

DRAFT BUDGET 2014-15

SUBMISSION FROM CARNEGIE UK TRUST

The Carnegie UK Trust is pleased to respond to the Economy, Energy and Tourism Committee's call for evidence on the Draft Budget. We very much welcome the approach taken by the Committee to structure its deliberations using the National Performance Framework, Scotland Performs. We will restrict our comments to the third question set in the Call for Evidence:

Is the NPF an effective method of measuring performance and are sufficient resources being allocated to track progress against the targets and indicators?

Introductory comments

The Trust has been working with stakeholders in Scotland, the UK and internationally on wellbeing measurement for a number of years. Inspired by the Stiglitz-Sen-Fitoussi report on Measuring Economic Performance and Social Progress, we convened a roundtable (in collaboration with the Sustainable Development Commission for Scotland) which reported in 2011.

Our view, stated in the Carnegie Roundtable report and in our more recent report *Shifting the Dial in Scotland* is that the National Performance Framework is a wellbeing dashboard of the kind recommended by the Stiglitz-Sen-Fitoussi Commission and is therefore development of international significance. Our international work identified a number of advantages of this approach to public performance reporting (including supporting a move to joined up and preventative working) and a number of uses for wellbeing dashboards:

- Creating vision for society
- Building support and community buy-in
- Policy development
- Policy evaluation
- Communication

While this is positive, our work also shows that the implementation of the NPF is incomplete. To be effective it must be used by Parliament and the public as well as the Government. The use by the Economy, Energy and Tourism Committee of the Scottish Parliament is therefore particularly welcome and an important step forward in embedding the NPF in policy making in Scotland.

Joining up policy

One of the key arguments for the NPF is its ability to provide a holistic overview of Scotland's progress. By doing so, it can help to reduce departmental and professional silos and ensure that all our public services are working towards the same social outcomes. Our international research shows that this is of critical importance in embedding a wellbeing approach to public services; without shared outcomes public services tend to focus only on *their own* outcomes to the exclusion, or sometimes detriment, of other outcomes.

To that end, we recommend that the Committee consider looking at a slightly wider set of indicators. The indicators selected by the Committee are all objective indicators rather than subjective indicators that tell us how people in Scotland feel about their own situations. For example, the economy and local environmental quality are known to impact heavily on mental wellbeing which is one of the key subjective indicators in the dataset. We would therefore recommend that the Committee include this as a check on overall progress, as experienced by the people of Scotland.

Using the NPF to track progress

The NPF has been in place since 2007 but its implementation is incomplete. One of the reasons for this is that it operates 'below the radar' of many politicians and public servants. For it to fulfil its potential as an accountability tool it must not only be far better used but also the impact of the NPF must be better understood.

We believe it is simply not possible to say at the moment the extent to which the NPF is being used as a tool for policy evaluation, to track progress against the targets and indicators. While the data exists, the Scotland Performs website seems hesitant to link changes in targets and indicators to specific government interventions, even when these seem relatively clear such as the impact of the ban on smoking in public places. A similar lack of clarity is observable at local level through Single Outcome Agreements. A sharper focus on using Scotland Performs to present evaluations of government spending would assist its use as an accountability tool.

From measuring performance to holding to account

We believe that the NPF is an effective method of measuring performance. But the question should go further asking whether it is an effective tool for holding the Scottish Government to account.

There are a number of areas that we think would benefit from greater resource allocation to improve the implementation of the NPF as an accountability tool:

- 1. Engaging the public:** In order to fulfil its role as a measure of Scotland's Progress, the Carnegie UK Trust recommends a renewal of the NPF including a full public consultation on the purpose targets, outcomes and indicators. We believe that increasing the involvement of the public will increase the legitimacy of the dashboard and potentially increase public interest in it. This would require resources over and above those currently committed to the NPF.
- 2. Using the NPF to track progress:** We have recommended that the Scottish Government review the impact of the NPF, particularly in relation to its use in policy development processes (including resource allocation) at both national and local level. We would also welcome more resources to be dedicated to carrying out NPF-wide evaluations of key policy initiatives. Such evaluations would be able to show the links between different outcomes and potentially identify gaps in programmes to be rectified. Without additional resources there is a risk that evaluations will continue to be silo-based, looking only at the most directly impacted upon outcomes, rather than taking a wider, wellbeing approach to impact.

3. **Communication:** While innovative at its time, the website now looks outdated and there has been no concerted effort to encourage its use amongst key stakeholders. We would recommend that if the NPF is to act as a mechanism for public accountability it requires greater investment in communications.
4. **Presenting localised data:** There is a strong, formal link between the NPF and local government through the Single Outcome Agreements. The Scotland Performs website does not currently include information on local wellbeing data. In order to give citizens an overview of wellbeing to allow them to hold local and Scottish Government to account, they should be provided with information allowing them to compare their areas with others. Much of this information exists buried in government datasets, the challenge is to communicate it effectively to citizens allowing them to understand and interrogate the data effectively.

Our work on wellbeing

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