



LOCAL GOVERNANCE: SINGLE AUTHORITY MODEL

Report by Chief Executive

PURPOSE

- 1.1 The purpose of the Report is to provide an update to the Comhairle on the development of a Single Authority Model for local governance in the Western Isles

EXECUTIVE SUMMARY

- 2.1 Comhairle nan Eilean Siar has continued to take every possible opportunity to promote our commitment to the development and implementation of a single authority model of local governance for the Western Isles. The background to the work is set out in paragraph 5 below and has recently been reinvigorated by Scottish Ministers' support and by the financial circumstances of the public sector, both national and local. Following an initial meeting of officials of the Comhairle, Orkney Islands Council, Argyll and Bute Council, COSLA and Scottish Government to ascertain commitment to the policy positions advanced in 2016 and 2018 as part of the Review of Local Governance, a number of meetings have been held at political level following the meetings with Ministers in Stornoway in March 2024 which have increased in number and substance in recent months.
- 2.2 Scottish Ministers requested that the Comhairle update its previous policy commitments and supporting material, and a further Statement of Benefits, together with an Action Plan, were produced and submitted to a meeting with the Minister for Public Finance, Ivan McKee MSP, who is leading at political level Scottish Government's work on Public Service Reform. The Comhairle has also deepened ties with Argyll and Bute Council which has similar ambitions for the Argyll and Bute area, and are working jointly on the production of materials and additional work on the complex financial, legal and organisational work required to take forward the publication of a model, or models, for a single authority governance structure in the Western Isles, by the end of this financial year in March 2025. Paragraph 7 below sets out the processes which are being followed, and the engagement with both Ministers and other Government organisations and agencies to develop this work.

RECOMMENDATIONS

- 3.1 **It is recommended that the Comhairle notes the progress of work with Scottish Government towards development and implementation of a single authority model of local governance in the Western Isles.**

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Appendix: Statement of Benefits of a Single Authority Model, August 2024

IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

Resource Implications	Implications/None
Financial	While there are no immediate financial implications of this Report, adoption of new models of public service delivery in the Western Isles, particularly an integrated single island partnership model, are essential in addressing the financial challenges of the Comhairle and other public sector organisations serving our communities. The Comhairle has identified additional resource within Chief Executive's Office to support this and other work on key corporate policy objectives.
Legal	There are no legal implications at this stage. Primary legislation would likely be required to make final changes to the local governance landscape in the Western Isles and elsewhere.
Staffing	There are no immediate employee implications; employees and their representatives would form a key element of future structures for delivery of a single island partnership model.
Assets and Property	There are no immediate implications. A single authority model would allow greater opportunities for integration and sharing of assets and property, contributing to organisational deficiencies and freeing up resource for frontline and other essential services.
Strategic Implications	Implications/None
Risk	The promotion of different governance models forms a key part of the Comhairle's Corporate Strategy and is therefore fully risk assessed. There are significant financial and other organisational risks to the <i>status quo</i> , particularly as regards Local Government funding, in future.
Equalities	There are no immediate implications
Corporate Strategy	Promotion of public service reform and a single island partnership model is a key part of the Comhairle's Corporate Strategy.
Environmental Impact	There are no implications
Consultation	Considerable consultation took place between 2016 and 2018 on the Comhairle's clear view that a single island partnership model was a preferable means of securing the future of services, local democracy and accountability within the Western Isles. As proposals develop, further consultation both in and through the Community Planning Partnership, and directly by the Comhairle, is likely to be required.

BACKGROUND

5.1 The first Review of Local Governance was announced in the Programme for Government in 2017 and Comprised two Strands: Strand 1 focused on Community Engagement and was planned and co-ordinated through an Enabling Group, comprising representatives from a range of public and third sector organisations; the Chief Executive represents the Society of Local Authority Chief Executives in Scotland (SOLACE Scotland) on the Group. Joint political oversight arrangements involving Scottish Government and COSLA were established for political oversight. Strand 2 was focussed specifically on exploring the reforms which Local Government and other Public Sector Organisations sought from the Review. Councils and other Public Service organisations were invited to submit proposals and identify issues which they wished the Review to address.

- 5.2 The Comhairle set out its policy position very clearly in February 2018 through its unanimous support for a single island authority model, with a specific model agreed as the basis for discussion and development with Scottish Government and partners. This commitment was reaffirmed in December 2018 in the unanimous approval of the Comhairle's response to Strand 2 of the Review. It was noted at that time that the Single Island/Public Authority model has gained momentum beyond its traditional advocates within the Comhairle and Orkney Islands Council, but also from mainland Councils, such as Scottish Borders and West Lothian Councils, with significant common ground among quite diverse authorities as to the value of a single public authority approach in delivering the improved outcomes which Councils envisage from that model in terms of good governance, local management of resources but, equally critically, services to individuals.

DETAIL

- 6.1 Although the Review of Local Governance did not advance during the period of the COVID Pandemic, the Comhairle and Orkney Islands Council have always taken every opportunity to promote the model and seek to develop positive engagement from Scottish Ministers and Senior Civil Service about the need for, as well as the desirability of, public service reform, particularly as financial challenges deepen. The financial pressures across the entire Scottish public sector have re-focused Scottish Government on this need to reconsider public service reform, for both financial and other policy reasons. An initial meeting took place in November 2022 of senior officials of the Comhairle, Orkney Islands Council, COSLA and Scottish Government to ascertain, first of all, whether the Islands Councils remained committed to the policy positions advanced in 2018 and previously, and to confirm Scottish Ministers' interest in developing these models further. The response of both the Comhairle and Orkney Islands Council was enthusiastically affirmative in welcoming the opportunity to develop and update but see quick action on implementation of change.
- 6.2 Scottish Government colleagues confirmed that the Single Island Authority Model previously advanced by the Comhairle and OIC was undoubtedly the most radical and potentially transformative element of the whole local governance process, and COSLA rightly sees strong links between our proposals and the three key empowerments: functional, fiscal and community, which are COSLA's policy objectives, taking a "whole system" approach to local governance reform.
- 6.3 It is essential that the Comhairle and partner Councils have an adequate opportunity to revisit and refresh proposals previously submitted and that Councils are fully empowered, along with local partners, to develop models which serve the needs of their communities. To that end a meeting at political level took place in March 2024, attended by the Islands Councils' Leaders and Chief Executives, and by the Deputy First Minister, the Cabinet Secretary for Social Justice, Local Government and Housing, and the Cabinet Secretary for Health and Social Care. That meeting adopted a constructive and purposive approach and supported work to lead to governance arrangements which are best suited to the unique circumstances of the islands areas. It was significant that the Cabinet Secretary for Health and Social Care confirmed the involvement of NHS in the work and, while emphasising the need for accountability and power of direction to remain with the Cabinet Secretary for Health and Social Care in relation to specifically NHS matters, it was agreed to proceed on a collaborative basis to develop specific options on what was described as landmark public service reform. An officials' workshop-style meeting was held in May to review current proposals, to update these to take account of changed circumstances and to move matters onto the next stage, which is the development of workable options.

NEXT STEPS

- 7.1 A commitment to work on a Single Authority Model has been re-confirmed in the programme for government for 2024/25, published by Scottish Government on 4 September, in the following terms: *continue to make progress towards concluding the joint review of local governance by the end of this Parliamentary session – this includes developing single authority models with local government and health partners to strengthen and streamline local decision-making, and support a shift towards more preventative public services.* Ivan McKee, MSP, Minister for Public Finance, who has lead responsibility for Public Service Reform, has been an enthusiastic participant in meetings with the Comhairle on this subject, and he and the Public Service Reform team within Scottish Government have been keen to engage in the detail of the Action Plan which we have shared with Scottish Government. A joint meeting will be held on 26 November 2024, led by the Minister, with representation from Comhairle, Argyll and Bute Council, Orkney Islands Council and, it is understood, NHS Scotland.
- 7.2 Priority work for Comhairle at present falls into three categories: first, updating the detailed material which was submitted to the Review of Local Governance in 2016 and 2018, including work on how NHS would retain its clinical and operational autonomy within a Single Authority Model structure, and adapting that work to reflect the values – if not the detail - of the proposed National Care Service; second, continuing dialogue with the wider public sector on the benefits of a Single Authority Model, a message which is receiving ever-increasing approval, and; thirdly, looking beyond structural, democratic and operational benefits to the potential financial benefits of an integrated model, never more important as local authority budgets face unprecedented and increasing pressures.

CONCLUSION

- 8.1 The pace of productive work on Public Service Reform has increased markedly in recent months, and the interest and commitment of Scottish Government and civil service in/to a Single Authority Model for the Western Isles and other areas which seek to develop such a model has never been higher. There is still a perceptible gap between these political ambitions, and support and delivery across the whole public sector of these commitments, which has now appeared for a third time in the Programme for Government. In addition to delivering the demanding pieces of work referred to in paragraph 7.2 above, the principal task of the Comhairle for the remainder of this calendar year is in ensuring that commitment to delivery of the detail of Single Authority Models for the Western Isles remains high and is driven not just by the Comhairle, but by all relevant interests, including Scottish Government and other public agencies.