the council and its partners' business. The CPP also established a new CPP Management Group – later re-named the Strategic Management Team, comprising directors or senior representatives from the council, NHS, police service and the Irvine Bay Regeneration Company. As part of the review, the police chief inspector for North Ayrshire extended his involvement and role, by

also becoming the council's director of Community Safety. The current structure is set out in Exhibit 1.

Exhibit 1

North Ayrshire CPP planning and governance structure



CPP structure as at September 2012, after which the economy theme was taken forward by the Economic Development and Regeneration Board, see section of this report: *Impact and Outcomes, a working North Ayrshire*.

Source: North Ayrshire CPP

38. The roles and remits of the groups are as follows:

- **CPP Board:** sets the strategic direction for community planning in North Ayrshire and it is accountable for delivering the SOA and allocating resources. Its membership comprises representatives of:
 - North Ayrshire Council (the leader chairs the board, and five elected members and the chief executive also attend)
 - NHS Ayrshire and Arran (the chair and the chief executive)
 - Strathclyde Police
 - Strathclyde Fire and Rescue
 - The Scottish Government
 - Scottish Enterprise
 - Skills Development Scotland
 - Strathclyde Partnership for Transport

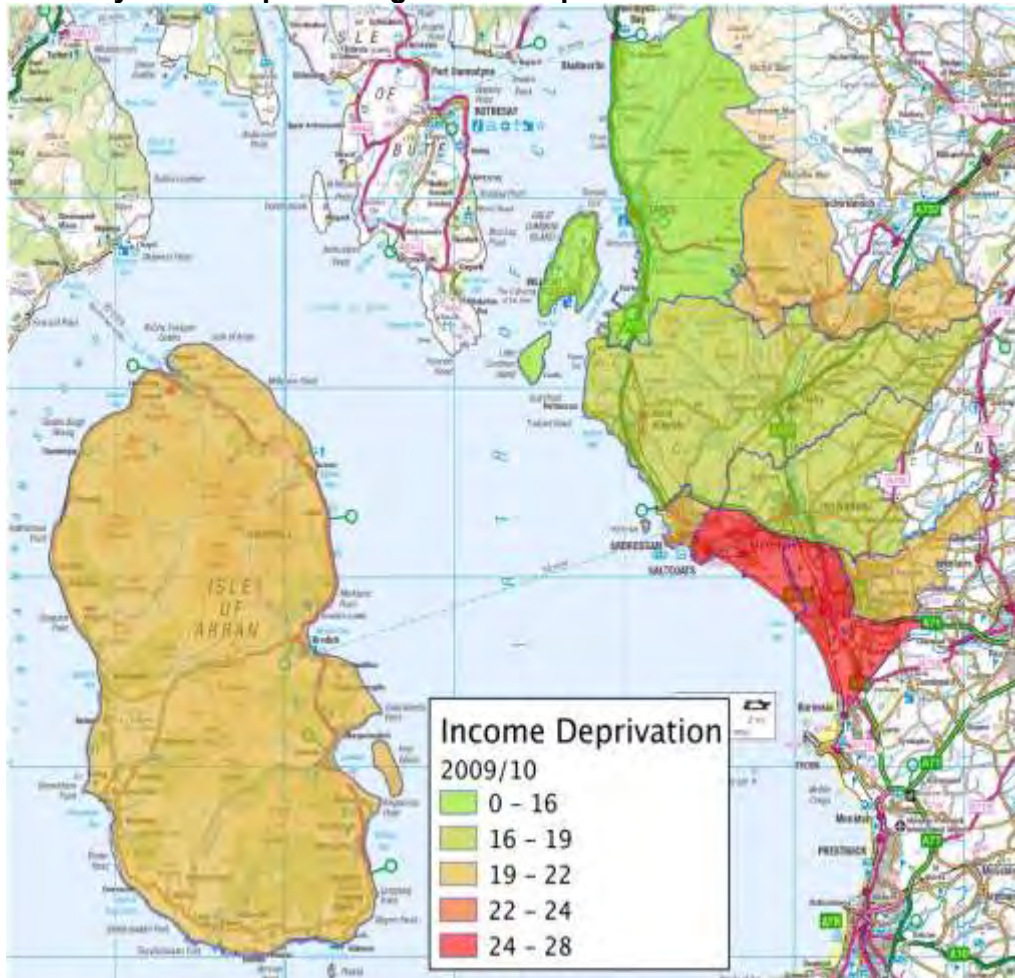
- Third sector interface
- Irvine Bay Regeneration Company
- Jobcentre Plus.
- **Strategic Management Team:** assigns tasks to the Strategic Partnership Groups and scrutinises their performance. It comprises North Ayrshire Council (chief executive and senior management), NHS Ayrshire and Arran, Strathclyde Police, Irvine Bay Urban Regeneration Company.
- **Strategic Partnership Groups (CHP, community safety and economic partnerships):** implement specific SOA outcomes, oversee subgroups, and manage funds allocated by the CPP. All groups have a diverse membership, including significant representation from the council. Various subgroups report to the groups, for example the Alcohol and Drug Partnership to the CHP.
- **Community engagement network and community engagement reference group:** responsible for community engagement and sharing good practice. The reference group is chaired by a third sector representative and has a diverse membership, with strong representation from the council.

Area profile

39. North Ayrshire covers 885 square km, split almost equally between the mainland and the islands of Arran and Cumbrae, with a mix of urban and rural areas. The population is around 138,000 and is estimated to decrease by some four per cent by 2033. The population of pensionable age is projected to increase by around 26 per cent over this period, while the population of working age is projected to decline. This demographic shift brings significant challenges for the area, particularly in care for the elderly and sustaining communities.

Exhibit 2

North Ayrshire map showing income deprivation



Percentage of residents classified as income deprived by multi-member ward area, 2009/10

Source: Scottish Government

40. North Ayrshire has relatively high and increasing levels of deprivation. It is one of the five most deprived local authority areas in Scotland, with almost a quarter of its data zones falling within the most deprived 15 per cent of data zones in Scotland. These include six regeneration areas, covering parts of Irvine, Kilwinning, Ardrossan, Saltcoats, Stevenston and Kilbirnie. North Ayrshire's economy has traditionally depended on manufacturing jobs. This led to its expansion in the 1950s, and the redevelopment of Irvine as a new town in the late 1960s and early 1970s. North Ayrshire gradually declined as the reduction in manufacturing – reflecting the trend across much of the UK – affected the local economy and employment patterns.
41. Employment rates in North Ayrshire have been below the national average for much of the last decade. The gap widened further in 2011, running at 61.4 per cent among 16-64 year olds, compared to 71 per cent for Scotland overall. Unemployment and levels of dependency on benefits are also significantly higher than the national averages.

42. There is a high reliance on employment in public administration, education, and health in the area. Taken together, they account for some 30 per cent of jobs. Although manufacturing has been in decline, a higher proportion of local people are employed in manufacturing than nationally, while the proportions employed in finance, IT, and other business activities are lower.
43. Average life expectancy in North Ayrshire is below the Scottish average. Lifestyle problems affect health and well-being, including the misuse of alcohol and drugs, smoking and obesity. There is also significant disparity in health within North Ayrshire. For example, there is a 15-year gap in life expectancy between men living in the least and most deprived areas.
44. Educational attainment is, and has been historically, below the Scottish average. However, the gap has narrowed since 2005, and in 2011 North Ayrshire attainment at SCQF⁸ level 3 was above national and comparator averages. There is also some evidence of general improvement in crime and community safety, but this varies significantly between wards. Crimes per 10,000 of population have reduced overall from 2006 to 2011 but remain worse than the Scottish average, at 26 per 10,000 population in 2010/11, compared with 22 for Scotland overall.

⁸ The Scottish Credit and Qualifications Framework Partnership

Leadership and governance

The CPP has set a clear evidence-based vision for improving outcomes in North Ayrshire

45. The Local Government in Scotland Act 2003 requires Community Planning Partnerships to develop and set out a joint vision supported by shared objectives for the area and jointly agreed, challenging performance outcomes that improve services.⁹ The Scottish Government and COSLA's joint Statement of Ambition highlights the importance of CPPs developing what it terms an explicit and binding 'plan for place' to deliver improved local outcomes. The expectation being that the plan should be based on a clear and evidence-based understanding of local needs and opportunities, drawn from reliable and relevant data.¹⁰
46. The North Ayrshire CPP's vision is set around three priorities:
- A Working North Ayrshire
 - A Healthy and Active North Ayrshire
 - A Safe and Secure North Ayrshire.

The vision and associated improvement priorities for the economy, health, and community safety were agreed by partners and are clearly set out in its SOA. The priorities are informed by an area profile analysis for North Ayrshire and reflect the challenges facing the area. The CPP also consults representative groups, the public and elected members on the SOA.

47. The SOA recognises local variations within North Ayrshire and the area profile analysis included national comparisons and trends. The CPP has a participative approach to developing the vision and priorities. In 2012 it introduced Board Development Days, to discuss performance to date against each of the SOA priorities, and to develop the next SOA. The development days were attended by a wide range of partners and elected members, and provided useful forums for partners to contribute to developing the CPP's plans and actions.
48. The CPP recognised that its initial SOA, agreed in 2009, lacked a clear focus, and had too many priorities and outcome measures. Its 2010 governance review, following the first year of operating the SOA, resulted in the CPP removing housing and environmental activities from its remit. This is a good example of the CPP beginning to focus on areas where it can make a greater contribution to improving local public services. From 2010/11, the CPP adopted three overall priorities centred on the economy, health, and community safety.
49. The CPP has translated these three overall priorities into related outcomes. For example, its "a working North Ayrshire" priority has nine associated outcomes, including: "more people are in work and training" and "North Ayrshire is a more attractive tourist destination". The

⁹ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

¹⁰ Review of Community Planning and Single Outcome Agreements: Statement of Ambition, Scottish Government/Convention of Scottish Local Authorities, March 2012.

CPP has continued to streamline its focus. The 2012/13 interim SOA has reduced the number of outcomes from 35 to 21, and the number of associated indicators from 75 to 49. This reflects a clearer focus on areas where the CPP can make an impact and improve local outcomes.

50. Citizens who participated in the CPP's 2012 People's Panel survey expressed concerns about welfare reform. The CPP has acknowledged that this is a significant issue for the area, particularly because of locally important factors such as the relatively high number of people who depend on benefits. It will be important that the CPP takes account of this when developing its next SOA.

The CPP's Neighbourhood Planning Approach is an ambitious project to better align and target partners' resources

51. In 2012, the CPP agreed to develop a neighbourhood planning approach (NPA), intended to help it better understand local needs throughout North Ayrshire, and then target resources and activity accordingly. The CPP describes the NPA as follows:

"The neighbourhood planning approach is about ensuring that public sector resources are targeted at those local areas most in need in North Ayrshire, delivering successful outcomes for our local communities."

52. The CPP has established a team of partners, chaired by the council's director of Social Services and Health, to develop the approach. At the time of the audit, the NPA team had defined the neighbourhood boundaries, and was in the process of gathering data from partners to complete a needs analysis for each neighbourhood. The next steps include identifying resources and planning local services to meet the SOA outcome priorities, including opportunities for joint working and sharing buildings. The CPP plans to have completed these activities by summer 2013. This is a significant undertaking that offers the potential to address inequalities between areas, and to develop closer partnership working.

The CPP has appropriate representation and governance structures in place. But it needs to focus more strongly on directing partnership activities and holding partners to account for delivering improved outcomes

53. *The Local Government in Scotland Act 2003* clearly sets out the importance of shared leadership in community planning. It states that leadership should be carried out by the organisation best placed to perform this role and that partners should be encouraged to lead on appropriate themes.¹¹ The Scottish Government and COSLA's joint Statement of Ambition for community planning reinforces the importance of shared leadership. It emphasises that CPPs should be genuine boards, with all the associated authority, behaviours and roles that this implies, for both them and constituent partners.

¹¹ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

54. Partners' planning and performance management arrangements broadly align with the SOA priorities, but do not explicitly include the outcome areas set out in the SOA. Without a clear link between the SOA and partners' individual plans, there is a risk that partners will not deliver on the SOA priorities and outcomes.
55. Partners acknowledge that, historically, the council carried out most of the CPP planning, coordination and monitoring. All partners agree that this has changed in the last 18 months, with new members bringing a fresh impetus to the CPP, including private and third sector representatives and elected members. We found evidence of wider involvement from other partners in strategic and development activities.
56. The 2011 Best Value audit of North Ayrshire Council noted that the council and NHS Ayrshire recognised that they needed to develop a more effective working relationship. These partners are now more positive about their working relationships within the CPP, and we found that NHS representatives are making an active contribution across the CPP groups, for example an NHS representative chairs a group set up to develop robust performance information to support the CPP and its neighbourhood planning project.
57. The North Ayrshire CPP's terms of reference set out clear roles for its groups, and memberships of the CPP core groups are appropriate for the activities for which they are responsible.
58. As we noted previously, the CPP has undertaken a series of reviews and has restructured to improve and develop the SOA, and to streamline its activities. It has put in place the necessary building blocks, in terms of structures, memberships, and processes. The CPP recognises that it must now focus more strongly on delivering outcomes. This is not a new issue and the 2005 Best Value and Community Planning audit noted that the focus of the partnership had been on structures and processes rather than on delivering real changes for citizens.

The CPP is actively considering how it can effectively oversee the local implementation of police, fire, and health and social care reform

59. The Scottish Government and COSLA's review of community planning is clear that CPPs should maintain strategic oversight of how broader aspects of public service reform are being implemented locally. This includes health and social care integration and the local impact of creating single police and fire and rescue services for Scotland. The CPP has discussed the implications of these changes, and its current structures provide a good framework for taking on this important role.
60. CPP partners are already working together on health and social care issues through the CHP. The CHP has begun detailed discussions about integration, including the financial implications of integrating adult health and social care, and the challenges and potential opportunities for joint working. While partners recognise the need for clear reporting lines, they expressed confidence that the CPP will link strongly with revised health and social care arrangements.

61. Forthcoming changes to the structure of police and fire and rescue services will also have implications for the CPP. As described previously, the Strathclyde Police Force Chief Inspector for North Ayrshire is also the Director of Community Safety for North Ayrshire Council, and chairs the Safer North Ayrshire Partnership. In October 2012, the council's Shadow Police and Fire Committee, which the chief inspector attends, considered a discussion paper on how the committee links to the CPP. The committee agreed that the current governance arrangements and links to community planning were fit for purpose; and that they should be reviewed again in six months time.
62. This framework and close partner working provides a good basis for monitoring, discussing and influencing the future relationship between the national police service and the local authority, reflecting the Scottish Government's ambition to establish good local links between area commanders and local authorities. Our audit has found that community safety is one of the areas where the CPP has achieved greatest success in partnership working. Since these successes have often involved the police and fire and rescue services, it will be important that the move to single services does not dilute these partners' contribution or weaken local partnership working.

Managing performance

The CPP has established a performance management framework, but it is not used effectively to challenge under-performance and improve local outcomes

63. Strong, reliable performance management is an essential component of an effective community planning process. The 2003 Act sets out the need for CPPs to monitor progress against agreed outcomes and to use that monitoring to improve local service planning and delivery. The Statement of Ambition places great emphasis on the role of CPPs in monitoring performance over time and ensuring continuous improvement.
64. The CPP has a performance management framework and system in place. Quarterly performance reports are considered at the CPP Board, the SMT and by each of the three strategic partnerships (Economic and Learning Partnership, Safer North Ayrshire Partnership and the Community Health Partnership). The performance reports cover areas that are working well, and areas that need to improve. They include both performance data and narrative commentary.
65. The SMT holds the remit to assign tasks to the strategic partnership delivery groups and to scrutinise how the CPP performs. The CPP Board is accountable overall for implementing the SOA. The SMT includes representatives from the council, NHS, police and the Irvine Bay Regeneration Company. Further representatives may join as appropriate. This is a sufficiently small group to operate effectively, with the potential to act as a management board to challenge progress.
66. Despite the CPP having reporting mechanisms in place, we found that overall scrutiny and challenge was limited. Our review of CPP Board and SMT minutes found that there is only limited challenge of performance or requests for follow-up actions. More challenge takes place within the strategic partnership groups. However, the three strategic partnerships did not routinely consider outcomes, focusing instead on individual initiatives. The CPP Board and the SMT should provide stronger challenge and direction, including allocating actions, to ensure that the CPP is accountable for, and delivering, the SOA priorities.

The CPP does not report clearly on progress against outcomes

67. Reporting of outcomes is not well developed. The SOA identifies outcomes under each of its three priority areas, but the performance indicators and targets that support these do not always capture an appropriate range of information. For example, the „people are more active more often“ outcome is supported with two performance indicators, which are focused on attendance at public pools and at public sports facilities. A significant number of people will pursue active lives in other ways, such as golf, running, and team sports, and none of this activity will be captured. The CPP does capture some of this information through its People’s Panel, but does not draw on it to report on outcomes. The CPP could also draw on the results of healthy living initiatives, such as the „Green Gym“ project, funded through the Fairer Scotland Fund. The CPP will need to balance the number and scope of its indicators with its efforts to streamline its SOA.

68. In other cases, outcomes are supported with several performance indicators, but these do not always give a clear picture of performance. For example, the „North Ayrshire is a more attractive place to do business“ outcome is supported by indicators on new, surviving and failed businesses. But the overall picture of business growth remains unclear, and no links are made with other factors likely to contribute to making it an attractive place to do business, such as available skills or transport links.
69. Some areas within the interim SOA 2011/12 lack clear targets, which will make it difficult for the partnership to challenge progress. This is particularly evident in the area of health where targets were not specified for most indicators. For example, reducing the harmful effects of alcohol misuse is a priority. But, of the three indicators that relate to this, two lack targets, despite previous years' data being available. The CPP should consider how it can improve its target-setting, including using proxy measures where targets are difficult to set.
70. The CPP has acknowledged significant inequalities in outcomes between communities in North Ayrshire. The interim SOA does not yet place a specific focus on this issue. Previous iterations did specify inequalities as an issue, and the Neighbourhood Planning Approach is intended to target resources to address inequalities in outcomes.
71. Partners' plans and performance management arrangements do not explicitly set out how they contribute to the SOA outcomes. The links are clearer between the council's service plans and the SOA than in other partners' arrangements. The CPP's ability to challenge progress would be strengthened if the SOA outcome priorities were incorporated into partners' performance management arrangements.
72. The CPP recognises that it needs to strengthen performance management, particularly around how it delivers outcomes. In March 2012, it established a new group - the Research, Information, Performance and Evaluation (RIPE) Group, chaired by the health board's Assistant Director of Policy and Planning. It supports the work of the CPP through developing and challenging performance information, including local data for the neighbourhood planning approach. The aim is to help the CPP assess local outcomes for specific geographical areas or communities. This is a positive development and is in line with the Statement of Ambition's emphasis on reducing outcome inequalities.
73. The CPP indicated that the Scottish Government has provided limited feedback to the CPP on its SOA annual reports, or its progress in delivering improved local outcomes. The Scottish Government also has representatives, known as location directors, who link with CPPs, and have a role in supporting and challenging them. The CPP indicated that it had received advice and support from its location director on the development of the SOA.

The CPP reports activity and performance publicly but the information provided could be improved

74. The CPP prepares an annual SOA progress report, which is considered by the CPP Board, as well as being submitted to the Scottish Government and published on the CPP's website. The reports clearly set out and describe initiatives and actions. They also provide details of progress on performance indicators and, in the most recent report (2011/12), short and long-

term trend data. However, the reports do not include a clear summary of progress towards each of the SOA outcomes. This makes it difficult for the reader to understand progress against both the outcomes and the overall priorities

75. The CPP's dedicated website allows public access to a range of information, including SOA annual reports, CPP meeting minutes, and contextual information about the CPP. Whilst this is a useful source of information, we found that minutes were often not available for recent meetings and that accompanying papers were not included.

The CPP uses feedback from its citizen's panel to inform its priorities, but needs to develop a more in-depth understanding of local needs

76. The 2003 Act is clear that effective engagement with community bodies is an essential element of community planning. It also makes clear that community engagement should improve the planning and delivery of services, by making them more responsive to communities' needs and aspirations. The statutory guidance stresses the need for communities to be actively involved as partners in community planning and for CPPs to work with communities to respond to local concerns and problems. The Statement of Ambition takes this further still by emphasising the need for CPPs to involve communities in shaping and delivering better outcomes.
77. In North Ayrshire, the People's Panel is the CPP's main means of engaging with communities. This was established in 2000 and comprises 2,000 residents from communities across North Ayrshire. Around half are from regeneration areas. The CPP also conducts focus groups to explore issues in more detail. The panel is used to gauge overall perceptions of issues linked to the SOA, but the CPP recognises that it is not sufficiently representative of local communities.

There are examples of good community engagement practice, and the CPP has established two groups to further develop its engagement with citizens, but these groups have made only limited progress to date

78. The CPP and individual partners have shown some good community engagement practice:
- The CHP's work to develop care services for older people, and to put in place services for health and social care on the islands of Arran and Cumbrae (Exhibit 3).
 - The multi-agency problem solving group, to address local problem issues in communities, is a good example of the CPP leading on community engagement practice.
 - Education Scotland¹² inspections of the council's community learning and development services, intended to help people access training, work or further education, identified many areas of very good or excellent practice. These found that the council and its partners provided a wide range of high quality learning opportunities for a diverse range of community organisations, groups and individual learners.

¹² Education Scotland was formerly known as HMIE.

Exhibit 3

Alternative health care models on Arran and Cumbrae

The development of new health delivery models on the islands of Arran and Cumbrae was led by the one of the CHP subgroups, and undertaken by project groups containing a mix of health board and council staff. The work focussed strongly on engaging with the community, establishing a public reference group. They drew members from representative groups, for example, in Arran, from the Arran Elderly Forum and Arran Community Council; and held public meetings and stakeholder events. In the Cumbrae work, the community had reservations about the new approach and the group decided to take community representatives to see how the approach worked on other islands.

This is also a good example of partners looking beyond their own boundaries to draw on learning elsewhere.

Source: Audit Scotland

79. While the CPP has shown good practice in community engagement in specific areas, this is not yet applied or shared across all of its activities. For example it does not yet have a strategy in place to set out how the CPP will coordinate consultation activity and share good practice. The CPP has recognised this and in 2010 it established two groups to strengthen its practice. One, the community engagement reference group (CERG), develops the partnership's approach to community engagement. The second, the community engagement network group, aims to share good practice and information with partners and community representatives. Both groups draw members from across the community and third sector, and also the council, NHS, police and fire and rescue services.
80. These groups have helped to make communities and the third sector more aware of the CPP's consultation practice. Part of effective engagement is feeding back to the community. Since 2010 the CPP has hosted an annual 'community planning week' to promote community planning activity in various venues through briefings, hosted lunches, and primary school competitions. The council has also provided 'what you said/what we did' feedback in its 'straight talking' face-to-face consultation events which have included aspects relating to the CPP. However, the CPP has not yet put plans in place to show how it will use community engagement and participation in developing and implementing the SOA priorities.
81. The Community Empowerment and Renewal Bill anticipates more participation by citizens. This includes their role in identifying solutions to local problems, and in taking decisions about investing in services or local facilities, or withdrawing from them. Local commissioning strategies should also take into account the role of the community and the third sector.
82. The neighbourhood planning approach aims to tailor services around a clear understanding of local issues. This will require the CPP to involve local communities in identifying local issues and deciding how best to address them. As part of this, it should build on new and

existing channels such as interest groups, community councils, and area committees. The CPP is at the early stages in developing a local approach to involving communities. At the time of the audit, it had agreed to widen the remit of the CERG to develop community engagement and participation as part of neighbourhood planning.

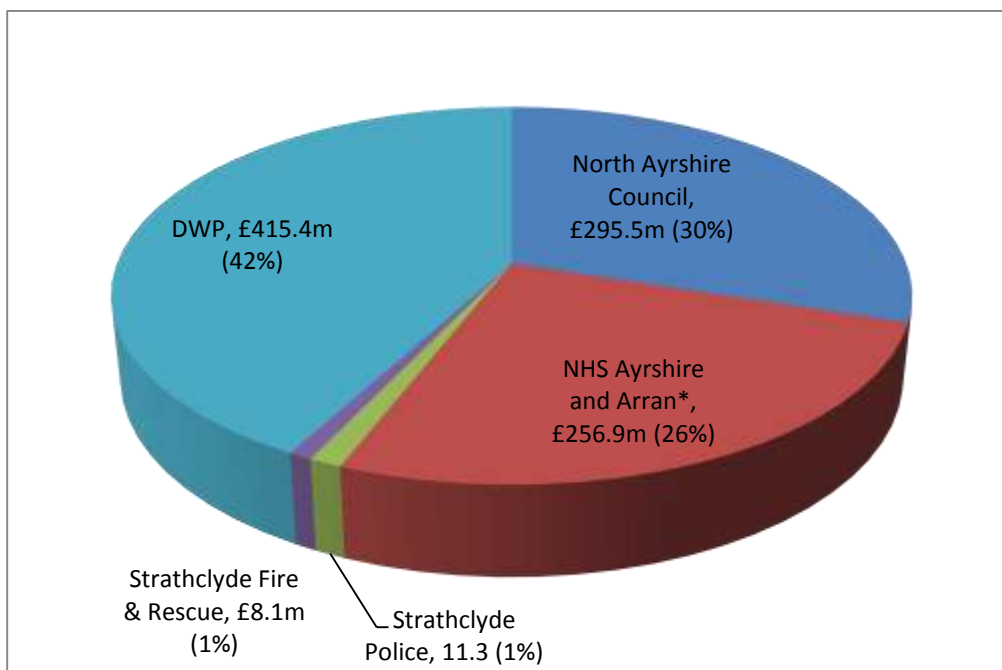
Use of resources

The CPP has not identified the overall resources available to it, or how individual partner resources can be aligned to deliver the agreed SOA outcomes

83. The 2003 Act was clear that effective participation in community planning obliged partners to identify and allocate the resources necessary to achieve agreed outcomes. More recently, the Statement of Ambition expects CPPs to clearly understand partner contributions, and how they will target total resources to deliver agreed priorities. The Scottish Government's response to the Christie Commission report also highlighted the need for public bodies to invest in those responsible for delivering services.
84. The main community planning partners (North Ayrshire Council, NHS Ayrshire and Arran, Strathclyde Police and Strathclyde Fire and Rescue) have a combined annual budget for 2012/13 of over £0.5 billion. The Department for Work and Pensions (DWP) also contributes significantly to public spending in North Ayrshire, through processing benefits claims, including income support, housing benefit, council tax benefit and state pension. Total public spending in North Ayrshire is approaching £1 billion (Exhibit 4).

Exhibit 4

2011/12 public spend in North Ayrshire



**NHS Ayrshire and Arran spend is net operating costs apportioned based on North Ayrshire population.*

Source: Audit Scotland

85. The 2011 Scottish Spending Review and Draft Budget 2012-13 estimates that, between 2011/12 and 2014/15, Scottish Government spending will fall by 5.5 per cent (£1.5 billion) in real terms.¹³
86. North Ayrshire Council has identified a funding gap of around £22 million for 2013/14 to 2015/16. It is currently considering options to address this gap. NHS Ayrshire and Arran also faces challenges, with limited increases in funding, growth in demand (eg prescribing), higher utility costs, and challenging savings targets. To achieve continuing financial balance the board will need to deliver £13.1 million of recurring cost savings in 2012/13.
87. Further pressures are likely to result as the proportion of older people increases in relation to the working population. A high proportion of the working age population in North Ayrshire depend on benefits (21.5 per cent compared to 16.5 per cent nationally). The national reform of welfare benefits could therefore have a significant impact. The CPP Board has considered the broad implications of benefits reform, but has more work to do to assess the associated financial and resource implications.
88. These pressures create a strong impetus for CPP partners to identify opportunities for joint working and resource-sharing and to develop joint strategies for service redesign. In common with other CPPs, the North Ayrshire CPP does not yet have an overview of the resources available to it or those required to deliver its SOA priorities; and there is no evidence of individual partners working together to jointly develop budgets with other CPP partners.
89. As noted previously, while the CPP has developed action plans to support the delivery of its SOA, these do not specify the contribution of individual partners. There is a risk, therefore, that partners sign up for outcomes, without fully understanding the resources they will need to commit. A further gap could result if they do not assess the available capacity in terms of resources and skills, to deliver the SOA outcomes and priorities.
90. The CPP has determined that the allocation of resources is one of the CPP Board's functions. It can only do this effectively if it understands what resources are available and required to implement the SOA priorities. The CPP needs to take full account of all available money and other resources, including third sector funding. It needs to be wary of double-counting; for example many third sector partners are likely to receive funding from public sector partners. In developing its Neighbourhood Planning Approach, the CPP should identify both what individual partners are spending, and through which organisations that spending is channelled. The CPP should then use this information to determine what scope there is for partners to jointly plan resource allocations to deliver its SOA outcomes.

¹³ *Scottish Spending Review 2011 and Draft Budget 2012-13*, (Table 6.02 – Departmental Expenditure Limits, applying the following deflators: 2012/13 = 2.5 per cent; 2013/14 = 2.7 per cent; 2014/15 = 2.7 per cent), Scottish Government, September 2011.

There is evidence of CPP partners planning and aligning resources in response to specific funding incentives

91. The CPP has developed budgeting processes to manage specific government-funded initiatives between partners, and it has joint commissioning strategies between partners for specific client groups, such as older people's services. However, it does not apply this approach systematically, for other CPP activities and initiatives.
92. One example of where CPP partners have worked together to plan and deploy funding is in care for older people. The Scottish Government established its Reshaping Care for Older People Change Fund in 2011, making funding available annually for four years, from 2011/12 to 2014/15. It is intended to improve services for older people through anticipatory care and preventative spend. It will also support projects in end of life training, intermediate care, and helping people with dementia.
93. In each of the first two years, the Scottish Government agreed to provide around £2 million in funding to North Ayrshire. While the funding is allocated to the health board, the CHP and CPP Board have discussed how to use it, and partners can undertake agreed activities, invoicing costs to the health board. Partners can also contribute additional funding towards activities. For example, the council has committed £1.3 million additional funding in 2012/13. This is an example of the CPP being used as a forum for discussing and allocating public money. However, this has been in response to an externally driven programme; the challenge for the CPP is how to use this experience to take forward similar joint resourcing approaches.

There are examples of joint appointments across agencies and some joint training, but the CPP has not yet put in place a staff development strategy across sectors linked to its key improvement objectives

94. The Statement of Ambition highlights the importance of investing in the workforce and developing the employees involved in community planning. Similarly, the Scottish Government's response to the Christie Commission report identifies workforce development as one of its four pillars of public service reform. That document emphasises the important role of front-line staff in delivering services and seeking improvement, and makes a commitment to invest in workforce development across public service organisations. It states that the Scottish Government will look to identify and share good practice from community planning partnerships.
95. The size of the public sector workforce is significant. In March 2012, NHS Ayrshire and Arran employed 8,464 full-time equivalent (FTE) staff, North Ayrshire council employed 5,600 staff, and there are 13,820 members of staff employed by the local police, and fire and rescues services.¹⁴ The scale of resources is even greater when other partners such as the third sector, the private sector and further and higher education are also considered.

¹⁴ These figures currently reflect total numbers for Strathclyde Police and Fire and Rescue. We will incorporate divisional figures for North Ayrshire in the next draft of the report.

96. Delivering improved outcomes in public services requires strong and effective strategic leadership. Managers and front-line staff must also understand the contribution they can make in improving local public services, have the skills needed, and be empowered to make change happen at the local level.
97. We found several examples of joint training taking place between partners, in particular between the NHS and the council's social care staff, reflecting areas of shared interest, such as health and social care integration. These have included standards for engaging with clients and recording case information. The CPP also hosts training courses specifically on partnership working and community planning. These have been well attended by partner and service representatives across North Ayrshire including council services, NHS Ayrshire and Arran, Strathclyde Police, Strathclyde Fire and Rescue, and also the third sector. Work has also been taking place within the CPP Board to raise awareness of the important role that it is expected to play in responding to the increased expectations of community planning set out in the Statement of Ambition.
98. There are also examples of joint posts between public sector partners. These included: a social worker based with the police to deliver joint partner responses; a shared NHS and social care centre; and the joint police/director of community safety post in the council.
99. In view of the scale of workforce and other resources available to partners, these examples of joint working and shared employee development are small-scale. The CPP does not yet have a deliberate and coordinated approach to leadership and workforce development, linked to the CPP's strategic priorities. It has not yet set out how staff across agencies will be provided with the training and development needed to allow them to contribute effectively to local public service improvement.
100. It is important that the CPP, in taking forward its local improvement agenda, develops a coherent and joined-up approach to communicating its key priorities to staff, providing them with appropriate training and development opportunities and creating a climate where staff are able to identify and deliver local service improvements.

Shared asset plans and collaborative procurement are in the early stages of development

101. North Ayrshire Council is developing its corporate asset plans, with an increasing focus on exploring opportunities for sharing assets with partners. The pan-Ayrshire property group involves the three Ayrshire councils and NHS Ayrshire and Arran. The group is analysing how it uses assets across Ayrshire and is piloting an approach to plan its asset use more strategically in the Irvine area. The lead analyst for North Ayrshire's neighbourhood planning approach is taking part in this exercise, providing a link to the CPP.
102. There are examples where CPP partners have worked together to procure goods and services, but such practice is not yet widespread across the partnership. Projects such as Irvine Town Centre regeneration and the new Irvine leisure centre development, undertaken jointly by North Ayrshire Council and Irvine Bay Urban Regeneration Company involved significant collaboration on procurement.

103. Partners have noted that differences in national procurement arrangements for sectors can make it more difficult to realise joint procurement opportunities. For example, NHS Ayrshire and Arran uses NHS National Services Scotland for much of its procurement, whilst the council uses Scotland Excel¹⁵. The CPP also highlighted an example of where the health board had empty accommodation that the council wished to use. Due to differing financial rules, using the accommodation proved to be complicated and the initiative was delayed.
104. The CPP needs to continue to develop how it assesses and makes strategic spending decisions. It needs to explore with the Scottish Government whether any changes in rules and guidance would make it easier to better share resources.

¹⁵ Scotland Excel is responsible for developing and managing collaborative contracts for products across the local government

Working together

There are many examples of joint working which are focused on improving outcomes and delivering better service integration

- 105.** An important emphasis of the Statement of Ambition is for CPPs to strengthen joint working between partners. There is also a role for CPPs to promote and share good practice, for example in local initiatives, preventative services, and pooling resources.
- 106.** We found many examples of good partner working in North Ayrshire, including aspects of preventative practice, and services sharing staffing and facilities:
- The Multi-Agency Problem Solving Group (described below) is working to address local problems such as crime and antisocial behaviour. This involves a wide range of partners, including police, fire, health and council staff.
 - The Multi-Agency Domestic Abuse Response Team (MADART) co-locates partners, where the team undertakes early assessments of all reported incidents of domestic abuse, with the aim of providing a quick, effective and proportionate intervention.
 - Campus police officers, based in schools, work to improve links between the police force and communities through learning, and activities and programmes such as the 'No knives, better lives' campaign.
 - Council and health staff are co-located in a centre providing addiction support services. By working in a shared office, health and social care professionals can work together more effectively on care planning.
 - The early and effective intervention initiative involves a social worker, located in Saltcoats police station, with access to both police and social work information systems, coordinating potential multi-agency responses as part of younger people's services.
 - The CHP facilitator, who organises and supports the management of the CHP, is a member of NHS staff, but is part-funded by the council, and is located in the council's offices.
- 107.** Much of this joint working has been in response to specific funding opportunities, or has occurred through one or two partners identifying opportunities for improvement. While the CPP has not had a lead role in much of this activity, partners felt that the partnership helped to build good working relationships. These allow actions to be taken without the need to seek the approval of CPP groups. For example, the police commander instigated patrols of new business sites, as a result of concerns raised by the regeneration company, through their shared CPP membership. However, given the CPP Board and SMT's roles in coordinating partnership activity, it is important that they are aware of developments and assure themselves that they are supporting agreed priorities. The CPP should also explore how lessons can be learned from successful joint working and be applied to other parts of the partnership's activities.

The CPP is not systematically considering and disseminating the lessons learned from successful initiatives

108. The North Ayrshire CPP has not yet developed a strategic understanding of how joint working and other partnership activity contributes to the SOA outcomes. Doing so would enable it to focus more clearly on meeting any identified gaps in what is currently being provided. As we noted earlier, the CPP has attempted to focus on areas where it can add value. Examples include its decision, following an internal governance review, to focus on economy, health and community safety issues, and to step back from activities where existing arrangements were working effectively without the direct input of the CPP (in the areas of housing and the environment).
109. The CPP Board should ensure that it capitalises on opportunities for joint working. This should include formally evaluating initiatives already underway, to learn lessons and share good practice. Where there are examples of successful joint interventions, such as the Multi-Agency Problem Solving Group, described below, the CPP should identify the success factors and decide how to transfer these to other CPP priority and outcome activities.
110. It is important also that employees at all levels in partner organisations understand how their work contributes to community planning priorities. Partners did not provide any evidence that they actively or systematically promoted and encouraged joint working in their organisation.

The Multi-Agency Problem Solving Group is a strong example of planned, joint-working that has delivered improvements for communities

111. One specific example of joint-working, that involves community engagement, preventative action, and a targeted response from partners to improve local outcomes, is the MAPSG. The police force has a close and constructive working relationship with community safety partners. As noted previously, a senior police officer is also the council's director of community safety, and chairs the Safer North Ayrshire Partnership. He also chairs the MAPSG.
112. The SNAP instigated the MAPSG initiative. This identifies areas for potential joint interventions, based on an analysis of police-related incidents. Partners are then invited to provide a short summary of their views and knowledge about the area and contribute to developing a plan for action. The close working relationship between the police service and its partners, along with the police service's focus on performance and action, provides a strong basis for the MAPSG's work.
113. The action plans are structured on a phased basis, known locally as EPIC (Enforcement, Prevention, Intelligence and Communication). The four phases of the EPIC approach are:
 - Phase 1 - weekend of action
 - Phase 2 - community engagement, an environmental visual audit or „walkabout,“ and enforcement
 - Phase 3 - diversionary activities
 - Phase 4 - lifetime management.

114. The Environmental Visual Audit (EVA) involves partners walking around the area to identify environmental and other factors which may be contributing to problems in the area. Where possible, they do this with community members or representatives. Examples include graffiti, rubbish, damaged properties, overgrown shrubbery and inadequate lighting. The issues the EVA identifies are managed through action plans that the MAPSG keeps under review. A specific example of the MAPSG's approach is in Exhibit 5.

Exhibit 5

Example of Multi-Agency Problem Solving Group activity

This joint intervention took place in the Pennyburn area of Kilwinning in 2011. Following an intensive first week of enforcement activity by the police, an environmental visual audit, or walkabout, involving police and council representatives, identified environmental issues including vandalism, fly tipping, dog fouling and poor lighting. This resulted in a local plan for action, including removing graffiti and litter, and improving street lighting and children's play equipment. A mobile youth centre and a portable soccer stadium were also located in the area at weekends during the six weeks of the intervention.

As part of the plan, Youth Justice Team members targeted youths persistently involved in antisocial behaviour, and prepared long-term intervention and diversionary plans for these individuals. Youth workers were also on hand to encourage young people to participate in local activities. The parents of young people under the influence of alcohol were contacted, and referrals made to the North Ayrshire Youth Alcohol Scheme.

In an evaluation report, the local community representative is quoted:

"The action plan at the beginning of the year certainly raised the profile of the multi agencies who were involved. The quick hit approach served as a deterrent and went a long way to allowing Pennyburn residents to enjoy a relatively trouble free summer break for the first time in many years. The Environmental Audit proved to be more than just talk and resulted in noticeable improvements throughout the estate and its surrounding area. The follow up in September was very welcome; the six month gap was in my opinion just the right timescale and reminded everyone that the partnership approach was not going away."

The evaluation report also noted that:

"Local residents...are reporting a noticeable difference in the attitude of people who have been causing mayhem in the past. Local people are also more willing to speak to police officers, councillors, wardens and housing officers..."

Source: Audit Scotland/North Ayrshire Community Planning Partnership

115. The final phase of the multi-agency intervention involves lifetime management of the intervention. This involves the Group continuing to monitor incident rates in the areas visited, and directing further interventions, as necessary.
116. At the time of our audit, the MAPSG had performed seven of these interventions. The CPP had not attempted to cost the individual interventions, indicating simply that they were met from existing resources. The CPP did indicate that the local authority supports the MAPSG through funding five police officers, currently at a cost of around £163,000.
117. The intensive activity associated with these interventions can have an immediate and noticeable impact within a community. Sustaining this will require continued funding and commitment from partners and community representatives. This poses questions about sustainability, particularly given the high initial investment required – this tension reflects the challenges of moving to a preventative approach.
118. The CPP is aware that MAPSG interventions can result in further potential savings and benefits, but these are difficult to quantify. For example, it has noted that its actions in 2010/11 resulted in 60 fewer victims of serious violent crime. In turn, this could have a follow-on impact in areas such as:
- accident and emergency admissions to hospitals and follow-on appointments
 - demand for victim support and other social service services
 - criminal injury claims.
119. The CPP should continue to evaluate the programme to assess whether this preventative practice can be sustained and remain effective in the longer term. It should consider how the approach can be applied more widely, or the success factors transferred to other areas of activity, such as health.

The CPP has developed prevention and early intervention approaches, but these are in their early stages

120. The CPP has emphasised intervention and prevention as part of its interim SOA. Partners were clear that this was a significant element of the CPP's work. The SOA also includes outcomes and indicators relating to children and young people, focusing in particular on children who have been identified as vulnerable.
121. Evidence of early intervention and prevention is most apparent in the CHP. The CHP has a specific subgroup with responsibility for Integrated Children's Services. The CHP minutes recorded regular discussion of early years prevention and intervention, including the development of an Early Years Prevention and Early Intervention Action Plan for 2012-15, the main elements of which are:
- Parenting programmes
 - Early Years Centres
 - Family Support Service
 - Multi-Agency Domestic Abuse Response Team (MADART)

- Permanent Care for Children
- Family Nurse Partnership
- Asset Based Community Development (ABCD) Project.

122. Most of the initiatives described above were in the early stages of development or implementation at the time of our audit. While some projects were more advanced than others, there was not yet any robust evidence of how these activities were contributing to the SOA outcomes. The council committed additional funding to the broader early intervention and prevention programme for 2012/13 and plans to do so again in 2013/14.

123. Validated self-assessment exercises involving Education Scotland and the council's education and skills services were undertaken in late 2012. These were relevant to the SOA outcome to support the positive development of vulnerable young children. The assessments were very positive and found that partners' early years services had an effective focus on prevention, including joint working with NHS, social services and education and skills, along with a shared nurturing vision to support children and families.

Impact and outcomes

The CPP reports improved performance in some areas, such as skills development and aspects of community safety, but it is not able to provide a clear assessment of progress towards its SOA outcomes, and significant gaps remain between the least and most deprived areas in North Ayrshire

125. As we explained earlier, North Ayrshire CPP's annual performance reports do not clearly report performance against outcomes. Rather, the reports focus on individual indicators. The CPP notes progress in some areas, but other areas are not clearly defined or reported against, or current data is not available. As a result, it is difficult to judge clearly the CPP's progress towards its SOA outcomes.
126. The Statement of Ambition emphasises the role of CPPs in reducing the outcome gaps between the most and least deprived communities. Across Scotland, there is a marked disparity between the least and most deprived areas. The North Ayrshire CPP recognises the disparities in outcomes and levels of deprivation between areas within North Ayrshire.
127. The outcome gap in North Ayrshire has not changed significantly in the last ten years, particularly for health and the economy (Exhibit 6). The education indicators show a more positive position, with three of the five selected indicators showing a narrowing of the outcome gap. North Ayrshire broadly reflects the national picture but is lagging behind Scotland as a whole in areas such as benefits dependency and the care of infants. Only one area, women's life expectancy, is stable compared to a widening gap nationally (although it is amongst the worst in Scotland).
128. The CPP recognises that the causes of negative outcomes are often complex and inter-related. The SOA states, for example, that health inequality is strongly linked to income, employment and early experiences for children. However, it is not clear how the CPP makes these links across its activities in practice. The SMT is a good forum to make connections between the three strategic partnership groups, but to date it has focused more on individual initiatives, rather than planning joint interventions across the groups.

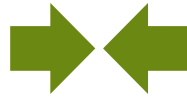
Exhibit 6

The gap between the most and least deprived areas - outcome trends over the ten year period around 2002 to 2011

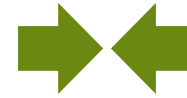
Economy and Education

- S5 – average tariff scores
- % of school leavers in sustained positive destinations

Scotland



North Ayrshire



- S4 – average tariff scores
- % of working age people claiming key benefits



- S6 – average tariff scores



Health

- Hospital admissions for coronary heart disease – rate per 100,000
- Low weight live singleton births as % of all live singleton births*
- % of children exclusively breastfed at the 6-8 week review
- Smoking in pregnancy - % of woman smoking at booking

Scotland



North Ayrshire



- Female Life Expectancy



- Male life expectancy
- Emergency hospital admission: rate per 100,000
- Emergency hospital admission, 65yrs and over: rate per 100,000



* very slightly reducing for Scotland



Based on data covering the last 10 years to compare the average outcome results for the 20 per cent most and least deprived data zones.

Source: Audit Scotland

129. The following sections provide an overview of progress against the three partnership priorities for the economy, health and community safety. These are based both on the CPP's own reporting of performance indicators and progress, and on nationally available performance information.

'A working North Ayrshire'

The CPP reports broadly positive progress against its SOA indicators, though business growth and employment are significantly adrift of target

130. The „A working North Ayrshire“ SOA priority sets out the CPP's vision for the economy. This draws on the CPP's economic profile for North Ayrshire, recognising its position of „acute disadvantage“ compared to Scotland as a whole. The 2012-13 interim SOA sets out the CPP's economic outcomes as follows:
- More people are in work or training.
 - North Ayrshire is a more attractive place to do business.
 - Fewer people are living in poverty.
 - Levels of educational attainment and achievement have improved.
 - North Ayrshire has more of an enterprise culture.
 - Community capacity has improved.
 - More young people are leaving schools for positive destinations.
 - Transport links to and from North Ayrshire have improved.
 - North Ayrshire is a more attractive tourist destination.
131. In 2011-12 the CPP reported positive progress with most of its indicators. Twenty-one (60 per cent) of its 35 indicators met target, and nine indicators (26 per cent) were slightly adrift of target. Two important areas were significantly adrift of target: the percentage of the working age population in employment; and the number of businesses per working age population. Three indicators do not have associated targets.
132. Irvine Bay Regeneration Company was established in October 2006. It was set up by key funding partners, North Ayrshire Council, Scottish Enterprise and the Scottish Government, working with the private sector. It also receives funding from other public sector bodies, and attracts additional investments from private sector companies. It focuses on physically regenerating the Irvine Bay area, including Irvine, Kilwinning, Ardrossan, Saltcoats and Stevenston.
133. North Ayrshire's economic partners have reported good progress with employment skills training. Progress in business growth, including inward investment and promoting a culture of enterprise, is less apparent. The following points highlight areas of progress on the „working North Ayrshire“ priority, and include further national performance information where relevant:
- There has been an improving trend of employment skills clients moving into work, education or training, rising from 553 in 2008/09 to 1,169 in 2011/12. Exhibit 7 provides details of one such scheme.
 - Educational attainment is an important aspect of employability, and the CPP monitors this as part of its „working North Ayrshire“ priority. North Ayrshire is, and has historically been, below the Scottish average, but 2011 figures show a continuing upward trend. Attainment at SCQF level 3, which is equivalent to Access 3 or

Standard Grade at foundation level, was above national and comparator averages in 2011. Education Scotland school inspections also indicate strong practice at early years and primary stages. The percentage of pupils going on to higher and further education is higher than relevant comparator authorities, but in line with the national average, at 36 per cent for 2011.

- The percentage of school leavers moving into employment, education or training has increased from 85 per cent in 2009 to 90 per cent in 2011, which is in line with the Scottish average. In North Ayrshire a larger proportion of these move into higher or further education (69 per cent compared to 63 per cent nationally); and fewer into employment (20 per cent compared to 16 per cent nationally). Education Scotland has identified good practice from the council and its partners in helping vulnerable youths into educational and employment.
- Economic partners, including the council, Scottish Enterprise, and the Irvine Bay Regeneration Company, have successfully lobbied for Enterprise Area status for areas within North Ayrshire. This will provide incentives for life science related business, and will allow tax incentives through capital allowances to all businesses. Partners are also investigating sources of funding to tackle deprivation in the Irvine Bay area, and have secured almost £1 million pounds of employability funding.
- Business Gateway has maintained its support for business start-ups. It has supported approximately 278 new businesses each year. Historically, North Ayrshire has lagged behind the rest of Scotland, and indeed the other Ayrshire council areas, in business growth, of which VAT/PAYE registrations is an indicator, Exhibit 8.

Exhibit 7

The North Ayrshire Youth Employment Support programme

The CPP established the North Ayrshire Youth Employment Support programme (YES) in October 2011. This was in response to increasing youth unemployment and feedback from employers that previous programmes to encourage employers to recruit from the unemployment market were not working.

The scheme is funded by the council and combines pre-employment training with a subsidised job opportunity. In addition to providing opportunities for unemployed young people (aged 16-24) the initiative is designed to support business growth for local employers.

The programme is delivered by the council's economic development service, Jobcentre Plus, Skills Development Scotland and third sector employability providers and consists of the following:

- (i) The pre-employment Support and Training Results in Valuable Employees (STRIVE) programme ensures clients have the core skills to make the transition into work. This simulates a workplace and focuses on skills such as communication, teamwork and following instructions.
- (ii) Pre-vocational support, as defined by employers, ensures clients have the right jobs skills before starting employment. Examples are food hygiene qualifications, first aid training, and a construction skills certificate scheme. Up to £350 per person is available to support this training.
- (iii) Six months of supported employment covering 75% of wage costs, based on the rate for the job up to £7.11 per hour. The contract of employment is with the employer and the young person is treated as a full member of staff.

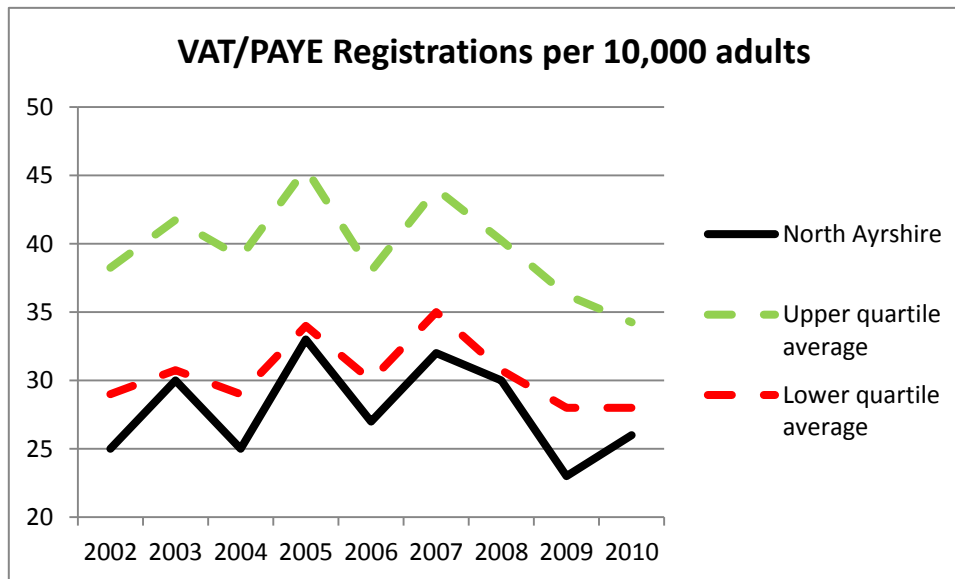
The programme has shown success in its first year of operation in ensuring previously unemployed young people are moving into work. The scheme currently involves 57 employers. Partners attribute its success to the good working relationships between the organisations providing the support.

Beneficiaries on to STRIVE programme:	177
Completing STRIVE programme:	156 (88%)
Beneficiaries into work placements:	128 (72%)

To date 25 have completed their placements, and of these 20 found positive outcomes through work or apprenticeships.

Source: North Ayrshire Council and Audit Scotland

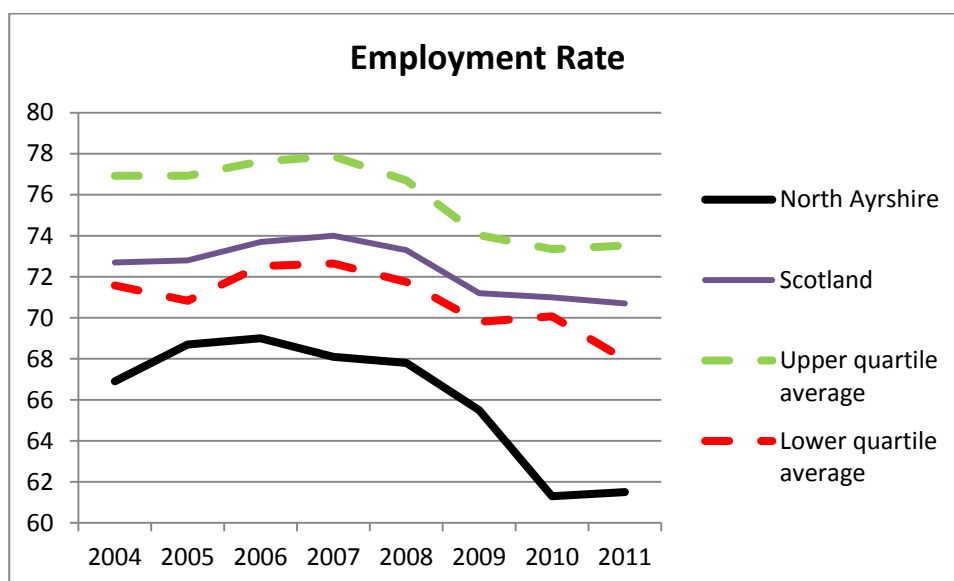
Exhibit 8



Source: Scottish Neighbourhood Statistics/Audit Scotland

- The Irvine Bay Regeneration Company undertakes a range of environmental improvements and business infrastructure development. It has undertaken a range of projects in Irvine, Kilwinning, Ardrossan, Stevenston, and Saltcoats including marina and business site development. Following improvements to Kilwinning High Street, new types of retailers have moved into the area. Funding has been secured from the Scottish Government for the A737 bypass to improve access to North Ayrshire.
 - Tourism visitor numbers fell in 2011/12, but visitor spending increased. The Ayrshire Economic Partnership has developed an Ayrshire-wide tourism strategy to develop tourism and help businesses to grow.
134. Despite the partnership's efforts, the overall economic situation in North Ayrshire has continued to decline and is worsening in comparison to neighbouring local authority areas. Our own assessment shows that North Ayrshire performs relatively poorly across many economic indicators, and is often in the worst performing quartile of council areas. Indicators include the employment rate, job density and the numbers of VAT registrations. The number of new businesses per working age population has declined in North Ayrshire, and at 36.5 per 10,000 in 2011/12, is well below the national average of 44. Areas of slightly better performance include business survival rates, median earnings and the dependency ratio: the ratio of people of working age who are not in work, to those in work. Exhibit 9 illustrates the declining employment rate in North Ayrshire. Employment skills training and jobs growth therefore remain significant challenges.

Exhibit 9



Source: Scottish Neighbourhood Statistics/Audit Scotland

The CPP has involved the private sector more directly, but needs to increase efforts to deliver improvements

135. The Economy and Learning Partnership (ELP) has been the main CPP body responsible for the „working North Ayrshire“ priority since the SOA began in 2009. The ELP was primarily a council-led body but included a range of economic partners. The CPP recognised that while the ELP had made good progress with employment skills, it did not focus strongly on wider economic growth.
136. In response to this, the CPP created a new body, the Economic Development and Regeneration Board (EDRB), and, in September 2012, it formally incorporated this into the CPP structure to take forward its 2010-20 strategy for economic growth. The EDRB has brought greater business focus and representation to the CPP’s economic activity. It is chaired by a representative from the University of Glasgow with expertise in economic development, and includes Scottish Enterprise, Skills Development Scotland and the Department for Work and Pensions, as well as elected members, college and private sector representatives. The EDRB is taking forward specific strands of review work on business start-ups, inward investment and growth, and place marketing, each led by a private sector representative.
137. The CPP has taken positive steps to re-focus its activities and the EDRB provides a good basis for achieving stronger business growth. However, it is still deciding its strategic approach. In view of the worsening economic situation, it is important that the ERDB and CPP quickly agree a plan of action.
138. The CPP should ensure that it develops appropriate links at a regional, national and international level as part of its plan to promote the area and optimise growth. For example the respective roles of the EDRB and the Ayrshire Economic Partnership (AEP) are not yet clear. The AEP was created by the three Ayrshire local authorities, Scottish Enterprise, and

Ayrshire Chamber of Commerce & Industry in 2008/09. Its aim is to benefit Ayrshire's economic development in areas such as tourism and renewables.

139. It is important that the partnership increases its pace of change and scrutinises progress over the EDRB's emerging plans for business growth. This is particularly important if it is to deliver its ambitious targets to close the gap between North Ayrshire's economy and that of Scotland as a whole.

'A healthy North Ayrshire'

The CPP has not yet developed effective performance indicators for health, making it difficult to measure progress against its healthy outcomes

140. The healthy outcomes in the 2012/13 interim SOA are:
- Health inequalities have reduced.
 - Health and well-being throughout life have improved.
 - Opportunities to support the positive development of vulnerable young children have increased.
 - The harmful effects of alcohol and drug misuse are reduced.
 - More vulnerable people are supported within their own communities.
 - People are more active more often.
 - More children and young people live in a safe and supportive environment.
141. Many of these outcomes are quite broad in nature, and could be open to quite wide interpretation. Additionally, the SOA sets targets for only nine of the 25 „healthy“ indicators which support the outcomes. As a result, it is very difficult to gain a real sense of what progress is being made towards the achievement of the outcomes.
142. The SOA progress report for 2011/12 notes that the target was met for only five of the nine with targets. These are in the areas of:
- perceptions of health, outside regeneration areas
 - mental health wellbeing scores
 - aspects of child protection
 - attendance at pools
 - attendance at leisure facilities.

Areas significantly adrift of target were:

- perceptions of health within regeneration areas
- numbers assessed for alcohol and drugs misuse, which the CPP attributes to a change in classification and the initial impact relocating a treatment centre
- numbers of substance misusers accessing treatment, which the CPP attributes to normal fluctuation and a review of cases.

143. Mental health and well-being for people in regeneration areas was slightly adrift of target.

Health outcomes for the people of North Ayrshire remain poor, in both comparative and absolute terms

144. The CHP is the CPP strategic group with primary responsibility for the SOA health outcomes. It has established two subgroups with a specific focus on distinct groups who use services. These subgroups are the Officer Locality Group for Adult Services and the Officer Locality Group for Integrated Children's Services. A third subgroup, the Alcohol and Drugs Partnership, focuses on one of the CPP's health outcomes. These subgroups have lead responsibility for taking forward aspects of the health priority, and reporting progress to the CHP. At August 2012, the CHP was also monitoring four distinct strategies and action plans:

- Early Years Prevention and Early Intervention Action Plan 2012/15.
- Parenting and Family Support Strategy and Action Plan 2010/15.
- Integrated Children's Services Plan and Action Plan 2010/15.
- NHS Ayrshire and Arran Maternity Strategy 2010/15.

145. Our report on *Health inequalities in Scotland* highlighted the lead role that CPPs have in bringing together all relevant local organisations to address health inequalities. The report concludes that current performance measures do not provide a clear picture of progress and that CPPs' reports on delivering their SOAs are weak in the quality and range of evidence used to track progress in reducing health inequalities. It highlights that differences among SOAs make it hard to identify a Scotland-wide picture. The report recommends that CPPs ensure partners have a shared understanding of health inequalities, their respective roles and the shared resources available, and that they involve local communities in initiatives to tackle health inequalities.

146. In North Ayrshire, the SOA indicators include a limited number of health and well-being measures from regeneration areas. However, the progress reports do not indicate the extent to which the gap between these areas and less deprived areas is narrowing.

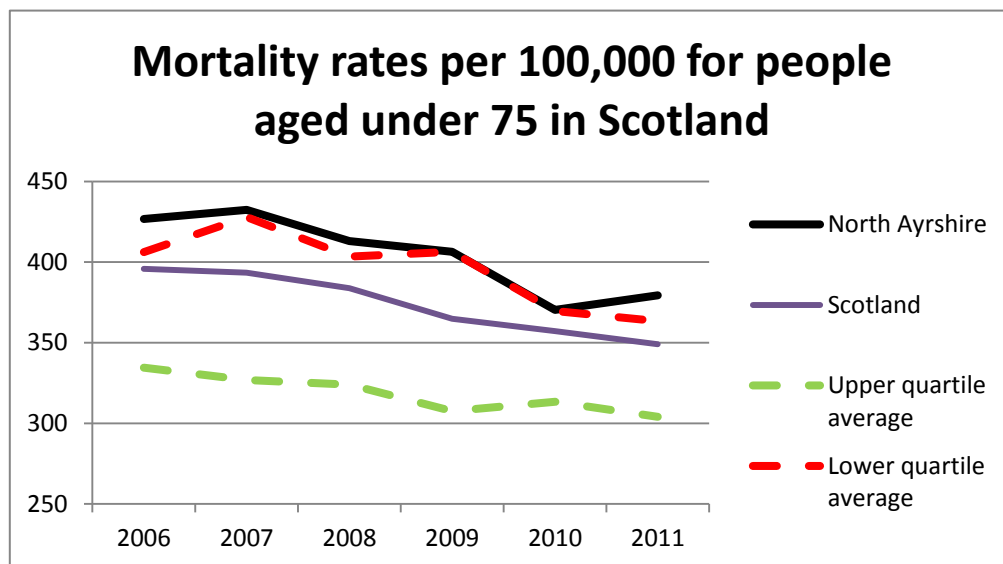
147. The SOA emphasises challenges in reducing health inequalities, including the 15 year gap in life expectancy between men living in the least and most deprived areas of North Ayrshire; it also notes challenges in health and well-being due to alcohol and drugs misuse, smoking, obesity and promoting good mental health. The SOA states an ambition to improve life chances through an early intervention and prevention programme, including parenting programmes, family nurse partnerships and family support.

148. The CPP reports a range of initiatives that are underway to help achieve these aims. But, it does not report the impact of these on the outcome priorities. Our own analysis of publicly available data indicates that, overall, North Ayrshire's health outcomes compare poorly with the worst performing quartile in Scotland. North Ayrshire also has poorer outcomes than both East and South Ayrshire in alcohol abuse and childhood obesity. Trends in specific areas are as follows:

- Life expectancy for men and women is lower than the national average - both are ranked as 25th in Scotland. The most recent information available suggests that for

men, life expectancy is 75 (compared to a Scottish average of 75.8) while for women, it is 79.5 (compared to 80.4 nationally) There is a significant local variation. The mortality rate for people aged 75 and under declined steadily between 2006 and 2010, Exhibit 10.

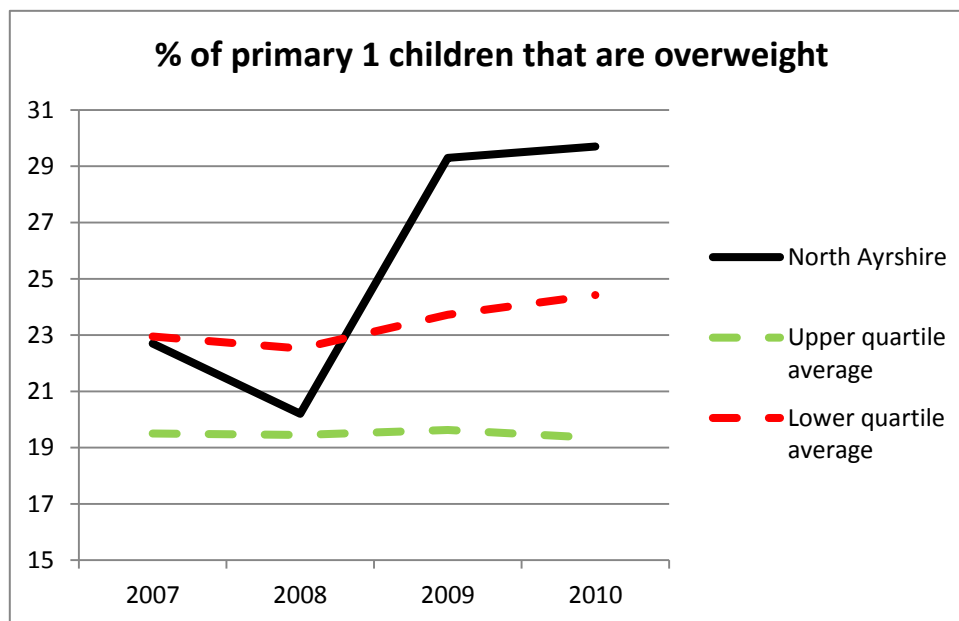
Exhibit 10



Source: *Scottish Neighbourhood Statistics/Audit Scotland*

- Alcohol-related hospital admissions are consistently poorer than the worst performing quartile in Scotland and, overall, performance worsened between 2005 and 2010. The number per population of patients admitted to hospital with drug related conditions is significantly higher than the Scottish average.
- The number of smokers is significantly higher than the average for Scotland. Smoking rates overall remained the same between 2003 and 2009, at approximately 24 per cent. Rates are similar to those of South Ayrshire, and better than East Ayrshire.
- The percentage of overweight Primary 1 children is significantly worse than the Scottish average and the other Ayrshire council areas, Exhibit 11.
- The CPP's 2012 SOA report notes that mental health and well-being scores are improving in non-regeneration areas, but declining within regeneration areas.

Exhibit 11



Source: Scottish Neighbourhood Statistics/Audit Scotland

'A safer North Ayrshire'

The CPP reports good progress for most indicators under its 'safer North Ayrshire' priority

149. The „safer North Ayrshire“ outcomes in the 2012/13 interim SOA are as follows:
- Levels of crime and antisocial behaviour have reduced and crimes being detected have increased.
 - Fear of crime and antisocial behaviour has reduced.
 - The harmful effects of alcohol and drug misuse are reduced.
 - Road safety has improved.
 - Fire safety has improved.
150. As we noted previously, the Safer North Ayrshire Partnership plays a lead role in advancing this priority and associated outcomes. This includes considering quarterly performance reports on the indicators and actions in the SOA.
151. The SOA notes particular challenges in the levels of violent crimes, which remain higher than the Scottish average, domestic abuse, and disparities in the crime rates. These are nine times higher in the most deprived compared to the least deprived areas.
152. Of the 20 indicators under the 'safer North Ayrshire' priority in the 2009-2012 SOA, 15 have associated targets. The SOA 2011/12 progress report indicated that targets are being met for 13 of these. This includes perceptions of neighbourhood safety, levels of violent crime, detections for drug supply, antisocial behaviour complaints, and reduced roads and fire casualties. One target – common assault offences – was slightly adrift. The remaining

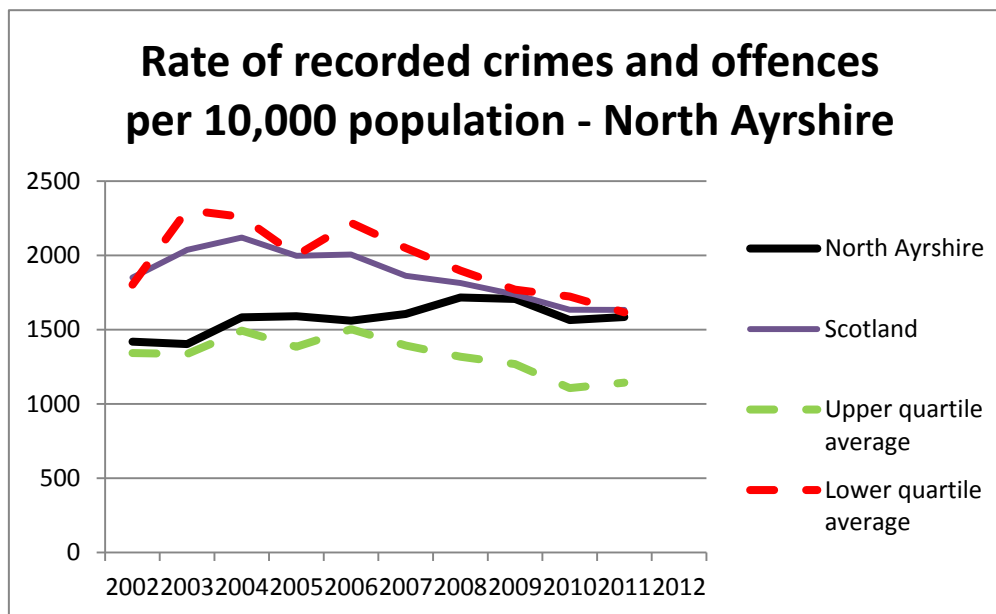
indicator, for publicly reported incidents of youth disorder, was classified as significantly adrift. This indicator had seen a significant improvement over the preceding three years, from 453 (per 10,000 population) in 2007/08, to 122 in 2010/11; the figure for 2011/12 was 134. The partnership stated that this under-performance had led to its multi-agency problem-solving group response, as described earlier in this report, and that there had been an improvement in performance in this area since the last annual report.

Our own analysis of available statistics suggests mixed performance on wider indicators

153. While the partnership reports that it is meeting most of its own targets, our assessment of data shows a more mixed picture when compared to Scotland as a whole:

- Recorded crime has moved towards the worst performing quartile in Scotland, Exhibit 12. Domestic housebreaking rates have been generally worse than the worst performing quartile in Scotland since 2008 (and are worse than in East and South Ayrshire). Drunkenness offences more than halved between 2002 and 2011, although rates are higher than in East or South Ayrshire.

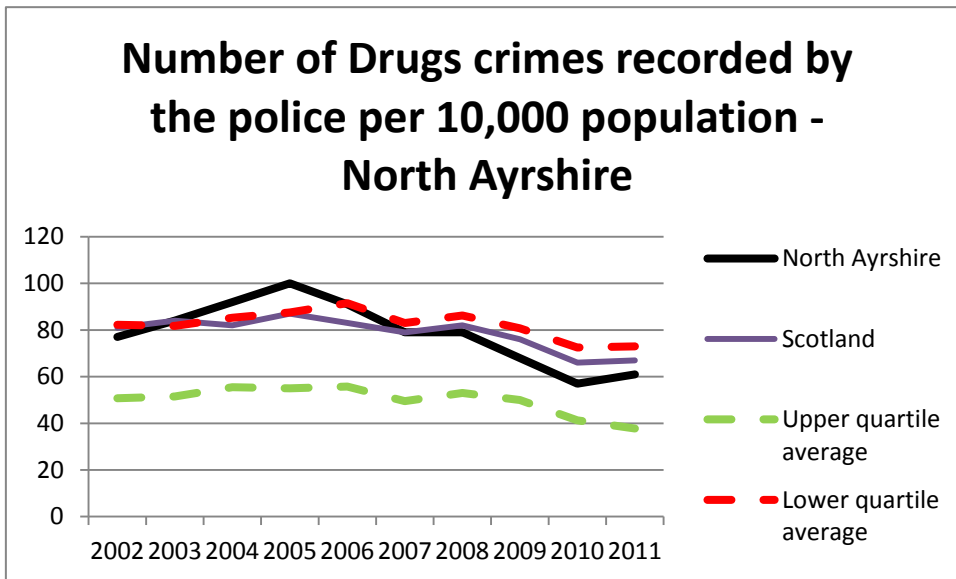
Exhibit 12



Source: Scottish Neighbourhood Statistics/Audit Scotland

- Drug crimes have decreased since a peak in 2005, at a faster rate than the Scottish average, but have increased slightly since 2010, Exhibit 13.

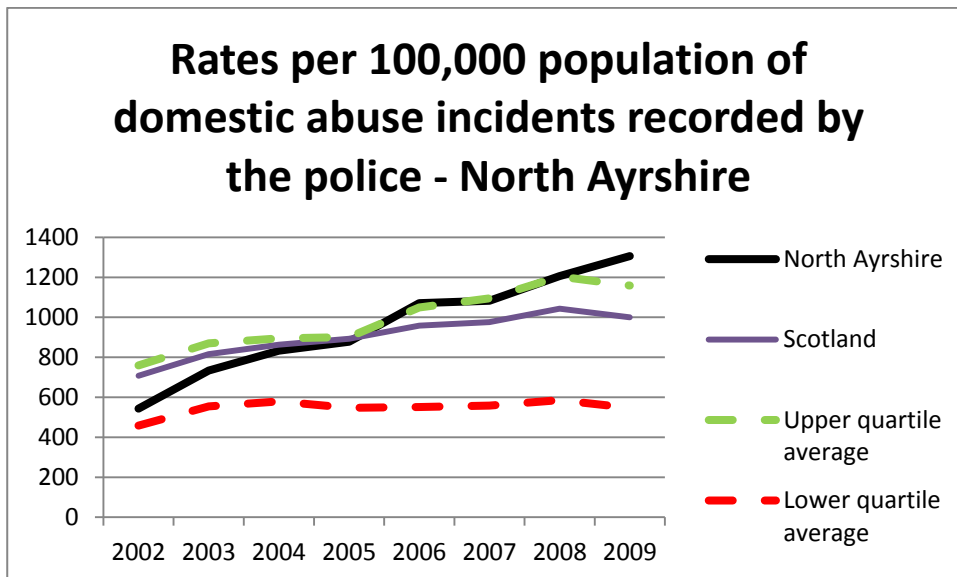
Exhibit 13



Source: Scottish Neighbourhood Statistics/Audit Scotland

- Reported incidents of domestic abuse have increased steadily since 2002. The CPP suggests that this indicates increased confidence in reporting this crime, Exhibit 14.

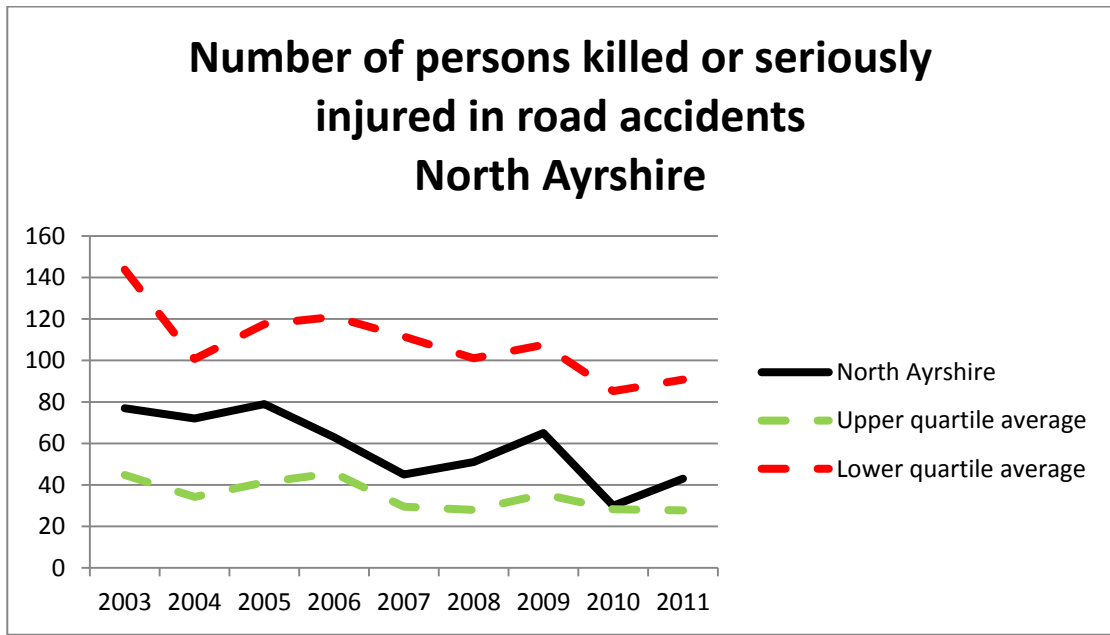
Exhibit 14



Source: Scottish Neighbourhood Statistics/Audit Scotland

- Road accidents, measured in terms of deaths and serious injuries, are relatively low; they are near or around the top performing quartile in Scotland, as Exhibit 15 shows. Incidents of fire and fire-related casualties and deaths have reduced significantly since 2006/07.

Exhibit 15



Source: Scottish Neighbourhood Statistics/Audit Scotland

Improvement agenda

154. Continuous improvement in public services and strong local leadership and governance are central elements of the joint Scottish Government/COSLA Statement of Ambition for community planning. That document and the Scottish Government's priorities for public service reform, developed in response to the Christie Commission report, share common themes:
- A decisive shift towards prevention.
 - Greater integration of public services at local level, driven by better partnership, greater collaboration and effective local delivery.
 - Greater investment in the people who deliver services through enhanced workforce development and effective leadership.
 - A sharp focus on improving performance.
155. This is a stretching and demanding agenda. Public sector leaders will need to provide strong and sustained leadership to deliver the ambitious step change in performance required to respond to:
- the financial pressures facing public services
 - rising demand due to demographic change and public expectations
 - deep-rooted social problems that affect many parts of Scotland.
156. North Ayrshire CPP is self-aware, having subjected itself to both internal and external review. Partners are committed to improvement, and the CPP has set itself a demanding improvement agenda. The CPP has the fundamental structures and processes in place, but must now take this further, to build on existing good practice and demonstrate clearly how it is improving outcomes for its communities.
157. The audit has identified a number of areas where the CPP can improve. These are set out below. We will discuss these with the CPP Board, and will monitor its progress in taking them forward.

Strategic direction

- **The CPP should improve the outcomes used to measure progress against its healthy priority, and set targets for the associated indicators.**
- **The CPP Board should provide strong direction over the transition to single police and fire services for Scotland, and the arrangements for the integration of health and social care.**

Governance and accountability

- **To improve the CPP's focus on delivery and accountability, it should set out clear actions to support each SOA outcome, specifying the lead partner(s), the respective resource inputs, and the indicators to be used to measure progress.**

- To strengthen ownership and accountability, each partner should reference their SOA responsibilities within their own strategic plans, including how they will contribute to SOA outcomes.

Performance management and use of resources

- The CPP should use the work of its strategic groups and its RIPE Group to inform its consideration of performance reports. CPP performance reports should include an overall indication of progress towards each SOA outcome.
- The CPP Board, SMT and strategic groups should challenge under-performance and specify the actions required to deliver improvement.
- The CPP should build on existing good community engagement practice, to gain a better understanding of local issues. It should increase community involvement and participation in determining and delivering the SOA outcomes.
- The CPP should clarify the role, contribution, and impact expected of its two community engagement groups, including their contribution to neighbourhood planning.
- The CPP should identify the total resources available to all partners; and determine how resources can be targeted and aligned towards agreed SOA outcomes. The CPP's Neighbourhood Planning Approach should provide a good basis for doing this.

Impact and outcomes

- The CPP should identify the success factors in joint-working initiatives, such as the Multi-Agency Problem Solving Group, and, where appropriate, apply these to wider CPP activities.
- CPP partners should encourage their employees to identify joint-working opportunities, with a particular focus on improving outcomes for service users and the wider community.
- The Neighbourhood Planning Approach is a positive and ambitious development. The CPP Board should review progress at each meeting, and all partners should contribute to its development and implementation.
- The CPP should determine how it can overcome problems and/or build upon the success of its approaches to early intervention and prevention.
- The CPP should increase the pace of change in its economy activities, and develop and implement its plans for business growth in a worsening economic climate. This should include working with regional and national partners / programmes.

Community Planning in Scottish Borders Partnership Audit Report

A report by Audit Scotland prepared for the Accounts Commission and Auditor General

 **AUDIT SCOTLAND**

February 2013

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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The audit of community planning

Background

1. Community planning is the process by which councils and other public bodies work together, with local communities, the business and voluntary sectors, to plan and deliver better services and improve the lives of people who live in Scotland.
2. Community planning was given a statutory basis by the Local Government in Scotland Act 2003 (the Act). Under the Act:
 - Councils have a duty to initiate, facilitate and maintain community planning.
 - NHS boards, the police, the fire and rescue services, and the enterprise agencies (Scottish Enterprise and Highlands and Islands Enterprise) have a duty to participate in community planning. This duty was later extended to Regional Transport Partnerships.¹
 - Community Planning Partnerships (CPPs) are required to engage with communities, report on progress, and publish information on how they have implemented their duties and how outcomes have improved as a result.²
 - Scottish ministers, through the Scottish Government and its agencies, have a duty to promote and encourage community planning.
 - They can invite other bodies such as colleges, higher education institutions, business groups, voluntary organisations and community groups to take part in community planning, although these are not statutory partners.
3. All councils have established a CPP to lead and manage community planning in their area. CPPs are not statutory committees of a council, or public bodies in their own right. They do not directly employ staff or deliver public services. Under Section 19 of the Act, it is possible for the CPP to establish the partnership as a legally distinct corporate body. Some CPPs have considered this option but, to date, none has taken it forward.
4. The structure of CPPs and the areas they cover vary considerably, depending on the size and geography of the council area, socio-demographic factors, the local economy and local political priorities.

¹ Transport (Scotland) Act 2005

² The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

The Christie Commission and the Scottish Government and COSLA review of community planning

5. Between 2011/12 and 2014/15, the Scottish Government's spending will fall by 5.5 per cent (£1.5 billion) in real terms.³ Reductions of this scale are a significant challenge for the Scottish public sector. The Christie Commission report on the future of public services highlighted the need for a new, more radical, collaborative culture throughout Scotland's public service. It called for a much stronger emphasis on tackling the deep-rooted, persistent social problems in communities across the country to enable public bodies to respond effectively to these financial challenges.⁴
6. The Scottish Government's response to the Christie Commission included a commitment to review community planning. That review led to the publication of a Statement of Ambition for community planning which stated that effective community planning arrangements will be at the core of public service reform. Community Planning Partnerships will drive the pace of service integration, increase the focus on prevention and continuously improve public service delivery to achieve better outcomes for communities⁵. The Statement of Ambition also emphasises the need for all partners to have collective accountability for delivering services. This includes being accountable for their own contribution to local planning.

Previous audits of community planning and partnership working

7. Audit Scotland's national report *Community planning: an initial review*, 2006, found that there had been some progress with community planning, but that important issues needed to be dealt with:
 - The complexity of community planning structures and different accountabilities could be a barrier to effective working.
 - Performance management and monitoring processes were not well developed.
 - Community engagement could be more sustained and systematic.
 - CPPs should be clearer about the resources required to achieve their outcomes.⁶
8. Audit Scotland's 2011 national report, *The role of community planning partnerships in economic development* found that:

³ *Scottish Spending Review 2011 and Draft Budget 2012-13*, (Table 6.02 – Departmental Expenditure Limits, applying the following deflators: 2012/13 = 2.5 per cent; 2013/14 = 2.7 per cent; 2014/15 = 2.7 per cent), Scottish Government, September 2011.

⁴ *The Commission on the Future Delivery of Public Services*, Christie Commission, June 2011.

⁵ *Review of Community Planning and Single Outcome Agreements: Statement of Ambition*, Scottish Government/Convention of Scottish Local Authorities, March 2012.

⁶ *Community Planning: an initial review*, Audit Scotland, 2006.

- CPPs had supported local economic developments.
 - The introduction of Single Outcome Agreements (SOAs) had improved how CPPs monitor and report progress.
 - However it also found that many of the problems identified in 2006 persisted.
9. Audit Scotland's 2011 national report on Community Health Partnerships found that approaches to partnership working had been incremental and there was a cluttered partnership landscape. CHPs were set up in addition to existing health and social care partnership arrangements in many areas. This had contributed to duplication and a lack of clarity of the role of the CHP and other partnerships in place in a local area. Partnership working for health and social care requires strong, shared leadership by both NHS boards and councils. Differences in culture, planning and performance management arrangements are barriers that need to be overcome.

About the audit

10. The role of community planning in improving Scotland's public services has become increasingly important. The Scottish Government therefore asked the Accounts Commission to lead development work to prepare an outline case on how external audit and inspection might hold CPPs to account for their performance and help them to deliver better outcomes.
11. The Commission and the Auditor General for Scotland worked with their scrutiny partners (Education Scotland, Care Inspectorate, Her Majesty's Inspectorate of Constabulary for Scotland (HMICS), the Scottish Housing Regulator (SHR) and Healthcare Improvement Scotland) as well as the Convention of Scottish Local Authorities (COSLA), the Society of Local Authority Chief Executives (SOLACE) and the Scottish Government. The Accounts Commission and the Auditor General developed an audit framework designed to strengthen the accountability of Community Planning Partnerships and supporting improved performance. Those proposals were submitted to the Cabinet Secretary for Finance, Employment and Sustainable growth in June 2012.
12. Aberdeen City, North Ayrshire, and the Scottish Borders Community Planning Partnerships agreed to participate in three early audits to help the Accounts Commission and the Auditor General for Scotland test the CPP audit framework. For the first time, these audits focus on the work of the CPPs, rather than the work of individual organisations.
13. The overall aim of our audit was to assess the effectiveness of community planning in each of the local areas. We did this by gathering and evaluating evidence to allow us to answer the following four questions:

- **Strategic direction** – has the CPP set a clear strategic direction, with clear improvement priorities, agreed by all partners, which reflect the needs of the area, and are based on effective community engagement?
- **Governance and accountability** – does the CPP have effective governance and accountability arrangements, and is it able to demonstrate effective shared leadership which drives improved outcomes for the area?
- **Performance management and use of resources** – has the CPP established effective performance management arrangements which are delivering performance improvements (including effective self-evaluation arrangements) and securing best use of public resources (including service integration)?
- **Impact and outcomes** – can the CPP demonstrate that its actions are making a difference for the area and delivering improved outcomes for local people?

14. The audit of Scottish Borders Community Planning Partnership was carried out in September 2012, by a team from Audit Scotland, with support from the Care Inspectorate and Education Scotland. We gratefully acknowledge the co-operation and assistance provided to the audit team by all the CPP partners and representatives involved in the audit. We are particularly grateful for the constructive approach adopted by the CPP to the audit process at a time when the CPP is undergoing significant change and development in response to the SG/COSLA review of community planning.

Summary

15. Community planning is at an important crossroads in the Scottish Borders. It was first established in the late 1990s and has gone through a number of significant changes since then. A significant amount of joint working has taken place across the Scottish Borders which has led to improvements for specific communities and groups. But there is currently little evidence to show that the CPP has had a significant impact on delivering improved outcomes across the Scottish Borders area.
16. In recent months the partnership has recognised that it needs to provide much stronger collective leadership if it is to deliver on the expectations of the Statement of Ambition. Following a recent review, it is now implementing a number of important changes to improve its governance and performance management arrangements. This should help ensure that the partnership is working more effectively and is better able to demonstrate its impact on improving outcomes.
17. Scottish Borders is a good place to live and work. People are generally healthy, the area has low levels of crime, educational attainment is good, and life expectancy is high. It faces a number of strategic challenges that include supporting the local economy, maintaining vibrant and sustainable local communities, mitigating the impact of welfare reform on local people, addressing the health and social care challenges of an ageing local population and reducing the outcome gap between the most and least deprived communities in the Borders. The partnership recognises these challenges and is focusing its partnership activity towards them. In doing this the partnership should develop its joint approach to consultation and engagement to assure itself it is delivering what local communities need as it develops its new Single Outcome Agreement (SOA) as a true 'plan for place'.
18. Community planning was first established in the Scottish Borders in 1999 when the New Ways Partnership was established with key partners in response to the closure of a manufacturing plant and the impact of unemployment on local communities. The partnership arrangements were revised in 2003 and again in 2008. Despite community planning being in place for over a decade the most recent review highlighted some ongoing significant weaknesses in its arrangements which included the lack of leadership by councillors and non-executive board members and poor governance and performance management arrangements. The partnership is currently implementing a number of significant changes to address these weaknesses.

19. Partnership working is well established in the Scottish Borders in a number of important areas. There is a significant amount of joint working taking place, much of it focused around prevention, which is leading to improvements for local communities. The Community Health and Care Partnership (CHCP) is well established as is the Alcohol and Drugs Partnership. There are a number of successful initiatives designed to improve services for older people by helping them retain their independence and remain living within their local communities. But these developments are not clearly linked to the community planning framework and weaknesses around performance management currently prevent the partnership demonstrating how they are contributing to improving agreed local outcomes.
20. The partnership needs to be clearer about what its improvement priorities are for the Scottish Borders. It should focus on delivering greater impact through areas where it can make a difference through working together to address the complex challenges facing the area. This is especially true where there are significant differences between the least and most deprived communities in relation to aspects of employment, health and education.
21. The recent community planning review has resulted in new governance arrangements being established which provide a clearer distinction between strategic partnership planning and performance management (Community Planning Strategic Board), strategic resource allocation and oversight of delivery (Community Planning Joint Delivery Team), and programme delivery (three Programme Delivery Teams). The partnership needs to clarify how these new arrangements will work in practice and ensure that all partner agencies are clear about how their new roles will operate, what is expected of them and how the new governance proposals will deliver change and improvement in their own organisations.
22. The council has been driving the recent changes to community planning but while the council has a lead role in community planning, reflecting its legal responsibilities, partner agencies need to be involved in all aspects of community planning. The partners are all committed to working together for the good of the area however to be an effective partnership, partner agencies need to engage constructively and take responsibility for decisions. The NHS has a critical role in community planning and this needs to be reflected in its contribution. The CPP needs to become a genuine board with clear and joint accountability for delivery and a culture that involves partners holding each other to account for their contribution to local planning and the delivery of local plans.
23. The challenges facing CPPs are complex. Deep-seated social issues can take many years, if not decades, to resolve. In addition, with many factors at play, it can be difficult to match partnership actions and investments with subsequent changes in community outcomes such as health and deprivation. Together, local partners spend around £470 million a year, with a further £289 million spent by the Department of Work and Pensions. The CPP has not had a significant impact on redirecting resources towards partnership priorities and there is little

evidence to show that increased partnership working had any significant impact in tackling the sharp inequalities within the Scottish Borders.

24. Effective performance management arrangements need to be put in place as a matter of urgency if the partnership is to achieve the improvements identified in the Statement of Ambition. To date the partnership has lacked effective performance management and shared accountability. The partnership should translate recently agreed strategic themes into a jointly agreed delivery plan that sets clear and explicit improvement goals focusing on where joint working will improve outcomes for communities.
25. The partnership has a real opportunity to deliver more impact from partnership working, making the best use of scarce resources at a time of increasing demand on public services. Partners need to agree and share the costs, and management, of the complex range of programmes and activities that delivery teams are likely to generate.
26. The CPP has set itself a challenging improvement agenda and has the basis of a good framework for taking forward. However, the partnership recognises that it has much work to do before it meets the aspirations set out in the Statement of Ambition. The partnership needs to ensure it has the capacity to effectively implement strategic change and deliver improved outcomes for local communities.

Local context

Scottish Borders is generally a good place to live but there are a number of key challenges for the partnership.

27. The Scottish Borders covers an area of approximately 1,800 square miles. It is located in the south east of Scotland close to both Edinburgh and Newcastle city regions. The area is largely rural and is one of the most sparsely populated in Scotland, with 0.23 people per hectare compared to the Scottish average of 0.65 people per hectare. The population has risen by almost ten per cent, over the last 20 years, to around 113,000 in 2011 and is forecast to rise above 125,000 by 2024. The largest towns are Galashiels and Hawick, where just over 25 per cent of the population live.

Exhibit 1

Scottish Borders map



Source: SBC

28. Scottish Borders is a good place to live and work:

- Life expectancy is better than the Scottish average and is increasing.

- The number of people under 75 dying from coronary heart disease, cancer and cerebrovascular disease is well below the national average.
- Young people are generally achieving more qualifications than the national average.
- Unemployment is below the Scottish average.
- Communities generally feel safe.

29. However, there remain a number of key challenges which have been recognised by the CPP:

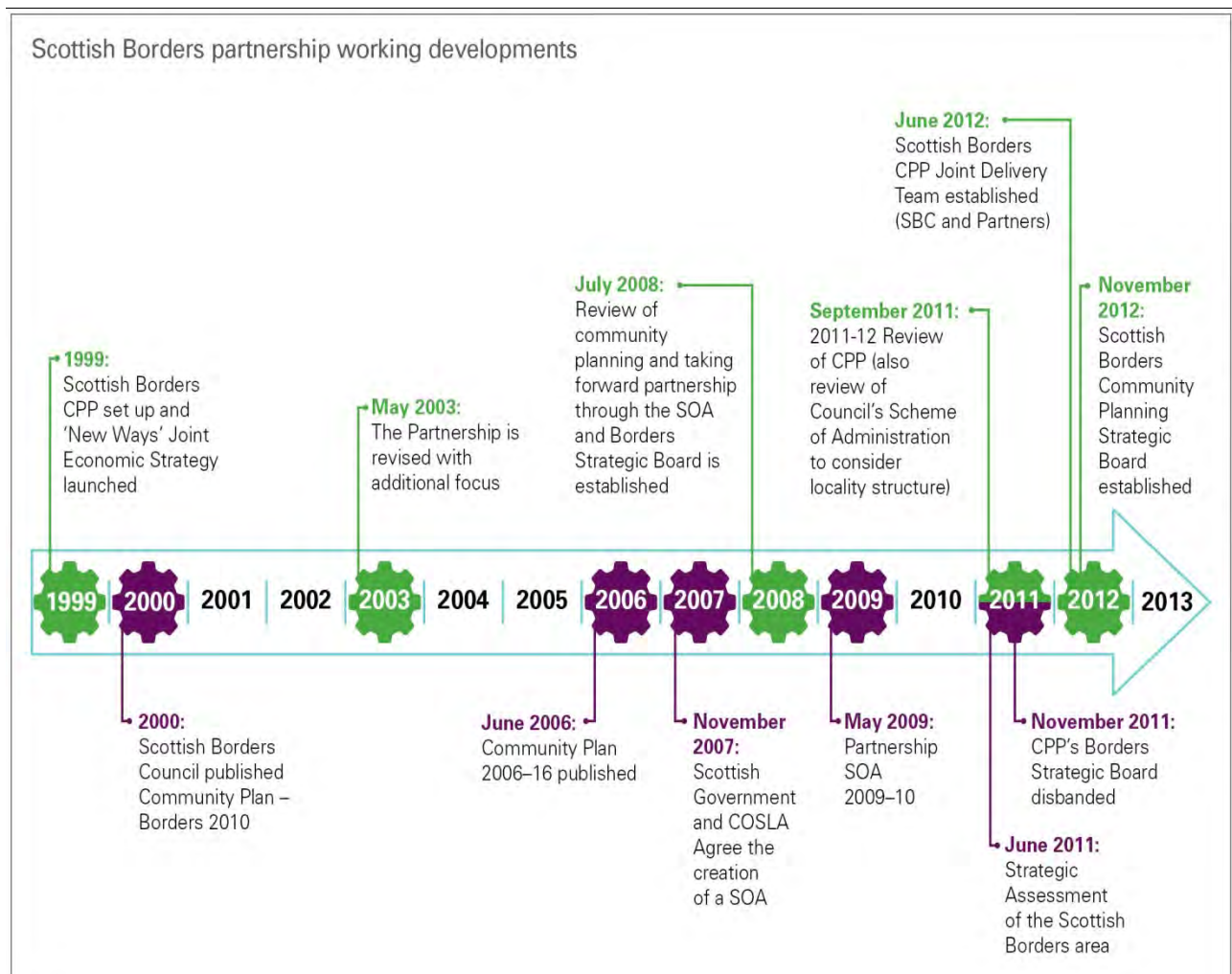
- The population is forecast to rise by over ten per cent by 2024. Over one third of the population live in settlements of less than 1,500 people. Almost one quarter of the population is over 65. The area has a higher proportion of people who are of pensionable age and children (61 per cent) than the estimated Scottish average (52 per cent). This will particularly impact on preventative and early intervention services to older people.
- While the area is relatively affluent there are pockets of deprivation particularly in the largest towns of Hawick and Galashiels where five data-zones are among the poorest in Scotland. There are significant disparities between the most and least deprived neighbourhoods in terms of health, income, employment, benefit claimants, crime rates and educational attainment.
- The welfare reform agenda will have a considerable impact on the Scottish Borders communities. There will be significant changes to the amount of benefit paid to individuals and how that benefit is paid. This could potentially remove almost £10 million from the local economy.
- The economy of the Scottish Borders is reliant on small businesses and the public sector, principally Scottish Borders Council and NHS Borders. The private sector economy is dominated by small businesses.
- The Borders has a lower percentage of its population who are of working age, compared to the Scottish average and outward migration of 16-29 year olds contributes to this.
- Public transport is limited, particularly across the region. But, the Borders Railway Project is under way to re-establish a passenger rail link from Edinburgh through Midlothian to Tweedbank in the Scottish Borders.

Community planning in Scottish Borders has gone through a number of changes over recent years

30. Community planning was first established in the Scottish Borders in 1999, when the New Ways Partnership was set up in response to the closure of a large manufacturing plant and

the impact of unemployment on the Borders communities. Since then, the community planning partnership has gone through a number of significant changes (Exhibit 2). In 2008, for example, following the national Concordat agreement between the Scottish Government and local authorities, the New Ways Partnership was replaced by the Borders Strategic Board. Through the establishment of a SOA, this sought to combine local and national priorities and to provide a more structured approach to setting targets and monitoring progress.

Exhibit 2



Source: Audit Scotland

31. A further review of community planning was initiated in September 2011. This was to address the identified weaknesses of its arrangements which included the lack of political

leadership and engagement with community planning by councillors who had tended to see community planning as separate from and peripheral to the 'core' work of the council. Other weaknesses included the limited engagement and participation of non-executive board members from partner agencies, as well as poor governance and performance management arrangements. The review was also designed to reflect the changes to the external environment. In particular, the need for partners to work together to address reduced funding of local public services and the increased emphasis on early intervention and prevention arising from the Christie Commission report⁷.

32. Following the review there is a renewed political and managerial drive within the council to make community planning core to its business. The partnership needs to ensure a similar and complementary level of engagement is taken by all partner agencies.
33. The new governance arrangements for community planning established following the review seek to provide a clear distinction between strategic partnership planning and performance management (Community Planning Strategic Board), strategic resource allocation and oversight of delivery (Community Planning Joint Delivery Team), and programme delivery (three Programme Delivery Teams).
34. The four strategic themes for partnership working agreed as part of the review are:
 - early intervention and prevention
 - place and communities
 - economy and infrastructure
 - future model of public service delivery.
35. The Joint Delivery Team is responsible for the delivery of the "future model of public service delivery" programme. This includes significant cross cutting issues such as welfare reform, integration of health and social care, joint asset and resource planning and development of the third sector and communities.

⁷ Commission on the future delivery of public services (The 'Christie' Commission report), 2011

Strategic direction

Scottish Borders Community Planning Partnership understands the needs of the area well but now needs to convert this understanding into a clear and ambitious shared vision for improving local outcomes

36. *The Local Government in Scotland Act 2003* requires Community Planning Partnerships to develop and set out a joint vision supported by shared objectives for the area and jointly agreed, challenging performance outcomes that improve services.⁸
37. The first community plan for the Scottish Borders was published in 2000 with a revised version published in 2006 *Our Scottish Borders, Your Community*. It incorporated a clear vision for the future and was supported by six key outcomes (Exhibit 3).

Exhibit 3

Scottish Borders vision and key outcomes (2006)

By working in partnership, we will ensure that:

- Our communities are strong and inclusive
- Our economy is dynamic and provides opportunities for everyone
- Our precious environment is respected, protected and enhanced

To work towards this vision, we believe there are 6 key outcomes that must be achieved:

1. Strong, inclusive and safe communities
2. A robust and dynamic economy
3. A protected and enhanced natural environment
4. Improved health and well-being
5. Learning for everyone
6. A well connected Borders

Source: Scottish Borders Council

38. During 2007 the Scottish Government and Local Government agreed a concordat which included the development of a SOA, based on a set of national outcomes. The Scottish Borders SOA was published in 2009 and replaced the community plan. The Borders Strategic Board identified seven strategic priorities and 21 local priority outcomes (Exhibit 4). The priorities generally reflect the challenges facing the area.

⁸ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

Exhibit 4

Scottish Borders CPP Strategic Priorities 2009/10

Scottish Borders Strategic Priorities	
Develop greater economic resilience for those that live and work in Scottish Borders.	Increase connectivity of Scottish Borders.
Reduce alcohol related problems among young people and adults and the harmful impact on communities in Scottish Borders.	Increased and more effective integrated planning for the demographic challenges of the older population living in Scottish Borders.
Improve Health and Well being of Scottish Borders population.	Develop greater community resilience within Scottish Borders.
Develop greater environmental resilience within Scottish Borders.	

Source: Scottish Borders SOA 2009/10

39. The Community Planning Joint Delivery Team has identified a strategic objective for community planning –
- ‘To work in partnership with other key public, voluntary and private bodies together with communities and businesses to maintain and improve the quality of life and meet the needs of Borders residents and their communities through the delivery of high quality public service, projects, advocacy and other actions.’*
40. This broad strategic objective essentially summarises the rationale behind community planning. What it does not do is to set out a clear and ambitious vision for the area which is aspirational and builds on the foundations already in place in the Scottish Borders. The vision should focus on addressing the key challenges for the area, particularly around reducing inequalities. A clear vision will help the partnership articulate its strategic objectives and partners to effectively align their service objectives. It will also help the partnership explain to communities what it aims to achieve for the Scottish Borders area.

There is a strong commitment to engaging with local communities but it is not clear how this helps inform priorities

41. The statutory guidance encouraged collective approaches by partnerships to engaging communities. The Statement of Ambition built on that and placed an expectation on CPPs to have a strong understanding of their communities. In the past Scottish Borders communities have been consulted on the community plan and the SOA. The SOA identifies that partners need to develop community engagement.

42. There is extensive community consultation at an individual partner level on a wide range of issues such as flood prevention and how people will access local health services as a result of the Patients Rights Act. There is also some evidence of joint consultation and communication on single issues for example the alcohol and drugs partnership consulted with communities to inform its priorities for the 2012-15 strategy and the Children and Young People's Planning Partnership has consulted to inform its service plan. The council and NHS Borders undertook a joint survey in July 2012 to find out how difficult it was for older people to access key services, particularly in relation to health care.
43. There is the potential for the partnership to more effectively direct consultation activity, limiting the potential for duplication and consultation 'fatigue' among communities. The results of consultation activity could be more effectively used to influence and inform the partnerships strategic priorities.

The new governance arrangements and the introduction of area forums have the potential to improve community engagement and empowerment but further work is required to clarify the role of partners

44. In August 2012 Scottish Borders Council agreed that the existing area committees be disbanded and new area forums be set up. The creation of these area forums is aimed to 'gain an understanding and obtain community views on their own locality, establishing community need and priorities, as well as identifying impediments and barriers to local service provision.' Area forums will scrutinise the local impact and performance of council and other services and the community planning process in their own locality. While the area forums provide a potential vehicle for the partnership to develop arrangements around joint engagement and consultation, service redesign and the better targeting of service to local needs they should have been developed by the partnership rather than the council. The partnership needs to clarify how the area forums will be used to inform local planning and service delivery.
45. The Place and Communities Programme delivery team has a specific project focusing on community engagement. The delivery team should ensure it includes use of the newly developed area forums in this project. The planned Community Empowerment and Renewal bill aims to support communities to achieve their own goals and aspirations through taking independent action and by having their voices heard about decisions that affect their area. This bill will significantly impact on expectations of how CPPs interacts with communities.
46. The partnership does not yet have a clear approach to community empowerment. The Place and Communities delivery team plans to develop a collective approach which will help prevent duplication of effort and provide a strong evidence base for developing outcomes to meet the needs of its communities.

The partnership needs to convert its strategic themes into clear and measurable targets for improving outcomes

47. The Community Planning Joint Delivery Team has identified four strategic themes (Exhibit 5) for future community planning work in the Borders. These policy themes were selected following a strategic review undertaken by the council. Community responses were obtained through the Scottish Household Survey and the Scottish Borders Household Survey and these were considered as part of the strategic review. While the themes cover the key local challenges faced by the partnership such as the economy, demographic changes and transport infrastructure they are very wide ranging and cover all aspects of community life. There has been no community consultation on the strategic themes however the local implications of them have recently been discussed at Area Forum meetings.

Exhibit 5

Scottish Borders Community Planning Strategic Themes 2012



Source: Scottish Borders Community Planning Partnership

48. The partnership now needs to clarify what improvements it anticipates in the thematic outcomes and specify how it will use joint working, and align resources, to deliver them. These should be incorporated within the next SOA creating a ‘plan for place’ as detailed in the Statement of Ambition.

Leadership and governance

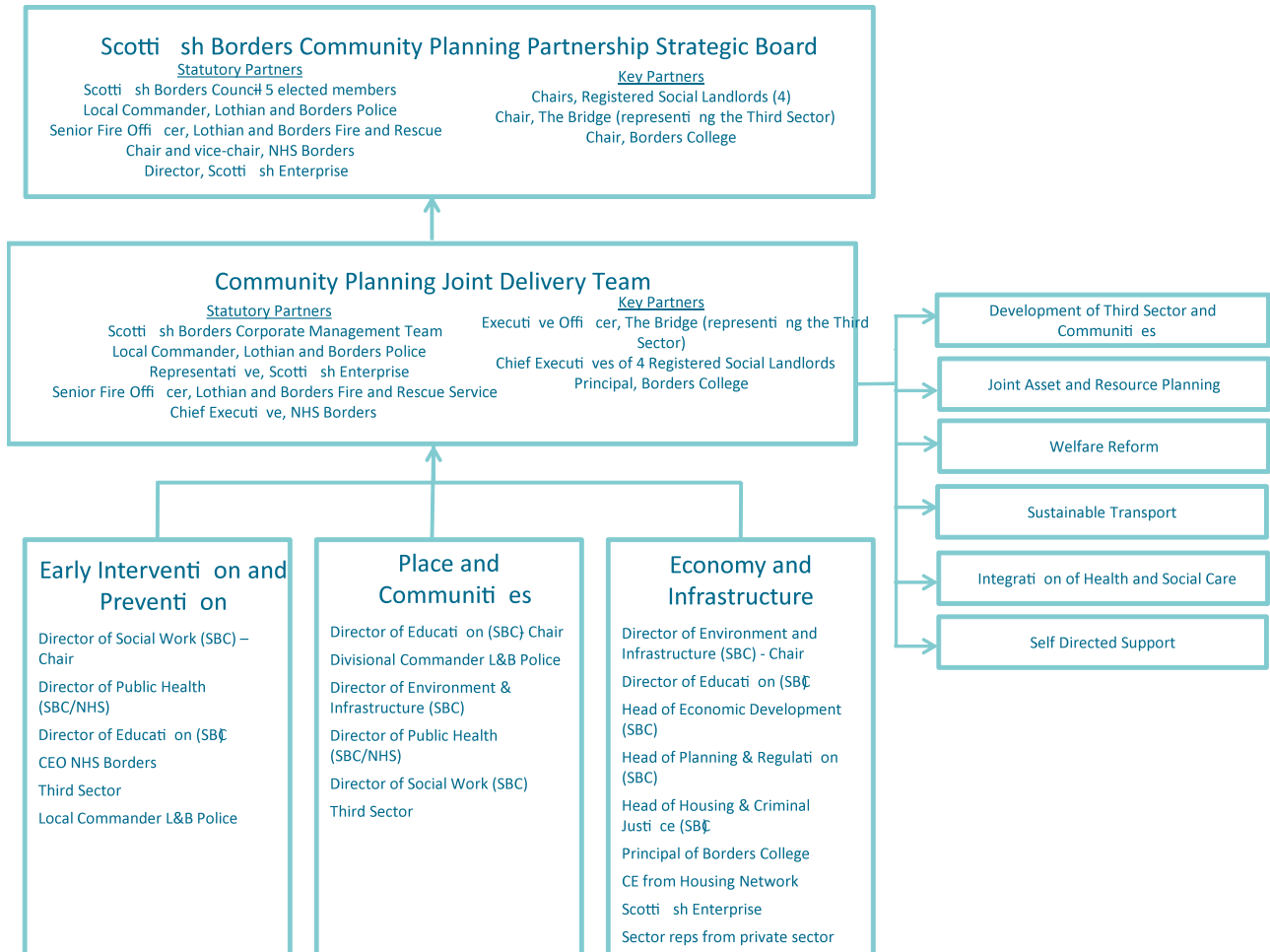
New governance and accountability arrangements have been established for the partnership, but these need to be reflected in partner organisations own governance structures.

49. *The Local Government in Scotland Act 2003* clearly sets out the importance of shared leadership in community planning. It states that leadership should be carried out by the organisation best placed to perform this role and that partners should be encouraged to lead on appropriate themes.⁹ The Scottish Government and COSLA's joint Statement of Ambition for community planning reinforces the importance of shared leadership. It emphasises that CPPs should be genuine boards, with all the associated authority, behaviours and roles that this implies, for both them and constituent partners.
50. Councillors previously had limited involvement in community planning and partner agency non-executive board members had no involvement. The new structures (Exhibit 6) aim to increase the participation of councillors and non-executive board members from partner organisations whilst at the same time establishing officer delivery teams to take forward improvement activity linked to the identified needs of the area and the broader public service reform agenda.

⁹ The Local Government in Scotland Act 2003. Community Planning: Statutory Guidance. Scottish Executive, Edinburgh, 2004.

Exhibit 6

Scottish Borders CPP new governance structures (2012)



Source: Scottish Borders Council

The council will need to manage its leadership role carefully to create a culture of shared leadership

51. While the council has a statutory duty to initiate, facilitate and maintain the community planning process it must ensure it is doing this in the true spirit of partnership working.
52. Partners have been involved in strategic discussions around the new approach, as well as aspects of the detailed design and delivery of the new approach. But, some partners have spoken about community planning being ‘council centric’ and there not being a representative number of members from partner agencies at all levels of the new structure, especially the thematic groups which are all led by senior officers of the council.

53. Scottish Borders Council agreed in August 2012 that the Community Planning Partnership Strategic Board should be established as a formal committee of the council. The rationale being that this will raise the profile of community planning within the council and ensure that partnership working is more effectively aligned with the council's strategic themes. There is a potential risk that some partners will view the committee as being accountable to the council, rather than a partnership of equals. This risk, if not managed carefully, may create leadership tensions. The partnership needs to monitor the implementation of the new arrangements carefully to ensure that they deliver shared effective leadership of partnership working.
54. Partners need to be clear about how the Strategic Board conducts its business. Partners are currently considering how their own governance arrangements relate to the new governance structures and the various bodies that are being established (eg Community Planning Joint Delivery Team and Programme Delivery Teams). Once those decisions have been made, confirming and agreeing how these arrangements will work in practice (including agreeing the respective roles, responsibilities and the authority of different partners) will be important so that there is a shared understanding of the new governance model at the outset.
55. The statutory partners are all represented on the new governance structures. Partnership membership has been widened out to include Borders College, the voluntary sector and Borders Housing Network. The partnership does not however include representatives from the private sector, although they are represented in the Economy and Infrastructure theme and with the Community Safety Pathfinder. Given the focus on developing the economy and infrastructure appropriate private sector involvement must be considered.

The partnership needs to consider how it will support members and officers in strengthening their ability to exercise their leadership and holding to account roles

56. There are good relationships between partners who work well together but there is an informality across the partnership and discussions tend to be based more around information and awareness raising rather than focusing on decision-making. The relationships also lack robust challenge on key issues and partners can at times adopt a passive approach to the process, requiring the council to take on more of a leadership role. The new arrangements aim to provide a clearer distinction between setting the vision and scrutinising its delivery through the Strategic Board.
57. The partnership should consider the membership of each group to ensure clear delineation between the strategic board's role of setting direction and holding to account of the joint delivery and the thematic delivery teams. It needs to ensure it has the skills and the ability needed to make the changes that it is committed to delivering. The new structures rely heavily on a few individuals from partner agencies, particularly the voluntary/third sector.

58. Non-executive board members and councillors have had limited involvement in early discussions around the new arrangements and there was a lack of understanding as to what they would be expected to do and how the arrangements would work in practice. The community planning statutory guidance noted the importance of regular training and development for staff, non-executive board members and councillors in order to develop their skills. The partnership is unclear how the new arrangements will work in practice. The partnership needs to ensure strategic board members are adequately supported in their new roles and that they have access to comprehensive training and development opportunities.

The CPP needs to clarify and agree how it will provide strategic oversight of the broader public service reform agenda in Scottish Borders

59. The Statement of Ambition clearly states that CPPs [and SOAs] will provide the foundation for effective partnership working within which wider reform initiatives, such as the integration of health and adult social care and the establishment of single police and fire services will happen. They do not have to take direct responsibility for delivery of outcomes where fit for purpose arrangements are already in place. However they must have a strategic overview of the arrangements.
60. At present it is unclear how the new CPP arrangements will support the implementation of the health and social care integration agenda as the CHCP is currently considering its approach to Integrated Health and Social Care. The current Scottish Borders CHCP is a Strategic Committee, accountable to NHS Borders and Scottish Borders Council. It is responsible for providing more effective integrated planning for older people, but does not have a formal reporting line to the CPP.
61. Scottish Borders Council is a police and fire reform pathfinder authority and has established a Scottish Borders Police, Fire and Rescue and Safer Communities Board. This replaces the Safer Communities Strategic Board. The new board has 50 per cent councillor representation and is shadowing the existing Lothian and Borders Police Joint Board governance arrangements. The board is an advisory forum and its main role is to scrutinise and review the Police, Fire and Rescue and Safer Communities Plans.
62. The Pathfinder Board is a formal council committee and reports both to the council and the CPP through the new Place and Communities Programme Delivery Team. The Pathfinder Board does not have the authority to make any decisions and instead, this falls to the council to approve all decisions in relation to community safety. The main responsibility of the board is to assess the adequacy of plans. Although it is early days for these new arrangements it is important that the partnership reflects on its experience and ensures that the new arrangements integrate effectively into the CPP structure.

The partnership should consider streamlining the many pre-existing partnerships and integrate their roles and functions into the new governance structures

63. The new governance arrangements provide an opportunity to consider the many partnerships and streamline and integrate them into the new structures where appropriate. Some working groups remain from previous community planning arrangements such as 'Working Countryside Partnership' and it is important that they are integrated into the new structure to ensure the most effective use of resources. Without a strategic oversight of these activities the board will not be able to demonstrate that it is actively driving improvement and ensuring a good use of resources.
64. There has been a period where there was a lack of clarity around the arrangements for economic activity in the Scottish Borders, but a new Economic Strategy for the Scottish Borders is currently being prepared, which it is hoped will address this weakness. The strategy is being led by the Community Planning "Economy and Infrastructure" Delivery Team, with input from the Council's Economic Development Group and aims to provide the overall framework for the partnership's economic development related activity.
65. The council's Economic Development Group (a formal committee of SBC) oversees council activity in this area and members hold officers to account through that process. The "Economy and Infrastructure" Joint Delivery Team manages the wider stakeholder and statutory partner activity (including the council) with the Community Planning Strategic Board holding all that to account. There are a number of other 'partnerships' and joint working initiatives which focus on the economy such as South of Scotland Alliance, and Learning & Skills Partnership which have not been well connected with formal council and partnership processes in the past. The new Economic Strategy will include clear links, demonstrating the valuable role of each of these partnerships, to ensure that there is an overview of all activities and that the partnership can demonstrate that it is delivering service improvement and having a positive impact on economic outcomes for the area.

Managing performance

The community planning partnership has not been good at scrutinising performance and driving improvement

66. Robust performance management is an essential component of an effective community planning process. The 2003 Act sets out the need for CPPs to monitor progress with regard to agreed outcomes, and to use that monitoring to improve local arrangements for the planning and delivery of services to deliver better outcomes. The Statement of Ambition places great emphasis on the CPP monitoring performance over time to drive and demonstrate continuous improvement.
67. There are clear difficulties in monitoring outcomes for long-term objectives in areas such as health, life expectancy, and deprivation. It can take many years before there are any significant changes in these community outcomes. Partnerships need to monitor the progress being made towards their long-term objectives but, in practice, this needs to be blended with monitoring inputs and medium-term proxy measures.
68. The partnership has identified performance management as a weakness and aims to address this through its new arrangements. It should develop these arrangements as a matter of urgency. The quality of reporting on the outcomes has not been detailed or thorough enough since 2009. At the time of our audit the SOA was last discussed by the Borders Strategic Board in February 2011. The latest annual report for 2010/11 had not been reported to the Borders Strategic Board. There has been no performance reporting by any thematic group to the board since November 2009. There are limited linkages between partner's strategies and the SOA.
69. There is limited scrutiny of activities as a direct result of the lack of reporting to the partnership. While the NHS Board considers minutes from the partnership there is no other tangible scrutiny of partnership activities carried out in partner agencies. The partnership should consider and learn from the scrutiny processes undertaken by the more established local partnerships such as the CHCP.
70. The new governance arrangements provide an opportunity to clearly focus on managing performance across the partnership. However it is not yet clear how the performance management arrangements will operate in practice. The Strategic Board should be clear about what it requires in order to effectively monitor progress against the strategic priorities.

The annual SOA monitoring reports do not provide a clear picture of performance

71. In 2008, as part of a national Concordat between the Scottish Government and local authorities, SOA's were established for each CPP. These were intended to help ensure that national priorities were properly reflected in each local community plan. They also aimed to improve the setting of targets and the monitoring of performance.
72. In accordance with these national arrangements, the CPP published an SOA progress report in 2010/11. This summarises its main activities over the previous year and seeks to provide a comprehensive account of its performance. Although there is a lot of information in the 2010/11 report, there are major gaps in performance data and the content and format is not presented in a way that is user friendly. As such, the report does not provide a clear picture of the progress being made towards CPP's strategic objectives
73. Performance targets in the SOA are not always ambitious. There are examples where current performance outstrips the future targets and there has been no attempt to make targets more challenging. A number of targets have been set at the same rate for over four years. The Strategic Board needs to ensure that targets are sufficiently challenging and monitor their progress on a regular basis to ensure improvement is being achieved.
74. There are inconsistencies in the data that is being used to monitor progress in delivering outcomes in the SOA. Some of the nationally published information is a few years old and is only collected biennially. Also there are differences between national and local data collection, creating difficulties in effectively benchmarking performance against other partnerships or council areas. The SOA does not provide sufficient focus on reducing the inequalities across the different communities. The partnership needs to use consistent information at data zone level to measure progress towards reducing outcome gaps. It should ensure that it uses a variety of measures which cover short, medium and long-term performance.
75. The SOA annual report 2010/11 was reported to the Scottish Government. The locality director assessed the SOA in relation to how evidence was used, what is being done regarding the preventative agenda and the councils approach to continuous improvement. The report identified discrepancies between national and local data, time lag of data and areas where there were no specific activities to support outcomes such as the business sector. The report highlights the need to reduce the number of indicators and a move away from input/output indicators.
76. The council, on the partnerships behalf, is currently renewing its SOA around the four strategic themes. The SOA needs to be more focused on priorities that the partnership can impact on directly and performance targets need to be sufficiently ambitious and seek continuous improvement.

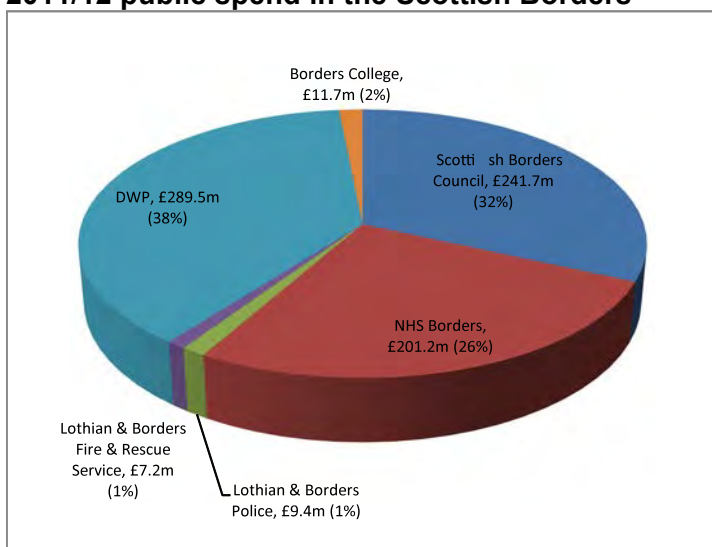
Use of resources

The partnership has not identified the overall resources available to it, or how individual partner resources can be aligned to deliver the agreed SOA outcomes

77. The 2003 Act was clear that effective participation in community planning obliged partners to identify and allocate the resources necessary to achieve agreed outcomes. More recently, the Statement of Ambition expects CPPs to clearly understand partner contributions, and how they will target total resources to deliver agreed priorities. The Scottish Government's response to the Christie Commission report also highlighted the need for public bodies to invest in those responsible for delivering services.
78. Together local public sector partners spend around £470 million a year. This figure rises to £760 million when the Department for Work and Pensions expenditure is included (Exhibit 7). The 2011 Scottish Spending review and Draft Budget 2012-013 estimates that, between 2011-12 and 2014-15, Scottish Government spending will fall by 5.5 per cent in real terms.

Exhibit 7

2011/12 public spend in the Scottish Borders



Source: Audit Scotland

79. A three year revenue budget was approved by Scottish Borders Council in February 2012 which used the 2011/12 budget as a base and reflected changes for known changes in income and expenditure in future years. In setting future year's revenue budgets, management concluded that net savings year-on-year of around two per cent will require to be identified from departments to balance the budget and resource council priorities. The

council considered its updated five year financial outlook at its meeting in December 2012. The plan noted that over the five year period the council needs to identify £27 million of savings to continue to provide current services.

80. NHS Borders has identified the need to achieve efficiency savings of £5.904 million in 2012/13 if it is to break even. The Board's relatively low workforce turnover rates increases the challenge faced in 2012/13, as workforce and service redesign is the main area targeted in the board's savings plans. The board's policy of protecting the employment of its current permanent staff adds to this challenge.
81. There are broader pressures on the Scottish Borders' public sector. An ageing population is likely to lead to an increase in demand for NHS and social care services. In addition, there will be financial implications arising from the national reform of welfare benefits. The CPP plans to assess the impact of welfare reform across each project area.
82. These pressures create a strong impetus for community planning partners to identify opportunities for joint working and resource-sharing. In common with other CPP's, the Community Planning Partnership in the Scottish Borders does not yet have an overview of the resources available to it or those required to deliver its SOA priorities.

The partnership has not yet aligned and allocated resources to its strategic themes but it plans to do so through the new arrangements

83. Public service reform and the Statement of Ambition both highlight the financial imperative to make more effective use of resources. The original CPP guidance highlighted the need for resources to be identified and allocated to agreed outcomes, with arrangements streamlined to remove wasteful overlaps. The lack of alignment and direct allocation is a significant weakness for the partnership and should be addressed with some urgency through the thematic delivery teams.
84. The CPP does not have an integrated approach to financial planning. However the CHCP receives joint finance and monitoring reports from SBC and NHS Borders. The partnership's new arrangements provide an opportunity to improve the integration of resources. It plans to align resources against the strategic themes, however the thematic teams are at an early stage of development and this has not taken place to date. It is unclear whether partner agencies have aligned their mainstream funding, or what plans they have in place to do this in order to match the strategic themes.
85. The Statement of Ambition recognises the need to focus on preventative spend and early intervention. This is a key strategic theme of the partnership and the Strategic Board should ensure that it receives sufficient information to enable it to monitor how resources are being deployed. Moving resources to preventative spend is challenging however the new arrangements provide a good basis for the partnership going forward.

There is no clear understanding of the costs of SOA objectives or if they provide value for money

86. While each partner organisation has its own budgets for its own activities, there is a lack of clarity about how they link to the delivery of SOA objectives. Activities have not been costed and budgets have not been established. As a result the partnership cannot demonstrate how much it has spent on delivering the improvements reported in the SOA.
87. The programme delivery teams plan to include the expected costs of each project and an investment appraisal in the project mandate documents. However this work is significantly underdeveloped. The partnership needs to ensure that realistic costs are calculated for each project and budgets established which highlight clearly the contributions by partner agencies. The Strategic Board should monitor the budgets to ensure money is being spent effectively.

There are examples of joint appointments across agencies and some joint training, but the CPP has not yet developed staff development strategy across sectors linked to its key improvement objectives

88. There are several examples of joint appointments across partnership agencies and some joint training, but the CPP has not yet developed a staff development strategy linked to its key improvement objectives. The Statement of Ambition highlights the importance of investing in the people who deliver services through enhanced workforce development and effective leadership. Similarly, the Scottish Government expects CPPs to disregard boundaries between public services and focus on the achievement of shared outcomes and cross-sector workforce development strategies.
89. The size of the public sector workforce in Scottish Borders is significant. In March 2012 the two biggest public sector employers in the area employed over 7,000 fte staff (council 4,400 and NHS 2,523). The significance is even greater when other partner agencies such as police, fire, the third sector, and further and higher education are also considered.
90. Delivering improved outcomes in public services will be dependent not just on strong and effective strategic leadership, but will also require staff in managerial and front-line positions understanding the contribution they can make in improving local public services, having the skills needed, and feeling empowered to make change happen at the local level.
91. There are a number of joint posts between public sector bodies including the director of public health, joint managers for mental health services and learning disabilities (NHS and council) and the community safety manager (police and council). Joint training takes place between partner agencies, in particular with the NHS and social work, reflecting areas of shared interest, such as health and social care integration. There are a number of examples of the integration of services and of partners sharing resources, particularly accommodation and staff including the Health Improvement Team and Public Protection Unit. However

where this does happen any efficiencies generated have not been quantified. The joint delivery team is at the very stages of developing a joint resourcing plan for the partnership.

92. The partnership needs to consider a deliberate and coordinated approach to leadership and workforce development, linked to its strategic priorities. This will ensure that staff across agencies are aware of its strategic themes and what their contribution to meeting them will be. It will also ensure that staff are provided with the training and development needed to allow them to contribute effectively to local public service improvement.

92.

Working together

There is a significant amount of joint working, particularly around the preventative agenda, taking place across the Scottish Borders which is leading to improvements for local communities. More emphasis should be placed on aligning the initiatives with the partnerships strategic themes.

93. One of the key principles of the Statement of Ambition is for partnerships to focus on joint outcomes, interventions and resource use with the aim of driving improvement that delivers demonstrable improvements for their local communities. There is a strong culture of joint working in the Scottish Borders between partner agencies. To achieve the Statement of Ambition the partnership needs to have a strategic overview of these initiatives to ensure that they are appropriately joined-up, partners are undertaking their roles effectively and that the initiatives are genuinely leading to performance improvement.
94. We found many examples of good partnership working in Scottish Borders, including aspects of preventative practice, and services sharing staffing and facilities.

Health

95. **The Scottish Borders Alcohol and Drugs Partnership (ADP)** coordinates alcohol and drug related work in local areas. The ADP generally reports a positive impact on communities, as a result of its work there has been:
- an increase in the number of individuals accessing specialist alcohol services
 - reductions in the number of alcohol related deaths and the number of alcohol related hospital admissions; however
 - there has been an increase in the prevalence rate of problem drug users and an increase in the number of drug-related general hospital admissions.
96. The **Reshaping Care for Older People Change Fund** aims to improve services for older people by shifting care towards anticipatory care and preventative spend. The work around the Reshaping Care for Older People is having a positive impact on helping older people retain their independence and keep them living within their local communities.
- The number of day patients that stay in hospital is decreasing and the number of people aged 65+ receiving personal care, care at night and at the weekend has increased over the last three years.

- The rate of emergency hospital admissions for over 65s has reduced slightly over the last ten years.
97. Scottish Borders Council and NHS Borders are developing a new place based model of service redesign which is based on the integrated resource framework. The first phase is the Cheviot Project which aims to ensure people can live safely in the community for longer, reducing the need for hospital or residential home care. The Cheviot Project, which was cited as a good example of place based approaches to integrated working by the Christie Commission, has worked with 35 people, helping 28 of them to return home successfully.
98. The **Children and Young People's Planning Partnership (CYPPP)** aims to improve outcomes for all children, young people and their families within the Scottish Borders. It is responsible for implementing Getting It Right For Every Child (GIRFEC) which involves giving all children and young people the best start in life. The CYPPP has had a positive impact on children and young people in the Scottish Borders.
- The SOA reports an increase in the number of young carers accessing the Young Carer Service.
 - The LGBT Youth Borders Service has worked with 61 young people and 46 youth groups.
 - It has also established seven locality youth panels to consult and engage with young people.

Economy

99. The **Strategic Partnership Against Poverty** was awarded monies from the Fairer Scotland Fund in 2011/12 which enabled it to fund a Welfare Benefits Officer to provide advice to people experiencing mental health problems, and a community enabler to provide advice to homelessness clients. There has been an increase in the percentage of people living in financial exclusion and experiencing multiple deprivation. However the SOA reports an increase in the monetary gains by people accessing Welfare Benefits.
100. The **Scottish Borders Tourism Partnership** developed a Tourism Strategy and Action Plan (2009-2012) focusing on encouraging more tourism, longer stay tourism and expanding tourism into specialist activities. The actions are monitored by the partnership and its respective organisations. However there is no evidence of reporting on the strategic targets.

Community safety

101. In 2010, an integrated safer communities team was set up, comprising staff from Lothian and Borders Police (LBP) safer communities team in addition to the council's community safety team and Antisocial Behaviour Unit. LBP also have a co-located Public Protection Unit at

Langlee Community Centre, where social work, education, health and police (ten staff) are all based. There is a commitment to joint working and better use of resources between the police and partners and this includes the provision of shared premises in Newcastleton and Earlston.

Learning

102. Borders College has a small campus in Hawick, but it makes use of Hawick High School to provide evening classes meaning that college buildings do not have to be kept open at night. The school uses the college's buildings during the day. The college is considering extending this arrangement to use council facilities in other areas with high schools in Peebles and Eyemouth being considered.
103. The **Borders Learning and Skills Partnership** is chaired by the college principal and includes representatives from the council, third sector, Borders College, Skills Development Scotland and Job Centre Plus. The partnership merged with the Borders Employability group during 2011. The primary focus of the partnership is improving people's employability in the Scottish Borders.

There is a culture of joint working in the Scottish Borders, but the partnership needs to ensure that joint initiatives lead to improvements in services

104. There are many examples of joint working in the Scottish Borders, many of them around the preventative agenda. This activity is often driven by funding initiatives or enthusiasm of staff working at an operational level in the various partner agencies. Where initiative or ring fenced funding is made available key public organisations within the Scottish Borders have shown the ability and commitment to work together to deliver key outcomes/objectives. These joint initiatives such as the Scottish Borders Alcohol and Drugs Partnership and the Strategic Partnership Against Poverty have their own governance and accountability arrangements and report progress via a complex arrangement of partnerships that have no direct connection to the CPP.
105. While there is a clear culture of joint working more needs to be done to demonstrate its effectiveness. The partnership also requires partners to focus on the preventative agenda, prioritising actions based on reducing future demand by preventing problems arising or dealing with them early. This is a significant agenda and the partnership needs to ensure that it builds on the joint working initiatives underway and that it has the skills and ability to deliver improved local services quickly. The board supported by the joint delivery team should ensure that the joint resources are being deployed effectively and focus on the partnership's priorities.

Impact and outcomes

Gaps in data prevent a full assessment of the impact of community planning in the Scottish Borders

106. The Statement of Ambition places CPPs at the centre of local public service reform, driving improved outcomes for local communities. CPPs need to demonstrate that they have had an impact in improving outcomes for their local communities. As mentioned earlier in this report there are weaknesses in the performance management systems supporting community planning and the SOA in the Scottish Borders with gaps in the availability of reliable and consistent performance data, both locally and nationally.
107. In this section of our report, we have sought to comment on performance, based on the information provided in the partnership's SOA progress report 2010/11. We have also drawn from other sources, such as Scottish Neighbourhood Statistics (SNS) and the Scottish Index of Multiple Deprivation (SIMD), to find performance information which matches the targets and objectives set out in the SOA. Despite this, however, there remain gaps in the data which is currently available. As a result, this section of the report can only seek to provide a high-level picture of trends over the past decade, rather than a comprehensive assessment of community planning's impact on communities living in the Scottish Borders.

Our assessment suggests a mixed performance in relation to the national performance framework, particularly in relation to narrowing the gap between the most and least deprived areas

108. As there has been limited performance reporting to the partnership we have used other sources in addition to the 2011 SOA report to determine whether outcomes for the Scottish Borders are improving. It is difficult to assess the impact the partnership has had on the outcomes in the national performance framework as often activity has been the responsibility of a single organisation or as a result of joint working which has not been directed through the partnership.
109. The SIMD measures income, employment, health, education, housing, access and crime and focuses on the 15 per cent most deprived areas across Scotland. This work allows effective targeting of policies and funding to tackle issues. There are five data zones in the Scottish Borders which are in the top 15 per cent deprived in Scotland. The areas are in Hawick and Galashiels. The partnership has been unable to demonstrate how it has made

use of this data. It should consider using this information to effectively direct improvement activity in the future.

110. We have analysed the gap between the most and least deprived areas over a ten year period (Exhibit 8). The analysis used indicators which are available at the data zone level to compare the average outcome results for the 20 per cent most and least deprived data zones. Our own assessment shows that in some domains there is a disparity between the least and most deprived areas in Scottish Borders, and that this gap has not changed in the last ten years, particularly for health and economy indicators. Scottish Borders broadly reflects the national picture but the gap between the least and most deprived areas is widening in aspects of education and hospital admissions for coronary heart disease.

Exhibit 8

The gap between the most and least deprived areas - outcome trends over the 10 year period c2002/3 to 2010/11

The gap between the most and least deprived areas – outcome trends over the 10 year period c2002/3 to 2010/11.



While overall Scottish Borders is a relatively affluent area there are pockets of deprivation with a mixed picture in relation to its economy. There are positive employment trends however sustaining and growing business activity is deteriorating.

111. Since the inception of the partnership in 1999 it has focused on developing greater economic resilience for its communities.
112. Scottish Borders is a relatively affluent area; however there are significant variations in the levels of peoples' income. Ten per cent of households living within the 15 per cent most deprived zones in the Borders area are classed as income deprived. Earnings are lower for those who live and work in the area but are around the Scottish average for residents who work outwith the area. The partnership has established the Scottish Borders Strategic Partnership against Poverty and partners report they are improving the assistance they give to households. It has helped more people to obtain more income through accessing welfare benefits services, and have helped clients with a greater number of benefit issues through the Citizen's Advice Bureaux.
113. Despite the current economic climate the area is faring well with unemployment below the Scottish average. However the gap between the percentage of people claiming key benefits in the most and least deprived areas within the Scottish Borders is increasing. The percentage of claimants in the most deprived areas is almost three times as high, as those in the least deprived areas. This trend differs from that of Scotland as a whole where there has been a slight reduction of the gap.
114. While business optimism has reduced for all areas other than manufacturing business planning applications are increasing and more businesses are surviving over three-years. The local economy is more reliant than the Scottish average on small businesses (nine people or less).
115. However, the town centre vacancy rate has increased from nine per cent in 2007/08 to 11 per cent 2010/11, reflecting the current economic climate. The partnership is developing a 'whole town approach'. This approach will consider all services, activities and initiatives that are taking place in towns across the Scottish Borders. Work is at an early stage of development but has the potential to address many of the significant challenges facing local communities.
116. The partnership's economic objectives reflect the economic challenges for the area. Its priority focuses on business activity and growth, training and employment, reducing poverty

and town centre improvements. While these are articulated in the SOA, the partnership is developing an economic strategy outlining how it will deliver these priorities.

117. The partnership reported a decline in the performance of the majority of SOA indicators in 2010/11. This was particularly noticeable around sustaining and growing business activity where the figures for sustaining employment in the sectors of food and drink, textiles, construction, agriculture and tourism all showed a decline. This performance, however, was based on data from 2008/09 and does not provide a current picture for the area.

Public transport is limited but the reopening of the Borders railway link has the potential to bring significant opportunities to the area

118. The partnership aims to improve the transport and communication infrastructure of the area in order to meet the needs of businesses and residents in addition to providing a good quality public transport network.
119. In the Scottish Borders 56 per cent of the population live in rural locations and the proportion of households with access to a car is 79 per cent which is above the national average. The partnership recognises the challenge for households given the escalating fuel costs. The SOA highlights improvements, for example, the percentage of roads needing maintenance is decreasing.
120. Public transport is limited, particularly east to west, across the region due to the dispersed rural settlements. This is a challenge for the partnership as the percentage of the population within a short drive time to education and health services in Scottish Borders is lower than the Scottish average and many people rely on the local bus service. The partnership reports good progress through the SOA in relation to public transport - customer satisfaction is increasing as is the number of buses with disabled access. Performance remained static for the percentage of residents with access to a regular daytime bus service. However, only 4.7 per cent of people use the bus to get to work, while 11.5 per cent nationally do.
121. The Borders Railway Link which is now seen as a partnership priority, is being re-established creating a passenger rail link from Edinburgh to Galashiels. The £294 million project is due for delivery by 2015. This has the potential to bring significant opportunities to the Borders area through improved travel to work times and increased tourism.
122. Improving digital and telecommunications infrastructure is a priority highlighted in the partner's strategic assessment to address economic and social issues. Almost three quarters of those responding to the Scottish Borders Council household survey (2010) had access to the internet. There were mixed views in relation to the quality of the service with 25 per cent considering they received a poor service. BT has started installing superfast broadband and Innerleithen was the first town in Scotland to benefit from the service.

People living in the Borders are generally healthy and most healthy indicators continue to improve

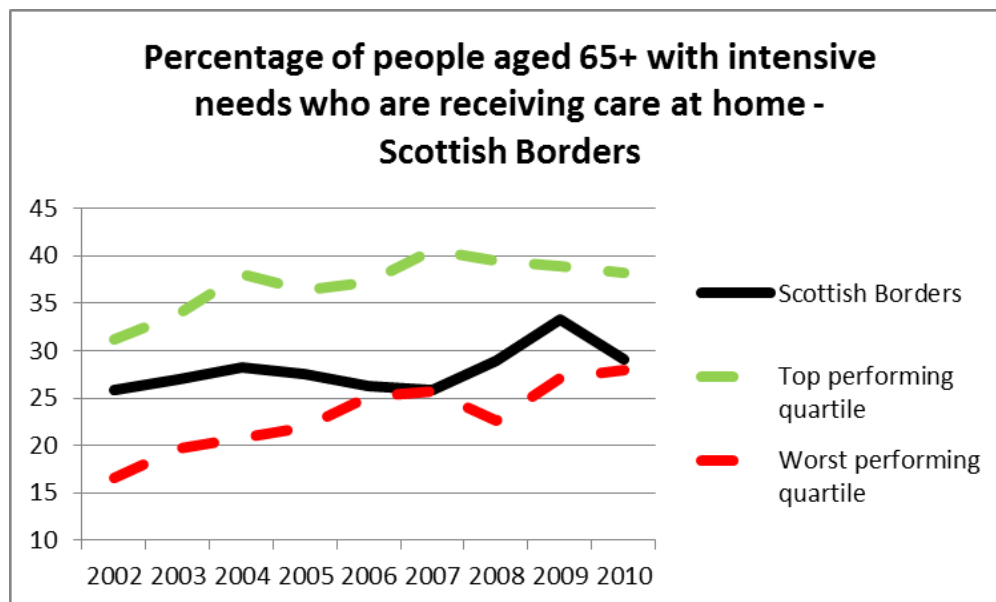
123. The partnership aims to provide high quality early years provision, improve the health of Borders residents through behavioural change and to support carers in their role.
124. People living in the Scottish Borders are generally healthy with life expectancy better than the Scottish average and increasing. However this is not the case in the most deprived areas where the gap for both females and males between with the least deprived areas has increased.
125. Our report on *Health inequalities in Scotland* highlighted the lead role that CPPs have in bringing together all relevant local organisations to address health inequalities. The report concludes that current performance measures do not provide a clear picture of progress and that CPPs' reports on delivering their SOAs are weak in the quality and range of evidence used to track progress in reducing health inequalities. It highlights that the differences among SOAs mean that a Scotland-wide picture is hard to identify. The report recommends that CPPs ensure partners have a shared understanding of health inequalities, their respective roles and the shared resources available, and that that they involve local communities in initiatives to tackle health inequalities.
126. The number of people under 75 dying from coronary heart disease, cancer and cerebrovascular disease in Scottish Borders is well below the national average. However, the gap between the most and least deprived areas has increased for hospital admissions for coronary heart disease, with a slower rate of improvement in the most deprived areas. Across Scotland there has been a higher rate of improvement in the most deprived areas which has narrowed the gap with the least deprived areas.
127. The rate of emergency hospital admissions for over 65's has reduced slightly over a ten year period and is now lower than the Scottish average however the number of patients being hospitalised after a fall is around the highest in Scotland.
128. The 2009/10 SOA does not address drug related issues, despite it being highlighted as a perceived priority area for the Borders' community in surveys. For Scottish Borders the number of people hospitalised or dying from alcohol conditions is lower than the Scottish average. So is the number of patients being hospitalised with drug related conditions.
129. From an analysis of the SOA progress report for 2010/11, 65 per cent of indicators relating to early intervention have improved performance: Early Years Provision with NHS dental registrations for three – five year olds, completion rates for child healthy weight intervention programme has significantly improved (by almost five times) and the uptake of vaccinations

has increased. There has been a slight decline in the percentage of children having nutritious school meals and proportion of new born children exclusively breastfed. Roughly twice as many people in more affluent areas are breastfeeding compared to those in the most deprived areas. However, this gap is closing, with rates of breastfeeding declining in both the most and least deprived areas but at a sharper rate in least deprived areas.

130. The percentage of residents taking part in 30 minutes of physical activity a day has been maintained since 2008 and there has been an increase in attendance at sporting facilities across the area.
131. Support for carers is considered a priority in the SOA, reflecting the demographic challenges the area faces in terms of both a growing ageing population and an increasing number of children. Performance in this area is positive, with all indicators improving including respite care services for adults, placing looked after children with kinship carers, providing carer assessments and supporting young carers.
132. Seven indicators relating to supporting people to live independently are improving. The CHCP demonstrate good partnership working by demonstrating a year-on-year increase in the number of Shared Risk Assessments undertaken. Thirty-five people have used the Cheviot multi-agency service since it opened in May 2011 with 28 people returning home successfully.
133. There has been a significant improvement on the levels of delayed discharges over the past few years. However this remains a challenge for the partnership as there has been a recent increase in the number of people waiting to be discharged from hospital into a more appropriate care setting. While there has been an increase in the number of people receiving personal care at home since 2007, this is still below the national average (Exhibit 9) and the numbers are falling.

Exhibit 9

Homecare – intensive care (aged 65+)



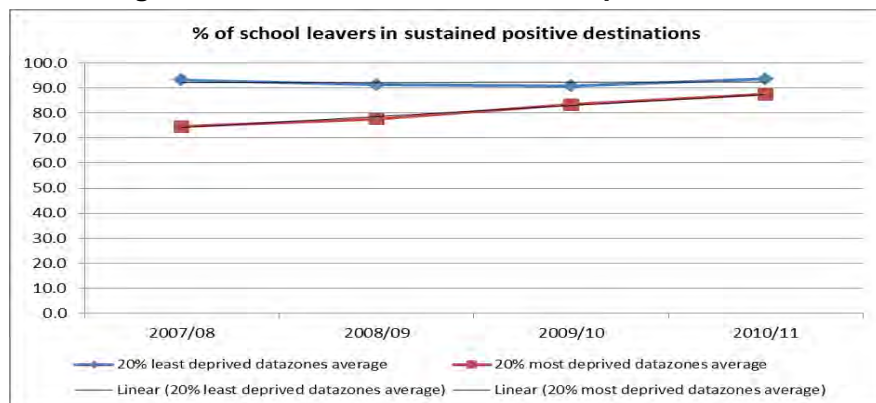
Source: *Scottish Neighbourhood Statistics*

Young people are achieving more qualifications than the national average and the gap is narrowing between school leavers moving into positive destinations from the most and least deprived areas.

134. The partnership recognises the positive direction of travel for educational attainment in the Scottish Borders and does not include its performance against this in its SOA. The gap between those leaving education and finding employment is reducing between the least and most deprived areas of the Scottish Borders.
135. Young people are generally achieving more qualifications than the national average, consistently across years S4, S5 and S6. There has been an increasing trend in young people staying on at school with 55 per cent of S4 pupils likely to stay on until S6, compared with 46.5 per cent in 2007. Also those leaving school are more likely to be heading into higher or further education, training opportunities or direct to employment. This is higher than the national average (88.8 per cent) at 92.5 per cent. Young people leaving school into unemployment has fallen from 10.5 per cent in 2007/08 to 5.9 per cent in 2010/11.
136. The performance gap between tariff scores for S4, S5 and S6 demonstrate minimal signs of closing between 2002/03 and 2010/11. School leaver destination indicators demonstrate signs of closing the performance gap between the most and least deprived areas within the Scottish Borders (Exhibit 10).

Exhibit 10

Percentage of school leavers in sustained positive destinations



Source: *Scottish Neighbourhood Statistics*

137. The partners report, in their SOA annual progress report for 2010/11, mixed performance against its local outcome of 'improving the life circumstances of people through education, employment and training, particularly targeted at the economically inactive'. There has been an increase in the number of care leavers going into employment, education or training, adults receiving English as Second Language training, in the number of 16 to 19 year olds supported to progress into work or other training opportunities and an increase in the number of those leaving school participating in community based learning opportunities.
138. There is focused partnership working for improving education in the Scottish Borders through the Borders Learning and Skills Partnership which is chaired by the principal of Borders College. It includes representatives from the council and the voluntary/third sector. The group is responsible for the monitoring of the actions in the service delivery agreement between SBC and Skills Development Scotland. Although the work of this group makes reference to escalating issues to the Borders Strategic Board, there is no evidence that the board has considered the work of this group. The partnership has recently merged with the Employability Group and clearly links to the CPP governance structure through the Economy and Infrastructure Delivery Team.

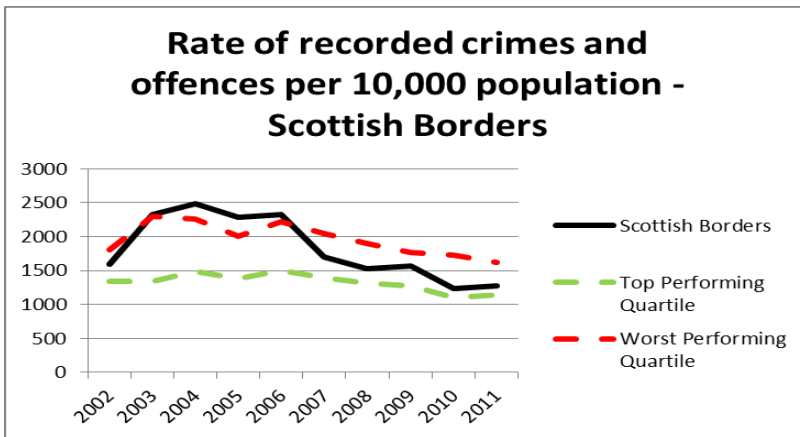
Communities generally feel safe and the rate of recorded crime has significantly reduced

139. The partnership aims to ensure children grow up in a safe environment, provide looked after children with the same life chances as other children, protect adults from harm in addition to supporting confident communities where volunteering is promoted.
140. Communities within the Scottish Borders generally feel safe. The rate of recorded crime has significantly improved between 2002 and 2011, and having been among the poorest

performing areas it is now in line with the top performing comparator authority areas (Exhibit 11).

Exhibit 11

Recorded crimes and offences per 10,000 population



Source: *Scottish Neighbourhood Statistics*

141. The top community safety priorities, identified through surveys carried out by the police and the council, are dangerous driving or speeding, drug dealing and drug misuse, crimes against children, parking problems, rubbish and litter, and drunkenness.
142. The reporting of domestic abuse incidents was low between 2002 and 2009 when compared to other local authorities in Scotland. In 2009, there were signs of increased levels of reporting, from 591 to 717 incidents per 100,000 population.
143. The 2009/10 Scottish Borders SOA does not fully reflect the community safety priorities of Scottish Borders communities or the priorities featured in the new community safety plan. For example it does not reference the monitoring of road casualties, even though road safety is seen as a big priority for the community, similarly, drugs do not feature even though it is also a priority within the community.
144. Community Safety Partners have worked effectively together to address drug problems in the Scottish Borders. Operation Goal was a large local drug operation, which targeted drug dealers, but linked with partners such as the NHS, SBC social work department and local housing associations to ensure that support, prevention and harm reduction were factored in as part of the operation. Local police funding was used to contribute to the damage caused to doors of housing association properties during forced entry. This operation also made use of early social work involvement so that children's needs in the families that would be affected could be considered and managed prior to the actual warrants being executed. LBP

also involved the Scottish Society for Prevention of Cruelty to Animals, so that they could pay for looking after any animals found during the raids.

Performance is improving in aspects of the greener agenda, however targets are not always being met

145. There has been limited progress in reducing the area's carbon footprint. The council has made no progress in reducing its energy consumption, while the NHS has made some progress in reducing its carbon emissions. However the public recognise this as an issue and the number of households seeking energy efficiency advice is rising year-on-year.
146. Tourism is a major attraction for the Scottish Borders and maintaining, preserving and enhancing its environment is an important issue for the partnership. The cleanliness index has been maintained at 76 which is above the national average of 74. Wildlife crime has reduced by almost 50 per cent between 2007 and 2011. An encouraging 19.7 per cent of people walk or cycle to work, compared with 12.9 per cent nationally.
147. The council has made some improvement to the cost of collecting waste which has reduced, however, the cost of disposing waste has been maintained. Both are below the target figures set by the council. Recycling rates are improving at 39.9 per cent for 2010/11 but again are below the 47 per cent target set by the council.
148. The partnership has identified an outcome to develop greater environmental resilience within Scottish Borders, aiming to protect the environment, improved recycling rates and reduce energy consumption. While performance is improving, targets are not being met.

How the CPP needs to improve

149. Continuous improvement in public services and strong local leadership and governance are central elements of the joint Scottish Government/COSLA Statement of Ambition for community planning. That document and the Scottish Government's priorities for public service reform in response to the Christie Commission report share common themes:
- a decisive shift towards prevention
 - greater integration of public services at local level, driven by better partnership , greater collaboration and effective local delivery
 - greater investment in the people who deliver services through enhanced workforce development and effective leadership
 - a sharp focus on improving performance.
150. This is a stretching and demanding agenda. It will required strong and sustained leadership from public sector leaders to deliver the ambitious step change in performance from community planning that are required to respond to:
- the financial pressures facing public services'
 - rising demand due to demographic change and public expectations
 - the deep-rooted social problems that affect many parts of Scotland.
151. The partnership has shown a good level of self-awareness and has made many significant changes in recent months and now has many of the fundamental structures and processes in place. However, it has set itself a demanding improvement agenda and much still needs to be fully established before it can demonstrate clearly how it is improving outcomes for its communities.
152. The audit has identified a number of areas where improvement is required by the CPP. These are set out below.

Strategic direction

- Set an ambitious vision for the area, building on the good outcomes already in place.
- Identify priorities where community planning can make an impact.
- Align priorities with the vision and translate into a jointly agreed SOA.

Governance and accountability

- Ensure partners have a clear understanding of their roles and responsibilities.
- Clarify and agree the mechanics through which partnership decisions will be reflected in the formal governance arrangements of partner organisations.
- Enable and support partners to make a full contribution to community planning.

Performance management and use of resources

- Set ambitious, but achievable targets.
- Regularly scrutinise performance reports.
- Report performance and progress publicly.
- Understand the total resources available for delivering partnership resources as well as the contribution by each partner.
- Scrutinise contributions by all partners.
- Ensure the partnership has the skills and abilities to deliver the strategic change agenda.
- Prepare a cross sector workforce development strategy to support the partnership's strategic priorities.

Impact and outcomes

- Maintain oversight of all joint working initiatives and ensure all partnership arrangements are reflected in the SOA.
- Rationalise activity to ensure resources are being used effectively.
- Effectively coordinate community consultation.
- Clarify the arrangement between the proposed area forums and local planning and service delivery by partners.

153. We will be liaising with the board to discuss this improvement agenda and will be monitoring the progress that the CPP makes in taking forward these improvement actions.