

Scottish Government's Proposal for Reform of Local Governance

Scottish Government

To: All Chief Executives, Main Contacts and APSE Contacts in Scotland.
For information only: England, Northern Ireland, and Wales.

1 Executive Summary

The Scottish Government has published a proposal for fundamental reform of local governance in Scotland, setting out an initial model for discussion rather than a final restructuring plan. The proposal would replace Scotland's existing 32 local authorities with 6 to 10 regional authorities, alongside 120 to 160 community authorities focused on local decision-making. The Scottish Government intends to use discussions with local government and other partners to establish a shared direction on structural reform by the end of 2026.

The proposed regional authorities would have responsibility for strategic functions and the delivery of core services, while community authorities would take responsibility for decisions considered most effective when made closer to local communities. Councillors would continue to be elected at the existing ward level and would sit on both of their relevant regional and community authorities, avoiding the creation of an additional electoral tier.

Whilst APSE welcomes dialogue rather than imposition of change, we have also urged caution given the difficulties of achieving widespread reorganisation. Moreover, it is unlikely that many of the challenges facing APSE member councils in Scotland can be resolved by structural changes alone. You can read further information about APSE's response at the end of this briefing. COSLA has also welcomed the opportunity for dialogue but has urged caution, stressing that significant changes should be supported by sound evidence and agreed with existing local authorities rather than imposed by the Scottish Government. COSLA has also emphasised that communities and the staff delivering local services must have a meaningful role in shaping reform.

[Click here](#) to read the Scottish Government's proposal in full.

2 The Scottish Government's Proposal

The Scottish Government argues that Scotland's current local government structure has not been fundamentally reviewed since the restoration of the Scottish Parliament in 1999, and that some existing authorities are either too large to be genuinely local or too small to operate effectively at a strategic level. Its initial proposition is therefore to establish a smaller number of regional authorities alongside substantially more local community authorities.

The proposed 6-10 regional authorities would focus on strategic decision-making and the delivery of services requiring capacity and coordination at a larger scale. Potential responsibilities include regional economic development, housing, strategic planning, employability and skills, relevant transport functions, waste and cleansing, regulatory services, civil defence and resilience, and early learning and education.

The proposed 120-160 community authorities would focus on decisions and services where local involvement is considered particularly important. Potential responsibilities include householder planning applications, community planning, licensing, management of open and greenspace, local town-centre regeneration, and local leisure, sport and culture facilities. Community authorities could also work with community development corporations, social enterprises and other community organisations to strengthen local participation and community assets.

The proposal would not necessarily be limited to transferring existing council functions and services between the two tiers. The Scottish Government also suggests that some functions currently undertaken by other public bodies could potentially be brought within regional or local democratic control.

The Scottish Government stresses that the proposal is not its final view, but a starting point for discussion. It intends to work with local government, Parliament, communities and other partners to develop more detailed proposals. Funding arrangements for the proposal would be considered once the division of responsibilities between national, regional and community government had been established.

3 Implications for local authorities

The proposal represents a potentially significant change to the organisation and delivery of Scottish local government, although its final form remains subject to discussion. The division of responsibilities between regional and community authorities, the geographical boundaries of both tiers, funding arrangements, councillors' roles, and the treatment of existing council workforces and assets all require further discussion.

For councils and their services, the current period of dialogue will therefore be important in establishing how functions such as waste and cleansing, environmental services, housing, transport, education, planning, leisure and regulatory services could operate within a new governance structure. Local authorities may also wish to consider how the proposed model could affect service integration, economies of scale, accountability and the ability to respond to local needs.

APSE members will have an important role in contributing practical evidence on how services are

currently organised and delivered, and on the opportunities and challenges that different approaches to regional and community delivery could create.

4 APSE's initial response

The Scottish Government's proposals will no doubt cause unrest amongst the local government sector in Scotland.

The Local Government Scotland Act 1973 established a two-tier system of local government within Scotland which comprised of 9 regional level councils and 53 district councils alongside 3 Island Councils. The Conservative Government in 1994, (prior to The Scotland Act 1998 which created the devolved Scottish Government and Scottish Parliament) created a Unitary system of local government which led to the creation of 32 Unitary councils which were eventually established on 1 April 1996.

However Unitary council structures have been mired by resource issues and growing demand for services. This position is similar across other areas of the UK including Wales, which also operates under a Unitary system and in England, where some two-tier areas remain, but where many areas already operate as Unitary councils. The Northern Ireland Local Government Act 2014 reduced the number of local councils from 26 down to 11 new district councils within Northern Ireland and today those councils operate a smaller range of services than can be found elsewhere.

The Scottish Government proposals therefore appear to suggest a reversal of the decision to abolish a regional tier of government with the recreation of an upper tier but also suggests around a three times larger base of community councils (at 120-160 such councils) which is significantly more than the 53 district councils abolished by the 1994 Act.

APSE has always argued that optimal service delivery efficiency is not simply dependent upon the size of the population within a local council area. Many other factors should be considered. Whilst economies of scale are often cited as a valid reason for scaling up service delivery, and assuming efficiencies for some services this can lead to diseconomies of scale. For example, waste services covering a large area will need to consider the distances to support routes across wider areas, possibly mixing in urban and rural conurbations, and the availability of waste transfer stations and disposal facilities. The proposals for waste to be framed within a regional level may be a sensible suggestion for the purposes of more efficient disposal arrangements and investments in new facilities but it is unclear if there is sufficient evidence to support collection and recycling systems at this level.

APSE is equally concerned by the potential fracturing of coherent delivery models in areas like parks and public realm. Through many years of careful budget management, driven by austerity budgeting, local authority managed parks and public realm services have ensured a multiskilled workforce operates across service disciplines and across different wards and areas. Some also maintain highly effective neighbourhood delivery models. Furthermore, assets are managed to ensure that they are utilised to best effect, including the availability of local authority fleet and fleet replacement programmes to maximise efficiency. There is little evidence to suggest a hyper-local

approach would deliver better outcomes and indeed risks service efficiencies. Whilst this may be countered by arguments as to service level agreements between neighbouring providers (with a lead provider model) this equally risks simply reinventing the existing Unitary footprint for such services.

Lessons from Reorganisation in England

As APSE member councils will no doubt be aware planned reorganisation in England is currently paused for review. Whilst this appears to be due to some legal risks within the process, it is notable that Local Government Reorganisation in England was accompanied by a pledge to bolster devolution of strategic objectives such as economic growth, skills and transport to a sub-regional level through the use of combined or strategic level authorities alongside new mayoral powers. However, observers to the position in England were mindful of the disruptive nature of change at different tiers and the potential risks to governance and democratic accountability.

APSE would suggest that a first step would be to honestly determine what types of services are best delivered where and what the intended outcomes of any structural changes would be, particularly in terms of the effectiveness of proposals in improving local public services.

Moreover, in contested areas of public service delivery such as social care APSE member councils in Scotland may be particularly concerned, if like the proposals in England, resolving the social care funding crisis is not considered alongside or indeed in advance of, discussions on future delivery models.

Therefore, whilst APSE welcomes the opportunity for a dialogue on the structural issues this can't be done in isolation to the conversations that must take place on the intended outcomes, the efficiency and effectiveness of service delivery models and consideration of what services are best delivered at what level. Prevention of future need must also be a consideration if public services are to move away from crisis responses to new challenges and to move towards a prevention first approach to public service delivery.

5 How can APSE help?

APSE will be hosting a roundtable meeting on **Wednesday 28 October** to enable our membership to share and debate their thoughts and views on these recent proposals from Scottish Government with colleagues from across Scotland. To register to attend this free roundtable event please [click here](#).

In addition to this, APSE is issuing a short survey to gather initial thoughts which will help to aid discussions on the day. APSE would greatly appreciate if colleagues could take the time to complete the survey [found here](#). All responses will be anonymised but will help to shape discussions during the roundtable itself.

Furthermore, APSE's National Local Government Reorganisation and Devolution Network will take

place on **Wednesday 10 November**, this meeting will include local authority case study examples of shared services. To register to attend this national network please [click here](#), or for more information on these Networks please [click here](#).

All APSE members can also access the APSE Scotland networks, which provides updates, information, and opportunities to engage with colleagues across local government in Scotland. Members can keep up to date with regional activities, events, policy developments, and networking opportunities by visiting the Scotland members' area. You can access the network using this link: [APSE Scotland](#)

David Hinds,
Research and Information Officer
dhinds@apse.org.uk

Louise Melville,
Policy Lead (Scotland)
lmelville@apse.org.uk

Sign up for APSE membership to enjoy a whole range of benefits

APSE member authorities have access to a range of membership resources to assist in delivering council services. This includes our regular network meetings, specifically designed to bring together elected members, directors, managers, and heads of service, together with trade union representatives to discuss service specific issues, innovation, and new ways of delivering continuous improvement. The networks are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Networks are a free service included as part of your authority's membership of APSE and all in-person meetings end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE Network meetings and would like to be added to our list of contacts for your service area, please email enquiries@apse.org.uk.

Our national networks include:-

- FM and Building Cleaning
- Catering (School Meals)
- Cemeteries and Crematoria
- Highways and Street Lighting
- Housing, Construction and Building Maintenance
- Social Value, Procurement and Commercialisation Network
- Parks, Horticulture and Grounds Maintenance
- Renewables and Climate Change
- Roads, Highways and Street Lighting
- Sports and Leisure Management
- Vehicle Maintenance and Transport
- Veterans and Military Champions Network
- Local Government Reorganisation Network
- Waste Management, Recycling and Street Cleansing

Visit www.apse.org.uk for more details.



INVESTORS IN PEOPLE™
We invest in people Gold

Association for Public Service Excellence
3rd floor,
Trafford House,
Chester Road, Manchester M32 0RS.
telephone: 0161 772 1810
web: www.apse.org.uk

NEW MUNICIPALISM
Delivering for local people and local economies