Bob Doris MSP
Convener
Local Government and Communities Committee
By email only

Dear Bob,

Environment, Climate Change and Land Reform (ECCLR) Committee consideration of the Scottish Government Review of National Outcomes.

The ECCLR Committee welcomes the opportunity to respond to your letter of 3 April inviting views on the Scottish Government Review of National Outcomes.

The Committee wrote to 11 key stakeholders seeking views on the revised National Outcomes and National Indicators to inform its scrutiny. It then heard from the Cabinet Secretary for Environment, Climate Change and Land Reform on 24 April.

The Committee asked stakeholders:

1. How the National Outcomes and National Indicators have changed;
2. Whether these changes are appropriate, particularly in relation to the marine environment;
3. Whether the Sustainable Development Goals (SDGs) have been incorporated into the NPF in such a way as to ensure that they are fully implemented, and
4. Whether any wider consultation exercise was sufficient.

Seven responses were received.

The views of the ECCLR Committee on each of these questions are set out in the Annexe to this letter.

An overarching point, highlighted in the annexe, is the concern of the Committee that reporting of progress in meeting the indicators on an aggregate basis may mask problems or issues in particular areas and in
meeting specific targets. The Committee would welcome an assurance from the Scottish Government that information on specific areas of concern will be highlighted when reporting on indicators at an aggregate level.

We note your Committee felt that the time allowed for parliamentary scrutiny, including engagement with stakeholders felt ‘rushed’ and you stated ‘there is a lot of interest out there and, with a little bit more time, we could have tapped into a lot more of that.’ We are also aware that, in response, the Cabinet Secretary for Finance & Constitution said he is open to legislative improvement if it is about further collaboration, engagement and scrutiny. The national performance framework could well be enhanced by that.

The ECCLR Committee was also of the view that a period of 40 days to complete parliamentary scrutiny of such an important document is inadequate. This constrained timescale severely limits engagement with stakeholders and it undoubtedly impacts the scrutiny of parliamentary committees. This timescale prevented the Committee issuing a call for evidence and prevented stakeholders engaging or engaging as fully as they may have wished. The Committee considers Parliamentary Committees should have sufficient flexibility to develop their engagement plans and stakeholders should have the fullest opportunity to contribute to parliamentary scrutiny. This is pertinent in relation to the recommendation of the Commission on Parliamentary Reform that the Scottish Parliament should agree good practice for parliamentary consultations including a recommended consultation timescale.

The Committee is of the view there should be no fixed period for parliamentary scrutiny defined in statute and further consideration of the length of the consultation period and a change to the Community Empowerment (Scotland) Act 2015 is necessary.

The initial Review documents laid and circulated to parliamentary committees and stakeholders contained significant errors in relation to the environmental indicators. A number of updated versions were then sent on before the Committee received the final version. This is concerning, particularly given the limited time available for scrutiny. The Committee suggests that future Review documents should be published on the Scottish Government’s website to aid transparency and version control.

We would welcome an opportunity to discuss these issues, or any of the points raised in the Annexe to our letter, with you and your committee.

I am copying this letter to the Cabinet Secretary for Environment, Climate Change and Land Reform for information.

Yours sincerely,

Graeme Dey MSP
Convener
Environment, Climate Change and Land Reform Committee
View of the ECCLR Committee on the Scottish Government Review of National Outcomes.

How the National Outcomes and National Indicators have changed

*Change to the Scottish Government’s Purpose*

1. The Committee understands the Scottish Government is proposing to amend the Purpose: “To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing, and sustainable and inclusive economic growth.”

2. The Committee is aware the concepts of a sustainable economy and sustainable economic growth can be contentious, with some interpreting the latter to mean economic growth that can continue indefinitely, and others interpreting it to mean an economy that is in line with sustainable development.

3. The Committee asked the Cabinet Secretary for Environment, Climate Change and Land Reform if a “sustainable economic growth” referred to economic growth that can continue indefinitely, or to an economy that is in line with sustainable development and how those differ. The Committee also asked how the Scottish Government will ensure that economic growth does not undermine environmental limits or social wellbeing and whether sustainable economic growth is the only, or primary, means to achieving a flourishing Scotland.

4. The Cabinet Secretary stressed the Scottish Government’s desire to balance economic, social and environmental progress to ensure “the best possible outcomes” and viewed economic growth as an important driver. She stated that she did not consider economic growth and an economy that is in line with sustainable development to be inconsistent and expressed the view that our social and economic lives are bound up with wellbeing, and that growth is fundamental to wellbeing. The Committee sought clarity in whether there are limits to growth. In response the Cabinet Secretary referenced the aquaculture sector and suggested there is a point beyond which it becomes difficult to sustain growth. She referred to the uncertainties and challenges in the sustainability of that growth, as “the technologies, the understanding and the science change all the time, so what might look sustainable now may not look sustainable in five years, and vice versa. All that we can ever do at any one point with regard to any sector in our economy is to make our best estimate on the basis of our current understanding”.

5. The Committee notes the view of the Scottish Government on sustainability and sustainable economic growth. The Committee would welcome further clarification as to whether sustainable development was considered instead of sustainable economic growth and, if so, why this was rejected. The Committee would also welcome further
information from the Scottish Government on current and planned work around outcomes and indicators of wellbeing.

Reduction in the number of Outcomes and Indicators

6. The Committee understands the new suite of draft National Outcomes has reduced from 16 to 11, and the number of indicators that sit under these National Outcomes has increased from 55 to 79. The key existing National Outcomes that relate to the remit of the ECCLR Committee are:

- We value and enjoy our built and natural environment and protect it and enhance it for future generations;
- We live in well-designed sustainable places where we are able to access the amenities and services we need; and
- We reduce the local and global impact of our consumption.

7. These Outcomes have been removed and replaced with one Outcome: **We value, enjoy, protect and enhance our environment.** Other National Outcomes that relate to the remit of the ECCLR Committee are:

- We have a globally competitive, entrepreneurial, inclusive and sustainable economy;
- We live in Communities that are inclusive, empowered, resilient and safe; and
- We are healthy and active.

8. Scotland has world-leading research capacity and the Committee would welcome the Scottish Government’s view on the call for re-inclusion of research and innovation within the National Outcomes before the framework is finalised.

Changes to the National Indicators relating to the remit of the ECCLR Committee

9. There are 14 National Indicators to track progress in achieving the revised environment National Outcome. Three indicators have been added: (i) energy from renewable sources; (ii) sustainability of fish stocks, and; (iii) marine environment. Two indicators were dropped: (i) increase renewable electricity production, and; (ii) improve the state of Scotland’s marine environment. Three indicators were considered but not adopted: (i) growth in the green economy; (ii) lives lost through poor air quality, and; (iii) recycling rates.

10. The Committee explored the criteria for identifying what should, and should not, be an indicator. The Cabinet Secretary told the Committee that the Scottish Government benchmarked against other countries. She said that what is really important is that it can be captured in information, is robust and can be compared chronologically with what has gone before, as well as against other countries. The Committee was also told indicators should be “objectively meaningful”, rather than just ‘subjectively’ so, robust and capable of being measured.
11. The Scottish Government advised the Committee the criteria used for assessment were:

- technical assessment – consistency of data;
- meaningfulness;
- ability to measure progress against outcomes;
- consistent with UN SDG indicators;
- ability to describe progress for different equality groups and area based inequalities; and
- feasibility and affordability of data gathering.

12. Providing oral evidence to the Committee, Scottish Government officials stated that some indicators were feasible but generated a cost to collect. The Committee heard indicators were considered where measures could be based on good data, whether they worked together as a set, or were overlapping in what they measure, and whether they measured progress towards the Outcomes. The Committee heard many indicators are difficult to measure and compare internationally.

13. The Scottish Government confirmed progress against Outcomes and Indicators is reported on the Scotland Performs website. The site will be updated with the new Outcomes and Indicators after they are finalised.

14. The Committee welcomes this clarification. The Committee considers it would have been helpful if the Review had clearly set out the criteria used for assessment of the indicators and recommends the Scottish Government include this in future Review documents.

**Indicators of climate change**

15. The Committee received evidence on climate change and the appropriateness of the proposed Indicators.

16. The Committee recommends the Scottish Government gives further consideration to including a climate change adaptation and mitigation related indicator associated with the National Outcomes.

17. The Committee would welcome a view from the Scottish Government on the call in evidence for an indicator of resilience from a climate change adaptation perspective to be included for the outcome relating to resilient communities, in advance of finalisation of the framework.

18. The Committee received evidence calling for Scotland’s carbon footprint and/or greenhouse gas emissions in consumption (rather than simply territorial) terms to be a national indicator. Stakeholders considered this approach would better reflect Scotland’s overall environmental impact, and be a vital aid to decision-making in achieving sustainable economic and environmental goals. The Committee would welcome the view of the Scottish Government on this and on how it might be calculated in advance of finalisation of the framework.
19. The Committee will consider the climate change indicators for greenhouse gases and carbon footprint and the target against which to track progress within its scrutiny of the forthcoming Climate Change Bill.

**Indicators of Land Ownership**

20. Stakeholders expressed concern with the absence of an indicator in relation to land ownership by type, considering this to be a missed opportunity in light of the renewed policy emphasis on land reform as a driver for sustainable development in Scotland. **The Committee would welcome the view of the Scottish Government on the inclusion of a land ownership indicator in advance of finalisation of the framework.**

**Indicators for the green economy and resource efficiency.**

21. The Committee has concerns in relation to the indicators for the green economy and resource efficiency and raised some of these concerns with the Cabinet Secretary. The Committee explored the decision to retain an indicator for waste generated.

22. The Committee would welcome further information from the Scottish Government on:

   - Why the indicator relating to growth in the green economy was considered but not included;
   - Why there is no resource efficiency/circular economy indicator; and
   - Why the indicator to increase renewable electricity production has been dropped.

**Indicator for air quality**

23. The Committee explored the rationale for considering, but not including, an indicator relating to lives lost through poor air quality. The Committee is of the view that this is a significant issue but recognises the issues raised by the Cabinet Secretary, in relation to attribution and measurement.

24. The Committee would welcome further consideration by the Scottish Government of the need for, and benefit of, including an indicator that assesses the reduction of pollution and the impact of this on the health of the population.
Whether Changes to the National Outcomes and National Indictors are appropriate, particularly in relation to the marine environment

Revised National Indicator for the marine environment

25. The current National Performance Indicator to 'Improve the state of Scotland's marine environment' is assessed as "the percentage of the total value of key commercial sea fish stocks where the total allowable catch (TAC) limit is consistent with scientific advice". The target for this indicator was 70% by 2016. During evidence on the Scottish Government's Draft Budget 2018-19, the Committee heard of work being undertaken by Marine Scotland to review the National Indicator for the marine environment. Graham Black, Director of Marine Scotland, stated:

26. “The new indicator will include biodiversity and the cleanliness of our waters, as well as the economic and fisheries aspects. It will give a much better overall picture of what we are doing in relation to the seas around Scotland. It will no longer have such a narrow focus.”

27. The three indicators listed below are additional proposed indicators associated with the marine environment.

Marine environment indicator

28. The proposed indicator is the “% of contaminant-region combinations with good environmental status”. The indicator will measure the extent to which levels of metals, polycyclic aromatic hydrocarbons (PAHs) and polychlorinated biphenyls (PCBs) are sufficiently low that they are unlikely to cause adverse effects in marine organisms in Scottish waters.

29. The Scottish Government stated this new indicator has been added to broaden the scope of what is monitored and reported for the marine environment. The indicator is intended to track the cleanliness of the marine environment and derives from the EU Marine Strategy Framework Directive indicators. It will be adapted to a different scale to reflect the state of Scotland’s marine environment. The Committee heard that the new indicator relates better to the sustainability of fisheries.

30. The Committee explored with the Cabinet Secretary why this indicator for the marine environment was chosen, whether it is the most useful indicator for measuring the health of our seas, how it will be adapted to assess Scotland’s marine environment and whether the assessment of the contaminant-region combinations will be combined with other indicators to provide an overall indicator for the marine environment.

31. The Committee heard the indicator need to be adapted to assess the marine environment and an overall assessment of the marine environment requires other indicators.
32. The Committee agrees that the cleanliness of the marine environment is a priority. The Committee received no evidence on alternative indicators to measure this.

33. The Committee also agrees that an overall assessment of the marine environment requires additional indicators and the view of the Committee on the additional indicators is set out in its consideration of the sustainability of fish stock and biodiversity indicators.

34. The Committee would welcome further information from the Scottish Government on the process to adapt this to a different scale to reflect the state of the cleanliness of Scotland’s marine environment.

Sustainability of fish stocks indicator

35. The sustainability of fish stocks is determined as the percentage of commercial stocks where fishing mortality is below the reference point (Fmsy)1 for maximum sustainable yield (MSY). The Committee understands this new measure was added following consultative workshops which identified a need to have improved measures around marine environment in addition to the existing measure. The Committee understands the new indicator is more focused on outcomes; it informs on the state of fish stocks in relationship to MSY.

36. In written evidence, SE Link stated while sustainability of fish stocks may be a useful measure, it cannot be used to draw conclusions about the ‘wider sustainability of our marine environment’. SE LINK and others stressed the ‘paramount importance’ of ‘indicators that measure the state of our marine ecosystems’ and recommended the development of an indicator that tracks the percentage of Scottish seas that are part of an actively managed Marine Protected Area [MPA].’ LINK believes this would help to create an ecologically coherent network of MPAs, as required by the OSPAR Convention for the Protection of the Marine Environment of the North-East Atlantic, as well as being in keeping with the EU Marine Strategy Framework Directive indicators.

37. The Committee questioned the usefulness of an aggregate indicator for Scottish seas, asking whether this could mask problems in specific locations. The Committee seeks assurance that Scottish Government reporting on the sustainability of stocks focuses on specific issues and areas of concern, in addition to reporting on the general trend.

38. The Committee considers the new indicator relating to sustainability of fish stocks is an improvement on the current indicator but considers this alone is insufficient in providing a good indicator of the health of Scotland’s marine environment.

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1 Fishing mortality consistent with achieving Maximum Sustainable Yield (MSY).
Biodiversity indicator

39. The Committee understands the biodiversity indicator for the marine and terrestrial environment has yet to be developed. The current National Indicator for biodiversity assesses the abundance of terrestrial breeding birds only. The revised indicator is being broadened to include terrestrial and marine biodiversity. SE LINK supports the Scottish Government’s stated aim to develop a biodiversity index covering both terrestrial and marine organisms, but notes that as no information is provided in the parliamentary consultation document, it is unclear how this will be done.

40. The Committee explored plans for the development of the biodiversity indicator with the Cabinet Secretary and heard the Scottish Government was in the process of developing the new indicator to cover the marine and terrestrial environment. Scottish Government officials indicated that they are looking to expand the indicator to cover seabirds and wetland birds. The Committee was also told the indicator could include selected key species for the marine and terrestrial environment and this was still under consideration. The Committee was told the timescale was for development of the indicators by 2019.

41. The Committee considers that an indicator for biodiversity that is limited to measuring abundance of terrestrial breeding birds only is insufficient to capture the state of Scotland’s marine and terrestrial biodiversity. The Committee welcomes the Scottish Government's recognition of this.

42. However, the Committee is concerned that despite consultation in 2015 and 2016, and the recent consultation on the Review, there is no clear descriptor for the biodiversity indicator. The Committee is disappointed that this has not been included in the Review.

43. The Committee is concerned at the proposed time to develop the indicator. The Committee initially discussed this with the Director of Marine Scotland in 2017 and, based on the timescales indicated, it appears it could be 2 years from that initial discussion before indicators that are capable of measuring biodiversity and the health of Scotland’s seas are in place. The Committee considers having these indicators in place is critical and should be a priority for the Scottish Government.

44. The Committee asks the Scottish Government to provide detail on the process for this work, including plans for consultation and development of a monitoring framework, and an explanation of why it will take until 2019 to have these indicators in place.

45. The Committee would also welcome further information on how this work is linked to the MSF report and planned consultation later this year and how it will be aligned with EU and international biodiversity strategies.

46. The Committee also requests regular reports on progress in the development of these indicators.
Inter-linkage of indicators and Measuring Progress

47. The Committee explored how the Outcomes and Indicators will be measured, and what further work is planned in relation to this.

The Committee is concerned that the proposed draft NPF does not specify targets. The Committee considers the NPF could be improved by better connecting the Outcomes to the underlying targets.

48. The Committee considers more work needs to be done to ensure the indicators are more specific and measurable. The Committee heard there is a lack of inter-linkage between the Indicators primarily associated with ‘We value, enjoy protect and enhance our environment’ and with other Indicators. The Committee also heard there is a lack of clarity around some of the indicators proposed to measure the environment Outcome, as well as those proposed under other outcomes that will be critical to achieving environmental Outcomes.

49. The Committee would welcome further information from the Scottish Government on the targets related to the Outcomes and Indicators, how the Outcomes and Indicators will be measured and what further work is planned in relation to this.

50. The Committee would expect to see environmental indicators embedded across all Outcomes.

51. The Committee is also concerned that reporting of progress in meeting the indicators on an aggregate basis may mask problems or issues in particular areas and in meeting specific targets. The Committee would welcome an assurance from the Scottish Government that information on specific areas of concern will be highlighted when reporting on indicators at an aggregate level.

Whether any wider consultation exercise was sufficient

52. The Committee heard no significant concerns about the consultation process on the National Outcomes. The Scottish Government advised the consultation exercise was wide ranging and communities of place and interest and individual experts were consulted. This followed consultation exercises on the environmental indicators in 2015 and 2016.

53. However, the Committee was unclear as to what extent the Scottish Government took the views of stakeholders on the Outcomes and Indicators into account. The Committee is also unclear as to what proportion of the aspirational indicators discussed at expert stakeholder workshops were found to be feasible, measurable and affordable. The Committee would welcome further information on this from the Scottish Government.

54. The Committee was encouraged to hear the Review is not a final document and its development is an iterative process. The Committee would welcome further dialogue with the Scottish Government on the development of the Outcomes and Indicators.
Whether the sustainable development goals have been incorporated into the NPF in such a way as to ensure they are fully implemented

55. Sustainable development is included in the portfolio of the Cabinet Secretary for Environment, Climate Change and Land reform. The Scottish Government committed to aligning the revised NPF with the Sustainable Development Goals (SDGs) and the Scottish National Action Plan for Human Rights (SNAP). Little detail is provided in the parliamentary consultation document about how this was done. The Committee heard the proposed draft NPF constitutes the only explicit commitment that binds the Scottish Government to translate the UN SDGs into domestic policy. Evidence to the Committee expressed concerns that the proposed changes do not fully realise this ambition.

56. The Committee heard:

- the outcome relating to a sustainable economy could be strengthened by referring to resource usage and the value of our natural capital;
- The SDGs have a strong emphasis on integrated and participatory processes which should be reflected in the NPF; and
- Ecosystem services are integrated into the SDG framework and this should be mirrored in the NPF.
- Given the time available the Committee did not have an opportunity to discuss this with Cabinet Secretary.

57. The Committee welcomes the alignment of the NPF with the Sustainable Development Goals. However the Committee encourages the Scottish Government to consider the further opportunity to connect the NPF more closely to the SDGs and reflect this in the final framework.

58. The Committee would also welcome information on how the Sustainable Development Goals are embedded across the Scottish Government and wider public sector and how the Scottish Government plans to embed them beyond the NPF.