THIS PAPER RELATES TO ITEM 6

ON THE AGENDA

CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 26 November 2026

Subject: Programme for Government 2026-31 and Local Governance Review: Clackmannanshire Council Consultation Response

Report by: Chief Executive

1.0 Purpose

1.1. The purpose of this report is to present for Council approval Clackmannanshire Council's proposed response to the Scottish Government's Programme for Government 2026-31 and Local Governance Review.

1.2. The proposed consultation response is attached at Appendix 1. Subject to Council approval, it will be submitted to the First Minister on behalf of Clackmannanshire Council.

1.3. The report builds on Council's consideration on 1 October 2026 of the Scottish Government's Programme for Government, the emerging public service reform agenda and the opportunities presented through the Council's Be the Future programme and Transformation through Collaboration work with Falkirk and Stirling Councils.

2.0 Recommendations

2.1. It is recommended that Council:

2.1.1. approves the consultation response at Appendix 1 for submission to the First Minister;

2.1.2. agrees that the Council Leader and Chief Executive will submit the response on behalf of Clackmannanshire Council;

2.1.3. delegates authority to the Chief Executive, in consultation with the Council Leader and Group Leaders, to make any minor or presentational amendments required before submission, provided these do not materially alter the position approved by Council;

2.1.4. notes that the response supports reform which is outcomes-led, evidence-based, properly resourced and jointly governed, but does not endorse a predetermined structure, geography or transfer of functions;

2.1.5. notes the proposal that Forth Valley should be considered as an early-adopter and pathfinder for reform, building on the established Transformation through Collaboration programme, subject to additional funding, capacity, evaluation and future decisions by each Council; and

2.1.6. notes that any material proposals arising from the Local Governance Review, including changes to functions, governance, structures, workforce, funding or service delivery, will require further appraisal, consultation and formal consideration by Council.

3.0 Background

3.1. The Scottish Government's Programme for Government 2026-31 places public service reform at the centre of its programme and identifies four priorities: eradicating child poverty; growing the economy; tackling the climate and nature emergencies; and strengthening the NHS and public services.

3.2. On 21 September 2026, the Scottish Government published an initial proposition for reform of local governance and opened a period of dialogue with local government and wider stakeholders. The proposition raises fundamental questions about where powers, functions, accountability and resources should sit at national, regional, local and community levels.

3.3. Council considered the Programme for Government and its public service reform implications on 1 October 2026. Council agreed that Clackmannanshire should engage proactively, build on existing transformation and collaboration, and retain formal decision gateways before any material change.

3.4. The draft response has been developed to ensure that Clackmannanshire contributes a constructive and distinctive position to the national debate. It draws on the Council's experience of Be the Future, the Target Operating Model, the Family Wellbeing Partnership, the Transformation Space and Transformation through Collaboration.

3.5. The response is framed as a contribution to the design of reform. Approval of the response would not commit the Council to a particular future structural model or geography.

4.0 Proposed Council Position

4.1. The response welcomes the ambition to renew public services around people, place and prevention and recognises that maintaining the status quo without change is not a credible response to sustained financial, workforce and demand pressures.

4.2. It argues that reform should begin with the outcomes Scotland seeks to achieve and the functions required to deliver them. Structures should follow function, and decisions should be taken at the most local level at which they can be exercised effectively and sustainably.

4.3. The response supports stronger community empowerment and regional collaboration where scale demonstrably improves capacity, resilience, service

quality and value. It also seeks safeguards to ensure that regional working does not dilute local democracy, local influence or the voice of smaller places.

4.4. It calls for local government, NHS, health and social care, social work and education reforms to be designed as one connected system. Separate reform programmes should not recreate organisational barriers or fragment integrated support for people and families.

4.5. The response asks that powers, responsibilities and recurring resources move together. Structural reform cannot substitute for sustainable funding, and transition costs, workforce capacity, assets, digital requirements and benefit-realisation timescales must be addressed explicitly.

4.6. It proposes that Forth Valley should be supported as an evidence-led pathfinder, building on the existing Transformation through Collaboration platform. This would require a jointly sponsored and costed programme, additional capacity and funding, independent evaluation and formal decision points for the three Councils.

4.7. The response concludes that the process should be jointly governed, properly resourced and evidence-led, with meaningful involvement of elected members, communities, staff, trade unions, public bodies, the third sector, businesses and equality groups.

5.0 Considerations and Risks

5.1. The proposed response is constructive while protecting the Council's ability to assess future options on their evidence and merits. It does not seek to preserve existing structures for their own sake, nor does it accept that structural change alone will improve outcomes or secure financial sustainability.

5.2. The issues under consideration are significant and may affect statutory accountability, local democratic representation, funding flows, workforce arrangements, assets, systems and service delivery. The compressed national timetable creates a risk that decisions could be advanced before these implications are sufficiently developed or tested.

5.3. Clackmannanshire's small scale, concentrated and overlapping needs, limited local income-generating capacity and dependence on resilient specialist capacity must be visible within any appraisal. Population alone would not provide an adequate basis for future funding, representation or investment decisions.

5.4. The Council should therefore continue to participate actively in national and regional discussions while maintaining clear governance, transparency and further decision points for elected members.

6.0 Sustainability Implications

6.1. There are no direct environmental impacts arising from approval and submission of the consultation response.

6.2. The response supports prevention, inclusive growth, community resilience, improved use of public resources and coordinated action on the climate and nature emergencies. Any future implementation proposals would require proportionate sustainability appraisal.

7.0 Resource Implications

7.1. Financial Details: There are no direct additional financial implications arising from approval and submission of the consultation response.

7.2. The response makes clear that future reform would require robust financial appraisal, sustainable recurring funding and explicit provision for design, transition, implementation, parallel running and evaluation costs. No financial commitment is sought through this report.

7.3. Staffing: There are no direct staffing implications arising from this report. Any future proposal affecting the workforce would be subject to assessment, engagement with trade unions, consultation and relevant employment processes.

8.0 Exempt Reports

8.1. Is this report exempt? Yes ☐ (please detail the reasons for exemption below) No ☒

9.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies by seeking reform which improves outcomes, strengthens prevention, supports inclusive growth, empowers communities and sustains effective public services.

(1) **Our Priorities**

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	☐
Our families; children and young people will have the best possible start in life	☐
Women and girls will be confident and aspirational, and achieve their full potential	☐
Our communities will be resilient and empowered so that they can thrive and flourish	☐

(2) **Council Policies**

Complies with relevant Council Policies	☒

10.0 Impact Assessments

10.1 Have you attached the combined equalities impact assessment to ensure compliance with the public sector equality duty and fairer Scotland duty? (All EFSIAs also require to be published on the Council's website)

Yes ☐

10.2 If an impact assessment has not been undertaken you should explain why:

An equality and Fairer Scotland impact assessment is not required for approval of a consultation response because this report does not approve a service, structural or workforce change.

Equality, human-rights, child-rights, Fairer Scotland, fair-work and climate assessment are identified within the response as requirements for the appraisal of future reform proposals.

11.0 Legality

11.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☐

Approval and submission of a consultation response is within the Council's powers. Any future proposal to transfer functions, alter governance, change service delivery or commit resources would require separate legal advice and formal decision-making.

12.0 Appendices

12.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1: Programme for Government 2026-31 and Local Governance Review: Clackmannanshire Council Response.

13.0 Background Papers

13.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes ☒ (please list the documents below) No ☐

13.1.1 Scottish Government, Programme for Government 2026-31.

13.1.2 Scottish Government, A Proposal for Reform of Local Governance, 21 September 2026.

13.1.3 Clackmannanshire Council, Scottish Government Programme for Government 2026-31: Public Sector Reform Implications and Opportunity, considered 1 October 2026.

13.1.4 Relevant Council material on Be the Future, the Target Operating Model, Family Wellbeing and Transformation through Collaboration

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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APPENDIX 1

PROGRAMME FOR GOVERNMENT 2026-31 AND LOCAL GOVERNANCE REVIEW
CLACKMANNANSHIRE COUNCIL RESPONSE

Clackmannanshire Council | Comhairle Siorrachd Chlach Mhanann
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Date: November 2026

First Minister of Scotland
Scottish Government
St Andrew's House
Regent Road
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Dear First Minister,

Programme for Government 2026–31 and Local Governance Review: Clackmannanshire Council Response

Clackmannanshire Council welcomes the Programme for Government's ambition to renew public services around people, place and prevention, and the Local Governance Review. As reflected in our Council report on the Programme for Government: Public Sector Reform Implications and Opportunity, considered on 1 October 2026, we support stronger prevention, reduced inequalities, simpler delivery and better use of collective resources. Sustained financial, workforce and demand pressures make maintaining the status quo untenable.

Our Be the Future programme and Target Operating Model put people and communities at the centre of service design. Empowering Families and Communities, the Family Wellbeing Partnership, Transformation Space and Whole Family Support provide practical experience of preventative, integrated support. Community asset transfer and community wealth building strengthen local ownership and influence. We seek reform that builds on these foundations, combining community empowerment and democratic accountability with collaboration where wider scale demonstrably adds value.

We support reform led by outcomes and functions, not a predetermined structure or geography. Significant changes must be based on evidence, appraisal and formal approval. Transformation through Collaboration with Falkirk and Stirling enables us to test how shared capacity can improve resilience, workforce skills, service quality and financial sustainability while retaining local responsiveness and each Council's democratic decisions.

Our vision for Clackmannanshire: people, place, prosperity and better outcomes

Clackmannanshire is the optimal size for effective community-level working: close enough to understand people's lives, connect services and sustain trusted relationships. Our scale is a strength that reform should build on. Regional capacity should reinforce, rather than displace, effective community-level working.

We have made significant progress in Whole Family Support, connecting social work, housing, education, employability and community support around families' lived experience. Through Be the Future, the Family Wellbeing Partnership and Family Support Collaborative, sustained work with public-sector partners, the third and voluntary sector, families and communities has built relationships and joined-up practice that reform must protect.

Shared ambitions for people and places must guide every public-sector partner's decisions and investment. Pooling budgets, staff, community facilities, estates and specialist support must be central to local delivery, with firm commitments, timescales and shared accountability. Reforms to local governance, the NHS, health and social care, social work and education must form one programme, not create new organisational barriers.

Meaningful subsidiarity means taking decisions at the most local level that can act effectively and sustainably, with real authority—not consultation alone. Powers, statutory responsibilities and resources must move together, with support for communities to exercise influence. Regional and national provision must show added value, and powers and resources held there must also be considered for transfer closer to communities.

At regional and community levels, each function needs a named decision-maker, a clear delivery responsibility and an identified holder of its statutory duties. People must know who is accountable and who can resolve gaps or disputes. Delegation and pooling agreements must explain how those responsible control or access the budgets, staff and assets they need, without duplicating duties or leaving them unfunded. Reserved local powers, protected needs-based budgets, fair representation and local consent safeguards must give this accountability practical democratic force.

Community-based teams should have ready access to pooled local resources and regional expertise, planning, staff and infrastructure. Shared corporate services and connected digital systems could reduce duplication and free capacity for people-centred support, without new approval barriers for families.

Whole Family Support, wider transformation learning, Transformation through Collaboration and experience elsewhere should inform reform. Family journeys designed with residents and independent evaluation should test people's experience, earlier support, coordination, community influence, reduced inequalities and financial sustainability against current practice and stronger collaboration. Learning must guide decisions before irreversible change: retain what works, address barriers and adapt to evidence. One model will not fit every place, and consolidation alone is not proof of progress.

The following ten propositions move from purpose to delivery: outcomes and people-centred transformation; joined-up services, local democracy and Community Planning; fair funding and properly resourced powers; a costed national programme and an evidence-led reform process; and a Forth Valley pathfinder to test the approach.

1. Begin with outcomes and functions, not structures

Principle or issue

The four Programme for Government priorities—eradicating child poverty, growing the economy, tackling the climate emergency and strengthening the NHS and public services—should frame reform. Clackmannanshire's community wealth-building and No One Left Behind employability activity illustrate opportunities to connect poverty reduction, skills and inclusive growth. Structure should follow function, with decisions at the most local effective and sustainable level.

Considerations and challenges

Assigning functions to predetermined structures or areas risks putting organisational change before better outcomes. Every transfer or reorganisation must show how it will strengthen prevention, reduce inequalities, improve access and sustain services. Subsidiarity must work both ways: it must also test functions held by the Scottish Government, national agencies and other public bodies, not just councils.

Existing statutory duties are not clearly mapped to the Scottish Government's four priority outcomes, and resources are not explicitly aligned with both. This makes it harder to identify gaps and competing demands, or judge whether proposed structures can meet legal duties and improve outcomes.

Potential solutions

The Scottish Government and public bodies should first map statutory duties against the four priority outcomes and the funding, staff and other resources available. This should identify gaps, overlaps and competing requirements, inform any review of duties, and align legal responsibilities, outcomes and resources before structures are decided.

We propose a transparent, binding framework for subsidiarity and appraisal across all public bodies, testing the right level for each function:

- national, where rights, standards, consistency, major infrastructure or specialist capacity require it;
- regional, where cross-boundary planning, resilience, scarce expertise or demonstrable economies of scale add value;
- local, where democratic leadership, place knowledge and integration around local priorities are essential; and
- community, where residents can genuinely exercise influence over decisions, budgets, assets and service design.

The framework should test national delivery of corporate and support functions where common processes, expertise and scale could improve resilience and value. Examples include transactional finance, payroll and HR administration, procurement systems and shared ICT infrastructure. Local policy choices, budget ownership, statutory accountability and democratic control must be retained.

National support services need not centralise locally accountable services. Options must be compared with regional and local alternatives, including transition costs, responsiveness, workforce effects and a fair share of benefits. Equally, nationally held powers, functions and resources should move to regional, local or community control where evidence supports it.

2. Reform must enable genuine people-centred transformation, not simply transactional integration

Principle or issue

Clackmannanshire's transformation journey began in 2018 and developed through Be the Future. It shows why lasting change needs more than reorganised functions and structures. National reform must redesign how services work with people and communities to strengthen prevention, agency and wellbeing. Structural integration is a means to better outcomes, not the measure of success.

Considerations and challenges

The Family Wellbeing Partnership puts residents' voice and agency, and changes in values, culture and behaviour, at the centre of preventative, relationship-based services. This requires more than combining functions or systems. Efficiencies may leave people's experience unchanged; community participation and workforce practice must develop alongside governance, resources and technology, not be assumed to follow restructuring.

Potential solutions

Every reform proposal must explain how people will experience better support, not just how functions will be organised. Communities, families, staff and the third and voluntary sector must help design services around what matters to them. Investment in values-based leadership, staff development, relationship-based practice and digital skills should equip staff and partners to adopt new practices and support continuous learning. Evaluation must establish whether people have more influence, receive help earlier and experience fewer inequalities, while testing financial sustainability. Clackmannanshire's learning should inform this work without being treated as a model for every place.

3. Public service reform must be designed as one system

Principle or issue

Public services must work as one system because people's lives do not follow organisational boundaries. Reform must start with lived experience and connected needs, bringing local governance, NHS, health and social care, social work and education reforms together with the community assets, facilities and networks that support participation.

Integration must not medicalise social care or define it mainly through clinical needs or NHS priorities. It must protect independence, choice, relationships and community participation, with people's aspirations guiding preventative, community-based support and social care retaining a clear voice in joint decisions and funding.

Considerations and challenges

Separate reform programmes, boundaries, funding rules, planning cycles and data systems risk fragmenting support. Clackmannanshire has invested considerable time in connecting Council services, public-sector partners, the third and voluntary sector, families and communities through Whole Family Support.

The Family Support Collaborative and Family Wellbeing Partnership connect social work, housing, education, employability and community support around families' lived experience. Joint working has contributed to fewer out-of-authority education placements despite more complex need. This demonstrates the importance of relationships, shared practice and coordinated resources, rather than structural integration alone.

Dividing responsibilities between regional and community tiers, alongside separate sector reforms, could recreate barriers this work has reduced. Families and community teams would still

depend on connected decisions, budgets and commissioning across housing, employability, education, social work, health, transport, data and specialist services. Clear responsibilities must preserve these connections and shared accountability, not create new silos or require people to navigate service boundaries.

Potential solutions

We ask the Scottish Government to establish one cross-reform framework, aligning regional areas, outcomes, investment, workforce and estates planning, and data and digital infrastructure wherever practicable. Public bodies need clear delivery responsibilities, joint decisions and duties to collaborate and pool or align resources, with shared accountability for outcomes.

Digital investment should connect services through national systems for common transactions where justified, or shared and interoperable platforms where requirements differ. Common data standards, secure information-sharing, reusable components and automation could reduce duplicate procurement and administration. Governance, data protection, cyber resilience, funded migration and accessible non-digital support must protect local responsiveness without requiring mergers or central control.

Use the whole family journey to test how governance, funding, assets and operations connect across tiers, local services and parallel reforms. The test must show who decides and is accountable, how pooled or aligned budgets reach services, and how families access community facilities and specialist support. Commissioning, staff deployment, integrated access and information-sharing must keep delivery connected.

Families, communities and the third and voluntary sector should help design and test arrangements that build on existing integration. Community teams must be able to draw on regional capacity without extra approvals, funding barriers or breaks in support, with clear responsibility for resolving cross-tier problems and shared accountability for family outcomes.

4. Reform must strengthen, not dilute, local democracy

Principle or issue

Reform must strengthen local democracy and community empowerment. Regional working can create capacity and strategic coherence, but administrative integration must not become political centralisation. Smaller places must retain a meaningful voice, control over genuinely local priorities and fair access to investment.

Considerations and challenges

Regional and community roles need clearer definition. In a larger regional arrangement, councillors could remain accountable to residents but lack the powers or votes to act on local priorities. Representatives from other areas could outvote a locality's elected members, even where the consequences fall mainly on that locality.

Representation alone does not guarantee influence. Additional structures could increase bureaucracy while leaving staff, resources and control elsewhere. The roles of elected representatives, public participation, community bodies and Community Planning Partnerships must fit together. A single model may not suit different geographies, identities and community capacities.

Potential solutions

Regional governance and delegation must guarantee local influence from the outset, rather than rely on relationships or representation alone. They must state which decisions remain with local councillors, which powers and budgets are delegated locally, and how local priorities shape regional decisions and services.

Any regional model needs reserved local or community powers, protected needs-based funding, transparent place-based accounts, enforceable service standards, balanced representation of population and place, suitable enhanced-majority voting for major decisions, and independent dispute resolution. Local consent safeguards must prevent a regional majority overriding decisions that mainly affect a locality's reserved responsibilities or protected resources. Councillors need real authority to act for residents while enabling joint decisions on regional matters.

Dollar Community Development Trust's community asset transfer of The Hive, now hosting classes, clubs and a volunteer-led library, illustrates the practical value of local ownership. Reform should enable such community-led provision, not distance decisions from it. A national framework of rights, subsidiarity, accountability and equity should accommodate local circumstances, matching local influence with access to staff, resources and support.

5. Community Planning's role must be tested and realigned within wider system reform

Principle or issue

Community Planning's future role must follow the functions needed to connect community priorities, partner contributions and shared outcomes. Reform must define its community-level responsibilities and regional links, prioritising effective place-based delivery and accountability over existing structures.

Considerations and challenges

Partners have struggled to pool resources and prioritise Local Outcomes Improvement Plan (LOIP) outcomes when these compete with organisational duties, national requirements and budgets. Agreement on outcomes does not consistently secure joint investment or lasting delivery commitments.

The review must test whether Community Planning has the authority and accountability to deliver, and which functions belong at community or regional level. Retaining partnerships alongside new tiers risks duplication and unclear responsibility. Differences in community capacity and willingness to participate must not widen inequalities in influence or access.

Reform must learn from Police and Fire reform and health and social care integration. The Council considers that these reforms have adversely affected outcomes and is concerned that structural and cost priorities displaced deeper transformation. The review below must test this link. Improving outcomes within reducing resources requires changes to culture, relationships, practice and collective investment—not structural simplicity or savings alone.

Potential solutions

Learning from Clackmannanshire Transformation Space's community-led approach to resources, commissioning and delivery should inform which Community Planning functions are retained, redesigned, transferred or incorporated elsewhere. Arrangements must enable residents to shape priorities and integrated support, secure partner commitments and scrutinise outcomes within a coherent LOIP and accountability framework.

The review must define how community priorities shape regional investment, how regional funding, staff, assets and expertise support local delivery, and who resolves matters beyond community authority. Clear decision rights must prevent duplicate planning and parallel governance.

Partners must embed community priorities and LOIP outcomes in their plans and budgets, with named delivery responsibilities, committed funding, staff and assets, measurable milestones and approval and delivery dates. Aligned planning and budget cycles, joint scrutiny and escalation of missed commitments must make delivery enforceable. National requirements must reinforce this responsibility while protecting local democratic and community influence.

Before new arrangements are agreed, councils, partners, staff and communities should review what helped or hindered outcomes in Police and Fire reform and health and social care integration. This must examine local influence, prevention, service integration, workforce practice, resources and costs, distinguishing structural effects from funding and demand pressures. Findings should shape appraisal criteria that avoid past mistakes and improve outcomes within available resources.

6. Fundamental reform requires a fundamental review of funding and distribution

Principle or issue

Fundamental reform cannot be delivered simply by moving existing budgets between new structures. It requires a fundamental review of how public services are funded and how resources are distributed across national, regional, local and community levels. The funding system must support shared outcomes, prevention and fair access to services, rather than preserve historic allocations or organisational boundaries.

Considerations and challenges

As Section 7 sets out, Clackmannanshire's small scale, complex overlapping needs and limited local income are not fully reflected by population or deprivation measures alone. Carrying existing allocations into new arrangements risks embedding these pressures rather than addressing them. Pooling budgets alone cannot remedy an inequitable or inadequate initial allocation.

Separate funding streams and conditions can also direct partners towards organisational priorities rather than shared outcomes. The body investing in prevention may not receive the resulting financial benefit. Without reviewing these incentives and the distribution of costs and benefits, reform could shift pressures between organisations and places while leaving underlying inequalities unchanged.

Potential solutions

We ask the Scottish Government to review the funding system jointly and transparently with councils and public-sector partners. The review must establish whether funding is adequate and whether allocation methods, grant conditions, equalisation and local revenue powers distribute resources fairly between levels. It should test allocations against assessed need, statutory costs, local income-raising capacity and expected outcomes. Published criteria and analysis of the effects on different places would make those choices open to scrutiny.

The review should establish how funding can follow shared priorities and support pooled resources, multi-year planning and prevention. It must explain how costs, savings and wider benefits are shared when investment in one service reduces demand elsewhere. A fair transition from existing allocations should protect service continuity, with regular reviews of whether the new distribution enables each level to fulfil its responsibilities and reduce inequalities. These findings should inform the fiscal settlement in Section 7 before new funding arrangements are fixed.

7. Powers, responsibilities and resources must move together

Principle or issue

Powers, responsibilities and resources must move together. Governance reform requires sustainable funding and a fiscal framework designed from the outset, rather than treated as a secondary implementation issue.

Considerations and challenges

Funding pressures cannot be the sole reason for governance reform. Closing immediate budget gaps must not override accountability, joined-up services, workforce skills or capacity to change. Restructuring cannot replace sustainable funding and needs transition capacity and investment. Moving responsibilities without powers, staff, assets and recurring resources transfers financial risk rather than resolving it.

Population alone does not capture need, deprivation, inequality, rurality, geography, infrastructure or statutory service costs. Clackmannanshire combines small scale, complex overlapping needs and limited local income. Deprivation measures and standard population assumptions do not fully reflect the intensity and distribution of need or the demands on services.

Clackmannanshire's community asset-transfer experience also shows why community-level funding must be considered alongside access to usable assets and delivery capacity, not cash allocations alone. Population trends must be read alongside the complexity, concentration and persistence of need. These interacting pressures require explicit recognition and must not disappear within larger regional totals.

Potential solutions

Agree a fiscal settlement covering grant flows, needs-based equalisation, taxation and local fiscal discretion, borrowing, reserves, pooled budgets, transition costs and investment across national, regional and local levels. No responsibility or financial risk should transfer before the necessary powers, staff, assets and recurring resources are secured.

Specify both how resources reach community level and how much is allocated. Cost community responsibilities against assessed need and show how the allocation method provides enough funding to deliver them. State whether funding comes through direct allocations, delegated budgets or pooled contributions, who controls spending, when funds are available, and how communities access staff, assets and specialist support.

Community delivery needs predictable multi-year resources and real discretion over local priorities, not short-term awards or repeated regional approvals. Review allocations as needs, costs or duties change, resolve funding gaps and scrutinise spending and outcomes. Empowerment requires both sufficient resources and the practical ability to use them.

The fiscal settlement must sit within an implementation plan linking outcomes, statutory duties, governance, service design, workforce and digital capability. Realistic sequencing, funded transition capacity and continuing evaluation must show that arrangements are deliverable and sustainable—not just promise savings.

8. A transparent Scotland-wide programme must align investment, delivery and financial benefits

Principle or issue

Scotland needs a transparent reform programme showing how national, regional and community activity fits together, what investment is needed, when changes can be delivered and when financial and outcome benefits should follow. As proposed in Section 3, it must bring local governance, NHS, health and social care, social work and education reforms together. Delivery dates and savings expectations must be set together.

Considerations and challenges

Investment, transition costs and maintaining existing services may need funding long before benefits emerge. Reforms have different lead times and dependencies. Prevention may reduce future demand without releasing cash immediately. Budgeting for savings before new arrangements work risks funding gaps, weaker services and failed implementation.

Separate programmes may introduce conflicting structures, responsibilities or deadlines, disrupting joined-up support. Benefits may depend on changes elsewhere that are not yet funded or deliverable. Programmes may also compete for funding and expertise or double-count benefits. Distinguish gross efficiencies, recurring cash savings, avoided costs and improved outcomes, and show who pays and who benefits.

Potential solutions

The Scottish Government and partners should agree one costed multi-year programme to deliver Section 3's framework. Each workstream should name its owner, milestones, decision gateways and dependencies. Joint oversight must coordinate legislative, governance, workforce, digital and service changes so that one reform does not undermine another.

The programme must show what each workstream costs to establish and run, including transition and parallel running, and how it is funded. Annual forecasts should identify who pays and benefits, distinguish gross and net benefits, cash savings, avoided costs and wider outcomes, and state when benefits begin, reach full effect and repay investment. Assumptions, uncertainty and delay risks must be explicit.

Early shared leadership or support-service changes could release staff capacity to lead transition. Any redeployment should be time-limited, costed and reviewed, with funded backfill where needed and a clear expected contribution. It must not also be counted as an immediate cash saving, prejudge future structures or bypass appraisal, statutory accountability, service continuity or democratic approval.

Clackmannanshire's five-year Digital and Data Transformation roadmap offers a practical test of investment, migration dependencies and benefits from modernisation, information-sharing and automation. The national programme must align with medium-term financial plans and fund the gap before benefits emerge. Savings should enter budgets only when evidenced. Public reporting and independent assurance must track spending, delivery and benefits, prevent double counting and prompt action when assumptions fail.

9. The process must be jointly governed, properly resourced and evidence-led

Principle or issue

Reform must be jointly governed, properly resourced and evidence-led, with meaningful involvement of councils, communities, elected members, staff, trade unions, public bodies, the third sector, businesses and equality groups.

Considerations and challenges

The published Family Wellbeing Partnership evaluation offers evidence on Clackmannanshire's preventative, relationship-based and whole-system approach. This learning, alongside independent challenge, should inform appraisal rather than reliance on a compressed engagement exercise alone. Financial, workforce, equality and service-continuity implications must be understood before options advance, using consistent criteria across places.

Potential solutions

We ask the Scottish Government to agree with COSLA and councils:

- shared objectives, scope and design principles;
- a common evidence base and appraisal framework;
- transparent criteria and weightings agreed before options are assessed;
- meaningful community, workforce and political engagement;
- equality, human-rights, child-rights, Fairer Scotland, fair-work and climate assessment;

- independent challenge of financial, workforce and benefit assumptions;
- a funded programme of local and regional design and testing; and
- staged political decision gateways before irreversible structural change.

Partners should first agree the outcomes and functions that reform must deliver. They can then test operating models and regional areas through pilots, evaluate the evidence and only then decide statutory boundaries and powers. Dedicated capacity, phased implementation and independent assurance must support this sequence while protecting service continuity and leaving the final settlement open to evidence.

10. Support Forth Valley as a pathfinder for evidence-led reform

Principle or issue

Forth Valley offers a practical basis for testing reform principles. Transformation through Collaboration (TTC), initiated by Clackmannanshire, provides established governance, proof-of-concept work and Scottish Government investment on which to build. Its mix of council sizes and urban, small-town and rural communities would enable testing of whether integrated services can improve outcomes while strengthening local empowerment, democracy, influence and accountability. The purpose is to generate learning relevant to other areas, rather than prescribe a single model for Scotland.

Considerations and challenges

A national pathfinder would extend beyond TTC's current commitments and requires additional resources. Dedicated funding, expertise and backfill are necessary to protect existing services during testing and implementation. Current investment provides a foundation but cannot fund this wider role.

Participation must not imply consent to a final structure or geography. Each Council must retain its formal decisions, with staff and communities shaping the tests. Different functions may need different partnership areas, and structural options must be compared fairly with stronger collaboration without reorganisation, including their costs, distributional effects and transition risks.

Potential solutions

We ask the Scottish Government and the three councils to jointly sponsor a funded TTC-based pathfinder. Using Whole Family Support and shared corporate and support services, it would test whether regional capacity can improve delivery while communities and councillors gain meaningful influence over local priorities. Residents would judge whether support is better connected, local identity is protected and accountability is clearer.

The pathfinder would compare integration alongside changes in service design and working practice with stronger collaboration alone. It would show who makes decisions, how staff, budgets, assets and digital systems support delivery, and where costs and benefits fall. Additional multi-year funding, expert support and backfill would protect existing services, with a costed programme setting milestones and decision gateways.

Independent evaluation would test outcomes, resilience, net financial benefits and local democratic accountability, alongside readiness, transition costs and risks. Evidence would determine which functions and geographies suit integration, when it should proceed, change, pause or be rejected, and what investment is needed. Structural change must demonstrate materially better results. Published findings and tools would support learning elsewhere without prescribing one national model.

Please note that partner councils have yet to take a formal view on whether they would support a pathfinder approach as set out or what services might be taken forward as part of any pathfinder.

Our requests to the Scottish Government

Drawing on our transformation journey since 2018, Be the Future, Whole Family Support and Forth Valley's Transformation through Collaboration (TTC), we offer practical experience to help shape and test national reform. The Council asks the Scottish Government to:

1. put outcomes and functions before structures. Map duties and resources to the four national priorities, address gaps and overlaps, and apply binding, two-way subsidiarity across public bodies. Compare national corporate services and single or shared digital systems with regional and local options. Consider transferring national powers and resources closer to communities, without fixing structures or geography in advance;

2. prioritise people-centred transformation over transactional integration, using Clackmannanshire's experience and wider evidence. Invest in co-design, values-based leadership, culture, relationships, workforce practice, digital skills and learning. Measure success through people's experience and influence, prevention, reduced inequalities and sustainable outcomes within available resources—not structural simplicity or savings alone;

3. bring local governance, NHS, health and social care, social work and education reforms into one framework. Use Whole Family Support to test joined-up pathways, pooled resources and assets, workforce and estates planning, and connected digital systems. Provide secure information-sharing, cyber resilience, funded migration and non-digital access. Protect social care's person-centred purpose, independence, choice and community participation, and ensure that integration does not medicalise social care;

4. protect local democracy and community empowerment through clear regional and community roles, decision rights, statutory accountability and resources. Guarantee reserved local powers, needs-based budgets, fair representation, local consent, place-based accounts, service standards and independent dispute resolution, so smaller places retain influence and meaningful local identity;

5. review Community Planning's functions and community–regional links, drawing on Transformation Space. Turn shared ambitions into enforceable partner priorities, pooled resources and assets, named commitments, milestones, aligned budgets, joint scrutiny and escalation. Learn from Police and Fire reform and health and social care integration, separating structural effects on outcomes from funding and demand pressures;

6. undertake a fundamental, joint review of funding and distribution, not simply transfer existing budgets into new structures. Test funding adequacy, allocation methods, grant conditions, equalisation, local revenue powers and the balance between levels against need, statutory costs, income-raising capacity and outcomes. Publish the effects on different places, support prevention and pooled resources, share costs and benefits fairly, and agree a transition that protects services;

7. agree sustainable funding covering grants, equalisation, fiscal discretion, borrowing, reserves, pooled budgets and transition costs. Recognise complex and concentrated need beyond population and deprivation measures. Specify community funding amounts and allocation methods, spending authority and access to staff, assets and expertise. Provide predictable multi-year resources, review changes in needs or duties and prevent unfunded responsibilities or risk transfer;

8. publish and maintain one jointly agreed, costed multi-year programme. Give each workstream a named owner, identify its dependencies and set milestones and decision gateways. Show investment, transition and parallel-running costs, and distinguish net cash savings, avoided costs and outcome benefits, including their timing, payback and distribution. Fund the gap before benefits emerge, align financial plans and provide public reporting and independent assurance. Test whether early,

time-limited changes can free strategic capacity, without also counting redeployment as an immediate saving;

9. jointly govern and resource reform with COSLA, councils, communities, elected members, staff, trade unions, public bodies, the third sector, businesses and equality groups. Agree objectives, scope, evidence, criteria and weightings before assessing options. Undertake equality, human-rights, child-rights, Fairer Scotland, fair-work and climate assessments. Fund design and pilots, independently challenge assumptions, protect services and evaluate evidence before political decisions on irreversible boundary and power changes; and

10. jointly commission a TTC-based Forth Valley pathfinder with the three councils and provide extra multi-year funding, expertise and backfill. Use it to test whether integrated service delivery can strengthen local empowerment, democracy, influence and accountability. Compare integration alongside transformation with stronger collaboration to establish how outcomes, net benefits, local identity and community influence change. Independent evaluation must guide whether, when, how and at what scale integration proceeds, is adapted or is rejected. Preserve each Council's decisions, consider other geographies and share learning.

Clackmannanshire is ready to contribute the learning, relationships and approaches developed since 2018, including experience of integrating support with partners and communities rather than simply combining structures. Together with TTC, this provides a practical basis for testing reform and sharing evidence nationally, without prescribing a fixed model for every place.

We would welcome an early discussion on how Clackmannanshire's experience can inform national reform and the next steps towards a properly funded, jointly supported Forth Valley pathfinder. We propose agreeing what it will test, how it will be jointly sponsored and funded, and what expert support it needs. Clear evidence requirements and decision gateways would turn these proposals into practical learning and better outcomes.

Yours sincerely,
Councillor Ellen Forson
Leader, Clackmannanshire Council

Nikki Bridle
Chief Executive, Clackmannanshire Council
On behalf of Clackmannanshire Council

cc:

Deputy First Minister Jenny Gilruth MSP

Cabinet Secretary for Public Service Reform Ivan McKee MSP

Acting Director for Local Government and Communities Ellen Leaver

Director of Public Service Reform Mary McAllan

Deputy Director for Place Based Service Change and Reform Simon Mair

Elected Members Clackmannanshire Council

Lorraine Sanda Deputy Chief Executive Clackmannanshire Council

Kevin Wells Director, Place and Economy Clackmannanshire Council

Chris Alliston Head of Corporate Services Clackmannanshire Council

Kirsty Orr Chief Officer Stirling and Clackmannanshire HSCP