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## Local Government and Communities Committee Comataidh Riaghaltas Ionadail is Coimhearsnachdan

# Report on the Consultation on the Scottish Government's Draft National Outcomes



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# Local Government and Communities Committee

To consider and report on communities, housing, local government, planning and regeneration matters falling within the responsibility of the Cabinet Secretary for Communities, Social Security and Equalities.



<http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/local-govt-committee.aspx>



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# Introduction

1. Scotland Performs - the [National Performance Framework](#) (NPF) - is the Scottish Government's framework for public policy in Scotland. The NPF provides a way to hold the Scottish Government to account against its own stated aims, and to scrutinise whether the underlying policy and measures are joined up.
2. The intention behind the NPF is to deliver on the overall **Purpose** of the Scottish Government, namely to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth.
3. Within the NPF, the Scottish Government publishes a set of **National Outcomes** which describe what the Scottish Government wants to achieve and the kind of Scotland it wants to see. The NPF also contains a series of National Indicators that enable the Scottish Government to track progress towards its Purpose and National Outcomes.
4. The NPF was first published as part of the 2007 Spending Review. It was a 10 year vision for Scotland and drew on the success of the outcomes-based performance model used in the Commonwealth of Virginia in the United States. The outcomes based approach to government is supposed to focus on actual results achieved, rather than inputs and outputs. The aim is that the government and wider public sector can focus on making sustainable improvements to public services and quality of life for the people of Scotland. It should mean that the whole of the public sector is aligned and works in partnership to achieve the Scottish Government's Purpose and National Outcomes.
5. The NPF was refreshed in 2011 and again in 2016 to reflect lessons learned from across the Scottish Government and its partner organisations since 2007 and to reflect priorities as outlined in the SNP's Manifesto Commitments, the Government Economic Strategy, Programme for Government and Spending Review documents.
6. The Scottish Government believes that the NPF is important as, in its view, it "provides a clear vision for Scotland with broad measures of national wellbeing covering a range of economic, health, social and environmental indicators and targets." The Government states that the use of outcomes focused working helps public services and other key contributors to work together effectively. It believes that different organisations are aligned around a common set of goals defined in terms of benefits to the people of Scotland, rather than simply efficient service delivery. By making the best use of collective resources, the Government aims to "tackle the most difficult problems and really make a difference to the quality of life and experience for the people of Scotland." <sup>1</sup>

## Consultation with Parliament

7. Under [Section 2 of the Community Empowerment \(Scotland\) Act 2015](#) ("the Act"), the Scottish Government is required to consult the Scottish Parliament on the proposed revisions to the National Outcomes. As part of this process, details of the wider consultation process carried out, and how it has been taken into account to inform any changes must also be provided (Section 2(4) of the Act).
8. The Act gives the Scottish Parliament 40 calendar days to consider proposed revisions to the National Outcomes and the efficacy of the consultation process. The 40-day period excludes days when the Parliament is dissolved or in recess, or not sitting for more than 4 days.
9. The Act states that where revisions are proposed, the Scottish Government "must ... consult the Scottish Parliament on the proposed revisions". The Parliament is being consulted and may scrutinise the proposals and give its opinion and/or comments but is not being asked to approve the proposed revisions. After the expiry of the consultation period, the Scottish Government has the option to further revise the National Outcomes based on the consultation response from the Parliament.
10. [Rule 17.5 of the Standing Orders](#) sets out a parliamentary process for consultations. A laid document is referred by the Parliamentary Bureau to a lead committee which shall consider and report to the Parliament on the consultation. If the subject matter is relevant to more than one committee, then the Parliament designates a lead committee and other secondary committees may then report their views to the lead committee. Once the lead committee has reported, the Parliament shall consider the consultation document in light of a report by the lead committee.

## Draft National Outcomes and the role of parliamentary committees

11. On 29 March 2018, the Scottish Government laid documents setting out its draft National Outcomes. This gives the Parliament until 24 May 2018 to consider the draft.
12. The Parliamentary Bureau has designated the Local Government and Communities Committee as lead committee for the purpose of scrutinising the draft National Outcomes. The Committee's role is two-fold, to:
  - review the National Outcomes relevant to the remit of the Local Government and Communities Committee; and
  - bring together the views of other parliamentary committees on those Outcomes relevant to their remits and any wider views expressed on the consultation process followed by the Scottish Government and on any other matters.
13. On 3 April, the Convener wrote to the Conveners of the following committees requesting their views on the draft National Outcomes that fall within their remits:
  - Culture, Tourism, Europe and External Relations Committee

- Delegated Powers and Law Reform Committee
  - Economy, Jobs and Fair Work Committee
  - Education and Skills Committee
  - Environment, Climate Change and Land Reform Committee
  - Equalities and Human Rights Committee
  - Finance and Constitution Committee
  - Health and Sport Committee
  - Justice Committee
  - Public Audit and Post-legislative Scrutiny Committee
  - Public Petitions Committee
  - Rural Economy and Connectivity Committee
  - Social Security Committee
  - Standards, Procedures and Public Appointments Committee
14. The Local Government and Communities Committee invited comments on the National Outcomes relevant to its remit via social media. We received 24 comments via Twitter as well as 39 written responses - all of which can be found [online](#). We thank all those who responded especially given the very short timescales for providing those views. The Committee took evidence from the Cabinet Secretary for Finance and the Constitution on 18 April and the papers, minutes and official report for that meeting can also be found [online](#).
15. This report brings together the evidence and views expressed on both of the matters above. The views submitted by other parliamentary committees are set out in [Annex A](#) of this report.
16. It is our expectation that Ministers will respond to each committee directly on their recommendations.

# What is the Scottish Government proposing?

17. The Scottish Government's revised National Outcomes are part of the wider National Performance Framework (NPF). During the Scottish Government's public consultation on the National Outcomes, a number of participants said that they wanted the language to be simpler and more accessible. The Scottish Government have therefore changed the draft NPF, which contains their Purpose, Values, Outcomes, Indicators, as well as links to the UN Sustainable Development Goals (SDGs) to make it simpler and more accessible (see figure 1).

Figure 1: The Scottish Government's draft revised National Outcomes



Source: The Scottish Government, 2018

18. The draft NPF's Purpose now includes the terms "wellbeing" and "inclusive", a new statement on the Scottish Government's Values, 11 National Outcomes to replace the current 16, and 79 cross-cutting National Indicators.
19. The table below compares the new draft National Outcomes with the current ones.

**Table 1: Existing and revised draft National Outcomes**

Existing National Outcome	Proposed draft National Outcome
We realise our full economic potential with more and better employment opportunities for our people.	We have a globally competitive, entrepreneurial, inclusive and sustainable economy.
	We are open, connected and make a positive contribution internationally.
We have tackled the significant inequalities in Scottish society.	We tackle poverty by sharing opportunities, wealth and power more equally
We have a strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others. We live our lives safe from crime, disorder and danger.	We live in communities that are inclusive, empowered, resilient and safe.
Our children have the best start in life and are ready to succeed. We have improved the life chances for our children, young people and families at risk.	We grow up loved, safe and respected so that we can realise our full potential.
We are better educated, more skilled and more successful, renowned for our research and innovation. Our young people are successful learners, confident individuals, effective contributors and responsible citizens.	We are well educated, skilled and able to contribute to society.
We live in a Scotland that is the most attractive place for doing business in Europe.	We have thriving and innovative businesses, with quality jobs and fair work for everyone.
We live longer, healthier lives. Our people are able to maintain their independence as they grow older and are able to access appropriate support when they need it.	We are healthy and active.
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. We reduce the local and global impact of our consumption and production.	We value, enjoy, protect and enhance our environment.
We take pride in a strong, fair and inclusive national identity.	We are creative and our vibrant and diverse cultures are enjoyed widely.
	We respect, protect and fulfil human rights and live free from discrimination.
Our public services are high quality, continually improving, efficient and responsive to local people's needs.	

Source: [SPICe Briefing: National Outcomes Consultation 2018](#)

# Our views on the National Outcomes within our remit

20. Out of the 11 draft National Outcomes proposed by the Scottish Government, 3 were identified as largely falling within the remit of the Local Government and Communities Committee. These Outcomes are as follows:
- We live in communities that are inclusive, empowered, resilient and safe;
  - We tackle poverty by sharing opportunities, wealth and power more equally; and
  - We grow up loved, safe and respected, so that we realise our full potential.
21. Those who provided us with views were generally supportive of the draft National Outcomes. The Child Poverty Action Group (CPAG) welcomed the inclusion of poverty within the National Outcomes but questioned whether 'tackling poverty' is an outcome. Instead they suggest "it is a process intended to achieve the goal of eradicating poverty for good". CPAG explain that in the interests of clarity the outcome should state the eventual aim rather than the method of achieving it. <sup>2</sup>
22. The Cabinet Secretary for Finance and the Constitution (hereafter referred to as "the Cabinet Secretary") explained that "we can use different words to ultimately mean the same thing" and that he had tried hard to get as much consensus as possible on the words of the outcome. Whilst he did not see a case for changing this wording, he is—
- ” open minded to considering a change of wording if there is a good case so to do, but I am satisfied with what we have at the moment.
- Source: Local Government and Communities Committee 18 April 2018, Derek Mackay, contrib. 34<sup>3</sup>
23. He added that although the Scottish Government had tried to ensure that the draft National Outcomes are as outcome-focussed as possible, "a bit of process will sometimes creep in. It is the nature of the beast when we are using words and narrative." <sup>4</sup>
24. The Cyrenians and SCCR written submission <sup>5</sup> highlighted concerns that the changed National Outcomes are less age and family specific making them more universally applicable but thereby possibly diminishing the emphasis on more vulnerable groups.
25. Responding the Scottish Government's Chief Statistician explained that—
- ” We did this in such a way as to mitigate that risk. At the moment, when we report publicly on progress, we report on progress for Scotland overall. In future, we will be reporting on not only Scotland's progress overall but progress for each of the equality groups within Scotland and progress on area-based inequalities in the index of multiple deprivation.

Source: Local Government and Communities Committee 18 April 2018, Roger Halliday, contrib. 43<sup>6</sup>

26. The Cabinet Secretary added that equality has been embedded through the new framework and where possible, the Scottish Government will measure on that basis right across the outcomes rather than by trying to separate it out.<sup>7</sup>
27. In evidence the Cabinet Secretary for Finance and the Constitution also set out the consultation activity that was undertaken to inform the draft National Outcomes—

” I am satisfied that we have met the requirements of the 2015 act through an extensive consultation process and that we have gone beyond our legislative requirements with regard to developing appropriate indicators. With our delivery partners, Carnegie UK Trust and Oxfam Scotland, we held a series of engagement events involving individuals from a cross-section of Scottish society, expert stakeholders and the Children’s Parliament. That included Oxfam holding street-stall events in communities across Scotland. In order to ensure wide representation from expert policymakers and practitioners, 220 organisations were invited to take part in a variety of consultation activities. We also drew upon extensive contributions to the earlier fairer Scotland and healthier Scotland consultations. Together, they comprised substantial public engagement, involving more than 16,000 participants at public events and reaching more than 400,000 people online.

There has been cross-party engagement in the development of the new NPF, with a round-table group, which I chair, that includes representatives from each party in the Parliament and leaders from the public, private and third sectors. I have also had strong positive engagement from local government.

Source: Local Government and Communities Committee 18 April 2018, The Cabinet Secretary for Finance and the Constitution (Derek Mackay), contrib. 2<sup>8</sup>

28. The Committee are generally content with the 3 draft National Outcomes within its remit and with the consultation process undertaken by the Scottish Government on these revisions. We seek a response from the Scottish Government on whether future consultations on the National Outcomes will provide for greater involvement of civic society organisations and Community Planning Partnerships (as raised by Scottish Community Development Centre & Community Health Exchange<sup>9</sup>).
29. We welcome the proposals to report progress, not only at a national level, but also for each of the equality groups within Scotland.

## Issues raised

30. Our scrutiny highlighted some issues on which we comment further.

## Purpose

31. The Scottish Government's Purpose stated in the draft National Outcomes document is "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". This differs from the current Purpose in that the words "wellbeing" and "inclusive" have now been added.
32. The Carnegie UK Trust pointed out in *More Than GDP: measuring what matters* (2010) <sup>10</sup> that the current Purpose includes both an end – opportunities for all to flourish – and a means to achieving it – sustainable economic growth. This is also the case for the draft revised Purpose. Oxfam Scotland's written submission to the Committee states "economic growth (albeit sustainable and inclusive), is not the only way to improve wellbeing... there are other ways to measure the prosperity and wellbeing of the economy and the population." <sup>11</sup>
33. In their submission the Scottish Council for Voluntary Organisations noted that—
- ” “the Purpose should drive our National Outcomes, but the focus on economic growth appears to have been bolted on and comes across as disconnected to the ambitions captured by the national outcomes themselves which seek to reduce poverty and inequality in Scotland whilst restoring and protecting our environment nationally and globally.” <sup>12</sup>
34. Responding to discussions about the inclusion of sustainable economic growth in the purpose of the NPF, the Cabinet Secretary explained that he was content that the purpose is —
- ” "expressed in a meaningful way and the outcome is succinct about what we are trying to achieve. We have a globally competitive, entrepreneurial, inclusive and sustainable economy. That is the outcome."

13

35. We recognise the challenges of encompassing succinctly, in a single purpose, the outcomes that we all wish to see for Scotland. The Committee invites the Scottish Government to consider, however, revisiting the wording of its Purpose to separate out the means from the desired ends to more clearly focus on the Scottish Government's vision for the future of Scotland.

## National Indicators

36. The Scottish Government's Chief Statistician described the principles that were used to identify the indicators used to measure progress against each outcome—

” they would be able to describe progress not just for Scotland but for different equality groups and for area-based inequalities; that they were consistent with the UN sustainable development goals; and that, where new data was required, it would be feasible and affordable to get that data.

On the fifth and final criterion, the data on which an indicator is based needs to be good from a technical point of view, such that if the number goes up, that means that there has been an improvement or a worsening, and if the number goes down, that means the opposite.

Source: Local Government and Communities Committee 18 April 2018, Roger Halliday, contrib. 39<sup>14</sup>

37. A number of those we heard from highlighted concerns about how some of the National Outcomes might be meaningfully measured, suggested additional indicators to measure progress, or commented on National Indicators which had been removed from the draft National Outcomes. For example the Royal Society for the Prevention of Accidents highlighted—

” The previous indicator of ‘Reduce Emergency Admissions to Hospital’ is no longer relevant. Where will the prevention of unintentional injuries in the home or in and around water now sit within the new Outcomes? <sup>15</sup>

38. Two of the Indicators listed are “loneliness”, under the draft National Outcome “we live in communities that are inclusive, empowered, resilient and safe”, and “Children have positive relationships” under the National Outcome “we grow up loved, safe and respected so that we can realise our full potential”.

39. The Committee questioned how easily meaningful data for these indicators could be gathered. In response, the Cabinet Secretary stated that—

” What is important to us as a society cannot always be measured, but we should still be able to express it and, if we can measure it, we should try to do so. <sup>16</sup>

40. The Scottish Government's Chief Statistician confirmed that —

- ” With regard to loneliness, social capital and places to interact, a new set of modules around social capital is going into the Scottish household survey, information on which is starting to be collected this year. We will not be able to report directly in June on the progress but when the 2018 Scottish household survey results come out we will be able to do so.

There are relatively well established approaches to measuring people's experiences and their views on things. For example, the indicator on the quality of public services has been in the Scottish household survey since 1999. We are using a lot of our household surveys to measure a number of issues that have come in.

All the existing indicators that we have within the framework are quality assured, independently scrutinised by the UK Statistics Authority and carry the National Statistics kitemark, which is the badge of quality for official statistics. Therefore, I am confident that they will be particularly helpful measures.

Source: Local Government and Communities Committee 18 April 2018, Roger Halliday, contrib. 12<sup>17</sup>

41. The Committee also questioned how data for some of the National Indicators might be collected at a local level and what role local government might have given their local knowledge and own frameworks for collecting data.
42. The Cabinet Secretary explained that whilst local government would use the NPF as a good foundation—

- ” they may want to add to it and they will attach appropriate weighting to what is appropriate in their areas.

In the previous iteration of single outcome agreements, local authorities could choose from a menu of indicators what was most important for their areas. We were all agreed on the outcomes and the purpose, but they could determine what was more important to them. Community planning partnerships could then bolt on or enhance data or a particular purpose. They are perfectly at liberty to do all of that again.

Source: Local Government and Communities Committee 18 April 2018, Derek Mackay, contrib. 18<sup>16</sup>

## United Nations Sustainable Development Goals (UN SDGs)

43. The Scottish Government indicated that it had drawn up the draft National Outcomes and National Indicators with the aim of contributing to meeting the UN Sustainable Development Goals. However the majority of the indicators/targets that are part of the UN SDGs have not been included within the revised National Outcomes or National Indicators. It will not be possible therefore to track progress towards meeting each of the UN SDGs indicators/targets when looking at the NPF and National Outcomes.
44. The Cabinet Secretary explained that wherever possible the Scottish Government have selected indicators that come from established data sets and that are consistent with the indicators from the UN SDGs. The Scottish Government's Chief Statistician explained that using all of the 232 UN SDG indicators "was not manageable" and that it then becomes difficult to see what is going on. The 79

indicators selected by the Scottish Government was, he explained, on the upper limit of what should be used with similar frameworks in New Zealand, England and Wales all having fewer than 50 indicators.<sup>18</sup>

45. Some supported the approach taken in relation to the UN SDGs such as Oxfam, George Eckton and the Scottish Independent Advocacy Alliance who commented that—

” We welcome the revised National Outcomes and the fact that they have been framed by the UN SDGs is incredibly positive.<sup>19</sup>

46. The Cabinet Secretary then stated that—

” The National Performance Framework is not the place to measure every UN sustainable goal indicator but we have signed up to the goals within the NPF. The question about how we can measure all of that in relation to the UN sustainable goals is a fair one, but this is not in itself just the measurement of delivery of the UN Sustainable Development Goals. It is the delivery of the Government's purpose in our National Performance Framework.<sup>20</sup>

47. The Committee sought clarification as to where progress with the the UN SDG indicators might be published as well as reporting on progress with the outcomes more generally.

48. Responding the Cabinet Secretary explained that whilst the Scottish Government can produce paper reports, online reporting is really powerful because it can provide an up-to-date dashboard of performance and can show the relationships between the indicators.

49. Responding to a question about where progress on the UN SGDs might be reported, the Cabinet Secretary commented that—

” There is then a valid question about whether there is one place in which we comprehensively report on all of the UN indicators....

I do not know if any others are in one, go-to place in relation to the UN Sustainable Development Goals. If the committee wants me to take that view, I will respond.

What I am describing today is what we are proposing to measure for the purpose of the National Performance Framework. If I am required to give further thought to where other things are reported and measured, I am more than happy to do that and I am particularly happy to do it for the UN Sustainable Development Goals.

Source: Local Government and Communities Committee 18 April 2018, Derek Mackay, contrib. 71<sup>21</sup>

50. The Committee recognises the challenges of providing a sufficient number of indicators which meaningfully identify real progress in meeting the National Outcomes. Given the number of indicators within the UN Sustainable Development Goals, the Committee is content that not of all of targets and indicators in the UN SDGs can be included in the draft NPF. As such we agree

with the approach adopted by the Scottish Government in selecting the 79 indicators in the draft National Outcomes.

51. However, given the Scottish Government's commitment to UN SDGs, it is important that progress towards these targets and indicators is measured and reported. We would therefore welcome confirmation from the Scottish Government as to how often they will report against the UN SDGs.
52. In his evidence, the Cabinet Secretary indicated that the Scotland Performs website is currently used for the publication of Scottish Government statistics. Given the connection between the NPF and the UN SDGs we recommend that this may be an appropriate place to report all of the statistics relating to the NPF and the UN Sustainable Development Goals together so that progress can be easily scrutinised by MSPs and those with an interest.
53. The Committee is aware that, as the NPF is refreshed every 5 years, the range and type of data collected may change during that time as a result of improved data collection or the identification of new more meaningful measures. In those circumstances there is a risk that year on year comparisons may not be achievable. We therefore seek confirmation from the Scottish Government of whether the data provided by the National indicators will remain comparable so that progress against the National Outcomes can be compared year on year.

## National Outcome on high quality public services

54. The Committee noted that all of the current National Outcomes have been subsumed by the draft National Outcomes apart from the Outcome "our public services are high quality, continually improving, efficient, and responsive to local people's needs". This will mean that progress on this Outcome won't be measured in the same way as previously. i.e. as an integral part of the reporting process on the National Outcomes.
55. During the evidence session, the Cabinet Secretary was asked to elaborate on this. He said—
  - ” there are many things that we will no longer measure as part of the National Performance Framework but which will still be measured and reported elsewhere
 and that—
  - ” An indicator might not be appropriate for the NPF, but I would want Parliament to be content that we will still be reporting on things that are important to Parliament.<sup>22</sup>

56. The Committee seeks reassurance from the Scottish Government that high quality public services will continue to be a national priority. The Committee would

welcome some further details on how progress against this previous National Outcome will continue to be measured and evaluated.

57. We welcome the Cabinet Secretary's confirmation that indicators and outcomes that no longer form part of the NPF will continue to be measured and reported on. The Committee therefore requests information on where those indicators and outcomes will be reported and suggest that there is clear signposting on Scotland Performs to where progress against the indicators and outcomes can continue to be found.

## Embedding the NPF across the public sector

58. Audit Scotland, which audits most Scottish public bodies, observed in relation to the enterprise agencies, that although—

” the NPF measures progress towards economic targets and outcomes ... it does not measure the contribution of policies and initiatives to delivering these outcomes.<sup>23</sup>

59. This suggests some lack of clarity about whether and how much public sector bodies such as enterprise agencies contribute to achieving the National Outcomes and how difficult it is to demonstrate and measure what contributions their activities and expenditure have on meeting the Outcomes. It is also clear that not all public bodies embed the National Outcomes when they are reporting thereby making it challenging to track delivery of the Outcomes and the progress towards meeting the National Indicators right across Scotland's public sector.

60. During the evidence session the Cabinet Secretary stated that—

” Up to this point, I have been satisfied that we have the buy-in of the public sector, but we have an opportunity to reset that and make sure that the NPF is embedded. Before the 2015 act was passed, the NPF was not embedded in legislation. It was the Government's mission, but it was not embedded in legislation. Now that it has that statutory footing, there is an even stronger basis on which to charge our public sector agencies with that duty.<sup>24</sup>

61. The Cabinet Secretary then outlined what work the Scottish Government will undertake to ensure that the NPF is embedded across the public sector and the public-private subsector emphasising the clear links between the mission and objectives of the public sector and the NPF—

- ” I will do that through a high-profile launch event as well as by writing to all chief executives, stressing its importance.

If we have to look further at how we evaluate and monitor the performance of public agencies to ensure that the NPF is being embedded, I will certainly give that further thought. Up to this point, I have been satisfied that we have the buy-in of the public sector, but we have an opportunity to reset that and make sure that the NPF is embedded.

Source: Local Government and Communities Committee 18 April 2018, Derek Mackay, contrib. 29<sup>24</sup>

62. The Committee welcomes the Cabinet Secretary's commitment to ensure that the NPF is fully embedded throughout the public sector. However, we request further information on how this will be monitored and reported on an ongoing basis.

## Timescale for parliamentary consultation

63. During the Committee's call for views, several respondents noted the limited timescale for them to contribute a view. This tight timescale for the public and stakeholders to contribute was as a direct result of the 40 day consultation period set out in the Community Empowerment (Scotland) Act 2005.
64. The Scottish Government has gone beyond what was required by the Act by providing the draft National Outcomes, details of the consultation carried out on them, as well as a detailed list of each National Indicator. Despite this, this and other committees scrutiny of these documents has been significantly curtailed by the 40 day timescale currently defined in the Act.

65. The Committee recommends that the Scottish Government takes steps to extend the timescale for the Parliamentary scrutiny of the next draft National Performance Framework so that Committees are able able to conduct a more in-depth scrutiny of the revised National Outcomes and the consultation undertaken to produce them.
66. The Committee considers that there is an ongoing role for parliamentary committees in monitoring progress towards achieving the National Outcomes including as a welcome part of the Parliament's new budget scrutiny process.

# Annex A - reports from other relevant committees

## Finance and Constitution Committee

Thank you for your letter seeking our views on the Scottish Government's revised National Outcomes, contained in the National Performance Framework (NPF), which underpins the Scottish Government's outcome based approach to its policies. We welcome your approach to parliamentary scrutiny of these key documents and the involvement of other parliamentary committees, as this complements our new process for parliamentary budget scrutiny.

The Budget Process Review Group in its report<sup>i</sup> recommended that scrutiny of outcomes should be an integral part of the revised budget process. The Group said that these documents should be used more widely by Parliament and its committees in a revised budget process which will be a continuous year round cycle of scrutiny with committees adopting an outcomes based approach.

As you know, public bodies and councils have an important role in delivering Scottish Government policy and contributing towards improved outcomes and they are required to consider the National Outcomes in carrying out their functions. Decisions about their overall funding are a key part of the budget process and by adopting an outcomes based approach, committees will scrutinise the extent to which public bodies within their remit are spending their allocations well and achieving outcomes.

Specifically, the Group recommended that public bodies should consistently set out how they plan to contribute towards specific National Outcomes in the NPF in their corporate and business plans and that subject committees scrutinise the extent to which the NPF informs the layers of policy development, consultation and decision making for public bodies.

The Committee and the Scottish Government have now agreed a revised Written Agreement on the new budget process which will be considered by the Parliament in due course. The Standards, Procedures and Public Appointments Committee are also currently considering changes to the Standing Orders which will also be considered by Parliament. We intend to issue guidance to subject committees on the new budget process in May which will emphasise this outcomes based approach.

**Bruce Crawford MSP, Convener**

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<sup>i</sup> [http://www.scottish.parliament.uk/S5\\_Finance/Reports/BPRG\\_-\\_Final\\_Report\\_30.06.17.pdf](http://www.scottish.parliament.uk/S5_Finance/Reports/BPRG_-_Final_Report_30.06.17.pdf)

## Public Audit and Post-Legislative Scrutiny Committee

Thank you for your letter seeking our Committee's views on the Scottish Government's revised National Outcomes, contained in the National Performance Framework (NPF). While none of the individual National Outcomes appear to fall specifically within our remit, we have a clear interest in the performance of the Scottish Government and public bodies. Specifically, our interest lies in being assured that public bodies are spending public money wisely and delivering the best possible outcomes.

Audit Scotland has noted that while 'the NPF measures progress towards economic targets and outcomes... it does not measure the contribution of policies and initiatives to delivering these outcomes.' We consider that the NPF should explicitly link the Scottish Government's individual policies and strategies, its detailed spending proposals and the agreed national outcomes. In short, there should be a clear link between what public money is being spent on and the outcomes that it delivers.

We also note that a significant level of public policy is delivered by non-departmental public bodies and other public bodies. As such, there should be clear reporting mechanisms in place to demonstrate whether and how these delivery bodies are contributing to achieving the National Outcomes. This is consistent with the recommendation of the Budget Process Review Group which stated that "public bodies should consistently set out how they plan to contribute towards specific national outcomes in the NPF in their published corporate and business plans. Where possible, this should also include links to planned spending, the specific outputs that are expected and how these contribute to national outcomes."

We note further that each outcome is underpinned by a series of indicators which are used to measure progress towards the outcome. We note that, in respect of several of the outcomes, "trust in public organisations" is listed as an indicator. Our recent scrutiny of the 2016/17 audit of the Scottish Police Authority and the 2016/17 audit of NHS Tayside and the evidence of financial mismanagement that came to light, in particular, gives further force to the need for outcomes to be specifically linked to the way in which public bodies are managing their finances.

Finally, we note that there is an increasing focus on collaboration and partnership working across public bodies, often with different bodies working towards the same National Outcome(s). We emphasise that such developments should not make it more difficult to identify and evaluate the contribution made by individual bodies.

**Jenny Marra MSP, Convener**

## Environment, Climate Change and Land Reform Committee

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 Annexes to this letter.

An overarching point, highlighted in the annexes, 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 Annex 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.

**Graeme Dey MSP, Convener**

## **ANNEXE: 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***

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."

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.

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.

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".

**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***

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.

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.

**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***

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.

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.

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.

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.

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.

**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***

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

**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.**

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.**

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***

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***

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.

**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***

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.

**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 Indicators are appropriate, particularly in relation to the marine environment**

### ***Revised National Indicator for the marine environment***

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:

"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."

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

### ***Marine environment indicator***

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.

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.

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.

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.

**The Committee agrees that the cleanliness of the marine environment is a priority. The Committee received no evidence on alternative indicators to measure this.**

**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.**

**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***

The sustainability of fish stocks is determined as the percentage of commercial stocks where fishing mortality is below the reference point ( $F_{msy}^{ii}$ ) 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.

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

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ii Fishing mortality consistent with achieving Maximum Sustainable Yield (MSY)

Protection of the Marine Environment of the North-East Atlantic, as well as being in keeping with the EU Marine Strategy Framework Directive indicators.

**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.**

**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.**

### ***Biodiversity indicator***

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.

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.

**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.**

**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.**

**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.**

**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.**

**The Committee also requests regular reports on progress in the development of these indicators.**

### ***Inter-linkage of indicators and Measuring Progress***

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.**

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.

**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 would expect to see environmental indicators embedded across all Outcomes.**

**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**

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.

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.**

**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**

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.

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.

**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.**

**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.**

## **Health and Sport Committee**

The Health and Sport Committee having considered the Scottish Government's proposed new National Outcomes for Scotland reports to the Local Government and Communities Committee (lead committee) as follows.

### **Timetable for consideration**

The proposed new National Outcomes for Scotland were lodged with the Scottish Parliament on 29 March which triggered a 40 day period within which the Parliament could consider their terms and agree a response.

Our first opportunity as a Committee to consider the proposal was at our meeting on 17 April (given the intervening recess period)[1]. We were required to report to the lead Committee by 9 May which unfortunately provided no opportunity for us to consult or seek views from stakeholders.

We agreed to take oral evidence from the Cabinet Secretary for Health and Sport as well as Professor Sir Harry Burns and NHS Scotland at our meeting on 1 May. We are grateful to these witnesses for attending and giving their evidence at such short notice.

This report out of necessity has been produced quickly following the above evidence being received and without any opportunity for us to follow up or investigate what we heard. **We do not consider the time allowed to the Scottish Parliament for consideration of the Scottish Government's proposals is sufficient and recommend additional time be provided before future proposals are brought under the statute before Parliament.**

### **Health Inequalities**

Tackling health inequalities is fundamental to the delivery of social justice. Their continued existence means the right of everyone to the highest attainable standard of physical and mental health is not enjoyed equally across the population. They disadvantage people already facing deprivation limiting their chances to live longer, healthier lives. We asked witnesses how the National Performance Framework (NPF) will work to address the persistent health inequalities in Scotland and for examples of how this will be done.

We were advised inequalities is mainstreamed throughout the framework and the Cabinet Secretary for Health and Sport advised:-

“The national performance framework is designed to enable us to see how Scotland is performing against a range of indicators that are relevant to health inequalities and to make sure that it informs policy making to tackle health inequalities. Wherever possible, indicators will be broken down by both protected qualities or characteristics and area-based inequalities. As part of the transformation of the Scotland performs website, we are going to report on progress for both those equalities aspects.”

**We recognise addressing inequalities requires cross portfolio action and are pleased this is being mainstreamed across the framework. We look forward to having the ability and information to monitor progress by both inequality grouping and locality. We would welcome information on when this information will be available.**

### **Prevention and Preventative Spend**

We were interested to understand how the national outcomes would encourage a stronger focus on prevention. We were told a lot of the work to reduce inequalities focuses on prevention. Examples we were given related to alcohol, minimum unit pricing and the forthcoming obesity strategy. Much of this work is targeted towards the next generation and trying to get people to view alcohol and obesity in different ways.

**Identifying the impacts and outcomes from preventative approaches is difficult and we look forward to further detail on how the “wellbeing of the nation” as Sir Harry Burns described it will be measured and assessed through the indicators being put in place.**

### **Older People and Social Care**

The current [National Outcomes](#) include an outcome that “Our people are able to maintain their [independence as they get older](#) and are able to access appropriate support when they need it.”

[The Scottish Government document Consultation process undertaken to produce draft National Outcomes for Scotland](#) notes:

“An Outcome on older people was not developed due to significant overlap with other Outcomes (i.e. health and social care) and as there is not enough evidence beyond this to justify a dedicated outcome. Also the mainstreaming of equality throughout the framework means that all ages and life stages are reflected throughout all of the Outcomes”

The existing outcome has not been replicated in the proposed new national outcomes. Yet Scotland's elderly population is projected to increase, in particular people aged 75 and over are projected to be the fastest growing age group in Scotland. The number of people aged 75 and over is projected to increase by 27% over the next ten years and by 79% over the next 25 years<sup>[2]</sup>.

We have also noted the [2020 vision](#) that by 2020 everyone is able to live longer healthier lives at home, or in a homely setting.

We were thus interested in the view there “was not enough evidence .....to justify a dedicated outcome” covering the care and support of older people.

We understand that underpinning the national performance framework and the indicators is a wealth of data collection. . We also heard indicators in the national performance framework would not necessarily deliver local change given the impact of local circumstances.[3] However the integration authorities are working towards “a core of improvement measures that they share with [the Scottish Government] and which are common across the country”[4].

**We recognise choices regarding the outcomes were required and acknowledge not everybody would be satisfied with those made. We again acknowledge the intention to provide information allowing progress to be monitored looking at different parts of Scottish society and equality groups. The important aspect is that progress is assessed, measured and can be demonstrated. However we would welcome detail of the indicators to be used in this area.**

### **Linkage to ongoing Review of Health Targets and Indicators**

We have an ongoing interest in the [Scottish Government's Review of Targets and Indicators in Health and Social Care in Scotland](#) which was published in November 2017. The reviews author, Sir Harry Burns told us then that a more collaborative approach to public service agenda setting might lead to better outcomes. The overarching aim of considering and developing the new system of indicators and targets was to focus the work of public bodies into creating a population that ‘flourishes’ physically, emotionally and mentally, such that all individuals have a sense of purpose and autonomy.

The report notes that current thinking on transformational change for wellbeing would support the adoption of a life course approach across the whole of government, focusing on social justice, inclusive growth and wealth

The Cabinet Secretary on 9 January agreed “that further work on our targets and indicators is required, and we will take that forward to create a more balanced approach, with a broader-based assessment of the quality of care. People’s wider experiences of care need to be taken into account”

The rationale for the health and social care review was frustration by NHS staff and managers at the way targets have affected their priorities, leading them away from the best or most efficient means of improving health services and outcomes for all.

We were interested in understanding the relationship between the NPF and the review. . We asked about progress in joining up the two sets of underlying indicators so that it is all linked.

The Cabinet Secretary advised:

“In developing the new framework, we were very mindful of the need for coherence with the work that Sir Harry’s review has carried out. The new framework reflects that in a number of ways. It provides improved clarity on the aims of the system, focuses more on indicators and targets, has been shaped through engagement with a range of stakeholders and looks across the whole system at how the parts are interconnected. We have sought to incorporate the findings of the review into the work on the framework, but the framework will continue to evolve and the recommendations from Sir Harry’s work can be further incorporated, as we take it forward.

A number of other pieces of work are under way, looking at how we can focus more on outcomes than on targets.”<sup>[5]</sup>

**We acknowledge the ongoing work taking place and look forward to receiving further reports. We also look forward to hearing more about how these pieces of work will be aligned.**

## Implementation

In response to questions on empowering staff Sir Harry Burns discussed examples of successful change being achieved through front-line staff being empowered to make change happen. The Cabinet Secretary reinforced the point referring to the patient safety programme methodology of empowering staff which is now, she indicated, being used in other areas.<sup>[6]</sup>

**We would welcome information from the Scottish Government on the timing of and methods to be used to empower front line staff and on how successes will be monitored and rolled out across all areas.**

[1] Recess periods do not count towards the 40 day period for scrutiny allowed under the legislation.

[2] [Projected Population of Scotland \(2016- Based\)](#)

[3] Cabinet Secretary for Health and Social Care Official report 1 May 2018 column 8

[4] Alison Taylor official report 1 May 2018 column 7

[5] Cabinet Secretary for Health and Social Care official report 1 May 2018 column 13

[6] Cabinet Secretary for Health and Social Care official report 1 May 2018 column 16

# Economy, Jobs and Fair Work Committee

## Introduction

The Economy, Jobs and Fair Work Committee discussed its approach to the National Outcomes consultation at its meetings on 17 and 24 April and 1 May, taking evidence from the Cabinet Secretary on 1 May.

In addition to the Scottish Government's consultation document itself, the Committee has drawn on relevant aspects of the recent inquiry into economic data, our scrutiny of the Scottish Government's draft budget 2018-19, a current inquiry on economic performance, and the SPICe briefing on National Outcomes.

However, given the limited time available to input to the consultation, the Committee has sought to be focused and concise in its response.

## Consultation

The Committee welcomes the multi-track approach to public consultation, with "over 2,000 visions for Scotland" gathered via the support of the Carnegie UK Trust, Oxfam Scotland and the Children's Parliament.

The *National Outcomes for Scotland* document states: "Participants told us that they wanted the language of the National Outcomes to be simpler and more accessible. Consequently, the proposed National Outcomes are deliberately shorter and more straightforward than the current set."

We endorse that call for clarity and brevity but note that the number of National Indicators has actually gone up from 54 to 79. The Chief Statistician told the Local Government and Communities Committee of the need to be "relatively ruthless with the number of indicators" and most other countries with a similar framework had "fewer than 50 indicators". He described 79 as "on the upper bounds of that".<sup>[1]</sup>

When asked specifically about the rise in the number of indicators for poverty, the Cabinet Secretary told this Committee that some would have arisen from "discussions with stakeholders and third sector organisations" and some related to other portfolios. Carol Tannahill, the Scottish Government's Chief Social Policy Adviser, said tackling poverty was "one of the really strong messages" from the consultation and "the number of indicators reflects that."<sup>[2]</sup>

The Scottish Government document says that the consultation was "overseen and informed by the National Performance Framework Round Table" (made up of the Carnegie UK Trust, Oxfam Scotland, STUC, COSLA, Scottish Human Rights Commission, Scottish Environment LINK, the Scottish Local Government Partnership, a Member from each party represented at Holyrood, and businesses).

Annexes three and eight provide more detail of the various organisations whose views were sought during the process. It is not entirely clear, though, beyond a handful of private sector organisations, to what extent the views of the business community – including SMEs, the mainstay of enterprise in Scotland – were sought.

## Content and coherence

There were three key areas where the Committee wishes to make comment, all of which can be bracketed under content and coherence.

### *Single Purpose*

The Single Purpose is the statement that sits atop the pyramid structure of the NPF. It currently reads: "To focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth".

The Committee notes the observation of the Carnegie UK Trust about the current wording of the Single Purpose, that it includes both the end and the means; the end being a flourishing Scotland, the means being sustainable economic growth. In conflating ends and means in this way, is there a risk of confusion? Other commentators have suggested a means alongside a purpose could be seen to rule out other ways to achieve a flourishing Scotland, and that sustainable economic growth can be a contentious phrase (some interpreting it as growth without limit, others as more in line with sustainable development).[3]

What the Scottish Government intends by the meaning of sustainable economic growth may depend on context and one statement (of what it is not) reads: "Economic growth that exceeds the limits of our environment or damages social and community cohesion is not sustainable".[4]

Inclusive growth has been added to the revised wording of the Single Purpose, so it reads: "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".

The consultation document explains that the title will be changed from 'The Government's Purpose' to 'Our Purpose' and "the Purpose has been slightly rephrased to reflect the commitment to an 'inclusive' economy and to balance this alongside our overarching aim to improve the 'wellbeing' of all Scotland's people".

As to what inclusive economic growth means, the Chief Economic Adviser said during the economic data inquiry: "There is no single measure of inclusive growth because it is multidimensional and it challenges you to look beyond GDP at a wider basket of measures...who benefits from the growth, the type of growth and the access and opportunities that provides".[5]

The Cabinet Secretary, during that same inquiry in 2017, placed the issue in the context of the NPF, the "basket of indicators" which measured "societal, environmental and economic progress and wellbeing" and the review of which this present consultation is part. He told us: "One element of the review is aligning that set of measures [NPF] with our measures of inclusive growth. Members will see that as part of the parliamentary scrutiny process in spring next year".[6]

Nora Senior, head of the Strategic Board, gave evidence as part of the Committee's economic performance inquiry, telling us: "I agree that inclusive growth means different things to different people and that we have not, as yet, bottomed out what the term means. Does it mean putting the whole of Scotland on a par, or does it mean that some areas have better-quality, higher-skill jobs while others suffer? There is a discussion to be had on the definition of inclusive growth and whether it should focus on gender, geography or generation. We have not quite reached a final conclusion on that."[7]

In his evidence to the Committee on 1 May, the Cabinet Secretary said “we must ensure that everyone shares the same definition of inclusive growth”. The Scottish Government’s definition was: “Growth that combines increased prosperity with greater equity; that creates opportunities for all and distributes the dividends of increased prosperity fairly”. He set out “distribution, equity and fairness” as the fundamentals and suggested there was “a common understanding of what inclusive growth seeks to achieve”.<sup>[8]</sup>

### *Alignment*

Alignment has been a much used word since the Enterprise and Skills Review and establishment of a Strategic Board. Policy coherence is perhaps another way of putting it.

The SPICe briefing states the Scottish Government has “not to date carried out any formal internal consistency checks of the NPF”. Asked about any potential conflict, the Cabinet Secretary told the Committee: “The design of the NPF and the consultation process acknowledges that stakeholders have different priorities”. However, in terms of the outcomes he said: “I do not think that there is any in-built tension.”<sup>[9]</sup>

Discussion of the NPF was limited during the evidence heard by the Committee during the economic data inquiry. Common Weal saw the NPF indicators as a “presentational tool” for assessment of progress rather than a means of offering any deeper understanding.<sup>[10]</sup>

SLAED described the indicators as “high level” but found the explanation behind variations were often “complex and could require analysis of sub-indicators”.<sup>[11]</sup> It called for the publication of sub-indicators. Common Weal also argued that scrutiny of an indicator was ineffective without assessing the underlying cause of a change.<sup>[12]</sup>

Audit Scotland referred to a 2016 audit of the enterprise agencies<sup>[13]</sup> and the challenge to assess progress with the economic strategy (which should link to the NPF). At the individual public body level it saw a lot of evaluation work on the impact of the enterprise agencies’ spending, but “found that it is very difficult to aggregate the information together.”<sup>[14]</sup>

In a written submission to the Committee as part of our budget scrutiny in 2017, Audit Scotland stated that Scottish Enterprise and Highlands and Islands Enterprise had “performed well against their agreed performance measures”. However, they also concluded that “measuring the impact of economic development activity is difficult”

One of the recommendations from the economic data inquiry was that the Scottish Government should examine the means by which it could embed monitoring and evaluation into its bills and other policy interventions. We also asked for recent examples of how and to what extent it has taken a statistical approach in the development of performance measures and targets pertaining to its economic policy.

The response from the Scottish Government stated: “Statistical evidence is frequently used in the development of performance measures and targets across Scottish Government and every effort is made to align these closely to the NPF”.

It provided the examples of the Life Sciences Strategy for Scotland 2025 Vision (published 2017) - informed by the work we do with Scottish Enterprise to produce the Life Sciences Cluster Statistics, the Ambition 2030 Food and Drink Strategy (published 2017) - informed by the food and drink statistics published in the our Growth Sector Statistics database, and its quarterly production of a statistical overview of those businesses signed up to the Scottish business pledge.

Towards the end of its *National Outcomes for Scotland* consultation document, it says: "We recognise the need for the focus on Outcomes to be integral to the work of Government and more widely, ensuring that it makes a real difference to people's lives as set out in the Purpose. This will require different ways of working within Government together with leadership and collaboration across the policy and delivery systems in Scotland".

The Scottish Government has previously talked of trying out new approaches "to turn broad Outcome intentions into concrete policy option and proposed actions".<sup>[15]</sup> There is, though, no information in the consultation document about integration into the wider public sector.

It is noted in the SPICe briefing that Scottish Enterprise's latest annual report seems not to have any explicit reference to the NPF or the Single Purpose, though the term "sustainable economic growth" is used.

The role of the Strategic Board is understood to be central to addressing how the enterprise agencies align with each other and with the NPF and Economic Strategy. While budgetary allocation, best value and targets for the enterprise agencies would remain the responsibility of ministers, the Cabinet Secretary told us in November 2017, the Board's key function was "to ensure alignment between different agencies and improve general economic performance".<sup>[16]</sup>

In terms of how alignment across the enterprise agencies will be approached by the board, Nora Senior told the Committee: "We will focus on who is doing what, as there is no point in reinventing the wheel. We want to eradicate duplication and align public sector, private sector and other organisations to look at who is best suited to do the job. Let us not fall over each other; let us look at whatever else we should be investing in as a priority".<sup>[17]</sup>

She said: "The strategic board does not have any input to the agencies' operational plans, but we can review them and measure the outcomes. The chairs of the agencies sit on the board; I see them as the lead into their own boards and agencies. Through them, we can ensure that the elements that are identified in the strategic plan are integrated in the development of the agencies' operational plans. The strategic board's role will then be to set measurements and undertake performance framework reviews so that we can analyse what has been achieved".<sup>[18]</sup>

Nora Senior described a need "to look at what is of high and low importance" in terms of economic impact in order "to identify areas of activity that we should just stop doing or that we should do much less of".<sup>[19]</sup>

Asked about strategic co-ordination and leadership, she said: "I would hope that the strategic board might feed into, and perhaps act as a catalyst for engagement between, some of the other bodies. You make a good point about other frameworks and agendas that are embedded in different parts; the strategic board must have an understanding of those policies and frameworks. We may well recommend closer engagement with the Scottish Fiscal Commission and the Scottish national investment bank. There should at least be some joined-up thinking in that respect, because one area will impact on the other."<sup>[20]</sup>

On the question of innovation, internationalisation, investment and inclusive growth – the four Is of the Scottish Government's Economic Strategy – and whether economic policy gives enough guidance and detail as to what is expected of the enterprise agencies, she

said: "It gives good guidance within the framework of each individual portfolio, but that is not joined up across the ministerial departments, which confuses the agencies. There are different outcomes and measurements—we need consistency in measurement."<sup>[21]</sup>

The Cabinet Secretary was asked on 1 May about the standards expected of the enterprise agencies and stated "there is no sense of their writing their own report card...or even of their writing the criteria by which they will be judged."<sup>[22]</sup>

## SDGs

[Transforming Our World](#) sets out the 17 Sustainable Development Goals adopted by the UN General Assembly in 2015 and the Scottish Government has committed to implementing the goals through the NPF.

The SPICe briefing points out that the findings from a consultation workshop held with the Open Government and Sustainable Development Goals Network are not available within the Scottish Government's consultation document.

However, in an [open letter](#) to the Scottish Government, Scottish Parliament, local authorities and others in January this year, the Network issued a call for key decision makers and institutions to publish the specific actions they are taking in the 17 critical areas reflected in the SDGs. Co-ordinator Paul Bradley said: "The SDGs are the closest the world has come to a plan to end extreme poverty, tackle inequalities and combat climate change, and Scotland was one of the first countries in the world to sign up in 2015. Now entering our third year of action, this letter presents an opening for civil society, business and government to come together to make sure that actions are taken in Scotland to see that the SDGs are achieved."

The responses to that letter will be published in May 2018.

Details of how the National Outcomes and Indicators align with the SDG targets and indicators are not set out in the Scottish Government's consultation document. But the Scottish Government has committed to redevelop the Scotland Performs website after the National Outcomes are finalised, informed by feedback from participants during the consultation and including "alignment to Sustainable Development Goals".<sup>[23]</sup>

The Cabinet Secretary told us that following consultation with the Parliament, the Scottish Government intended "to ensure that we fully acknowledge the UN sustainable development goals as a fundamental building block of the [NPF] framework".<sup>[24]</sup> Carol Tannahill said: "Our reporting on things that relate to our NPF will be on Scotland Performs and in the annual statement that we produce when the budget is proposed. We also link in with ONS on reporting on the wider set of indicators."<sup>[25]</sup>

Asked about the contribution and standing of trade unions, the Cabinet Secretary said suggestions had been made on some of the indicators and, while acknowledging there could be "creative tensions", he described the relationship as "very productive".<sup>[26]</sup>

On the inclusion of "employee voice" in the National Indicators, Gary Gillespie, the Chief Economist, said: "There is the potential to look at the percentage of employees whose pay is affected by collective agreement to try to get a sense of how open and transparent workplaces are on pay setting".<sup>[27]</sup> Carol Tannahill said this was "one of the areas where we have not tied down the indicators".<sup>[28]</sup> The Cabinet Secretary described trade union membership as "a vital part of the economy"<sup>[29]</sup> and said there had been "growth in interest around the issue of fair work, which is why we are focusing on the issue".<sup>[30]</sup> Mr

Gillespie said the NPF would address “what people tell us are the issues in the labour market: the types of job, tenure of employment and skills utilisation.”<sup>[31]</sup>

## Conclusions/key points

In reporting to the Local Government and Communities Committee, the EJFW Committee wishes to highlight the following points—

### *Consultation*

- The number of National Indicators has risen from 54 to 79 while the Chief Statistician has observed that other countries with a similar framework tend to have fewer than 50. We ask what the Scottish Government will do to ensure the total is manageable and meaningful.
- CBI and SCDI provided input to the Scottish Government’s consultation, but to what extent were the wider views of the business community – including SMEs, the mainstay of enterprise in Scotland – sought?
- Given the new focus on gender balance and outcomes, we welcome the fact that the views of Women’s Enterprise Scotland, among others, were sought.

### *Single Purpose*

- The Committee welcomes the Cabinet Secretary’s statement that all agencies should be working from the same understanding of what “inclusive economic growth” means. We encourage the Scottish Government to promote a consistent, commonly held and settled definition.
- One member of the Committee wanted a further revision of the single purpose, so as to read: “To focus on creating a more successful country with opportunities for all of Scotland to flourish through increased wellbeing and a sustainable economy”. The majority preferred “inclusive economic growth” to remain in the wording.

### *Alignment*

- We welcome Nora Senior’s desire to eradicate duplication in the enterprise agencies, to distinguish what is important and impactful from what is not, and to identify areas of activity that should be reduced or discontinued. The role of the Strategic Board in measuring, analysing, and better understanding what we are achieving in economic policy terms will be key if intentions are to be turned into solid outcomes.
- The Committee notes the Cabinet Secretary’s statement about the standards expected of the enterprise agencies and there being no sense of them writing their own report cards. We would welcome greater transparency in the setting of targets and objectives, as well as their being met.
- We asked Nora Senior whether the Scottish Government’s economic policy provided a clear enough steer of what is expected from the enterprise agencies. She felt the guidance was good within the framework of each individual portfolio, but not joined up across ministerial departments. Consistency in outcomes and measurements was called for to avoid confusing the agencies. The Committee asks the Scottish Government how it intends to achieve that consistency.

- We seek more information on what will be done to align not only the enterprise agencies but other key players in the economy, including the business community, and the new Scottish National Investment Bank.

### *SDGs*

- The Cabinet Secretary told us SDGs were “a fundamental building block of the [NPF] framework”. They are not just goals but a series of globally comparable targets and indicators, the detail of some of which may appear less relevant to Scotland than others (the incidence rates for tropical diseases, for example). The Scottish Government intends to report on those SDGs that sit with the NPF via Scotland Performs and the annual budget statement. It will also work with ONS for reporting on the wider set of indicators.
- The Committee asks to be kept updated on the collaboration with ONS and other plans the Scottish Government has for alignment of the goals within the NPF. Does the Scottish Government intend – whether in its work with the ONS or otherwise – to report on progress of the SDGs in a disaggregated way from the UK, particularly when it comes to devolved policy areas?
- We would also appreciate updates on what is intended for the refresh of the Scotland Performs site, informed by the review and consultation, in the interests of clarity and accessibility.

### *National Indicators*

- How will the impact of policy be measured if we are moving away from the previous specific time-based purpose targets? What will the benchmark be? Can the Scottish Government clarify how policy is to be tracked and monitored under the new framework?
- The Committee notes the discussion with the Cabinet Secretary and officials on the contribution of trade unions to the review and that the National Indicator on “employee voice” is still to be tied down. Does the Scottish Government intend to seek further input from the STUC and other relevant bodies in the development of this indicator? We ask to be kept informed as that area of work progresses.
- We welcome the review of the updated/refreshed National Indicators, essentially the level down from National Outcomes – the principle being to consider what *should* be measured rather than what we are currently able to measure – and which have been arrived at through wide consultation.
- The Committee considers this aspirational dimension to the review encouraging and helpful, particularly in light of our own recent inquiry into economic data and the call for a more agile, imaginative and ambitious approach, with data serving the common good and more tailored towards the making and scrutinising of policy.

### **Gordon Lindhurst MSP, Convener**

[1] LGAC Committee, OR.

[2] EJFW Committee, OR, 1 May 2018

[3]<https://sp-bpr-en-prod-cdnep.azureedge.net/published/2018/4/12/National-Outcomes-Consultation-2018/SB%2018-26.pdf>

[4]<https://beta.gov.scot/publications/scottish-regulators-strategic-code-of-practice/Scottish%20regulators'%20strategic%20code%20of%20practice.pdf?inline=true>

[5] EJFW Committee, OR, 14 November 2017, Col 22.

[6] EJFW Committee, OR, 14 November 2017, Col 23.

[7] EJFW Committee, OR, 27 February 2017.

[8] EJFW Committee, OR, 1 May, Col 16.

[9] EJFW Committee, OR, 1 May, Col 7. [10][http://www.scottish.parliament.uk/S5\\_EconomyJobsFairWork/Inquiries/EDI-005-Common\\_Weal.pdf](http://www.scottish.parliament.uk/S5_EconomyJobsFairWork/Inquiries/EDI-005-Common_Weal.pdf)

[11][http://www.scottish.parliament.uk/S5\\_EconomyJobsFairWork/Inquiries/EDI-008-SLAED.pdf](http://www.scottish.parliament.uk/S5_EconomyJobsFairWork/Inquiries/EDI-008-SLAED.pdf)

[12][http://www.scottish.parliament.uk/S5\\_EconomyJobsFairWork/Inquiries/EDI-005-Common\\_Weal.pdf](http://www.scottish.parliament.uk/S5_EconomyJobsFairWork/Inquiries/EDI-005-Common_Weal.pdf)

[13][http://www.audit-scotland.gov.uk/uploads/docs/report/2016/nr\\_160714\\_economic\\_growth.pdf](http://www.audit-scotland.gov.uk/uploads/docs/report/2016/nr_160714_economic_growth.pdf)

[14] EJFW Committee, OR, 3 October 2017, Col 24.

[15] The Scottish Ministers. (2018). National Outcomes for Scotland: consultation process undertaken to produce draft National Outcomes for Scotland. Edinburgh: Scottish Government.

[16] EJFW Committee, OR, 19 Nov, Col 25

[17] EJFW Committee, OR, 27 Feb

[18] EJFW Committee, OR, 27 Feb

[19] EJFW Committee, OR, 27 Feb

[20] EJFW Committee, OR, 27 Feb

[21] EJFW Committee, OR, 27 Feb

[22] EJFW Committee, OR, 1 May, Col 18

[23] The Scottish Ministers. (2018). National Outcomes for Scotland: consultation process undertaken to produce draft National Outcomes for Scotland. Edinburgh: Scottish Government.

[24] EJFC Committee, OR, 1 May 2018, Col 10

[25] EJFC Committee, OR, 1 May 2018, Cols 11-12

[26] EJFW Committee, OR, 1 May 2018, Col 20.

[27] EJFW Committee, OR, 1 May 2018, Col 21.

[28] EJFW Committee, OR, 1 May 2018, Col 21.

[29] EJFW Committee, OR, 1 May 2018, Col 22.

[30] EJFW Committee, OR, 1 May 2018, Col 22.

[31] EJFW Committee, OR, 1 May 2018, Col 23.

## **Social Security Committee**

Thank you for your letter of 3 April which was considered by the Committee at its meeting today.

In the time available to it, the Committee raised no issues and agreed to simply note the revisions. In doing so, the Committee noted that it could have been helpful to have had more time to consider this.

**Clare Adamson MSP, Convener**

## **Culture, Tourism, Europe and External Relations Committee**

I am writing to respond to your letter of 3 April 2018 on behalf of the Scottish Parliament's Culture, Tourism, Europe and External Relations Committee. The Committee considered the updated National Outcomes at its meeting on 26 April 2018 and agreed to write to you to indicate that it considers the inclusion of the following national outcomes to be appropriate:

- We are open, connected and make a positive contribution internationally;
- We are creative and our vibrant and diverse cultures are expressed and enjoyed widely.

In particular, the Committee welcomed the inclusion of a new outcome focused on culture, which responds to calls from stakeholders in the culture sector for the development of such an outcome.

Kind regards

**Joan McAlpine MSP, Convener**

## Equalities and Human Rights Committee

Thank you for your correspondence of 3 April seeking views on the revision of the National Performance Framework (NPF). The Equalities and Human Rights Committee has been considering issues around the NPF as part of our ongoing work programme.

As a Committee we recognise the importance of the national outcomes in terms of the delivery of equalities and human rights. Most recently, we commented on this in our report on the 2018/19 Draft Budget.<sup>[1]</sup>

Given our current workload, and the short timescale to feed in views on the NPF, we decided to draw evidence from work we are currently undertaking, or have recently undertaken, to respond to your request. We have supplemented this by seeking written views from specific stakeholders.

### Ongoing Committee Scrutiny

#### *Human Rights in the Scottish Parliament*

As you may know the Committee is currently undertaking an inquiry into Human Rights and the Scottish Parliament. This is timely given the inclusion of a specific human rights outcome in the NPF for the first time. As the scrutiny functions of the Scottish Parliament develop in terms of monitoring the delivery of equalities and human rights by Government and the public sector in Scotland, the revised NPF could provide an important tool in supporting the Parliament in this work.

In a written submission to our inquiry,<sup>[2]</sup> Audit Scotland commented on the potential for greater alignment between the NPF and the resources decisions and actions of the Scottish Government, and other public organisations. They cited the finding of their report on Supporting Economic Growth<sup>[3]</sup> which stated that while the NPF measures overall progress towards economic targets and outcomes, it does not measure the specific contribution of policies and initiatives to delivering these outcomes.

Audit Scotland also highlighted issues which need to be considered in order to ensure the successful implementation of the new outcome on human rights. They pointed out that policy implementation plans, and reform initiatives across the public sector, often lack indicators or measures to monitor their progress. Such indicators are necessary, they said, to support the assessment of progress, performance reporting and accountability.

#### *Scottish Government's Draft Budget 2018/19*

As part of our scrutiny of the Scottish Government's Draft Budget 2018/19, we looked at the use of the NPF by public authorities in embedding equalities and human rights as part of their work.

In our report on the Draft Budget 2018/19<sup>[4]</sup> we stated that outcome focused scrutiny should put emphasis on what budgets have achieved, and aim to achieve, over the longer term. However, we acknowledge the difficulty of linking the NPF with specific equality outcomes. We called on the Scottish Government to more closely link equalities in each of the indicators.

This echoed the call made by the Budget Process Review Group's in its final report on the reform of the budget scrutiny process.<sup>[5]</sup>

### Stakeholder comment on the revised NPF

A number of stakeholders who provided written submissions to the Committee as part of our scrutiny of the Draft Budget 2018/19, commented on the role of outcomes in the NPF. Therefore, we wrote to those stakeholders, seeking their views on the revised NPF.<sup>[6]</sup>

Responses were received from Comhairle nan Eileann Siar<sup>[7]</sup>, East Ayrshire Council<sup>[8]</sup>, Scottish Women's Convention<sup>[9]</sup>, the Scottish Human Rights Commission<sup>[10]</sup> and WiSE Group<sup>[11]</sup>. While the full responses are available online, we have summarised some of the key themes from those responses:

#### *Strategic Framework and Outcomes*

Both Comhairle nan Eileann Siar and East Ayrshire Council welcomed the revised national outcomes. East Ayrshire Council stated the outcomes should allow for better tracking of progress in reducing inequalities, promoting equality and encouraging preventative approaches. However, they expressed concerns around how progress will be measured in respect of a number of the proposed indicators and highlighted the need for robust measures to be put in place so that indicators can be tracked for all areas.

East Ayrshire Council also flagged the need for reliable data at a local authority level to be routinely collectable, and such data should be consistent over the longer term to allow progress to be tracked against agreed baselines.

The Scottish Women's Convention (SWC), and the WiSE Group also welcomed the revised NPF but expressed concerns over its ability to deliver on equality outcomes.

SWC referred to the fact that there are few specific commitments in the NPF to tackle gender inequality. This, they said, seems at odds with the decision to prioritise the delivery of the Strategic Development Goals (SDGs). While recognising the commitment to measure equalities dimensions wherever possible under each indicator, SWC stated that a specific outcome on gender could be incorporated in the NPF to underscore the commitment to tackle such inequality.

The WiSE Group highlighted what they saw as the problem of scrutinising and measuring performance on equalities, if equality outcomes are not specifically included in the NPF. They stated that the lack of explicit equalities outcomes in the NPF "could be due to the stated preference for an equalities "mainstreaming" approach whereby all policy areas and actions are assumed to be based on robust equality analysis of effective equalities data, at all stages of the policy process".

In their view, the specific lack of equality outcomes reinforced the need for parliamentary committees to look at equality outcomes expressed by public authorities through the Public Sector Equality Duty reporting requirements, as well as through other auditing and reporting systems.

In order to improve the links between the NPF and the scrutiny of actions to improve equality outcomes, the SWC recommends that parliamentary committees consider process outcomes, as well as qualitative and quantitative outcomes. For example,

scrutinising improvements made by public authorities in areas such as transparency, improved equality analysis and increased public participation in decision making.

The SHRC also welcomed the revised NPF, especially the inclusion of a specific outcome on human rights. They highlighted the very specific meaning which “respect, protect and fulfil”<sup>[12]</sup>—has with regard to realising human rights, based on the International Human Rights Framework. The SHRC said that human rights are relevant across all of the outcomes in the NPF and suggested that it would be useful if the narrative that sits alongside the new national outcomes could reflect this.

Furthermore, the SHRC also called for the inclusion of a specific outcome on violence - “We live free from violence in all its forms”. This repeated the recommendation the SHRC made to the Scottish Government in its original submission on the revised NPF, noting the consultation process it had undertaken on the NPF had highlighted this need.

The SHRC expressed disappointment the Government did not include such an outcome, considering the number of measures within the SDGs which focus on violence reduction.<sup>[13]</sup> This omission, the SHRC feels, is a significant gap in the NPF’s ability to measure SDG progress in these areas.

### *National Indicators*

In relation to the new indicators set out in the NPF, Comhairle nan Eileann Siar expressed some concerns of the potential burden of data collection. However, they welcomed the steps the Government has taken to engage with island-based residents, given their insights into how such indicators apply to rural and island communities.

The SWC also welcomed the consultation process undertaken on the indicators, especially with regard to the focus on children’s needs. However, they expressed a concern that the indicators focus primarily on the needs of children in urban areas, rather than also accounting for children in rural areas.

The WiSE Group expressed concerns that the indicators in the NPF are not comprehensively defined and do not express or reaffirm commitments to advance equality in a consistent manner. They stated that there is a lack of clarity on how the indicators have been formulated, what they mean, and how they are to be informed in a way that captures multiple equalities dimensions. The WiSE Group felt that Scottish Parliament committees should scrutinise the mechanisms and data sources which are used to inform the reporting process on indicators, and identify the data gaps required to make informed assessments of progress towards meeting outcomes.

The WiSE Group also commented on indicators for outcome 7, stating that “the term economic participation is used here as a proxy for paid employment in the formal labour market thus ignoring the productive capacity of unpaid, informal work which is mainly carried out by women”.<sup>[14]</sup> They also cautioned that there is no capacity within the indicators for consideration of the provision of unpaid care, or for the economic participation and contribution of people not in paid employment because of a disability, or their caring status and family status. However, they pointed to the fact that such people “are active economic agents”, through the paying of Council Tax, the buying of goods and services, and the contracting with others for the provision of care. The WiSE Group questions how the indicators under the NPF can measure the economic activities and participation of these people in society.

The SHRC called for the inclusion of human rights based indicators in the NPF. Best practise, the SHRC pointed out, shows that such indicators could help to measure progress. For the national outcome on human rights, the SHRC suggested such indicators could include: measuring Scotland's progress on delivering on outstanding UN treaty body recommendations; implementation of International Human Rights Standards into law and policy, and; the understanding of human rights and human rights analysis of the Scottish budget. The SHRC has undertaken to work with the Scottish Government's NPF team to develop further indicators in these areas.

### *Strategic Development Goals (SDGs)*

All stakeholders who responded to us welcomed the meeting of the commitment by the Scottish Government to implement the SDGs as part of the NPF. East Ayrshire Council stated the importance of prioritising the SDGs at both national and local level and the need to ensure the NPF is aligned not only to the SDGs and the Scotland's Action Plan on Human Rights (SNAP), but also to other duties, for example the Fairer Scotland Duty and the Child Poverty (Scotland) Act 2017.

The WiSE Group referred to the fact that the revised NPF identifies gender equality as core to all SDGs. However, it questioned why gender equality was not as explicit a commitment and focus for action and reporting in the NPF. The WiSE Group called for an explicit focus on gender equality in policy formulation and evaluation.

SHRC pointed out that as the NPF is a measurement framework it cannot ensure the implementation of the SDGs. The NPF sets the desired outcomes and the ways in which they will be measured, and attempts to relate those outcomes and indicators to the SDGs. However, the SHRC felt the effective implementation of the SDGs will require dedicated implementation plans by the Scottish Government to cover areas such as structural commitments, policy efforts, budgetary commitments and action planning.

### Conclusion

The EHRiC Committee draws to the LGC Committee's attention the submissions received from the stakeholders referred above. I hope you will find their comments useful to your consideration of the revised NPF.

The EHRiC Committee will continue to utilise its work programme to monitor and assess the role of the NPF in delivering equalities and human rights outcomes, for example through our scrutiny of the annual budget process, the Public Sector Equality Duty or other inquiry or legislative work.

If you have any further questions please contact the Clerk to the Committee at [equalities.humanrights@parliament.scot](mailto:equalities.humanrights@parliament.scot) or ring 0131 348 5223.

**Christina McKelvie MSP, Convener**

[1] [7th Report, 2017 \(Session 5\): Looking ahead to the Scottish Government's Draft Budget 2018-19 Making more of equalities and human rights levers \(1.2MB pdf\)](#)

[2] Audit Scotland submission to the Human Rights and the Scottish Parliament inquiry (Pars 24 - 28: [http://www.parliament.scot/S5\\_Equal\\_Opps/Submission\\_from\\_Audit\\_Scotland.pdf](http://www.parliament.scot/S5_Equal_Opps/Submission_from_Audit_Scotland.pdf))

[3] Supporting Scotland's Economic Growth, Audit Scotland (July 2016): [http://www.audit-scotland.gov.uk/uploads/docs/report/2016/nr\\_160714\\_economic\\_growth.pdf](http://www.audit-scotland.gov.uk/uploads/docs/report/2016/nr_160714_economic_growth.pdf)

[4] [7th Report, 2017 \(Session 5\): Looking ahead to the Scottish Government's Draft Budget 2018-19 Making more of equalities and human rights levers \(1.2MB pdf\)](#)

[5] Budget Process Report Group final report, recommendation 21 (June 2017): [http://www.parliament.scot/S5\\_Finance/Reports/BPRG\\_-\\_Final\\_Report\\_30.06.17.pdf](http://www.parliament.scot/S5_Finance/Reports/BPRG_-_Final_Report_30.06.17.pdf)

[6] Aberdeenshire Council, the Children and Young People's Commissioner for Scotland, Comhairle nan Eileann Siar, East Ayrshire Council, the Equalities and Human Rights Commission, Glasgow City Council, Moray Council, the Scottish Human Rights Commission, the Scottish Women's Consortium, the WiSE Group.

[7] Submission from Comhairle nan Eileann Siar: [http://www.parliament.scot/S5\\_Equal\\_Opps/Inquiries/Response\\_from\\_CnES\\_on\\_NPF.pdf](http://www.parliament.scot/S5_Equal_Opps/Inquiries/Response_from_CnES_on_NPF.pdf)

[8] Submission from East Ayrshire Council: [http://www.parliament.scot/S5\\_Equal\\_Opps/Inquiries/Response\\_from\\_East\\_Ayrshire\\_Council\\_on\\_NPF.pdf](http://www.parliament.scot/S5_Equal_Opps/Inquiries/Response_from_East_Ayrshire_Council_on_NPF.pdf)

[9] Submission from the Scottish Women's Convention: [http://www.parliament.scot/S5\\_Equal\\_Opps/Inquiries/Response\\_from\\_the\\_Scottish\\_Womens\\_Convention\\_on\\_NPF.pdf](http://www.parliament.scot/S5_Equal_Opps/Inquiries/Response_from_the_Scottish_Womens_Convention_on_NPF.pdf)

[10] Submission from the Scottish Human Rights Commission : [http://www.parliament.scot/S5\\_Equal\\_Opps/Inquiries/Response\\_from\\_SHRC\\_on\\_NPF.pdf](http://www.parliament.scot/S5_Equal_Opps/Inquiries/Response_from_SHRC_on_NPF.pdf)

[11] Submission from the WiSE Group: [http://www.parliament.scot/S5\\_Equal\\_Opps/Inquiries/WISE\\_Response\\_on\\_NPF\\_to\\_EHRiC\\_230418.pdf](http://www.parliament.scot/S5_Equal_Opps/Inquiries/WISE_Response_on_NPF_to_EHRiC_230418.pdf)

[12] National outcome on human rights: "We respect, protect and fulfil human rights, and live free from discrimination".

[13] SDGs in relation to violence include goals on reducing violence against women and girls, child abuse, sexual and psychological abuse of young people, FGM, human trafficking, hate crime and discrimination and harassment.

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