Finance and Public Administration Committee 27th Meeting 2024 (Session 6) Tuesday 1 October 2024

National Performance Framework – Inquiry into proposed National Outcomes

Purpose

- 1. The Committee is invited to take evidence from the following witnesses as part of the joint Committee National Performance Framework: Inquiry into proposed National outcomes:
 - Joanne Davidson, Director of Policy, Edinburgh Chamber of Commerce
 - Carmen Martinez, Policy and Engagement Lead, <u>Scottish Women's</u> <u>Budget Group</u>
 - Sarah Latto, Senior Policy Officer, Volunteer Scotland
 - Allan Faulds, Senior Policy Officer, <u>Health and Social Care Alliance</u> (The ALLIANCE)
 - Adam Boey, Business Planning and Performance Manager, <u>Stirling</u>
 <u>Council</u>
 - Dr Shoba John, Head of Obesity Action Scotland
- Links to the written submissions from those giving evidence are provided above. This evidence session follows on from evidence provided at the Committee <u>meeting on 17 September 2024</u> when evidence was provided by Carnegie UK, Dr Max French from Northumbria University, Scottish Human Rights Commission and Wellbeing Economy Alliance Scotland.

Background

- 3. The Scottish Government is required, under the Community Empowerment (Scotland) Act 2015 ('the Act') to consult on the National Outcomes, which set out the aims of the National Performance Framework (NPF), every 5 years. Alongside the proposed National Outcomes, the Scottish Government is required to publish a document setting out further details of the review, including information on its consultation and the responses received, as well as how the proposed National Outcomes have taken account of the views gathered.
- 4. The Scottish Government undertook a review of the National Outcomes in 2023, and, on 1 May 2024, laid its <u>proposed National Outcomes</u> in Parliament for formal consideration in a document entitled *Consultation with Parliament in connection with the Review of National Outcomes* (hereafter referred to as the "Review Document"). Those National Outcomes are set out in **Annexe A**.

- 5. The changes proposed to the National Outcomes in the Review Document are as follows:
 - **New Outcomes**: Care, Climate Action, Housing.
 - Amended Outcomes: Children and Young People, Communities, Wellbeing Economy and Fair Work, Education and Learning, Environment, Equality and Human Rights, Health, International, Reduce Poverty.
 - Unchanged Outcome: Culture.
 - Amended extended definitions (see Annexe 4 of the Review document): All the National Outcomes have proposed changes to their extended definitions, informed by the consultation evidence. The extended definitions provide greater detail of what is covered by each National Outcome.
- 6. On 19 June 2024, the Scottish Government published its impact assessments on how the proposed National Outcomes will impact on <u>equalities</u>, <u>island</u> <u>communities</u>, <u>child rights</u> and <u>fairer Scotland</u>.
- 7. As confirmed by the then Deputy First Minister and Cabinet Secretary for Economy and Gaelic's <u>letter of 17 May 2024</u>, a longer period for statutory consultation of Parliament is proposed (than the 40 days in the Act). As such that consultation should be concluded by 29 November 2024 with the Parliamentary debate scheduled for the week beginning 25 November 2024.
- 8. In its Review document, the Scottish Government are proposing changes to the purpose of NPF and most of the National Outcomes. It explains that these changes are a "necessary course correction rather than another complete overhaul" as was seen following the last statutory review in 2018. The 2018 Review saw a "significant repositioning" of the NPF including making it a framework for the whole of Scotland and adding the values section and simplifying the overall format and language.
- 9. The Review Document explains that within the wider context of the Verity House agreement¹ "changes to the NPF have only been recommended where there is strong evidence that this is necessary to ensure the NPF remains ambitious and forward looking for the coming five years, as it did in 2018."
- 10. The Scottish Government explains that National Indicators, which are used to measure progress towards the National Outcomes, will be revised to reflect the final agreed National Outcomes. An Implementation Plan, which will be informed by the review, is expected to be published by the Scottish Government alongside its final agreed National Outcomes. The timetable for publishing the agreed National Outcomes (following Parliamentary consultation), the associated Implementation Plan and the National Indicators has yet to be confirmed.

¹ In June 2023 the Convention of Scottish Local Authorities (COSLA) and the Scottish Government agreed a new Partnership Agreement setting out a collective vision for a more collaborative approach to delivering on shared priorities – it is referred to as the Verity House agreement.

Committee Scrutiny approach

- 11. The Finance and Public Administration (FPA) Committee is the lead committee for the Scottish Parliament's scrutiny of the proposed National Outcomes. As the National Outcomes fall within the remits of a number of committees, Committee Conveners agreed a joint approach to scrutiny at the Conveners Group meeting on 26 April 2023.
- 12. The FPA Committee wrote to all Conveners on <u>6 March 2024</u> and again on <u>3 May 2024</u> setting out the scrutiny approach to be undertaken by Committees. As set out in the letters, following the proposed National Outcomes being laid, the FPA Committee co-ordinated a joint call for views and news release. The joint call for views on the proposed National Outcomes ran from 13 May 2024 to 28 June 2024. The consultation received 72 submissions which are available to view on <u>Citizen Space</u>. The call for views questions are attached at **Annexe B** and SPICe has provided <u>an analysis of the responses received</u>.
- 13. Whilst it will be for each Committee to consider their approach to scrutiny of issues raised in submissions that relate to their remit, the Finance and Public Administration Committee has agreed that it will focus more on the cross-cutting elements of the proposed National Outcomes and the review.
- 14. This approach also builds on themes arising from the Committee's previous inquiry entitled: <u>National Performance Framework: Ambitions into Action</u>, with the Committee publishing its <u>report on 3 October 2022</u> (hereafter referred to as the "2022 NPF report"). Where particularly relevant, the findings from that inquiry and <u>the subsequent response</u> to the Committee's report from then Deputy First Minister and Cabinet Secretary for Covid Recovery, John Swinney MSP, (hereafter referred to as the 'then DFM') are referenced in this paper.

The National Performance Framework (NPF) and its purpose

- 15. The Review document explains that the NPF is Scotland's Wellbeing Framework "setting out a vision of societal wellbeing through the National Outcomes and charting progress towards this through a rage of social environmental and economic indicators."
- 16. In its 2022 NPF Report the Committee reflected upon the evidence it heard about the title of 'the NPF' and whether it adequately reflected the way in which it is intended to operate. The Committee welcomed the then DFM's commitment to reflect on the terminology within the NPF and its title, particularly if, as a consequence of that review the NPF moves further away from being a 'Performance Framework.'
- 17. In its Review document, the Scottish Government reports that amongst the main themes arising from the consultation responses it received were "change the

purpose wording" and "change the name of the NPF". Evidence it received proposed changing the name of the NPF to 'Scotland's Wellbeing Framework' in order to improve clarity about the role and purpose of the framework. There was, however, also concern that changing the name of the NPF could impact on the "framework's brand" as built up since 2007. Another concern was whether removing 'performance' could be perceived as altering the focus of the framework. The Review document confirms that the Scottish Government does not propose to change of title of 'the NPF'.

18. The Scottish Government does, however, propose to change the purpose of the NPF (set out below) based on the consultation and engagement it undertook.

Current 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.

Proposed Purpose: To improve the wellbeing of people living in Scotland now and in the future.

- 19. The joint Committee consultation invited comments on the changed purpose of the NPF and, whilst the extensive coverage of the NPF on key areas impacting wellbeing was largely appreciated, there were concerns regarding the omission of explicit references to economic growth. Others also suggested that the scope of the NPF should extend beyond Scotland to reflect a global outlook.
- 20. At the meeting on 17 September the Committee heard that:
 - a. The NPF has evolved to be more in line with international comparators of what is called a wellbeing framework;
 - b. The title of the NPF is misleading and that, if wellbeing is the focus, then it should be in the title rather than the focus on performance measurement.
 - c. The name is important but it is also key that it is used;
 - d. The 13 outcomes could be too many (compared with, for example: seven wellbeing goals in Wales). This risks each Government department focussing on those 1-2 Outcomes most relevant to them rather than collaboration across the Outcomes.
- 21. In its submission Edinburgh Chamber of Commerce (ECC) state that they "believe removing the reference to a 'successful country' removes an element of the ambition that the original purpose contained." Removing the reference to the economy risks, they suggest, "losing the focus on something that is a critical enabler of people's wellbeing." Whilst reviewing the National Outcomes is important to make sure they are kept up to date, they explain that some of the changes appear to have reduced the focus on the role of business or downgraded the ambitions for the economy. Productivity should also be better

reflected within the National Outcomes given it is "critical to improvements in living standards."

- 22. Scottish Women's Budget Group (SWBG) welcomes the updated purpose of the NPF "not referencing the economy or economic growth" which could have made improving wellbeing something contingent on the economy. They add that the focus on wellbeing "is important as for a healthy economy we must have a healthy population." Their submission focuses on the Care and Equality and Human Rights (EHR) Outcomes. They believe that "driving national wellbeing is simply not possible without putting care at the centre of all that we do." They welcome the EHR outcome but call for an "outcome on Gender Equality, and most importantly, strong and clear indicators linked to budgets and monitoring systems would help drive action beyond care, by, for example, embedding gender analysis across all policy areas."
- 23. Volunteer Scotland welcome the "clear and central commitment …for the National Performance Framework (NPF) and believe that the focus on future generations is vital." Whilst largely welcoming the simpler focus on wellbeing, both now and in the future, the proposed purpose could better reflect collective responsibility. They recommend "that a better purpose could read 'To facilitate collective responsibility for improving the wellbeing of people living in Scotland now and in the future'."
- 24. The Alliance agree with the new purpose for the NPF as more "streamlined and accessible than the previous version, whilst keeping the focus firmly on wellbeing" rather than "a narrow focus on GDP growth". They welcome many of the changes to the National Outcomes such as the addition of a Care Outcome, and the expanded title for the "Equality and Human Rights" Outcome.
- 25. Obesity Action Scotland (OAS) find the updated purpose "watered down" compared with the previous purpose and they express concern that specific reference to sustainable and inclusive economic growth has been removed. They explain that ensuring economic growth is both sustainable and inclusive "is an essential component of meeting the aims of the National Performance Framework, and to deliver a healthier and happier Scotland for all." They also note that 'flourish' has been replaced by 'improve' which they consider to be less ambitious and are "concerned about the practical implications of this for what the National Performance Framework seeks to achieve." OAS welcome the forward-looking nature of the purpose but consider that the legislative requirement for public services to have regard to the NPF needs to strengthened through the proposed Wellbeing and Sustainable Development Bill.
- 26. Stirling Council consider that the NPF is misnamed since a framework should provide a "particular arrangement of elements showing the relationship between these elements alongside an explanation as to the purpose of the structure". What is currently missing, but is vital, is to connect the activity of the public sector (and others) to the National Outcomes so how the government will deliver the

National Outcomes is understood, specifically linking effort and investment to each outcome.

- 27. They agree with the changed purpose but question whether, if the National Outcomes are 'for all of Scotland', the NPF "should be repositioned as the mechanism or tool for achieving the national outcomes, i.e. secondary to the outcomes." They also explain that if it is for National and Local Government to deliver the National Outcomes and look to work with others, then the NPF/National Outcomes "cannot and should not prescribe" what others such as the public and private sectors do.
- 28. They add that "Any performance framework is a tool to measure, as set objectives are delivered, not the driver for the action to take place and should be positioned as such."

Cross-cutting issues

- 29. Responses to the joint call for views identified some cross-cutting themes that needed to be better integrated across all proposed National Outcomes. Those themes were Equalities/Human Rights, and Sustainability. It was considered that addressing these issues not only requires a comprehensive and integrated approach to policy design and implementation but that incorporating them across the proposed National Outcomes could result in more effectively achieving the NPF goals of promoting inclusive growth and reducing inequalities.
- 30. In its Equality Impact Assessment, the Scottish Government noted the evidence it received calling for a more gendered NPF. In response they propose to mainstream gender more effectively across the National Outcomes. They also respond to concerns regarding the lack of disaggregated data, commenting that due to how the NPF data is collected and presented "it is currently not possible to take an intersectional approach." Work is however underway to "pursue a route to providing intersectional information on the National Indicators."
- 31. In its Programme for Government for 2021/22 the Scottish Government confirmed that it would further develop the use of the NPF through the then upcoming review of National Outcomes and through consultation on a Wellbeing and Sustainable Development Bill. In response to the Committee's 2022 NPF report the then DFM explained that "The proposed Wellbeing and Sustainable Development Bill will be informed by the findings of this report as well as the findings of the upcoming Review of National Outcomes." The Bill is not identified in the First Minister's <u>year four priorities for the legislative programme 2025-26</u> published on 4 September 2024. In December 2022, Sarah Boyack MSP lodged a proposal for a Wellbeing and Sustainable Development Bill which following consultation has now secured the right to be introduced as a Bill. As part of that consultation the potential for the proposed bill to improve the efficacy of the NPF as the distinct overarching framework for achieving National Outcomes was recognised by respondents.

- 32. In addition, as the SPICe <u>briefing on the Programme for Government (PfG) 2025-</u> <u>26</u> notes "The PfG makes no reference to the National Performance Framework (NPF) or how the measures set out under each of the four priorities will contribute to the National Outcomes which underpin the NPF."
- 33. At the meeting on 17 September the Committee heard that human rights and equality need to be included within the National Outcomes. This is both as a standalone National Outcome but also across the National Outcomes, as understanding of human rights and equality is not yet sufficient for them to be fully mainstreamed into the Outcomes.
- 34. Commenting on the impact of the National Outcomes on inequality, SWBG explain that National Outcomes need to drive spending, collaboration and/or decision making. They explain that unless accompanying indicators are strong and specific enough and include indicators that ensure budgets support the NPF's vision for Scotland, "it is hard to assert that the new proposed National Outcomes will make an impact on inequality." New Impact Assessments also need to be carried out on the revised National Outcomes and could inform the creation and/or revision of national indicators.
- 35. The Alliance consider that the National Outcomes have the potential to make a significant contribution to tackling inequality but that "delivery against the National Outcomes and the NPF is reliant on the government dedicating sufficient resources to doing so." If the National Outcomes are not matched with action and funding, "then their impact on reducing inequalities will unfortunately be limited."
- 36. The Alliance explain that inequality is not sufficiently considered despite being detailed as a primary consideration of all the National Outcomes. Whilst they welcome inequality being mentioned in some of the Outcomes and some indicators, these are outlined as measures and "the Outcomes say very little overall about how inequality will actually be reduced." They add that commercial, and other wider determinants of health, are also not reflected or properly considered within the National Outcomes, which they consider to be a significant omission.
- 37. Stirling Council consider that if wellbeing is central to the purpose of the NPF then there is not enough recognition of the huge inequalities that exist in communities. As such describing the National Outcomes is not enough to lead to change, "It is the array of structured activity that occurs: programmes, investment, interventions which are specifically designed to affect change that make an impact on place and people." It is the delivery mechanism that is important in setting out how and who will deliver the National Outcomes and will be accountable for them.

UN Sustainable Development Goals

- 38. The Review document explains that the NPF is a framework "to localise the United Nations Sustainable Development Goals (SDGs). Progress towards the National Outcomes is a proxy for progress towards the SDGs given the close alignment between the two."
- 39. In its Review document the Scottish Government report that they had heard from stakeholders that alignment with the United Nations (UN) SDGs could be improved. The Scottish Government then sets out the ways it has addressed this including a new Climate Actions Outcome that mirrors the wording of SDG13 and more effective representation of equalities in some National Outcomes. In addition, consideration will also be given "during the development of National Indicators to the consultation evidence received that suggested how better to align the Indicators with the SDG indicator set."²
- 40. Submissions to the joint Committee call for views commended the effort to incorporate SDG principles into the NPF but also called for improvements. SHRC consider that the proposed National Outcomes could align well with the UN SDGs but called for more explicit linking between each outcome and relevant SDG goal within that Outcome's narrative (along with suitable targets and indicators) to enhance coherence and accountability.
- 41. SWBG consider that the proposed National Outcomes better align with the UN SDGs and that any differences between them could be due to the specific context in Scotland. They note that in some respects, the proposed National Outcomes are "less ambitious" than the UN SDGs. For example, SDG1 seeks to achieve 'no poverty' by 2030, as opposed to 'reduce poverty' (National Outcome)." They reiterate their concerns about a lack of focus on gender equality in the National Outcomes (which is a specific UN SDG).
- 42. The Alliance also consider that the National Outcomes align well with the UN SDGs but, as noted by SWBG, "it could be argued that some of the National Outcomes are slightly less ambitious in their formulation than the equivalent SDGs."
- 43. Volunteer Scotland also consider that the proposed changes bring the National Outcomes "more in line with the Sustainable Development Goals, whilst maintaining a particular focus on Scotland specific priorities such as Care." They set out some areas where the National Indicators could be improved to better reflect the contribution of volunteers in achieving the National Outcomes.
- 44. OAS agree that the proposed National Outcomes do largely align with the UN SDGs but that the absence of an agreed definition in legalisation of sustainable development could "make it more challenging to map alignment with the SDGs."

² Paragraph 77, Review document

They consider that the consultation on the Scottish Government's proposed Wellbeing and Sustainable Development Bill suggested such a definition. Enshrining that definition in legislation will "help strengthen linkages between the SDGs and National Outcomes."

Scottish Government's consultation on the proposed National Outcomes

- 45. The Act sets out that the Scottish Government, as part of its review of National Outcomes, must lay in Parliament a report describing the consultation it has carried out, the representations it received and how they have been taken account of.
- 46. For this review the Scottish Government's consultation aimed to build on the 2018 review, primarily considering the National Outcomes, but also considering the purpose, vision, name and presentation of the NPF and its implementation and data. The consultation and engagement phase of the Scottish Government's Review consisted of four strands: Desk-based research, Online consultation, Call for evidence and Stakeholder workshops.
- 47. The Scottish Government held an online consultation and call for evidence on the National Outcomes between 14 March to 12 June 2023. The Scottish Government received a total of 87 responses to the consultation and 125 responses to the call for evidence. Further details, including the results, can be found in the thematic analysis <u>summary report</u> in Annexe 3 of the Review document.
- 48. Respondents to the joint Committee call for views had mixed views on the approach taken by the Scottish Government to its consultation process. Some respondents stated that the consultation process was thorough and inclusive, that a broad range of perspectives were considered, and that the proposed National Outcomes demonstrate that feedback from the consultation process has been considered and absorbed. Others highlighted concerns around the scope and meaningfulness of the Scottish Government's consultation process.
- 49. Whilst the Scottish Government's thematic gender review and its commissioned report from the Children's Parliament³ are both welcomed, a number of respondents raised concerns surrounding the data available from the consultation exercise. A number of respondents also highlighted the missed opportunity to connect the NPF and National Outcomes to a range of Scottish Government policies and plans as well as local plans.
- 50. Several respondents, such as Engender, note the lack of disaggregation of the responses received to the Scottish Government's consultation in the consultation

³ This report reviewed the work of the Children's Parliament from 2018 to 2023 in the context of the NPF.

document. They also query when the Scottish Government's thematic gender review will be published.

- 51. At the meeting on 17 September witnesses highlighted:
 - a. The Scottish Government's consultation was disappointing and should have been more ambitious and in line with international best practice, rather than a repeat of the approach taken to the 2018 consultation. It was suggested that the legitimacy of the framework and, ultimately, the political power that it commands, is due in large part to the quality of the consultation.
 - b. It appears that awareness of the NPF has diminished due in part to the lack of ambition in the consultation. One of the important principles of a wellbeing economy is the participatory element so that decisions are inclusive. Adopting that approach could have resulted in fewer, more inclusive, higher level National Outcomes achieved through discussion and participation. The digital divide means not everyone could have accessed the online consultation.
 - c. Whilst the Scottish Government NPF team did the best they could with the consultation and the data they had, given their resources, "If the NPF is to be our vision for Scotland, everybody's views have to be part of it."
 - d. If the consultation process is weak then essentially it is the Government setting the goals, and the National Outcomes will be seen as the Government's priorities rather than everyone's.
- 52. SWBG said they "found the consultation accessible, and the questions concise and clear" but questioned how accessible the public would find it. They also had concerns about how the information gathered was analysed: "For example, the consultation document does not provide any disaggregation of responses, which means we do not know how representative the responses are, or who we are hearing from or if there are any differences in what groups are saying." They also question the representativeness of the desk-based evidence, for example the use of community action plans. SWBG question "whether other/different themes would have been identified if other reports had been assessed."
- 53. The Alliance considers that the consultation responses to the Scottish Government were taken seriously and has clearly shaped government policy given the Government has proposed an Outcome on Care – a major request by the Alliance. In relation to the part of the Government's consultation regarding National Indicators, they suggest that until a revised set of Indicators have been published, "it is not possible to say whether that aspect of the consultation has been similarly meaningful."
- 54. Stirling Council considered the consultation adequate but suggested that "there has been an opportunity missed in collaborating with the Government's partners

regarding delivery." In addition, a reflection on performance is missing "which should lead to a management response".

Joined Up Decision-making

- 55. As the Review document states, the NPF has several functions including that "it provides a framework for collaboration and planning of policy and services across the whole spectrum of Scotland's civic society, including public and private sectors, voluntary organisations, businesses and communities." It explains that decision-making is supported by reporting "systematically and objectively across a range of economic, social and environmental indicators." This helps to understand publicly and transparently the progress being made towards realising the NPF vision and the data provided helps "us to understand the challenges in achieving our outcomes and helps us focus polices, services and resources on tackling those challenges".
- 56. In its 2022 NPF Report the Committee reported its concern that a number of National Indicators still have no data, almost five years after the last review which "hampers the ability to fully track and scrutinise progress in those areas. We therefore recommend that the next iteration of the NPF includes a set of indicators...agreed, between Scottish Government, local government and relevant sector representatives, to best track progress in delivering the outcomes. We consider that these should not be left for development."
- 57. As well as considering how the next iteration of National Indicators can better align with the indicators for UN SDGs, the Review document sets out⁴ how the indicators will be developed as well as the quality and assurance analysis they will have to undergo. In addition, feedback will be sought from the NPF related Policy Advisory Group (PAG) and Expert Advisory Group (EAG), and the Scottish Government's Executive team.
- 58. How the National Outcomes influence decision-making was a key focus of the Committee's 2022 NPF report. As the Scottish Government acknowledged, its approach has been "more carrot than stick" when it comes to the use of the NPF to influence policy making and delivery. The Committee found that the NPF is not seen as explicitly or transparently driving financial decisions by the Government nor for holding organisations to account organisations for spending funding effectively. A core part of the Committee's report recommendations was that there should be a 'golden thread' from the NPF through all other frameworks, strategies, and plans to delivery on the ground. The Committee added that "the current approach whereby the NPF is sometimes seen as "implicit" in policy development and delivery does not reflect the status or importance the Scottish Government, COSLA and others consider it should have."

⁴ see paragraphs 79-81.

- 59. Responding, the Scottish Government recognised the challenges and committed to publish a set of resources alongside the next iteration of the NPF that will better explain and showcase how it can be used in policy development and delivery.
- 60. Many of the concerns in the Committee's 2022 NPF report are also echoed in the submissions to the joint Committee call for views. Some, such as Audit Scotland, highlighted that "Currently, it is not clear how budgeted spending which is working towards shared wellbeing outcomes fits together".
- 61. At the meeting on 17 September, the Committee heard how the drivers of decision making are too weak so "we can extrapolate from the fact that we are not seeing the national performance framework really driving alignment and activity in Scottish public bodies that the duty that exists at the moment to have regard to the national outcomes is not really worth the paper that it is written on." The much stronger duty in the Well-being of Future Generations (Wales) Act 2015 and its specified ways of working are seen to drive decision-making in relation to their well-being Outcomes.
- 62. ECC state that joined-up working and policymaking, both across government but also between different sectors and society, is critical to achieving these outcomes. They question "how well this works in practice, particularly in terms of the cut through that the Outcomes have". They highlight their experience of how infrequently the National Outcomes are referenced by politicians or civil servants, in their interactions with ECC. As such "Outcomes is probably far lower than it needs to be in order to be effective in driving joined-up policymaking and action in broader society too."
- 63. SWBG highlight the importance of robust indicators to measure progress. They note that previously only 2 of the 81 indicators relate specifically to women and quote that "The NPF was not well gendered and as a result it is possible that progress towards the NPF outcomes will be made in a way that entrenches women's inequality (Engender 2022)". They suggest a range of ways to make Scotland 'gender competent' including "to improve the overall NPF and indicators, the Scottish Government should develop appropriate budget analysis, tracking and monitoring systems." This would, they contend, help "understand how budget decisions align with the NPF and the outcomes that have been identified as a measure of what Scotland values."
- 64. SWBG note that "There are examples within the proposed National Outcomes that indicate these could support a more joined-up approach to policy making." They are encouraged, for example, to see that the National Outcome on Care also addresses the topic of poverty. That said, they observe that there is no mention in the Care Outcome, Reducing Poverty Outcome or in the Equalities and Human Rights Outcome "of the role of budgets or the need to maximise available resources to ensure the realisation of rights or progress on the National Outcomes."

- 65. The Alliance consider there is significant potential for the proposed National Outcomes to support joined-up decision-making but that "can only be realised by the Scottish Government making a concerted effort to firmly embed the NPF and the National Outcomes in decision-making at all levels." As such, the implementation gap between policy intentions and experiences on the ground needs to be addressed. They also observe that based on feedback from their members, awareness and understanding of the National Outcomes is "not particularly widespread", adding that where the public sector may be commissioning services from the third or private sectors, a clear understanding of the National Outcomes will be necessary to ensure that those services contribute to achieving them.
- 66. OAS explain that the proposed National Outcomes will support this joined-up policy making and reduce the implementation gap to an extent as wellbeing is identified as a common thread through most of the Outcomes. However, "we do not feel that this is reflected strongly enough and will therefore not deliver truly joined-up policy making in Scotland. There still remains too many competing priorities within the National Outcomes, such as (public) health and economic growth, which prevent this from happening in reality, and the Outcomes say very little about how such tensions will be resolved." They add that a specific indicator focused on ensuring delivery on joined-up policy making and coherence is needed to achieve this, as "without one, a joined-up approach will be challenging to achieve."
- 67. Stirling Council consider that whilst National Outcomes provide an opportunity to realise joined up working across all levels of government, an explicit mechanism is needed with specific reference in major national and relevant local programmes linking to a delivery plan. That doesn't currently exist. They suggest that adoption of a logic model (theory of change) approach (as used in Results-Based Accountability or Outcomes-Based Accountability) would provide such a delivery mechanism.

Implementation

- 68. In its 2022 NPF report the Committee made a number of recommendations aimed at making more sustained progress towards achieving the NPF vision and to ensure its ambitions are translated into action. Those recommendations included a more systematic approach to the implementation of the next iteration of the NPF, including consulting on that plan as part of the next review of the National Outcomes.
- 69. The then DFM agreed and, as part of its review of the National Outcomes, the Scottish Government sought views on how to improve implementation of the NPF. It received 874 consultation comments related to the 'Implementation Gap' which were focussed around five key themes of Policy, Delivery, Funding, Legislation and Accountability. The Review document set out that "analysis of the

implementation gap of the National Outcomes noted several common barriers including policy coherence, a complex reporting landscape, difficulties embedding the NPF in practice as a driver of change, and dissatisfaction with current funding models."

- 70. The Review document explains that in terms of developing the implementation plan, the Scottish Government is committed to working with a wide range of stakeholders throughout its development and that the plan will be published alongside the final agreed NPF (which follows on from the completion of Parliamentary consultation). It sets out⁵ how the plan will be informed by evidence and developed in order to set out "a route for change". The evidence received by the Scottish Government will feed into the plan and has been passed to the legislation team to continue work on the Wellbeing and Sustainable Development Bill.
- 71. Responses to the joint Committee call for views also highlighted the need for a robust implementation plan and accountability to ensure there are tangible improvements. This includes detailed action plans specifying the steps needed to achieve each outcome as well as metrics to monitor progress and evaluate success.
- 72. At its meeting on 17 September, the Committee heard that:
 - a. There has been no implementation strategy for the NPF in Scotland even though there are plenty of practical examples of how that can be achieved such as in Wales and Northern Ireland. There is also a role for stronger legislation to specify ways of working with the NPF to build capacity as well as a duty to use it;
 - b. The NPF has not been taken seriously as a fundamental principle and the National Outcomes are not paid due attention. It has a lack of prominence across Government and public services where accountability is focussed on expenditure and not on delivery of the cross-cutting Outcomes as well;
 - c. The NPF is needed in order to provide a shared long term national ambition, to tackle long term issues such as climate change, poverty and inequality and to ensure a focus on long-term outcomes when resources are tight;
 - d. There is a disconnect between the Budget, the NPF and the Programme for Government - those documents "need to talk to each other" to support effective investment in public services. Wellbeing budgeting is challenging to do but there is an opportunity to link all of those documents together and to regalvanise a consistent approach to public service reform, with the NPF "as the headlining act".
 - e. Linking accountability to the NPF is a key part that is missing in its implementation. Previously the responsibility to deliver the National Outcomes was widened from the Scottish Government to include local

⁵ See paragraphs 82-84

authorities, public bodies, businesses and civil society. and this could have led to a dilution about who is responsible for delivery and is therefore accountable;

- f. One approach could be to have accountability for contributions towards delivery of cross cutting National Outcomes this starts with the government setting out what is to be achieved, how and with what resources.
- g. The Outcomes and Indicators are two separate processes, "but they should really be part of the same discussion, because how you measure what is important is to measure what you treasure."
- 73. ECC consider that "A strong communications strategy, implementing partners across the sectors, will be critical to ensure that the Outcomes are more solidified in the national consciousness." This, they explain, will ensure policymakers are focussed on them, more voters are aware of them and it will put National Outcome higher on the priority list.
- 74. SWBG highlight the importance of connecting budgets to the National Outcomes and that omitting a reference to the role of budgets in realising the ambition of the National Outcomes and the purpose of the National Performance Framework is "a missed opportunity." This also affects how these are used to monitor the decisions/spend by organisations funded by the Scottish Government. SWBG highlight the current information in the Budget document of the "intended contribution" of the budget to the National Outcomes as high-level and theoretical which "could lead to implementation gaps" and limits scrutiny of how each budget decision contributes to the Outcomes. The implementation plan should include targets for each outcome, and where these Outcomes support each other to increase policy coherence.
- 75. SWBG also highlight the importance of participation as a key principle for Gender budgeting and propose that "The Wellbeing and Sustainable Development (Scotland) Bill should make it a legal requirement for meaningful public engagement on the National Outcomes" to support better understanding and why and how the Government makes decisions about what to prioritise such as the National Outcomes.
- 76. Volunteer Scotland consider that the National Outcomes provide a clear framework for understanding and navigating the policy landscape, but "it can still be difficult for organisations and individuals to understand how they can influence policy." They call for greater transparency and recommend regular email updates on each National Outcome as part of its implementation and "the introduction of a lead contact for each National Outcome who could facilitate connections between policy makers and those seeking to influence policy out with government."
- 77. The Alliance consider that the implementation plan should "outline what actions are necessary for the Scottish Government to further embed the use of the

National Outcomes within its own work." This includes ensuring that its legislation, strategies and related publications outline how they will contribute to achieving the National Outcomes, how that contribution will be measured as well as accountability. They explain that the "effectiveness of the National Outcomes will depend substantially on the indicators that the Scottish Government uses to measure them". They highlight areas where the indicators could be improved, including that "consideration should be given to indicators that relate to more quantifiable aspects of public service delivery."

- 78. OAS explain that the implementation plan should contain a commitment to strengthen the Community Empowerment Act, including that the current requirement to 'have regard to' is changed to "a statutory duty to ensure full compliance." The implementation plan should also set out how the Outcomes will be funded. Clear definitions of wellbeing and sustainable development, established through the Wellbeing and Sustainable Development Bill, should also be detailed within the implementation plan.
- 79. Stirling Council consider that "Along with an absence of a delivery mechanism, the NPF has no active governance structures, which means there is no accountability for delivery." They explain that two key components are needed to ensure delivery: a "Hierarchical ownership and accountability for each national outcome" and a "single theory of change delivery model for each national outcome" which should include intermediate outcomes and interventions.

Committee Clerking Team September 2024

The proposed new National Outcomes

CARE	We are cared for as we need throughout our lives and value
	all those providing care
CHILDREN AND	We grow up loved, safe and respected and every single one of
YOUNG PEOPLE	us can realise our full potential
CLIMATE	We live sustainably, achieve a just transition to net zero and
ACTION	build Scotland's resilience to climate change
COMMUNITIES	We live in communities that are connected, inclusive,
	empowered, resilient and safe
CULTURE	We are creative and our vibrant and diverse cultures are
	expressed and enjoyed widely
WELLBEING	We have a competitive, entrepreneurial economy that is fair,
ECONOMY AND	green and growing, with thriving businesses and industry and
FAIR WORK	fair work for everyone
EDUCATION	We are well educated, have access to high quality learning
AND LEARNING	throughout our lives and are able to contribute to society
ENVIRONMENT	We actively protect, restore, enhance and enjoy our natural
	environment
EQUALITY AND	We respect, protect and fulfil human rights and live free from
HUMAN RIGHTS	discrimination
HEALTH	We are mentally and physically healthy and active
	the are mentally and physically healthy and deave
HOUSING	We live in safe, high-quality and affordable homes that meet
	our needs
INTERNATIONAL	We are connected, open, show leadership and make a
	positive contribution globally.
REDUCE	We tackle poverty by sharing opportunities, wealth and power
POVERTY	more equally
	more equally

Joint Committee Call for views questions

At present, the NPF purpose 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". The Scottish Government proposes to update the NPF's purpose to "To improve the wellbeing of people living in Scotland now and in the future"

- 1. What are your views of this updated purpose for the National Performance Framework?
- 2. In your view, do the proposed National Outcomes match the purpose of the National Performance Framework (please explain your answer)?
- 3. What do you think of the changes being proposed?
- 4. Are there any policy priorities that should be reflected in the proposed National Outcomes but which, you consider, are not?
- 5. What are your views on the Scottish Government's consultation on the proposed National Outcomes?

In deciding on its proposed National Outcomes the Scottish Government must consider how the outcomes will reduce inequalities.

6. How do you think the proposed National Outcomes will impact on inequality?

The United Nations (UN) has set a series of <u>Sustainable Development Goals</u> (SDGs) that are part of an internationally agreed performance framework to be achieved by 2030. The Scottish Government says that the National Performance Framework is Scotland's way to reflect the United Nations (UN) Sustainable Development Goals.

7. Do you think the proposed National Outcomes align with the UN Sustainable Development Goals (please explain your answer)?

The Scottish Government says that through the National Outcomes, the NPF provides a framework for working together and planning of policy and services across the whole range of Scotland's civic society, including public and private sectors, voluntary organisations, businesses, and communities.

8. To what extent do the proposed National Outcomes support joined-up policy making in Scotland?

The Scottish Government has committed work with wide range of others during the development of an implementation plan to ensure the success of the NPF across the Scottish Government, the wider public sector and beyond.

9. What should the implementation plan contain to make sure that the National Outcomes are used in decision-making?