

# Finance and Public Administration Committee

17th Meeting, 2022 (Session 6), Tuesday 31 May 2022

## National Performance Framework: Ambitions into Action

### Purpose

1. The Committee is invited to take evidence from John Swinney MSP, Deputy First Minister and Cabinet Secretary for Covid Recovery, in relation to its inquiry on the National Performance Framework: Ambitions into Action.
2. All 38 written submissions received in response to the Committee's call for views can be accessed on the [Committee's inquiry page](#), along with notes of its three external engagement events. SPICe has also produced a [summary of views](#).

### Background

3. According to the Scottish Government, the [National Performance Framework](#) (NPF), introduced in 2007, "describes our ambitions, providing a vision for national wellbeing across a range of economic, social and environmental factors"<sup>1</sup>. It sets out the "strategic outcomes which collectively describe the kind of Scotland in which people would like to live and guides the decisions and actions of national and local government". The NPF states that "to achieve the outcomes, the NPF aims to get everyone in Scotland to work together, including national and local government, businesses, voluntary organisations, and people living in Scotland". There are 11 national outcomes, which are measured for progress against 81 national indicators. SPICe produces a monthly snapshot of how Scotland is performing against these indicators, the latest version of which was published on [9 May 2022](#).
4. Part 1 of the Community Empowerment (Scotland) Act 2015<sup>2</sup> requires the outcomes in the NPF to be reviewed every five years, with the next review due to begin later this year and conclude in 2023. This Committee is expected to be the lead committee for that work, although other committees will also have an interest in any changes proposed to the outcomes relevant to their remit.
5. Previous work by the Committee has raised questions over the extent to which the NPF is used to shape policymaking, spending choices and priorities. In its [Pre-Budget Report](#), published on 5 November 2021, the Committee pointed to the upcoming review of the national outcomes as an opportunity to "reposition the NPF

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<sup>1</sup> [National Performance Framework Alignment - A changing nation: how Scotland will thrive in a digital world - gov.scot \(www.gov.scot\)](#)

<sup>2</sup> [Community Empowerment \(Scotland\) Act: summary - gov.scot \(www.gov.scot\)](#)

at the heart of government planning, from which all priorities and plans should flow". It went on to ask the Scottish Government to consider how the NPF could be more closely linked to budget planning. A response to this specific question is outstanding.

6. The Auditor General for Scotland's blog on '[Christie 10 years on](#)', published on 7 September 2021, raised issues around accountability and delivery. It argued that "Scotland is suffering from a "major implementation gap between policy ambitions and delivery on the ground". He suggested that "there's a mismatch between the Scottish Government's vision of a more successful Scotland – where poverty is reduced, and economic growth is sustainable – and how we assess public sector performance", adding "I am not convinced that public sector leaders really feel accountable for delivering change".

7. Since creation of the NPF in 2007, Scotland's fiscal arrangements have changed considerably, with further devolution of powers, shared funding arrangements (City and Region Deals), and replacement EU funds (UK Shared Prosperity Fund, Community Renewal Fund and Levelling Up Fund) passed directly to local authorities. While public sector bodies, including local authorities, are required under the 2015 Act to have regard to the national outcomes in carrying out their functions, the Act does not apply to governance structures for City and Region Deals or replacement EU funds.

8. When asked whether Scottish Government priorities, such as the NPF, are considered in decisions on targeting replacement EU funds, the Secretary of State for Levelling Up, Housing and Communities, during evidence to the Committee on [24 February 2022](#), said that "we will take the Scottish Government's priorities into account, because we want to reach agreement wherever possible". He added that, where UK and Scottish Government priorities differ, resolution to the satisfaction of both governments, "ideally would be done through open, regular dialogue and honesty on our part about where we might diverge".

## National Performance Framework: Ambitions into Action

### Overview

9. The Committee's inquiry into the [National Performance Framework: Ambitions into Action](#), which was launched on 1 March, aims to establish how the NPF and national outcomes shape Scottish Government policy aims and spending decisions, and in turn, how this drives delivery at national and local level. It is therefore looking at the processes, structures, cultures and behaviours that support delivery of the NPF, rather than the outcomes themselves, which will be the subject of the Scottish Government's statutory review to start later this year.

10. The Committee's call for views, which closed on 14 April, sought to establish:

- the extent to which the national outcomes shape how organisations work,
- awareness around which national outcomes organisations contribute to,
- the level of empowerment for organisations to try something novel to achieve relevant national outcomes,

- where accountability lies for actions and decisions that impact on the national outcomes,
- if and how national outcomes are reflected in everyday decision-taking, including on spending priorities and provision of funding to others,
- whether organisations need to demonstrate how they contribute to delivery of the national outcomes in order to secure public funding
- where the national outcomes sit within a range of priorities and demands on bodies,
- the extent of collaboration across organisations to deliver national outcomes, and
- areas of good practice, improvement and practices that work less well.

11. As referred to earlier in this paper, the call for views attracted 38 written submissions, which can be accessed on the [Committee's inquiry page](#), and SPICe has also produced a [summary of views](#) received.

## Evidence sessions

12. The Committee held its first evidence session in relation to the inquiry on [29 March](#), hearing from representatives of the Scottish Leaders Action Group on its report on [Improving Accountability and Incentives to deliver the NPF outcomes and live the values](#). The panel told the Committee that “the current status of accountability against the NPF is patchy” and “there is not yet a golden thread that provides consistent end-to-end accountability for delivery of the NPF outcomes”. They stated that “typically, the NPF is not actively used to shape scrutiny, provide sponsorship, undertake commissioning of work or shape the allocation of funding”. The panel went on to suggest that the barriers to delivering an effective system of accountability are: “behavioural, structural, procedural, financial and political”. However, their main message was one of empowerment, arguing that “all leaders can act now”. They highlighted that Scottish Government sponsor teams, auditors/regulators, political leadership, and parliamentary and local government committees have a particularly important role to play in “reinforcing behavioural change”. Finally, the panel argued that the Scottish Parliament and its committees could look to further improve its scrutiny of progress towards delivering the national outcomes.

13. On [17 May](#), the Committee heard from Dr Ian Elliott and Dr Max French from the University of Northumbria, and Jennifer Wallace of Carnegie UK. At this session it was noted that the NPF was originally intended to be a ‘decision-making framework’ which encouraged collaboration and “stretched the vision”, however “the golden thread between the NPF and delivery gets lost”. It was argued that renaming the NPF to the National Wellbeing Framework would better reflect the aims of the document and capture the interest of the public. Learning lessons from Wales where the Future Generations Commissioner has specific powers to request information and clearer processes for delivery in place, would provide greater accountability. Witnesses suggested that the value statement in the NPF is important and has ‘buy-in’, but that a “radical decluttering” of national indicators was needed. Scotland’s National Strategy for Economic Transformation, with only two references to the NPF and no alignment to the national outcomes, was highlighted. Witnesses argued that the national outcomes should instead be the starting point in government strategies

rather than added at the end as part of 'retrofitting'. They noted confusion as to who 'owns' the NPF now it has moved to a 'whole of society' approach and that more alignment with local priorities was needed to achieve greater local 'buy-in'.

14. The Committee took evidence on 24 May from COSLA and Fife Council, followed by a round-table session with CAN-B Scotland, Children in Scotland, Open University, Oxfam, Public Health Scotland, Revenue Scotland, and the Scottish Council for Voluntary Organisations. There was enthusiasm for the NPF and national outcomes, with witnesses supporting having clear shared ambitions at a national and local level. There were questions around whether a rigid performance framework is the best approach and it was suggested that more emphasis is instead needed on how organisations contribute to outcomes, make a difference, and make things better, rather than measuring performance. Witnesses felt that a dashboard of real-time data might help to engage the public in the NPF, rather than using detailed information from two to three years ago to measure progress. There is a need for a more joined up approach within, and visible leadership from, the Scottish Government. Witnesses spoke of a desire to move away from the NPF just being a 'statement of intent', with more work needed to improve leadership, accountability, and scrutiny.

## External engagement events

15. As well as formal evidence-gathering through a call for written views and oral evidence, the Committee has held three engagement events as part of this inquiry. The first, with senior [Scottish Government officials, took place on 3 May](#), and visits to [Dundee](#) and [Glasgow](#) followed on 10 May, where Committee Members held discussions with representatives of local authorities, other public bodies, business organisations and the voluntary sector. All three sessions were intended to hear the experiences of participants on how the NPF influences their day-to-day roles and the approaches of their organisations.

## Next steps

16. The Committee will consider a draft report of its findings in September 2022.

Committee Clerking Team  
May 2022