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News release

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Local partnerships have a key role in improving local economies

Community planning partnerships need to build on their economic development activity to help meet local needs. Partnerships should also make better use of available information and improve their understanding of the costs involved in delivering local economic priorities.

An Audit Scotland report published today, *The role of community planning partnerships in economic development*, looks at how community planning partnerships (CPPs) operate. CPPs are involved in many activities aimed at supporting their local communities. Because of this wide ranging activity the audit focused on one policy area - CPPs' contribution to local economic development.

This follows a previous audit report on CPPs, published in 2006, which highlighted a number of areas for improvement, including the need for: better performance reporting; a better understanding of the cost of delivering on their priorities; and the need to break down barriers to effective partnership working.

Today's report highlights that, since that previous report, the development of Single Outcome Agreements has helped improve the way in which CPPs monitor and report their performance. But judging performance is made more difficult than it needs to be because of the large number of performance measures for economic development being used across Scotland. The report also highlights that better use of available economic information and better involvement with the local business community are needed to identify local priorities.

CPPs also need to understand the cost of delivering agreed local priorities, and individual partners need to understand the implications for their own budgets. There is little evidence of joint financial planning by local bodies or a detailed understanding of the costs of delivering local economic outcomes.

Chair of the Accounts Commission John Baillie said: "Community planning partnerships have a pivotal role in joining up the delivery of local services to drive local economic development. There are examples of partnerships helping bring jobs and other economic benefits to their communities, and we encourage partnerships to build on this activity to meet local economic needs. Partners also need to continue to improve how they work together and get better at working out their costs to ensure they are making the best use of resources."

"Previously we highlighted that the complexity of community planning structures and partners' different accountabilities could be barriers to effective working. Managers involved in community planning still believe this to be an issue. It remains particularly evident in the extent to which different partners are held to account for their individual contributions to local economic development."

The report emphasises the importance of shared responsibilities and strong leadership.

Auditor General for Scotland, Robert Black said: "There needs to be shared responsibility for performance by all the partners involved in community planning. Previous Audit Scotland reports have highlighted that successful partnership working requires strong leadership and commitment from all partners. We have restated these principles in today's report."

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Notes to Editors:

1. All councils have established a CPP for their area. CPPs are led by councils and involve the NHS, police, fire and rescue services, the enterprise agencies, regional transport partnerships and other local organisations and

businesses. CPPs are involved in a wide range of activities such as tackling drug and alcohol addiction, reducing anti-social behaviour and improving skills and literacy. They do not directly employ staff, deliver services or have their own budgets.

- 2. Each CPP has an agreed plan which sets out their shared local priorities and desired outcomes (a Single Outcome Agreement). Between them the 32 CPPs are using 274 local outcomes and 574 local indicators relating to economic development in their Single Outcome Agreements.
- 3. The report includes good governance principles for effective partnership working and a checklist of key points for CPP board members.
- All Audit Scotland reports published since 2000 can be found on Audit Scotland's website <u>http://www.audit-scotland.gov.uk/</u> Audit Scotland published its previous report on CPPs, *Community planning: an initial review,* in 2006.
- 5. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. Audit Scotland has prepared this report jointly for the the Accounts Commission for Scotland and the Auditor General for Scotland:
 - The Accounts Commission looks at whether local authorities, fire and police boards spend public money properly and effectively. It operates independently of both central and local government.
 - The Auditor General is responsible for securing the audit of the Scottish Government and most other public bodies in Scotland, except local authorities. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament.