

THE SCOTTISH GOVERNMENTS PROGRAMME FOR SCOTLAND 2011/12

To: All Chief Executives, Main Contacts and Email Contacts (Scotland)

cc All Chief Executives, Main Contacts (England, Northern Ireland and Wales)

This briefing offers a summary of the recently released Scottish Government's Programme for Scotland for 2011/12. It provides an overview of the Scottish Governments policy commitments and key developments together with an outline of the forthcoming legislative programme.

Key Issues

The Scottish Governments Programme for Government has been prepared with due regard to the substantial down turn in economic performance.

- The programme acknowledges that some £40bn will be lost to the Scottish public sector over the next 15 years.
- A Cabinet Sub-Committee will be established to address and progress the findings and recommendations contained within the Christie Commission report.
- The Scottish Governments Spending Plan and Draft Budget will be released towards the end of September 2011.
- There will undoubtedly be a key role for the local government sector in delivering many of the policy commitments detailed in the programme; however a key issue will be the forthcoming financial settlement in revenue and capital terms, a decision on the Council Tax freeze and the extent to which it is fully funded.
- There seems to be no intention to revisit the previous Concordat arrangement.
- Some 16 Bills will be presented to parliament in the year 2011/12 for approval.

1.0 Key Commitments

The Scottish Governments programme for 2011/12 details a number of policy commitments which are summarised below: -

- **Sustainable Economic Growth**
 - Implementation of a recovery plan for the Scottish Economy, which will focus on jobs, capital investment, access to finance and enhanced economic performance.
 - Developing a low carbon economy with investment in renewable energy.
 - Supporting young people into employment, with a guarantee that all 16 – 19 year olds are offered training or learning opportunity.

- **Protecting Family Budgets**
 - Delivering a social wage and freezing Council Tax, maintaining free concessionary travel, prescription charges and personal care.
- **Scotland's Future**
 - Promoting an independence referendum
- **Reforming Public Services**
 - Preparing a strategic response to the recently produced Christie Commission report to reform public services with a focus on prevention, collaboration, partnership working and workforce development.
- **A wealthier and fairer Scotland**
 - Increasing the supply of housing across all housing tenures ensuring the effective use of "empty homes"
- **A healthier Scotland**
 - Protecting health spending and reducing the impact of alcohol misuse via minimum pricing.
 - Placing social care in the hands of the individual via self directed support
- **A Safer Scotland**
 - Reforming the Courts and tribuneral systems
- **A Greener Scotland**
 - Progressing Scotland's emission targets via the climate change fund

2.0 This next section of this APSE briefing offers further information on the key commitments in relation to the local government sector.

Securing Economic Recovery

The Programme for Government acknowledges the current and future economic challenges facing the UK and Scotland will be daunting and will resonate for a number of years to come. In response to this, the Scottish Government will progress their plans for recovery through: -

- Capital Investment
- Affordable Finance
- Economic Security and Protection

The Scottish Government through their programme will prioritise and potentially re-order capital spend in order to stimulate economic growth and support employment.

To support the reductions in traditional forms of capital, the government will progress non profit distribution investment via a tax incremental financing method, and the Jessica Fund. In addition, the Scottish Investment Bank will be tasked with economic development.

Maintaining a no compulsory redundancy policy in the civil service and NHS is guaranteed however this does not include the local government sector; there is also a commitment to deliver a social wage.

There is commitment to employment and training; this is highlighted through the delivery of 25,000 modern apprenticeships, allied to other developments on employment which include the creation of 4 new enterprise areas. Reference is made to the need for procurement reform, the £9bn spend on public procurement will be reviewed with a

renewed emphasis on SMEs and the provision of apprenticeships/training opportunities through community benefit clauses.

Investment in Infrastructure

The work of the Scottish Futures Trust will continue to be pushed. The forthcoming Spending Review will reprioritise capital spend with the Forth Replacement Crossing being the key project for delivery; this decision will impact on the local government sector. There remains a commitment to housing with £400mn being deployed into the Housing Investment Programme in 2011/12.

Scotland's Low Carbon Economy

The programme gives a commitment to the low carbon economy. A £70mn National Renewable Infrastructure fund will be established.

Regeneration

Regeneration of cities, communities and neighbourhoods is a dominant policy theme. A Regeneration Strategy will be prepared which will aim to redevelop deprived areas. There is a strong reference and emphasis on community participation in the planning and delivery of local services, this being reflected in a proposed bill in the legislative programme.

Reducing Fuel Poverty

Linked to the development in social housing is a push to improve fuel poverty. There being a potential role for solar power in local authority owned housing stock.

Tackling the causes of poverty and protecting the low paid

Building on the policy of no compulsory redundancy in parts of the public sector together with the expansion of a social wage, there is a commitment to deploy resources on preventative programmes which improve outcomes for people living in deprived areas in the longer term. This being a key recommendation of the Christie Commission on the future delivery of public sector services in Scotland.

Healthier Scotland

Considerable emphasis is given to the policy requirement to tackle Scotland's chronic health record and remove the label of Scotland as the, "sick man of Europe". Emphasis is placed on early preventative programmes which will involve the local government sector. There is a bias towards: -

- Early years and early intervention to prevent future problems for the most vulnerable.
- Implementing the actions set out in the Obesity Route Map Action Plan with an emphasis on healthy food and physical activity.
- Tackling Scotland's alcohol culture.

Sport

There remains a commitment to sport which includes the Glasgow Commonwealth Games and the investment in community sports hubs. Currently a number of sports hubs are being delivered across 12 local authority areas. Over 100 sport hubs will be created by 2014.

A Single Police and Fire Service

In order to protect front line police and fire services, the programme proposes to create a single service for police and fire services, this being reflected in the forthcoming Police and Fire Reform Bill.

Climate Change and Renewables

Reducing the amount of carbon emissions remains a priority. Scotland wants to see its carbon emissions reduced by 42% by 2020. This will be delivered through a number of programmes including

- Climate Change Fund
- Energy Standards in new buildings
- Zero Waste Plan

Better Public Services

The Programme for Government acknowledges and confirms that Scotland's public services will lose £40bn over the next 16 years, with the associated spending levels experienced in 2009/10 not returning until 2025/26 subject to the country's economic performance and the policy on UK national debt. With regard to capital, there will be a 35% real terms reduction over the next 3 or 4 years.

This provides the financial context for the reform of public services. Reference is made to the work of the Independent Budget Review Panel and the Christie Commission on the future delivery of public services. A Cabinet Sub Committee has been established to shape a response to the findings and recommendations contained within the Christie Commission report.

Reference is made to:-

- Preventative programmes
- Place based Partnerships with SOA's being central to developments
- Workforce development and effective leadership
- Openness and transparency in performance via the development of an Improvement Framework.
- Public service organisations – the need for public service providers “to act as one” in delivering locally integrated services, in order to deliver improved outcomes for local people.

Legislative Programme

For the coming year the Scottish Government will prepare and present some 16 bills to Parliament for approval. The key bills from a local government/public sector include: -

- Budget Bill
- Police and Fire reform
- Alcohol/Minimum Pricing
- Self Directed Support
- Council Tax on empty homes
- Rights of children and young people

APSE Comment and Conclusion

The Programme for Government provides a degree of strategic direction for Scotland. The Programme rightly recognises that there is a slow economic recovery following a severe recession. The Programme needs to use public resources in order to aid Scotland's redevelopment. However, recent contributions about the profile of the recession, recovery and forecasts for growth are concerning and this has been recognised by the Scottish Government. It will however, remain difficult to provide the necessary financial stimuli to go for growth against the significant reductions in capital and revenue resources.

The importance of the Spending Review and draft budget for 2012/13 is therefore essential from a local government perspective. The commitment on social housing is welcomed as is the commitment to build a further 5000 Council homes.

APSE also welcomes the commitment to apprenticeships and training by incorporating community benefits clauses into procurement spend. This has been a long-term policy ambition of APSE's and one that the association is well published on through reports such as 'Getting more bang for the public buck'.

The measures and ambition around tackling climate change, fuel poverty and promoting renewables are welcomed as this chimes with a significant tranche of APSE's own work in supporting authorities throughout the UK at present. APSE is working with a number of local authorities in developing significant programmes and strategies around energy efficiency and renewables, including wind and solar.

From a wider local government perspective the Cabinet Sub Committee on the Future Delivery of Public Services will be making policy announcements on what recommendations will be progressed. Early indications suggest: -

- An outcome approach will be retained
- Local Government will need to look at how resources are deployed in relation to outcomes.
- Partnership working through Community Planning Partnerships will be continue to be pushed
- There will continue to be a focus on costs and performance

In order to support Councils with this agenda APSE has prepared and produced a range of briefing material, publications and toolkits which can assist members of APSE in broaching many of the issues raised in the Programme for Government.

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