
Report to Council

Date of Meeting: 20 December 2018

Subject: Local Governance Review

Report by: Strategy and Performance Manager

1.0 Purpose

- 1.1. The purpose of this report is to provide Council with an update on the Local Governance Review jointly launched by COSLA and the Scottish Government in December 2017. This report sets out the key activities taken forward under the review; the emerging themes and the expected next steps in early 2019.

2.0 Recommendations

- 2.1. It is recommended that Council:
- note, comment and challenge the report as appropriate:
 - note the expected next steps of the review and agree to a further paper being brought back on findings and recommendations from the review early 2019.

3.0 Considerations

- 3.1. The Local Governance Review was launched jointly by local and national government in December 2017, as part of preparations for a new Local Democracy Bill set out in the Programme for Government 2017/18. The review is part of a long-term commitment by national and local government to place based reform and a more local approach to decision making in Scotland. Joint oversight for the Local Governance Review is provided by the Cabinet Sub-Committee on Public Service Reform Delivery and COSLA's Political Leadership Team.
- 3.2. The review focuses on all public services in Scotland and both the local and national spheres of government. It explores what might be achieved to strengthen local decision making and democratic governance in ways that improve outcomes, grow Scotland's economy for everyone's benefit, support communities to focus on their priorities and help new ideas flourish. In doing so it brings a wide range of Scotland's public services into scope and includes powers and functions currently held at national level.

- 3.3. The review is being conducted through two key strands. Strand 1 focuses on a programme of engagement events, called 'democracy matters', with a range of organisations from public services, the third sector and wider civic Scotland. The aim of Strand 1 is to engage with communities to explore how the review can strengthen participation and involvement in decision making, and reflects the commitment to community empowerment, building on the work already done to give people a direct say over the decisions that matter the most to them and their communities.
- 3.4. The focus of Strand 2 is around proposals to governance, powers, accountabilities or ways of working that could improve outcomes, reduce inequalities and improve democracy locally. This part of the review is consistent with Christie Commission principles and the principle of subsidiarity. This strand has focussed on three broad themes: community empowerment, functional empowerment and fiscal empowerment.
- 3.5. A series of engagement events have been held throughout Scotland in recent months to consider the three key themes and explore opportunities and ideas under both strand 1 and 2 activities. These sessions have been both generic and bespoke featuring on specific topics including a Single Public Service Authority; SOLAR; Fiscal Empowerment and Participatory Budgeting. This mix of workshops has resulted in 18 sessions on strand 2 activities being held in all, and 7 regional events held to look at opportunities under Strand 1 activity. 87 community groups have been funded to hold engagement events as part of stage 1 'democracy matters' activities.
- 3.6. From the review activities held to date, 6 initial key themes have been identified and have helped shape discussions with public sector organisations as part of the review. These themes are:
- 3.7. **Asymmetric and Permissive approaches to governance:**
- Which recognises the diversity of communities and the importance of public services meeting that diversity;
 - Which recognises the ability to explore different models of governance for different communities (including city powers, islands governance and single public authority models);
 - Which recognises that enabling/permissive legislation could create the conditions and capabilities to provide locally sensitive services.
- 3.8. **Collaboration and integration across public services and councils, including:**
- Collaboration and integration across neighbouring authorities or those with similar needs and/or interest;
 - Collaboration with other public bodies including Community Planning Partnerships and with social enterprises, the third sector and community models;

3.9. **Subsidiarity, Empowerment and Participation, including:**

- Devolution of power, and rebalancing the relationship between national and local government and communities
- Maximising opportunities for greater local democratic control of other public services beyond local government;
- The roles, functions and capabilities of Area Committees, Community Planning Partners and other arrangements;
- Building participatory budgeting, community engagement and the need to push down power and resources beyond local government to communities;
- Addressing the role of community councils, as well as the future relationship between representative, participatory and deliberative democracy;

3.10. **Scale:**

- Developing public services at the right scale ie in relation to regional collaborations, existing council or CPP levels, and community level.
- Capturing economies of scale or scope, but in ways that enable local government and communities to deploy this according to local circumstances and priorities.

3.11. **Fiscal Empowerment, including:**

- Greater financial autonomy over the resources available to provide services;
- The consideration of specific measures such as a transient visitor tax
- Reviewing the ways in which financial measures are used for central policy initiatives or specific input measures;
- Other opportunities such as budget sharing within CPPs and across specific public services;
- The control of increasing demand for services, significant perceived constraints on local financial flexibility and reductions in grant.

3.12. **Next Steps**

All public services have been requested to provide submissions on proposals under Strand 2 by 14th December, however where additional time is required this will be accommodated on request. Some proposals are at a fairly advanced stage, for example those Island authorities who wish to establish a single authority model of delivering local services following commitment set out in the Programme for Government 2017/18. COSLA's draft submission will be shared with Leaders at their meeting in January 2019. This is expected to be presented under the 3 inter-related themes across community empowerment, functional empowerment and fiscal empowerment, and reflect the high level findings from the review. Professor James Mitchell has been appointed to work on behalf of COSLA to build its submission.

3.13. The initial engagement period of the Local Governance Review is nearing completion. The broad emerging themes identified so far are clearly in line

with Council's medium term ambitions around options for new service delivery models. These reflect opportunities around collaboration and integration recognising that our scale provides opportunity here, as well as opportunities provided through alternative financial models to provide services that matter most locally.

4.0 Sustainability Implications

- 4.1. The Local Governance Review is focussed on how services will be delivered by local and national government going forward, and how outcomes, specifically tackling inequality and ensuring inclusive growth will be achieved. This review, and a Local Democracy Bill should it be required, will be one of the most critical programmes of work for local government and governance in Scotland affecting how we do every part of our business. The scope of the review should provide a positive impact on the Council and our communities, resulting in more local decision making and flexibility to deploy resources to meet local needs, circumstances and priorities.

5.0 Resource Implications

- 5.1. There are no financial or staffing implications resulting from this paper.

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	<input checked="" type="checkbox"/>
Our families; children and young people will have the best possible start in life	<input checked="" type="checkbox"/>
Women and girls will be confident and aspirational, and achieve their full potential	<input checked="" type="checkbox"/>
Our communities will be resilient and empowered so that they can thrive and flourish	<input checked="" type="checkbox"/>

- (2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
 Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
 Yes (please list the documents below) No

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Approved by

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