



RSA

2020 Public Services

**Environmental
protection and
management**

**A social productivity
approach for SEPA
and SNH**

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and Atif Shafique*

September 2013

RSA 2020 Public Services is a practice-research and policy development hub. We work with local authorities, public sector bodies, businesses and the third sector to develop social productivity approaches to public service reform, helping to create stronger and more resilient citizens and communities.

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Foreword

Scotland's environment – our key natural, and national, asset – is the basis for the well-being of our communities as well as for an economically flourishing country. It is part of our sense of place and national identity. We must all invest in this asset so that Scotland can continue to be a successful nation.

But investment in a time of tightened budgets is not straightforward. It is a challenge to balance immediate priorities against investments that may prevent far more costly problems from arising later on. And we need to make our scarce resources go further.

These issues lie at the heart of the public service reform debate set off by the Christie Commission on the Future Delivery of Public Services. We support the Government's response to that which is framed by four main pillars:

- A decisive shift towards **prevention**.
- Greater integration of public services at a local level driven by better **partnership**.
- Greater investment in the **people** who deliver services.
- A sharp focus on improving **performance**.

Many of today's environmental challenges, such as climate change, health inequalities, loss of biodiversity and air quality lie more with people and their behaviour than with the exercise of centralised authority. Changing behaviour is complex. It involves the individual, the social context, the built environment, infrastructure and the institutions that surround us. Approaches require collective agreement about how to solve problems for shared outcomes. We must be open to new ideas and approaches to meeting these challenges.

We are already at the start of that journey, with a desire to do more. To help our thinking, we asked the RSA to provide us with their view of what transformational change in public services could look like from an environmental perspective. This report is the result. It looks widely at relationships between people and place to inform its recommendations.

We welcome this report. Together, we shall explore the recommendations and their implications for our organisations along with our partners in the environmental sector and all others with an interest in maintaining and developing Scotland's natural assets.

James Curran MBE

Chief Executive, Scottish Environment Protection Agency

Ian Jardine

Chief Executive, Scottish Natural Heritage

September 2013

Glossary

Business incubation: a support process providing resources and services to businesses and entrepreneurs at start up. The bundle of facilities and services can include: workspace on terms appropriate to start-up companies; access to specialist facilities/equipment; business development support services (e.g. support with business planning, marketing, financing, mentoring); common office services; and access to business networks.

Commissioning: a process of understanding community or individual needs and aligning resources to meet them. The process involves a cycle of analysis, planning, doing (usually contracting or procuring) and reviewing. Public services in a geographical or thematic area may work together to ensure that their commissioning is integrated, understanding and responding to related needs and resources in the round.

Co-production: a process of designing and delivering public services through reciprocal relationships between professionals, people using services, their families and their communities. Service professionals and citizens are both recognised as having resources that can contribute to a valued outcome.

Participatory budgeting: a supported process that involves local people in making decisions on the spending and priorities for a defined public budget.

Public service mutual: an organisation that has left the public sector but which continues to provide public services (under contract) and in which employee control plays a significant role in how it operates. Any mutual exists for the primary purpose of delivering a benefit to its members, rather than profit making. Members may be employees, customers or community members.

Social capital: the stock of shared norms, values and ways of understanding the world that facilitate co-operation within or among groups.

Social impact bonds: a form of public-private partnership in which the private or voluntary sector finances and arranges the delivery of services against a bond issued by the public sector. Returns on the bond are related to outcomes (or performance).

Social network analysis: measurement and analysis of relational structures, showing how people or organisations are connected through one or more specific type of relationship. Formally, social networks are described

as nodes (or network members) that are tied through their relationships. Social network analysis can be useful in understanding interactions between different network members, information flows and resource flows.

Social productivity: a strategic approach to public service reform that focuses on the quality of relationships between services and citizens. Grounded on a detailed understanding of people and place, it enables citizens and services, along with civil society and business institutions to co-produce better outcomes by drawing on a wider range of resources – human, produced and natural – than are traditionally brought into play.

Social value: the additional benefits enjoyed by a community as a result of a public service investment or commissioning process, over and above the benefits directly purchased. Additional benefits may be economic, social or environmental, and public service commissioners may be able to take them into account when designing and awarding contracts.

Key terms

This report suggests a number of new mechanisms and framing devices with which to build a social productivity approach to environmental management and protection.

Better Community Regulation: a step on from Better Regulation, it would reflect social preferences and priorities, not simply legal requirements and scientific advice, and would draw consideration of impacts on human and social capital together with impacts on produced and natural capital.

Citizen Stewardship: an aim of policy-making, which would see citizens, individually or within communities of place and interest, taking greater responsibility for maintaining natural assets, and having the appropriate authority and incentives to do so.

Environmental ChangeMakers: a group of civic activists, known and trusted within communities, who have been identified through social network analysis and brought together to act as a sounding board, communications mechanism and policy partner in environmental service design.

Open Up: a set of organisational competencies and attitudes appropriate to SEPA and SNH as they become more co-productive.

Total Environment: a commissioning process focused on improving environmental outcomes and the assets that support them. Total Environment would involve joint public service audits of total environmental expenditure and assets in a given area, followed by joined-up commissioning that taps into and develops civic capacity and environmental social enterprise.

Valued Environment: a natural environment managed primarily through social partnerships that share benefits and responsibilities in maintaining natural assets and fair access to their benefits over the long term.

Executive summary

How might environmental assets be managed more effectively to meet a wider range of social needs?

The environment and public services: a double crisis

Scotland's natural environment faces unprecedented threats. At the same time, the nation's public services are facing their sharpest fiscal squeeze for generations. On both fronts, new policy approaches are essential, but relatively little work has been done to explore how the challenges might be tackled together. How might environmental assets be managed more effectively to meet a wider range of social needs? And how might social assets – particularly the capabilities and commitment of citizens, communities and businesses – be enlisted more effectively to promote sustainable environmental outcomes?

This report by the RSA 2020 Public Services explores how reforms for sustainable public services and a sustainable environment can be brought together in practice. It builds on a growing consensus within environmental and social policy that many of the major challenges they face are complex and dynamic, and are therefore resistant to traditional models of centralised prescription and authoritative leadership. Where social and environmental problems are inherently complex, contain potentially conflicting value claims and cut across several sectors – so called 'wicked' problems – their solutions will need to be relational and participatory, and their leadership 'messy'.¹

Of course, not all social and environmental problems are 'wicked', and not all existing public policy interventions have been ineffective. It is not helpful to dismiss the achievements of traditional services and approaches in improving lives and combating environmental and social injustices. But neither must we ignore their limitations. Neighbourhoods in which poverty has been entrenched for generations testify to the limitations of traditional public services. Waves of interventions have failed to engage effectively with the many interdependent and mutually reinforcing dimensions of disadvantage.² The tools have been too blunt, the knowledge of policy-makers too limited. Similarly, in the environmental sphere, few doubt that Natura sites designated by European legislation for the conservation of animals and habitats have been helpful – indeed, nature

1. For the classic definition of 'wicked' problems see Rittel, W. and Webber, M. (1973), 'Dilemmas in a general theory of planning,' *Policy Sciences*, 4, pp.155-69; available at http://www.uctc.net/mwebber/Rittel+Webber+Dilemmas+General_Theory_of_Planning.pdf; for wicked problems and 'messy' leadership see Grint, K. (2008), 'Wicked problems and clumsy leadership: the role of leadership'; available at http://api.ning.com/files/jNo*OZMFk9n763wpTNwN9h-woIABSzS-bIGf-ZVjWnYRWKgfPiNguvxFkF9LeVgp-8FkQ2Fhld*bsATJePAP87foOpZeyJ4g/wickedproblemsclumsysolutions.pdf; for an analysis of wicked problems in the context of environmental issues see Balint, P. et al. (2011), *Wicked Environmental Problems*. Washington: Island Press.

2. Bazalgette, L. et al. (2012), *A Wider Lens*. London: Demos; available at http://www.demos.co.uk/files/Wider_Lens_-_web.pdf?1350917252.

conservation sites now cover 18% of Scotland's land area – but biodiversity is still declining overall.³

The right moment for change?

In recent years, the Scottish Environment Protection Agency and Scottish Natural Heritage have made significant changes to adapt to reduced budgets and changing policy priorities. Many external stakeholders interviewed for this report credited the organisations with becoming much more constructive partners in business and the rural economy. Within SEPA and SNH there was general agreement that many of the organisations' most immediate challenges had been or were being addressed. There was little sense amongst staff that further radical change beyond what was already planned would be needed to achieve their visions.

However, not everyone shared this opinion. One senior figure set out the challenge starkly:

'If we can't mainstream our agenda, it'll be catastrophic. We'll be ghettoised. We'll just be the bit at the side of government that does the environment.'

We believe that the stakes are indeed as high as the speaker suggests, as a result of three interlinked risks – fiscal, institutional and methodological.

- **Fiscally**, there is a risk that scarce statutory funding will flow to resource-hungry front-line services and away from areas whose remit is perceived as less urgent.
- **Institutionally**, there is a risk that as other public services – however hesitantly – move towards local integration, SEPA and SNH will find themselves marginalised from these partnerships. This will make it difficult to ensure that environmental issues are taken into consideration in the design and delivery of public services.
- **Methodologically**, both organisations are deeply imbued with a culture of protection, regulation and statutory expert reporting. This approach would have a limited impact on a range of 'wicked' problems, even if it could be supported by buoyant funding and inclusive public service partnerships.

The choices made by SEPA and SNH and its partners in the face of these challenges could lead environmental protection and management services in two very different directions:

3. Natural Scotland (2012), *Key Scottish Environmental Statistics 2012*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/0040/00400677.pdf>; and Scottish Government (2012), *A Consultation on the 2020 challenge for Scotland's Biodiversity*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/0039/00396675.pdf>.

Mainstreamed	'Ghettoised'
Collaboration across public services nationally and locally	Stand-alone technical services
Leadership and overarching purpose across environmental issues	Numerous programmes, churning and disconnected
Small community groups and organisations with substantial control and responsibility for aspects of environmental protection and management	Established interest groups and environmental NGOs leading debate and action
Participative science and public understanding	Elite science and popular detachment
Enterprising green solutions	Businesses complying with minimum statutory requirements

Social Productivity: the right model for change?

We believe that the fiscal, institutional and methodological challenges set out above are interlinked. They need to be understood in a single framework that sees value creation in public services as the result of a rich set of relationships. That framework is social productivity – an approach developed by the Commission on 2020 Public Services and RSA 2020 Public Services to help policymakers build individual and community resilience at a time of squeezed public budgets and sluggish economic growth.

Social productivity changes the focus in public services from the *provision* of goods and services within top down systems to *value creation* between services and citizens through collaborative design and shared responsibility; that is, through co-production. Social productivity sees co-production as taking place in a complex system of relationships. Within this system, public, business and civic actors are all potential partners and assets in the creation of social value, but much of their collective or collaborative resource remains untapped in today's system. Where traditional public services have focused on transferring resources to compensate for market failure (i.e. reactive), a social productivity approach asks how, by starting from the perspective of the citizen, services can better build resilience and prevent future failures and needs (i.e. proactive).

We believe that social productivity's emphasis on long term social value creation through complex systems could be particularly pertinent for environmental policy. It aligns with the need to invest in assets that support wealth creation and well-being and so extends a narrowly defined agenda of reducing the costs of public service delivery to a more complete view of preventative spend. Environmental assets (including protection and management services) produce outcomes through a complex inter-play of actors with different degrees of knowledge and authority at local, regional, national and international levels. Outcomes are often long term, not immediate. Social productivity offers a way of understanding how the whole system operates.

SEPA and SNH are already well placed to act on a social productivity agenda. They can point to fresh thinking and good practice in a number of relevant areas. For example, they are considerably more skilled than many other public services in collaborative policy-making with business, proactive in community participation and systematic around social return

Social productivity changes the focus in public services from the provision of goods and services within top down systems to value creation between services and citizens

on investment (SROI). SEPA's support for Scotland's 2020 Climate Group, SNH's 'Talking About Our Place' toolkit for community dialogue and its support for Greenspace SROI are all evidence of this.⁴

Environmental management and protection through social partnership

SEPA and SNH are multifaceted organisations that will always need to use a variety of approaches to achieve their aims. Not all of these will involve deepening their social partnerships, but many should.

Their strategies need to embrace the fact that answers to many of today's environmental challenges – loss of biodiversity, air quality, flooding or diffuse pollution management, for example – lie more with people and their behaviour than with the exercise of centralised authority. How we travel, how we run our homes, how we choose goods and services, how we make business investments, how we share information and judgements with colleagues or neighbours: these are critical decisions for the environment, and not ones that lie entirely in the gift of executive agencies. Even the most robust advocates of powerful expert enforcement agencies concede that their ability to deliver further environmental improvements is diminishing.⁵ The fiscal resources available for centralised management and enforcement of environmental regulations are shrinking, and the challenges they face are growing and becoming more socially diffuse.

SEPA and SNH will therefore need to forge new and sometimes unpredictable social partnerships to bring new resources, skills and knowledge to bear on challenges that have national and international dimensions yet also require local ownership. This will involve moving away from hard authority and towards 'messy', mediated influence. It is a journey that cannot be completed overnight, and may well be uncomfortable on occasion. Nevertheless, we believe that widening the resource base, broadening accountability, localising leadership and contributing to the establishment of new norms of behaviour is essential.

'The best resource is the population and this is best harnessed at a local level, accepting that this will involve duplication and a lack of synergy and as such be open to criticism. The key to this problem is to use national bodies to define strategic areas and then develop local groups.'

Third sector stakeholder

Any strategic decisions by SEPA and SNH that do not in some way enhance the capability and accountability of citizens in regard to their environment are likely to be flawed. Both organisations should support and enlist community resources, formal and informal, through whatever means and intermediaries are necessary. To make a greater impact on the wider determinants of environmental sustainability, and to move as far as possible from policing to prevention, they will need to become energisers,

4. www.2020climategroup.org.uk; <http://www.snh.gov.uk/docs/B1117674.pdf>; <http://www.greenspacescotland.org.uk/greenspace-sroi.aspx>.

5. Gunningham, Neil (2002), 'Beyond compliance: next generation environmental regulation', Australian Institute of Criminology; available at <http://192.190.66.44/en/events/aic%20upcoming%20events/2002/~media/conferences/regulation/gunningham.pdf>.

educators, supporters of ‘green’ business, partners of communities and champions of what we call ‘Citizen Stewardship’.

This will require a step change. Not everyone in SEPA and SNH is convinced that this is wise or feasible. They see political risks, practical obstacles and unproven environmental gains. Within SNH, for example, there are already concerns that too much resource is going to a plethora of small scale grassroots projects in which gains are hard to measure. Larger scale projects such as the John Muir Way appear to promise more impact and profile.⁶ In such cases, working with communities can seem the opposite of working strategically and being guided by science.

Some third sector organisations are also dubious about the change of approach we recommend. They believe it would be impractical for SEPA and SNH to position themselves as community capacity builders: ‘[they are] pretty bureaucratic... Problem solving does not sit well in these quangos’. (Views are divided: we also heard from third sector organisations that credited SEPA and SNH with playing very helpful problem-solving roles alongside communities.) Whether critics or supporters have a more accurate view of the current situation, SEPA and SNH will clearly need to invest significantly in stakeholder and community mapping to ensure that a stronger community focus complements rather than duplicates existing practice. We recommend that SEPA and SNH consider social network analysis – the mapping and measuring of relationships between people and groups – as a helpful way of addressing this.⁷

A deeper concern expressed by some Non Governmental Organisations (NGOs) is that Non-Departmental Public Bodies like SEPA and SNH should not attempt to support and shape the views of communities: ‘Public bodies shouldn’t try to pass themselves off as NGOs.’ The reforms that we suggest would be likely to result in the blurring of boundaries between public services and community action and this would indeed raise questions about authority. Though these are not entirely new – they have been contested within community leadership for many years⁸ – they would need to be addressed seriously. This report’s recommendations around ‘Mandate’ begin to do so.

The governance arrangements that describe the relationships between communities and organisations across a range of interests – including the environment – are central to meeting the aspirations of community planning and Single Outcome Agreements.

There are concerns, tensions, challenges and opportunities here, but despite these, many of those we spoke to within and outside of SEPA and SNH agreed that the case for developing a more socially productive approach is compelling. The logic of prevention supports it. More

The reforms that we suggest would be likely to result in the blurring of boundaries between public services and community action and this would indeed raise questions about authority.

6. SNH (August 2012), ‘Programme Review: People and Landscape’; available at <http://www.snh.gov.uk/docs/B1119433.pdf>.

7. Rowson, J. Broome, S. and Jones, A. (2010), How social networks power and sustain the Big Society. London: RSA, available at http://www.thersa.org/_data/assets/pdf_file/0006/333483/ConnectedCommunities_report_150910.pdf; and for a practical study of their use, Marcus, G., Neumark, T. and Broome, S. (2010). London: RSA; available at http://www.thersa.org/_data/assets/pdf_file/0005/402755/RSA_Power_lines_FINAL-110511.pdf.

8. Kippin, H. and Lucas B. (2012), Sunderland’s Community Leadership Programme: A Social Productivity Analysis. London: 2020 Public Services Hub at the RSA; available at http://www.thersa.org/_data/assets/pdf_file/0006/568059/2020_Sunderland_report.pdf.

environmental problems need to be prevented upstream, rather than policed downstream. Command and control services are in many cases too rigid to allow for reflexive problem solving.

Sharing more responsibility with communities and citizens:

Why we think we can't change	Why we have to change
It's too expensive	Status quo is becoming unaffordable
Communities are often self-interested. We have a wider duty	Engage early with communities on the basis of their assets, not late on the basis of their problems and grievances
Volunteering has flatlined	Mainstream volunteering so it really matters for both parties, increasing incentives to make it work
Communities lack scientific rigour	Co-produce evidence with them and use it as part of mosaic approach to decision-making
We're not community development organisations	But you can work with and through them
We need to focus our resource, not disperse it	Target resource (fiscal and non-fiscal) on the basis of good information about influence within communities (e.g. social network analysis)
We'll be captured by the usual suspects	Use different methodologies to inform your outreach
It'll create demands we can't meet	It meets demand preventatively

A social productivity model for environmental protection and management

Change on the scale and of the kind suggested by this report cannot happen overnight. The report identifies increasingly complex, sometimes wicked problems that will require resources and knowledge that can only be mobilised through wider social partnerships. It will be important to have a clear strategy to achieve this. But this kind of change will also rely on leadership that is 'messy' and management that is adaptive. As one SNH/SEPA stakeholder explained:

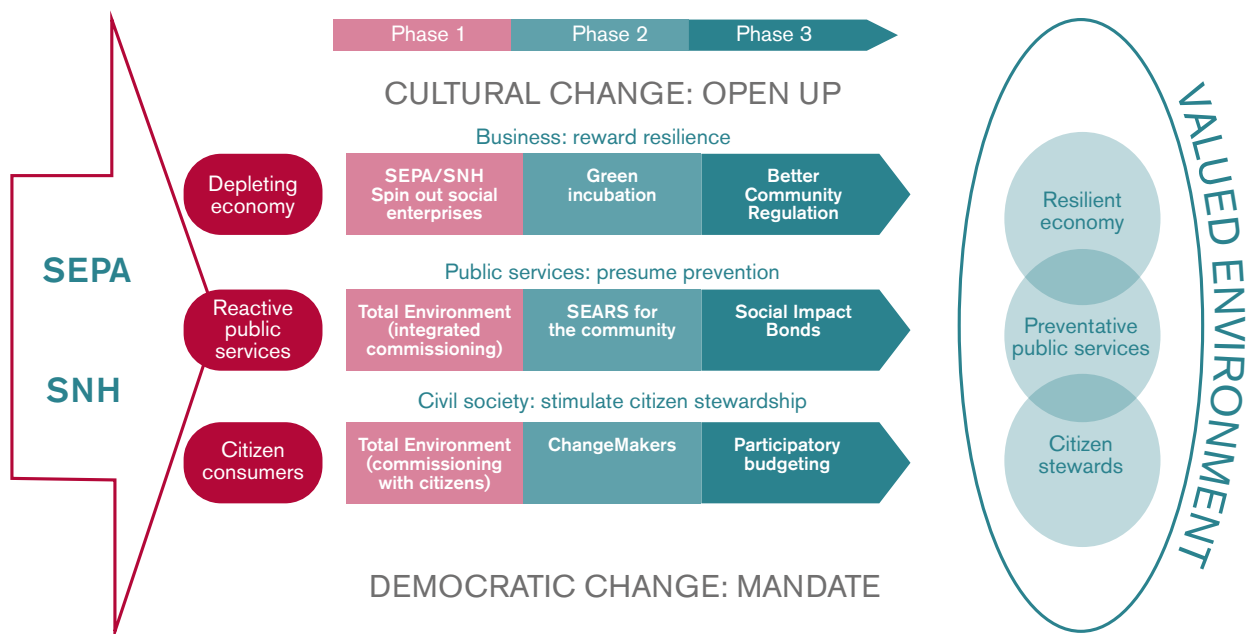
'I think the plans and strategies mindset isn't the right one. We've been through years of setting out plans and strategies. Perhaps we actually need to think in a different way, frame things in a different way.'

A social productivity model offers that frame. It sets out the distance between the public services we have now and the public services we need them to become; and it suggests ways to start to close that gap. Today's public services are largely specialist delivery bodies responding to market failures, social needs and the environmental problems that these generate. In the future, public services should be collaborative platforms designed to support individual and community capabilities so that people are increasingly able to meet their own needs. For SEPA and SNH, this means refashioning their relationships with three principal sets of social partners:

- **Business:** where the collective aim should be to contribute to a resilient, environmentally sustainable economy that maximises opportunities from new technologies.
- **Public services:** where the collective aim should be contribute to preventative public services.
- **Civil society:** where the collective aim should be to contribute to citizen stewardship.

Together, these partnerships with business, public services and civil society can contribute to what the report terms a ‘valued environment’, showing how natural assets support wealth creation and well-being. We would characterise a ‘valued environment’ as a natural environment managed primarily through social partnerships that share benefits and responsibilities in maintaining natural assets and fair access to their benefits over the long term.

The diagram below – explained more fully in the following recommendations below – illustrates how these partnerships could start to be developed and become more productive and mutually reinforcing. But for these partnerships to create substantial change, they will need to be accompanied by overarching changes within SEPA and SNH’s culture and competencies. We suggest possible elements of this in the section on ‘Open Up’. Partnerships will also need to be underpinned by fresh democratic deals with citizens. Our section on ‘Mandate’ suggests how these might be constructed.



Recommendations

Civil society: stimulate citizen stewardship

We recommend that SEPA and SNH open up their work to a wider range of citizens and communities, introducing a preference for communities and groups that currently have little sense of responsibility or concern for the environment. SEPA and SNH will need to get under the skin of communities, using techniques such as social network mapping, and put power into local people's hands through better commissioning. Good commissioning is central to community planning and can bring greater citizen involvement in needs analysis, as well as supporting diversification and development of the supply side – by nurturing local social businesses, for example.⁹

- **Phase 1:** SEPA and SNH pilot what we call 'Total Environment'¹⁰ audits with a small number of local authority partners. These detail the total environmental spend, resources and natural asset base in an area, building on the Area Profiles drawn up for Single Outcome Agreements (SOAs). Audits are the first phase in a commissioning cycle that gives a stronger role for communities in mapping needs and shaping services.
- **Phase 2:** SEPA and SNH use social network analysis approaches to establish regional or local 'Environmental ChangeMakers' groups. These will broaden the communities actively engaged in environmental issues.
- **Phase 3:** SEPA and SNH place responsibility for some financial decisions in the hands of communities, using participatory budgeting processes to build commitment to good environmental practices.¹¹

Public services: presume prevention

There is now a real aspiration to move towards joined up public services based on prevention in Scotland. We recommend that SEPA and SNH prioritise collaboration based on preventative principles. To do so they will need to identify a small number of ambitious local authority partners with whom new models can be developed. Ultimately, planning for prevention should become the default preference for public services.

- **Phase 1:** SEPA and SNH pilot 'Total Environment' audits with a small number of local authority partners, and use the learning

9. In Scotland, commissioning has primarily been applied to health and social care services, although other local authority services may also be considered; see National Steering Group for Joint Strategic Commissioning (June 2012), 'Joint strategic commissioning – a definition: joint strategic commissioning across adult health and social care'. Scottish Government, COSLA and NHS Scotland; available at <http://www.jitscotland.org.uk/action-areas/commissioning/>.

10. The approach should build on learning from the English experience of Total Place and Whole Place Community Budgets. See the appendix of this report and H.M. Treasury and DCLG (2010) *Total Place: A Whole Area Approach to Public Services*. London: H.M. Government; available at http://www.hm-treasury.gov.uk/d/total_place_report.pdf; Ernst & Young (2013) *Whole Place Community Budgets: a review of the potential for aggregation*. London: Ernst & Young; available at http://www.local.gov.uk/c/document_library/get_file?uuid=3e06dd05-6204-4ae8-9b41-81f516cb9a5b&groupId=10171.

11. Harkins, C. And Egan, J. (2012) *The Role of Participatory Budgeting in Promoting Localism and Mobilising Community Assets: but where next for participatory budgeting in Scotland?* Glasgow: Glasgow Centre for Population Health; available at http://www.gcph.co.uk/assets/0000/3145/GCPH_Participatory_Budgeting_FINAL.pdf.

to inform a move to multi-service, integrated commissioning. This enables budgets and other resources to be aligned across agencies to achieve shared outcomes.

- **Phase 2:** SEPA and SNH build on SEARS by collaborating with its partner bodies to ensure a ‘single front door’ for all environmental services in a locality.
- **Phase 3:** SEPA and SNH pioneer new forms of finance for preventative environmental investments by exploring social impact bonds or their equivalents.

Business: reward resilience

We recommend that SEPA and SNH focus more intently on supporting businesses to develop the environmental practices and technologies necessary for a resilient economy in the long term. They should do more to bring together business and communities, ensuring better dialogue and greater accountability.

- **Phase 1:** SEPA and SNH expand the availability of advice for businesses to introduce cleaner and more resource efficient technologies and processes. In order to achieve this, they consider whether parts of their organisations could be more proactive and productive as social businesses or employee-led mutuals.
- **Phase 2:** SEPA and SNH prioritise work with business support organisations and other relevant partners in order to expand access to incubation services for green SMEs.
- **Phase 3:** SEPA go forward from Better Regulation to develop what we call ‘Better Community Regulation’, incorporating the views of communities and contributing to wider benefits to these communities.

Mandate

SEPA and SNH have some statutory powers, but their ability to achieve their aims rests more heavily on their ability to influence than their power to compel. They speak with the authority of science, but unless they also enjoy the mandate of public confidence, their ability to drive change will be limited. Technical advice and decision-making has to be embedded in relationships through which perspectives are shared and multiple sources of authority acknowledged.¹²

We envisage SEPA and SNH working increasingly flexibly to agree solutions and allocate resources with community partners and other stakeholders. This will inevitably create some unevenness in their national offers and in decision-making. It will be crucial to reinforce the organisations’ mandate in order to support this legitimate variation.

12. Owens, S. and Driffill, L. (2008), ‘How to change attitudes and behaviours in the context of energy’, *Energy Policy*, 36, pp.4412-4418; available at <http://www.bis.gov.uk/assets/foresight/docs/energy/energy%20final/owens%20paper%20-section%204.pdf>; Brechin, S. et al. (2002), ‘Beyond the square wheel: toward a more comprehensive understanding of biodiversity conservation as social and political processes’, *Society & Natural Resources: An International Journal*, 15: 1, pp.44-64; available at http://www.facstaff.bucknell.edu/pwilshus/scholarship/snr_sqwh2.pdf.

- **Phase 1:** SEPA and SNH both (or jointly) establish Citizen Panels within their organisations modelled on NICE’s Citizen Panel, to reflect on difficult ethical issues referred to them by their boards.
- **Phase 2:** As part of Total Environment pilots, SEPA and SNH work with partners to initiate agreements with local communities or neighbourhoods that clarify what environmental improvements will be made and how communities will contribute. We term these reciprocal deals ‘My Place’ agreements.
- **Phase 3:** SEPA, SNH and other public environment bodies agree a simple charter or Environmental Services Constitution similar to the NHS constitution that sets out their key national responsibilities and their expectations of citizens.

Organisational culture, competencies and behaviours: Open Up

‘You’ve got to give away power to gain power.’

Third sector stakeholder

None of this will be possible unless the organisations change deep-seated assumptions about how they work. The reform process will require a fresh set of organisational competencies and attitudes. We term these overarching changes ‘Open Up’, to indicate the type of culture change we believe will be necessary. Open Up also involves a willingness to see some aspects of control and delivery move outside of the organisations, to communities, joint public service bodies and business start-up groups.

- **Phase 1:** SNH and SEPA draw up competency frameworks for themselves as Open Up organisations and ensure they are clear about mission and adaptive in their means.
- **Phase 2:** New business information goes regularly to the SEPA and SNH boards to enable them to track the impact of their new ways of working.
- **Phase 3:** 360 degree feedback will be essential in order to assess progress on creating a valued environment.

Introduction

The 2011 report of the Christie Commission on the Future Delivery of Public Services delivered a stark warning:

‘[U]nless Scotland embraces a radical, new, collaborative culture throughout our public services, both budgets and provision will buckle under the strain.’¹³

Public services in Scotland are in a period of risk and opportunity. The risk is that when faced with daunting fiscal, demographic and economic pressures, services retreat rather than innovate. These pressures are compounded by the pace of legislative change at the Scottish, UK and EU level that is placing new demands on public bodies without necessarily revising funding to match. Calls for doing more with less in public services do not always come with guidance on how best to prioritise, and do not always acknowledge what the wider impact is likely to be on service users and other public and third sector organisations.

But the opportunities are also significant. The Scottish Government’s public service reform programme is driven by a vision of people and place, supported by a renewed focus on prevention and partnership between different sectors and the communities they serve. The scale of the challenge facing the entire economy, not least the public sector, is potentially forcing a step change towards more integrated, preventative and effective approaches that can meet the needs and aspirations of the Scottish people. Calls for sustainable growth, better co-production of public services and a stronger focus on outcomes rather than means are beginning to broaden the boundaries of public service collaboration.

This leaves environmental management and protection, and particularly bodies such as SEPA and SNH, in a position that is both exciting and uncertain. Long before the Christie report, both organisations had been systematically revising and rationalising their aims and operations to achieve a clearer focus on environmental protection through people and place. However, their reputations – and to some extent, their skill sets – are still scientific or technocratic, and somewhat detached from the lives of most Scots.

The environment is high on the policy agenda, but the roll-out of a host of new initiatives, ranging from Zero Waste to Hydro Nation creates a complex advisory and delivery landscape in which overall leadership is not always evident. Similarly, while there is ongoing collaboration between SEPA, SNH and other public services, underpinned

The Scottish Government’s public service reform programme is driven by a vision of people and place, supported by a renewed focus on prevention and partnership between different sectors and the communities they serve.

13. Christie, C. (2011), *Commission on the Future Delivery of Public Services*. Edinburgh: Scottish Government, p.viii; available at <http://www.scotland.gov.uk/Resource/Doc/352649/0118638.pdf>.

by growing evidence of the broader economic and well-being benefits of a well-managed natural environment, measuring preventative gains is difficult and contested. This complicates the task of working with other partners towards shared outcomes. Moreover, while public services are becoming more open to collaboration, the challenge of tackling organisational silos and ingrained behaviours remains real. Change in practice has fallen a long way short of the aspirational rhetoric of policy documents.

This report is aimed at helping SEPA and SNH take practical steps towards meeting today's challenges, mitigating its risks and seizing its opportunities.

The project

Scottish Natural Heritage

Scottish Natural Heritage (SNH) is Scotland's nature and landscape conservation body, with statutory roles in wildlife management and protected places. Its key roles, responsibilities and activities include:

- Establishing and overseeing management of protected areas.
- Issuing licenses for scientific, educational and conservation-related purposes.
- Providing independent, practical and scientific advice to the Scottish Government, local government and various environmental stakeholders.
- Being a consultee and statutory reporter in a number of areas.
- Being an executive delivery body for central government, particularly in relation to EU directives.
- Working with a large and diverse number of groups and organisations both nationally and locally, including other public service agencies, councils and NGOs. Arrangements can include formal concordats and joint statements, multi-party schemes and time limited task groups. There are also research, development and funding relationships with a large number of NGOs, often jointly administered in partnership with other organisations such as Forestry Commission Scotland.
- Providing a local service through its 42 offices, helping it 'deliver a national service locally'.

SNH's income comprises almost entirely grant-in-aid from Scottish Government and has faced significant budget reductions over the past few years.

- Its total grant-in-aid in 2011/12 was £60.7m, a 10.6% reduction from the previous year's budget.
- This fell to £57.8m in 2012/13, is £55.2m in 2013/14 and will fall to £53m in 2014/15.
- In 2011/12, SNH had an average of 728 full-time equivalent employees. This was 55 fewer than the previous year.

Scottish Environment Protection Agency

The Scottish Environment Protection Agency (SEPA) is Scotland's environmental regulator with a remit to protect and improve the environment. Its four main areas of responsibility are: radioactivity; waste; pollution; prevention and control; and water. Its key roles, responsibilities and activities include:

- Implementing Scottish, UK and EU legislation. This includes issuing licenses, permits and permissions to industry in order to control pollution and prevent environmental damage.
- Acting as Scotland's flood warning authority and having a strategic role in managing flood risk.
- Undertaking statutory and non-statutory advisory activities .
- Taking an active role in diverse partnerships. These can be formed on the basis of shared duties with other agencies and local authorities, statutory multi-agency partnerships and practice and knowledge-based partnerships.
- SEPA is increasingly taking a 'problem-solving approach' to environmental protection, working alongside businesses and other stakeholders to protect the environment and promote sustainable economic growth without recourse to law.
- SEPA works nationally and locally. It has a strong local presence with 25 offices nationwide, some of which are shared with other public agencies, including SNH.

SEPA's income comprises receipts from its regulatory activities (such as licensing) plus grant-in-aid. Its budget has fluctuated: grant in aid rose significantly towards the end of the last decade, but has recently been reduced sharply.

- In 2004/5, its budget was £54.23m, including £29.5m grant in aid.
- By 2009/10 it was £84.5m, including £48.3m grant-in-aid. The rise is partly explained by new duties and responsibilities.
- In 2011/12, grant-in-aid dropped to £39.4m. It has fallen to £38m in 2012/13 and is planned to drop to £37.5m in 2013/14 and 2014/15. SEPA's overall budget for 2012/13 is £74.4m.
- As of March 2012 SEPA had 1,211 employees working across its various regional offices and its corporate office in Stirling.

RSA 2020 Public Services has established a body of work assisting public service organisations to reframe their future through what it terms a 'social productivity' approach, a concept which is explained in more depth in the following section of this report.

RSA 2020 was asked by SEPA and SNH to conduct an analysis of the opportunities and barriers presented to their organisations by the Scottish public service reform agenda, as well as wider societal and environmental demands. This work included the development of a socially productive model of environmental protection and management that could help shape the strategic decisions of SEPA and SNH in a changing public policy context.

The research focuses on:

- The public policy and service reform agenda in Scotland in the aftermath of the Christie report, and its implications for environmental protection and management.
- Environmental protection and regulation in a changing environmental context, including climate change.

- Opportunities for the greater integration of public services.
- Ways of encouraging innovation by business, government and civil society.

This model explores:

- Culture change towards partnerships between public bodies, businesses, voluntary sector organisations and citizens.
- A more proactive, integrated and preventative public sector.
- A better understanding of and accounting for Scotland's diverse resources, including environmental, economic, human and social resources.

Methodology

The primary research method for this study involved a mix of semi-structured interviews, a literature review and desk-based research.

We conducted 33 semi-structured interviews with stakeholders from a range of public, private, third sector and research organisations, including:

- a broad range of officers from SNH and SEPA, covering various work streams and localities;
- board members from SNH and SEPA;
- within the Scottish Government:
 - Public Bodies and Public Service Reform Unit;
 - the Environment Social Research Team;
 - the Community Empowerment and Renewal Team;
- the Convention of Scottish Local Authorities (COSLA);
- the Improvement Service;
- the Scottish Community Development Centre (SCDC);
- Carnegie UK Trust;
- Forestry Commission Scotland;
- Balfour Beatty;
- RSPB Scotland;
- Edinburgh Chamber of Commerce;
- Greenspace Scotland;
- Diageo;
- Sniffer;
- the Scottish Council for Development and Industry (SCDI);
- the James Hutton Institute;
- NHS Health Scotland;
- Scottish Land & Estates;
- Keep Scotland Beautiful (Eco Schools);
- Tesco.

In addition to these interviews, we conducted joint engagement meetings with representatives from SEPA and SNH teams (including two participants from each body) and circulated a questionnaire to 25 RSA fellows in Scotland who were selected because they were known to have an interest in and a good knowledge of environmental matters. The 12 respondents included an environmental consultant, a landowner, an

engineer, a farmer, a cultural services provider and retired professionals with experience in environmental, public and third sector bodies.

We also held two round tables. At a scoping round table attended by a cross-sector stakeholder group, we explored the role of the environment in a changing public service and public policy landscape, and how new types of collaboration, regulation and citizen-up service design can drive social, environmental and economic outcomes. At a round table for testing propositions from our social productivity framework a small cross-sector stakeholder group discussed and helped shape the findings of our research.

The following organisations participated in the round tables:

- Balfour Beatty;
- Carnegie UK Trust;
- COSLA;
- Forestry Commission Scotland;
- the Green Party;
- Greenspace Scotland;
- the Improvement Service;
- the Institute of Occupational Medicine (IOM);
- National Trust Scotland;
- Reform Scotland;
- the Royal Town Planning Institute (RIPI);
- the RSA Fellowship and RSA Fellows' Public Service Reform (Scotland) Network;
- RSPB Scotland;
- Scottish Council for Development and Industry (SCDI);
- the Scottish Council for Voluntary Organisations (SCVO);
- Scottish Environment LINK;
- the Scottish Environment Protection Agency (SEPA);
- the Scottish Public Services Reform Unit;
- Scottish Land & Estates;
- Scottish Natural Heritage (SNH);
- Sniffer;
- the Sustainable Scotland Network (SSN);
- WSP Environment & Energy Services.

Introducing social productivity

What is social productivity?

Social productivity is a new approach to public service reform, devised by the independent Commission on 2020 Public Services and developed by the RSA 2020 Public Services. It is:

- An analytical framework for making sense of social and economic change over the long term.
- A way to rethink the role of public services in the context of new pressures, changing demands and opportunities for innovation.
- A set of analytical and strategic tools with which to begin reshaping public service policy and practice.

From transactional delivery to social citizenship

Social productivity asks for public services to ‘be judged by the extent to which they help citizens, families and communities to achieve the social outcomes they desire’.¹⁴ This means designing outwards from citizens, rather than prescribing downwards from services. For policymakers, the challenge is ‘seeing like a citizen rather than seeing like a state’.¹⁵ By starting from the citizen it becomes possible for public policy to take full account of, and generate most value from people’s capabilities and networks, and engage intelligently with their habits and preferences.

This involves a cultural and political paradigm shift away from top-down, silo-based delivery and towards services built around co-production and active social citizenship. The transactional approach to public services, which assumed that outcomes can be delivered by services, is replaced by a process of social negotiation, where citizens and services, along with civil society and business institutions, negotiate and co-produce better social outcomes drawing on a wider range of resources – human, produced and natural. The role of public services is not simply to meet demands arising from problems, but to unlock social capacity and enable people to be capable, autonomous and socially responsible citizens.¹⁶

14. Commission on 2020 Public Services (2010), *From Social Security to Social Productivity: A Vision for 2020 Public Services*. London: 2020 Public Services Trust at the RSA, p.9; available at www.clients.squareeye.net/uploads/2020/documents/PST_final_rep.pdf.

15. Stoker, G. and Mosley, A. (2010), *Motivation, behaviour and the microfoundations of public services*. London: 2020 Public Services Trust at the RSA, p.26; available at www.clients.squareeye.net/uploads/2020/documents/2020_ESRC_stoker_27.07_v3.pdf.

16. See, for example Leadbeater, C. (2004), *Personalisation through Participation*. London: Demos; Halpern, D. (2010), *The Hidden Wealth of Nations*. Cambridge/Malden: Polity Press; Norman, W. (2012), *Adapting to Change: The Role of Community Resilience*. London: Young Foundation.

Social productivity takes no ideological view on who – public, private or voluntary – should provide services; instead, it looks at how value is produced in the relationships between services and citizens, and seeks out the most fruitful combination of resources to support this process.

From public services to ‘services for the public good’¹⁷

Social productivity sees public services as part and parcel of social citizenship¹⁸ – both requiring it and nourishing it. Instead of focussing on service improvement within narrow services and institutions, social productivity helps us think about public services more broadly and expansively as the full range of public actions we participate in together to achieve shared public goals.¹⁹

Social productivity takes no ideological view on who – public, private or voluntary – should provide services. Instead, it looks at how value is produced in the relationships between services and citizens, and seeks out the most fruitful combination of resources to support this process. A mixed economy of service provision can often provide an enabling environment by tapping innovation in social enterprises, microenterprises and public service ‘spin offs’ – though mainstream public services too can innovate where their incentive, leadership and accountability structures allow this to happen.²⁰

From short-term fixes to long-term productivity

Social productivity sees blanket cuts and service reductions as socially unsustainable responses to long-term fiscal, social, demographic and environmental challenges. At the same time, social productivity is critical of the type of blanket universalism implicit in some elements of our centralised, Beveridge-inherited settlement. Public services need to become smarter investors, with a clearer commitment to contributory principles, and a greater willingness to devolve problem-solving to the local level, where it can genuinely go with the grain of local aspirations and capabilities.

Given that outcomes are co-produced by citizens and communities, the shape and level of services will inevitably reflect their diversity. This is to be welcomed, although it makes it imperative that government and national services weight their investments to ensure fairness and equity over the long term, bolstering capability where economic and social resources are currently wanting.

Viewed as strategic investments, public services can be catalysts of sustainable wealth creation and growing social value. Emerging good practice in commissioning is showing how shared decision making over public funds and public goods can enrich democratic engagement and support joined up social and economy planning for communities of place

17. ‘Services for the public good’ is a phrase that was used by Lord Michael Bichard at ‘Fiscal Fallout: the challenge ahead for public services’, an event organised by the RSA and the Social Market Foundation that took place on 12 November 2012. Video of the event can be viewed at www.thersa.org/events/video/vision-videos/fiscal-fallout/.

18. For an account of the relation between social citizenship and public services, see Dean, H. (2010) *Restoring Social Citizenship in an Age of New Risks*. London: 2020 Public Services Trust; available at http://clients.squareeye.net/uploads/2020/documents/2020_ESRC_dean_27.07_v3.pdf.

19. Commission on 2020 Public Services (2010) op cit. p. 13.

20. Although austerity may drive public service retrenchment, it may also be an opportunity for innovation and new forms of public entrepreneurship. See Oxford Economics and Accenture (2011) *Driving Public Entrepreneurship: Government as a Catalyst for Innovation and Growth in Europe* Accenture; available at <http://www.accenture.com/gb-en/Pages/insight-driving-public-entrepreneurship.aspx>.

and interest.²¹ It is also increasingly clear that public service investment does not need to be purely fiscal in order to be powerful. In local government, we see the convening power of democratic leadership having real impact; and we see other public sector bodies, such as Further Education colleges in England, capitalising on the trust that they enjoy with local communities and local employers in order to forge new employment opportunities.²²

As public funding becomes tighter, it will be increasingly important for services to take an expansive view of the resources that they can draw on and manage in order to achieve their aims. Instead of thinking exclusively about fiscal efficiency and a ‘more-from-less’ proposition, social productivity advocates a ‘more-from-more’ approach. This applies to the social capital that binds communities of place or interest, and critically affects their ability to maintain or change social norms.²³ It also applies to the natural environment – whose benefits have often been consumed unnoticed without being accounted for, but can either be managed wisely or consumed recklessly.

Social productivity and public value

Public value came to prominence among public sector organisations in the early 2000s as an alternative to the new public management (NPM) approaches that had been dominant since the 1990s.²⁴ It has recently been a reference point for SNH and was mentioned in interviews. Like social productivity, public value questions the marketisation of public services, and NPM’s characterisation of people as rational consumers rather than as citizens with agency and complex behaviours. Public value and social productivity argue that the fraying of democratic legitimacy and the waning of social trust that have affected some modern welfare states should be addressed through greater co-production and a more meaningful role for service users and citizens in shaping policy and practice. Both concepts emphasise the importance of accountability, equity and a democratic ethos.

Public value generally has a strong institutional focus, asking what types of authorisation are needed to deploy an organisation’s resources in support of agreed aims.²⁵ Social productivity is less concerned with individual institutions and more concerned with whole systems and diverse assets (produced capital, human capital, social capital and natural capital). It asks how the complex interdependencies between state, market and society

21. The RSA and the Social Market Foundation (2012), *Fiscal Fallout: The challenges ahead for public spending and public services*. London: RSA; available at http://www.thersa.org/__data/assets/pdf_file/0003/964218/2020-Public-Services-Fiscal-Fallout.pdf.

22. Kippin, H. and Lucas, B. (2012), *Sunderland’s Community Leadership Program* op cit.; Buddery, P. Kippin, H. and Lucas, B. (2012), *The Further Education and Skills Sector in 2020: A Social Productivity Approach*. London: 2020 Public Services Hub at the RSA; available at <http://2020psh.org/wp-content/uploads/2011/05/The-Further-Education-and-Skills-Sector-in-2020.pdf>.

23. The definition of social capital used across all UK Government Departments by the Office for National Statistics is the stock of ‘social networks together with shared norms, values and understandings that facilitate cooperation within or among groups’, Cote, S. and Healy T. (2001), *The Well-being of Nations. The Role of Human and Social Capital*. OECD Paris: OECD.

24. Alldritt, C. et al (2009) *A Brief History of Public Service Reform*. London: 2020 Public Services Trust; available at <http://clients.squareeye.net/uploads/2020/documents/STC%20A%20Brief%20History%20of%20Public%20Service%20Reform.pdf>.

25. See http://www.institute.nhs.uk/commissioning/tackling_tough_choices/strategic_triangle.html. Also Moore, M. (1995), *Creating Public Value: Strategic management in government*. Cambridge, MA: Harvard University Press.

create value from these assets, and how value can be maximised and distributed fairly in order to meet shared goals today and in the future.

What does social productivity mean in practice? Fire and rescue services

The Commission on 2020 Public Services' work with the fire service illustrates how social productivity can lead to fresh approaches to public problem-solving that give a far greater role to the public. Traditionally the fire and rescue service has been reactive and has had a very narrow remit. The Commission's report to the Chief Fire Officers' Association proposed a preventative and outcome-focused civil protection model. It proposed shifting some resources away from the professional and technical services essential for tackling emergencies when they occur (fires, toxic spillages and floods, for example), to support more work with citizens and business stakeholders, enabling them to become better at preventing problems from occurring, and take more responsibility for stopping problems escalating into emergencies.

England's fire and rescue service has relied on a narrow resource base that is primarily financial. In other words, it has worked through specialist professional staff who are mainly tax-funded. Its institutional structures and professional demarcations have not encouraged innovation. A social productivity approach recognises the unique value of civil protection professionals, but envisages more multi-capable staff and officers working more closely with reservists and volunteers, and it advocates considerably more focus on training and education to business, other public services and the public.

Change is already happening. Cleveland Fire Service has recently announced its intention of becoming an employee-led mutual. It will seek contracts for risk management services from local industries in order to spread good practice and financially support the service in its other activities. These activities include cadet and citizenship programmes for young people, some of which are themselves sponsored by local businesses, and to which other businesses and public service partners contribute advice and work experience. The service is consulting on plans for a new multi-function Community Fire Station in Middlesbrough that includes space for community use.²⁶

One of the keys to success here lay in a reframing of the problem away from tackling emergencies to preventing them from happening in the first place. This required working much more closely with communities and viewing the problem in a much wider context. From a conventional administrative standpoint, this would appear counter-intuitive, because a narrow framing of the problem would normally be expected to yield greater efficiency in delivering a tightly focused service.

An example from the environmental sector might be the role and management of green space in placemaking. Green space can deliver multiple benefits for people, but only if the communities that use it are involved in its design, development and ongoing management.

26. Strickland, P. And Douse, D. (2013), 'Public service mutuals and the fire service'. London: House of Commons Library; available at <http://www.parliament.uk/briefing-papers/SNo6590>. See also, Cabinet Office (September 2012), '£95,000 boost for Cleveland's Fire Service's bid to mutualise'; <http://www.cabinetoffice.gov.uk/news/95000-boost-cleveland-fire-service-bid-mutualise>; and www.clevelandfire.gov.uk.

Public service partnership and integration: SEPA and SNH's changing role in Team Scotland

Integrating the environment into integrated public services

This chapter describes some of the challenges that SEPA and SNH have faced in putting the environment at the centre of the new public service settlement heralded by the Christie report. This settlement was to be forged at the level of place – that is, at community level. It was to be founded on prevention and integrated around people. However, transformation has not been as rapid or dramatic as some had anticipated, leaving SEPA and SNH as constructive but relatively marginal players in a process that is still evolving.

The Christie report confirmed that the old ways of running public services were no longer viable. Managerial, process-driven and reactive services had failed to meet the needs and aspirations of the Scottish people, and were unsustainable in the face of anticipated future service demands as well as current fiscal constraints. The Scottish Government accepted the Christie report's analysis and prescription, and used them to set out an ambitious programme of reform with four main pillars:

- Prevention.
- Performance (improvements through transparency and new technology).
- People (including co-production).
- Partnership (local co-operation, reaching outside of the public sector where appropriate).²⁷

Public service integration binds these reforms together. Integration is not simply a way of driving efficiencies by reducing duplication. Nor is it restricted to arrangements within the public sector. Rather, integration post-Christie signals a shift from public service delivery in the narrow sense

²⁷ Scottish Government (2011), *Renewing Scotland's Public Services: Priorities for Reform in Response to the Christie Commission*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/Doc/358359/0121131.pdf>.

From the perspective of environmental services, it has proved difficult in practice to integrate environmental considerations into public service planning.

– intervening to address individuals’ needs and problems – to placemaking: understanding the aspirations of communities and drawing together their assets to help realise them. Successful placemaking should bring about a more expansive understanding of an area’s needs and assets in order to drive a shift from process-driven services to outcome-based interventions shaped by social partnership and co-production. Public services are crucial among the assets of a place, but so too is the natural environment.

For many in SEPA and SNH, this new direction was welcome, mirroring changes that they were already making in their own approach. Both organisations had recognised the need to move their work on the environment away from models and practices that emphasised threat and protection, to models and relationships that demonstrated assets and benefits to people and places.

Theoretically, then, place-based public service planning and integration should have opened up opportunities to design in the benefits of a well-managed environment – social, health and economic benefits – to the new service arrangements.

Below, we look at the main building blocks of reform – the National Performance Framework, the Christie Commission, local Community Planning Partnerships (CPPs) and Single Outcome Agreements (SOAs) – and consider how far the opportunity they held out has proved accessible. We argue that from the perspective of environmental services, it has proved difficult in practice to integrate environmental considerations into public service planning.

The picture is by no means entirely negative. Both organisations have continued to demonstrate the capacity to lead and shape large-scale, ambitious multi-agency developments. They continue to liaise effectively with a wide range of partners in health, planning and community empowerment. Even maintaining these relationships in times of austerity is a significant achievement. But they do not indicate that environmental costs and benefits have been taken on board substantively in a widening range of public services. A suggestion that SEPA might have a role in environmental auditing through the Best Value process seems to have fallen away.²⁸ Curiously, despite imperatives to integrate, the one example of an integrated service across environmental services – SEARS (discussed later in this chapter) – continues to stand as an island, rather than a beacon of practice.

Moving to outcomes: the National Performance Framework

The National Performance Framework (NPF) is an outcomes-based performance framework that seeks to refocus Scottish public service delivery and performance management around outcomes, rather than just inputs or outputs. The NPF was refreshed in 2011 to include five levels, including the overarching purpose of the NPF for Scotland and a range of purpose targets, strategic objectives, national outcomes, and national indicators.²⁹

28. Ipsos MORI Scotland (2010); *Independent Evaluation of BV2 Pathfinders: Research Report for Audit Scotland*. Edinburgh: Ipsos MORI; available at http://www.audit-scotland.gov.uk/docs/best_value/2010/bv2_independent_evaluation_pathfinders.pdf.

29. See the ‘Performance at a Glance’ page of the ‘Scotland Performs’ section of the Scottish Government website www.scotland.gov.uk/About/Performance/scotPerforms/glanceperformance.

The corporate strategies of both SEPA and SNH identify the national outcomes and indicators that apply to their respective organisations, with a focus on those that relate directly to the natural environment and natural heritage. The strategies also recognise how SEPA and SNH contribute towards meeting other outcomes, such as helping to strengthen the social economy, improving health and enhancing citizens' quality of experience with public services.³⁰

The right framework for joined-up work?

Instead of single services delivering single outputs, the assumption in outcome frameworks is that any number of different services can contribute to the same outcome or a range of outcomes. Outcomes frameworks therefore encourage co-ordinated or integrated working and recognise cross-cutting benefits. For SEPA and SNH, the opportunity to demonstrate more clearly how environmental management contributes to broader social and economic outcomes for Scotland has been welcome. At the highest level, SEPA and SNH are firmly committed to the outcome approach.

However, many of those we spoke to stress that genuinely moving to outcomes will require a carefully managed transition. Unlike input targets and performance measures, the full value of outcomes cannot be evaluated in short-term cycles with input-output analyses. Instead, value could emerge unevenly, with many of the tangible benefits materialising over a period of many years. This is especially the case with outcomes relating to population health or biodiversity for example – areas of direct relevance to environmental protection and management. One interviewee close to government stressed the slow-moving nature of the change:

‘Moving to outcomes is a long-term process. It’s going to be five or ten years before we can really expect it to bed down and deliver.’

Public services representative

But maintaining momentum and buy-in through such a long transition will be difficult. For some interviewees, there was already a feeling that instead of driving practice, the NPF is a way of presenting activities that are proceeding on familiar lines:

‘The focus has stayed on the delivery of traditional public services.’

SEPA/SNH stakeholder

Changing the system: the Christie Commission

The Christie Commission on the Future of Public Services examined the fiscal, social and economic pressures facing Scottish public services, and how services would have to change as a result.

Alongside the pressures of economic recession and austerity, the Christie Commission highlighted the challenges of demographic change and rising

³⁰ See, for example www.snh.gov.uk/about-snh/working-within-government/nat-perf-framework.

inequality and deprivation. It characterised many of the demands on services as ‘failure demand’ – ‘demand which could have been avoided by earlier preventative measures’³¹ – and warned that the days when significant public spending could mask or mitigate these failures were over.

The Christie Commission therefore proposed a radical shakeup of public services, adopting a place-and-asset-based approach where co-production would empower citizens and communities to take a more active role in services. It also called for prioritising prevention to reduce failure demand; integrating services locally around an outcome-based approach through partnership working; and improving the efficiency of services to drive better performance at reduced costs.

Radical break or evolution?

For many in SNH and SEPA, the Christie report came as a confirmation rather than an entirely fresh challenge. Its emphasis on outcomes, place and collaboration chimed with the organisations’ own analyses of how their roles needed to develop in the future:

‘Before Christie – since 2008 – we’ve been much more conscious of social justice outcomes, rather than being focused narrowly on compliance. It was already clear that we had to become a fundamentally different type of regulator.’

SEPA/SNH stakeholder

‘The Christie Commission merely advocates progress in the face of the inevitable.’

SEPA/SNH stakeholder

So what other organisations heard as a wake-up call seemed to many in SEPA and SNH like a welcome opportunity to make the case for the wider benefits of the natural environment, and demonstrate how managing natural assets wisely can support the effectiveness of many mainstream public services. The Christie report strengthened them in their belief that place was the site of change, and that place had to be understood and engaged with on multiple levels – as landscape, habitat, catchment, community network, economic site, cultural centre and home. People in these places should be seen as assets and problem solvers, not passive recipients. For some in the voluntary sector, this upending of service cultures was especially important:

‘First and foremost, Christie was about a culture shift – the need for a new social contract.’

Third sector stakeholder

However, although the Christie report was in line with evolving thinking within SEPA and SNH, both organisations realised that its high level vision

³¹. Commission on the Future Delivery of Public Services (2011). *ibid*, p.7. ‘Failure demand’ is a concept developed by systems thinker John Seddon. For a recent overview of preventative work in public services (though one that does not acknowledge environmental investments), see Puttick, R. (2012). *Innovations in Prevention*. London: Nesta; available at http://www.nesta.org.uk/publications/assets/features/innovations_in_prevention.

left a great deal unwritten. The report's implicit assumption was that by focusing on CPPs as a fulcrum for integration, services would be reshaped from the bottom up. But for national organisations like SEPA and SNH with complex sets of advisory and regulatory duties and relatively small local teams, it was far from clear how their service model could and should adapt, or what forms of local accountability would be realistic.

‘We are still figuring out how co-production can be effectively applied to the complex systems of environmental management.’

SEPA/SNH stakeholder

‘While environmental organisations have made the greatest effort to work differently, I'm not sure whether the report has made much difference.’

Public services representative

Community Planning Partnerships: places for reform?

Community Planning Partnerships (CPPs) are an increasingly important part of Scotland's public services architecture. They were identified by the Christie report as the meeting point at which the new public services – co-creative, collaborative, preventative, place-based and accountable – should start to take shape.

Single Outcome Agreements (SOAs) are agreements between CPPs and the Scottish Government that set out how local partners will work together for better local outcomes in ways that reflect and reinforce the NPF. SOAs set out local outcomes, supported by local indicators and targets, based on the needs and trends identified in an integrated (environmental, social and economic) profile. All SOAs share the goal of increasing cooperation between government departments in order to ensure better service delivery.²⁹

‘Effective community planning arrangements will be at the core of public service reform. They will drive the pace of service integration, increase the focus on prevention and secure continuous improvement in public service delivery, in order to achieve better outcomes for communities.’

From ‘Statement of Ambition’, COSLA and Scottish Government Review of Community Planning and Single Outcome Agreements

Community planning is a process through which public services can respond to, and organise around the needs of local citizens and communities. They aim to ensure long-term, joined-up decision-making, planning and delivery, in which citizens have a genuine voice and to which all relevant services are genuinely committed. A core group of services have a duty to participate. Non-statutory partners such as SNH and SEPA are engaged to varying degrees, depending largely on the preferences, personalities and cultures of individual CPPs.

32. See Single Outcome Agreements section of Improvement Service website: www.improvementservice.org.uk/single-outcome-agreements/.

Changes to CPPs and SOAs are underway. In March 2012, the Scottish Government and COSLA published a joint ‘Statement of Ambition’, confirming that CPPs must be at the centre of long-term public service reform. They committed to strengthening duties on individual partners to work together and provide resources to deliver SOAs. At the same time, they underlined the importance of deeper and more intelligent community involvement.³³ New guidance to CPPs was issued in December 2012, new draft SOAs will be submitted in by April 2013, and these will be agreed with the Scottish Government by June 2013.³⁴

Public bodies can currently be requested to co-operate with CPPs, and are strongly encouraged to do so. This was underlined when the new guidance was issued in December 2012.³⁵ Proposed legal duties on public bodies to co-operate through CPPs and report against SOAs would require legislation. These may be incorporated in the proposed Community Empowerment and Renewal Bill.

The Community Empowerment and Renewal Bill

The proposed bill is designed to:

- Strengthen community participation;
- Unlock enterprising community development; and
- Renew Scotland's communities.

Ideas in the consultation paper included:

- The possible extension of a community right-to-buy to urban Scotland.
- Giving local people a greater say in local budget decisions.
- Giving communities a right to challenge local public service delivery if it is not meeting their needs.
- Giving local authorities greater powers to deal with empty homes and buildings.
- Amending allotments legislation to better support communities taking forward grow-your-own projects.
- Exploring how existing legislation can be better used to allow Local Authority and Registered Social Landlord tenants to manage their housing.³⁶

Strong promise but little transformation

As their funding reduces, it is critical for both SEPA and SNH to form partnerships and relationships that broaden their influence and impact. CPPs, to date, have been a mixed blessing in this regard. Our research suggests that both SEPA and SNH regard CPPs and SOAs as useful platforms for bringing environmental considerations into policy-making and creating strong working relationships with partners. However, SEPA and SNH have faced practical challenges in significantly influencing the strategic priorities of local areas or forging new alliances. There appears to be a gap between the promise of CPPs and the degree to which local practice is actually changing:

33. The Scottish Government and COSLA (2011), *Local Matters: Delivering the Local Outcomes Approach*; available at www.scotland.gov.uk/Resource/Doc/344541/0114646.pdf.

34. <http://www.scotland.gov.uk/Topics/Government/local-government/CP/SOA2012>.

35. The Cabinet Secretary for Finance, Employment and Sustainable Growth wrote to NDPBs and public corporations in December 2012; <http://www.scotland.gov.uk/Topics/Government/local-government/CP/SOA2012/guidancepublicbodies>.

36. <http://www.scotland.gov.uk/Topics/People/engage/cer>.

‘CPPs are effective vehicles – potentially very effective vehicles – for joining up and integrating partners and services that are inherently linked, in order to achieve social, economic and environmental outcomes that benefit them all.’

Public services representative

‘The intentions behind CPPs and SOAs are clearly good. But translating plans into good outcomes has been difficult.’

Third sector stakeholder

This is partly a result of how CPPs have worked in practice as well as the ways in which local authorities have elected to engage partners in the community planning process. Opportunities to develop place-based strategies that explicitly recognise the inherent links between environmental, economic and social outcomes appear to have been missed, despite the holistic ambitions behind placemaking.³⁷ For the most part, partners have largely been engaged on a topical basis. For example, they might involve SEPA and SNH on sustainability but not on outcomes around local employment or health, despite the interconnections. One interviewee suspected that a cultural mismatch may have contributed to the limited engagement that SEPA and SNH enjoyed in most areas:

‘You’ve got to remember that SEPA and SNH are different from most of the organisations they’re trying to engage with. Being a regulator is different to being a normal public service provider.’

Public services representative

So while SEPA and SNH have creatively worked together on environmental indicators for CPPs, the engagement with community planning has had little discernible impact on the way that the organisations themselves plan or deliver services locally, or on their ability to insert environmental knowledge and practice more compellingly in the decision-making of other public services:

‘We have made a generous offer to other public services. But we don’t see them changing in response.’

SEPA/SNH stakeholder

Indeed, some interviewees, particularly from the third sector, argued that CPPs have actually reinforced existing organisational silos. These interviewees suggested that the partnerships have been innately managerial rather than disruptive, tending to adapt and maintain today’s settlement instead of redesigning from purpose. Topical engagement has meant that the same players are interacting with the same set of partners within the same set of parameters:

‘Institutionally, CPPs have been a bit of a managers’ forum.’

Third sector stakeholder

37. Scottish Government (2010), *Delivering Better Places in Scotland: A Guide to Learning from Broader Experience*. Edinburgh: Scottish Government; available at www.scotland.gov.uk/Publications/2010/12/31110906/0. The final report of the Christie Commission also identifies placemaking as an important element of integrating services around people and place.

‘[CPPs are] talking shops for managers.’

Third sector stakeholder

There have been few opportunities for SEPA and SNH to forge fresh alliances around people and place, promote the value of good environmental practice, or to expose themselves to challenges that might lead them to change their own operating models. Some of our interviewees argued that austerity and economic uncertainty make local integration and the creation of creative partnerships even more difficult, increasing the risk of service by service retrenchment.

CPPs and their missing communities

Several of those we spoke to during the research believed that CPPs lack genuine outward accountability to communities, and that this is an obstacle to creating local social partnerships that genuinely transcend established silos. One interviewee argued for the establishment of a body of ‘honest brokers’ – neutral, citizen-facing organisations – to drive greater accountability and public dialogue. Another respondent from the voluntary sector stressed that without more open accountability:

‘CPPs could just remain a grouping of self-interested organisations.

The same groups operating in the same ways, but using the language of collaboration – while they stare hopefully at the partner with the largest budget.’ [That is, to rely on the organisation with the biggest budget for funding, rather than rethinking service delivery in the round]

Third sector stakeholder

Compounding this problem has been a lack of institutional inclusiveness in CPPs and their very limited or patchy engagement with businesses and broader civil society groups. This is clearly problematic for SEPA and SNH, as both organisations recognise that the broader social and economic outcomes to which they would like to contribute cannot simply be delivered managerially or exclusively through public service institutions. Businesses and civil society groups play an indispensable role in contributing to local well-being and promoting sustainable prosperity, and interviewees suggested that they need to be involved in helping drive local outcomes:

‘There’s some good practice, but links between local authorities LAs and businesses on environmental issues aren’t strong enough.’

Business stakeholder

‘Local authorities and CPPs haven’t been particularly active at reaching out. They still feel like arrangements that only the public sector is there to deliver on, not wider civic and business groups.’

Business stakeholder

Where next for SEPA, SNH and local integration?

Where does this leave SEPA and SNH? While CPPs and SOAs have generally failed to see the environment as an asset in the achievement of a wide range of outcomes, it is clear that CPPs are the current and future reality

By focussing on the relatively small number of CPPs where there is appetite for innovation that integrates environmental assets, it may be possible to pilot approaches that ultimately become influential.

of local public service design and delivery. Disengagement is simply not an option. SEPA and SNH need to continue maximising opportunities to influence local agendas and shape the thinking of local partners, demonstrating the full range of benefits that good environmental management can provide.³⁸ In practice, this will mean concentrating on existing good relationships to deepen dialogue and involvement, rather than investing considerable additional resource where relationships are comparatively thin. By focusing on the relatively small number of CPPs where there is appetite for innovation that integrates environmental assets, it may be possible to pilot approaches that ultimately become influential.

Cross-sector partnerships for regeneration and prevention

Of course, co-operation and day-to-day working between SEPA, SNH and other public services extends far beyond the CPP process. Both organisations pride themselves on having initiated or joined strong public service partnerships that limit environmental harms and maximise environmental benefits. In some cases they fund or jointly fund new work. In other cases they provide advice and guidance.

Some partnerships have operated on a particularly large scale, bringing together a wide array of organisations. For example, the Central Scotland Green Network³⁹ (CSGN) is a partnership between SNH, Forestry Commission Scotland and a range of national, regional, local authority and local community organisations. It aims to transform the landscape of Central Scotland to promote sustainable growth and create linkages between a good quality physical environment and the broader features of a place – including transport, infrastructure, economy, health and community well-being. CSGN is built on a vision of placemaking and local integration for achieving a broad range of social, economic and environmental outcomes.

The Galloway and Southern Ayrshire Biosphere Partnership⁴⁰ is a similarly ambitious example of cross-sector collaboration between the Scottish Government, public bodies including SEPA and SNH, local authorities and business and community representatives. The partnership supports the Biosphere Reserve in Galloway and South Ayrshire, with the aim of catalysing sustainable social and economic development.

More usually, SEPA and SNH will part-fund, design and supervise innovative work on a relatively modest scale in order to secure specific local benefits and to demonstrate new ways of working. For example, SNH and Forestry Commission Scotland have collaborated directly with NHS Health Scotland and a number of health, local authority and business stakeholders through the Paths for All Partnership, which promotes the development of multi-use path networks in order to increase physical activity and improve public health. The project is being carefully evaluated, in part so that it can add to the growing evidence of the connection between the quality of natural and built environments and health and well-being.⁴¹

38. Some of these suggestions are mentioned in a recent document that was presented to the SNH board; available at www.snh.gov.uk/docs/B959313.pdf.

39. www.centernalscotlandgreennetwork.org.

40. www.gallowayandsouthernayrshirebiosphere.org.uk.

41. For example, National Institute for Health and Clinical Excellence (NICE): 'Promoting and creating built and natural environments that encourage and support physical activity.' For the Scottish commentary on the NICE guidelines see NHS Health Scotland (2008), 'Commentary on NICE Public Health Programme Guidance.'

Good Places, Better Health (2008), the Scottish Government's strategy on health and the environment showed a sophisticated coming together of evidence and perspectives from public health and the natural environment, but the power to radically reshape spending and service design remains muted at best.⁴² Views are mixed on whether the kind of health and well-being evidence of a good quality natural environment that is steadily being amassed is likely to shift spending away from clinical and mainstream public health services and towards environmental preventative services. For some, the levels of benefit that could be expected, and the relatively untargeted nature of the intervention, weaken its case. For others, health services first need to crack the problem of service decommissioning before significant progress can be made; and as one interviewee ruefully remarked: 'Health's having a lot of other things it's got to focus on at the moment.' Whatever the reasons, environmental investment for health and well-being has not yet established a sufficiently strong constituency of support at senior levels within government or the health services.⁴³

Despite Christie's critique of failure demand, progress on preventative approaches overall has been slow. The National Group overseeing the review of Community Planning has noted that 'the pace and scope of [preventative approaches] must increase sharply if we are to achieve improvements in local outcomes and financial sustainability.'⁴⁴ To date, most new preventative work has been supported through Change Funds rather than reallocations or decommissioning within mainstream funding. The interventions have been predominantly people services: early years, reducing reoffending and reshaping care. Good environmental practice could have a potentially useful role in helping services make a conceptual shift from spending decisions which focus on responding to need and towards investment and maintenance of assets (natural capital, social capital, human capital and produced capital) into the future.⁴⁵ However, appetite for change seems subdued.

Shared environmental duties

All public bodies in Scotland are obliged to have regard for the desirability of conserving the natural beauty of the countryside, furthering biodiversity and delivering greenhouse gas reductions and adaptations to climate change (all 32 local authorities have now signed the Scottish Climate Change Declaration). They also have duties to support sustainable development via the Bodies Duties on Climate Change.

42. Scottish Government (2008), *Good Places, Better Health: a new approach to health and environment in Scotland – implementation plan*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/Doc/254447/0075343.pdf>.

43. The limited impact of environmental considerations on the prevention agenda is far from being a distinctively Scottish phenomenon. A recent, comprehensive analysis of prevention in the UK makes no mention of environmental spend (cf. Puttick, R. (2012), *Innovations in Prevention* op. cit.). Some interviewees for this report suggested that Scotland is more advanced in this area than other parts of the UK.

44. Scottish Government and COSLA (December 2012), 'Single Outcome Agreements: guidance to Community Planning Partnerships', p.7 available at <http://www.improvementservice.org.uk/local-outcome-indicators>.

45. Harper, G. and Price, R. (2011), 'A framework for understanding the social impacts of policy and their effects on wellbeing', Defra Evidence and Analysis Series, Paper 3. London: Defra; available at <http://www.defra.gov.uk/publications/files/pb13467-social-impacts-wellbeing-110403.pdf>.

Neither SEPA nor SNH have responsibilities for holding services to these duties or supporting them to meet them, though this has been mooted. Best Value audits of council performance were recently amended to include an assessment of sustainability (Best Value 2).⁴⁶ Evaluation of the pilots revealed concerns about the rigour of this aspect of the audit, and as a result, the evaluation proposed widening the membership of the initial Shared Risk Assessment to include SEPA – a suggestion that does not appear to have been taken up.⁴⁷

SEARS: a model for future integration?

As this section has shown, public service reform and integration can be fraught with difficulties. Establishing the conditions in which organisations can look beyond silos and collaborate towards shared outcomes, in partnership with communities and broader stakeholders, is hard. Old ways of working have proven difficult to disrupt. CPPs have started to build bridges between services, but they have suffered institutional flaws and problems in practice. This has clearly limited SEPA and SNH's ability to put environmental improvement at the heart of place-based change and community well-being.

But it is curious that despite the post-Christie report priority being given to integration, joined-up practice across the environmental sector itself has been halting – a situation highlighted by recent decisions in England and Wales to either merge environmental bodies or consider doing so.⁴⁸ Scotland's main environmental bodies are so intertwined, so frequently involved in each others' work, boards and research programmes it may be that institutional integration has seemed superfluous or mechanistic. Certainly integration in and of itself has very limited value, and could easily be cancelled out by the costs of reorganisation. But there appear to be duplications and missed opportunities within the environmental sector that more integrated arrangements would have addressed. For example, the education programmes in Forestry Commission Scotland and SNH could probably achieve more if they were designed more collaboratively.

In this context, some respondents suggested that Scotland's Environmental and Rural Services (SEARS) programme might offer important lessons about how environmental services could be integrated to become more effective in tough times:

'As cuts dig deeper, the SEARS approach could help shape the future direction of services in Scotland.'

Senior stakeholder with experience in SEARS

SEARS was launched in June 2008 and is a partnership between eight delivery-oriented agencies in Scotland's environmental and rural services

46. Audit Scotland (2010), *Best Value Toolkit: Sustainability*. Edinburgh: Audit Scotland; available at http://www.audit-scotland.gov.uk/docs/best_value/2010/bv_100809_sustainability_toolkit.pdf.

47. Ipsos MORI Scotland (2010). *Independent Evaluation of Best Value 2 Pathfinders*, op. cit.

48. The Environment Agency Wales, the Countryside Council for Wales and Forestry Commission Wales are being merged to become Natural Resources Wales (<http://wales.gov.uk/topics/environmentcountryside/consmanagement/seb/?lang=en>). Merger between Natural England and the Environment Agency is being consulted on as part of the triennial review (<http://www.defra.gov.uk/review-ea-ne/files/triennial-ea-ne-discussion.pdf>).

sector.⁴⁹ It aims to provide integrated services for rural land managers by simplifying delivery and reducing the burden of excessive red tape, while, at the same time, providing value for money. It was also hoped that SEARS would foster a collaborative culture between the partner organisations.

Reviews of SEARS have highlighted the customer value that has been created by closer integration, as well as the collaborative ethos engendered by strong governance and leadership by the Scottish Government and service managers.⁵⁰ But the broader lessons to take from SEARS about joined-up environmental services are less clear. Our conversations with stakeholders echo some of the findings from previous reviews and highlight structural shortcomings. In particular, though intended as an integrated and customer-friendly service, its genesis, design and implementation were political and managerial, rather than from the ground up. In fact, it appears to fall between two stools, as an undertaking that was neither driven by customers, nor originated and fully owned by the participating services. This could explain why land managers believed the project had only ‘scratched the surface’ of necessary reforms. Notwithstanding the improvements and efficiencies it brought, SEARS missed the opportunity to establish a more co-productive relationship with the customers for whom it was designed. Unsurprisingly, the benefits often looked for from co-production – including increased trust, innovation, personalisation and reciprocity – do not feature strongly in evaluations of what the project has achieved:

‘SEARS was driven from above, but not by customers.’

‘SEARS was driven from the top down. It certainly wasn’t designed with the people it needed to serve.’

But certain aspects of SEARS could have broader relevance. The central rationale of the project – refocusing services around the needs of the service user – is one that public bodies led by SNH and SEPA might extend. In the words of one interviewee, the aim would be to ‘create a SEARS for the community’ – a joined-up public service offer to communities, based on what communities themselves identify as important. Given the importance of constructing the offer in dialogue with communities, any definitive picture of how it might operate or what it might include would be premature. There are, however, some characteristics that one would expect to see:

- A single local brand for information.
- A single front door to services, online and by telephone, that would route all queries and requests through to the right team.

49. For the full list of SEARS partners, see www.sears.scotland.gov.uk.

50. For example, Regulatory Review Group (2011), ‘Review of Scotland’s Environmental and Rural Services (SEARS)’; available at www.scotland.gov.uk/Resource/Doc/980/0121140.pdf; Primrose, D. (2010), *Scotland’s Environmental and Rural Services (SEARS): Customer Perspectives and Experiences 2010*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/Doc/315741/0100427.pdf>. Pack, B. (2012), *Doing Better: Scoping Report for the Initiative to Reduce Red Tape in Agriculture: Annex 1 SEARS*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/0039/00394423.pdf>.

- Better linkage between street-scene environmental responsibilities and advice and natural environment issues and advice.
- Better linkage between EcoSchools programmes, local training courses and local services.
- Co-ordinated development of local education programmes (e.g. between SNH and Forestry Commission Scotland).
- One-stop access to advice on funding opportunities.
- One-stop access to advice on energy saving and low carbon support programmes.
- Co-ordinated and consistent representation on local community forums and advisory groups.
- Joint investment in new community-facing advice and information roles with behaviour change remits.
- The development of local ‘contracts’ with communities (see recommendations).

Business, economy and innovation: the roles of SEPA and SNH in promoting a resilient economy based on well-managed natural capital

Recession and growth

When asked to choose their government's priority, Scots are emphatic: 'Helping the economy to grow faster.'⁵¹ Four years ago, economic growth trailed health and crime as public concerns. Today, growth is twice as important as any other single policy area. This is hardly surprising. A period of economic growth that saw Scotland outpacing the rest of the UK from 2003 to 2007 has been followed by a difficult and persistent downturn that has hit hard. Long-term unemployment, which decreased steadily from 1994 to 2008, has been climbing. It rose by 8,000 between September 2011 and September 2012 – an increase of 11%. Older workers and women are the most seriously affected.⁵² A small fall in the proportion of the population in relative poverty is largely the result of a significant decrease in median household earnings.⁵³ If median household earnings continue to fall as predicted, with only a moderate recovery by 2015–16, the UK as a whole will have experienced the worst period of decline in median incomes since at least the early 1960s.⁵⁴ The Scottish Government is putting accelerating economic recovery at the centre of its programme.

While a healthy natural environment underpins economic success in any country, the immediacy and strength of the relationship varies from place to place. For Scotland, the link is strong, tangible and direct: 55–60% of the land is in agricultural use, 20% in game management,

51. Ormston, R. and Reid, S. (2012), *Scottish Social Attitudes Survey Core Module: Government, the Economy and Public Services in Scotland*. Edinburgh: Scottish Government; available at: www.scotland.gov.uk/Resource/0039/00395772.pdf.

52. Scottish Government (2012), *Labour Market Monthly Briefing: November 2012*; available at www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/LM-Brief-Nov2012.

53. Scottish Government (2012), *Poverty and income inequality in Scotland 2012-11*; available at www.scotland.gov.uk/Resource/0039/00394961.pdf.

54. Cribb, J., Joyce, R. and Phillip, D. (2012), *Living standards, poverty and inequality in the UK: 2012*. London: IFS and JRF.

17% under forestry, 2% in conservation and 5% in urban use.⁵⁵ Moreover, 53,000 people are directly employed in agriculture, forestry and fishing, though given that at least a fifth of industry sectors depend on the natural environment, the total number of those whose livelihoods are tied to it is far greater.⁵⁶ The annual value of the environment to Scotland's economy is up to £23 billion – over 10% of its GDP.⁵⁷

The productivity of Scotland's environmental assets will therefore be enormously important in helping economic recovery. Environmental protection and management bodies, as part of Team Scotland, will need to demonstrate not only that they are facilitating sustainable economic growth, but that they are contributing positively and intelligently to a flourishing Scotland.

‘SNH and SEPA need to push upwards to influence government departments and the Scottish Parliament – show that they are pro-growth and sustainable development, not party poopers. They've got to change perceptions about the organisations from restrictive environmentalists to sustainable stewards for Scotland.’

Third sector stakeholder

The Scottish Government has given SEPA and SNH an unprecedented invitation to make the positive case for the environment as Scotland's economic trump card. Its commitment to green growth calls for nothing less than the reindustrialisation of Scotland on sustainable principles. It seeks to combine high economic ambition with a commitment to environmental stewardship that takes full account of the environment's non-economic benefits and thinks about value in the long term. This is set out clearly in the 2011–12 programme for government:

Scotland's environment is unique and irreplaceable. While it supports our health and well-being, it also underpins much of Scotland's wealth creation (...) Our natural assets are an immense resource for the whole of Scotland's economy. It is our responsibility to protect and enhance our environment for future generations and to ensure our natural resources are deployed in support of our economy in a sustainable way.

Scotland is now uniquely placed to become a world leader in building a low-carbon future and reaping significant economic and community benefits as a result.⁵⁸

Progress on using wind and water resources to reduce reliance on fossil fuels, reduce carbon emissions and generate new economic activity has been strong. Scotland's low carbon sector is already worth £9 billion, employing around 74,000 people. If growth forecasts to 2016 are met,

55. Slee, B. et al (2009), *Realising the Potential Contributions of Scotland's Rural Land to Delivering Sustainable Economic Growth*. Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/Doc/290891/0089373.pdf>.

56. Scottish Enterprise (2012), 'Key Facts'; available at <http://www.scottish-enterprise.com/Resources/Publications/STUV/Scottish-key-facts.aspx>.

57. http://www.environment.scotland.gov.uk/our_environment/society/benefits_from_nature.aspx.

58. Scottish Government (2011), *Renewing Scotland: the Government's Programme for Scotland 2011–12*, op. cit. p.46 and p.48.

its value will rise to around £12 billion, with employment at around 130,000.⁵⁹ These are notable achievements in their own right, and may inspire Scots to think about their natural resources in new ways.

But impressive though this supply-side switch has been, it is the most straightforward element of sustainable growth to deliver:

‘[A]n excessive and almost exclusive focus on climate change issues is also damaging, not least because it can encourage mindsets which view environmental problems as susceptible to technical fixes (e.g. renewable energy) rather than as requiring fundamental changes in values and aspirations.’

RSA questionnaire response

The mechanisms, financial and structural, through which other aspects of the natural environment can be managed differently in order to achieve a better balance of economic and other benefits over the long term are still evolving. Ecosystem services approaches, for example, still sit in an unresolved space between high policy commitment and practical reform. They provide the ‘rhetorical foundation’⁶⁰ for the Land Use Strategy, but receive relatively weak acknowledgement in the Pack Review of the future of agriculture support.⁶¹ SNH and SEPA have helped build a scientific picture of how existing economic models have affected our environment. The evidence shows that Scotland’s natural capital has been seriously degraded over the last 50 years as a result of the economic demands placed upon it.⁶² Successive governments have focused on GDP, public borrowing and (recently) the public deficit, while at the same time treating natural capital as a source of free goods and services. Unless some kind of national ‘balance sheet’ is agreed that takes account of the need to maintain capital of all kinds, this erosion seems likely to continue.⁶³

However, SEPA and SNH face a difficult judgement. How far in advance of current policy and practice do they wish to go in building the case for new economic models – ones that incorporate a more comprehensive accounting for environmental resources, and a more rounded account of human well-being? Beyond waste reduction, some aspects of biodiversity loss and (arguably) carbon reduction, the political, popular and business will to change the country’s economic ways at scale has yet to be demonstrated. Values and aspirations would have to change, not just technology.

An agenda for a new economic model would require goodwill, understanding, support and consent at all levels of government, business

Successive governments have focused on GDP, public borrowing and (recently) the public deficit, while at the same time treating natural capital as a source of free goods and services.

59. Figures are from Scottish Enterprise and include six sectors: renewable energy; water supply and waste water treatment; waste recovery and recycling; environmental monitoring and instrumentation; building technologies and sustainable transport. See: www.scottish-enterprise.com/your-sector/energy/energy-background/energy-low-carbon.aspx.

60. James Hutton Institute (2012), ‘The Squeezed Middle Debate’. Aberdeen: James Hutton Institute.

61. Pack, B. (2010), *The Road Ahead for Scotland: Final Report of the Inquiry into Future Support for Agriculture in Scotland*. Edinburgh: Scottish Government.

62. SNH (2012) ‘Scotland’s Natural Capital Asset (NCA) Index’; available at <http://www.snh.gov.uk/docs/B814140.pdf>.

63. Scotland’s Future Forum (2012), ‘Rethinking wellbeing seminar series. Thinking differently about the economy’; available at http://scotlandfutureforum.org/assets/library/files/application/wellbeing_seminar_report_2.pdf.

and civil society. SEPA and SNH can stimulate debate; but their role is to illuminate, not to critique national economic policy. Nevertheless, an economic recovery that perpetuates the same systems, behaviours and values that have led to international economic crisis, degraded the environment and stoked climate change would be a poor one.

Getting the basics right: from economic roadblocks to economic facilitators

SEPA and SNH acknowledge that their relationships with business and landowners have not, in the past, been consistently constructive. Rightly or wrongly, they acquired a reputation in some quarters as brakes on change, rather than facilitators and problem solvers:

‘Relationships were strained. They were quite police-like.’

Business representative/landowner

‘We were seen as an organisation that was about stopping things happening. People were banging on my door and complaining. We’re now helping people comply – though with tools to monitor and teeth to enforce, where necessary.’

SEPA/SNH stakeholder

People we interviewed for this report – including some who worked for SEPA and SNH – identified weak service cultures within both organisations as a key reason for this. Until quite recently, regulatees or planners could not expect to be treated as clients, much less as partners with whom to seek mutually desired outcomes. This may have been because some SEPA and SNH staff saw their primary relationship as being either with pure science, or with the natural environment itself. The ‘hyper caution’ of some expert advisory staff reinforced a corporate ethos in both organisations that was felt to be ‘cautious and perfectionist’. From the perspective of a number of different external stakeholders, the result was ‘inflexibility’ in decision-making. Both organisations have acted vigorously to raise standards of customer care through training and example:

‘Turning around 1,200 people will take time, but it’s at the heart of SEPA’s strategy.’

SEPA/SNH stakeholder

Most interviewees believed that the two organisations had made considerable progress – there was praise for their solution-focused approach – though there was still some concern that practice at the front-line and policy at the top did not always align.

Of course, the issue extends far beyond workforce culture and skills. The turnaround that is underway expresses a fundamental shift in how the organisations go about creating value. Both SEPA and SNH have looked at their resources and the difference that they can make, and concluded that they need to move away from narrow systems and compliance-based ways of working, towards broader, relational and outcome-based approaches. By doing so they believe they will not only achieve better environmental outcomes, but will be more effective in

achieving their wider social and economic purposes. SNH describes this as developing ‘a greater sense of collaboration and shared purpose between land managers, businesses and ourselves’.⁶⁴ SEPA describe this as ‘a more rounded approach to environmental protection, greater partnership working and tackling environmental problems in more sustainable ways’.⁶⁵

The move towards a more listening and responsive front-line, then, is only one dimension of a wider shift that has seen SEPA and SNH acting on these aspirations in the boardroom as well as in the field. To build trust, positive signals have mattered. For example, in the depths of the financial crisis in 2008, SEPA went as far as to work with government to agree an emergency Ten Point Plan to support economic activity. The message was clear: SEPA was on the side of responsible business.⁶⁶ The leadership teams of both organisations have modelled open and constructive relationships with business and business groups. Sometimes this has been through one-to-one outreach and dialogue – what one leader termed ‘informal integration’. At other times these relationships have been developed in working groups and forums in which SEPA and SNH have taken strong or supportive roles. For example, SEPA participates in and houses the secretariat for the cross-sector 2020 Climate Group. The outreach has been appreciated by the business community:

‘Remember, communications is as important as policy.’

Business representative/landowner

Given the contested nature of many of the decisions SEPA and SNH are called on to make or advise upon, and the controversy over whether sustainable economic growth is actually viable, this more enabling approach to business has caused disquiet among some third sector environmental organisations. They worry about ‘compromised’ advice and ‘cosy’ regulation. Section five of this report, looking at citizens and accountability, considers this risk in greater detail and how different models of engagement could reduce or mitigate it.

Social productivity approaches to sustainable social and economic growth

SEPA imposes direct and indirect costs on the businesses it regulates across a number of environmental regimes. Unsurprisingly, then, it is SEPA that has invested most in modernising its relationships with business. There have been changes to culture and communications, and notable efficiency improvements. Specifically, it has actively shaped the Scottish Government’s Better Regulation agenda. This agenda, which is cited as one of the key planks of the Scottish Government’s programme to support sustainable economic growth, has a number of dimensions, including planning reform.⁶⁷ However, at its heart is the offer to businesses

64. SNH (2012), *Corporate Plan 2012–15*. p.1.

65. SEPA (2010), *Protecting Scotland’s Environment: A 10 Year Perspective*. Stirling: SEPA.

66. ‘SEPA reveals 10 point plan to support economic activity’; available at www.sepa.org.uk/about_us/news/2008/10-point_plan.aspx.

67. Scottish Government (2012), *Working for Scotland: the Government’s Programme for Scotland 2012-2013*; available at <http://www.scotland.gov.uk/Resource/0040/00401237.pdf>.

of a less obtrusive regime and a more problem-solving culture that is risk-based, intelligence-led and proportionate. SEPA's view on this is expressed in its response to the Scottish Government consultation on proposals for a Better Regulation Bill:

We believe that a good environment is essential to a good economy. We also recognise that the way we work can help to create the right conditions for new investment and business (...) Effective regulation can stimulate business innovation. In addition, achieving compliance or going beyond it can be a powerful marketing tool for business (...) We are firmly behind the desired shifts in regulatory culture to more “listening” and early support, as opposed to “telling” and being more inclined to enforce.⁶⁸

Better Regulation has generally received a warm welcome among business groups, and has largely retained the confidence of environmental NGOs who tend to be wary of reduced protections. Its slow evolution, stretching back almost a decade, and latterly including liaison with the Scottish Government's cross-sector Regulatory Review Group, appears to have allowed genuine consensus to emerge.⁶⁹

Better Regulation looks set to deliver more efficient environmental protection that is less burdensome on both regulator and regulatee. This will be a major achievement. By doing so it will help business to create greater economic value without causing environmental harm; and it could free up public resource to support other environmental, economic or social goals. But social productivity suggests that more is possible and necessary in order for the regulatory regime to contribute fully to a valued natural environment – that is, one that is managed primarily through social partnerships – partnerships that require mutual recognition of benefits and responsibilities in maintaining natural assets and fair access to their benefits over the long term.

Critically, though a simplification of the regulatory framework is being proposed to address the opacity caused by years of judicial and legislative accretion, the substance of the legislation on which Better Regulation rests looks likely to remain unchanged. In essence, therefore, Better Regulation is a system that supports protection against environmental harms that have been defined without reference to the communities they may affect, to an ecosystem services assessment of the local area, or to a local cross-sector analysis of social and economic needs and opportunities. It maintains the traditional top down framework for regulation, defining the relationship between the state and the regulatee in a way that largely excludes communities of place and interest from decision-making.

Of course, there are good reasons why a top down framework has evolved. Scotland's environmental protection system is part of an international regime that guarantees common standards of protection to citizens and the environment. Any idea that communities should be involved in negotiating a patchwork of opt outs would make no environmental or

68. From SEPA consultation response on proposals for a Better Regulation Bill (October 2012).

69. Cross-sector innovation between groups with often divergent interests may require a long gestation. See the case of the Zero Carbon Hub in Kippin, H., Hauf, H. and Shafique, A. (2012), *Business, Society and Public Services: A Social Productivity Approach*. London: 2020 Public Services Hub at the RSA.

Better Regulation looks set to deliver more efficient environmental protection that is less burdensome on both regulator and regulatee.

economic sense. But there are ways of re-imagining regulation and its implementation that can generate a wider set of *additional* benefits, secured through more participative processes. For regulation to play a full part in a transition to a circular, resource-efficient and resilient economy, the European Commission's Resource Efficiency Platform has emphasised the importance of a 'socially inclusive and responsible' process that involves:

Implementing, using and adopting smart regulation, standards and codes of conduct that a) create a level playing-field, b) reward front-runners and c) accelerate the transition, and d) take into account the social and international implications of our actions.⁷⁰

Ideas for how to achieve this are in development. Terry A'Hearn, the new Chief Executive for the Northern Ireland Environmental Agency, has expressed his interest in designing regulations in such a way as to provide benefits in other public policy areas, such as health or education, in addition to simply avoiding environmental harm.⁷¹ Designing for these outcomes implies an inter-agency process that is socially inclusive and encourages ownership.

At this stage it is not clear that Better Regulation will, of and by itself, accelerate the transition to the more resource efficient and resilient economy that Scotland needs. Will it, for example, encourage businesses to do more to go beyond compliance? Will it really support front-runners, spark technical innovation or support environmental accounting? SEPA has previously seen a role for itself in this area. Its ten-point plan to support economic activity had envisaged capacity building and supporting clean technology transfers across industries.⁷² Given its unique set of relationships with business, its specialist knowledge and its commitment to contribute to positive long term social and economic outcomes, some interviewees thought that the role was an important one for the organisation's future. There was enthusiasm for a SEPA that 'would be part of an enterprise culture, looking for ways of doing things not seeking to find ways of stopping activity'.

In practice, playing the role successfully will require a mix of thought leadership, signposting, brokerage, and practical advice and support, all of which would need to be integrated with the existing work of specialist economic development agencies and knowledge transfer work from Higher Education (HE) research bodies. But even the most joined-up of offers might involve a draw on resources that would be difficult to meet from existing income, in which case alternative business models might be necessary to enable SEPA to contribute to green business transformation. There is some evidence that where specialist functions within large

70. European Resource Efficiency Platform (17 December 2012), 'Manifesto for a Resource Efficient Europe'. Brussels, European Commission; available at http://europa.eu/rapid/press-release_MEMO-12-989_en.htm#PR_metaPressRelease_bottom.

71. A'Hearn, T. (2012), *Regulation at the edge – regulation for resilience: a regulatory revolution for sustainability*, Cambridge Sustainability Network; available at www.cpsl.cam.ac.uk/Resources/Publications-and-Downloads.aspx.

72. More recently, SEPA was one of the bodies responsible for developing new market opportunities for the clean technology sector as part of Scotland's climate change Adaptation Framework, see Scottish Government (2011), 'Business and Industry Sector Action Plan'; available at <http://www.scotland.gov.uk/Resource/Doc/175776/0114872.pdf>.

public service organisations have ‘spun out’ as employee-led mutuals, their capacity to widen their income base and therefore expand the service they offer has brought social benefits. Studies have also suggested that mutuals may be more agile and attuned to the needs of business.⁷³ (Social enterprise ‘spin offs’ from Highlands and Islands Enterprise are now fairly common.)

SNH too is committed to supporting new businesses and business practices that are more environmentally sustainable. SNH’s relationships with business are complex and extensive, especially in the rural economy. It acts as funder or adviser of new community enterprises or social projects; it helps administer large public funding streams for agriculture; it promotes particular sectors to potential consumers or investors (in tourism, for example); it licenses commercial activities; and, through its role in the planning system, it influences how and where development can take place. The stretch involved in working across so many fronts is considerable, and SNH acknowledges that available resources need to be rationed.⁷⁴ But where does it add most sustainable economic value? As the economy flatlines and financial resources are squeezed, where should investment be prioritised, and what should be the pace of change, especially given the fragility of some of the rural economies with which it is most intimately involved?

Interviewees for this report, both inside and outside SNH, identified expert facilitation and guidance as the area in which the organisation is uniquely placed to add value. In particular, it brings value where it works with groups of businesses, communities and communities of interest to help find a balance between conflicting demands on an area’s environmental assets. Rural land use is strongly and increasingly multifunctional and is marked by four main types of conflict: those arising from intensity of use; those arising from excessive competition; those arising from recreational and visitor pressures; and those surrounding renewable energy.⁷⁵

‘Support active learning partnerships. Often, individual farmers aren’t aware of their long-term impacts.’

Business representative/landowner

Through convening or participating in local forums or action groups like the Moorland Forum and the Access Forum, and through bespoke advice, SNH is helping land managers and other stakeholders to forge solutions to conflicts and find integrated approaches. SNH brings public leadership, scientific evidence and even-handedness. Communities bring local insight and social capital. The international evidence suggests that managing change and conflict through these mechanisms achieves the

73. Mutuals Taskforce (2011), *Our Mutual Friends: Making the Case for Public Service Mutuals*, London: Cabinet Office; LeGrand, J. and Mutuals Taskforce (2012), *Public Service Mutuals: The Next Steps*, London: Cabinet Office; Hall, K. et al. (2012) ‘Jumped or pushed: what motivates NHS staff to set up a social enterprise?’ *Social Enterprise Journal*, 8, (1), pp.49-62; Peakin, W. (January 2011) ‘Productive alternatives to public provision’, *Holyrood*.

74. From SNH’s ‘Renewable Energy consultations: a Service Level Statement’; available at www.snh.gov.uk/docs/A542778.pdf.

75. Macaulay Institute (2009), *Realising the Potential Contributions of Scotland’s Rural Land to Delivering Sustainable Economic Growth*; available at www.scotland.gov.uk/Resource/Doc/294707/0091118.pdf.

best environmental and economic outcomes.⁷⁶ The solutions they agree demonstrate how it is possible to combine national and European standards with localised agreements that combine shared interest and wealth creation. For example, SNH gives financial and practical support to the Moray Forth Partnership, which covers a Special Area of Conservation (SAC) – a site designated for protection under the European Habitats Directive. The SAC Management Group describes its approach to management of the local resources as innately collaborative and necessarily flexible:

Although the management scheme has a legislative basis ... it seeks to focus on voluntary management measures that involve widespread co-operation and consensus between organisations and individuals. This scheme is not adding new bureaucracy to existing processes but simply reinforcing existing arrangements in light of the SAC interest.⁷⁷

Joined-up sustainability and joined-up government

While businesses were largely positive about SEPA and SNH's increasingly collaborative approach, they were much more critical of the overall framework in which they worked, which they considered to be cluttered, poorly articulated and weakly led. We heard complaints about a 'crowded quango landscape', with 'too many regulators regulating similar issues', begging the question 'Who is the minister for sustainability?' Information on sustainability was felt to be scattered, and needed to be promoted through a straightforward 'clearing house'.⁷⁸

Businesses that saw themselves as strong supporters of sustainability, and that had made strenuous efforts to raise their standards were sometimes disappointed by the level of understanding they found in the public sector outside of specialist agencies like SEPA and SNH. Instead of approaching sustainability as a concept with three interrelated dimensions – environmental, social and economic – some businesses claimed that too many public sector organisations were operating in only one dimension, and even doing that in a sentimental and incurious way:

'We need to think through the issues that aren't necessarily the cuddly ones. Look at the damage done through steel production, not just what's going to happen to a badger set. You've got to look further than the end of your nose.'

Business representative/landowner

76. Newig, J. and Fritsch, O. (2009), 'Environmental governance: participatory, multi-level – and effective?', *Environmental Policy and Governance*, 19, 197–214; Robinson, L. and Berkes, F. (2011), 'Multi-level participation for building adaptive capacity: formal agency-community interactions in Northern Kenya', *Global Environmental Change*, 21, 4, 1185–1194.

77. Moray Firth SAC Management Group (2010), *The Moray Firth Special Area of Conservation Management Scheme, Revision 2 (2009), Amended 2010*. Inverness: Moray Firth Partnership, p.5; available at <http://www.morayfirth-partnership.org/assets/files/SAC%20REV%202/Rev2%20MF%20SAC%20MS&AP-final--first%20annual%20review%202010-amended%20online.pdf>.

78. The Scottish Energy and Resource Efficiency Service is due to become operational in 2013 and will integrate information on energy saving and resource efficiency. SEPA is one of its partner bodies. This is still some way short of the comprehensive 'clearing house' mooted by business. For further information see www.scotland.gov.uk/Topics/Economy/EconomicStrategy/SERES.

Procurement for sustainability in the public sector was singled out for particular criticism as being poorly thought through, despite what was acknowledged to be good written guidance. As one representative from business said, ‘the client needs more knowledge’.

The views expressed may or may not be fair. (It would be impossible to judge from the scope of this report.) But they raise important questions for SEPA and SNH. What role, if any, should SEPA or SNH have in improving skills and practice within other Team Scotland public services? In particular, what, if any role should SEPA or SNH have in ensuring that the economic impact of public services – £9 billion spent every year – is environmentally positive?⁷⁹ And to what extent, if at all, should the government’s main environmental agencies have a role in providing visible leadership across sustainability issues in order to communicate the government’s agenda to the public, public services and the business community?

‘At the moment SEPA and SNH are policy implementers and regulators. They should become champions of best practice – influencers who shine a light on what works.’

Business representative/landowner

79. The Scottish Government intends to introduce a Procurement Reform Bill in 2013 which will put a duty on public bodies to procure goods and services in a way that generates benefits for society, the economy and the environment; see <http://www.scotland.gov.uk/Topics/Government/Procurement/Procurement-News/NewsVault2013/analysisreportpublished>.

Citizens, accountability and empowerment: the roles of SEPA and SNH in nurturing and responding to capable communities

Better citizenship: principle and practice in environmental management and protection.

‘The law alone cannot enforce the common interest. It principally needs community knowledge and support, which entails greater public participation in the decisions that affect the environment.’

Brundtland Report, 1987⁸⁰

‘Public services cannot do positive outcomes to people or communities: at their best, they can support them to pursue and achieve positive outcomes in their own lives.’

Mair et al., 2011⁸¹

Citizen participation is a central tenet of environmental justice – a driver and a principle in modern environmentalism. Well before many other areas of policy were incorporating participation rights in their service design, and well before Christie put the role of citizens at the centre of his vision of reformed public services, environmental bodies were attempting to give citizens and communities a voice in the management and protection of public goods. Fairness was important, but so too was effectiveness.⁸² Given the scale, diffuseness and location of many environmental harms, it was thought that popular intelligence and support would be essential to flagging up problems as they occur.

80. The World Commission on Environment and Development (1987), *Our Common Future*. Oxford: Oxford University Press.

81. Mair, C. et al. (2011), *Making Better Places: Making Places Better: The distribution of positive and negative outcomes in Scotland*. Edinburgh: Improvement Service, p.2; available at <http://www.improvementservice.org.uk/library/view-document-details/3380-making-better-places-making-places-better-distribution-of-positive-and-negative-outcomes-in-scotland>.

82. See, for example, Principle 10 of the Rio Declaration (1992), available at <http://www.un.org/documents/ga/conf151/aconf15126-1annex1.htm>. Some human rights based approaches are critical of framing participation in an instrumentalist way; see Quiorz, D. (August 2012), ‘The environment and human rights: making the connections’, *Greens Scottish Human Rights Journal*, 50; available at <http://scottishhumanrights.com/application/resources/documents/DiegoHRJournal.pdf>.

It was also thought that citizen involvement in the care of the environment would prevent or limit harms occurring. Not only would individual citizens and their communities take more responsibility for their own actions, but individuals, groups and communities would act as democratic checks on each other. Ultimately, the horizontal accountability of a popular environmental regime promises to achieve more than the vertical accountability of a technocratic regime.⁸³

Today, SEPA and SNH have to plan in the knowledge that answers to many growing environmental challenges, such as global warming, air quality, flooding, loss of biodiversity or diffuse pollution management, lie more with people and their behaviour than with the exercise of centralised authority. Certainly, these challenges have national and international dimensions and require national and international governance. Yet meeting them effectively also requires local ownership. Widening the resource base, broadening accountability, localising leadership and contributing to the establishment of new norms of behaviour and citizenship should be priorities.

‘The best resource is the population and this is best harnessed at a local level, accepting that this will involve duplication and a lack of synergy and as such be open to criticism. The key to this problem is to use national bodies to define strategic areas and then develop local groups.’

Third sector stakeholder

SEPA and SNH need to forge new and sometimes unpredictable social partnerships that bring new resources, skills and knowledge to bear. A move away from hard authority and towards ‘messy’, mediated influence is likely to be uncomfortable. But even the most robust advocates of powerful expert enforcement agencies concede that their ability to deliver further environmental improvements is diminishing.⁸⁴ The fiscal resources available to support central management and enforcement of environmental regulations are shrinking. At the same time, the environmental threats that we face are becoming more serious and strongly linked into how most of us live, work and consume.

In these circumstances, nurturing strong environmental citizenship – what we call ‘Citizen Stewardship’ – should be the priority. We believe both organisations should support and enlist community resources, formal and informal, through whatever means and intermediaries are necessary. Of course, SEPA and SNH will need to maintain their unique authoritative functions. But to make a greater impact on the wider determinants of environmental sustainability in the future, and to move as far as possible from policing to prevention, they will need to become energisers, educators, partners of communities and champions of environmental stewardship.

83. Some of the most influential work on the importance of local participation in decision-making over natural resources has been by Elinor Ostrom. For a summary and discussion of her views, see Ostrom, E. et al. (2012), *The Future of the Commons: Beyond Market Failure and Government Regulation*. London: IEA; available at <http://www.iea.org.uk/sites/default/files/publications/files/IEA%20Future%20of%20the%20Commons%20web%2029-1.10.12.pdf>.

84. Gunningham, Neil (2002) ‘Beyond compliance: next generation environmental regulation’, Australian Institute of Criminology; available at <http://192.190.66.44/en/events/aic%20upcoming%20events/2002/~media/conferences/regulation/gunningham.pdf>.

Evidence suggests that citizens can be strongly engaged by issues related specifically to the quality of their local environment, and that peer reinforcement in small community projects can accelerate behaviour change.

This will require a step change. Not everyone in SEPA and SNH is convinced that such a step would be wise or feasible. They see political risks, practical obstacles and unproven environmental gains. Within SNH, for example, there are already concerns that too much resource is going to a plethora of small scale grassroots projects in which gains are hard to measure. In contrast, larger scale projects such as the John Muir Way appear to promise more impact and profile.⁸⁵ In such cases, working with communities can seem the opposite of working strategically and being guided by science. Even though evidence suggests that citizens can be strongly engaged by issues related specifically to the quality of their local environment, and that peer reinforcement in small community projects can accelerate behaviour change,⁸⁶ national bodies risk acting in an arbitrary and inefficient way if they take it upon themselves to engage at this scale. Access, targeting and prioritization are immensely challenging. Local authorities are the natural guides. But by no means do all local authorities have the fine grained knowledge and trusting relationships with which they could furnish introductions and help forge partnerships, even if they were willing to do so.

Nor can it be assumed that third sector organisations, some of which are embedded at community level, would universally welcome and facilitate more community facing engagement by environmental agencies. Some interviewees thought that it would be impractical for SEPA and SNH to recast themselves as community capacity builders: '[they are] pretty bureaucratic... Problem solving does not sit well in these quangos'. (Views are divided: we also heard from third sector organisations that credited SEPA and SNH with playing very helpful problem-solving roles alongside local stakeholders.) Whether third sector critics or third sector supporters have a more accurate view of the status quo, SEPA and SNH would clearly need to invest significantly in stakeholder mapping and community mapping to ensure that a stronger community focus complements rather than duplicates existing practice. We recommend that SEPA and SNH consider supporting social network analysis – the mapping and measuring of relationships between people and groups – as a way of addressing this.⁸⁷

A deeper concern expressed by some NGOs is that government bodies like SNH and SEPA should not step forward to support and shape the views of communities: 'Public bodies shouldn't try to pass themselves off as NGOs.' The blurring of boundaries between public services and community action that would result from the reforms that we suggest would indeed raise questions about authority. Though these are not entirely new – they have been contested within community

85. SNH (August 2012), 'Programme Review: People and Landscape'; available at <http://www.snh.gov.uk/docs/B1119433.pdf/>. For more detail on the John Muir Way development, its extent, costs and projected financial returns, see The Glamis Consultancy Ltd and Campbell Macrae Associates (2012), *John Muir Coast to Coast Trail: Economic Benefit Study*. Inverness: SNH; available at http://www.snh.org.uk/pdfs/publications/commissioned_reports/508.pdf.

86. Bunt, L. and Harris, M. (2010), *Mass Localism: A Way to Help Small Communities Solve Big Social Challenges*. London: Nesta; available at http://www.nesta.org.uk/library/documents/MassLocalism_Feb2010.pdf.

87. Rowson, J., Broome, S., and Jones, A. (2010), *How Social Networks Power and Sustain the Big Society*. London: RSA; available at http://www.thersa.org/_data/assets/pdf_file/0006/333483/ConnectedCommunities_report_150910.pdf; and for a practical study of their use, Marcus, G., Neumark, T. and Broome, S. (2010), *Power Lines*. London: RSA; available at http://www.thersa.org/_data/assets/pdf_file/0005/402755/RSA_Power_lines_FINAL-110511.pdf.

leadership for many years⁸⁸ – they would need to be addressed seriously. This report’s recommendations around ‘Mandate’ begin to do so.

The governance arrangements that describe the relationships between communities and organisations across a range of interests – including the environment – are central to meeting the aspirations of community planning and Single Outcome Agreements.

There are concerns, tensions, challenges and opportunities here but many of those we spoke to within and outside of SEPA and SNH agreed that the case for sharing more responsibility with citizens and communities is compelling, driven by the logic of prevention. More environmental problems need to be prevented upstream with community capacity building, rather than policed downstream with command and control. The scale of change involved should not be underemphasized. As this chapter goes on to explain, it will disrupt business models, stakeholder maps, procurement and strategic planning.

Sharing more responsibility with communities and citizens:

Why we think we can’t change	Why we have to change
It’s too expensive	Status quo is becoming unaffordable
Communities are often self-interested. We have a wider duty	Engage early with communities on the basis of their assets, not late on the basis of their problems and grievances
Volunteering has flatlined	Mainstream volunteering so it really matters for both parties, increasing incentives to make it work
Communities lack scientific rigour	Co-produce evidence with them and use it as part of mosaic approach to decision-making
We’re not community development organisations	But you can work with and through them
We need to focus our resource, not disperse it	Target resource (fiscal and non-fiscal) on the basis of good information about influence within communities (e.g. social network analysis)
We’ll be captured by the usual suspects	Use different methodologies to inform your outreach
It’ll create demands we can’t meet	It meets demand preventatively

Environmentalism’s civic core

If the case for change is accepted, how, practically speaking, can it start to happen? How can SEPA and SNH make the transition from delivery-based services to community enablers and capacity builders? The priority must be to identify additional ways into communities – bridgeheads – that will enable the organisations to move beyond the ‘civic core’ of those who are already prepared to take action on environmental issues and to connect with different communities.⁸⁹

88. Kippin, H. and Lucas B. (2012) *Sunderland’s Community Leadership Programme: A Social Productivity Analysis*. London: 2020 Public Services Hub at the RSA; available at http://www.thersa.org/_data/assets/pdf_file/0006/568059/2020_Sunderland_report.pdf.

89. This term has been popularised in the UK by John Mohan. It refers to the 10% of the population who contribute between 24% and 51% of total civic engagement, depending on which dimensions are examined. See Mohan, J. and Bulloch, S. (2012), *The Idea of a Civic Core: What are the overlaps between charitable giving, volunteering and civic participation in England and Wales?*, Birmingham: TSRC.

SNH and SEPA have a civic core which is passionate, informed and engaged, as well as being notably heterogeneous and formidably wide. Long-standing civic society institutions, amateur scientific bodies, sport and recreation groups, micro-campaign groups, informal interest groups, large international environmental justice groups and virtual communities are all active in environmental issues, making demands – sometimes competing ones – on services and policymakers, while also contributing indispensable capacity and resource to problem solving. This diverse platoon doesn't simply sit outside of, and act as a critical supplement to, formal environmental management and protection systems. Rather, it fits squarely within today's systems as a load-bearing part of the architecture. Without the voluntary efforts of citizens, whole aspects of environmental management would simply be impossible, from scientific data-collection to ranger services.

Considering their importance and impact, the numbers who are formally involved are small. Fewer than 6% of Scots who volunteer do so for environmental projects – less than 23,000 people.⁹⁰ Research for SNH in 2011 found that only 23% of wildlife organisations involved in surveys felt they had enough volunteers to carry out all of their programmes.⁹¹ Nourishing and expanding the activism of the civic core could bring substantial benefits, as the number of Scots with a keen interest in the environment is far larger than these figures suggest (Scottish Environmental LINK has a combined membership of over 500,000).⁹² But it is important to be realistic about how significantly environmental activity within the civic core could be expanded. The citizen stewardship proposed through a social productivity approach values, but does not rely heavily upon formal participation and structured volunteering. One of the most recognisable characteristics of the 'civic core' is its stability. Overall levels of volunteering have proved stubbornly resistant to attempts by government or its agencies to raise numbers. Pump priming with large amounts of public investment, like those that were attached to the Scottish Government's Volunteering Strategy, has proved largely ineffective. In England, exhortations addressed to the general population to get involved in helping to build the 'Big Society' have largely fallen on deaf ears.

90. This 6% captures voluntary work with animals, as well as environmental work. See Scottish Government (2012), *Scotland's People: Scottish Household Survey Annual Report 2011*. Edinburgh: Scottish Government; available at www.scotland.gov.uk/Resource/0040/00403747.pdf.

91. Biodiversity Solutions (2010), *Involving People in Biological Recording*. Inverness: Scottish Natural Heritage; available at http://www.snh.org.uk/pdfs/publications/commissioned_reports/382.pdf. This shortfall is despite an increase of 43% in the number of conservation volunteers in Scotland between 2005 and 2008 and a rise in membership of environmental NGOs; see Mackey, E. and Mudge G. (2010), *Scotland's Wildlife: An Assessment of Biodiversity in 2010*. Inverness: SNH; available at <http://www.snh.gov.uk/docs/B811968.pdf>.

92. Scottish Environment Link (2009), *Living with the Land: Proposals for Scotland's First Sustainable Land Use Strategy*. Perth: Scottish Environment Link; available at <http://www.scotlink.org/files/publication/LINKReports/LINKReportLivingwithLand.pdf>. For a discussion of the particular relevance of volunteering to environmental protection and management see Scottish Executive (2007), 'The opportunities for environmental volunteering to deliver Scottish Executive policies' [The Dalglish report] Edinburgh: Scottish Government; available at <http://www.scotland.gov.uk/Resource/Doc/164750/0044899.pdf>.

More than volunteering: the role of co-production

But public services have ways of benefiting from the capabilities and resources of citizens, short of enlisting them as volunteers. When used successfully, co-productive approaches can build individual and community capacity, rather than consuming and exhausting it. Co-production offers a relationship that is distinct from voluntarism, paternalism or managerialism.

Voluntarism – achieved by rolling back the state; reducing entitlements; cutting public provision and encouraging families, communities and the third sector to fill the vacuum.	Co-production – establishing a partnership between citizens and government to tackle a social problem. Citizens contribute more resources to achieving an outcome, share more responsibility and manage more risk in return for much greater control over resources and decisions.
Managerialism – achieved using a carrot and stick approach to incentives for both providers and citizens: discouraging and rewarding different behaviours e.g. paying citizens to live healthily, or targets for providers to involve service users.	Paternalism – achieved through the 'professional gift' model of services. Doctors, nurses, teachers, social workers etc. treating citizens as recipients of services by handing down knowledge and expertise in a top-down way rather than by building partnerships.

From Horn and Shirley, (2009)⁹³

The term co-production covers a range of approaches, but underlying principles include:

- Everyone has something to contribute (it fits with asset-based service design).⁹⁴
- Reciprocity is important and responsibility is shared.
- Social relationships matter (social networks are vital for achieving some kinds of change).
- Social contributions are encouraged (non-financial contributions are recognised and valued).

To date, co-production has been applied most systematically in health and social care settings, though it is beginning to have traction in community development. A study into its applicability to planning and regulation has identified potential benefits, while signalling caution about the kinds of knowledge citizens can be expected to bring into regulatory processes

93. Horne, M. and Shirley, T. (2009) 'Co-production in public services: a new partnership with citizens'. London: Cabinet Office; available at http://webarchive.nationalarchives.gov.uk/+http://www.cabinetoffice.gov.uk/media/207033/public_services_co-production.pdf.

94. SCDC (2011) 'Community resilience and co-production: getting to grips with the language', briefing paper; available at <http://www.scdc.org.uk/media/resources/assets-alliance/Community%20Resilience%20and%20Coproductio%20SCDC%20briefing%20paper.pdf>.

and how it should be combined with scientific expertise.⁹⁵ With co-production's principles in mind, it is possible and helpful to recognise that many of its elements are already within the weave of SEPA and SNH's day to day work. SEPA and SNH regularly find themselves in co-production's collaborative space, acting as brokers, negotiators, inquirers, learners and advisors. (One of the reasons it would be helpful for SEPA and SNH to reflect on their practice through a co-productive lens is that it would connect them with a growing network of public service professionals with whom to share successes and dilemmas.)⁹⁶

The co-productive space can be an extremely demanding one in which to operate. We noted earlier that both organisations have attracted criticism in some quarters for being too technically narrow, or 'not being able to see the wood for the trees'. But as we also noted earlier, we have heard praise for organisations that are often adept at listening and bridging and whose frontline staff are in some places seen as 'local people' who can be relied on to understand local needs and views. We heard praise from third sector organisations and land managers for putting their 'feet on the ground' and their willingness to 'walk alongside' stakeholders and communities. Particularly in more remote locations, staff members appear to be valued for their willingness to put aside formal divisions between and within organisations and focus instead on solutions. So although the picture is far from uniform, it is clear that SEPA and SNH have immensely valuable skills and relationships, a crucial source of value creation that they will want to develop in order to nurture citizen stewardship and resilient businesses.

Co-production brings challenges and rewards that are still to be fully understood in the context of environmental management and protection – though some are already evident in the mixed feedback SEPA and SNH have received. Co-production has grown out of good practice in health and social care, where it has produced benefits in terms of care quality, autonomy and personalisation – including enabling patients to set out in their own terms what counts as successful care. Co-production makes it possible, even necessary, to take into account benefits that are often wider than those that flow directly from addressing the core need. For example, the process of collaboratively agreeing health interventions may lead to improved confidence, greater resilience and expanded social capital. If co-production in environmental decision-making could generate these kinds of secondary benefits, especially where the co-production is collective (conducted with groups or communities), the groundwork would be laid for better long-term environmental stewardship.

But with the potential gains come risks. Co-productive approaches are less predictable in their range of outcomes and more diverse in their demands; and this throws up complications for planning, for equity, and in some cases for legitimacy. Where co-production limits the degree to which outcomes can be specified in advance, organisations may feel that

95. Sanderson, P. (2011) *The Citizen in Regulation: A Report for the Local Better Regulation Office*. Cambridge: Cambridge Centre for Housing and Planning Research, University of Cambridge; available at <http://www.bis.gov.uk/assets/brdo/docs/publications-2011/11-1473-citizen-in-regulation.pdf>.

96. The Scottish Co-Production Network was established in 2012 by SCDC and NHS Tayside. See www.coproductionscotland.org.uk/.

their power to deliver strategically is being compromised. A recent evaluation of ecosystem service pilots in England found that the collaborative approach had been ‘uncomfortable as the outcomes are unpredictable’; though it concluded that the benefits outweighed the disadvantages because ‘it led to a co-created delivery plan which is more resilient because of the high level of engagement.’⁹⁷

Equity and legitimacy may arise as concerns because environmental protection and management issues sometimes involve contested interests and benefits. Co-producing an individual’s personal care plan may well be demanding, and will invariably take place within policy and resource parameters. But it is unlikely to attract the same scrutiny as decision-making over environmental issues, where the treatment of environmental assets – public goods – is at stake. At its best, co-production can nurture a sense of shared endeavour. Badly handled, it could be divisive and damaging. Bespoke agreements could expose agencies to the charge of inconsistency or special treatment. It is therefore important that co-production takes place with explicit reference to broad outcomes frameworks locally (SOAs) and nationally (the NPF).

Authority and mandate in co-creative systems

If SEPA and SNH are to use their resources and their powers of advice and decision with a greater degree of flexibility – as they would need to in a more co-produced system – there needs to be widespread confidence in how they set their parameters. In the negotiation that is inherent to co-production, what is on and off the table? How is public resource allocated fairly? Where stakeholders lack confidence that decisions are being taken reasonably, they will either refuse to take part in co-productive processes, or will seek the reassurance of a highly legalistic approach.

Already, a number of third sector organisations are concerned that in moving to an outcome focus SEPA and SNH are giving undue weight to targets set by government policy as against duties and standards set out in law. This concern is understandable, but its implications are problematic. It downplays the fact that both organisations already have ‘balancing duties’ requiring them to consider factors in addition to their primary aims, where it is appropriate for them to do so.⁹⁸ More fundamentally from SEPA and SNH’s viewpoint, the degree of statutory complexity under which they work has become so great that simply using an ‘enforce the law’ approach is much more likely to lead to focusing narrowly on compliance (‘servicing the legislation’) rather than on achieving valued social and environmental outcomes. Better legislation would be helpful, but law can only ever provide part of the answer:

‘We need to work harder to transform our approach to the environment: away from a model of 20th century protectionism and towards 21st century productivity.’

SEPA/SNH stakeholder

97. Waters, R. et al (2012), *Delivering the Ecosystem Approach on the Ground: An Evaluation of the Upland Ecosystem Service Pilots*. York: Natural England, p.7; available at <http://publications.naturalengland.org.uk/publication/4084624>.

98. SNH (2011), SNH Guidance Notice: Applying SNH’s Balancing Duties; available at <http://www.snh.gov.uk/docs/A435198.pdf>.

SEPA and SNH's explanation of the need for a judicious and outcome-focused application of law is reasonable. However, it leaves the problem of autonomy unresolved. A number of stakeholders told us that they regarded SEPA and SNH as arms of government, making judgements that put Team Scotland first, environment second:

'[SEPA and SNH] should play a central role but they are organs of government and have lost their independent role.'

RSA questionnaire respondent

Of course, disappointed stakeholders can find any number of reasons to criticise environmental bodies, and different stakeholders will often criticise them on contradictory grounds. Nevertheless, public trust is enormously important and is a fundamental element of social productivity, where it enables new relationships to be negotiated between social actors.⁹⁹ If an impression of partisanship is allowed to grow, the results could be toxic, making it extremely difficult to reach out in good faith with an offer of co-production, either directly or through intermediary groups. It would be helpful for both organisations to consider how to safeguard public trust, drawing on the experience of other science-based bodies operating in contentious areas of public policy.

Commissioning for community capability

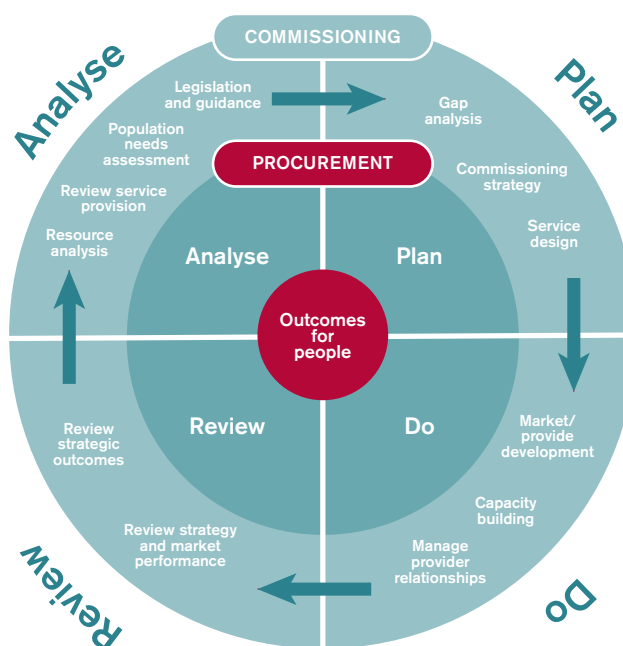
For SNH in particular, the next few years will inevitably be difficult as the amount of funding it can make available to external organisations is substantially reduced. Long-established partnerships will be strained and good work will have to be discontinued. Stresses are already evident as tightening budgets lead to tightening specifications, which in turn give the impression to some research partners that they are being treated as suppliers rather than colleagues. The choice for SNH will be whether to continue procuring services in the same way, but from a smaller pot, or to move to a commissioning model that takes a longer-term view of needs and supply-side capabilities – an approach being suggested in Defra's triennial review of Natural England and the Environment Agency.¹⁰⁰

Commissioning starts from an assessment of need, considers the instruments available to meet these needs, and if procurement is appropriate, it plans purchases with a view to developing and sustaining a supply side that produces social value as well as delivering professional excellence. It is a whole system approach that sets out to provide leadership, engagement and shared vision between a web of service users and providers. Different public services have established models that fit their service, but most regard commissioning as a cycle that runs over several years with four main phases: plan, do, review and analyse. The diagram

99. For a discussion of legitimacy and consent, see Lucas, B. and Kippin, H., 'A social productivity spending review' in Mulheirn I. et al. (2012), *Fiscal Fallout: The Challenge Ahead for Spending and Public Services*. London: SMF and 2020 Public Services at the RSA; available at <http://2020psh.org/wp-content/uploads/2012/11/2020-Public-Services-Fiscal-Fallout.pdf>.

100. Defra (2012) Discussion Paper: Triennial Review of the Environment Agency and Natural England. London: Defra; available at <http://www.defra.gov.uk/review-ea-ne/files/triennial-ea-ne-discussion.pdf>.

below clarifies the relationships between procurement (the inner circle) and commissioning (the outer circle):¹⁰¹



From COSLA and JIT (2010)

It is in the second phase ('Do'), which includes market development and capacity building, that SNH could encourage longer-term capacity development within community groups and grassroots organisations. It could, for example, support community organisations to explore partnerships with some of the specialist bodies from which research reports have historically been procured where the type of mass data collection possible through citizen science could fill important information gaps. Some local authorities have adopted a Community Commissioning approach that is explicitly designed to build citizen capability and control throughout the whole cycle, using citizens and community groups to research needs, design solutions and participate in reviews and planning.¹⁰²

Going local: prioritising small community organisations

'SNH could be a lot more helpful if they could treat citizens differently, rather than being neutral – not differentiating between big provider and community groups.'

Business representative/landowner

There is no doubt that SNH and SEPA will and should continue to support the environmental civic core. But if they are serious about promoting far greater levels of environmental citizenship, they will have to move much closer

¹⁰¹. COSLA and JIT (2010), *Procurement of Care and Support Services*. Edinburgh: Scottish Government, p.19; available at <http://www.scotland.gov.uk/Resource/Doc/325109/0104824.pdf>. The Cabinet Office has recently established a Commissioning Academy to support good practice: <https://www.gov.uk/the-commissioning-academy-information>.

¹⁰². Cabinet Office (March 2012), *Community Commissioning case studies*; available at <http://www.cabinetoffice.gov.uk/resource-library/community-commissioning-case-studies>.

to grassroots community organisations. Given the uneasiness of some large environmental NGOs with the post-Christie focus on communities of place, rather than communities of interest, this shift may be unwelcome:

‘SEPA and SNH should listen to the communities that care about the environment.’

Third sector representative

Contrary to this view, we believe that SEPA and SNH should urgently seek out ways of listening to and talking to communities that do not currently prioritise environmental concerns. Such community groups are unlikely to feature on SEPA and SNH’s stakeholder maps. In our interviews, senior figures from the statutory and business sectors, and figures from well-established environmental third sector groups referred to environmental protection and management as a sector that ‘is fairly unique in knowing itself’ and a sector where, ‘within six months, you’ve got everyone you need to know in your address book’.

It is crucial that SEPA and SNH invest in getting to know people who are outside of this network – those who get together in sports halls, on allotments, in credit unions and through faith groups. These groups may be entirely informal, or loosely constructed, and set up with changing sets of priorities that adapt to fresh opportunities. Evidence suggests that such locally embedded community groups can be more effective than large outside organisations in communicating environmental messages because of their proximity to citizens, their innovation, the trust they enjoy and the collective values they embody.¹⁰³ Evaluation of the Climate Challenge Fund flagged up the particular value of working with and through community organisations to engage the ‘moderately interested’.¹⁰⁴

Finding connections through to communities at this level represents a major challenge for relatively small national organisations like SEPA and SNH. Even some local authorities and voluntary sector umbrella bodies would admit to being some way off this degree of granularity. But as CPPs and SOAs mature – albeit at different rates – detail of this kind, or at least the appetite to work with partners to generate it, is likely to grow. Asset-based approaches to community development that map assets (financial, built, social, human, natural, cultural and political) are becoming more widely used.¹⁰⁵ Techniques like social network analysis make it possible to generate richly detailed maps of districts or neighbourhoods that show how patterns of influence, trust and support relate to existing private and public assets and services.¹⁰⁶ Exploring and connecting with communities at this level, in partnership with local authorities, other public services – such as health, for example – and alongside community-based voluntary organisations can only happen on a staged basis as opportunities unfold and are negotiated. But unless SEPA and SNH take a clear decision to

103. Büchs, M., Edwards, R. and Smith, G. (2012), *Third Sector Organisations’ Role in Pro-environmental Behaviour Change – a review of the literature and evidence*, Birmingham: TSRC; available at <http://www.tsrc.ac.uk/LinkClick.aspx?fileticket=vaM71tj2%2fNo%3d&tabid=916>.

104. Lyndhurst, B. and Ecometrica (2011), *Review of the Climate Challenge Fund*. Edinburgh: Scottish Government; available at: www.scotland.gov.uk/Resource/Doc/352709/0118663.pdf.

105. O’Leary, T. et al. (2011), *Appreciating Assets*. Dunfermline: Carnegie UK Trust; available at http://www.iacdgloball.org/files/Carnegie_UK_Trust_-_Appreciating_Assets_FINAL-1.pdf.

106. See, Rowson, J. et al. (2010), *Connected Communities* op cit.

re-balance their investment in the third sector towards smaller community groups, the status quo will simply reproduce itself. The social reach and practical resonance of environmental issues will remain essentially unchanged; and the widening social partnership through which a valued environment could be enjoyed and protected will remain elusive.

A social productivity model for SEPA and SNH

Many of the interviewees for this report, both within and outside SEPA and SNH, recognised that we have reached a critical moment for the natural environment. Climate change and resource depletion bring unprecedented challenges. Natural capital has been stripped or sweated, rather than managed, leading to serious and potentially chronic social and economic problems.¹⁰⁷ However, there was less sense that public services might be at an equivalent tipping point. It was not that interviewees disagreed with the Christie report’s analysis or its ambitious prescriptions. Rather, there was general scepticism about whether Christie’s call for collaborative and integrated public services would prove any more transformative in practice today than similar recommendations have proved to be at any time over the last ten years. Some interviewees also observed that in the run up to the 2014 referendum on Scottish independence, there are few incentives for policymakers to make big, and potentially risky decisions around public services.

With good reason, most SEPA and SNH interviewees were positive about the way that their organisations had already adapted to cope with reduced budgets and changing policy priorities. (Many external interviewees credited the organisations with becoming significantly more constructive partners in business and the rural economy.) SEPA and SNH interviewees generally felt that many of the organisations’ most immediate challenges had been, or were being addressed. There was little sense amongst staff that further radical change beyond what was already planned would be needed to achieve their visions.

Others, however, were less sanguine. One senior figure set out the challenge starkly:

‘If we can’t mainstream our agenda, it’ll be catastrophic. We’ll be ghettoised. We’ll just be the bit at the side of government that does the environment.’

We believe that the stakes are indeed as high as the speaker suggests, as a result of three interlinked risks – fiscal, institutional and methodological.

¹⁰⁷ Helm, D. (2011), ‘The sustainable borders of the state’, *Oxford Review of Economic Policy*, vol. 27, no 4, pp.517-535.

Fiscally, as public services as a whole move into what Christie rightly identified as a period of severely constricted spending and growing service demands (driven principally by demographic change, but also by technological and cultural change), there is a risk that scarce funding will flow to resource-hungry frontline services and away from those whose remit is considered less urgent. *Institutionally*, there is a risk that as public services, however hesitantly, move towards local integration between cash-hungry front line services, SEPA and SNH will find themselves marginal to these new partnerships with the result that environmental considerations will be inadequately reflected in their approaches and outcomes. *Methodologically*, both organisations are deeply imbued with models of protection, regulation and statutory expert reporting that would struggle to make satisfactory impact against a range of ‘wicked’ problems, even if they could be supported by buoyant funding and coherent public service partnerships. A wider range of methodologies will be essential to tackle environmental problems that are often complex, diffuse and embedded in social practice.

Depending on the choices made by SEPA and SNH, and their ability to influence others across business, public services and civil society, we believe the future could lead in two very different directions:

Mainstreamed	‘Ghettoised’
Collaboration across public services nationally and locally	Stand-alone technical services
Leadership and overarching purpose across environmental issues	Numerous programmes, churning and disconnected
Small community groups and organisations with substantial control and responsibility for aspects of environmental protection and management	Established interest groups and environmental NGOs leading debate and action
Participative science and public understanding	Elite science and popular detachment
Enterprising green solutions	Businesses complying with minimum statutory requirements

We believe that SEPA and SNH can avoid the risks – for themselves and the natural environment – of a ‘ghettoised’ future if they prioritise the development of ways of working that address their fiscal, institutional and methodological challenges as inherently interlinked. Social productivity offers a way of doing so. It changes the focus in public from the provision of goods and services in a closed system, to value creation between services and citizens through collaborative design and shared responsibility – co-production. Social productivity sees co-production as taking place within a complex system of relationships between public, business and civic actors, all of which bring a variety of formal and informal resource – including environmental resources. Much of the latent value of these human and environmental resources remains untapped in today’s system, yet it is crucial in the context of growing demand pressures, changing demographics, economic flat-lining and environmental crisis.

Change on the scale implied by a social productivity approach could never happen overnight. Opportunities and priorities need to be identified

through which the new approaches can be developed and tested. As a way of working with complexity, social productivity demands both strategic clarity and a willingness to accept that forging change will rely to a considerable extent on messy leadership and adaptive management. As one SNH/SEPA stakeholder explained:

‘I think the plans and strategies mindset isn’t the right one. We’ve been through years of setting out plans and strategies. Perhaps we actually need to think in a different way, frame things in a different way.’

Framing through social productivity offers that different way. It shows the distance between the public services we have now and the public services we need them to become; and it identifies pathways along which the journey of change can begin. For SEPA and SNH, we believe that this means refashioning their relationships with three principal sets of social partners:

- **Business:** where their collective aim should be to contribute to a resilient, environmentally sustainable economy that maximises opportunities from new technologies and practices.
- **Public services:** where their collective aim should be to contribute to preventative public services.
- **Civil society:** where their collective aim should be to contribute to citizen stewardship.

Together, these partnerships can contribute to what we term a ‘valued environment’ – showing how natural assets support wealth creation and well-being. We would characterise a ‘valued environment’ as a natural environment managed primarily through social partnerships that share benefits and responsibilities in maintaining natural assets and fair access to their benefits over the long term.

The diagram at the end of this section sets out practical steps through which these partnerships could become more productive and mutually reinforcing over time. Explained in greater detail in this report’s recommendations, their success will depend in large part on the extent to which they are animated by overarching changes to culture and competence and underpinned by fresh democratic deals with citizens. The former we term ‘Open Up’, the latter ‘Mandate’.

Organisational culture, competencies and behaviours: Open Up

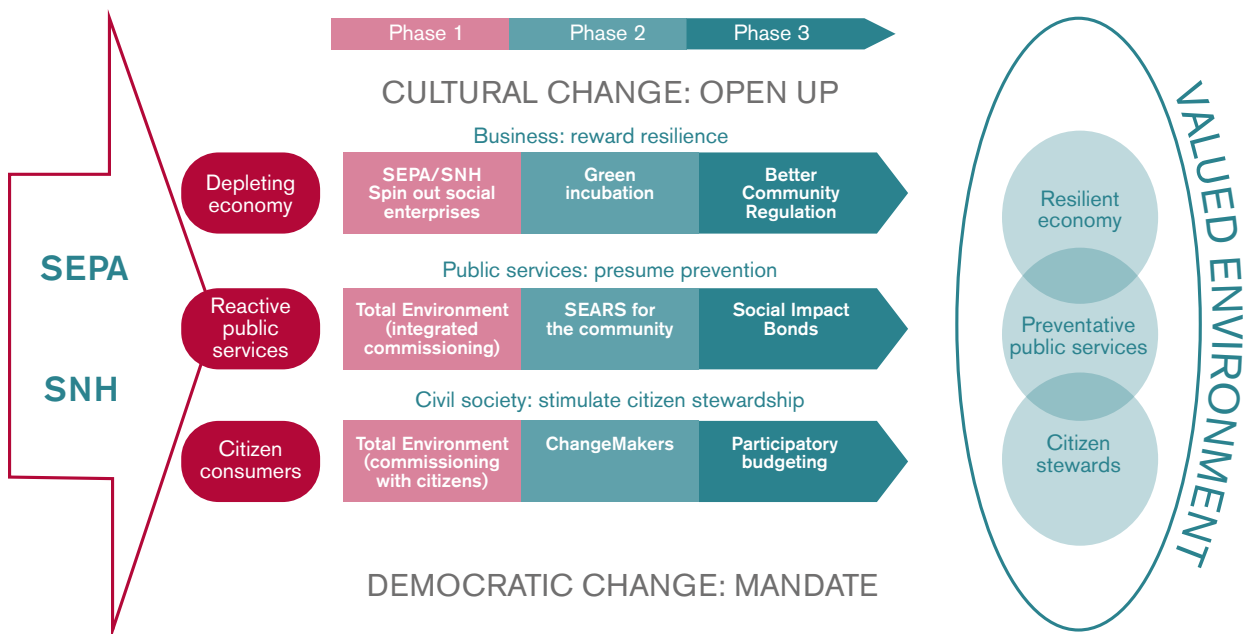
‘You’ve got to give away power to gain power.’

Third sector stakeholder

None of this will be possible unless the organisations change deep-seated assumptions about how they work. The reform process will require a fresh set of organisational competencies and attitudes. We term these commitments Open Up, to indicate the type of culture change that we believe will be necessary. Open Up also indicates a willingness to see some aspects of control and delivery move outside of the organisations, to communities, joint public service bodies and business start-up groups.

Mandate

SEPA and SNH have statutory powers, but their ability to achieve their aims rests much more heavily on their ability to influence others. They speak with the authority of science, but unless they also enjoy the mandate of public confidence, their ability to create change will be limited. The challenge relates to both credibility and complexity. Stakeholders may believe that the science is faulty or biased, not taking account of the world as they see it; or they may believe the science to be sound, but find its application too problematic and disruptive to the lives they lead, and therefore disregard it. In either case, technical advice and decision making may fail to deliver change if they are not embedded in relationships with diverse stakeholders through which perspectives are shared and multiple sources of authority acknowledged.¹⁰⁸



108. Owens, S. And Driffill, L. (2008) 'How to change attitudes and behaviours in the context of energy', *Energy Policy*, 36, pp.4412-4418; available at <http://www.bis.gov.uk/assets/foresight/docs/energy/energy%20final/owens%20paper%20-section%204.pdf>; Brechin, S. *et al* (2002) 'Beyond the square wheel: toward a more comprehensive understanding of biodiversity conservation as social and political processes', *Society & Natural Resources: An International Journal*, 15: 1, pp.44-64; available at http://www.facstaff.bucknell.edu/pwilshus/scholarship/snr_sqwh2.pdf.

Recommendations

This section describes the steps we believe that SEPA and SNH should take in order to unlock social productivity using environmental assets, including protecting and managing them. The change process has three phases, each more challenging and more mutually reinforcing across three key themes: civil society, public services and business.

Civil society: stimulate citizen stewardship

Ultimately, Scotland's citizens must be part of the solution to environmental problems, rather than an insurmountable obstacle to addressing them. Any strategic decision that does not in some way enhance the capability and accountability of citizens in regard to their environment is likely to be flawed. In a discussion with SEPA in 2011, RSA chief executive Matthew Taylor laid down the challenge:

'Imagine SEPA in ten years, as half the size, but with twice the impact – what would [senior managers] have to have done to make that possible?'¹⁰⁹

Any strategic decision that does not in some way enhance the capability and accountability of citizens in regard to their environment is likely to be flawed.

Extending the answer to SNH, the answer – at its simplest – is that they will need to have enlisted citizens. To find ways of achieving this, we can look at what is currently valued by citizens in their relationships with their services and their natural environment, and then consider how through partnerships and more ambitious outreach, new social norms within localities and peer groups can be encouraged. We know that the circle of those citizens who take ownership of the environment as an issue will need to expand massively. But we need to be straightforward in recognising that there is no precedent for turning around a public body and public attitudes on the scale that is required. Although the direction of travel is clear – as is the fact that there is no alternative – there is no detailed route map available. SEPA and SNH will need to be explorers, weighing risk differently, planning more adaptively.

We propose a series of changes that will open up SEPA and SNH's work to a wider range of citizens and communities, introducing a preference for communities and groups that currently have little sense that the natural environment is their concern or responsibility. Where these communities and group will want to take SEPA and SNH will only become apparent when the conversation begins in earnest.

Phase 1: SEPA and SNH pilot Total Environment audits with a small number of local authority partners as the first step in moving towards a commissioning model for services, away from a procurement model.

¹⁰⁹. 3rd Horizons (2011), 'Strategic Conversations', SEPA.

Commissioning should involve citizens in needs analysis and enable intelligent diversification and development of the supply side.

Total Environment is our term for joint public service audits of total environmental expenditure and assets in a given area. It is described more fully in Phase 2 of our recommendations for public services. Integrated local reviews should be one stage in commissioning cycle which opens up opportunities for communities and social business to become involved not only in environmental needs analysis, but in service design.

Different commissioning bodies have developed a range of techniques through which citizens are heard and involved during commissioning. In councils like Lambeth, community-led commissioning has required service commissioners to go beyond consulting with community representatives on draft plans. They now engage with communities at a much earlier stage, and offer them greater levels of advice and support in co-producing the final needs assessment and procurement plans, using techniques such as appreciative inquiry.¹¹⁰ The health and social care social enterprise Turning Point has developed a community-led commissioning model which includes training for citizens in researching their own needs. Several councils have worked with Turning Point to use this approach. Evaluation in one (Basildon) found that the subsequent redesign of services on a more co-productive basis saved £4.44 for every £1 invested.¹¹¹

Citizens and community groups may also then be involved in delivering services. Good commissioning allows the commissioning body or bodies to take a view of total needs and assets of a place over the medium term, and to procure a range of services to meet these needs and manage those assets for the future. A skilled and diverse service supply is an asset that local commissioning will want to protect and develop for the future. We would suggest that in order to support long-term growth of environmental expertise, consideration should be given during the commissioning process to developing relevant skills and awareness in organisations that do not currently deliver environmental services, but might wish to consider doing so.

Phase 2: SEPA and SNH establish regional or local Environmental ChangeMakers groups to broaden the range of communities with which they engage beyond the civic core of established environmental third sector organisations.

SEPA and SNH both operate within well-established stakeholder networks. This brings advantages, but it can create a false impression of inclusion. In reality, most of Scotland is not included, particularly those parts of the Scottish population that do not see the environment as their

110. Lambeth Council (2012), 'Lambeth: the Co-operative Council: Corporate Plan 2012-15'; available at <http://www.lambeth.gov.uk/NR/rdonlyres/F7AD4FFF-5C69-479A-99A8-C86A1117DBAB/0/LambethCorporatePlan201114.pdf>.

111. Turning Point (2012), 'Connected Care: doing things differently'. London: Turning Point; available at http://www.turning-point.co.uk/media/209014/cc0013_connectedcarebrochure_proof.pdf; Bauer, A. et al. (2010), *Economic Evaluation of an 'Experts by Experience' model in Basildon District*. London: LSE; available at http://eprints.lse.ac.uk/29956/1/Internet_Use_and_Opinion_Formation_in_Countries_with_Different_ICT_Contexts.pdf.

issue. Reaching these disengaged groups and entering into dialogue with them will help both organisations to target messages and resources more effectively in the future. Both SEPA and SNH need to be able to convene conversations that go further than the usual suspects and enable the participants to experience very different positions.

There are numerous below-the-radar community organisations that are often unheard even though they play a key role in many people's lives. SEPA and SNH should act jointly, and in partnership with one or more local authorities, to conduct a social mapping exercise to identify figures who are trusted and are considered key influencers within communities. Social network analysis offers one way of doing this, and the development of new software is bringing down costs into the low tens of thousands. The mapping should be combined with a process through which the key, trusted individuals who are identified are brought together into a problem solving group that can offer very different perspectives, and feed back messages to communities in a different way, than traditional representative or cross sector groups. The RSA's ChangeMakers methodology has been used for this purpose, both to stimulate more ambitious civic activity in Peterborough, but also to support educational aspirations in Suffolk.¹¹² SEPA and SNH should jointly set up one or more 'Environmental ChangeMakers' group as critical sounding boards for local decision-making, and as action groups that can reach back into their communities to tackle specific problems. Environmental ChangeMakers would have most impact if integrated with the Total Environment pilots, which would in turn be linked to SOAs (see above).

Phase 3: SEPA and SNH place responsibility for some financial decisions directly in the control of communities, using a participatory budgeting process to build commitment to good environmental practice.

We know that financial incentives for environmental improvements can be effective, but that the effect is strongest when people need to collaborate in order to access them. Group commitment and the changing of social norms within those groups can provide powerful imperatives for change.

Although participatory budgeting – involving residents and community groups in decisions on local spending and priorities – is resource-intensive process, it can be extremely effective at building knowledge and social capital within communities.¹¹³ We believe that embedding some element of participatory budgeting within Total Environment on a carefully targeted basis would reinforce the overall effectiveness of the approach and provide valuable learning that could be applied more rapidly and at less cost in other places. (The process itself can be very costly so is unlikely to be appropriate as a default element of decision making.)¹¹⁴

112. Dellot, B. et al. (2012) *RSA ChangeMakers: Identifying the key people driving positive change in local areas*. London: RSA; available at: www.thersa.org/_data/assets/pdf_file/0011/569495/Changemakers_report_290212.PDF

113. Harkins, C. and Egan, J. (March 2012) 'The Role of Participatory Budgeting in Promoting Localism and Mobilising Community Assets', Glasgow Centre for Population Health: Glasgow; available at http://www.gcph.co.uk/assets/0000/3145/GCPH_Participatory_Budgeting_FINAL.pdf.

114. SQW, Cambridge Associates & Geoff Fordham Associates (2011) *Communities in the Driving Seat: A Study of Participatory Budgeting in England*. London: DCLG; available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6152/19932231.pdf.

They have yet to succeed in embedding the case for a good quality natural environment firmly in the mainstream prevention debate, which remains focused on big-spending people services.

Public services: presume prevention

As well as being vital for wealth creation and well-being, a valued environment contributes massively to preventing or mitigating numerous social harms that, if unchecked, become expensive demands on front-line public services. SEPA and SNH rightly describe many of their services as preventative, reducing the demands on other public services; but they have yet to succeed in embedding the case for a good quality natural environment firmly in the mainstream prevention debate, which remains focused on big-spending people services.

SEPA and SNH have been good partners in Team Scotland at local and a national level. They have built and maintained important relationships, initiated multi-agency projects and continued to play vital roles in liaising day-to-day with peers and colleagues in areas such as waste management and planning. But the change signalled by the Christie report has not yet proved disruptive in practice. Despite the welcome shift of some public spending to prevention, economic, financial and accountability landscapes remain essentially unchanged, except where Holyrood has imposed structural change. This is particularly disappointing from the viewpoint of environmental protection and management, obstructing the mainstreaming of environmental considerations and benefits into public services more generally.

SEPA and SNH need to become more targeted and proactive. They should work with a small number of progressive local authority partners to implement what we term a Total Environment audit that would build on the SOA's area and neighbourhood profiles, mapping environmental resource flows and assets in an area. The results of Total Environment will enable integrated commissioning of services, cutting duplication and prioritising what communities want and value. They should also demonstrate the joined-up practice they are asking of other public services by making a more coherent service offer to communities.

However successful Total Environment ultimately proves to be in enabling resources of all kinds (financial, built, social, human, natural, cultural and political) to be better managed, change will take time. For the foreseeable future, it is likely that demands on front-line services will continue to constrict preventative investment. Alternative financing models should therefore be developed.

Phase 1: SEPA and SNH pilot Total Environment audits with a small number of local authority partners, mapping total environmental service spend and asset base in a specified area, and using this learning to move towards integrated (multi-service) commissioning.

The Christie Commission saw England's Total Place pilots as promising examples of how to understand local spending and provision. In these pilots, local authorities led a comprehensive audit of all the different services involved in tackling the same or similar problems in a specific geographical area. This allowed partners to see where public resources were going, where duplication was occurring, how well investment was aligned with local priorities and how much of the support was actually making a difference from the perspective of citizens and communities (see Appendix). To our knowledge, no Scottish local authority has yet

attempted a Total Place audit, though CPPs' development of Area Profiles for their SOAs have involved similar cross-cutting exercises.

SEPA and SNH, acting jointly, should seek out a partnership with a local authority (or a small number of local authorities) that wishes to build on its area profile by undertaking a comprehensive analysis of environmental resource flows – a Total Environment audit. It would be important for Total Environment to avoid the shortcomings of England's Total Place, where a tight focus on financial flows limited the insights into how value could be generated.¹¹⁵ Total Environment should be broader, including natural assets and skills and knowledge, and would draw on the work undertaken by SNH, SEPA and others to develop environmental outcome indicators.¹¹⁶ The process would involve as broad a group of services as possible, so that audit could be followed by integrated commissioning. Pooled budgets could be helpful, but much could be achieved through aligned budgets. SEPA, SNH and its partners would use this root and branch review of needs and assets to shift resources to prevention.

Phase 2: SEPA and SNH build on the positive aspects of SEARS by collaborating with relevant partners to ensure a single front door for all environmental services in a locality.

SEPA and SNH are relatively small organisations, whose functions tend to bring them into regular contact with small circles of interested stakeholders. They will never be a high profile presence in most urban areas. This makes it all the more important that their brand and their offer to communities is clear and joined-up, so that they are genuinely accessible. Using the model of SEARS, SEPA and SNH should work with partners – including those within SEARS, but also local authorities, health services and others – to agree communications and case management processes within localities or regions so that approaches for information, advice and other environmental services can be made through a single 'front door' and are handled seamlessly. Systems and branding should be agreed in dialogue and testing with key stakeholders, such as third sector interface organisations, to agree what works well locally. The Environment ChangeMakers proposed below could also contribute.

Unless estate changes would incur disproportionate costs or there are other compelling reasons not to do so, SEPA, SNH and other relevant services should continue to co-locate by default. The same Open Up principles that designate space and support for environmental entrepreneurs in co-located offices mean that space and support for community organisations should also be included. The organisations should also rationalise their online access. For example, a common page or microsite for problem reporting would be helpful. Ultimately, a natural environment equivalent of the FixMyStreet website would enable citizens to play a much more

¹¹⁵ See, for example, Seddon, J (2010) 'Submission to Finance Committee: inquiry into efficient delivery of public services'; available at http://archive.scottish.parliament.uk/s3/committees/finance/inquiries/budget/BSP_seddonv2.pdf. For more detail on Total Place and Whole Place Community Budgets, see the appendix of this report.

¹¹⁶ Improvement Service et al (May 2012), 'Menu of local outcome indicators: environmental indicators framework'; available at <http://www.improvementservice.org.uk/local-outcome-indicators/>.

active role in monitoring and driving improvement in the places where they live and work.¹¹⁷

Phase 3: SEPA and SNH pioneer new ways of financing environmental services by exploring social impact bonds or similar instruments to support preventative investment.

Fresh financing mechanisms should be supported to enable preventative spend. In recent years, governments and markets have developed a number of investment vehicles designed to encourage private and institutional investors to back conservation projects or transition technologies.¹¹⁸ The Forestry Commission, for example, has been looking at the use of green bonds to support woodland creation.¹¹⁹ As part of this movement to tap private investment for ethical and social purposes, the Ministry of Justice introduced the first social impact bond (SIB) in 2010 – an innovation that has now spread beyond offender resettlement services into areas such as children leaving care and homelessness. Scotland’s first social impact bond is enabling the YMCA in Perth to provide long-term support to young people at risk of disengaging with education.

Social impact bonds allow socially valuable services to be financed from private capital. Public service commissioners agree with bond holders that their investment will yield returns at an agreed level if the interventions delivered by the service provider achieves agreed results – results that bring a saving to the commissioner. The exact nature of the relationships between commissioner, financing body (usually a special purpose vehicle) and delivery organisation varies.¹²⁰ Although the Cabinet Office is currently preparing advice and templates with the aim of reducing set up costs for commissioners, the development of SIBs is still at an early stage and the model is far from set in stone. YMCA Scotland’s SIB is of relatively low financial value, but YMCA stresses the additional social value of attracting small amounts of investment from businesses and individuals in the project’s locality, on the grounds that this broadens the project’s ownership and expands its non-financial assets.

As SNH, SEPA and their local Total Environment partners become commissioners of environmental services they should look at the risks and opportunities of SIBs, not only as a way of bringing forward preventative investment, but as ways of stimulating green investment markets and offering communities of place and interest opportunities to invest in

117. www.fixmystreet.com. The ‘What’s in My Backyard’ postcode function within Scotland’s Environment Web is a helpful way to search for information, but does not currently allow for input from citizens.

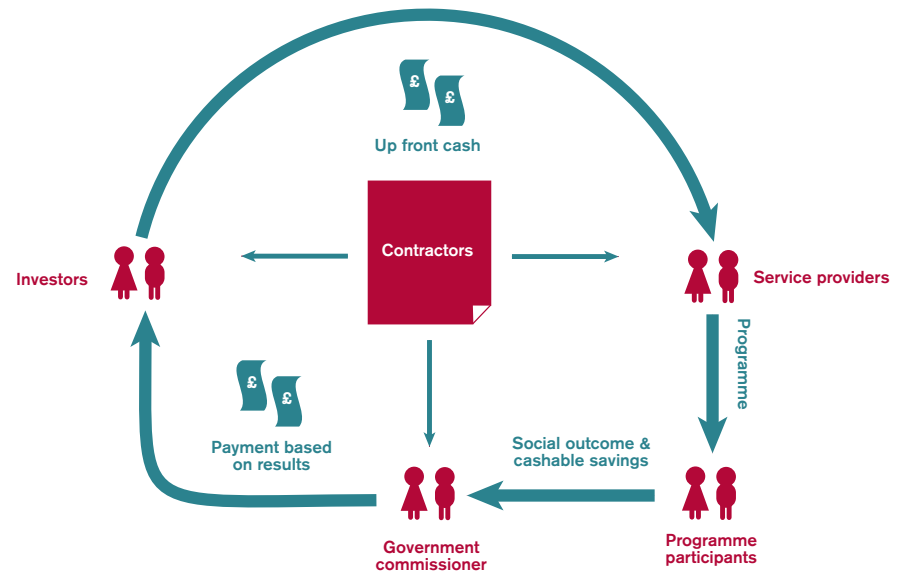
118. Inderst, G. et al. (2012), *Defining and Measuring Green Investments: Implications for Institutional Investors’ Asset Allocation*. OECD; available at http://www.oecd.org/finance/private-pensions/WP_24_Defining_and_Measuring_Green_Investments.pdf.

119. Petley, S. (2012), *Exploring the Use of Bonds to Support Woodland Creation*. Bristol: Forestry Commission; available at [http://www.forestry.gov.uk/pdf/ENVBOND.pdf/\\$file/ENVBOND.pdf](http://www.forestry.gov.uk/pdf/ENVBOND.pdf/$file/ENVBOND.pdf).

120. Mulgan, G. et al. (2011), *Social Impact Investment: The Challenge and Opportunity of Social Impact Bonds*. London: Young Foundation; available at <http://youngfoundation.org/wp-content/uploads/2012/10/Social-Impact-Investment-The-opportunity-and-challenge-of-Social-Impact-Bonds-March-2011.pdf>.

improvements that they recognise as valuable.¹²¹ For example, a project to improve biodiversity and recreational access in an urban site affected by low level contamination might deliver a wider range of benefits if commissioned through a SIB from a consortium of community groups. We believe that by developing this kind of model, SEPA and SNH can help put environmental value at the centre of a rapidly evolving area of policy and practice that could bring about significant changes to social banking and ethical investment in Scotland in coming years.

The following diagram illustrates how a social impact bond works in practice:



Taken from Cabinet Office, Social Impact Bonds¹²²

Business: reward resilience

SEPA and SNH are right to believe that investing in natural assets is essential to support well-being and wealth creation. They therefore should focus increasingly on supporting businesses to develop the practices and technologies that a resilient, environmentally sustainable economy will need in the long term. Their priority should be to maximise the availability of high quality advice for businesses attempting to move to cleaner and less resource intensive processes. SEPA and SNH should do more to bridge business and communities, ensuring better dialogue and greater accountability.

SEPA and SNH have a crucial role to play in Scotland’s economic recovery. They can help shape the nature of that recovery by prioritising advice and support for businesses that are developing the processes, products and services that are better for the environment. A strong support sector is already growing for renewables, but more could be done to inform and advise a wider range of businesses and services about the

121. The threats and opportunities of SIBs are discussed in Social Impact Group (September 2011), ‘Social impact bonds: note of meeting’; available at <http://socialimpactgroup.files.wordpress.com/2011/10/rev-signote-29-sept-2011.pdf>.

122. <https://www.gov.uk/social-impact-bonds>.

sustainable use of natural resources. Connecting effectively with them will require stronger partnerships with business development agencies, local authorities and specialist research bodies. SEPA and SNH will also need to become more adept at understanding business innovation and responding to entrepreneurial needs. We heard in our research how some businesses believe that they are developing potentially valuable environmental innovations, but feel that their efforts are not sufficiently recognised or encouraged.

SEPA and SNH are not only regulators and advisors of business; they are also unique bridges between communities and the businesses that affect them. We believe that the next iteration of Better Regulation should be what we term Better Community Regulation. It would reflect social preferences and priorities, not simply legal requirements and scientific advice, and could draw consideration of impacts on human and social capital together with impacts on produced and natural capital. The process of agreeing Better Community Regulation would need to be skilfully managed, but experience of equivalent change processes suggest that this would be possible.

Phase 1: SEPA and SNH stimulate the introduction of cleaner and more resource efficient technologies and processes through expanding access to advice and support services.

As an inevitable result of tightening budgets, SEPA and SNH are rationing some of their advice services. Yet this is at a moment when the demand for environmental consulting is rising and the potential environmental and economic benefits of accelerating change are enormous.¹²³

SEPA and SNH should therefore consider whether they could generate greater value in this area by supporting any of their service teams to become employee-led mutuals. The new services could be ‘spun out’ from their parent organisations, contracted by them to continue delivering services, but would also be free to seek additional funding and support-in-kind from other partners. In some cases they may begin charging for new services.

The practice of spinning out has been led as much by Labour-run councils in England as by the coalition government in Westminster. A broad range of services have adopted the model, including leisure, youth, library, social care and fire services (see section 2). Senior service managers in Cheshire West and Chester Council are exploring the spinning out of regulatory services, including environmental health.¹²⁴ In 2011 it was estimated that 10% of the community health services provided by Primary Care Trusts in England were in the process of completing their business

123. The total annual turnover of environmental consulting activities in Scotland rose from £6.2 million in 2008 to £15.1 million in 2010. See Growth Sector Statistics Database; available at www.scotland.gov.uk/Topics/Statistics/Browse/Business/Publications/GrowthSectors/Database.

124. Davis, F. ‘Re-grounding public service: an ethic of mutual aid’ in Julian, C. (2013), *Making it Mutual: the ownership revolution that Britain needs*. London: ResPublica; available at http://www.respublica.org.uk/documents/qrz_Making%20It%20Mutual_The%20ownership%20revolution%20that%20Britain%20needs.pdf.

Wherever possible, SEPA and SNH should open up their estates to provide low-cost space to environmental entrepreneurs.

case or had already launched as social enterprises.¹²⁵ Some services have chosen to become joint ventures with existing specialist bodies or local interest groups in order to mitigate risk and encourage collaboration. The move to mutualism can also increase accountability to communities of place or interest, as the new bodies can build community representatives into their governance.

SEPA and SNH would, of course, need to balance the potential benefits in terms of increased social value, with possible risks, including the fracturing of organisational knowledge and joined-up capability. Areas to explore might include pre-planning advice, third-party assurance, environmental accounting, and skills and qualification development. (Natural England is looking at improving standards in the ecological consulting profession through chargeable training courses and is exploring the scope for accreditation.)¹²⁶ SEPA has recently raised the question of whether value added services, such as an application-checking service, might be provided by a validated external body. A spun-out social enterprise would be well positioned to offer such a service.¹²⁷

Phase 2: SEPA and SNH prioritise work with business support organisations and other relevant partners in order to expand access to incubation services for green SMEs.

SEPA and SNH should not aim to become business development organisations, but they have specialist knowledge, resources and networks that could make a positive difference. They can and should open up as platforms and partners in green development. By working in partnership with Scottish Enterprise, Highlands and Enterprise and local enterprise support schemes, SEPA and SNH should be part of developing a range of support packages for new businesses. These packages may include advice on current and planned environmental regulation, technical mentoring and business networking. Wherever possible, SEPA and SNH should open up their estates to provide low-cost space to environmental entrepreneurs. Future developments of their estates should include the requirement to incorporate multi-use community spaces. This type of multi-functionality and linkage to business incubation is becoming increasingly common in English local authorities. Wiltshire Council, for example, is establishing local service hubs which combine public service facilities and community space, and which operate alongside business incubator services.¹²⁸ (See also Public Services, Presume Prevention, Phase 1.)

The same Open Up approach that SEPA and SNH take with their buildings should also be applied to their data. Dynamic data can support new markets, enabling individuals, third sector organisations or commercial value-added re-sellers to create new products and services that generate

125. Miller, R. and Millar, R. (2011), *Social Enterprise Spin-Puts from the English Health Service: a right to request, but was anyone listening?*, Birmingham: TSRC; available at <http://www.tsrc.ac.uk/LinkClick.aspx?fileticket=F%2BFZklhuD54%3D&tabid=778>

126. Natural England (2012), 'Making it easier to do the right thing for the environment: Natural England's autumn statement'; available at http://www.naturalengland.org.uk/Images/NEAutumnStatementImprovementPlan_tcm6-31060.pdf.

127. SEPA (2011), 'Response to the Better Environmental Regulation: SEPA's Change Proposals Consultation'. Stirling: SEPA.

128. <http://www.wiltshire.gov.uk/communityandliving/communitycampuses.htm>.

social and economic value.¹²⁹ For example, data on pollution within cities could be combined with data on cycle usage and road traffic accidents to map healthy and hazardous routes. SEPA, SNH and partner organisations have made good progress in making data available through a shared portal (Scottish Environment Web), but there is little sign that entrepreneurs and SME innovators have been engaged in dialogue about its design or development. More outreach would be helpful. Ordnance Survey has recently been running a series of open data masterclasses aimed at individuals, community groups, social entrepreneurs and business organisations.

Phase 3: SEPA builds on Better Regulation by developing Better Community Regulation, incorporating the views of communities and contributing to wider outcomes.

The intelligent targeting and simplification being introduced through Better Regulation is crucial and burdensome new regulations must be avoided. However, where SEPA comes to review regulations that are subject to periodic review, the views of communities should be taken into account in revising them. The challenge is to move from regulation to prevent environmental harm towards regulation that creates environmental benefits for communities (for example, enforcing waste recycling to create clean energy). This step requires dialogue with communities of place and interest. We call this Better Community Regulation.

SEPA may choose to take on this role directly. However, an alternative way to build Better Community Regulation would be for SEPA to co-sponsor a body equivalent to the Zero Carbon Hub, set up at arms' length from the Department for Communities and Local Government (DCLG) in 2008 with the support of NHBC in order to agree the implementation of the UK government's zero carbon target for new homes. The Hub drew together a diverse set of stakeholders (including house builders and green groups as well as regulators) who often took opposing positions. Expert facilitation, a clear overall aim and a fixed timescale contributed to its success.¹³⁰ More recently, Defra has established the Animal Health and Welfare Board for England in order to bring external views into policy-making at an early stage. In Scotland, the National Performance Framework could provide overarching coherence to a Better Community Regulation process, ensuring that new regulations could address multiple outcomes, rather than focusing solely on the environment. SEPA's development of an ecosystem services approach to the environment's diverse benefits has laid the intellectual groundwork on which these changes can start to be constructed.

Mandate

The co-productive approach we propose for SEPA and SNH implies that services and processes will look increasingly dissimilar across different parts of Scotland as communities, local public service partnerships and businesses help devise arrangements that make best use of their local

129. See Defra (2012), 'Open Data Strategy, June 2012–March 2014'. London: Defra; available at www.data.gov.uk/sites/default/files/Defra%20Open%20Data%20Strategy.pdf.

130. 2020PSH (2012), 'A collaborative approach to policy: a case study on the Zero Carbon Hub'. London: 2020PSH; available at 020psh.org/wp-content/uploads/2012/02/ZCH_case_study_FINAL-PDF.pdf.

resources to meet valued outcomes. Yet we heard in the research that both organisations face challenges in maintaining the broadest possible confidence across stakeholder groups that do not always share perspectives. SEPA and SNH need to enjoy sufficient confidence to broker solutions; and they also need the confidence to make hard and unpopular decisions. We therefore propose a number of steps to reinforce their mandate.

Phase 1: SEPA and SNH establish a joint citizen panel modelled on the Citizens Council established as part of NICE to reflect and advise on difficult ethical issues.

Citizen panels have a mixed record of success. Some Scottish local authorities still have them – often a legacy from Social Inclusion Partnerships.¹³¹ The evidence suggests that they can add value when bringing lay opinion to expert-based organisations whose decisions may be controversial. This has been the case with the National Institute for Health and Clinical Excellence (NICE), where a lay Citizens Council has been established. Meeting once a year for two days at a time, it discusses a particular issue or question set before it by NICE.¹³² It issues a non-binding report to the institute’s board, and its recommendations are regularly gathered into a Social Value Judgements guidance document. We believe that such a group, working under the auspices of SEPA and SNH, would both add to public confidence, and provide a helpful challenge to the specialist technical cultures within the two organisations.

Early evaluation of the NICE Citizen Council, while critical of some aspects of its operation, emphasised that its presence quickly affected the professional culture of the organisation. Staff began to reflect as a matter of course on how they might have to explain or justify their decisions to lay people.¹³³ The same evaluation suggested that its start-up and running costs over the first two years (nearly £500,000) were problematic and out of line with similar citizen jury projects run by local authorities, which are likely to be significantly less costly (around £25,000).¹³⁴

Phase 2: SEPA and SNH introduce reciprocal My Place agreements with local communities or neighbourhoods that clarify what environmental improvements will be made to benefit their area.

In Scotland and elsewhere in the UK, council-backed or council-led projects have engaged with local people to improve their physical environments. Typically, these projects have picked up the types of environmental

131. West Dunbartonshire, for example, runs a citizens’ panel with its community planning partner organisations. Its model involves recruiting a large group of citizens who are willing to respond to questionnaires (<http://www.west-dunbarton.gov.uk/council-and-government/politicians,-elections-and-democracy/consultations/guide-to-community-involvement/west-dunbartonshire-citizens-panel/>). The citizen panel used by NICE and recommended as a model for SNH and SEPA involves a much smaller *deliberative* group.

132. Lever, A. (2010), *Democracy, deliberation and public service reform: the case of NICE*. London: 2020 Public Services Trust at the RSA; available at http://clients.squareeye.net/uploads/2020/documents/0921TWE_ESRC_democracy_050730%20C.pdf.

133. Davies, C. et al. (2005), *Opening the Box: Evaluating the Citizen Council of NICE*. Open University; available at [http://www.nice.org.uk/media/AoD/35/Final_evaluation_document_-_as_published_\(18-3-05\).pdf](http://www.nice.org.uk/media/AoD/35/Final_evaluation_document_-_as_published_(18-3-05).pdf).

134. Ibid. p.44.

incivility that most immediately affect people's quality of life, although enforcing regulation against fly-tipping, for example, can lead to citizens taking a more active role in caring for green spaces more generally.¹³⁵ Projects of this kind may be strengthened if they are formalised in neighbourhood agreements in which community representatives commit to one set of improvements, while services commit to another.¹³⁶ Part of the value of these agreements is the negotiation that is necessary to create them. We believe that the learning from a relatively small number of what we term environmental My Place agreements would be immensely useful to SEPA and SNH in understanding the types of priorities people have for their neighbourhoods, and the circumstances in which they might be willing to change their behaviour. Experience from community contracts in England underlines the importance of aligning them with wider community development work and integrating them with broader corporate and whole-area priorities. It would therefore be essential to develop the contracts as part of Total Environment pilots, linked to SOAs.¹³⁷

Phase 3: SEPA, SNH and other service delivery environmental public bodies agree a simple charter or environmental services constitution similar to the NHS constitution, that sets out their key responsibilities to citizens, and their expectations of citizens.

An environmental services constitution or charter would draw on citizens' priorities identified through Environmental ChangeMakers, Total Environment, My Place agreements and SNH and SEPA's existing forms of dialogue and feedback. It would describe the services that all citizens can expect from the charter or constitution's signatory bodies, and would also include a vision of how citizens can take increasing responsibility for the natural environment and their impact on it. The Charter would provide reassurance that national standards were protected, despite increasing local variation.

Organisational culture, competencies and behaviours: Open Up

We use the term Open Up to describe a process of cultural and attitudinal change. Opening Up means allowing stakeholders at all levels greater input into decisions, basing these not only on scientific, 'hard' evidence, but also on evidence from other disciplines, such as social sciences. It requires reaching out of service and scientific silos to work proactively across public services and stakeholder groups to achieve a wider range of benefits. More generally, it means broadening authority and control within the organisations, becoming more reflexive and adaptable at the front line, and sharing more decision making, resource and responsibility with external stakeholders. SEPA and SNH have made significant progress in this direction in recent years. In particular, they have become much

¹³⁵ Wallace, J. and White, D. (2012) *Pride in Place: Tackling Incivilities*. Dunfermline: Carnegie UK Trust; available at <http://www.carnegieuktrust.org.uk/CMSPages/GetFile.aspx?guid=ee8c4379-117e-49ea-9bad-06af646d991b>.

¹³⁶ Home Office (2012) *Learning from the Neighbourhood Agreements Pathfinder Programme*. London: Home Office; available at www.homeoffice.gov.uk/publications/science-research-statistics/research-statistics/crime-research/occ107/occ107?view=Binary/.

¹³⁷ IPEG, University of Manchester (2010) *An Evaluation of the Community Contracts Pilot Programme*. London: DCLG; available at http://www.futurecommunities.net/files/images/3_3_1_Pilot.pdf.

more efficient and flexible in the way they deliver services. Nevertheless, going from doing the same things better to achieving outcomes in fundamentally different ways will require a change of gear.

Phase 1: SNH and SEPA revise their competency frameworks for the challenge of being Open Up organisations.

Both SNH and SEPA are highly skilled and motivated organisations whose teams have successfully taken forward major changes in recent years. The next phase of change involves even greater levels of engagement with communities and other public services. It will require different attitudes to risk and a greater willingness to plan work responsively as opportunities arise. Fundamentally, it will require a realignment of the organisations away from their current reliance on scientific method and evidence toward a greater use of social science and what one of our interviewees (a scientist) termed ‘mosaic evidence’.

Competency frameworks can be helpful in describing the total set of skills and attitudes needed to define and drive complex organisations.¹³⁸ They set out the knowledge, skills and behaviour that lead to successful performance in all roles and how these relate to each other. They enable organisations to clarify where expertise currently sits, and make arrangements to extend it where necessary. When aligned with appraisal systems, individuals’ progress can be supported and senior management can have a clear picture of how capacity is changing.

Revised competency frameworks for SEPA and SNH could set clear expectations about partnership work. For example, the Scottish Parliament’s Local Government and Regeneration Committee recently recommended that contributions to CPP partnership working be included in the appraisal systems of statutory partners.¹³⁹ Competency frameworks should also include evidence of how SEPA and SNH team members are contributing to capacity building outside of their organisations, where responsibilities have been effectively devolved outside of their organisations, and how change contributes to the National Performance Framework.

As part of supporting and developing their staff, it would be helpful for SNH and SEPA to continue promoting secondments and shadowing opportunities with other relevant bodies, including the Scottish Government, local government, health, education and the community sector. The Scottish Leaders’ Forum has been creating useful partnerships to enable such exchanges.¹⁴⁰

¹³⁸ A whole organisation competency framework is different from a framework, or set of frameworks, that describe the skills and knowledge necessary for specific tasks within an organisation. For examples of whole organisation competency frameworks, see DFID and Audit Scotland: <http://www.dfid.gov.uk/Documents/recruitment/competency-framework.pdf>; <http://careers.audit-scotland.gov.uk/Docs/Audit-Scotland-Competency-Framework.pdf>.

¹³⁹ Local Government and Regeneration Committee (2012), ‘8th Report, 2012 (Session 4). Public Services Reform and Local Government: Strand 1 – Partnership and Outcomes’. Edinburgh: Scottish Parliament; available at www.scottish.parliament.uk/S4_LocalGovernmentandRegenerationCommittee/Reports/lgr-12-08w.pdf.

¹⁴⁰ The work of the Scottish Leaders Forum, and other cross-sector training initiatives, are detailed in the response by John Swinney MSP, Scottish Government cabinet secretary for finance, employment and sustainable growth, to the Scottish Parliament Finance Committee in January 2012; available at http://www.scottish.parliament.uk/S4_FinanceCommittee/Reports/Response_to_Finance_Committee_report_-_18_January_2012webversion.pdf.

Phase 2: Performance information focused on measuring change to a social productivity way of working, and its impacts is presented regularly to the SEPA and SNH boards.

If SEPA and SNH aspire to become progressively more accountable and responsive to communities, this will need to be reflected in the performance information that the organisations' boards have available to them. Board members will need to know more, for example, about how SEPA and SNH are viewed by stakeholder organisations, and whether the group of organisations considered stakeholders is expanding. Beyond ad hoc sampling and conversations, the boards will want to know how views are changing over time and whether tangible outcomes can be identified as a result. As Total Environment Pilots serve as the mechanisms through which both organisations align, and add environmental substance to SOAs, the boards may wish to commission detailed evaluations with the relevant local authorities.

Phase 3: SEPA and SNH use 360-degree feedback to help assess the impact of new approaches and whether they have helped in meeting the aim of a valued environment.

As we have made clear, the approaches suggested in this report will, in some cases, require innovation and risk. They involve setting up dynamic partnerships and initiating approaches, the outcomes of which are far from predictable. It is therefore important that learning and progress are reviewed regularly, openly and collaboratively. By the point it enters its third phase, the social productivity approach will involve a wide group of partners from across business, public services and civil society, all of whose views should be canvassed as part of rolling, systematic reviews. SEPA and SNH should also support and encourage similar reviews in partner organisations.

Conclusion

Beyond the challenge of public service integration lays the more profound challenge of co-producing outcomes with citizens and communities.

The recommendations set out in this report are highly ambitious. Given the scale of challenges to Scotland's natural environment and public services, they could hardly be otherwise. Their ambition is tied to their collaborative vision. Most of what is recommended could only be taken forward effectively if taken forward jointly, using the knowledge, influence and capabilities of all of Team Scotland. As one SEPA/SNH interviewee remarked, 'we can't integrate by ourselves.'

We acknowledge the difficulties ahead. Our findings on integration, CPPs and SOAs in section three are not enormously encouraging (though they chime with disappointing findings elsewhere);¹⁴¹ and it is too early to know whether recent reforms will make a substantial difference. For SEPA and SNH, however, it is already possible to identify where partnership practice is progressive and doors are open to innovation. They should therefore focus political and practical resource on developing local pilots like those recommended in this report which could build coherently over time into significant system change.

Beyond the challenge of public service integration lies the more profound challenge of co-producing outcomes with citizens and communities. The aspiration to see more citizen participation has been a consistent thread, and an elusive achievement in public service reform for many years, whether one looks at planning, housing services or health. Time and again change has fallen short of expectations. A social productivity analysis suggests two main reasons why. Firstly, too many services are set up without structurally incorporating reciprocal obligations, so that when citizens, who are being treated for most intents and purposes as consumers, are invited to step out of character to play a more active role, most decline to do so. Secondly, our scale has often been wrong. The democratic centre has a powerful and legitimate role in setting the parameters for co-production and overseeing equity, but centralised decision-making and co-production are uneasy bedfellows.

We are aware that this report comes at a moment when in others parts of the UK, reform in environmental protection and management services is being framed in terms of efficiencies, national mergers and joint bodies. In time, these may be helpful. We heard from some interviewees who suggested that in Scotland too, the drive for cost savings and clear accountability might make such new structures inevitable. But this should not be where we start from. The leadership task for SEPA and SNH today is to enable change to come from the bottom up, allowing their

¹⁴¹ Finance Committee (2011), *Finance Committee 3rd Report (Session 4)*. Edinburgh: Scottish Parliament; available at http://www.scottish.parliament.uk/S4_FinanceCommittee/Reports/fir-11-03-Vol1.pdf.

organisations not only to remain as strong shields for the natural environment, but to become robust platforms for innovative social and economic co-operation.

Appendix

Place and integration in England: The experience of Total Place and Whole Place Community Budgets

Total Place

Launched in 2009 and running for 12 months, Total Place involved local public services working together to deliver better value services to citizens by focusing on joint working and reducing waste and duplication. The pilot areas covered 63 local authorities, 34 Primary Care Trusts, 12 fire authorities and 13 police authorities.

With the aspiration of ‘putting the citizen at the heart of service design’, Total Place guidance stressed that it was:

Not a service improvement initiative ... or a cost-cutting exercise. It is an approach to ‘public value’ ... an attempt to bring all of the contributors to public value together in one place.¹⁴²

It set out to look at what citizens (as consumers) really want; what actually delivers ‘bang for buck’ to them; and how local organisational structures and relations with Whitehall might hamper services’ ability to deliver maximum value to the public.

Work on mapping the fiscal value of total spend and work on collaborative planning and delivery proved particularly influential. The most high profile of the counting exercises pre-dated the launch of Total Place. ‘Counting Cumbria’ used the UN ‘COFOG’ (Classification of the Functions of Government) structure to provide a common framework for all types of expenditure: local spending, such as NHS Trusts and parish councils, spending from Government departments, spending from non-departmental public bodies, and funding from the European Union.¹⁴³

Croydon combined financial mapping with customer journey mapping. It found wasteful disconnections in policy and delivery:

Money is invested in running services, not delivering solutions: it flows into a highly complex array of organisations and services, into which families must then somehow find their way... 50% of taxpayers’ money spent in Croydon on families from conception to age seven flows direct to

¹⁴². H. M. Treasury (2010), *Total Place: a whole area approach to public services*. London: HM Treasury, p.3; available at http://www.hm-treasury.gov.uk/d/total_place_report.pdf; Leadership Centre for Local Government (2010), *Total Place: a practitioner’s guide to doing things differently*. London: LGA, p.8; available at <http://webarchive.nationalarchives.gov.uk/20100809101803/http://www.localleadership.gov.uk/images/tppractitionererguide%20.pdf>.

¹⁴³. Leadership Centre for Local Government (2008), *Counting Cumbria*. London: LGA; available at <http://webarchive.nationalarchives.gov.uk/20100809101803/http://www.localleadership.gov.uk/docs/Counting%20Cumbria%20.pdf>.

families in benefits and tax credit, yet there is no link made between that investment and any other activity in the locality.¹⁴⁴

Whole Place Community Budgets

The Coalition has continued to develop some of the principles and practices of Total Place, though with a sharper focus on cost reduction.¹⁴⁵

In 2011 and 2012 four pilot areas focused on three themes: health and social care; families with complex needs; and work and skills. In each case, joint provision and commissioning, or greater strategic leadership, were explored using a three step process:

- Developing a common currency – commonly agreed cost assumptions across services.
- Informing Government – sharing the approach with key government spending departments.
- Aggregation – the aggregation of inputs, indicators and measures, and outcomes.

On the basis of experience from the pilots, it is estimated that a national roll-out could bring net benefits of between £4.2 and £9.9bn.¹⁴⁶

144. NHS Croydon and Croydon Council (2010), *Child: Family: Place: radical efficiency to improve outcomes for young children*. Croydon: Croydon Council, p.9; available at <http://www.croydon.gov.uk/contents/departments/democracy/pdf/617342/child-family-place.pdf>.

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146. Ernst & Young (2013), *Whole Place Community Budgets: a review of the potential for aggregation*. London: Ernst and Young; available at http://www.local.gov.uk/c/document_library/get_file?uuid=3e06dd05-6204-4ae8-9b41-81f516cb9a5b&groupId=10171. For an analysis of savings actually achieved to date, and benefits to service users, see National Audit Office (2013), *Case Study in Integration: measuring the costs and benefits of Whole-Place Community Budgets*. London: NAO; available at http://www.nao.org.uk/wp-content/uploads/2013/03/10088-002_Whole-Place-Community-Budgets.pdf.

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