

# **Devolution in Scotland**

**The impact on local government**

**Michael Bennett, John Fairley and Mark McAteer**

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# Executive summary

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The project analysed the impact of devolution on local government in Scotland since 1999. In the report, we map the changing relationships in the new ‘multi-level democratic governance’ of Scotland, including the continuing importance of Westminster. The report assesses the impact of devolution on national local government organisations and on the centralisation of political power in Scotland. Lastly, it assesses the impact of devolution on local public service delivery.

Scottish local government was central to the campaign to secure a Parliament. Without its support it is doubtful if the legislature could have been delivered so quickly or in such a consensual manner. Devolution did not significantly change the formal constitutional position of local government. However, local authorities found themselves working in new and complex sets of relationships with the Parliament and the Executive.

The report shows that within two years of devolution a strong consensus in Scottish local government had developed that Westminster had declined in day-to-day importance, although it retained control over important policy and financial frameworks. While formal links with Westminster and Whitehall had declined, there remained strong interpersonal links, expressed through political party networks, and these were an important avenue through which policy issues could be managed.

The report highlights that the great majority in local government were supportive of the Parliament and devolution. Generally, local government reported that, post devolution, government was more open and inclusive, and ministers and civil servants had become more accessible. Local government did not feel that it

was an equal partner of the Executive, a view that was echoed in the Civil Service. Local government tended to be more critical of the Executive than of the Parliament.

Relations between the Civil Service and local government were good in the sense that people knew each other and ‘things happened’. While devolution transformed the working environment for both local government and the Civil Service, there was clearly a degree of suspicion and mistrust on both sides of this relationship. This mistrust remained an obstacle to further improving the governance of Scotland.

The report also uncovered a widespread unease about the role played by List MSPs. They were generally seen to ‘cherry-pick’ issues, to ‘chase headlines’ and to lack accountability.

The research also considered the implications for local authority representation through the Convention of Scottish Local Authorities (COSLA) in the post-devolution environment. It coincided with a crisis year for COSLA, when three councils left the organisation. While the crisis was complex, a key aspect was that many in local government viewed the relationship between COSLA and the Executive as being ‘too cosy’ and one that compromised COSLA’s campaigning role.

Devolution also impacted differently on key local services. This was reflected in the views of the Parliament and Executive held by different professional groups. Some, including many directors of education, felt very supportive of the Executive and enthusiastic about their role in working in partnership. While others, including chief executives and other service directors, felt that centralisation had continued under devolution and were more critical of the Executive.

### Conclusion

In the main, the research found that devolution had significantly improved matters by bringing national government closer, geographically, to local government. In addition to being physically closer to local government, the research found that the Scottish Executive was perceived as more open and willing to listen to local government than the Scottish Office had been before devolution. Moreover, the policy and legislative capacity that devolution brought

created far greater opportunities to deal with Scotland's problems and opportunities.

The research highlighted the need for a political culture that was able and willing to overcome the remaining problems of distrust between and among Scotland's public servants. While many had hoped devolution would produce a 'new politics', progress was limited and Scotland had yet to free itself from the 'old politics' of the past.

# 1 The context of devolution

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*I have the opportunity to make a short speech and I want to begin with the words that I have always wanted either to say or to hear someone else say: the Scottish Parliament, which adjourned on 25 March 1707, is hereby reconvened.* (Winnie Ewing, MSP, opening address to the Scottish Parliament, 12 May 1999)

## Introduction

This report was commissioned by the Joseph Rowntree Foundation in Autumn 2000. The field research ran from March to November 2001.<sup>1</sup> The project analysed some of the key issues that are of relevance in the new post-devolution governance of Scotland. Its focus was the impact of devolution on Scottish local government, which accounts for approximately 36 per cent of the Scottish Parliament's assigned budget (SOLACE Scotland, 2000). We sought to understand the consequences of devolution for local government both as a major public services provider and as the only other tier of Scottish government that is democratically elected.

The specific aims of the project were to:

- 'map' the changing relationships in the new forms of 'multi-level democratic governance' in Scotland
- assess the impact of devolution on national local government organisations
- assess the impact of devolution on the centralisation of political power in Scotland
- assess the impact of devolution on local public service delivery

- assess the continuing importance of Westminster in Scottish central-local relations.

Throughout 2001, we undertook field research in 11 case study local authorities. The case study authorities included large urban authorities and small rural and island authorities as well as a range of councils controlled by different political parties or independents. We interviewed/held structured discussions with some 120 interviewees. Those selected for interview were senior politicians and officers within our 11 chosen councils. We also interviewed senior civil servants in Edinburgh and Whitehall, employees of the Scottish Parliament, ministers within the Scottish Executive and Members of the Scottish Parliament (MSPs). We interviewed chairs of committees that are relevant to local government, all the local government spokespersons of the major political parties and members of the Local Government Committee. We also interviewed the leaders of two of the main trade unions in local government and a range of significant commentators on local government and devolution from across Scottish public life.

To supplement our qualitative research data we employed quantitative research methods. We conducted postal surveys of elected local councillors and members of some local government professional bodies. We surveyed the Society of Local Authority Chief Executives and Senior Managers (SOLACE), the Association of Directors of Education in Scotland (ADES), the Association of Local Authority Chief Housing Officers (ALACHO) and the Scottish Local Authority Economic

Development Group (SLAED), with the support of these organisations.

In reporting our findings, we have used material from both the qualitative and quantitative data sets. The two data sets were compatible both in terms of the issues pursued within them and the responses generated by our respondents. In presenting the quantitative data, we have rounded up percentages to the nearest whole number in the written text of this report and to the nearest decimal point in the tables. (See Appendix for details of the research methods employed).

This chapter sets out some of the background to Scottish devolution. It offers a brief history of devolution and local government's role in supporting the creation of a legislature for Scotland. It also details how both the financing of the Parliament and the policy framework that it inherited have set an operating context within which relations between the Parliament, the Scottish Executive and local government are evolving.

### The historical framework for devolution

While the Labour Government could legitimately claim that it delivered devolution to Scotland, the change was the culmination of decades of political activity. For much of the post-war period, pressure grew for some form of devolution for Scotland (Paterson, 1994). The rise of the Scottish National Party (SNP) as a serious political force first in the 1960s and more so in the 1970s increased this political pressure. Bogdanor (1999, p. 119) noted:

*Without the rise and electoral success in the 1970s of the Scottish National Party, the SNP, it is*

*doubtful whether devolution would have assumed as prominent a place on the political agenda of the United Kingdom as it has done.*

In 1979, a referendum held by the then Labour Government to create a Scottish Assembly failed as a consequence of the infamous clause that required at least 40 per cent of the electorate to vote for the change. While it may have been expected that this outcome would have settled the devolution issue, the election of the Conservatives in 1979, led by Margaret Thatcher, reinvigorated calls for devolved government for Scotland. Within academic circles it has been widely accepted that for much of the 1980s and 1990s the Scottish Office sought to 'soften' the implementation of 'Thatcherism' in Scotland. However, the predominant public perception in Scotland was that the Thatcher and Major governments represented 'illegitimate' London governments forcing policies alien to Scottish political culture on to the nation (Brown *et al.*, 1998). The failure of Labour at the UK level to break the Conservatives' hold on power reinvigorated the Scottish campaign for devolution, which was seen as a strategy to protect Scottish political interests and a sense of 'Scottishness'. By 1997, the Conservatives had almost disappeared from the elected levels of politics, with only a small proportion of local councillors.

The Constitutional Convention was formed after the Conservatives' 1987 general election victory as a cross-party forum to pursue devolution.<sup>2</sup> It is arguable that without the Convention's work devolution would not have come as quickly, or as consensually, to Scotland as it did after Labour's general election victory in 1997. The Convention built wide political and

popular support for devolution and helped put in place the framework that would create the Scottish Parliament (Brown *et al.*, 1998). The support, both political and material, of most of Scotland's local authorities,<sup>3</sup> despite some reservations within local government circles that devolution might have negative consequences for local government (see Himsworth, 1998; Midwinter, 1995, 1997), was a critical factor in the Convention's ability to deliver a framework for devolution. One of the people central to the work of the Convention commented to us:

*I think local government support for the Constitutional Convention was absolutely crucial. The turning point for the Convention I think was the court of session ruling that allowed local government to give support to the Convention both in terms of financial support and providing key people to the convention. Local government had an important role ... Without the court's ruling it would certainly have made matters more difficult for the convention to work and to produce the final report.*

The number of MSPs who have previously been local councillors, or who have sought election as councillors, has further highlighted the importance of local government to devolution. Some 40 per cent of MSPs have previously been councillors (51 of the 129 MSPs), while 49 per cent have contested council elections (Shephard *et al.*, 2001). While these numbers are slightly lower than for Scottish MPs, local councils remain an important 'training' ground for MSPs and an important political arena with direct links to the Parliament and the Executive.

### The financial framework for devolution

The manner in which the Scottish Parliament is financed was established prior to its formation, following discussion of a number of possible models. While it does have the capacity to generate revenue by varying the standard rate of income tax in Scotland, by up to three pence in the pound, the core funding of the Parliament remains controlled at the UK level by the Treasury. The Parliament's budget is planned on a three-year cycle as part of the UK public spending process. The Parliament is set a Departmental Expenditure Limit (DEL) for three years which is calculated from an inherited budget that is varied over time by the Barnett formula.<sup>4</sup>

A further element of revenue open to the Parliament is Self-financed Expenditure which includes factors such as Council Taxes and Non-domestic Rates (Business Rates). While Self-financed Expenditure is not directly controlled by the Treasury – unlike grant support for local government, which is calculated as part of the DEL – it can still be indirectly influenced from London. Where devolved decisions regarding Self-financed Expenditure impact on UK spending matters, for example on the level of Council Tax rebates paid in Scotland, those decisions would have to be paid by the Parliament from the Scottish Block allocation. If important elements of Scottish Self-financed Expenditure are allowed by the Parliament to grow at rates faster than their English equivalents, for example Local Government Self-financed Expenditure, then the Treasury retains the right to reduce the Scottish DEL by the appropriate amounts (HM Treasury, 1999). Consequently, the Parliament, and public bodies in Scotland such as councils, continue to operate

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under a UK-wide financial system. This operates as an effective constraint on the Scottish Parliament's policy autonomy.

At the time of the Parliament's formation, spending per head of population in Scotland was about 19 per cent above the average spend in the UK (Mair and McLeod, 1999). Under the operation of the Comprehensive Spending Review, the population figures that inform the Barnett formula are updated with population estimates for each three-year spending plan. Under the 2000–03 plans, 'English' spending will rise by around 23 per cent while 'Scottish' spending will rise over the three years by around 18 per cent (HM Treasury, 2000). While 'Scottish' spending continues to rise, the differential enjoyed by the Parliament over 'English' spending is falling. Consequently, the Parliament and the Executive are operating against a financial framework which over the long term will erode the per head of population spending differential experienced in Scotland in the past. Ironically, as the rate of growth of public spending across the UK accelerates and as the public's expectations rise, the differential enjoyed in Scotland will erode faster. Local authorities spend about 36 per cent of the Scottish budget, and they will feel the consequences of such pressures. Therefore, while devolution opens up the possibility for

new policy developments at the Scottish and local levels, the resources to finance any such developments will have to be secured from within a very tight financial settlement. One senior Whitehall civil servant commented to us:

*If the Scots notch up a whole series of spending commitments that England would regard as unaffordable, and the Welsh too, you are going to get the backlash that if the Scots can afford that they have got too much money and the Welsh might join that argument as well. So in all of this there is a 'you can do things, but don't push your luck sunshine' approach!*

Table 1 shows that over the three years of the spending plans Executive support for local government grows by just under 18 per cent, or 6 per cent year on year.

### The inherited policy framework

One of the key drivers for devolution was the argument that a Scottish Parliament would give Scottish politicians the opportunity to produce 'Scottish solutions to Scottish problems'. In its first two years of existence, the Parliament produced a considerable volume of new legislation, most of which had a direct impact on local government. However, in those first two years, much of the legislation followed

**Table 1 Current Scottish Government expenditure plans (£m)**

|  | 2000/01       | 2001/02       | 2002/03       | 2003/04       |
|--|---------------|---------------|---------------|---------------|
| Scottish Executive programmes          | 10,433        | 11,288        | 12,000        | 12,706        |
| Executive support for local government | 5,714         | 6,039         | 6,434         | 6,698         |
| <b>Total</b>                           | <b>16,147</b> | <b>17,327</b> | <b>18,434</b> | <b>19,404</b> |

Source: Scottish Executive (2001).

from issues that were either being considered prior to devolution or in many instances reflected similar developments across the rest of the UK. Few pieces of legislation at this stage were truly and exclusively ‘Scottish’. This in itself is not surprising.

Devolution has provided the mechanism to turn policy discussion into legislation. Prior to devolution, it was very difficult to get the necessary time at Westminster for passing Scottish legislation. And, within the new legislation of the first two years, there were some elements that would generally be viewed as distinctively Scottish in their design and content, or in the sense of being changes which seemed to be impossible for Westminster to achieve. Examples of the former were provided by the abolition of student tuition fees, and the Standards in Scotland’s Schools etc Act of 2000. The abolition of Clause 2a (Section 28 in England and Wales) and the banning of fox hunting with dogs were widely cited as examples of change which could be delivered by the Scottish Parliament but seemed highly unlikely in the context of Westminster.

### The devolution referendum

Following Labour’s UK general election victory in May 1997, a White Paper, *Scotland’s Parliament*

(Scottish Office, 1997), was published in July. This followed closely the proposals of the Scottish Constitutional Convention. The Government’s proposals were put to a referendum of Scottish voters in September 1997. The referendum asked two questions of the Scottish electorate: first, did they approve of a Scottish Parliament and, second, did they wish it to have the power to vary the standard rate of income tax in Scotland by up to three pence in the pound. In the referendum campaign, the SNP joined Labour and the Liberal Democrats in campaigning for a ‘yes, yes’ vote. Closely tied to the demand for a Parliament was the aspiration that it should be quite different from Westminster, and based in a ‘new politics’. The Scottish Parliament was to be more open, more inclusive, more transparent and more directly in touch with the people. The referendum results were as shown in Table 2.

Public assent and legitimacy were given to the creation of the Scottish Parliament. The Conservatives accepted the result and announced their intention to contest the elections. However, while the figures shown in Table 2 represent the voting pattern for Scotland as a whole, there was some variation across the country. Table 3 details the referendum result by council area.

While all 32 council areas had large majorities in favour of the Parliament, the

**Table 2 Scottish Parliament referendum results**

|            |          | Votes cast | Percentage |
|------------|----------|------------|------------|
| Question 1 | Agree    | 1,775,045  | 74.3       |
|            | Disagree | 614,400    | 25.7       |
| Question 2 | Agree    | 1,512,889  | 63.5       |
|            | Disagree | 870,263    | 36.5       |

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**Table 3 Scottish Parliament referendum results by council area (%)**

|                       | Turnout | Parliament |      | Tax-varying powers |      |
|-----------------------|---------|------------|------|--------------------|------|
|                       |         | Yes        | No   | Yes                | No   |
| City of Aberdeen      | 53.4    | 71.8       | 28.2 | 60.3               | 39.7 |
| Aberdeenshire         | 56.7    | 63.9       | 36.1 | 52.3               | 47.7 |
| Angus                 | 60.0    | 64.7       | 35.3 | 53.4               | 46.6 |
| Argyll and Bute       | 64.6    | 67.3       | 32.7 | 57.0               | 43.0 |
| East Ayrshire         | 64.5    | 81.1       | 18.9 | 70.5               | 29.5 |
| North Ayrshire        | 63.1    | 76.3       | 23.7 | 65.7               | 34.3 |
| South Ayrshire        | 66.4    | 66.9       | 33.1 | 56.2               | 43.8 |
| Borders               | 64.4    | 62.8       | 37.2 | 50.7               | 49.3 |
| Clackmannan           | 65.8    | 80.0       | 20.0 | 68.7               | 31.3 |
| Dumfries and Galloway | 63.1    | 60.7       | 38.3 | 48.8               | 51.2 |
| East Dunbartonshire   | 72.3    | 69.8       | 30.2 | 59.1               | 40.9 |
| West Dunbartonshire   | 63.4    | 84.7       | 15.3 | 74.7               | 25.3 |
| City of Dundee        | 55.3    | 76.0       | 24.0 | 65.5               | 34.5 |
| City of Edinburgh     | 59.8    | 71.9       | 28.1 | 62.0               | 38.0 |
| Falkirk               | 63.4    | 80.0       | 20.0 | 69.2               | 30.8 |
| Fife                  | 60.9    | 76.1       | 23.9 | 64.7               | 35.3 |
| City of Glasgow       | 51.2    | 83.6       | 16.4 | 75.0               | 25.0 |
| Highland              | 60.3    | 72.6       | 27.4 | 62.1               | 37.9 |
| Inverclyde            | 60.0    | 78.0       | 22.0 | 67.2               | 32.8 |
| North Lanarkshire     | 60.4    | 82.6       | 17.4 | 72.2               | 27.8 |
| South Lanarkshire     | 62.8    | 77.8       | 22.2 | 67.6               | 32.4 |
| East Lothian          | 64.9    | 74.2       | 25.8 | 62.7               | 37.3 |
| West Lothian          | 62.3    | 79.6       | 20.4 | 67.3               | 32.7 |
| Midlothian            | 64.9    | 79.9       | 20.1 | 67.7               | 32.3 |
| Moray                 | 57.5    | 67.2       | 32.8 | 52.7               | 47.3 |
| Orkney Islands        | 53.2    | 57.3       | 42.7 | 47.4               | 52.6 |
| Perth and Kinross     | 62.7    | 61.7       | 38.3 | 51.3               | 48.7 |
| East Renfrewshire     | 68.0    | 61.7       | 38.3 | 51.6               | 48.4 |
| Renfrewshire          | 62.4    | 79.0       | 21.0 | 63.6               | 36.4 |
| Shetland Islands      | 51.3    | 62.4       | 37.6 | 51.6               | 48.4 |
| Stirling              | 65.5    | 68.5       | 31.5 | 58.9               | 41.1 |
| Western Isles         | 55.3    | 79.4       | 20.6 | 68.4               | 31.6 |

Source: House of Commons (1998).

variation in the referendum result largely highlighted the difference between urban, Labour-dominated central Scotland and rural areas. However, the 'gap' between urban and rural Scotland was much smaller than in 1979,

when much of rural Scotland voted against devolution. In both Orkney and Dumfries and Galloway, small majorities were recorded against the tax-varying powers for the Parliament.

Significantly, in terms of the desired 'new politics', in the first Parliament, 37 per cent of the MSPs were women and a number of women held important Cabinet positions or convened committees. The Parliament adopted 'family-friendly' policies, which avoided late-night meetings and respected school holidays. And a Civic Forum was established to represent popular opinion to the Parliament.

However, while these developments represented significant change in Scotland, devolution developed against an inherited

financial, policy and political context. It was part of an ongoing process of political change that has its roots in the immediate history and culture of Scottish and British politics. Some of the issues that are explored in this report reflect the tensions and difficulties of devolution itself. These issues are both UK wide and tensions internal to Scotland. This broader context is clearly very important to understanding the changing interface between local and national government in Scotland.

## 2 A new central–local relationship?

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*Scotland has been the anomaly that has made an ostensibly unitary [UK] state, an archetype of 'nation state' in certain political-theoretical terms, function internally in a markedly federal way. This has been hitherto a federalism of political management and judicial separation rather than a federalism of constitutional reform. (MacCormick, 1998, p. 142)*

The political relations of local government in post-devolution Scotland are highly complex with the need to maintain relations with both the Scottish Parliament and Executive in Edinburgh, and the Government and Parliament in Westminster. From a constitutional perspective, however, little changed as local government, at least for now, remains a 'creature of parliament' subject to the doctrine of 'ultra vires' (McAteer and Bennett, 1999), which literally means 'beyond the powers'.<sup>1</sup> In reality, local government has a degree of freedom and discretion in the implementation of the law and statutory guidance it receives from the Executive. Under the Scotland Act, the Parliament's main areas of responsibility all have major implications for the operations of local government in Scotland. Its main areas of responsibility are:

- health
- education and training
- local government, social work and housing
- economic development and transport
- the law and home affairs
- the environment
- agriculture, fisheries and forestry

- sport and the arts
- research and statistics (Scottish Office, 1997).

Local government in post-devolution Scotland finds itself in a similar legal position to local government throughout the UK, although of course it has a distinctively Scottish legal framework. As Loughlin (1996, p. 60) noted:

*Local government has become a powerful agency of government within the administrative State, but ... the price of this power is that the affairs of local government have become inextricably bound up with those of the centre.*

However, Loughlin (1996, p. 71) goes on to say that legalistic analysis of the relationship between local and national government in the UK can offer only a partial understanding:

*In the course of business, certain informal 'rules of the game' or conventional understandings emerge and these tend to provide a better explanation of behaviour than the formal legal position.*

Such a position is given further weight by the terms of the devolution settlement itself, as a key principle underpinning devolution is 'subsidiarity'. The 1997 White Paper, *Scotland's Parliament*, stated that, as a key rationale for devolution within the UK was the desire to devolve political power to the most appropriate level of government, it would be contradictory for the Parliament not to follow suit:

*In establishing a Scottish Parliament to extend democratic accountability, the Government do not expect the Scottish Parliament and its Executive to accumulate a range of new functions at the*

*centre which would be more appropriately and efficiently delivered by other bodies within Scotland. The Government believe that the principle that decisions should be made as close as possible to the citizen holds good within Scotland as it does within the United Kingdom.* (Scottish Office, 1997, para 6.2)

A key aim of this report is to ‘map’ the institutional, political and legal arrangements of the new multi-level governance of Scotland. In addition, we seek to make sense of the informal relations and conventions that are employed in Scottish central–local relations. Bogdanor (1999) refers to these as ‘informal’ and ‘organic’ aspects of changing governance. Previous studies of Scottish governance (McPherson and Rabb, 1988) highlighted the importance of interpersonal relations between key decision-makers at the local and national levels. Such findings were in marked contrast to much of the intergovernmental relations literature which largely focused on the situation in England and highlighted the importance of institutional relations and resource dependencies (Rhodes, 1988, 1997). This report seeks to address questions relating to both the formal and the informal aspects of central–local relations in Scotland. In particular, it explores how important the closeness of the participants – in both geographical and sometimes political terms – is to central–local relations in Scotland. We seek to understand how relations ‘internal’ to Scotland are changing as a consequence of devolution and how relations between Scottish situated political actors are changing with respect to the UK Government and Parliament.

In particular, our research activities were focused on the following questions:

- How has devolution impacted on relations between Scottish local government and Westminster?
- How has constitutional change disturbed pre-devolution central–local relations within Scotland?
- How does the political ‘colour’ of government at UK, Scottish and local levels affect central–local relations?
- Do relations between local government and the Scottish Executive differ from those between the Scottish Parliament and local government?
- How are new approaches to central–local relations being implemented?
- How well equipped are local authorities to take advantage of new opportunities afforded by devolution to shape the political and social agenda?

### **The relevance of Westminster and Whitehall**

Across almost all of our interviews and throughout our surveys there was a strong consensus that Westminster had become less relevant to Scottish local government on a day-to-day basis. However, Westminster remained an important arena for establishing the financial and policy frameworks within which Scottish local authorities operated. Our research participants mostly felt that Westminster now had less immediate relevance to them. While many of our interviewees regarded this as a natural consequence of devolution, others were less happy with the development. Two contrasting comments were as follows:

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*Under the Scottish Office one senior civil servant once told me that Westminster was 'the front line'. I think that is becoming less the case.*

*I think devolution has had a huge impact on local government but I do feel that it has assumed a level of importance that is disproportionate. Our other relationships with government have been seen as less important; it is almost as if they didn't exist. I think this is to the detriment of local government.*

In our survey of elected councillors (see Appendix for details of the survey and research methods employed) we asked how important was Westminster to the governance of Scotland since devolution. Sixty-two per cent of our respondents felt that Westminster had become less important to local government since devolution, with only 5 per cent saying that it had become more important; 33 per cent said that it was about the same. A majority in all parties believed that Westminster had become less important.

However, when these figures were further broken down, among the established political parties Labour councillors were the least likely to describe Westminster as being less important to local government; only among Independent councillors did a lower percentage regard Westminster as being less important. Not

surprisingly, the SNP councillors were the most likely to say that Westminster was less important than before devolution. Table 4 details the responses by party.

The position of Labour councillors on this issue is perhaps not too surprising as there remains within the Scottish Labour party a vein of opinion that is sceptical of devolution on the grounds that it may threaten the Union and play into the hands of the SNP. Indeed, as one Labour council leader told us:

*I am broadly anti-devolution. There are three reasons for this. The first is that I saw devolution as a step towards independence; second I thought that it would bring down local government in Scotland; and third is finance. I think the money [for the construction of the Parliament, etc.] could be better spent elsewhere.*

While the actions of the Scottish Labour party were critical in the pursuit of devolution, strong commitments to retaining the link with Westminster remain prevalent throughout the party. This view was strongly put to us by a number of Labour councillors.

At a local level, almost all of our interviewees said that the formal level of contact between their council and local MPs had declined since the establishment of the Scottish Parliament. One interviewee noted:

**Table 4 The importance of Westminster to the governance of Scotland since devolution (%)**

|              | More       | Less        | About same  | Unsure     |
|--------------|------------|-------------|-------------|------------|
| Conservative | 5.1        | 61.5        | 33.3        | 0          |
| Labour       | 6.5        | 55.6        | 37.0        | 0.9        |
| Lib. Dem.    | 2.3        | 70.5        | 27.3        | 0          |
| SNP          | 0          | 79.5        | 17.9        | 2.6        |
| Independent  | 7.0        | 51.2        | 39.5        | 2.3        |
| <b>Total</b> | <b>4.7</b> | <b>61.7</b> | <b>32.5</b> | <b>1.1</b> |

*I think MSPs have taken over from MPs in raising most issues with the council.*

One council that participated in the research had gathered statistics on the level of formal contact between the council and both MSPs and MPs. Table 5 details the level of recorded contact. While the data represent only one council’s direct experience, similar points were raised by interviewees in most of the case study councils.

In the survey, councillors were asked whether their personal contact with Westminster MPs had declined since devolution. The responses showed that the formal decline in contact with the council was not always matched at the interpersonal level. Among Labour councillors, 65 per cent said their contact with Westminster MPs had not diminished since devolution; among Liberal Democrats, the equivalent figure was 58 per cent. Only among the Conservatives and the SNP did more respondents claim that contact had diminished but even then the figures were almost evenly split. Among Conservatives, 49 per cent said contact had diminished while 43 per cent said that it had not, while, among the SNP, the equivalent figures were 49 per cent and 41 per cent. When the figures were broken down by the position held within the council, it was only in the council leader category that a majority reported a reduction in contact with MPs. In most other categories, for example

cabinet member or committee chair, a clear majority said contact had not diminished. Among non-office-bearing councillors there was an almost even split on the issue.

While formal contact may have declined, the informal links between Scottish local councillors and Westminster-based MPs remained strong at the time of the survey, indicating the continuing importance of UK party political relations in post-devolution Scotland. At a simplistic level, this reflects the fact that many councillors will have known and worked with MPs for many years – some will even share ‘constituency’ accommodation or surgeries with MPs – but at a deeper level this is reflective of the duality of political relations in post-devolution Scotland. Westminster and Westminster-based politicians may have been marginalised in the immediate aftermath of devolution but they remained significantly important actors within the local politics of Scotland, particularly those who held government positions in Westminster. Westminster remained a significant, if largely informal, channel through which political issues are managed and this was significant for central–local relations.

The lack of formal contact between councils and Westminster was also reflected in our discussions with Scottish Executive ministers regarding ministerial interaction between Edinburgh and London. The formal channels for contact between the Scottish Executive and

**Table 5 Number of contacts between council and MPs/MSPs**

|                     | 1998/99 | 1999/2000 | 2000/01 |
|---------------------|---------|-----------|---------|
| MPs                 | 598     | 304       | 213     |
| MSPs (Constituency) | N/A     | 559       | 552     |
| MSPs (List)         | N/A     | 33        | 58      |

## Devolution in Scotland

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Parliament and their Westminster and Whitehall counterparts are governed by the Memorandum of Understanding (MoU) and subsequent departmental concordats agreed between Edinburgh and London. The MoU and the concordats are public statements that stipulate how the devolved administrations and Whitehall departments will work together. They are:

*... a statement of political intent, and should not be interpreted as a binding agreement. It does not create legal obligations between the parties. It is intended to be binding in honour only. (Scottish Executive, 1999, p. 1)*

Underpinning the MoU agreements is the Joint Ministerial Committee, which was established to act as a co-ordinating and liaison committee between Whitehall and the devolved administrations in the UK. These committees are intended to co-ordinate policy across the UK when devolved and non-devolved areas overlap. One senior civil servant commented on the application of the MoU as follows:

*They are mainly writing down what are good working relations ... They are not great constitutional documents.*

One Scottish Executive minister commented:

*Westminster has no impact on Scotland; the separation is quite astonishing [it is] much more so than anyone would have realised.*

When pressed on the level of political contact with his Westminster colleagues the minister further commented that:

*... at official level contacts between Westminster and Edinburgh are good but at ministerial level*

*there is almost no contact. This will have to change over time. Although this was good at first, so that Holyrood wasn't seen as the little brother ... the settlement will have to evolve.*

This picture was confirmed by a ministerial advisor who said that formal contact occurred around a couple of times per year but that:

*Ministers were aware of the impacts of reserve powers in their areas. The effective management of policy is taking such considerations into account.*

The key formal channel of communication with Whitehall remained the Civil Service, which acts as the conduit for policy discussion and co-ordination. New forms of communication were being developed to deal with the new post-devolution realities. An example of this was the establishment of regular meetings between the heads of the Education Departments for the four UK territories. On the more general relationships, one senior Whitehall official said:

*We have managed through brokered deals and correspondence. Quite a lot of these are quite technical and ministers would not spend their time deep in the bowels of technical issues.*

He went on:

*If we get into things that could potentially shift the boundaries of the settlement, there are two ways in which they could get raised. One is in the management of the legislative programme. All proposals for bills have a section that shows the devolution implications so that if there was an issue about Scottish competence that would need to be brought out ... The other is that, if you were doing something that is starting a change,*

*you would put a proposal in correspondence to the chair of the devolution policy cabinet committee. It would say 'here is an issue that has to do with the Welsh, or Scottish, and copy it around colleagues'. Then colleagues would say whether they were relaxed or 'I have a particular interest I want to protect'.*

Overall, the research indicated that Westminster quickly became less relevant on a formal day-to-day basis to Scottish governance generally and local government in particular. This is hardly surprising given that almost all of local government's functions are devolved matters. However, on an interpersonal level, it is clear that many councillors still retained significant levels of contact with MPs. This indicated the continuing importance of UK party political contact within Scottish political circles, while formal contact appeared to be limited and channelled through the Civil Service. One senior civil servant based in London commented:

*I personally don't keep up to date with all the developments in Wales or Scotland. I think we look to the parties for management of political issues, not to government officials.*

These informal party political channels were critical to the management of policy and created an invisible web that bound the devolved administration and Westminster together. As an example, given that three of the most prominent politicians in Scotland at the time of the research were either Lanarkshire-based Labour MPs or MSPs,<sup>2</sup> it would have been naive to assume that nothing other than formal contact occurred between key Edinburgh, Westminster and local politicians.

This raised the intriguing question of how relations may be managed when different parties are in government in Scotland and the UK. If the Conservatives, at some future point, regain control of the UK government, a serious issue of policy management may well arise. In 2001, the political parties in the Scottish coalition were able to manage relations with Westminster through their respective parties, at both national and local levels. When the political colour of government differs that link will be lost. While political parties acted as the oil that lubricated the wheels of devolution, this may not be possible in future if the governing parties north and south of the Scottish border are different.

While contact with Westminster continued, more on an interpersonal than formal basis, Edinburgh quickly became the focal point of contact between the 'local' and 'national' levels of government in Scotland. The speed with which Westminster has been replaced in the consciousness of Scottish local government, and arguably the Scottish public, as the key body with which political relations were conducted is significant to the governance process. As one commentator noted:

*If you walk down any High Street in any town in Scotland, and talk to people about 'the Parliament', no one thinks of Westminster.*

### Central–local relations after devolution

In 1997, the Consultative Steering Group (CSG) was established as a cross-party forum to devise the principles and processes that were to underpin the operations of the Scottish Parliament, and by implication the Scottish

Executive. The CSG devised the following principles: that political power should be shared across Scotland; that accountability should be clear; that policy-making processes should be open, participative and responsive; and that equal opportunities should be promoted throughout the whole of the Scottish governance system (Consultative Steering Group, 1998). Some progress was made in the attainment of these principles.<sup>3</sup>

Women's representation in the Scottish Parliament is relatively high, at 37 per cent of the MSPs, and a number of women held important Cabinet positions or convened Committees, although there were no MSPs from ethnic minorities. The Parliament adopted 'family-friendly' policies, which avoided late-night meetings and respected school holidays. All legislation is 'proofed' to assess the implications for equal opportunities. A Civic Forum was established to represent popular opinion to the Parliament. And all proposed legislation was 'proofed' to establish the likely implications for equalities policy.

While the intention was that the Scottish Parliament would be more involved in policy-making than its Westminster counterpart, particularly through its committees, the Scottish Executive was the principal player in policy-making in Scotland. In assessing the impact of devolution on central-local relations within Scotland, the relationship between the Scottish Executive and local government was the key focus.

A range of relationships existed between different departments of the Scottish Executive and different parts of local government. For example, some directors of education that we spoke to reported quite positive relations with

the Scottish Executive Education Department, while directors in other service areas reported less positive relations. Furthermore, at the corporate level of councils, relations with the Executive varied depending on the issue; good relations were recorded on some issues but not on others. Equally, there were different perceptions between politicians and senior officers, particularly chief executives, within the case study councils. Lastly, the perception of the impact of devolution in this sphere differed in some important respects between non-office-bearing and office-bearing councillors.

In pursuing such issues with our interviewees we received a wide range of opinions that were sometimes contradictory and often complex. One council leader illustrated this:

*I am happy to work in partnership with the Executive and the Parliament and to build common objectives with the Executive but I don't want interference from Edinburgh. Since 1999 we have seen a great deal of interference. Ministers make promises without knowing council positions or council policies.*

*I suppose they [the Executive] are more accessible. We have seen more of them over two years than over the past ten years. However, we have I think good working relationships with them.*

However, to make matters more confusing, a meeting with the senior managers within the same council produced a largely positive assessment of relations between the Scottish Executive, the council specifically and local government more generally. One senior officer from this council commented:

*We now need to deal with fast-moving legislation and we now find the Scottish Executive is asking for more and more input. We are also now more involved in pre-legislative consultation than ever before. The Executive wants other voices heard but I don't think local authorities have yet been marginalised in the process. Most of what has been published as consultation from the Executive we have been involved in before the event so nothing much has come as a surprise.*

In the survey of councillors, there were clear party differences on the question of whether the Executive had diminished the importance of local government, as shown in Table 6.

Among the Executive's coalition partners, Labour and the Liberal Democrats, a sizeable percentage supported the assertion that the Executive had reduced the importance of local government but 50 per cent in each party disagreed with the assertion. Among SNP and Conservative respondents there was stronger support, while Independents were split with slightly more supporting the assertion. When the same issue was examined from our respondents' positions within their councils we found that, among council leaders, 58 per cent disagreed with the assertion while only 31 per cent agreed.

However, despite criticisms that were made

of the Executive, when we asked our survey respondents if matters were any better now than they were prior to devolution most said things had improved for local government.

Interviewees commented:

*Ministers and the Civil Service are more open and responsive than in the past.*

*Things are better than they were before devolution. They are not as good as they could be but I think that is a development issue; things will improve.*

When we asked in our survey of elected councillors if the Executive was more open than the former Scottish Office, almost 53 per cent of our respondents said yes, while only 28 per cent said that it was not. Again, what was clear from our survey was that on this, as on other issues, there was an element of party bias in the answers we received. Table 7 illustrates this.

While the balance of opinion among our interviewees reflected a generally positive view of relations with the Executive at the political level, a different picture emerged when we discussed interactions with the Civil Service. Most of our local government interviewees regarded the Civil Service with a degree of suspicion and mistrust. They felt that the Civil Service was largely dismissive of local

**Table 6 The Scottish Executive has reduced the importance of local government (%)**

| Party        | Agree       | Disagree    | Unsure     |
|--------------|-------------|-------------|------------|
| Conservative | 72.5        | 15.0        | 12.5       |
| Labour       | 37.8        | 50.5        | 11.7       |
| Lib. Dem.    | 45.5        | 50.0        | 4.5        |
| SNP          | 55.0        | 37.5        | 7.5        |
| Independent  | 47.6        | 42.9        | 9.5        |
| <b>Total</b> | <b>47.8</b> | <b>42.4</b> | <b>9.7</b> |

## Devolution in Scotland

**Table 7 Is the Scottish Executive more open to local government than the Scottish Office was before devolution? (%)**

| Party        | Yes         | No          | Unsure      |
|--------------|-------------|-------------|-------------|
| Conservative | 20.0        | 50.0        | 30.0        |
| Labour       | 69.4        | 18.0        | 12.6        |
| Lib. Dem.    | 66.7        | 14.3        | 19.0        |
| SNP          | 42.5        | 37.5        | 20.0        |
| Independent  | 37.2        | 37.2        | 25.6        |
| <b>Total</b> | <b>52.7</b> | <b>28.2</b> | <b>19.1</b> |

government and on some issues even hostile to it:

*Devolution has brought the Civil Service more into the limelight but they don't like it. There is still a tendency to tell things rather than to listen. They are high in arrogance – they have a command model of the world.*

*Historically there has been distrust between the Civil Service and local government and it is too early to detect if this has changed as a consequence of devolution ... Also there has never been a clear basis for joint working between local government and the Civil Service.*

However, most recognised that matters were changing as the Civil Service adapted to the new political reality of post-devolution politics. The Civil Service is having to come to terms with a more overtly political environment and to deal with the scrutiny of 129 MSPs and 21 ministers within the Executive. One local authority chief executive said of the Civil Service:

*I think though that devolution has had a profound impact on the Civil Service; they are under much more scrutiny than ever; I think they have had difficulty coping with ministers and the speed that things now need to move at.*

The Civil Service also has had to come to terms with the reality that some of the councils with which it deals have strong political connections with the Executive and that those channels are a key resource for councils in dealing with the 'national' level of government. Some of the comments that reflected this were:

*I think the Civil Service is now more receptive to local government; they know most councils have an 'in' with ministers and if necessary we can use those 'ins' to exert pressure.*

*The Civil Service keeps secrets and is responsible to ministers; this is the tradition in which people are steeped and those who want to give up power find that it is difficult to shift this.*

One chief executive added the comment:

*The Civil Service doesn't realise the quality of people in local government. We are the most highly qualified industry in Scotland and we employ most of those with public administration expertise.*

In addition, in some services in local government, a level of contempt was shown for the Civil Service. This was apparent in the perception that civil servants were incapable of running public services and that the real expertise lay in local government:

*They're hopeless! They've never had to deliver anything on the ground. And when they try it's invariably a disaster, particularly with capital projects.*

On the Civil Service side of the 'divide', we uncovered an equal sense of mistrust of local government. Unease was expressed about local government's ability to deliver public services and at the wider consequences of any failures in local public service delivery. Some civil servants were eager to point out that while 'English' or 'Welsh' models of central intervention in 'failed' local services were not being advocated within Scotland, nevertheless, if any major service within a Scottish council was seen to fail, pressures would build for ministers to step in. The fact that such 'worst case' scenarios are often referred to could be taken as an illustration of the level of mistrust of local government. At the same time, among the civil servants, there was a strongly held view that they were the real experts in policy development in Scotland:

*Can they [local government] deliver modern, high quality services? If they fail on any Executive priority, that will put strain on the 'partnership'.*

*We regard ourselves as superior, and with some justification.*

Such attitudes were not confined to Edinburgh-based civil servants; one of our London interviewees commented:

*The constitutional position is certainly problematic. I suppose it is one of life's little complications.*

Such views towards devolution and in particular to local government were

accompanied by a sense that local government could not be trusted to 'do things properly' or that the expectations of change that local authorities felt devolution would bring were largely unrealistic. One senior civil servant commented:

*Councils seem to have held the naive view that once we got the Parliament then it would be 'happy families'. There will always be friction between tiers of government. That's life.*

Overall, the Civil Service displayed a desire to maintain central control. One non-Executive interviewee commented of the Civil Service:

*It has no real experience of the local government environment; they have had very limited exposure to local government, they don't trust local government because they don't understand it. Until the Scottish Parliament arrived the Civil Service had no real feel for local politics in government. The departmental and corporate tensions of local government were not understood by the Civil Service ... Devolution has hit on senior civil servants; their workload has increased because of the number of ministers, parliamentary committees and the questions that are now asked. The political skills of the Civil Service is an issue. In the old days ministers spent three days a week in London; there is now more exposure of the Civil Service to ministers from about grade V and down. The Civil Service has not been prepared for devolution in real world terms. The Civil Service still remains preoccupied with reacting to 'events dear boy, events'.*

As a consequence of this fragmentation, there are instances where alliances are forged between different parts of local government and the Civil Service, often against other parts of

their respective organisation. For example, some chief executives commented to us that, whenever the Scottish Executive Education Department wants a local government adviser on a panel, it seeks someone from within Education Services not someone from the corporate centre of councils. This is perceived as one mechanism through which one part of the national government strengthens itself by empowering an 'ally' in local government. And frequently within local government, different services will use their contacts with the Executive to 'protect' themselves in the interdepartmental conflict that sometimes takes place within councils.

In all of these manoeuvres, personal contacts were of critical importance in guaranteeing the required level of support from the local or national counterpart. What they also displayed is the then depth of mistrust between the different levels of government – rather than individuals – that has been institutionalised into central–local relations within Scotland. At the level of individuals, people know each other, they meet, agreements are made and honoured, and things are seen to happen on the ground. As one council chief executive noted:

*With the Civil Service it is still a case of who you know that matters.*

Many of the interviewees who commented on the problem of trust, and the gulf between the Civil Service and local government also offered some possible solutions. These included: more secondments of officers, in both directions; joint management training events; an annual conference; and a combined Public Service. One local government interviewee suggested that civil servants should not be able to progress

beyond a certain career level unless they 'had spent some years at a senior level in local government'.

One of the aspirations that underpinned Scottish devolution was that a new form of governance would be created, or, to use the term adopted by many, a 'new politics' would emerge in Scotland (Brown *et al.*, 1998; Hassan, 1998). However, the new Scottish governance system had to deal with the legacies of the past and their ongoing impacts. Westminster remained a major influence not just in financial and policy terms but also as a mindset, one that did not always sit in accordance with the aspirations of devolution. The research confirmed that 'old politics' remained a strong element in the 'new politics' of post-devolution Scotland. It was perhaps hardly surprising that the game played out by the Civil Service and their local government counterparts continued in post-devolution Scotland. While the operating environment of the game was changing, it remained a game full of contradictions. It was a game within which the players were linked one to another in very close proximity, but one within which mistrust continued to be clearly present. However, these relationships were evolving rapidly, in large measure because of devolution and the increased level of public scrutiny that actors were subject to.

However, these aspects of continuity were tempered by a genuine attempt to open up the policy process and allow greater access to local authorities, and other organisations, to policy-making circles. Those senior officers and members who more regularly worked with the Executive saw it as being much more willing to engage with local government than before.

Overall, the picture painted for us by our interviewees was one of a political Executive which was by no means perfect but was at least attempting to engage more fully with local government. Of more concern to most of our local government interviewees were relations with the Civil Service. While acknowledging that the Civil Service was operating under unprecedented pressure, it was still regarded as being too slow to change and to embrace a new more open and engaged culture. The ‘old’ central State had not gone away nor had its considerable influence. As Nairn (1999, p. 50) noted of devolution and the search for a ‘new politics’:

*Unfortunately, many of the old-time attitudes have been deposited alongside [the present].*

### **The Executive and Parliament: differing perceptions**

While both the Parliament and the Executive are interlinked and form central elements of the governance framework of Scotland, they were also perceived in very different terms by many of our interviewees who tended to view the Parliament more favourably than they did the Executive. However, while outright hostility towards the Executive was almost absent, the general consensus was that the Executive, while better than the Scottish Office before it, was still a centralising political force and as such attempted to dominate relations with local government:

*There is a distinction made between the Scottish Executive and the Parliament. The Parliament is regarded positively; the Executive is less than satisfactory.*

*There is a different relationship between the Scottish Parliament and the Scottish Executive.*

*The Scottish Executive has too much influence within the Parliament ... There is no real difference between the Scottish Parliament and Westminster ... The whips are exercising considerable influence within the Parliament. Westminster is still calling the shots.*

In the councillor survey, 48 per cent felt that the Executive had reduced the importance of local government. Not surprisingly, it was only among the coalition partners that majorities were to be found stating otherwise. Fifty-one per cent of Labour respondents and 50 per cent of Liberal Democrats said that the Executive had not reduced the importance of local government in Scotland. When questioned about the Parliament, as distinct from the Executive, there was a slightly more favourable response. Forty-three per cent of respondents felt that the Parliament had reduced the importance of local government while 48 per cent disagreed. It was only amongst Conservatives that a majority felt that the Parliament had reduced the importance of local government.

When asked if a ‘new politics’ had been created between the Executive and local government, 49 per cent of respondents agreed with the statement while 36 per cent disagreed. Again, there was a clear party difference with 56 per cent of Labour respondents agreeing that a ‘new politics’ had been created while 53 per cent of SNP respondents disagreed and said that a ‘new politics’ had not been created. However, 48 per cent of the survey respondents felt that the Parliament was more open to local government than the Executive. The highest response by

party to this question was among the SNP where 76 per cent agreed with the assertion, compared with only 41 per cent of Liberal Democrats.

Lastly, when we asked if local government shared the same objectives as both the Executive and the Parliament and if both worked well with local government we again received confusing responses. Fifty-eight per cent of respondents disagreed when asked if local government shared the same objectives as the Executive, with 29 per cent agreeing that they did. Only among Labour respondents did more councillors say that there were shared objectives than said that there were not. Forty-four per cent of Labour respondents replied that local government and the Executive shared objectives while 38 per cent felt that they did not. Surprisingly, among Liberal Democrats, 56 per cent replied that councils and the Executive did not share objectives, with only 27 per cent saying that they did. Among Conservatives and the SNP, very strong majorities asserted that the Executive and local government did not share the same objectives; 82 per cent of Conservatives and 85 per cent of SNP respondents adopted this view.

When the same question was asked regarding the Parliament, 33 per cent responded by saying that local government and the Parliament shared the same objectives while 50 per cent felt that they did not. Once again, Labour respondents were the only group in which a majority felt that there were shared objectives; 48 per cent of Labour respondents said that there were shared objectives and 36 per cent said that there were not. Among Liberal Democrats, there was a slightly more positive view of the Parliament than the Executive; 48

per cent said that local government and the Scottish Parliament did not share objectives while 32 per cent said that they did. Again with respect to the Conservatives and the SNP, large majorities said that there were not shared objectives between the Parliament and local government; 72 per cent of Conservatives and 63 per cent of SNP respondents took this view.

When asked how well local government worked with the Executive, 48 per cent said that they disagreed with the assertion that the Executive and local government worked well together, with only 23 per cent saying that they did work well together. Labour and Liberal Democrats were relatively evenly split on the issue. In the SNP and Conservative Party, large majorities disagreed with the assertion that the Executive and local government worked well together. When the same question was asked of the Parliament, similar responses were produced. Overall, 48 per cent disagreed with the assertion that the Parliament and local government worked well together with 20 per cent, a lower figure than for the Executive, saying that they did work well together.

The opinions of our survey respondents regarding the Executive and Parliament, while slightly favouring the Parliament over the Executive, are possibly explained by the level of interference and scrutiny that many in local government perceive. Seventy-eight per cent of responding councillors felt that the creation of the Executive had increased interference in local government affairs. Among Labour respondents, 65 per cent said that the Executive had increased interference. Sixty-four per cent of respondents said that the creation of the Executive had resulted in an increased level of scrutiny, while the equivalent figure for the

Parliament was 69 per cent. Moreover, 59 per cent of respondents said that the Parliament did not understand local government, while only 21 per cent felt that it did.

One further area of interest that emerged in our interviews in relation to the Parliament was the role of List MSPs. Within the Parliament, 73 MSPs were elected from constituencies and a further 56 were elected using an Additional Member System (AMS) based on the then eight Euro constituencies, with each constituency returning seven List MSPs. The List seats are allocated based on the total number of votes cast for the political parties in the AMS ballot. This is to ensure that the composition of the Parliament is broadly reflective of the total votes cast for the parties. Among our interviewees, there was a very widely held view that the role that List MSPs were playing in relation to councils was problematic. List MSPs were largely seen as a nuisance and an irritant as they invariably raised issues with councils that the councils regarded as being outwith their remit. Many commented that List MSPs simply chased headlines in local newspapers in order to raise their own and their party's profile. Few councils reported having positive relations with their List MSPs and few said that they attempted to build positive relations with them. While all said that they replied to enquiries from List MSPs, very few councils provided their List MSP with ongoing briefings from the council. This situation was partly explained by the fact that, in most instances, the List MSP was of a different political party than the controlling party within a local authority. In Labour-run council areas, List MSPs tended to be from other parties and the opposite applied in non-Labour council areas. The tension between parties

generated issues in terms of relations between the List MSPs and councils. While outright conflict in these relations was largely absent, there was, nevertheless, a significant amount of tension and frustration. Two senior councillors argued that, despite the difficulties that List MSPs created for the council, they were 'a price worth paying for improved Scottish democracy', but this was a small minority view.

Clearly, one factor which affected our results was the degree to which councillors, and particularly non-office-bearing councillors, received good information about the role and actions of the Executive, the Parliament and indeed MSPs in local government affairs. Similarly, the role of the media in terms of constructing politicians' views was raised in our research. Many interviewees were critical of the roles being played by the print and broadcast media in post-devolution Scotland. However, what was apparent was that, despite the impacts that devolution was generating for central–local relations in Scotland, in many parts of the country the new processes needed to manage the issues had yet to fully materialise.

### **The capacity of local government to respond to devolution**

The local government reorganisation of 1995/96 and the ongoing processes of management 'delaying' reduced local government's 'policy capacity'. Even some rather large councils now have limited policy development capacity. Before reorganisation, the larger regions carried out research and policy development, the results of which were often distributed at zero cost to other councils. COSLA also performed valuable

policy development for local government as a whole. However, cost-cutting and the recent problems at COSLA (see Chapter 3 for details) were seen by many of our interviewees to have undermined this important role. Many expressed some concern that the recent reforms within COSLA would not help local government to develop better policy dialogues with the Executive and Parliament. If local government was to now support policy development within COSLA, rather than the other way around, this presented a serious challenge to local government's capacity to engage more fully in policy formulation.

None of our 11 case study councils felt that they had developed a clear strategy for dealing with the Parliament, although a range of specific issues were thought to have been well handled. This was partly an issue of resourcing and partly one of coming to terms with the new political landscape and opportunities afforded by devolution.

Some of our interviewees argued that local government had found it difficult to come to terms with post-1997 and 1999 politics – it was easier to oppose policy developments pre-1997 than to engage in dialogue and debate, particularly since the arrival of the Parliament. Some within local government, we were told, wanted to maintain a 'politics of posturing' rather than become engaged in genuine debate that might require compromise, commitment and ultimately accountability.

In the longer run, this issue of policy capacity may be one of the most formidable barriers for local government in the post-devolution world of Scottish politics. The opportunity to engage in a more open and multi-faceted policy process may be lost to many councils. To create a genuinely participative policy process, the resourcing of the process and the actors will need to be examined.

# 3 The impact of devolution on COSLA

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*Organisational survival is dependent on pursuing those values and policies which are of direct importance to group members. (Jordan and Maloney, 1997, p. 181)*

## Introduction

The advent of the Scottish Parliament has created new pressures and opportunities for local government associations in Scotland. Our study examined the impact of devolution on both the political local government association in Scotland – the Convention of Scottish Local Authorities (COSLA) – and on four professional/managerial national associations representing chief executives as well as chief officers from education, housing and economic development. In this chapter, we explore the issues raised by our research in relation to COSLA, and in the next we examine the general issues with respect to devolution and its impact on local government professional associations. These aspects of the study allow us to make sense of the ways in which devolution impacted on the political and managerial/professional classes within post-devolution Scotland. In addition, they allow us to make important distinctions regarding devolution’s impact within and between the professional associations themselves.

The arrival of devolution increased the pressures on all interest groups and professional associations in Scotland. The new Parliament and Executive required to be serviced and policy development pressures have increased as a result of the capacity to turn discussion into legislation. For local government associations, in particular COSLA, devolution coincided with severe internal political and financial

difficulties, many of which in turn were reflective of a crisis of purpose for COSLA. The key issue thrown up by these events was whether COSLA best represented local government by standing apart from policy-makers in order to have a free hand to criticise policy, or by building a consensual partnership with policy-makers to pursue common objectives. This crucial issue was somewhat obscured by the financial crisis experienced by COSLA in 2001. But, nevertheless, it remained a burning issue in the post-devolution political context and it formed an essential backdrop to our research and findings.

In seeking to assess the actions of COSLA, it would be difficult to dispute Keating and Midwinter’s comment made almost 20 years ago that:

*... there is an absence of serious academic research on which to base solid arguments and conclusions. (Keating and Midwinter, 1983, p. 102)*

Consequently, our findings are difficult to assess in relation to an established literature or past data. We hope, therefore, that they will form a basis for further research in this area.

## The Convention of Scottish Local Authorities (COSLA): the recent context

2001 was a crisis year for COSLA. This crisis was complex. However, the main contributing factors were: the arrival of the Parliament and the new policy-making process; COSLA’s response to this new context; and other councils’ responses to this new context. These factors combined to make 2001, perhaps, the most difficult year since COSLA was set up in 1975.

One senior figure in Scottish local government said that this was the lowest moment he could recall for the whole of Scottish local government since he first became involved in COSLA in the 1970s.

In March 2001, Scotland's largest council and COSLA's largest financial contributor, Glasgow City Council, announced its intention, following a Best Value Review, to withdraw its membership of the Convention at the end of the 2000/01 financial year. Following the recommendation of the review, the Council leadership concluded that the £220,000 annual membership fee did not represent best value for money in the context of the Council's ongoing financial difficulties. Instead, the money was to be redirected to services for excluded children. The announcement was greeted with anger and great cynicism by some in other Scottish councils who suspected other motives. When two further (but non-Labour) councils – Falkirk (no overall control) and Clackmannanshire (SNP) – also withdrew their membership, COSLA's continued existence became a matter for speculation and doubt.

While each of the three councils had its own political reasons for withdrawal, Glasgow's was the most challenging to the future shape of COSLA. Glasgow saw COSLA, and the consensus politics that it pursued, as being incapable of delivering changes that it wanted, particularly, though not exclusively, in terms of the distribution of local government finance among the 32 councils in Scotland.<sup>1</sup> Glasgow's political leadership believed that it would have more influence by acting unilaterally in its dealings with the First Minister and others in the Scottish Executive than it would have via COSLA.

The withdrawal posed a number of distinct challenges to COSLA. First, it was plunged into financial crisis. The withdrawal of three councils' fees concurred with a number of other revenue pressures creating a substantial shortfall in the budget. Second, the ability of one local government association to represent the whole of Scottish local government came into question among other councils across the West of Scotland who voiced sympathy for Glasgow's action. Third, COSLA's *raison d'être* was called into question and this sparked a debate on the organisation's future.

The polar positions in the debate were as follows: was COSLA's role to develop policy in partnership with the Scottish Executive and take a less aggressive stance in relation to initiatives that it disliked as the price for inclusion? Or was its role to defend local government at all costs even if this meant being excluded from the policy-making table?

Significantly, in response to this crisis, while a review of COSLA's activities was undertaken, it focused solely on its financial problems. The COSLA review was finance-driven and almost barren regarding policy issues. Important questions of principle and strategy were left unexplored and unclear within the Scottish local government community.

It is against this background, therefore, that the impact of devolution on COSLA had to be considered. Could a single local government organisation represent effectively the whole range of political views contained within 32 councils? Or did Scotland need a number of associations based around other themes, for example geographically based associations or different associations representing the urban and rural authorities? If there was to be a single

national association, what would be its role vis-à-vis the Scottish Executive? Until 1997, COSLA's leaders had a very clear objective, which was to oppose central government in every significant way. At that time, lacking influence on government, the organisational strategy was, largely speaking, one of opposition and resistance. Now the question had become how best to balance genuine engagement with a critical edge when necessary.

### **COSLA's performance since devolution**

The crisis experienced by COSLA in 2001 saw three member councils leave and the subsequent departure of the President and the Chief Executive. However, these factors are the effects, not the causes, of this crisis. COSLA's difficulties were deeper in nature.

In our survey of elected councillors, 58 per cent of respondents said that local government did not share the same objectives as the Scottish Executive, while COSLA was perceived by 40 per cent of respondents as being too close to the Executive in policy-making terms. At the same time that COSLA's strategy was to 'pursue a partnership approach' with the Scottish Executive, only 24 per cent of respondents thought that the Scottish Executive understood how local government worked. In other words, COSLA seemed to have an identity problem.

While the COSLA leadership (political and managerial) perceived the Scottish Executive as an ally and wanted to grasp the opportunities for influence and partnership offered by devolution, grassroots membership perceived the Executive as threatening the traditional role of local government. One COSLA official illustrated this divergence to us, expressing

some satisfaction at achievements that had been made through partnership working with the Executive and some bewilderment that this role was questioned by others:

*For 20 years we'd been crying out for partnership with government. In 1999 the Parliament delivered that possibility in Scotland. Obviously we worked hard to grasp the new opportunities. What on earth would the members have thought if we hadn't?*

That the leadership and the grassroots were pulling in different directions is well illustrated by councillors' dissatisfaction with COSLA performance. In the survey, 40 per cent thought that COSLA had been too close to the Scottish Executive in policy-making terms (a further 26 per cent were unsure). Only 28 per cent thought that COSLA represented all councils' interests fairly and equally. Furthermore, for a leadership who were consciously trading their public campaigning edge to seek greater influence, the fruits of their labour were not widely recognised, with only 31 per cent of respondents saying that COSLA was effective at influencing Scottish Executive policy. One prominent councillor said:

*The Scottish Parliament has superseded COSLA; it has taken over a lot of the roles that COSLA previously did. I'm in favour of COSLA being a campaigning organisation. The role of COSLA is not to issue press releases saying 'COSLA welcomes ...' every time the Scottish Executive announces something. COSLA should have more of a campaigning edge ... I never believed COSLA was the 33rd authority because local government is not just about policy-making officers. It is about locally elected councillors and*

*to that extent the COSLA role has to move from being a policy organisation to a representative political organisation. COSLA is not purely about liaison between professionals.*

This conundrum of organisational strategy was dismissed by the then COSLA leadership saying simply, 'the search for consensus gets in the way of party politics'. However, they also argued that the nature and the subtleties of their achievements meant that they could not always be heralded as such to the membership. To do so might have betrayed the confidence of their partners in the Scottish Executive.

According to the COSLA leadership, it was the old-fashioned 'yah-boo' politics and the naivety of national policy-making in the COSLA membership that stopped them seeing the value of the leadership's strategy. This stood in stark contrast to a committee paper submitted to the Policy and Resources Committee of a large Labour council in February 1999 arguing that 'COSLA's desire to strive for political consensus .... although laudable, is not necessarily in the best interests of individual councils'. The same paper added:

*In the absence of an effective and more focused 'political' lead, it is often difficult for local government officers, operating in an officer dominated policy process, to disagree strongly with Scottish Office officials. Even in joint working, it is vital that the independence of local government be maintained and its ability to pursue its agenda safeguarded; the objectivity of COSLA should not be compromised.*

Although this report was written prior to the 1999 elections, it was written in response to COSLA's position over the McIntosh Report,

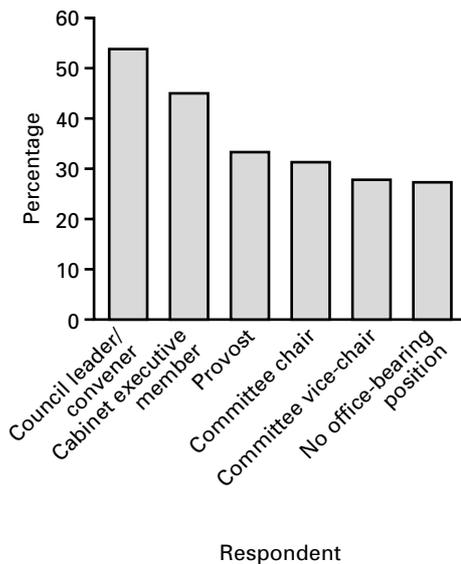
and it was dealing directly with issues that it forecast would arise as a consequence of devolution. This conflict had echoes in the academic literature where one commentator observed:

*The politics of inter-governmental working at the local level thus tends to favour the bureaucrat-professional rather than the politician. The need to work in a consensual way searching for common ground presents an attractive environment for the full-time paid official. Politicians may lack the motivation or co-ordinating machinery necessary to achieve direction over joint [policy]. (Stoker, 1991, p. 87)*

The relationship between the membership and leadership of political organisations is one that has attracted significant academic study, particularly in the USA. Some studies show that the leaders of these organisations are the most committed and radical (Sabatier, 1992) while others show membership to demand more radical and oppositional policies where the leadership favours a consensus approach (Jordan and Maloney, 1997).

Such dichotomies became evident when a more detailed analysis of the data was undertaken. This showed that not only were there divisions between the COSLA leadership and its members, but also within the COSLA membership there were wide divergences between those councillors who held senior positions within their own councils and those who did not. The aggregate 31 per cent who thought COSLA had been effective in terms of influencing national policy-making (Figure 1) rose to 54 per cent for council leaders and fell to 27 per cent for councillors who held no office.

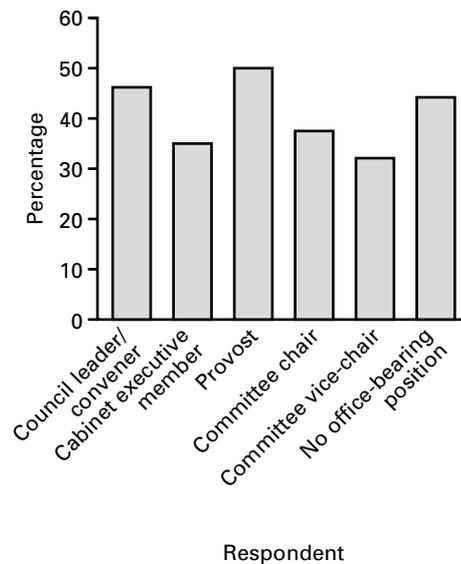
**Figure 1 Percentage of councillors who think COSLA has been effective at influencing national policy by hierarchy**



This trend was evident throughout our survey data in relation to COSLA. The councillors with no office-bearing position were generally the most negative about COSLA. By contrast, those with senior positions were generally more satisfied with COSLA’s performance. This suggests that ‘commitment theory’ – where leaders are more radically committed than others in their organisation – did not apply in this case and that COSLA’s political and managerial leaders tended towards the bureaucratic-professional model rather than the radical activist.

The exception to this was over the question of whether COSLA had been too close to the Scottish Executive in terms of policy-making. The results to this question showed broad consistency across respondent-type, with council leaders among those most dissatisfied (see Figure 2).

**Figure 2 Percentage of councillors who think COSLA is too close to the Scottish Executive**



This suggests that, in general, councillors towards the bottom of the hierarchy were less satisfied with COSLA but that, when it came to COSLA’s policy of rapprochement with the Scottish Executive, significant levels of unease existed across all councillors.

This indicates a parallel with another field of research where Panebianco (1988) has written about political parties as hierarchical and structured organisations that do not simply reflect external inequalities but create their own through internal imbalances of power and access to resources. Moreover, not only did COSLA produce its own internal system of inequalities through its own organisational hierarchy, it also suffered as a consequence of inequalities within councils between office-bearing and non-office-bearing members. Individual councils briefed their elected members on COSLA activities in different ways.

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Some provided regular accounts of COSLA activities, while, in other councils, little formal discussion of COSLA occurred. Thus, it was possible that, for many non-office-bearing councillors who received very little information about COSLA, their views reflected their own lack of detailed knowledge about COSLA activities, or more probably media reporting of COSLA. One chief executive summed up the consensus versus conflict dilemma for those politicians excluded from COSLA:

*I think now you need to be able to work with people to influence them and COSLA's approach suits this. But at times this causes problems for politicians. They would perhaps prefer more fury in public debate at times rather than close corporate working.*

### The influence of party politics

A further dimension to councillors' perceptions of COSLA was the influence of party membership. COSLA was an overtly political organisation but it has always (with greater and lesser degrees of effort and success) tried to include and represent views of all parties and not just those of the leading political group. This was to the perceived benefit of local government but it was also traditionally seen to benefit central government:

*Central government may give directives to individual authorities and require them to submit information but they will only discuss general matters relating to the system through bodies representing ... local structures as a whole.*  
(Chandler, 1991, p. 82)

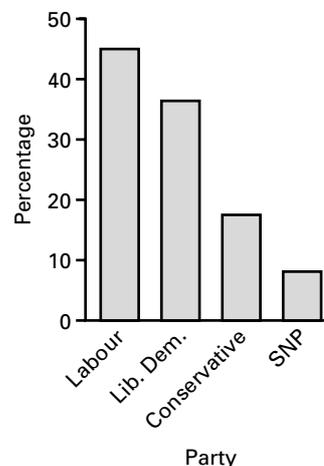
The importance of being seen to represent the broad range of 'local government views'

helped COSLA to avoid further defections. For example, Angus Council, led by an SNP administration, showed considerable loyalty to COSLA against the grain of the party. Angus's withdrawal not only would have increased COSLA's financial turmoil, but also would have further weakened COSLA's claim of legitimacy to represent all Scottish local government rather than just Labour local government. In this sense, the views of non-Labour politicians were important in any evaluation of COSLA's performance. If COSLA wished to represent all local government it needed the support of more than one political grouping.

However, when the responses to the question of COSLA's effectiveness in influencing national policy-making are analysed by political party (Figure 3), the survey showed clear differences by party.

Figure 3 shows 45 per cent of Labour councillors saying that COSLA had been effective in influencing national policy with this descending to 36 per cent among the Liberal

**Figure 3 Percentage of councillors who think COSLA has been effective at influencing national policy by political party**



Democrats (Labour's partner in the Executive coalition), 17 per cent among the Tories and 8 per cent among the SNP (the Scottish Parliamentary opposition).

While this divide among the parties was to be expected, it also illustrated the fine line that a representative organisation like COSLA had to tread. To pursue consensus may have alienated its core Labour support, while to become too party political lessened its claim to represent all of local government. As one chief executive from a non-Labour council told us: 'COSLA cannot become party dominated. It must speak for all local government. Rather than giving a single view it should give a broad view.' Furthermore as a council leader said:

*Since Labour came to power COSLA does not fight as hard. There is too much 'three bags full, sir'. Local government has a huge workforce, important services and huge interests but apparently it can't openly criticise the Government. To strengthen COSLA there needs to be more cross-party work.*

Some politicians from non-Executive parties referred to COSLA as 'the Scottish Executive's little helper', 'a one-party state' and questioned its independence and ability to challenge the Scottish Executive. This was tempered by other comments that recent efforts had been made to make COSLA more consensual and more inclusive. In any case, perceptions gauged by our research, when put against the public actions of councils such as Glasgow and Angus, suggested a complicated picture. In Labour councils, perceptions ranged from extreme dissatisfaction to general satisfaction and, in non-Labour councils, there was a similarly broad range of views from high commitment to

strong dislike. However, these views were tied up with councils' and councillors' perceptions of what they got out of COSLA politically and financially. Glasgow saw the weaknesses outweighing the strengths in terms of the council's self-interest, while the Angus leadership saw the benefits from being involved in COSLA and, in trying to secure its continued existence, as outweighing the political points to be scored by weakening COSLA.

### The COSLA review

Increasing concern about COSLA's difficulties led to a cross-party Review Group being established. The Group consisted of eight councillors (including seven council leaders and a Conservative) and four chief executives selected by SOLACE. Councillor Jim McCabe, Leader of North Lanarkshire Council, led the Group and Tom Aitchison, Chief Executive of City of Edinburgh Council, was appointed as Secretary. The Review Group was asked to report on:

*COSLA's core activities; COSLA's key work priorities; an appropriate organisational structure to deliver the above; the appropriate political representative and decision making structures to manage COSLA; and budget requirements to deliver the above. (COSLA, 2001)*

The report's findings were critical and controversial. Perhaps understandably, but regrettably, the primary concern of the review was financial. COSLA was predicting a deficit of £664,272 in 2001/02 rising to £940,547 in 2003/04. According to the report the feeling among councils was:

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*... unsympathetic ... in relation to both financial constraints and the new operating context brought about by the creation of the Scottish Parliament and the Executive. It was felt that COSLA was facing what all new unitary authorities had had to face. There was also the view amongst some Councils that COSLA needed to rationalise its functions in order to operate more effectively. (COSLA, 2001)*

There was a feeling that councils had had to tighten their belts in the past and therefore that COSLA should share some of this pain. This was reflected in the decision that the COSLA levy should be increased only in line with the overall local government settlement – which was insufficient to sustain COSLA’s then current levels of operation. The message was that COSLA was not different from local authorities and that, if it was going to represent them, then it should understand their hardship materially as well as intellectually. However, as one well-placed observer remarked in his submission to the review:

*The current ‘crisis’ is probably less about whether organisations with a combined turnover of over £6 billion can afford £600,000 for maintaining their collective representation and more about whether they are willing to afford it .... if Scottish local government is even half serious about itself it cannot afford not to have properly resourced*

*collective representation. The money is not the issue: commitment is.*

The argument was that Scottish local government’s response to COSLA’s crisis was stop-gap in nature, driven by finance and perhaps resentment, rather than by principle and strategy. The review did not consider what COSLA was for and whether the current budget could deliver on this. It considered simply how to bring the organisation back to a balanced budget by reducing costs.

### The professional associations and COSLA

COSLA was both a political and professional association for local government. It sought to represent the collective interests of councils with respect to the distribution of local government finance and it acted as the employers’ organisation for Scottish local government. While the above section focused on the politicians’ views of COSLA, this section deals with the perceptions of the officials from the four professional associations that we surveyed. The results of the four surveys with respect to COSLA produced split results and showed divergent perceptions and evaluations between the four associations. For example, while ALACHO and SLAED respondents reported that COSLA had been more effective than their

**Table 8 Professional association perceptions of effective routes to influence national policy (%)**

|        | Their own council was more effective influencing policy | COSLA was more effective influencing policy |
|--------|---|---|
| ADES   | 50.9  | 39.6  |
| ALACHO | 35.7  | 50.0  |
| SLAED  | 20.8  | 29.2  |
| SOLACE | 39.3  | 35.7  |

own council at influencing policy, SOLACE and ADES members thought their own council had been more effective than COSLA (see Table 8).

This suggested perhaps that chief executives and directors of education felt more confident that their own concerns were taken account of by the corporate policy of their council and the subsequent impact that this had had on national policy. Certainly, many of the directors of education that we spoke to were largely positive in their assessment of the impact of devolution on their service (see Chapter 4 for more details). This perhaps indicated the extent to which reforms within the education sector favoured their interests, whereas the ALACHO and SLAED results suggested that housing and economic development services were more marginalised within councils, and that they relied more on COSLA to pursue their professional interests.

Table 9 shows a startling difference between the views of SOLACE members and the others on the question of whether COSLA had been too close to the Scottish Executive in terms of policy-making.

Table 9 shows that only 8 per cent of ADES members, 18 per cent of ALACHO members and 24 per cent of SLAED members agreed with this statement; 40 per cent, 52 per cent and 48 per cent respectively disagree. By contrast, over half

(57 per cent) of SOLACE members agree with the proposition. This is significant for a number of reasons. First, because it suggests that Stoker’s bureaucratic-professional model did not apply to Scotland’s chief executives. It further suggests that chief executives were less satisfied with the status quo than their chief officer counterparts. This could be for the reason identified in Chapter 2, that professionals (educationalists for example) worked better across organisational boundaries than perhaps they did with different professionals within their respective organisations.

This finding also reflected the differing outlook of service directors concerned with ‘their service’, compared to chief executives who generally wanted to take a more holistic view of all council services and therefore resented collusion between COSLA and the Scottish Executive along professional lines. In other words, the above finding probably reflected normative judgements as to whether the relationship between COSLA and the Scottish Executive was ‘too close’ and whether this threatened the managerial objectives of each group. Closeness along professional lines is more likely to undermine corporate control and this was reflected in the SOLACE opinions.

The SOLACE survey asked a number of additional questions regarding COSLA. On the negative side, only 11 per cent said COSLA had made best use of professional associations and only 14 per cent said COSLA had protected local government from interference from the Scottish Executive (50 per cent were unsure).

Furthermore, 48 per cent said COSLA had not adapted well to post-devolution Scotland. On the positive side, 48 per cent said COSLA represented all councils’ interests fairly and

**Table 9 COSLA is too close to the Scottish Executive in terms of policy-making in your policy area (%)**

|        | Agree | Disagree |
|--------|-------|----------|
| ADES   | 7.7   | 40.4     |
| ALACHO | 18.5  | 51.9     |
| SLAED  | 23.8  | 47.6     |
| SOLACE | 57.1  | 28.6     |

equally and 57 per cent said COSLA had been effective at interpreting Scottish Executive policy for councils.

### A future for COSLA?

Perhaps the most often repeated phrase in this aspect of our research was 'If COSLA didn't exist, you would have to invent it.' There was widespread support for COSLA, alongside substantial criticism of the organisation as then constituted.

However, there were competing views on how COSLA might best be changed. A key unresolved issue remained that of partnership in policy-making. Could there be partnership between it and the Scottish Executive when key actors did not see themselves as sharing the same objectives? Was one organisation sustainable given the diversity of views and needs in Scottish local government? Was a unified local government association more useful to central government than anyone else?

The great majority of our respondents were in favour of the idea of a single representative body. For small and moderate authorities, COSLA offered astounding value for money. In 2001, 14 (44 per cent) of councils paid less than £60,000 in levy to COSLA. Twenty councils (63 per cent) paid less than £80,000 (COSLA, 2001). For these councils, this amounted to the cost of one senior or two junior officers. Put in these terms, the work COSLA provided as an employers' organisation alone represented value for money compared to what it would cost any of these councils to go it alone. The value for money of other areas of COSLA activity – the policy development work, representation and influence – was by its very

nature more difficult to assess. However, put in terms of a crude comparison between doing it jointly, and doing it in isolation, all but the largest councils would have probably found it cost-effective. So, in these terms, it seemed most probable that COSLA would continue to exist and represent the majority of Scottish councils. Politics – as in the cases of Clackmannanshire, Falkirk and Glasgow – was of course the unpredictable variable. However, politics would also have to take account of financial self-interest and in that sense the case for COSLA remained strong.

There were a very few dissenting voices. As one minister argued:

*If you look at the experience of the last 20 years there is no evidence that having a single voice has helped local government. Local government has been shafted regularly despite representation from COSLA.*

The interviewee went on to say that in recent budget settlements it was local Labour and Liberal Democrat MSPs who had had most effect on local government budget increases, not COSLA. Such views were corroborated by another MSP who asserted that, when a major bill was passing through the Parliament, the most influential body on the content of the legislation was backbench MSPs, not the professional associations or COSLA. One MSP proposed that COSLA should be replaced by three territorially based associations in the North, East and West.

This proposal was raised with a number of other interviewees, most of whom dismissed it. It was argued that it was too simplistic to conceive of a council's interests being best shared by other councils in surrounding areas.

In many areas, a council shares social, economic and environmental interests with a range of different local authorities across the country, not simply its geographical neighbours.

Another impact of devolution and one that both helped explain COSLA's crisis and indicated a way forward was the new physical locus of institutions of power in Scotland. As one interviewee told us regarding the recent negotiations over teachers' pay:

*I can't think of a stronger symbol than 60,000 teachers marching down Princes Street and up the Royal Mile to the Parliament. The location of the Parliament in the devolved Scotland gives them far more power.*

A trade union official said similarly that the devolved settlement had given different opportunities to organisations like his.

What these insights suggested was that the fact of devolution, the new Parliamentary stage and the 129 MSPs, created new ways of influencing Scottish politics and a whole new set of power relationships. New opportunities were being created for a wide range of organisations and actors, including local government. The extent to which devolution created the conditions of possibility for new forms of representation, campaigning and resistance would play a part in deciding the future of unified organisations like COSLA and the professional associations.

For organisations such as COSLA, some readjustment was required given the new political landscape. While we uncovered a vein of opinion that was critical of COSLA, mainly

among non-office-bearing councillors, it was councils as corporate bodies that were COSLA members, and not individual councillors. Among council leaders and senior officials, criticism of COSLA was much more muted. The challenge for COSLA was to maintain its policy-making relations with the Executive, as preferred by senior politicians and officials, while being seen by the broad church of councillors as an effective campaigner on behalf of local government. To achieve this would require COSLA to develop a clear strategy and vision, both in terms of operating tactics and also clarity in relation to the purpose of the organisation and with respect to the purpose of local government itself. In order to develop policy and to defend local government interests required a clear line of reasoning regarding what local government's role should be in post-devolution Scotland. While any version of this that COSLA may develop could, and probably would, be subject to challenge by others, it was still incumbent upon COSLA to develop, as the collective voice of Scottish local government, its vision for local government. To facilitate this also required change not just within COSLA but also within member councils themselves. It is arguable that councils, in general, required more internal openness with respect to COSLA activities. Perhaps councils needed to adopt their own versions of the 'new politics' which engaged more fully with all councillors of office-bearing and non-office-bearing backgrounds in order to better support their collective interests via COSLA.

## 4 Professional associations, devolution and the impact on public service delivery

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*We will build a better Scotland when we build the best possible public services we can. Public services that attract the efforts and the work of our most talented. Public services that are freed up to respond directly to the public they serve and deliver quality, day in and day out. Getting it right first time every time. Public services that put people's needs first.* (Jack McConnell, MSP, on being formally nominated as First Minister, 22 November 2001)

In carrying out our research, we also undertook an analysis of the impact of devolution within a number of local government services. We did so for two principal reasons: first, to assess change from a service perspective in addition to a corporate one and, second, to identify any service-level changes that had the potential to change the corporate level of local government. The principal questions we pursued with respect to this element of the research were:

- Has devolution enhanced local government's capacity as a key service provider within Scotland?
- Are local authorities driven more by national priorities than by locally determined priorities?
- What is the future service role for local authorities?

In pursuing these questions, we explored the impact of devolution within: education, as the largest local government service; housing, as a service that was undergoing considerable change because of possible stock transfers by

many councils; and economic development, as a relatively small-scale and voluntary service. We interviewed many of the directors and heads of service within our chosen case study authorities for these services and conducted postal questionnaires with the professional association for each service and with the Chief Executive's association, SOLACE. We also conducted interviews with appropriate ministers, MSPs and civil servants for these service areas. We do not go into too much detail regarding service-level developments in this report; the specifics of policy change are not our prime concern. It was necessary to examine the impact of devolution within specific service contexts in order to better understand the impact on local government as a whole.

### **The policy context in education, housing and economic development**

Local government education differs from both housing and economic development services in a number of ways. It is larger, teachers form the largest local government profession, and consequently it has more power within local government. However, there is a more fundamental difference, which arises from the history of the service. Autonomy for the Scottish school system was one of the key aspects of the 1707 constitutional settlement. A clear distinctiveness in education has always been closely associated with Scottish identity (Paterson, 2000a). Those running education were quite clear to us that they were the

custodians of something distinctively Scottish. Moreover, the local authority role was not challenged nor has it been weakened, as has happened elsewhere in the UK in recent years.

The new Parliament made education a priority, as the UK Parliament did for England and Wales. In Scotland, once the Parliament was up and running, there was a flurry of educational policy activity. The McCrone Committee came up with a new approach to teachers' pay, conditions and professional development. The Scottish Qualifications Authority (SQA) was modernised following a chaotic issuing of exam results. The Standards in Scotland's Schools etc Act 2000 changed the duty of local authorities from a general one to one that required councils to provide each child with appropriate education. Policy-making and inspection processes were separated. Inspection was broadened, to include the education authority and not just schools, with the Inspectorate reporting to the council chief executive, rather than the education director. The professional association for the directors of education, ADES, was involved in developing all of these changes, which may go some way towards explaining their more positive attitudes towards the Parliament and the Scottish Executive. As one senior member of ADES said to us in an interview:

*We are well connected to policy-making circles ... It [the Scottish Executive Education Department] is offering real partnership, it is getting more pragmatic on interpreting guidance, more involved in pre-legislative scrutiny. They now say 'how do we achieve the following?' That is a significant change. Now the Civil Service wants to connect policy and practice, they want to build shared understanding. You may disagree with the*

*outcomes but because you are part of the process you agree with it. When you point out to the Civil Service where things are not working they are willing to listen to your views. There is a more open exchange of views across and between actors.*

In contrast, within local authority housing services, while many of the directors were still supportive of devolution, they were still less so than their education counterparts. Many commented positively about the way in which housing was placed more prominently on the policy agenda, in particular as a consequence of the Housing (Scotland) Act 2001. However, one reason behind their less positive opinions relates to local authority housing finance, which was ring fenced via the Housing Revenue Account (HRA) from the rest of local government finance. Within many Scottish councils' HRAs, there were two critically important issues to be managed. First, low levels of capital investment, required for either large-scale stock modernisation programmes or new-build projects, and, second, high levels of historic debt that had to be paid from within the HRA and passed on to tenants' rents. Neither of these issues was addressed in the Parliament's first two years. Capital investment remained subject to UK Treasury control, which linked the writing off of debt associated with council housing to the transfer of stock to independent housing providers.<sup>1</sup> One director of a local authority housing department commented:

*On stock transfer for instance I hoped for less compulsion and less inevitability but this has yet to transpire. I hoped a 20-year period of under-investment in housing would be reversed; that has not yet happened.*

Within economic development, two key policy developments were most significant. First, the development of Community Planning, which required all 32 Scottish councils to work in partnership with other major public agencies to develop a Community Plan for the council area by the year 2000. The plans were to take a five- to ten-year planning period, and to attempt to integrate and co-ordinate public services at local level through a partnership of all major public sector providers and the community. Local economic development was identified as a key theme in each of the Community Plans.

The second major development for economic development was the formation of Local Economic Forums (LEFs). In 1999/2000, the Parliament's Enterprise and Lifelong Learning Committee (ELLC) held its first enquiry on the provision of business support services. The Scottish Parliament Enterprise and Lifelong Learning Committee 2000 Inquiry into the Delivery of Local Economic Development Services in Scotland, Final Report was critical of the then arrangements, which were said to demonstrate a large amount of duplication, waste and confusion. The Committee made a number of recommendations, one of which was to establish a network of LEFs. The Executive responded positively to these recommendations and endorsed the establishment of LEFs, issuing guidelines for this process in 2001. The LEFs were set up on Local Enterprise Company (LEC) rather than on local government boundaries.

Local authorities welcomed the thinking behind the LEFs, which was broadly similar to that which underpinned Community Planning. However, our local government interviewees generally felt that the decision to create the LEFs on LEC areas was a mistake, in that this would

make Community Planning more difficult. They argued that the LEFs should have been created on the same boundaries as the 32 local authorities. This may well explain the less positive responses to devolution made by SLAED members.

### **The professional associations and devolution**

The survey of SOLACE members shows that, although senior officers in local government were generally positive about the impact of devolution, they, like elected councillors, also had reservations, and in some cases displaced ambiguity and uncertainty about its effects.

Only 39 per cent of SOLACE respondents described the Scottish Executive as an open organisation in its relations with local government. However, 75 per cent said that the Executive was more open than the pre-devolution Scottish Office. This highlighted one theme that was evident in the interviews and case studies. While devolution and the creation of the Scottish Executive improved local government's world, there remained unease in the relationship and certainly room for improvement from local government's point of view. When we asked the professional associations if the position of local government, or of the respondent's specific service, had been strengthened as a consequence of devolution we received the responses shown in Table 10.

While there was no clear consensus among SOLACE members, housing and economic development respondents were clear that their service had not been strengthened. However, among ADES respondents, 52 per cent believed that local authority education had been

## Professional associations, devolution and the impact on public service delivery

strengthened as a consequence of devolution.

Ambivalence towards the Scottish Executive also emerged from questions directed at the strategic relationship between central and local government in Scotland. While 89 per cent of SOLACE responses thought that the Scottish Executive relied on local government to implement its agenda, only 30 per cent thought that local government and the Scottish Executive shared the same objectives (see Table 11). This disjunction between the objectives pursued by central and local government reflected similar concerns among councillors.

The results shown in Table 11 point to a counter-intuitive conclusion. SOLACE members seem more sceptical about the attainment of joint objectives than the most senior council members do (see Chapter 2 for details).

Further evidence from the survey confirmed the picture of an incomplete partnership. While

46 per cent of SOLACE responses indicated that devolution gave local government a more important role in developing national policy, the fact that only 21 per cent believed that the Scottish Executive and local government worked well together (54 per cent were unsure) supported the view that this relationship contains tension and ambiguity. This tension was underlined by the fact that only 18 per cent of SOLACE members indicated that the Scottish Executive understood local government. Ninety-six per cent believed that the Scottish Executive's policy development and consultation processes were not well co-ordinated. These responses indicated that there were obstacles to be overcome if the stated aims of the Executive, regarding joined-up working and holistic government, were to be achieved.

While the SOLACE members were the most negative regarding the attainment of joined-up

**Table 10 Devolution has strengthened the position of local government/your service as a local service (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 21.4  | 46.4     | 32.1   |
| ADES   | 51.9  | 23.1     | 25.0   |
| ALACHO | 21.4  | 60.7     | 17.9   |
| SLAED  | 8.3   | 75.0     | 16.7   |

**Table 11 Do local government and the Scottish Executive share objectives (%)?**

| Respondent                 | Agree | Disagree |
|----------------------------|-------|----------|
| SOLACE member              | 29.6  | 44.4     |
| Council Leader/Convenor    | 53.8  | 46.2     |
| Cabinet/Executive Member   | 45.0  | 35.0     |
| Committee Chair            | 30.9  | 50.6     |
| Committee Vice-chair       | 24.1  | 57.4     |
| Provost                    | 16.7  | 50.0     |
| No office-bearing position | 24.7  | 63.5     |
| Other                      | 16.7  | 69.4     |

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policy-making, there were also strong opinions expressed by housing and economic development professionals. However, the most interesting aspect of Table 12 relates to ADES. While a majority of education directors (53 per cent) disagreed with the assertion that devolution had delivered a joined-up policy agenda, 41 per cent said that they were unsure on this issue. This may be explained in two ways. Either these directors were genuinely unsure of the extent to which matters had altered, or remained constant, in policy-making terms, or it reflected the general ‘isolationist’ culture that existed within some education services in Scottish local government.

Many local government managers, and politicians, commented on the semi-independent status of education services within councils. This was due partly to the direct link between education departments and the Scottish Executive Education Department in Edinburgh and partly to the nature of the service itself – teachers are physically located within schools and are separate from the rest of the council for which they work, and have a unique initial training and regulatory body. It is arguable that this physical separation helped foster a culture of organisational separation within many education departments. If it was indeed the latter factor that explained this result, this indicated that devolution had yet to

make its impact felt within the largest local authority service with respect to ‘joining up’ its activities with those of other public services.

The mainly divisional Civil Service was cited by many of our interviewees as a continuing barrier to joined-up service delivery. One interviewee summarised matters:

*I think changing the Civil Service is difficult. It is resisting the cross-cutting themes of ministers; it is simply not happening at administrative level. Much of the ring-fenced money is cross cutting but it is administered through departments; it is not cross cutting in reality.*

### Views on the Parliament

Responses to our surveys indicated that attitudes to the Scottish Parliament as an organisation were significantly different from those to the Scottish Executive but that they too showed some levels of ambiguity. In this respect, officials displayed similar opinions to councillors.

The SOLACE survey responses suggested a more optimistic outlook, with only 11 per cent saying that the Scottish Parliament had reduced the importance of local government. However, devolution was seen to have increased democratic accountability, with 82 per cent saying that the Scottish Parliament had increased scrutiny of local government.

**Table 12 Devolution has provided a joined-up policy agenda? By professional association (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 3.6   | 96.4     | 0      |
| ADES   | 5.9   | 52.9     | 41.2   |
| ALACHO | 17.9  | 60.7     | 21.4   |
| SLAED  | 20.8  | 66.7     | 12.5   |

In terms of the differences between the Parliament and the Executive, 68 per cent of SOLACE respondents said that the Scottish Parliament was more open to local government than the Scottish Executive. This suggests that the Parliament had quickly achieved a good degree of openness in its dealings with other parts of the Scottish governance system. Perhaps another reason for the result is that, compared to the Scottish Executive, more than twice as many respondents (39 per cent) said that the Scottish Parliament understood local government. This was qualified, however, as another 39 per cent of respondents were unsure. The high level of 'unsure' responses perhaps reflected the feeling of some respondents in the case study interviews that it was too early to pass a definitive judgement on the impact of devolution and its institutions on local government.

The data also indicated that any efforts to forge a partnership with the Parliament in order to influence the Executive were in their infancy. Only 29 per cent saw local government as the Parliament's partner in this way and only 36 per cent saw the Local Government Committee as having been effective in carrying out its functions (54 per cent were unsure).

Interestingly, the SOLACE respondents' perceptions indicated that local government had enjoyed more influence over the Parliament than the Executive. Furthermore, in terms of the Scottish Parliament, COSLA was seen as having been the more effective vehicle with 52 per cent saying it had been effective, against 46 per cent who said their own council had been effective at influencing the Parliament. This perhaps pointed to an interesting difference in perception regarding COSLA's role. It could be

argued that these results reflected a view that values COSLA's campaigning role vis-à-vis the Parliament over its policy-making role with the Executive.

In some ways, the ambiguity outlined above was prevalent in other areas of the survey responses. However, some very clear conclusions also emerged. First the ambiguity: while only 11 per cent of the SOLACE respondents thought that the Scottish Parliament had weakened local government, only 21 per cent believed that devolution had strengthened it. This collection of results suggested a complex understanding of the relations between the Executive, the Parliament and local government in which local government's role was still clear.

While the status of local government continued to concern SOLACE members, other results were more straightforward. One hundred per cent of respondents thought that devolution had created more capacity for government to focus on Scottish issues. Ninety-three per cent characterised the importance of Westminster as less important. Seventy-one per cent believed that chief officers' contact with Westminster MPs had diminished. Sixty-eight per cent thought that List and Constituency MSPs had developed different roles in relation to them and their council. The case studies generated considerable data, which support these findings. In addition, 61 per cent thought that the role of councils as community leaders had increased since devolution.

Where there was consensus across the professional associations was in relation to the general impact of devolution as the key policy driver within their service area. We asked all of the professional associations if the policy

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agenda for their service and for local government in general among SOLACE members would have been the same regardless of devolution. The responses that we received (see Table 13) indicate the significant impact that devolution has made on the policy agenda of local government in a very short period of time. While in some areas of policy, such as housing transfer, the policy issues predated devolution, in most respects it has been devolution that has driven the policy agenda forward.

These findings were mirrored in many of our interviews. One councillor commented:

*I think devolution has made a bigger difference than the '97/'99 period. I think devolution was needed to improve decision-making structures and processes in Scotland.*

One of the major fears within local government circles prior to devolution was that the delivery of many key local government services would be centralised as a direct consequence of devolution. We pursued this issue both in our interviews and in the surveys

that we undertook. Among the professional associations, there was a strong majority who felt that central control had increased since devolution. However, among ADES and SLAED respondents, 17 per cent and 22 per cent said that centralisation had not increased. Among SOLACE members, some 36 per cent were unsure on the issue (see Table 14).

When we raised these issues during our interviews, we asked in what ways had centralisation increased and we found a fairly consistent set of opinions. Financial control by the centre was highlighted. Some pointed to direct centralisation of service delivery, such as in the inspection of social work residential homes, while others spoke of backdoor centralisation as quangos were further empowered at local government's expense. One chief executive commented with respect to his Local Enterprise Company (LEC):

*The hoped for closer relationships as a consequence of devolution with local partners certainly hasn't happened yet with the LEC. The*

**Table 13 Devolution has had no impact, policy would have been same (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 7.1   | 82.1     | 10.7   |
| ADES   | 3.8   | 96.2     | 0      |
| ALACHO | 10.7  | 75.0     | 14.3   |
| SLAED  | 12.5  | 70.8     | 16.7   |

**Table 14 Central control has increased since devolution (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 57.1  | 7.1      | 35.7   |
| ADES   | 63.5  | 17.3     | 19.2   |
| ALACHO | 78.6  | 7.1      | 14.3   |
| SLAED  | 69.6  | 21.7     | 8.7    |

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*LEC seems to be more self-confident since the Parliament's creation and I think the direct link to ministers helps them in this ... It certainly seems to be that the LEC's status and role has been enhanced post devolution.*

These views were echoed in the SOLACE survey. Fifty-seven per cent of the survey respondents said that central control had increased since devolution as a consequence of Scottish Executive policy initiatives (26 per cent), through financial mechanisms (24 per cent) and via increased audit and inspection processes (23 per cent).

When the issue of the financing of local services was raised in our surveys we found a mixed response from the four professional associations. While SOLACE and ADES members said that the financial position of local government or their service had improved since devolution, there were large majorities within housing and economic development who said the opposite. Among ALACHO members, 67 per cent disagreed with the assertion that the finance of their service had improved since devolution while, among SLAED respondents, the corresponding figure was 96 per cent (see Table 15).

While, overall, the financial situation facing local government was good, many interviewees expressed their concerns regarding the level of hypothecation of budgets that was exercised by

the Executive. One interview comment that summed up many respondents' views on this issue was:

*In finance, yes, I think I would agree that the new system will improve things; the new three-year budgets are good but of this year's settlement 87 per cent of our growth money was hypothecated. This is less than satisfactory.*

Despite some of the concerns detailed above, most of the respondents within the four professional association surveys were positive about the overall impact of devolution within either local government as a whole or within their own service area. Among both SOLACE and ADES respondents, there was a strong response to this question; 75 per cent of SOLACE respondents and 84 per cent of ADES respondents said that the general impact of devolution was positive. Among ALACHO respondents the equivalent figure was 68 per cent. It was only among SLAED respondents that less than 50 percent responded positively; 43 per cent said that devolution had had a positive impact on economic development, with 35 per cent saying they were unsure (see Table 16). As noted above, the tenor of policy within economic development was perceived to have favoured LECs over councils and perhaps that explained the responses.

Despite some concerns regarding the

**Table 15 The finance of local government/your service has improved since devolution (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 53.6  | 38.6     | 17.9   |
| ADES   | 73.1  | 19.2     | 7.7    |
| ALACHO | 14.8  | 66.7     | 18.5   |
| SLAED  | 0     | 95.8     | 4.2    |

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**Table 16 The general impact of devolution has been positive (%)**

|        | Agree | Disagree | Unsure |
|--------|-------|----------|--------|
| SOLACE | 75.0  | 3.6      | 21.4   |
| ADES   | 84.3  | 3.9      | 11.8   |
| ALACHO | 67.9  | 10.7     | 21.4   |
| SLAED  | 43.5  | 21.7     | 34.8   |

development of devolution since 1999, among both our interviewees and survey respondents, the general consensus was a positive one. Overall, devolution, most of our respondents concluded, had improved the governance of Scotland. While it had not resolved all problems, there had been some important

changes and it had not significantly reduced the role of local government in the governance process. In some service areas, notably education, the general perception was of an enhanced local government role and improving partnership with the Executive.

## 5 Conclusions

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*If Scotland fills us wi despair we may  
Be proposin a goal that disna lie  
Onywhaur in history's plan the noo, we sigh  
In vain – because we canna think in vain  
And oor desire'll hae its due effect  
In the lang run ...*  
(From, Hugh MacDiarmid, 'Unconscious Goal of History', quoted by Paterson, 2000b)

The above quotation from Hugh MacDiarmid in many ways sums up the broad tenor of the responses we gathered in carrying out our research. While devolution had not yet realised all the expectations of our research participants, it had nevertheless made significant improvements in the governance of Scotland and may go further still in the long run.

While we recorded some minority opinions in our research, there were a striking number of respondents saying similar things throughout both our interviews and surveys. In the main, we were told that devolution had significantly improved matters by bringing national government closer, geographically, to local government. Devolution meant that ministers, and other MSPs, could be more easily contacted and that they could also more easily find time to visit local authorities and listen to the issues of concern to them. The simple geographical relocation of government from London to Edinburgh made a rapid and significant improvement for local government in Scotland and it also made possible improvements in other elements of central–local relations.

In addition to being physically closer to local government, most of our respondents also said that the Scottish Executive was more open and willing to listen to local government than the Scottish Office prior to devolution. This also

included the period of Labour control from 1997 to 1999. While those from a local authority background noted that this did not mean that local government always got its way, they were positive in that at least they now had opportunities to meet with ministers and others from the Scottish Executive and Parliament. The Civil Service was marked out by many of our interviewees as still having progress to make, although many noted that even it had become more open to local authorities since the inception of devolution. A number of interviewees paid tribute to the Civil Service for getting the Parliament up and running in a very little time.

Linked to this openness were the political connections that many of the case study local authorities enjoyed with the Executive and with MSPs. Old political ties had not been lost as a consequence of devolution, rather such connections were now made in a different context and under different circumstances. Many councils now had direct access to ministers, or senior MSPs, whose portfolio covered key aspects of their responsibilities. This had given some local authorities unprecedented access to government.

A further advantage that many commented on was the capacity that devolution now brought to generate new legislation. While many local authority interviewees and survey respondents noted that much of the Parliament's legislative capacity had a direct bearing on local government, they equally pointed out that while, at times, this was a burden it also allowed for much-needed new legislation or the refreshing of existing legislation. Many pointed to specific pieces of legislation, such as the Education and Training

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(Scotland) Act 2000 and the Housing (Scotland) Act 2001, which would have been unlikely to secure the necessary space on the Westminster timetable. While this means that there is greater pressure to develop policy, even those who were in the minority position of opposing devolution commented positively on this outcome. Some interviewees argued that the fact that the Parliament had wanted to focus on its role as a legislature had prevented it from being a centralising force seeking to take control over local services.

Of more concern to many of our research participants was the perception that while devolution had not really increased centralisation of the political agenda in Scotland neither had it reversed previous aspects of centralisation. Many had hoped to see some form of devolution occurring within Scotland and were disappointed that it had not yet happened. In particular, finance was highlighted as an area where centralisation continued to prevail, for example in terms of the ring fencing of expenditure, but other areas were also noted, for example in the further empowerment of quangos and Executive agencies.

Of equal concern to many was the continued fragmentation in government itself, in particular the way in which the Civil Service continued to operate along departmental and divisional lines. If devolution was intended to bring a more 'joined-up' policy agenda to Scotland, many of our respondents were still awaiting its delivery. However, it was also noted that there were those within local government who were equally wedded to such ways of working and that progress would require change not just in the Civil Service and the Executive but also

within local government.

Devolution had not yet delivered the 'joining up' of public services that some had held out as a key aspiration. However, the immediacy of the political landscape that devolution brought to Scotland meant that such issues could more easily be addressed. With the founding of the Parliament and the establishment of the Executive, there was now a stage upon which key actors could present their case. This stage was much closer to its audience and one where the actors might perhaps be more inclined to listen.

Allied to such considerations was the level of mistrust that continued to prevail between different levels of government in Scotland. If devolution was to herald a 'new politics' for Scotland it had yet fully to deliver it. While close interpersonal relations remained a key feature of the Scottish governance process, unlike the situation in England where the scale of local and national government makes personal relations less viable and useful, the institutionalising of mistrust between local and national government organisations continued in Scotland. Once again, much comment was generated on the need to build new processes and new links between the different levels of government in Scotland to overcome this situation. While personal contact will probably always be of significance in the 'village' nature of Scotland's polity, progress was clearly needed to build institutional relations that mirrored some of the better aspects of interpersonal relations.

One of the most important issues that our research raised was the need for clarity with respect to the role of local government in post-devolution Scotland. Devolution had not

heralded the 'end of local government as we know it', as some had feared. But neither had it reinvigorated local government. The difficulties displayed by COSLA (see Chapter 3) were symptomatic of the difficulties confronting local government as a whole. What was to be the role of local government and how should it connect to the new governance processes of post-devolution Scotland? In practice, local government delivers critical aspects of the 'national' welfare state and offers a convenient vehicle for service delivery. What then was truly 'local' about local government? Moreover, in an era of human rights legislation, to what extent could councils vary standards of service delivery in the name of local representation and community aspiration? The necessary debate on these issues was not under way at the time of our research. Devolution may provide an effective framework and impetus for that debate in the longer term.

The research also highlighted a need for a political culture that was more willing to engage in such debates. While many hoped devolution

would produce a 'new politics', it had yet to free itself from the 'old politics' of the past. This was as true of areas of local as of national government. If devolution was to produce new goals and a new chapter in history, then it had to make progress on this issue more than on anything else.

Without attitudinal change, other levels of change seemed less likely. However, devolution had yet to solve a conundrum: can attitudes be changed before practical and institutional changes that are required to support them are changed? What seemed to be required in Scotland was for someone, in either the Scottish Executive or in local government, to make the first move to break the cycle of mistrust that in turn generates other barriers to improved central-local relations. While it was too early to judge Scottish devolution on this issue, it was clear throughout our research that there remained a large degree of optimism that future progress would be possible, on this and on other issues, now that devolution had arrived.

# Notes

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## Chapter 1

- 1 Since the fieldwork for this report was carried out a new administration has taken over the Scottish Executive, headed by the First Minister Jack McConnell. While many of his administration's early announcements may well impact on issues raised in this report, they have come too late to be considered as part of our research agenda.
- 2 The SNP and the Conservatives did not participate in the work of the Convention.
- 3 Fifty-eight of the 65 pre-1996 local authorities supported the work of the Convention.
- 4 The Barnett formula does not determine the Parliament's base spending, it only determines growth or reduction in the DEL in line with growth or reduction in equivalent English spending programmes. This is done by ensuring that Scottish growth/reduction follows a pro rata shift in English spending programmes.

## Chapter 2

- 1 The much discussed local government bill is likely to give local government in Scotland the power of 'community well-being' which will free up authorities to act in areas without legislative precedent.

- 2 Jack McConnell, MSP is the First Minister, Helen Liddle, MP is the Scottish Secretary and John Reid, MP is the Northern Ireland Secretary.
- 3 The Parliament's Procedures Committee conducted an enquiry into the operation of the CSG Principles. The authors submitted evidence based on this research in November 2001.

## Chapter 3

- 1 Local government finance distribution in Scotland is processed through a COSLA committee. Glasgow City Council has argued that the methods used within the distribution committee do not give the city a fair share of Scottish local government finance.

## Chapter 4

- 1 Scottish Borders Council has been the first to transfer successfully its stock with 82 per cent of tenants (on a high 77 per cent turnout) voting in favour of the transfer to the new housing association (*The Herald*, 11 December 2001).

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# Appendix

## Research methods

Most of our 120 research interviews were conducted by a two-person team. Notes of the conversations were taken and were subsequently transcribed as interview records. An interpretative difficulty that must be borne in mind when undertaking such qualitative interviews is that any assessment of change is based on retrospective evaluations from the interview participants themselves. While this offers some valuable and interesting insights, the in-built hermeneutic raises questions of interpretation and meaning. The interviews we undertook encouraged the participants to reflect on the past, the present and the future for local government in a devolved Scotland. We must be cautious in assessing the comments of our respondents regarding the past or of the ongoing impact of devolution. We cannot guarantee that the comments they made to us are an accurate record of their perceptions at the time when past events that they reflected upon occurred. Equally, we cannot control for the impact of hindsight, post hoc rationalisation of events or any deliberate reinterpretation of events that our respondents made in order for them to make points about current events. While the volume of our interviews and the coherence of the issues that they generated gives us a degree of certainty that the views we have solicited have some validity, we are conscious that we cannot over-generalise the conclusions that we draw in this report. Our approach in these interviews was, as Devine (1995, p. 138) noted of qualitative research methods in general, to: 'capture meaning, process and context'.

By undertaking quantitative surveys, we were able to assess a wider cross section of 'elite' opinions from across different Scottish political circles regarding the impact of devolution on local government. Equally, we were able to assess the perceptions of our respondents regarding the extent to which service-level reforms were being driven by devolutionary processes or were being driven by factors external to devolution itself. With respect to the councillors' survey, a total of 644 surveys were issued and some 302 surveys were returned to us. This produced a response rate of 47 per cent. This total represents 22 per cent of all Scottish councillors. The survey response was consistent between urban and rural areas of Scotland, between council areas and across political parties. As Table A1.1 illustrates, the political composition of Scottish local government was broadly reflective within our councillors' survey. Whilst both Labour and Independents were slightly under-represented in our sample and the other three main parties slightly over-represented, the differences were not significant enough to impact on the general validity of the survey response.

**Table A1.1 Councillors' survey response by political affiliation (%)**

|              | Scottish councillors | Survey respondents |
|--------------|----------------------|--------------------|
| Labour       | 45.1                 | 36.8               |
| SNP          | 16.7                 | 13.2               |
| Lib. Dem.    | 12.8                 | 14.9               |
| Conservative | 8.8                  | 13.2               |