11 June 2018

Graeme,

CONSULTATION ON THE SCOTTISH GOVERNMENT’S DRAFT NATIONAL OUTCOMES

I would like to thank the Environment, Climate Change & Land Reform Committee for its input in the scrutiny process of the Scottish Government’s draft National Outcomes, which resulted in very helpful recommendations that were published in the Local Government & Communities Committee’s report on 15 May 2018.

The Scottish Government welcomes the Scottish Parliament’s and stakeholder involvement in supporting the National Performance Framework (NPF), and we are committed to working together to drive forward the new Framework after its publication on 11 June 2018.

The new NPF will comprise of:

- **Purpose Statement**: setting out the direction and ambition for Scotland
- **Values Statement**: describing the underpinning principles that we share as a nation
- **11 National Outcomes**: describing what the Scottish Government wants to achieve and the kind of Scotland we want to see
- **81 National Indicators**: will enable us to track progress towards the Purpose and National Outcomes.

I enclose the Scottish Government's response to the specific recommendations made by your Committee. I will write to each individual Committee and address their recommendations separately.

DEREK MACKAY
SCOTTISH GOVERNMENT RESPONSE TO COMMITTEE’S RECOMMENDATIONS

1. INDICATOR/DATA REPORTING

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.

SG Position:

The data that underpins our National Performance Framework indicators (and shown on Scotland Performs) is only a small part of the overall evidence we have on progress for Scotland. As such, this more detailed evidence will continue to be published for a wide range of issues helping to understand areas of specific concern when indicators report at an aggregate level.

2. PARLIAMENTARY SCRUTINY PROCESS

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.

SG Position:

The Community Empowerment Act provides that the draft National Outcomes must be laid in Parliament for a period of 40 days and along with a report on the consultation. This takes place under Rule 17.5 Consulting the Parliament, of the Scottish Parliament’s Standing Orders. The National Outcomes cannot be published until after the 40 day period. However, ahead of the next review of National Outcomes under the Community Empowerment Act, the Government will review arrangements for consulting Parliament.

3. NPF REVIEW DOCUMENTATION

The Committee suggests that future Review documents should be published on the Scottish Government’s website to aid transparency and version control.

SG Position:

This recommendation is noted.

4. PURPOSE STATEMENT

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.

SG Position:
Whilst views that “economic growth” should be replaced by “sustainable development” were given careful consideration throughout the consultation process, “sustainable and inclusive economic growth” was chosen as it aligns with the ambitions described in our Economic Strategy. This is designed to ensure that our policies consider the impact on productivity and the planet, and ensuring that growth is inclusive. Our commitment to sustainable development is demonstrated through the set of Outcomes and indicators in the revised Framework.

5. WELLBEING INDICATOR DEVELOPMENT

The Committee would also welcome further information from the Scottish Government on current and planned work around outcomes and indicators of wellbeing.

SG Position:

Wellbeing is at the heart of our new proposed Purpose, and the Outcomes we have agreed. And the indicators on the framework collectively give a measure of economic, societal and environmental wellbeing. Around personal wellbeing, we are introducing a child wellbeing and happiness indicator and a new measure on loneliness. There are quite a number of other indicators that capture elements of personal wellbeing, such as the established measure on mental wellbeing, and crime victimisation.

6. RESEARCH/INNOVATION OUTCOME

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.

SG Position:

Research and Innovation is already reflected within the new National Performance Framework. There is an Outcome “we have thriving and innovative businesses, with quality jobs and fair work for all”, and an indicator of “spend on research and development”.

7. CLIMATE CHANGE ADAPATION INDICATOR

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

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.

SG Position:

A significant research study to improve data on climate change adaptation over the last year found better data, but nothing that can be collected on a regular basis and that would be
sensitive enough to helpfully indicate change. Much of the data for indicators on climate change adaptation come from audits, and the cost of expansion of those audits would be high. Therefore, we will not bring in an indicator on climate change adaptation into the National Performance Framework at this time, but will continue to improve the data and evidence on this issue.

8. **CARBON FOOTPRINT (CONSUMPTION) INDICATOR**

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.

*SG Response:*

The National Performance Framework will continue to contain a carbon footprint indicator that is based upon consumption.

9. **LAND REFORM INDICATOR**

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.

*SG Response:*

The Government agrees that introducing a land ownership indicator is helpful. As such, a measure “community land ownership” will be introduced. This will measure the percentage of total land Area that is community owned.

10. **DROPPED INDICATORS**

Why the indicator relating to growth in the green economy was considered but not included?

*SG Response:*

As noted in the National Performance Framework consultation document put to the Scottish Parliament in March, the Scottish Government have prioritised whole-systems measures, rather than sector-specific measures for inclusion in the framework. Given the number of robust measures we had for the outcome - We have a globally competitive, entrepreneurial, inclusive and sustainable economy - growth in green economy was not included in the indicator set.

The link between the environment and the economy is picked up across national indicators such as the Natural Capital measure, the carbon footprint measure and the Greenhouse Gas measure; all of which sit under the outcome, “We have a globally competitive, entrepreneurial, inclusive and sustainable economy.”

Why there is no resource efficiency/circular economy indicator?
**SG Response:**

The Scottish Government is committed to the circular economy. We do not at this point have a whole-system measure of the circular economy. We considered the inclusion of a waste recycling measure and a measure of waste generated. As waste prevention is higher up the waste hierarchy and a key priority, we chose waste generated rather than recycling rates for inclusion.

Why the indicator to increase renewable electricity production has been dropped.

**SG Response:**

With the introduction of the Energy from Renewable Sources indicator, which aligns to the UN Sustainable Development Goals, this indicator became less relevant. For this reason, Increase renewable electricity production was dropped from the indicator set. Energy from Renewable Sources is a broader measure, which also captures the progress of renewable generation's contribution towards energy for heat and transport, as well as electricity.

11. **POLLUTION/HEALTH INDICATOR**

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.

**SG Position:**

There isn't currently a measure of pollution related ill-health data that can be collected on a regular basis and that would be sensitive enough to helpfully indicate change. We will work with partners to develop more accurate statistics on this topic, and to consider their introduction into the NPF when we next review indicators.

12. **MARINE ENVIRONMENT INDICATOR**

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

**SG Position:**

Currently the assessment of contaminant concentrations is based on the analysis of biota (fish and shellfish) and sediments from across Scotland’s seas. These are assessed using Background Assessment Concentrations (BAC) and Environmental Assessment Criteria (EAC) and depending on the result the sampling station is assigned a blue (below BAC), green (between BAC and EAC) or red colour (above the EAC and thus likely to see effects in sensitive species). Scottish Seas are currently split into 5 biogeographic regions, some of which are totally within Scottish waters, while two are cross-border. Data availability means that, for 4 of the 5 regions, Scotland will be able to make an assessment of 5 contaminants/groups of contaminants in two components (sediment and biota) across 4 regional areas, giving a total of 40 ‘metrics’. The 40 metrics will then be investigated to give a holistic view regarding cleanliness of our waters across the four regions. This work is due to be complete in early 2019.
13. SUSTAINABILITY OF FISH STOCKS INDICATOR

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.

**SG Position:**

As with any summary indicator, there is the risk of a loss of granularity. However, the determination of fish stocks is based on ICES squares and this method of analysis will continue. As such, the primary assessment will continue to be by stock (e.g. cod in the North Sea, cod on the West Coast). This will ensure that the assessment will continue to identify areas of concern as well as enable a more general trend to be determined. It should be noted, however, that stocks are often very widespread. Where possible, ICES assessments are made taking account of discrete biological populations. There may be a problem if a larger stock is made up of several independent small sub-stocks. However, to be able to note sub-stock depletion would require much more detailed and fine scale survey and catch data which in turn would require a significant increase in the resource requirements.

14. BIODIVERSITY INDICATOR

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. 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.

**SG Position:**

In respect of the marine component, the indicators of biodiversity that are being used by the UK for reporting to Europe in respect of the MSFD are those which have been developed by the OSPAR Commission and agreed by all Contracting Parties. For the North Sea (OSPAR Region II) and the Celtic Seas (OSPAR Region III) there are a number of Common Indicators (indicators adopted by all Contracting Parties who border the specific Region). The relevant indicators were applied to the Regions and reported on by OSPAR through the Intermediate Assessment 2017 (https://oap.ospar.org/en/ospar-assessments/intermediate-assessment-2017/). The various Contracting Parties, including the UK, are then using these assessments as part of their report to Europe. Marine Bird Abundance and Marine Bird Breeding Success/Failure are two such indicators covering both the east and west of the UK. Thus creating a common assessment using birds has merit as this clearly aligns, in the marine context, with the MSFD and other biodiversity strategies.

15. REPORTING ON PROGRESS

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. 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.

SG Response:

Details on the definitions for each of the indicators will be published on the Scotland Performs website on 11th June when the new Framework is launched. Where there are associated targets, this will be shown. A small number of indicators have yet to be developed. The starting point for the review of indicators was which are the right measures not necessarily the things we can measure immediately, however, the aims is for all indicators to have data within 2 years. Details of new indicator development will be given on the Scotland Performs website when they have an agreed definition, source of data and then when the data is available.

The data that underpins our National Performance Framework indicators (and shown on Scotland Performs) is only a small part of the overall evidence we have on progress for Scotland. As such, this more detailed evidence will continue to be published for a wide range of issues helping to understand areas of specific concern when indicators report at an aggregate level.

16. INDICATOR CONSULTATION

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.

SG Response:

We held 22 workshops of experts to develop the new indicators, 2 workshops for each new Outcome. At each workshop participants first developed a long list of measures and then prioritised these to the most important 5-7. Across the 22 workshops, from the prioritised lists there were around 150 measures. From these around two thirds were feasible, measureable and affordable. Scottish Government’s Chief Statistician then used five broad principles to assess potential indicators of progress for each of the outcomes:

- Indicators that enable us to measure progress against each Outcome and avoid any major gaps in measures;
- Describe differences across Scottish society;
- Are underpinned by data that is technically good enough (e.g. is precise enough to identify change, and consistent over time/ between areas);
- Use definitions consistent with the UN Sustainable Development Goal indicators; and
- Are feasible/affordable, where new data is required.

This helped decide on the set of indicators presented to the Parliament.

17. UN SUSTAINABLE DEVELOPMENT GOALS

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.
**SG Position:**

The Scottish Government is committed to implementing the UN Sustainable Development Goals. Its approach to embedding them takes into account Scotland’s specific context and reflects the central role of the refreshed National Performance Framework. The NPF and the SDGs both share the same spirit of ambition to focus action on achieving better social, economic, and environmental outcomes – with the NPF focusing specifically on Scotland and the SDGs requiring implementation both at home and abroad.

Given their shared ambition, the SDGs have been embedded into the NPF in order to ensure overall delivery coherence and efficiency. The Global Goals have been mapped against the NPF National Outcomes and the NPF indicators have been aligned to the SDG indicators where appropriate. This is not the case for SDG indicators which are either not at the right level (e.g. SDG indicator 3.1.1 focuses specifically on maternal mortality rates, where in the NPF we focus on high level measures and use an overall premature mortality rate) or are not relevant to Scotland (e.g. SDG indicator 3.3.3 focuses on Malaria incidence rates, and Malaria is not prevalent in Scotland). These are however covered on the Scotland Performs website - where data for them is available - in order to ensure as much completeness to reporting against progress towards the SDGs as possible. The Scottish Government will also continue to work with the Office for National Statistics on measurement issues around the SDG indicators and targets.

In addition, the Scottish Government will work in partnership with the wider public sector to further outcomes based working, and explore ways to integrate specific SDG 2030 targets into longer-term policy development.