The Scottish Government believes strongly in the ethos, value and importance of public services and their continuous improvement for the people of Scotland. From road building and care services through to safeguarding our natural and built environment, public services are designed and delivered in increasingly innovative ways by diverse providers from across the public, private and third sector. They want to reshape Scotland’s public services, not because they are failing, but to make them more flexible, responsive and effective by removing unnecessary bureaucracy and duplication in service planning and delivery. They say that this is not about squeezing public services. The aim of the legislation is to free-up the time of public service staff to allow them to innovate and improve service delivery and help achieve more for Scotland.

Whilst welcoming the opportunity to streamline various aspects of government through public sector reform, we draw to your attention various issues that will impact on those communities and volunteering sector organisations especially relating to the following three issues:

- Best Value (Crerar Review): Equity in access and provision of contracts
- Efficient Government: Level playing fields and equal treatment with improved deliver and enhanced reputation of services
- Community Planning: reducing duplication and effective monitoring of social and economic outcomes

Overall Vision

In general WDCVS agrees that the overall vision set within the Bill has merit in that it seeks to reduce duplication of services and enhance delivery to the citizen, with the outcome of a healthier, wealthier, fairer, smarter and safer Scotland. Improvements to service delivery are not only commensurate with economic and managerial change but in addition and critically cultural change. Legislators must recognise that changing managerial roles, regarding staff and rearranging the deckchairs is counterproductive to real and pragmatic change that can be measured and evaluated.

Improving the Landscape

Professor Crerar in “The Report of the Independent Review of Regulation, Audit, Inspection and Complaints Handling of Public Services In Scotland” underlines the immense amount of complex scrutiny that existing in Scotland especially since the advent of the devolved Scottish Parliament. Though welcoming increased scrutiny of those providing public services, Prof Crerar states that Scotland has become burdened by over scrutiny across all sectors including the burden placed on Charities through the Office of the Scottish Charity Regulator. The review
highlights the areas for improvement and offers all public service providers the opportunity to review their processes and build relationships with partners to improve and streamline scrutiny processes before the implementation of statutory regulation.

We believe that to have a fully reformed public sector that not only the spirit but the practical and pragmatic implementation of Prof Crerar’s review should play a critical part in the debate of public sector reform especially in relation to:

- Scrutiny and relationship with internal quality management
- Reporting mechanisms and official reporting to external bodies
- Accountability to clients, contractors, funders and external bodies

For the Community and Volunteering Sector critical elements of reform must be underpinned by:

- Self assessment (Increased expectations / enhanced performance & skills set)
- Changes in working practices (organisational change & development as well as cultural)
- Increases in partnership working (improving relationships / reducing duplication across sectors)
- A clear public outcome focus (reflecting public need)
- Leadership responsibility (improvements in management skills base)
- Accountability (openness & transparency, improvements in standards)
- Single reporting mechanisms (reducing duplication)
- Effective deliver agents (identifying those best placed to run services that deliver)

Reform and Recession

The debate on public sector reform since the advent of devolution in Scotland has been one that centres on the role of local government starting with the Local Government (Scotland) Act 2003 in which the largest public sector delivery agent other than the NHS has been given enhanced powers and additional legislative powers. In addition, with the signing of the Scottish Government and Convention of Scottish Local Authorities (C.O.S.L.A) concordat this relationship has been enhanced whilst little has been done to bring about effective measurement the public sectors ability to deliver on agreed outcomes. Though economic recession has a considerable impact on how the reforms can be achieved the reasons for reform have not changed e.g.

- Duplication
- Closed contracting
- Limited changes in health and social indicators
- Finite monies
- Changing service needs

Unlike the public sector, the community and voluntary sector has seen a dramatic change in both its regulation and needs access to a sustainable contracting culture especially for those social enterprises that are innovative and already delivering
public services via Service Level Agreements. It is even more critical that any legislation brought forward recognises that reform is needed now more than ever and must be about long-term sustainable gain rather than short-term individual sector advantage.

This could be assisted by;

- More equitable procurement,
- Moving from a funding to contracting culture
- Improvements in skills sets and;
- Effective delivery and monitoring of community planning outcomes

**Simplification of Public Bodies**

WDCVS recognises and agrees with much of the Scottish Governments simplification agenda especially in relation to

- simpler structures which support the achievement of the Scottish Government's national strategic objectives and local government's delivery of better outcomes for local communities
- transparent and clear public service decision-making, with streamlined scrutiny and control regimes, which facilitate Scotland's capacity to mobilise capital and grow our economy
- fewer, better structured arms length bodies at a national level; which receive clear and integrated strategic direction from Government, while at the same time given room to deliver
- collaboration and joint-working between public services, which is essential for delivering better services, facilitated through less heavy formal structures and fewer organisational boundaries cutting across decision-making

With this in mind legislation must set out a reform agenda that will have critical weight to ensure that the policy vision which has broad political support is implemented. For the Community and Volunteering Sector this implementation is reliant up on

- Recognition of community and volunteering involvement in service delivery
- Acceptance of complexity of relationships in service delivery
- Robust political leadership for change
- Incentives to deliver
- Strong censure mechanisms for delivery failure
- Reviewing local government
- Service focused structures through Community Planning Partnerships

**Ordering and Power – function, responsiveness and efficiency**

When making powers in regards to efficiency, effectiveness and economy Ministers should consider that the following would assist in meeting the aims of the Bill
Civic engagement to highlight rights and a culture of civic responsibility for change
- Implementation of the recommendations of the Crerar Review
- Acceptance of full cost recovery for service delivery
- Equitable playing field in accessing procurement
- Retaining local investment within local areas
- Rewarding innovation and excellence in service delivery and design through partnership

These aspects would improve transparency and ensure effective management of resources through a more focused service delivery culture. The culture of civic pride must be placed at the heart of the bill not only in relation to public bodies but also to those external organisations that deliver services. Whether they be public, private or community based the first aspect of their contracts should be pride in delivering effective and responsive public services.

Organisational Consolidation

Many aspects of previous reform agendas have implicitly been for economic reasons and sought to streamline services from a narrow field of policy. Since devolution, administrations have accepted that reform must come from a broader policy field, for example, from Local Health Care Partnerships to Community Health Partnerships, joined CHP’s and Social Work Departments, enhanced political drive for community planning, restructuring of voluntary sector support, and critically the aims and objectives of the Concordat.

With this in mind the drive to push this agenda to the heart of government across a range of national bodies is welcome and shows political will for change especially in relation to the proposed changes through Scottish Care Social Work Inspectorate Scotland (SCSWIS). Nevertheless, the experience of the majority of community and volunteering organisations has been negative in aspects of relationships not necessarily with politicians but with the mechanism of the government bureaucracy across administrations at national and local government. If the legislation is to effect change then the following should be considered

- Focused change
- Managerial improvements
- Effective and commonsense regulation
- Equitable regulation
- Level playing fields in procurement
- Targeted delivery to those most in need
- Political direction and effective monitoring

It is critical from a social care perspective that proposed regulation changes should not be cumbersome or disadvantage those organisations that are directed by a volunteering board of management. Additional clarity on what a social service is would be welcome especially under part 4 chapter 2 of the proposed bill in relation to inspection as certain local services are not only managed by volunteers but delivered via volunteers.
In addition, legislators should accept that much of the regulatory frameworks of health care services are becoming incorporated through local Community Health Care Partnerships many of which are becoming integrated services with Social work departments. In relation to Health Improvement Scotland legislators should consider discharging some of its functions through local health partners thus improving relationships, understanding and utilising existing structures.

Furthermore, any consolidation of existing organisations must be commensurate with the recommendations of the Crerar review in that the “core purpose of... scrutiny is to provide independent assurance within a wider performance management and reporting framework, and that the functions of external scrutiny and the organisations responsible for carrying them out should now operate as a system. This will require a much greater degree of leadership and directed co-ordination than at present, and a much greater focus on performance management and associated self-assessment by service providers.”

**Trustee Indemnity**

Whilst welcoming the inclusion of Charity trustees’ indemnity insurance, charitable trusts should consider the impact of cost in relation to numbers of trustees and the impact up on finances if they consistently fail to meet regulations. Nevertheless, this is an internal issue of finance that charitable trusts will have to factor within their financial and governance planning.

**Asset Disposal**

Much is being made of asset disposal by non-governmental departments and that these should be passed to community groups. Whilst agreeing certain assets may be best serviced by community groups it is critical that any such adjustments to asset management is based on best value and effective management linked to outcomes for the wider community, and based on a model of sustainability and not merely as a movement of financial responsibility.

**Regulation in Practise**

It is important for legislatures to recognise that regulation in practise is often a reactionary process and underpins a culture of crisis management. To ensure that a more effective and positive culture of evaluation and change is implemented the five guiding principles for external scrutiny highlighted in the Crerar review should influence the Bill

- public focus
- independence
- proportionality
- transparency
- accountability

These should be adopted by Ministers, Parliament and other stakeholders especially Local Authorities, Health Boards and Community Planning Partnerships.
Cross Regulation – the Office of the Scottish Charity Regulator

An emerging issue for many service providers is the plethora of regulation that covers the work they undertake. For community and voluntary organisations this can be burden in financial and management resources. It is critical that any regulation frameworks are easy to understand and that in relation to Registered Scottish Charities, this regulation should not place them at a disadvantage with non-registered organisations, public bodies, private organisations or charities in other U.K. nations that have differing regulatory frameworks. It may be of benefit if regulators could agree to a lead regulator depending upon the circumstances.

Savings and Investment

It is critical that any savings to the public purse be re-invested in those policy areas which will deliver improvements across Scotland to the benefit of the taxpayer and citizen. They should be in the first instance targeted at areas most in need and assist in bringing about a level playing field for Scotland’s communities. It is critical that these investments do not become targeted by lobbyist whether from the community and volunteering sector or any other sector.

Martin J Docherty
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\(^1\) First Minister’s Statement on More Effective Government – supporting information (Scottish Government Jan 2008)
\(^2\) Effective Government Statement debate - Scottish Parliament Wednesday 30 January 2008