

REPORT TO: POLICY COMMITTEE ON 5 MARCH 2008

SUBJECT: SINGLE OUTCOME AGREEMENT

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

- 1.1 The reason for this report is to provide an introduction to the Single Outcome Agreement process – a new framework of joint accountability between local and national Government.
- 1.2 This report is submitted to Committee in terms of Section A(56) of the Council's Administrative Scheme dealing with all matters relating to entering into partnerships, co-operating and liaising with other bodies and Authorities.

2. RECOMMENDATION

2.1 It is recommended that the Committee

- (i) note how the single outcome agreement process is developing; and**
- (ii) consider how Members might be involved in the development process.**

3. BACKGROUND

- 3.1 The purpose of this report is to introduce the new framework of joint accountability between local and national Government which is being developed through the Single Outcome Agreement process. There are four main issues :-
- Fundamental principles underpinning outcome agreements.
 - The process by which the outcome agreement framework has been and continues to be developed.
 - Timescales for submission and agreement.
 - Other issues which will impact upon the Council's outcome agreement.

4. FUNDAMENTAL PRINCIPLES

- 4.1 There are 5 fundamental principles that underpin the development of the Single Outcome Agreement.
- i. The Outcome Agreement reflects an entirely new relationship between local and national Government. This relationship reflects both joint accountability and an understanding that it is not the role of national Government to impose its will on local Government. In short, this is a genuine agreement between the two spheres of Government in Scotland. Local Government has already agreed the 5 strategic objectives that Government has and the 15 national outcomes that underpin these. Furthermore it has already been agreed that there are 45 national indicators by which it would be appropriate for national Government to assess national performance against these outcomes. The next stage is for local Government to produce an outcome proposal and indicators which allows national Government to agree with local government that what is done locally genuinely contributes to the achievement of national outcomes as well as local priorities.
 - ii. There is a significant change in the way in which accountability will work. Namely that Parliament and national Government will concentrate on outlining what has to be achieved rather than on how Councils have to achieve it. The first evidence of this new way of working is the removal of ring fenced funding which had little to do with outcomes and concentrated on specifying the actions that Councils had to take. Although this principle of focusing on outcomes is well understood by some elements of the Scottish Government it will be necessary to guard against the impulse of government departments to dictate how services are to be managed.
 - iii. An objective of the outcome agreement process is that the entirety of the public sector in Scotland will be signed up to the same fairly restricted number of priorities. As this is an agreement between national and local Government it covers the whole of the public sector. Working together both spheres of Government can ensure a greater focus on these jointly agreed priorities. Again, it will be necessary to guard against a situation where agencies within the public sector carry on doing what they have always done instead of focusing on the newly established priorities.
 - iv. Each outcome agreement will contain both an offer to national Government and things local Government will ask from it. The Council must outline how services will contribute to the achievement of national outcomes and we have the opportunity to ask national Government to use its authority, influence and management to ensure that all its agencies are working to the same agenda and that where necessary legislative and regulatory changes are instigated which will allow the public sector to achieve its full potential.
 - v. Each Council will produce its own individual outcome agreement. Each of these agreements can and is likely to concentrate on different priorities and will make a different contribution to the achievement of national outcomes. Each agreement will also take account of differing local priorities and may use

different indicators from neighbouring Councils when assessing progress. There is simply no suggestion in this process of “one size fits all”. There is, however, a common framework or “template” for each Council’s outcome agreement simply to avoid 32 different formats and to provide Councils with some common guidance about how their own outcome agreement might be developed.

4.2 PROCESS

4.2.1 Both COSLA and SOLACE have worked with national Government to develop the national elements of the Single Outcome Agreement Framework. These national elements of the framework comprise the 5 strategic objectives (healthier, stronger, safer etc.), 15 national outcomes and 45 indicators of national achievement. These represent the way in which national Government will set priorities and how accountability will be delivered at a national level.

4.2.2 Work has been undertaken recently to develop the local part of the outcomes agreement framework. In order to develop a common framework for the local element of outcome agreements a joint officer group between Scottish Government, COSLA, SOLACE, Audit Scotland and the Improvement Service has been established. The Group is chaired by the Chief Executive of COSLA. The Group’s aim is complete the following work :

- i. A consultation by the COSLA Improvement Service concerning setting out the indicators which Councils might use in determining progress against the national outcomes. The joint group believes that it would be appropriate for a common menu of approximately 35-45 indicators to be developed. Councils could then choose from this menu which ones they would use which reflected their particular circumstances. To develop this menu the Improvement Service have consulted with all 32 Councils about a much larger number of indicators (200-300) which have to be reduced to the 45 which would seem the most useful.
- ii. The Group has commissioned work to provide detailed guidance to every Council about how the outcome agreement should be developed and presented. This will outline the sections of an outcome agreement and what they would have to contain in order for an agreement between national and local Government to be achieved.
- iii. Lastly, the Group is currently working on the agreement process itself. It will be necessary to consider how an agreement will be reached with central Government after an outcome agreement is produced. How much discussion and negotiation will there be? Who will the discussion be with, just officers or will MSP’s and Councillors be involved? How long should agreement take and how will disputes be resolved? At the moment, there is no disagreement emerging from this discussion but it is fair to say that this is the least well developed part of the process.

4.3 TIMESCALES

- 4.3.1 While the agreement with the Cabinet Secretary covers only a requirement to produce an outcome agreement covering the Councils' own services by April 2008, community planning partners in Moray have indicated that they would wish to be involved in the agreement for 1 April 2008.
- 4.3.2 All Councils are required to be in a position to deliver an outcome agreement covering the work of whole community planning partnership by April 2009 and this is the target date which has been set.

4.4 OTHER ISSUES

- 4.4.1 As the outcome agreement focuses on what we achieve not what we do and how we do it, the outcome agreement will not contain or replace the performance management framework used by the Council.
- 4.4.2 In terms of accountability, however, it is the intention to have a single report which represents the process of local Government and its Community Planning partners demonstrating its accountability to both Parliament and the local electorate. Outcome agreements will have failed if they do not fundamentally reduce the number of "accountability reports" that are produced.
- 4.4.3 COSLA are recommending that Councils should only accept a responsibility to report on the manifesto commitments which are explicitly included in the Concordat and even then only against the exact wording that was negotiated by the COSLA Team.
- 4.4.4 There is a concern that some elements of the Government would like to see continued separate reporting on specific issues. These range from joint futures, integrated childrens services, older people etc. COSLA do not envisage such a proliferation of outcome agreements. The Concordat requires Councils and national Government to deliver a single outcome agreement and, COSLA has re-affirmed that there will be only one agreement.
- 4.4.5 Recent meetings with civil servants have indicated that it is the intention for agreements to identify only a small number of key local outcomes which relate to the fifteen national outcomes. These have been described as the critical outcomes which can be identified from local analysis of the national and local performance indicators. It would be beneficial for a group of Members to be involved in this analysis process though it should be appreciated that this work has to be done over the next couple of weeks. It is intended that the draft agreement will be considered by the Council at its meeting on 26 March 2008.

5 SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

The single outcome agreement is one element of the Concordat that has been agreed between local authorities and the Scottish Government. It will direct all of the Council's plans.

(b) Policy and Legal

The Council is obliged to submit a draft agreement to the Government by 1 April 2008.

(c) Resources (Financial, Risks, Staffing and Property)

It has been recognised that there are capacity issues for Councils, Community Planning partners and the Scottish Government in developing, submitting and agreeing outcome agreements so early in 2008. The government's intention is to stick to the 1 April deadline accepting that the agreement in the first year may require further refinement.

(d) Consultations

The Service Development group and Corporate Management Team have been involved in discussions regarding this issue.

6 CONCLUSIONS

6.1 The Single Outcome Agreement process is the most significant development in Council - Government relations in memory. It heralds a new way for both tiers of government to work together for the benefit of the local community.

6.2 Development of the agreement will require that Members and officers define in a very short timescale the major issues in Moray and measures which are planned which will contribute to the delivery of national outcomes. This will be an extremely challenging process.

Author of Report: Alastair Keddie, Chief Executive

Background Papers:

Ref: