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Finance and Public Administration Committee

Tuesday 17 May 2022

Session 6

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Pàrlamaid na h-Alba

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FINANCE AND PUBLIC ADMINISTRATION COMMITTEE
15th Meeting 2022, Session 6

CONVENER

*Kenneth Gibson (Cunninghame North) (SNP)

DEPUTY CONVENER

*Daniel Johnson (Edinburgh Southern) (Lab)

COMMITTEE MEMBERS

*Ross Greer (West Scotland) (Green)
*Douglas Lumsden (North East Scotland) (Con)
*John Mason (Glasgow Shettleston) (SNP)
*Liz Smith (Mid Scotland and Fife) (Con)
*Michelle Thomson (Falkirk East) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Alan Balharrie (Scottish Parliament)
Jackson Carlaw MSP (Scottish Parliamentary Corporate Body)
Susan Duffy (Scottish Parliament)
Dr Ian Elliott (Northumbria University)
Dr Max French (Northumbria University)
Michelle Hegarty (Scottish Parliament)
Jennifer Wallace (Carnegie UK)

CLERK TO THE COMMITTEE

Joanne McNaughton

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Finance and Public Administration Committee

Tuesday 17 May 2022

[The Convener opened the meeting at 09:30]

National Performance Framework: Ambitions into Action

The Convener (Kenneth Gibson): Good morning, and welcome to the 15th meeting in 2022 of the Finance and Public Administration Committee. The first item on our agenda is to take evidence on the national performance framework.

I put on the record my thanks to all those who took part in the workshops relating to our national performance framework ambitions into action inquiry last week. I hope that everyone found the events in Dundee and Glasgow useful and interesting. I certainly did, and colleagues to whom I have spoken certainly did, too.

To build on last week's discussions, we will return to taking formal evidence in our inquiry. Our witnesses today are Dr Ian Elliott, senior lecturer in public leadership and management at Northumbria University and honorary chair of the United Kingdom Joint University Council—we have only an hour and a half for this session; I thought that I was going to spend most of it reading out his qualifications—Dr Max French, lecturer in systems leadership at Newcastle business school, Northumbria University; and Jennifer Wallace, director of Carnegie UK. Good morning. I welcome you all to the meeting and thank you for your written submissions to the inquiry.

We will move straight to questions. The Auditor General for Scotland said in a blog on 7 September that Scotland is suffering from

"a major implementation gap between policy ambitions and delivery on the ground."

He went on to say:

"I am not convinced that public sector leaders really feel accountable for delivering change".

What do the panellists feel about that?

Dr Ian Elliott (Northumbria University and Honorary Chair, UK Joint University Council): I certainly recognise a lot in that from my own research. The idea of implementation is an interesting one. When the performance framework was first set up—that is going back some time now—it was really designed within the Scottish Government as a tool to get Scottish Government officials and, indeed, ministers, to think more strategically, to move away from a mindset of thinking in granular detail about inputs and outputs, and to think more about outcomes. That proved to be very successful at the time. One aspect of that was freeing up local government through the concordat that was developed at the time, as well as removing a lot of ring fencing of things such as budgets for implementation.

Part of what has happened over time is that a lot of that ring fencing has come back. Since 2008, we have had austerity and the Covid pandemic. There have been a lot of major crises that have constrained what local government can do to innovate and better implement things.

There are a lot of challenges in that that we have to recognise. I worry that some of the Government's strategic mindset has been lost and that a focus on things such as how many police officers are on the ground is slowly creeping back as opposed to thinking more strategically about the outcomes that we are trying to deliver.

I recognise a lot of what the Auditor General said, and I think that a lot of really good work in that area is being done.

Jennifer Wallace (Carnegie UK): We share the Auditor General's view that there is an implementation gap. In our written evidence, we tried to focus on where the golden thread between the national outcomes and delivery gets lost. A significant amount of implementation process and the infrastructure to support it, which was lacking in our work at Carnegie UK and in Dr French's work, could have been put in place. We have seen examples from other countries in which that scaffolding has been put in to support an approach to outcomes, and we can see very clearly using the comparative evidence that that scaffolding is missing in Scotland and is part of the problem with implementation here.

Dr Max French (Northumbria University): I also agree with the Auditor General's comments. We are beginning to see clear evidence of an implementation gap, even within the devolved nations. Scotland has achieved less implementation and depth within the Government than Wales. Since the whole-of-society approach that has been taken since 2018, we can see less horizontal integration within a range of public bodies and even within third sector organisations than is the case in Wales. There are several reasons for that. The main reason is a lack of a proper implementation strategy in Scotland. The emphasis has been more on measurement than on what you do with the measures. Therefore, the lack of a strategy is becoming evident in the patterns of implementation outcomes. We have

submitted a paper that systematically compares Scotland, Wales and Northern Ireland on their implementation of their national-level outcomes and indicators, that supports that view.

However, there is an opportunity with the upcoming review and proposed new legislation to make up some of the ground. The focus of this inquiry can support that.

The Convener: Dr French, you said in your submission:

"The NPF has achieved limited (but improving) implementation success."

However, the Scottish Leaders Forum action group says that the current status of accountability against the NPF is "patchy" and that

"typically, the NPF is not actively used to shape scrutiny, provide sponsorship, undertake commissioning of work or shape the allocation of funding".

Therefore, have there been improvements? Where are these improvements taking place? Which area do we need to focus on most to ensure that the NPF delivers what it is supposed to?

Dr French: On improvement, since 2018, there has been dedicated leadership within the Scottish Government in the performance and outcomes directorate. A small team has been working on external communications and engagement on that, working internally with Government, very slowly, to change some of the processes involved in reporting, policy making and so forth. I would say that progress has probably been too slow, but it is a very small team. I would say that there has been a slow, gradual improvement and focus on implementation.

The external whole-of-society approach, rather than a whole-of-Government approach, has really galvanised some external interest. Also, as you are seeing through the accountability and incentives group in the Scottish Leaders Forum, when you get external people involved in some of the scrutiny, which is something that Scotland has lacked—it has not had an external scrutiny organisation for its NPF—more energy and criticality are brought to it, as you can see through its contribution to the inquiry.

The Convener: When the committee went out to hold workshops last week, we found a huge amount of enthusiasm and energy for the NPF, but the issue is how widespread that is. Your research and, indeed, the Scottish Leaders Forum action group are important in identifying where there are issues.

Ms Wallace, you said in your submission:

"While there are some sectors and Directorates where the National Outcomes are more visibly embedded, there are many places where other statutory duties or non-legislative frameworks are seen to take precedence."

Can you give some examples of that?

Jennifer Wallace: Yes, of course. We have drawn attention to two recent examples of surface-level alignment. The first is the national strategy for economic transformation, which includes only two references to the national performance framework and no explicit references to the statutory national outcomes. It is difficult to view that as their having had regard to it. I think that they have put in some sentences and added a reference to the national performance framework, but it does not feel as though the national strategy for economic transformation is aligned to the national outcomes in the way that we would have hoped for from an external organisation.

We have been members of the Children in Scotland children's sector strategic forum for a number of years and we have been actively interested in improving children's outcomes through that cross-sectoral group. We have engaged with the Scottish Government on the children's wellbeing outcomes, hoping that that would be a children's version of the national performance framework. That is what we understood the intention to be.

The process that was gone through was to identify indicators currently in use by local government that relate largely to children's services. What has come out of that process is a children's services outcomes framework, which looks at SHANARRI—safe, healthy, achieving, nurtured, active, respected, responsible and included—which are the personal outcomes for children and young people, and getting it right for every child, which are service outcomes for children's services.

That matters because a huge number of things that are important to children's wellbeing are now not included in that draft framework. That includes, for example, access to play spaces, which we know are really important to children and young people; they say how important that is to their wellbeing. Neither is there any information in there on air pollution, yet we know a huge amount about the relationship between air pollution, asthma and children's long-term health outcomes. To us, taking that narrow prism instead of a holistic wellbeing approach does not conform to the ambition of the national performance framework. Those are just two recent examples, which I hope will help the committee to understand what we are trying to say in our evidence.

The Convener: They do. You have also said in your written submission that we need

"a strong advocate with powers and duties to ensure"

the prominence of the national outcomes

"in policy development and delivery."

What sorts of powers and duties would that individual have?

Jennifer Wallace: We are attracted to the model in Wales, as many people in Scotland are, because, as we have seen, the Welsh and Scottish legislation came into force at a similar time, but their implementation has had very different success rates.

One of the factors that has been given for that is the existence of a wellbeing commissioner, and an office for that. Underpinning that are the commissioner's ability to request information, and a strong memorandum of understanding between the commissioner for future generations and Audit Wales to pool their powers for maximum scrutiny impact. It is not merely that they produce an annual report, as is expected in Scotland, or that they produce research; they also use powers to request information to hold publicly to account Welsh public services and bodies for delivering on their national outcomes. We are missing that key accountability route. In the Scottish legislation, public bodies have to "have regard to" the national outcomes but there is no mechanism to hold them accountable for that.

The other interesting and important point is that, in the Welsh model, the accountability is not for delivering improvements to the national outcomes but for having processes in place that show how bodies are trying to have regard to the national outcomes and goals in the work that they do. The accountability is at process level, to show how bodies are trying to change their ways of working; it is not for a set of indicators, for which, rightly, many organisations say that they cannot be held solely accountable. In a Scottish context, it would be helpful to learn from that complexity in the Welsh experience.

The Convener: Thank you for that.

Dr Elliott, you were nodding vigorously. What are your thoughts on that? In addition, will you expand on the issue of the strategic state? You mentioned the word "strategic" in response to the first question and, in your submission, you talked about the "strategic state".

Dr Elliott: Yes, but first, I want to pick up on something that Max French said. I completely agree with him that, in looking at the NPF again, there is a risk that the decision is taken to change the indicators or the outcomes, for example. It is important for the committee and others who are involved to consider that implementation gap and how to implement the framework that we already have rather than necessarily reforming it radically and spending years in coming up with a new framework instead of considering how we make it happen in practice.

What Jen Wallace has said about focusing on process is also important because, in its original iteration, it was intended not as a performance measurement framework for counting specific indicators but more as a decision-making tool to get people to think more strategically and importantly, more collaboratively, across different directorates within the Government, and beyond it.

That was where the strategic state idea came about. It was originally put forward by the Organisation for Economic Co-operation and Development, and my research looks at how the Scottish Government's approach to the NPF is quite closely aligned with the OECD's concept of a strategic state.

09:45

It is therefore important that we do not focus too much on measuring indicators; instead, we should think about the process. A similar philosophy lies behind the United Nations sustainable development goals. They are not intended as tick-box exercises, and the UN does not expect all 193 countries to measure things against every single one of them. They are meant to be stretching ambitions, with the expectation that people will make progress towards those goals. The question is how you demonstrate that you are making that progress and the steps that you are taking in the way that Jennifer Wallace has described—in other words, thinking about the processes instead of focusing on the granular detail that arises from the specific measurement of things. It is quite important to take that factor into account, too.

The Convener: Dr French, you say in your submission:

> "there is little evidence the NPF has been meaningfully incorporated into organisational routines within those organisations, or in changing decisions, promoting learning or altering policies."

How can we ensure that that takes place?

Dr French: There are probably a few things that we need to do to achieve that. A lot of learning can be taken from Wales, for example. As a lot of the submissions to the inquiry have reinforced, this is all about the combination of statutory duties, scrutiny and accountability, and it is also about building on some of the strengths surrounding the NPF and some of the Scottish Government's work in positioning this as an holistic and societal approach that has broad ownership and which galvanises and excites people and makes them want to engage.

The learning that we can take from Wales is that, if you strap on additional duties in a new bill to force public bodies to plan for, promote, set and account for objectives, they can choose to do so in a passive and superficial way, if so inclined.

However, they could also be encouraged to do that work through supportive challenge from, say, a commissioner, auditor or inspection body, and to see the value in fulfilling that duty as a means of promoting their own objectives. For example, a community planning partnership setting a local outcomes improvement plan might see the NPF as important in promoting its own agenda. We need the will as well as the duties to ensure effectiveness; otherwise, we just get lip service in meeting indicators and duties.

In Northern Ireland, for example, the Government departments that have really gone for an outcomes-based accountability approach are the ones that have wanted to do so, have seen the value in it and have seen their ownership of it reflected in their contribution. If departments wanted to, they could have a passive reporting mechanism and not do the strategising that Ian Elliott talked about. Both things are important.

The Convener: I see that, in the section of your submission entitled "Soft power strategies", you talk about

"galvanising stories which capture the public interest and communicate its values, rather than merely list statistics".

Can you talk us through that a wee bit?

Dr French: What I think that I mean by that is that the NPF needs to connect in some way not just with public interest but with media and parliamentary interest. It needs to connect with the stories that people want to tell. Statistics on indicators going up and down or staying the same, even in aggregate, do not really capture the public interest. Indeed, Scotland performs has had historically low engagement rates from the public and very little uptake in the media.

The commissioner in Wales has produced guidance for members of Parliament and media organisations so that if they want to tell a story about the legislation in Wales and the national outcomes and indicators, they can do so. They are provided with the guidance, the structures and the scaffolding to enable them to do that. Historically, the public has had low interest in pure performance measures if they have not been accompanied by a narrative that explains their importance.

The Convener: My final question before I open questions up to committee members is to Ms Wallace.

We were in Dundee last week. Although there was a lot of enthusiasm there for the NPF, one individual said to me that the problem that they had with it was that it was yet another series of things that Government expected them to do. We spend a lot of time having meetings and we have this and that set of objectives. They can be overlapping and not quite contradictory, but a huge amount of energy is taken up in asking what we prioritise. How do we cut through the Gordian knot of all the different objectives that have been given to local authorities and other organisations so that people can see more clearly and help effectively to progress the aims of the NPF?

Jennifer Wallace: I recognise the experience that the person in Dundee described. In conversations that we have had and in what we have reviewed, we have come across many instances of duties to provide statistics landing on officers in local government who have to furnish the information for the plans to be produced. The Convention of Scottish Local Authorities will be better placed to comment, but one local authority reported to us that there were nine separate plans related to the same thing—in that case, children and young people.

My favourite quotation on that is from the Auditor General for Wales, who said that they needed a radical decluttering. After a generation of legislation in Scotland, we also need a radical decluttering. As a nation, we are good at creating additional duties, particularly additional duties to create a plan, but we now need a process to assess all of those and assess which is the most important.

One of the—I hesitate to say "failures"—disappointments in the Community Empowerment (Scotland) Act 2015 was that the national outcomes that it created did not in any sense sit above the plans, frameworks and other activities. Often, when the outcomes are referenced, they are at the bottom rather than at the top of the document so, in the flow, it feels like they are an afterthought rather than the thing on to which departments and agencies can hook their activity. It is a retrofitting rather than analysis from the outset.

A radical decluttering is probably required in Scotland. We need a process to do that effectively in consultation with the many people who work for the benefit of Scotland and then an exploration of how we create a system that shows clearly that the national outcomes are meant to sit at the top of that run of plans and frameworks and not be an afterthought.

The Convener: I am a big fan of decluttering, I must say.

Daniel Johnson (Edinburgh Southern) (Lab): I like that phrase "radical decluttering". It sounds like what I am constantly being told to do at home.

I am very interested in the conversation so far. I will pick up on a couple of points.

Structure seems to be the thread that runs through the conversation at a number of different

levels. Dr Ian Elliott talked about the national performance framework originally being a decision-making tool. The outcomes are relatively straightforward to understand. However, when you come to the indicators, you are suddenly landed with a sea of bullet points and it is difficult to see intuitively what they are trying to tell you or even whether it is one thing or a number of different things.

I looked at the indicator on children's happiness. It turns out that that is just one survey that manages four quite narrow metrics, which are valuable but do not necessarily entirely encompass what we would all understand to be children's happiness.

Is one of the problems the structure of the NPF, in that we have good high-level outcomes with an asymmetrical set of indicators that sit below them and it is not intuitively easy to understand what any of them tells us? In other words, is the NPF as it is currently structured too difficult to use?

Dr Elliott: There is a big issue with focusing on metrics and measuring them within what is a complex system involving many different agencies, Government bodies and third sector bodies. That is where we get into the problematic issues that I mentioned around thinking of the NPF as a performance measurement tool. Max French has done quite a lot of research on the issue of having a metrics-based approach. Those were the issues that I was talking about when I mentioned the reforms that were brought in in 2008, which were about trying to get the Scottish Government to think on a more strategic basis. They were very much internal Government reforms and there was quite a lot of leadership and leadership development around that process.

The example of Wales is interesting and I have referred to it numerous times. Academi Wales does a lot of leadership development activity, and there are strong links between the Welsh Government and academia—for example, the Welsh Centre for Public Policy is a strong research unit that helps to underpin a lot of the work that is going on and provides some of the scrutiny.

I am not sure about the idea of there being a commissioner—I admit that I am not familiar with that idea. However, there is certainly a role for Audit Scotland in some of this work, and I can see how it is starting to enter into this space more, which is really encouraging. There is also a role for this committee and all other parliamentary committees in considering how the work of the Scottish Government is being scrutinised in relation to the performance framework and its outcomes, rather than taking a granular approach to specific indicators.

Daniel Johnson: Dr French, could you pick up on that and also say whether there is a sense in which the metrics need to be split apart from the capturing of the outcomes? I accept what Dr Elliott is saying, but I think that, if we just had qualitative outcomes with no measurement, we would have a problem. At the focus group that I attended in Glasgow—there were parallel focus groups in Dundee and Glasgow—there was a view that we are not using data properly and that we have narrow metrics, which is a problem because, in the 21st-century world, people use big data sets and do much richer data analysis.

Do we need to split apart the capturing of the outcomes from the measurement, and do we need to overhaul how we conceive of what the measurement looks like so that we can capture that 21st-century big-data approach?

Dr French: The NPF is a comparatively robust framework, in international terms. It has a lot of documentation and statistical backing and some sort of agreement on whether an indicator is going up or down. The Scottish Government has done a lot of work to get the statistics right. However, although it is a robust framework, it is not an accessible framework. It is hard for people to see what role they can play in it. If it is presented to a community planning manager when they begin to think about the construction of a local outcome improvement plan or a locality plan, it is difficult to see how it can relate to local matters. It is much easier to consult the Improvement Service, which has more localised measures and more experience of working with councils and local organisations.

The accessibility issue is less to do with indicators and outcomes. Indicators have to feed into outcomes. There has to be some way of making sense of movement in the outcomes, and that will come about with trade-offs and uncertainties around the measurements. That exercise will never be perfectly objective, and that is fine.

The NPF has values, and that is good in a multilateral, cross-sectoral setting. One thing that it does not have is a set of ways of working. One of the things that has been effective in Wales in the scrutiny context is that Wales has a set of ways of working that includes collaboration, participation, long-term focus and other things that are essential principles to adopt if you have an outcomes focus and a focus on collective wellbeing.

10:00

That has proved much more effective in galvanising some of the practical actions that are taken both in the planning—the strategising that Dr Elliott was talking about within and outwith the

Government—and in the scrutiny function. It is much easier to look back at whether the quality of long-term planning has been there and at whether the actions have lived up to the ambitions over the long term of, for instance, five years. That layer is missing. It seems a perfect opportunity to revise and reintroduce the Christie principles—the pillars that align well to Wales—in practical guidance that organisations can access and relate to their own context.

To make them relevant locally, high-level outcomes frameworks need a process of localisation—of taking stock of the indicators and outcomes and coming up with a valid and stretching interpretation of what that means in a local context. Because of the way in which we have done aligned outcomes frameworks in Government, for example in justice, children's wellbeing and health and social care, the alignment is done after the fact. We come up with our outcomes and then relate them to the national outcomes. Rather than its being done at the beginning, and ensuring that the alignment runs through it, it is done after the fact. A few things could be done to make the NPF more accessible and legible, particularly as it moves to a whole-society context.

The other thing is that the focus on measurement cannot be done at the expense of a focus on implementation. It would be a missed opportunity if the national statutory review focused on just the measures and the technical elements. The problem is difficult, but in a straightforward way.

Daniel Johnson: I ask for a clarification. You talked about making things more accessible. There also seems to be a point about interpretation. Are you saying that, both at Government-wide level and individual directorate or agency level, there needs to be an interpretation of how outcomes are going to be influenced? It strikes me that two people will have completely different ideas on what would impact on outcomes and, unless there is a stated view in that regard, there will be no consensus. Is that a fair interpretation of what you said?

Dr French: It is fair. Instead of "an interpretation", I would say "a negotiation"—a meeting of parties that incorporates the interests of both and comes to a formalised agreement. That might mean that some local measures are important but some national indicators take precedence. Agreement on that would be set out at the outset.

Daniel Johnson: Ms Wallace, I was struck by your written submission, in which you said that the processes for implementing the national outcomes are "weak". Ultimately, are we dancing around the issue? It is good to talk about processes and about agencies, but does it not come down to individuals? Do we need to put people on the spot and make them accountable for delivering things? In our conversations, there is a sense that how individuals and agencies elect to play their part in the national framework is almost voluntary. Do we need cabinet secretaries, ministers, directorates and agencies to report against the framework? Should we make that much more explicit?

Jennifer Wallace: If you were looking at overhauling the community empowerment legislation and putting in its place a robust piece of legislation, that is precisely the type of thing that you would do. You would follow through the process by saying, "We are going to require those agencies to have regard to this, and we are going to nominate who they have to be accountable to for having that regard." That is the piece that is missing. It could be done in a number of ways: for example, there could be accountability to the whole Parliament, to specific committees, to a commissioner's office or to Audit Scotland. At the moment, in the absence of that, although the approach is not voluntary—because there is a statutory obligation on bodies—it feels voluntary, because, as you say, nobody is asking people to report on it.

That gap is often expressed as an accountability gap, because people are interested in the relationships. The perception becomes, "but you can't make us accountable for outcomes". That is where we lose some of the conversation about what is possible, because we all understand that, in a complex society, linear accountability for outcomes is neither possible nor desirable. Therefore, we are trying to find a way to hold people accountable for the bit that they can be responsible for, which is how they explain how they are changing their behaviours in light of the information that comes through the national outcomes and national indicators, so that we can see the golden thread.

Daniel Johnson: Is that where an agreement might come into play so that, rather than an outcome or area just being assigned to an individual, there would be agreements that explained the contribution to it?

Jennifer Wallace: Absolutely. It might not be possible or desirable for an agency or local government to take action across all the outcomes, but an agreement that it will focus on three particular outcome areas, how they are related and who the body will work with to make things happen would be a conscious step forward from where we are now. At the moment, we place much of the change process in the context of individual culture change, instead of externalising that and trying to change the structures that created the cultural behaviours in the first place.

Daniel Johnson: Thank you very much. My understanding of the matter is considerably decluttered from when we started.

Ross Greer (West Scotland) (Green): The group of individuals that Daniel Johnson and I met last week in Govan began to coalesce around the word "implicit" when we asked them about the alignment between their organisations' strategic plans and the NPF. I will start with a relatively general question to Jennifer Wallace: is it fair to say that, at the moment, the NPF operates more like a set of general principles that shape public sector culture in Scotland than a specific set of measurable outcomes?

Jennifer Wallace: I am not sure that I would use the word "principles", but the principle of working towards outcomes is in place. The idea that there is an agreement in Scotland that we need to collaborate more, that we need more joined-up working and that we are doing that to improve the lives of the people whom we serve is well understood. There is no shared understanding or agreement on the process underneath that for translating that set of ambitions into something that an organisation can do and nor are there guidance, strong case studies or the types of thing that would enable people to assess whether it is important for their organisation.

The culture of Scottish civic society and public services is, as I see it, working in that direction. That is what people are trying to do, but they are doing it without a shared or clear sense of how to do it.

Ross Greer: Ian Elliott, you mentioned in your submission that

"administrative leadership"

on the NPF has

"diminished over time."

You have alluded to that already. Will you go into a bit more detail on who you are referring to and why that has been the case?

Dr Elliott: Yes. That picks up on something that Daniel Johnson and Jennifer Wallace said about where accountability lies. When the NPF was first established, there was a clear sense of leadership and ownership within the Scottish Government. However, more recently, I have found that there is a degree of confusion as to who owns the national performance framework.

It is curious what I hear when I speak to people. Some people say that the permanent secretary owns the NPF, some identify a particular director general or cabinet secretary, some say that it is the Scottish Leaders Forum, and some people just say that they have no idea. There seems to be a lack of clear ownership and leadership, which existed previously. That is one of the fundamental lessons that need to be taken away from the review.

To make the NPF effective, we need sustained leadership and a focus on implementation. We need to close off that implementation gap but we also need sustained leadership so that we have identifiable accountability and so that people see that the NPF will last, that it will be around for a long time and that people need to take it into account and recognise it explicitly in their plans. I have certainly found through my research that that focus has diminished over time.

Ross Greer: When leadership was there previously, where was it coming from? Did it come from the permanent secretary or from directors general?

Dr Elliott: Way back in 2008—apologies for the slight history lesson here—it was the permanent secretary who developed the performance framework, and there were ministers who were particularly keen champions of it at the time. John Swinney has been mentioned numerous times as having provided leadership on the political side in the development of the framework; there was also leadership from the permanent secretary at the time, John Elvidge.

In the context of the Community Empowerment (Scotland) Act 2015, quite a few of the people I have interviewed have spoken about Peter Housden's approach to providing leadership on the performance framework, which had more of a delivery focus. Derek Mackay, who was the finance secretary at the time, had a key role to play, as did the Scottish Leaders Forum, collectively.

Over time, it has arguably been events that have taken focus away from the framework, but there has also been a sense of a lack of focus within the Scottish Government. That might be because the approach has shifted from being a Government one to more of a whole-of-society one, in which case one of the unanswered questions is who owns it.

Where does the ownership lie if the framework is suddenly everybody's responsibility and everybody is accountable for it? That might be something that a commissioner or another body, such as Audit Scotland, could help to unravel, but that central focus is needed, so that people can see that the approach is being led from a particular place. That is important in putting it in people's minds.

Jen Wallace might be able to add to that.

Jennifer Wallace: I can add another piece of information. Again, my apologies for the history

lesson—Ian Elliott and I have been involved in the subject for some time. For a number of years, there was a cross-party cabinet secretary round table on the national performance framework. It was convened in the Parliament building with members of all the parties. That was the parliamentary body that had oversight of the development of the first round of national outcomes and the indicators.

The round table met a number of stakeholders who were representing different interests, but it has not met since 2018. It had no statutory reason for meeting and no real place within the structures of Parliament. The round table happened because at that time Mr Swinney and then, I believe, Mr Mackay, were committed to it and wanted it to meet. However, in the absence of that commitment, there has not been a space in which parliamentarians have been able to explore the framework in the way that they were able to do through that round table. There was a very clear change in 2018, where we can see that lack of impetus and lack of external engagement.

Ross Greer: I will stick with the question of leadership and ownership. In his submission, Max French made an interesting comparison between the Scottish model of appointing champions in the civil service for various outcomes, and the approach in Northern Ireland, where there were more-defined owners. However, he noted that there were significant levels of internal opposition in the public sector in Northern Ireland. Are those two things related?

Dr French: Which two things?

Ross Greer: Has the model in Northern Ireland of appointing owners, rather than champions, so that there is very direct accountability, contributed to the internal opposition, or are those unrelated issues?

Dr French: Yes it has. That comes back to the accountability point. In the Northern Irish civil service, there was an expectation that permanent secretaries and senior civil servants would at some stage be held to account, likely through a parliamentary process, for movement in national indicators. The expectation that there was some sort of accountability on the horizon surfaced people's fears of being held to account for things that they could not control—the perennial problem with outcomes-based accountability.

10:15

Although there was some relational collaboration among the senior civil servants on the outcomes-based approach, broadly, it was a top-down imposition. At that time there was—as there is now—uncertainty or discomfort about the accountability relations, or there was dislike of being forced to take account of different measures. There was buy-in in certain sections of the civil service leadership and not in others. The head of the civil service in Northern Ireland at the time was very conducive to the approach, but the leadership subsequently changed.

Outcomes-based accountability did not broaden into a collective endeavour. There were struggles to make the technical elements work, and the decision was made to assign national indicators that were closest to the domains that civil servants were working in. It was felt that, if people were to be held to account, it was only fair that that would be in relation to the area in which they were working. However, if anything, that entrenched the silo mentality of, "This is my indicator; I don't take account of other ones." I would say that that linear, attributional approach worked against the endeavour to work across departments in Northern Ireland, which is difficult for a whole host of cultural and statutory reasons.

That is where some of the opposition emerged from. When the Northern Ireland Executive collapsed in 2017, many elements of that outcomes-based approach fell by the wayside. There was the opportunity to disengage and to establish resistance to it being reintroduced. There was a feeling of, "We don't want to go back to that sort of system." With leadership change in the head of the civil service and so on, the approach lost its champions. That is a difficult challenge for the Northern Ireland Government, the Executive Office and the civil service to work with.

Ross Greer: I have a final, brief question. You mentioned in your written submission that the use of the national outcomes in parliamentary scrutiny in Scotland was an example of good practice. I will be honest—most, if not all, of us did not think that we were doing a good job in that regard. Could you tell us what we were doing right, because we were not aware of that?

Dr French: Comparatively speaking, national outcomes and indicators are used more in the Scottish Parliament than they are in the Welsh Senedd or the Northern Ireland Assembly. Statistically speaking, there are more mentions of the national outcomes, for example, in the Scottish Parliament.

However, there are a few caveats to that. Significantly, in Scotland, one of the benefits is that we have an NPF that has a degree of solidity and recognition that the national outcomes and indicators in Wales and Northern Ireland do not have. In Wales, they talk about their act rather than their wellbeing goals, their wellbeing indicators or their milestones. Even though it is rightly challenged on a number of accounts, the NPF has a certain solidity, which might help to get it into the minds of parliamentarians, as well as

those of clerks and research staff in the Parliament.

I understand that, when members reconvened for the current parliamentary session, they were briefed on what the national outcomes and indicators were and how they might be able to use them, and I understand that they have been used in different parliamentary committees from those in which they were used in previous sessions. That might be an indicator of movement towards greater usage of the framework.

However, when it comes to how the framework is used, whether by you, as parliamentarians, or by a community planning manager or a head of a Government department, that can feel very difficult to access.

Ross Greer: Thank you—that was quite reassuring.

John Mason (Glasgow Shettleston) (SNP): I want to follow up on some of those points. My first question is about how important language is. At our workshops on the NPF, we spoke to various people. When we spoke to Government officials, they talked about how the language was intangible for outsiders. When we spoke to people from Citizens Advice Scotland, they said that, although the language differed—they said that the language that they used was different from the language of the national outcomes—they felt that there was broad alignment.

Dr French, in your submission, you make the point that we should rebrand the national performance framework as Scotland's national wellbeing framework. How important is it that we get the wording right? Should we change some of the wording?

Dr French: There are two reasons for that. One of them is technical. You already have an NPF that might be given more cognisance by the Scottish Government: the national planning framework.

The other, more significant reason is that the branding is a crucial part of getting it right. A national performance framework does not excite people as much as a national wellbeing framework does. A performance framework is something that an organisation uses to regulate its processes. A national wellbeing framework would link with the galvanising interest nationally and internationally in collective wellbeing as an organising principle for society. That has attracted cross-party support and it links to a developing international agenda that has real relevance for people and public bodies.

Jen Wallace may be able to flesh that out a bit more, but I make the point that the branding and positioning are crucial to the life or death of a performance framework. It has to excite people, and a wellbeing framework excites people more than a performance framework does.

John Mason: I will come to Ms Wallace in a moment, but I want to pursue this. I feel that we do not talk about the national performance framework very much. MSPs are briefed on it, but I do not hear it being mentioned specifically in the chamber or in committees. Is the experience in Wales and elsewhere that people will use frameworks more if the words are better?

Dr French: Wellbeing has a cultural significance in Wales under the Well-being of Future Generations (Wales) Act 2015, and policy making takes note of it as a matter of course. A long-term, cross-party societal vision has been galvanised, and it has really influenced the discourse. Its cultural impact has been exerted through the language that is used. Wales could not have got to that point if it had used different words or stuck with a performance focus. To articulate a collective aspiration that people can get involved with, that they will want to engage with and, eventually, that they cannot not engage with should be one of the aims of an implementation strategy for the NPF—or the NWF.

John Mason: We will work on that.

Jennifer Wallace: Carnegie UK is very interested in how we can take the concepts of social progress and translate them into things that people can understand and act or convene around. Generally, we find that people can convene around, and bring a huge wealth of lived experience and professional experience to, conversations around wellbeing. They can engage with that, whereas they are less likely to be able to engage with other, more technical language.

As Max French said, we do not believe that the national performance framework is a performance framework in the classic sense. It is not a linear process to identify an A to B of how to improve performance. It is antiquated or historic, given where it came from. We have been arguing for a number of years that it is due a refresh.

The Scottish Government seems to be very committed to using the word "performance", but we are not entirely sure why. We have said, "You could call it the national progress framework." That would work, and it could still be called the NPF, despite the possible confusion with the national planning framework. The Scottish Government has not been willing to take that change forward, but we believe that the current language is a significant barrier to wider societal use of the framework.

People outside the core Scottish Government do not see themselves as having a role to play in a performance framework or having evidence to give

to its development, whereas if we ask them whether they have evidence on how we can all live well together and work together for a better Scotland, they have plenty of evidence to bring to that conversation. Part of the opening up is to brand the work in a way that accentuates the value that we all have to bring to it.

On the extent to which we can engage the public in statistics, there is a difficulty with the number of statistics and the way in which they are presented on the website. Again, we have experimented with summary statistics of what we call gross domestic wellbeing. It was for English rather than Scottish data, and it was an exploratory programme, but, again, the message is that, when you process the information in a way that is geared to communicate with the public, they will engage with it. You need to separate out which bit of that is about communicating with the public about how we are doing as a nation and which bit of it is about communicating with managers, or indeed politicians, about how they make decisions about public finances and how to hold people to account. At the moment, the framework looks and feels as though it is too much in one direction rather than the other.

John Mason: I am interested in the use of the word "performance". You are quite critical of it and others seem to want to keep it. Is that because "performance" suggests that we can measure things, in the way that we can measure the performance of a car? We can say that it is 99, 100, 98 or whatever the figure happens to be. "Performance" suggests that we can measure it and that we can hold the Government or someone to account, whereas "wellbeing" is a vaguer word.

Jennifer Wallace: First, the science of wellbeing has grown massively over the past 10 years, so there is now a significant body of research and evidence on how we can identify actions that would improve wellbeing. With regard to the outcome element of it, a performance framework gives the impression of there being a linear relationship that enables you to attribute the change to the action that was carried out. You can do that with some public services and some interventions. However, when the outcome is, for example, improving children's and young people's wellbeing or their lives, that is not an A to B thing for which you can create an attribution chain. What we can do is say that we are making a contribution to that outcome, such as by delivering high-quality education. There is enough evidence that high-quality education improves children's feelings of wellbeing and their external objective indicators of wellbeing, so we can make that chain.

However, we are not saying that an education department is specifically responsible for creating the entire benefit of wellbeing through that one line of accountability and through that direct attribution. That is where it differs from a traditional performance approach whereby you would create a much smaller link between your activity and your indicator and be able to say, "Yes, we moved from A to B on that," but the chain is much broader than outcomes—

John Mason: However, the Parliament tends to question how many people have got highers, how many people have got degrees, how many people are at college—those very fixed things—rather than asking, "How's the wellbeing going?"

Jennifer Wallace: Yes. The point of intervention is about whether those indicators map on to what we know gives people a good life or whether something is changing within that. Is there a change in the evidence that shows that, actually, having a degree is no longer a guarantee of a good income? Are we therefore using those indicators—output indicators—as proxy measures of a good life when they no longer hold true? That is where you want the scrutiny role to ask whether the indicator acts as an outcome indicator, whether it is a proxy indicator and whether it is a relevant indicator for the current times.

John Mason: Dr Elliott, I have not asked you anything. Do you want to come in on that?

Dr Elliott: The "performance" word is a bit of a problem. The framework can be perceived as a punitive thing as soon as you say that it is about performance. It can also be perceived as a top-down process in which an individual charity or local authority is being held to account by the Scottish Government. Again, that is not what was originally intended. Therefore, the idea of a wellbeing framework has a lot of merit.

One of the challenges to that is around the value for money duty and how we demonstrate value for money if there is not a clear link between the spending going to a particular initiative and a particular outcome. Therefore, I can see why the Scottish Government is keen on the idea of performance—I can see where it comes from. However, I am not sure that the national performance framework is the right tool to do some of that activity. The idea of a wellbeing framework has a lot of merit for trying to develop a different mindset and a more collaborative approach.

10:30

John Mason: That ties in quite well with the question that I was going to ask next, which is about the budget—I think that Ms Wallace mentioned the budget. Government officials have commented that they do not see the national performance framework being used in the budget process. Are you saying that that is not

necessarily a bad thing, or should the national performance framework and the budget be a bit more closely tied together?

Dr Elliott: Over time, there has been more ring fencing of budgets, particularly to local government, and that in itself has proved to be problematic. I would therefore caution against seeing this review as an opportunity to take more directive approaches to service delivery and to ring fence budgets around that. That has not proved to be particularly successful in delivering outcomes, so there needs to be caution about using the review in that way.

John Mason: Will we then end up with a situation in which, instead of the Government saying that we have got to the 1,140 hours for childcare, some councils will say that they will use the national performance framework, they will have 1,000, 1,200 or 900 hours, and there will be a varied picture around the country? Would that be a bad thing, or would it be okay?

Dr Elliott: I suppose that we have local government so that it is accountable to local communities. Therefore, it is really up to communities. The approach is embedded in the Community Empowerment (Scotland) Act 2015. Where are communities in all this? How do they decide what is important to them? Where do they feed into the process? The more top down the approach is made and the less communities are empowered, the less work is done. Again, I caution against any directive approach. I do not think that that would be in line with the Christie commission principles or, indeed, the principles of the Community Empowerment (Scotland) Act 2015.

John Mason: I think that Ms Wallace mentioned how the budget and the NPF tie together in relation to budgeting for children's wellbeing.

Jennifer Wallace: The first thing that is worth noting about wellbeing budgets is that it is a very new area of international activity for Governments, and very few Governments are experimenting with them. Everything is being done in real time, and there is learning from practice in other countries and from colleagues at the OECD who are applying their own resources to understanding them. There is not a core set of principles that can be applied for a wellbeing budget, and what I am going to say needs to be seen in that context. It is difficult.

According to the analysis of children's budgeting that Dr Trebeck did for us, where the national outcomes come in, they are very much an afterthought. They are a process at the end rather than at the start of a budgetary process. What she meant by that—we have explored this with others since her work—was that there is not an initial assessment of how people in Scotland are doing against the national outcomes that begins a process of where we should spend money. It is the other way round. It is a matter of seeing what we are spending money on and where we can spend a little more or a little less money, and then exploring that in relation to the national outcomes or the national indicators. A full wellbeing approach, whether for a portion of the population—we argued for such an approach to be taken for children and young people—or the whole population, would turn the whole process completely on its head, and it would take a considerable number of years to do it.

We speak to colleagues in New Zealand who have done a partial wellbeing budget. They would describe that as the first step in probably a 10-year process of trying to turn their budget around from where it is now to one that is fully based on an assessment of their living standards framework. However, they are doing that consciously. They know that it is a 10-year process, and they are improving every year, whereas the approach in Scotland is much more about saying, "We want to do something, and this is something that we are able to do this year." The language and some of the processes around wellbeing are applied to pre-existing budgets without there being a long-term plan for how to get from where we are now to a better-quality, outcome-based budget for the future.

John Mason: We could explore that for longer, but I will leave that to the convener.

The Convener: I will bring in Liz Smith, who will be followed by Michelle Thomson.

Liz Smith (Mid Scotland and Fife) (Con): I will explore two themes, the first of which is based on some comments that were made to the committee last week. I cannot give names, because it was a private session, but the meeting included some very senior officials in local government and the third sector. They all agreed that the national performance framework is a good thing in principle, but when they discussed its workability, they used adjectives such as "ethereal", "anodyne", "top-heavy" and "theoretical" to describe it. A couple of people added that they did not feel that the national performance framework was necessary, because, if they were doing their job properly, they should be already be doing the things that it sets out. I thought that that was quite an interesting reflection from people in local government who are on the front line of putting a lot of policies into practice. We were talking particularly about improvements in addressing child poverty in Dundee. How do you respond to that?

That picks up on a comment that Dr Elliott made about the Christie commission principles. If we are

to get better outcomes and better wellbeing, should we be doing that through local initiatives—local people know best what works well in their local community—rather than having this big "scaffolding", as Ms Wallace described it. There is a dilemma: there is too much at the general, national framework level, when what we really want are things that work very well locally. Could you give us your reflections on that?

Jennifer Wallace: There is a lot in that question; I will try to formulate my thoughts.

On the first point, about whether they should be doing such things anyway—and whether they are doing them anyway—the evidence suggests that they are doing them in their work to improve a particular outcome, but not in their work to improve a range of outcomes. It comes back to the Christie commission conversation about how we create collaborative and joined-up public services.

If we are where a number of commentators and other organisations believe that we are—that is, getting diminishing returns from working in detailed silos to improve people's lives—and if the next set of improvements will come from joining up and finding the connections between areas such as public health, education and active travel to make all our lives better, we will need to be able to work across those silos. It is a little bit like the problematic situation in Northern Ireland that Dr French described, and the evidence is that they are not able to do that because of structural barriers.

We have created a performance framework to try to overcome those barriers, but we have not given it the tools that would allow it to do that heavy lifting, and that is what I mean by the "scaffolding". What else does the framework need to help it deliver that?

On the comment about the framework being "theoretical", we sometimes hear the motherhood-and-apple-pie response to a wellbeing framework. Is it not blindingly obvious that that is what we need to do? Well, yes, it is, and if you look across multiple Government frameworks—as I have had the great pleasure of doing—you will see that they are all remarkably similar. Scotland's does not stand out as being particularly different in that regard. It has a values statement, which we believe is incredibly important, about who we are right now as the people of Scotland. That is important, and it sets Scotland apart from the others. However, there is very little difference when it comes to the content.

When a country uses a wellbeing framework, it is trying to articulate a vision and a space that say, "This is what we are trying to achieve, this is who we believe ourselves to be and this is what we are going to organise around".

The framework is very specifically focused on trying to get away from a model of trickle-down economics that says that, if we just focus on the economy, everything else will get on better. Most of the literature comes from that background. The economy—or, certainly, gross domestic product growth—is not the answer to all of our problems, and we need other things to happen. That is a particularly important message from the environmental stakeholders, many of whom, I am sure, will have also made submissions to the inquiry.

On the issues around implementation, I think that the problem is that the story about what we are asking people to do is not very well told. They can gather around the general concept, but guidance on what they are being asked to do differently just does not exist. If we were able to give people more of that guidance it would help to resolve those issues.

Liz Smith: I will pick up on that point. Can that be localised? I ask that because participants in a couple of the groups at last week's workshops were very clear that they wanted more local autonomy to decide what the best thing was for wellbeing in their area.

Jennifer Wallace: Yes, absolutely. The only caveat with regard to localisation is the equalities point. In order to localise that sort of decision making, it must be about the wellbeing of all the people in that area. If it is a small area and statistics are limited, it might be difficult to get the views of people who are particularly marginalised in society. Therefore, you might want to add into that model some deliberative democracy—participatory engagement—so that you are not relying solely on what, at a local level, can be quite small numbers, which we know excludes some groups in society that have the worst wellbeing outcomes. The issue is that the more local you get, the harder you have to work on really understanding what is going on.

However, the principle of subsidiarity, which is what we are really talking about here, is one of the principles that Carnegie UK has identified as one of the key drivers of wellbeing. As you say, the more locally decisions are taken, the more likely they are to be taken in ways that improve wellbeing, rather than taking a one-size-fits-all, across-the-nation approach.

Liz Smith: The participants also pointed out that that approach is better for ownership, because people in that community feel that they have devised the policies that are working. That is successful in getting people to understand them better and in getting them well motivated to deliver them. I thought that that was quite a strong point.

Jennifer Wallace: Yes. International examples are now coming forward of the relationship between local wellbeing frameworks—the process of localising frameworks—and activities such as participatory budgeting. We have done some of that activity in Northern Ireland over the past few years, and just this morning I saw some work from New South Wales. Again, it is about trying to make that connection between subsidiarity, participatory budgeting, participatory democracy mechanisms and the outcomes approach.

Liz Smith: That leads on to my second question. Do you accept comments made to the committee during the workshops that ring fencing can be a bit of an issue? It was largely participants from local government who said that. They commented that there was almost too much ring fencing and that they would like the autonomy to spend some money on areas of policy where they knew that there had been good effects. That was not to do with economic statistics and much more to do with social wellbeing. Do you accept those points?

Jennifer Wallace: Yes. Again, at Carnegie UK, we have a significant body of research and evidence about asset-based community development in rural communities. The importance for small communities of being able to determine their own priorities and therefore feel engagement and ownership came through all of that work. If people feel that there is local ownership, that adds to the sustainability of those initiatives, which go deeper and last longer as a result. A lot of our work was about community ownership—community ownership of land and energy—but there is a sense that, at a hyperlocal level, those things can come together and create very local wellbeing approaches that are specific to the needs of those populations.

Michelle Thomson (Falkirk East) (SNP): Good morning. I will touch on a couple of themes that have been peripherally discussed already. I am interested in the complexity that arises from Government accountability versus subsidiarity. The unwise or uneducated might say that it must be this or that, because they do not recognise the complexity. I will give an example.

As we know, there are many areas of critical change over which the Scottish Government has no say—fiscal and monetary levers and so on. It is on the record that the Scottish Government is trying to do something about child poverty through the Scottish child payment, but that that is clawed back via another route by the United Kingdom Government. My concern about that is not just from a political perspective but from an accountability perspective, because the Scottish Government is accountable for all these outcomes but does not have the control and the power to deliver on them.

I would appreciate the witnesses' thoughts about that complexity, how we can start to square it off and the examples that I have read in your submissions about what you have seen of that happening elsewhere—in Ireland and Wales in particular, with regard to soft and hard powers, as Dr French put it in his submission.

Perhaps you could flesh out some of the complexities, because it strikes me that saying that it is this or that is too simple. I ask Jennifer Wallace to come in first, given that she has been looking at me and nodding, which I have taken as agreement.

10:45

Jennifer Wallace: I do not think that anything in complex public policy is ever this or that; there is always a mixture. The example of childcare hours was given earlier. If we interpret childcare as core infrastructure that allows a country to function, such provision might not be up for local negotiation, but we, as a country, probably need to have that conversation. Where do the differences lie as we come out of the pandemic? Are there differences from when the Parliament was established? There might well be.

How do we square that off? There is an issue about local democracy and the local democratic deficit. The connection between local people and their councils is not particularly strong. We have layers of accountability over and above that, and people sometimes appear to be accountable and sometimes appear not to be. During my career in policy in Scotland, there have been constant calls for reviews of the relationship between the Scottish Government, local government and communities—those at the hyperlocal level.

I am not sure that the national performance framework or national outcomes can resolve all that. The difficulty is that the national performance framework sits alongside an imperfect system. People think that it is about trying to resolve the problem through soft power, as Dr French referred to, or people put so much weight on it that it becomes a top-down approach, but it is neither of those things. The Scottish Government is not accountable for the national performance framework, although it might feel that it is; it is accountable only in the sense that it must have regard to the framework, according to the 2015 act. There is not the clear and linear line that some people think exists.

Does that help?

Michelle Thomson: It definitely does. It would also be useful to hear some comments from Dr French and Dr Elliott.

Dr French: My thoughts on the matter relate to accountability and how that can be reconciled with the extra-organisational nature of outcomes, which is intrinsic to an outcomes approach. The issue can be grappled with in two ways. We can try to hold people accountable regardless of that—the experience in Northern Ireland involves a narrow tunnel vision, with one indicator being used at the expense of all the other outcomes and indicators—or we see gaming behaviours from, for example, the work programme and the troubled families programme, which were flagship UK Government policies from the Cameron-Clegg era. The history of performance management is littered with examples of such issues.

My view—this is the emerging academic consensus—is that we should reframe our vision of accountability. We should move from attributional accountability, which involves movement in the national outcomes being assigned or attributed to the Government, to accountability being about contribution, which involves the Government being held to account for its contribution to a broad range of national outcomes or indicators in a contextually specific way.

Again, I refer to what Wales has done. A localisation process is conducted in relation to wellbeing plans, assessment and objective setting, and that process is based on a community planning partnership, a public body or local government producing a stretching attributional plan. For example, housing associations—I know that they are not held to account in Wales—think about not only repairs, occupancy rates and so on but how they could contribute to reducing antisocial behaviour or child poverty in their area. They think creatively and collaboratively about areas beyond the boundaries of their organisations in order to make a broader impact. The creation of a stretching contribution plan, which is the start of that process, has to be an accountability procedure. That is done through collaboration between the Future Generations Commissioner for Wales and Audit Wales.

There needs to be a post hoc assessment of that, and not just of what has gone according to plan. Context and the intervening factors need to be taken into account and an attempt made to assess links between them. Has that creative stretching process been genuine in that context? Accountability is situational, and it is based on contribution, not attribution, and not on top-down assignment of accountability. There are examples of that in practice that show that that can be done.

The other thing that I would add—I am sorry—is that the commissioner's oversight function has given them all the information that they feel that they need to make a valid assessment of who has stretched themselves and who has not, and to mete out that balance of soft power versus hard power. Who needs the coercion, who needs the encouragement and support, and who needs to be potentially taken to that next level of formal investigation and review?

Michelle Thomson: Before you come in, Dr Elliott, you specifically mentioned the Auditor General's role in relation to accountability, which gets more complex when policy decisions bypass the Scottish Parliament and go directly to local councils without a clear line of sight on scrutiny and accountability, and just a promise to look at it later. Do you have any thoughts about the complexity of that? I noted with interest what you said about attributive accountability; that is an interesting theme.

Dr Elliott: First, I agree with what Dr French said. The idea of a wellbeing framework has a lot of similarities with, for example, how the sustainable development goals have been set up. The philosophy that underpins the sustainable development goals is that each nation state demonstrates how it contributes towards those goals. They are not expected to tick every box and to be held to account in the way that a performance framework would facilitate; it is more about how the contribution is made, and a wellbeing framework could have a similar philosophy.

There are complexities around all that and how different bodies contribute to the different goals or outcomes. That is where collaboration plays a key part. A number of Audit Scotland reports have highlighted the need for more joined-up thinking in Scotland and the need for more collaborative leadership—for example, reports have highlighted issues with health and social care integration.

I go back to something that Liz Smith said. Do we need the framework? We definitely do, because although an individual agency or council might say that it was doing it anyway, that misses the point. It is not about what an individual organisation does; it about what the collective system does, how people work together across different parts of the system and how learning and experience are shared between the Scottish Government and local government and between local government and different arm's-length external organisations.

Learning also needs to be taken into account; we need to encourage more learning and sharing of experience across the system and between the Scottish Government, the Welsh Government, the Northern Ireland Executive and the UK

Government. There is a great opportunity here. Because this has been developed in slightly different ways across the devolved Administrations, there is a real opportunity to learn from the good practice that is taking place. However, I am not sure that that is happening yet. Scotland is almost a silo in itself. Can we learn more from what other Administrations are doing? The answer is absolutely yes.

Michelle Thomson: My last question, the subject of which we have been dancing around, references the concept of agency. We have alluded to top-down structures and to bodies taking ownership in different ways, but we can think about the matter from a bottom-up perspective. Going back to what Jennifer Wallace said about subsidiarity, rather than thinking about the very bottom of the triangle and the person in the street, how would you go about ensuring that agency is instilled in every touch point of the national performance framework? I am thinking about the issue from a completely different perspective; we have not used the word "agency" in the evidence session today, but it is jumping out at me.

I can see that you are all thinking about that. Who wants to go first?

Jennifer Wallace: I will. There are really interesting developments in Scotland—for example, the Scottish Leaders Forum—in creating spaces in which to reflect and learn together. We are getting better at that and, I hope, at sharing experiences. There are ways of encouraging that by asking the right questions. That might be where there is a role for an agency of some kind to ask questions such as, "How would you go further? How would you improve your contribution? How would you develop that?"

It is about using a learning-together methodology, not scrutiny. It is about taking a much less hierarchical and much flatter approach. If we accept that we all adhere to the principles of wanting to improve lives in Scotland, and we all believe that the outcomes-based approach is a way of doing that, we need to set ourselves a set of complex reflective questions on whether we are doing enough.

We have not talked much about the environment, net zero or climate change. Our contribution as a nation to finding the solution to the climate crisis is not going to be found in the Scottish Environment Protection Agency or in the Government's environment department; it will be found in all of us doing our piece. That is a case in point on how we should go from personal responsibility to community responsibility, with agency all the way through the system, to allow us to feel not only that we are making our contribution but that that contribution is respected by society, so it goes in both directions.

Michelle Thomson: Does anyone have any last wee comments or anything to add on that?

Dr French: That is a really interesting question and a worthwhile way of looking at the matter, because the national performance framework's outcomes cannot be achieved through top-down imposition; they cannot be achieved without agency. Success will, to a large extent, depend on whether the NPF inspires that agency at various levels. That is why a branding and marketing approach to awareness raising is so important.

A similar question could be asked of the Scottish Government: why did it feel that it was important to adopt the UN sustainable development goals and seek to align with them? There was nothing forcing Scotland to do that, but it took it upon itself and used its agency because it saw that as an important thing to do. It is important to carry forward that active approach in the implementation strategy. That would involve taking stock of the public mood and focusing on whether people are responding to the strategy as an opportunity rather than as a threat.

Dr Elliott: From my perspective, agency links back to leadership. You need leadership in order to take on agency and do things.

Jen Wallace spoke about learning together; another key aspect of my research is around learning, particularly in relation to public administration. There is a bit of a gap there that needs to be addressed in terms of the wider development of leadership within Scotland—specifically in relation to public administration.

I know, for example, that the UK Government is developing a national leadership centre for civil servants—the leadership college for government. To what extent is the Scottish Government involved with that, and to what extent will it be used to develop learning across the devolved administrations and with the UK Government?

Max French and I come from Northumbria University; there are many local universities that arguably also have roles to play. However—arguably, again—there is a lack of capacity. As I mentioned in my written submission, we only have one master of public administration programme in Scotland, and one master of public policy programme, so where do we get the investment in leadership in order to make it happen? Where do we get the learning opportunities and how do we embed all that—not just within the civil service but right across the public sector? That is another aspect that needs some consideration.

Michelle Thomson: Thank you, convener.

11:00

Douglas Lumsden (North East Scotland) (Con): I will be brief, because I note that time has gotten away from us. I have a question about scrutiny and accountability. I imagine that the key recommendations that will come from the committee will include recommendations on whether we have a commissioner and on the role of Audit Scotland. Can you give an idea of what would the commissioner's office would do most of the time? How many people are we talking about? How big a unit would it be?

Jennifer Wallace: I think that the office of the Future Generations Commissioner for Wales has about 15 people—[*Interruption*.] Has it gone up? Max French has more recent information and says that it has 30 people. It is a reasonable-sized office that has a research function. It carries out primary research on how the Well-being of Future Generations (Wales) Act 2015 is being implemented, and it scrutinises plans, such as local wellbeing assessments, to assess where they meet the act's ambitions.

I mention briefly in my submission that Scotland has not done well at explaining to the media this new way of doing business, whereas the commissioner's office in Wales has quite a prominent media role, talking about the wellbeing of future generations and encouraging thinking about social progress in the round, through its public engagement and outreach activities. You could see that as the cluster of activities.

The commissioner's office in Wales very rarely uses its hard powers—much of its power is soft power. However, the ability to use the hard power to call in information and to make public statements about the information that it receives is powerful.

Even if that hard power is rarely used, it has an effect—the most obvious example of which is the decision that was made on whether to build a motorway around Cardiff. Ultimately, it was the First Minister who changed the decision, but it was changed based on evidence from the research team in the commissioner's office, who worked out how many years it would take for future generations to pay off the debt for that road. Putting that evidence into the debate changed the nature of the conversation about whether it was worth the cost. That is the type of activity that the office does.

Scotland has a number of commissioner offices already, and we have Audit Scotland, so we could look at many models from Scotland, rather than starting completely from scratch.

Douglas Lumsden: We spoke about decluttering earlier. I am concerned that such an office would add more clutter to the landscape.

Dr French: Another function that the commissioner in Wales provides is know-how. We talked about accessibility to the national performance framework—the Future Generations Commissioner for Wales's office provides support, guidance, workshops and close personal working. It supports the Welsh Senedd in using the Well-being of Future Generations (Wales) Act 2015, and it provides training programmes and an outreach function on a much larger scale than what we have in Scotland.

One of the things that we have done well in Scotland, and for which many people who want to use it are knocking at the door, is the national performance framework. However, third sector organisations that are interested in the NPF do not know how to use it. Provision of guidance, support and shortcuts from a position of expertise on how the framework is to be embedded would enable such organisations to adopt and implement the NPF much better than they currently do. Normally, what goes on is after-the-fact signposting, which we have talked about, so scaffolding the process and providing a lot of infrastructure would be needed.

The other thing to say is that the Future Generations Commissioner for Wales's office has been operating at capacity for a number of years. It has noted to the Welsh Parliament and the Welsh Government that the scale of demand for support from the office outweighs the resources with which the office is provided. The commissioner's office's budget is about £1.5 million per year—it might be slightly more—but the scale of demand is pushing it beyond capacity.

More than half of that demand comes from Government—requests for support from civil servants—and the rest comes from public bodies and organisations that are not accountable through the Well-being of Future Generations (Wales) Act 2015, but which have that wider movement-building approach.

That shows the scale of resourcing that would be needed to move the NPF from being a Government performance framework to a societal wellbeing framework.

Jennifer Wallace: I can provide a couple more pieces of information. I remind the committee of the previous evidence that, to the best of our understanding, there are about five people in the delivery team in the Scottish Government—there are six times as many people as that in the Welsh office, so it has significantly bigger capacity.

Another piece of historic information is that the Sustainable Development Commission's offices were closed more than a decade ago as a result of a UK Government decision. The Future Generations Commissioner for Wales was

established as a direct response to the closure of the office of the Sustainable Development Commission in Wales. Many of the commissioners from the Sustainable Development Commission were involved in the establishment of the new office: there was a clear line from the SDC closing to the setting up of the office of the Future Generations Commissioner for Wales under the Well-being of Future Generations (Wales) Act 2015.

There has been a longer gap in Scotland, but we can still say that, given the organisational history, a new office would be related to the work that the Sustainable Development Commission carried out prior to its abolition.

Douglas Lumsden: The commissioner in Wales does not carry out an audit function such as that which is carried out by Audit Wales. I am trying to think what role Audit Scotland would play.

Dr French: In Wales, there are the before and after periods, with a pass-over process: the commissioner took charge at the start, then Audit Wales came in after the fact to review progress. They both have long-term scrutiny roles in relation to the broader picture.

Douglas Lumsden: Finally, you have mentioned a road in Wales. Who would have carried out the function in relation to that road if there were no commissioner responsible for wellbeing?

Jennifer Wallace: Nobody would have done that. There were several academics and non-governmental organisations campaigning to draw attention to the fact that the absence of a sustainable development commission was not in the best interests of Wales. However, until there was the Office of the Future Generations Commissioner for Wales, there was nobody of that status within the system who was able to get into the decision-making process and hold people to account. The decision on the road was the First Minister's decision, but he made it based on evidence that had been provided.

The Convener: We have reached the end of our evidence session. I thank our witnesses—your detailed evidence is greatly appreciated by the committee. Next week, we will continue to take evidence on the national performance framework.

We will take a break until 12 minutes past 11.

11:07

Meeting suspended.

11:12

On resuming—

Scottish Parliamentary Corporate Body Budget (Website)

The Convener: The next item is to take evidence on the Scottish Parliament's website as part of our scrutiny of the Scottish Parliamentary Corporate Body's budget.

We are joined today by Jackson Carlaw MSP, member of the SPCB. He is accompanied by Scottish Parliament officials Michelle Hegarty, deputy chief executive; Alan Balharrie, group head of digital services; and Susan Duffy, group head of engagement and communications. Good morning and welcome to the meeting. I invite Mr Carlaw to make some opening remarks.

Jackson Carlaw MSP (Scottish Parliamentary Corporate Body): There has been quite detailed correspondence between us, so I do not think that there is any particular need to repeat all that, and we are quite happy to move straight to questions.

However, I point out that I am not a website designer or an information technology specialist—I am probably one of those dinosaurs who is the last person that you would consult on any such matters. Like many other laypeople probably do, I imagine that you can go to Currys PC World and buy a website for £5.99 and that that will probably suffice. However, with an organisation as huge and complex, and of such public interest, as the Parliament, it is important that we have an accessible website, given that it is accessed by many people from not just within but outwith the Parliament, including from around the world.

You will need to bear in mind that the previous website was launched 10 years ago, which was the same time that the iPad was launched. So much has changed in life since then, not least with mobile communications and people's ability to access things in ways that are quite different from how things were accessed previously. I am afraid that the previous website had become largely obsolete, it was incapable of being maintained and it was certainly not something that could be accessed easily. It required to be upgraded.

The inability of the public to access the website was very much a feature of the public engagement meetings that were conducted by the commission on parliamentary reform, which was established by Ken Mackintosh and on which I was pleased to sit. It might be the case that users in the building who were familiar with the website felt able to access it with ease, but that was not the case for those trying to engage from elsewhere. That was the corporate body's justification and reasoning when

it took the decision some years ago to commence the establishment of a new website.

That is how the new website came about. I know that you will have detailed questions on what came about and, possibly, the process that led to that as well. We are very happy to take your questions. Michelle Hegarty, Alan Balharrie and Susan Duffy will assist me—or perhaps prevent me from contributing—as we go through the questions.

11:15

The Convener: Thank you for your helpful opening statement. Committee members have great interest in the issue, so I will restrict myself and will try not to ask myriad questions. However, obviously, I will kick off with a few.

The committee has a focus on a couple of areas, one of which is our scrutiny function and how the website relates to that. The cost itself is, of course, also a major issue for us. I do not pretend to be an expert on websites either, but, as you said, simply Googling websites shows that you can buy one for just a few hundred pounds. We realise that this is a complex organisation, but, again, I understand that, for major organisations, the cost of introducing a website is considerably less than what the Scottish Parliament appears to have paid—by a number of zeros. The timescale for developing it is also a matter of concern.

The committee was sent a list of the cost of other websites, including, for example, those of various UK Government departments. The cost varies from £14,000 to millions of pounds. However, we do not know whether we are comparing apples with apples and oranges with oranges because we have not been provided with a great amount of detail.

The Parliament's project began in 2017, with cost and delivery spanning subsequent years until 2021. However, no specific costs are provided against the web project for each year. I am keen to find out why that is.

A response from the Presiding Officer states that

"The web project budget was put forward by the Digital Strategy Board, as part of the overall project portfolio bid which comprises part of the SPCB's annual budget bid from 2017/18. SPCB approves the Parliament annual budget bid and its indicative bid for the next financial year",

as we know. However, we are also advised that

"Officials have also recognised the need to provide increased detail on major multi-year project costs as part of the annual budgeting process to the SPCB and Finance and Public Administration Committee."

Therefore, the obvious question is why the committee was not previously provided with that detail. When did the realisation dawn that we should receive that detailed information? When did SPCB members become aware of the on-going costs of the project? I have heard a number of views that they were not necessarily au fait with the details.

Jackson Carlaw: Michelle will come in, but the corporate body was made aware of both the overall project when it was launched back in 2017 and the years over which it would run. The budget for the website was not separately identified in each year. It is accommodated in the overall IT and digital budgets, so there was never any exceptional item. It is one of those things, along with maintenance of the building, that have to be planned for on an annualised basis over a period of time. Therefore, the corporate body was aware of it, in the sense that we understood the case for the new website and had been given an indicative idea of the likely cost of and timescale for website development. However, given that lead times for different bits of the project can be compromised in any one year, it was not necessarily the case that any one part of it was scheduled within the budget and identified separately as the bit of the website development that would happen in that particular calendar year.

You are right that it is reasonable for a Parliament to point to other Government services' websites, because we are not a commercial business—we are a Parliament with an obligation to both internal and external users to ensure that we have a website that is fit for purpose with the capacity to serve the Parliament not just for a year but for the decade ahead.

Michelle Hegarty (Scottish Parliament): Convener, excuse me if I do not cover all your questions. Please just repeat any that I do not answer. I will build on what Jackson has said about the corporate body's involvement, which is obviously at a strategic level to approve, on the advice of its officials, the budget bid, which comes to the Finance and Public Administration Committee for scrutiny each financial year.

Behind the scenes, the clerk/chief executive has responsibility for the day-to-day functions that are involved in the running of the Scottish Parliament, which is delegated to him under the Scotland Act 1998. In turn, group heads, such as Alan Balharrie and Susan Duffy, have responsibility delegated to them over their areas of business, including all projects and programmes that are undertaken.

The budget bid for this project was created and developed during 2016 and was put to the then Finance and Constitution Committee in an evidence session that took place in December that year. It then went through the process that begins with consideration by the digital strategy board, which has a strategy for how the organisation can

take forward digital investment and which prioritises the range of investments that it feels need to be undertaken to address that strategy. Its findings are put to the strategic resources board, which is made up of me and the clerk/chief executive, with input from the chief financial officer. We look at the prioritisation of the entire Parliament budget, but within that we consider prioritisation in the project budget, which is usually about £4.5 million—latterly £5 million—and is part of this year's overall Parliament budget of £112 million, excluding capital costs.

In terms of scrutiny, the strategic resources board determines the prioritisation between the different portfolios, because digital is only one of a number of areas in which we have project spend—the other area that is most significant is facilities management, which concerns the infrastructure and services that are involved in running the building. We make priority decisions across all of that and examine the detail of how the prioritisation has been undertaken by the different business areas. That then goes forward to our leadership group, where we again scrutinise the budget bid before we give our advice to the corporate body. The corporate body usually looks at the budget in a few different ways before signing it off, at which point it is sent to the Finance and Public Administration Committee for scrutiny.

That is the process that would have been undertaken under the various delegations of power from the clerk/chief executive down to the group heads, and through the governance that we have as officials before the corporate body is advised.

The Convener: Okay, but from here on in, are you looking to give us the breakdowns that were not provided previously?

Michelle Hegarty: At the moment, when we bring our budget bid to you—which we will next do in December—we set out all of the various components of the Parliament's budget, such as members' expenses and office-holders' salaries, and we also have schedule 3, which gives more of the detail on what we expect to deliver in terms of projects. We give a high-level overview of the key elements of the project budget, but we do not do that with every project—obviously, there are numerous projects that are undertaken in the organisation, so we pull out the most significant areas of spend.

Over the past four years, we have been doing something that we are keen to build into how we approach the corporate body and the Finance and Public Administration Committee. We have started to develop a project pipeline that is looking over a five to six-year period to try to even out project spend. Where we see that there is going to be multiyear spend on a project or programme of work, we will try to say to the corporate body and the Finance and Public Administration Committee not only that we can meet the spending within our indicative budgets in the annual cycle but that there is likely to be two or three-year spend, and we will give a high-level estimate of cost.

Jackson Carlaw: The corporate body reviews these things, but in the sense that they are approved projects in a schedule, so there is a monitoring and an understanding of how the work is progressing. The corporate body might be more exercised by a project that comes out of left field and for which there has been no provision, such as Police Scotland's recommendations in relation to security in the building, none of which had been anticipated in a five or 10-year plan and which required to be progressed with a degree of urgency. In such a case, the corporate body considers the recommendations and total costs, and the recommendations may or may not be accepted as we decide what we are going to authorise and the exceptional item of expense that we have to approve.

The Convener: Let us move on to the tender. We were advised that specialist technical staff were procured through existing framework contracts and the technology behind the site was also procured through an existing contract that was in place at the time. Why was the project not put out to tender?

Jackson Carlaw: I invite Alan Balharrie to answer that.

Alan Balharrie (Scottish Parliament): We had current contracts in place that we wanted to use. Obviously, that let us move forward at a faster pace to get things going.

The Convener: Excuse me? A faster pace? It took three or four years to develop the website.

Alan Balharrie: It would have taken an extra year if we had added on a procurement exercise, which we did not really need to do. The contracts were already in place, and we could use those. The procurement phase for a high-value project would typically take between nine months and 12 months, following the standard procurement policies and procedures that we have in place in the Parliament.

The frameworks were in place—they were let either through mini-competitions in the Government frameworks that are in place or through a framework that includes multiple suppliers. In that latter case, each time that we use the interim services contract, we approach seven companies and ask them to submit responses and give us the best value for money from that contract.

The Convener: I think that, in relation to normal procurement in the real world outside this building, a website can usually be produced in a week or a month—when I look around, I do not see anyone saying that it will take three or four years. There seems to be a lack of reality here compared to the rest of the world.

Jackson Carlaw talked about having a website that makes it easier for users who are less familiar with parliamentary processes, such as members of the public, to find and understand information. However, as an MSP, I find the current website more difficult to manage than the one that we had before. The very fact that you have to go to the old website to look at the *Official Report* is a complete nonsense.

What do people in this Parliament and in the general public actually want to use the Parliament website for? They want to look at the *Official Report,* committee reports, questions, motions and parliamentary bills. You tell us that this is an incredibly complicated and sophisticated technological solution to some indecipherably complex problem, but people simply want to know who submitted a motion on what, who asked a question on what, and what bills are coming up. Are we really expected to believe that we got value for money in a £3 million project that took years to complete and is, frankly, a camel—that is, a horse designed by a committee. To me, it is a mess, and I know that other colleagues feel the same way. Is this really the best that we can do for the huge amount of investment that went in?

Jackson Carlaw: That is a suitably pejoratively phrased question, convener. As someone who does not access websites and things, I might find these things complicated, too. It certainly is the case that, if you were an internal building user, you understood how the previous website worked and were familiar with your way around it. However, it was a hugely lugubrious website. It had hundreds of thousands of documents in it, which were slowing down its operation and decreasing its efficiency. That is unlike any website for any Government department or Parliament that you would expect to come across. Our content was extremely dense and, if you were not one of the internal building users who was familiar with the site, you would not have had a good experience using it.

Have we got a final product that is incapable of evolving further? I am sure that that is not the case. I know that Susan Duffy is very much involved in engagement around how the website might progress, so it might be worth while hearing from her at this point.

Susan Duffy (Scottish Parliament): With regard to the model for the development of the website, we wanted to develop our in-house capability. We did not want to build a website that was incapable of being improved—that was a lesson that we had learned from the previous website in 2010. The website was handed over to us in a state in which we could take it forward in-house. Through the course of the project, we have developed our in-house expertise in teams in my group and in Alan Balharrie's group, so that we can constantly develop and improve the website. No website is ever finished, and we very much appreciate that there are certainly mixed views on the website.

Jackson Carlaw talked about people from outside the Parliament not being able to use the website as easily as we might want them to. That is important from an engagement perspective.

11:30

I will give you an example. On the old website, if someone wanted to engage with a consultation that a committee was running, they would have needed to know which committee was looking at which issue, and they would have needed to go on to the website and find that particular committee. However, on the new website, there is a list of consultations that is organised by the issues that are being looked at, rather than by committees. I know that that is different from the way that it was done before. I used to head up the committee office, so I had a good idea of which committee was scrutinising which issue. I do not have as much knowledge of that now, and I find that feature helpful.

The Convener: I suggest that that is a relatively minor point, given that there are other search functions and features that people would probably use more frequently. I will touch on only one other area, because I know that my colleagues are keen to come in.

We looked at areas of spend, which I found quite interesting. For example, in 2019-20, the cost of salaries for people who were working on the project was £928,000. The amount that was spent on software was £4,000. The following year, the cost of salaries was £940,000, and £2,000 was spent on software. What kind of salaries were the people who were working on the project being paid? How many people were working on the project?

Alan Balharrie: We employ contractors with specialist skills on day rates. The costs that you mentioned are attributed to those contractors' salaries. The rates varied throughout the project and would have ranged from £300 per day up to £840 per day, depending on the skill set of the person and the market value at the time.

The Convener: Even with people being paid £300 a day or £840 a day, it still took years to

produce the website. The response from the Presiding Officer said that,

"Apart from the challenges of managing and co-ordinating a large team virtually ... members of the team",

had to deal with issues

"such as childcare and home schooling".

Honestly! Basically, we are spending all that money but must also accept that folk who were earning those huge day rates had to juggle home schooling and childcare. Was that not taken into consideration?

Michelle Hegarty: I will come in there and clarify that point. Alan Balharrie referred to the specialist day-rate card, which was obviously part of a contract that had been let at scale in the public sector. We use framework contracts because they offer better value for the public sector.

I will address your point about the various things that impacted on the project. The website was delivered largely according to the timeframe that was set out. You mentioned home schooling. We obviously had not envisaged the pandemic hitting towards the end of the project; naturally, there were a number of challenges in delivering the project because of it. For your benefit, we have set out that we had to introduce two new services in Parliament—the remote voting system and the hybrid parliamentary business platform—which were not projects that had been envisaged, but we had to address them in order to keep Parliament running. As I understand it, some of the specialist staff were deployed on those contracts.

As members' staff would have had to do, some staff had to go home and deal with the fact that schools were shut for a period during the pandemic, and others would have had Covid or other illness. We were balancing a range of factors that naturally impacted on capacity levels in the Parliament—as members would have been.

That was coupled with the fact that there was a demonstrable uptick in Parliamentary business in the last two years of the previous parliamentary session. Staff who were not specialists who had been engaged to deliver the website needed to be trained to support the website when it went to business as usual, which presented capacity challenges because of the support that was required for Parliamentary business.

All those were challenges that we would have expected—with the exception of Covid—and we have had to try to navigate them as part of delivering Parliament-run business and other projects that are part of that business.

The Convener: People were earning more than £200,000 a year on a day-rate basis for the project. How many people were working on the project? Based on £850 per day, that works out to 1,100 person days. If you work on £300, the figure is 3,000 person days. I imagine that the real figure is somewhere between that. How many folk were working on the project on an on-going basis? How many specialists were needed?

Alan Balharrie: I do not have that figure to hand, convener; I am sorry. I think that roughly 10 to 12 contractors were employed at any given time. We also engaged our own staff.

On the difference in salaries—which you referenced from the table—it is worth pointing out that the backfill was actually the recruitment of two parliamentary staff, so they were under our terms and conditions. When the high day-rate contractors whom we brought in could not attend due to childcare issues or whatever, they did not receive any payment. If they were off ill or on holiday or could not attend due to childcare demands during the pandemic, they were not paid by us.

The Convener: I will open the meeting up to questions from colleagues. Daniel Johnson will be first, followed by Michelle Thomson.

Daniel Johnson: There are two primary issues. One is transparency about up-front decision making. The second is the amount of information that was provided by the project on an ongoing basis.

Mr Carlaw, neither of us is a website developer, but we are both businesspeople. In business, if you have undertakings with multiyear obligations it is a good idea—indeed, if you are a large business, it is a requirement—to specify those adequately on your profit and loss account. In the 2017-18 budget submission from the SPCB, the only indication that the Parliament was undertaking a £3 million website contract is a little line in schedule 3, which is the description against IT digital services projects. It reads as follows:

"Information Technology/Digital Change projects include rolling out the MSP case management system to more MSPs and their staff; delivering a new Parliament website and intranet"—

that is fair enough—

"software (Windows 10 and Office 365) and hardware upgrades for SPS staff; replacing the Parliament telephone system".

What in those lines would have alerted our predecessor committee to the fact that the Parliament was undertaking a significant website contract? That fact is pretty hidden, is it not?

Jackson Carlaw: In the year to which you refer, I gave evidence to the previous finance committee and colleagues asked me questions about development of the new website, which are in the

Official Report. Therefore, MSPs on the predecessor committee were aware of development of the website and interrogated me on it.

Daniel Johnson: However, there was no real indication in the lines in schedule 3 that there was a three-year, £3 million undertaking, was there? Do you think that that was sufficiently transparent in terms of the level of detail that was provided, given the significance and scale of the website project?

Jackson Carlaw: With regard to the development and delivery of multiyear projects of core services that are provided by the Parliament, you could point to a number of different examples. Maintenance of the lifts is an example: you might ask how much you know about how much it is costing to replace or maintain the lifts in the building. Such costs are all incorporated within the particular line item elements of the budget. I think that the corporate body would be more concerned were it to find—we would be alerted to it—that there was a significant problem evolving in the development of a project that was now somehow spiralling out of control or had spiralling costs.

In each year—and at each meeting of the corporate body throughout the year—the various departments of the Parliament schedule fairly detailed and extensive reports, which we consider. I think that many of those are subsequently available to the public as minutes. So, I do think that it was sufficiently transparent.

With regard to the overall portfolio of a £100 million budget—it might have been about £80 million at that time—the level of detail that the committee sought or asked us about was accommodated. As I said, I was asked questions in that year and in subsequent years about the project's ongoing development.

Daniel Johnson: I appreciate that acknowledgement. I suggest that £3 million as a percentage of a £100 million budget would warrant further—

Jackson Carlaw: It was not £3 million in one year and the £100 million is an annual figure.

Daniel Johnson: Indeed. However, in terms of the overall budget, it is a significant project. In order to understand whether it was getting out of control, we need that level of detail.

However, the problem with transparency goes a little further. On the detail that has been provided by the SPCB about how the costs are accounted for, all that we have been provided with is a schedule of resource costs set out according to whether they were for technical and non-technical contractors, but there is no specificity about what work they were doing.

I would expect, in any IT project, to see phases split up, so that we could understand where efforts are being applied—whether to initial analysis or to the design, build, testing or user acceptance phases, for example. Those are very basic things, but we do not have that level of detail. Why has it not been provided?

Michelle Hegarty: Yes —I can come in on that. What we provide to the Finance and Public Administration Committee is obviously an overview of the entire Parliament budget, which is £112 million this year. Within that, we obviously separate out members' expenses and the costs of office holders, so we provide you with an overview of the Parliament budget. Within the bit that is project spend, we group things to give you some idea of the key elements of spend within it, but we do not give you the detail of the schedule of how it is going to be delivered or the methodology. Officials are delegated and charged by the corporate body with doing those things as part of running the Parliament.

Daniel Johnson: I do not understand why, in table 2 of your written submission to the committee, you have described categories as being "areas of spend", but that is not what they are. The table is a time profile that is broken down by resource type. In order to get a good handle on any IT project, you need to understand that effort by phase, do you not?

Michelle Hegarty: We do not give you that detail; it is available to Alan Balharrie and the digital strategy board.

There is also reporting against the milestones in the project, which comes to the leadership group on a quarterly basis and is reflected up to the corporate body. There is reporting against the key strategic milestones of the delivery plan for the project. That goes on with officials, and it is reported to the corporate body. The digital strategy board took regular reporting on the project as it was being developed, and beneath that board are a strategy board and a project team that do regular reporting, as well.

It is the job of officials to get on and run the project. What we provide to the Finance and Public Administration Committee every year is key areas of spend that we expect to see within the grouped programmes. That spend is usually on IT; it can also be on facilities management. In other years, it will be broadcasting and in others it will be security, depending on what projects officials have advised the corporate body need to be undertaken to run Parliament, address risk and replace ageing infrastructure.

Daniel Johnson: From looking at the detail that has been presented and from hearing some of the answers today, one of my key concerns is the

level of granularity at which the project has been monitored and managed. Mr Carlaw said that it is not possible to specify which bit of spend would have occurred in which year, but I suggest that that is precisely what you should be able to do in a well-run IT project. In a well-run IT project, as I said before, you should understand what levels of effort were required at each phase, and have a project management office that tracks those things, using things such as Gantt charts and projected spend. That seems not to be what we see. I would be grateful if that detail could be provided.

In particular, I am very concerned by the category "non-technical Contractors", which accounts for almost a third of the total costs. That is a very non-specific category of work. Can you explain why you were using third-party contractors to deliver the project? Managing individual contractors on an individual basis seems to be a very complicated way of managing a project like this, but it seems to be what happened.

Michelle Hegarty: Before I hand over to Alan, I will come in on the governance question. The things that you refer to, such as Gantt charts, might be used where a project is following a typical waterfall approach. There are other methodologies, including the agile methodology, which is now commonplace in the digital world. Maybe Alan will pick up on that.

Estimated costs, phases, milestones and all those things were in place as part of project governance. That is part of delegation to the group heads from the clerk/chief executive. The groups need to manage their budgets; they must have proper administration of their budgets and provide assurance to the clerk/chief executive that they are doing that.

In addition, there is performance reporting from various strands—project team, project board, digital strategy board and all the way up to advice to leadership group—and there is a quarterly performance report to the corporate body. That is just to assure you that we follow standard governance when it comes to projects and programmes. However, that granularity sits with officials.

I will hand over to Alan on the contractor spend.

Alan Balharrie: As I stated earlier, I think, our strategic intent in the project was to make sure that we built the capability in-house. We went out through the contractor route to get in specialist expertise, including on the non-technical side, for things such as the product owner role and user research. Those are not true technical skills, such as developers and technical architects have, but they are part of the project environment for producing a new website. We were learning from those contractors as we went. When we eventually switched over, we had enough knowledge in the office to run the project ourselves.

11:45

On the governance question, the elements that you are talking about were all available at project level. Sprints were used, rather than the classic waterfall approach that Michelle Hegarty mentioned. We used four-week sprints, with clear plans about what was going to be delivered. We created a sprint backlog, with risk management and so on.

Where required, the project team elevated things up to the project board. From the project board, they were elevated to our digital strategy board or to our leadership group. They were reported on quarterly to the corporate body through our quarterly reporting mechanism, but reporting was at a very high level by the time it got to the corporate body, compared with reporting on the individual elements of what was being delivered day to day.

Daniel Johnson: Can you clarify something for me? On the basis of that answer, I am still not clear about why you took the decision to deliver the project using third-party contractors rather than a single contract. Surely, that is inherently more complicated to manage. You acknowledged that there was not the expertise in-house to build the website. Was there expertise in-house to manage the variety and number of contractors that you have clearly been employing?

Alan Balharrie: We did project management capability at the time, so we put in place our own project manager and our own senior responsible owner for the project, who had experience in digital projects. We put those people in place to govern the project.

Where we needed to bring in skills that we did not have around development of the website, we did so through the contractor route and passed that knowledge on. A key part of the project was that we made sure that we were developing people internally so that, at the end of it, we would have the capability to continue to develop the website.

That capability has been used elsewhere within the organisation—a couple of other websites for parliamentary business and the festival of politics were built by our in-house team. Also, the skill set that we developed through that allowed us to develop the voting application in a very short time, using the same tools and techniques that we have used throughout the project. A lot of knowledge has been passed on.

Daniel Johnson: Okay. I could ask more questions, but I do not want to use up more time.

I would be grateful if somebody could write to the committee to clarify a couple of things. A number of boards and management groups have been mentioned; it would be good to get some documentation on how they interrelate and how the governance works.

Secondly, if the agile methodology was used, I would be grateful for an explanation as to why, because it strikes me that the project had a clear functional footprint, so I wonder whether the agile methodology was at all appropriate for delivering a website project such as this one.

Jackson Carlaw: I will make one general observation and perhaps make a constructive point.

As Michelle Hegarty identified, in terms of the high-level information that the committee receives, we are looking at one particular project; there have been questions about why there was not more information in relation to the project. I think that if we were to drill down into all the projects that the corporate body is overseeing and progressing, and provide the committee with that level of detail on them all, that would not be helpful or productive either for the progress of the budget or for the committee's understanding of where it wanted to focus its attention.

If, on the other hand, there is a particular area of development in Parliament that is the responsibility of the corporate body and on which, ahead of the budget presentation, you would like to have more detailed information—such as you are perhaps seeking today in relation to the website—the corporate body could supply such detail in advance of its presentation to the finance committee.

The Convener: Thank you. We will certainly discuss that in private.

Michelle Thomson: To follow on from a couple of earlier points, I have a question for Jackson Carlaw. I appreciate that the corporate body sits at accountability level and that a multitude of projects are going on, as Michelle Hegarty set out. However, given what we know now, it is fair to say that the cost of development of the new Parliament website has at least raised some eyebrows and caused some interest. What recommendations will you be looking to put in place on how the corporate body can fulfil its accountability responsibilities more carefully? I am sure that you have reflected on that.

Jackson Carlaw: I joined the corporate body just after the discussions about the website had taken place. I was handed the portfolio and had to go straight to the then Finance and Constitution Committee to sell the project, which was interesting. Those of you who have longer memories will remember that that was just after Alex Johnstone's death, which caused my accession to the corporate body.

I have been involved in a series of projects in the years that I have been with the corporate body—for three years previously, and again since the election last year. Someone like me, who has been in business, looks at and them and thinks, "Crikey! This is a pretty eyewatering way of achieving things." I am reminded at times that we are a Parliament.

I suppose that my mother would take the view that she would not change the light bulb in our kitchen until it popped, because she was going to get value for money from it. I think that If we took that view about the infrastructure of the building and just waited for things to fail—for the website, the lifts and everything else to fail; the telephone system might be next—people would not thank us for it. There clearly has to be a long-term projected look at wear and tear, obsolescence and the need to upgrade and monitor things, for which we need to plan over a number of years.

In this case, I know nothing about websites. Given the alacrity with which my SPCB colleagues agreed that I would represent them this morning, I take the view that there is no great depth of expertise among them—and naturally, therefore, in the corporate body—on the project.

With regard to our on-going monitoring of the website project, we have an idea of what the original estimate and the timescale were. We receive detailed information on all the expensive projects—some of which we can relate to more easily than others.

I hope that we will reflect on whether there are lessons to be learned from the way that this project has emerged and from the concern that has been expressed about it. I think that we have already suggested that the corporate body will have further discussion of whether other protocols could be put in place, and of whether there are natural points in the year when we should look at those things, just to ensure that we are offering whatever level of scrutiny we can offer within the portfolio of responsibility that we have.

Michelle Thomson: You have now gone on to the bit that I was specifically asking about. In effect, your neck is on the block and we have heard various people say, "Well, I have never run an IT project," which to me indicates a much higher risk with regard to scrutiny and the need for governance at the SPCB level. It is almost as if you are operating at board level, and any typical board would say that those are the projects that carry more risk and are therefore the ones for

which we need greater scrutiny or capacity for scrutiny.

You have reflected that you will certainly look at the matter more carefully, but I now feel a wee bit alarmed that, for various reasons, the SPCB is not able to fulfil its role in scrutinising the workings of Parliament. I am not surprised at the fact that, guess what, IT projects are always complex and always go over budget and take longer—I know that because I have run IT projects.

To pick up on what Daniel Johnson has said, I personally would like to see out of this discussion a report that is produced on behalf of the SPCB and which the SPCB has signed off saying, from a governance perspective, what specifically will change in the light of this project and what we will learn from it.

Jackson Carlaw: I will ask Michelle Hegarty to come in, but that report exists to some extent—we have a red-amber-green traffic-light warning report on all the risks and developments in the Parliament and on the progress that has been made against them. It is not that such things come to us only if we ask for them—we are proactively alerted to them.

The website project came largely within budget and on time, with the caveat that the pandemic complicated things because resources had to be diverted away from its development to things such as the hybrid working of Parliament, for which we had no advance notice, provision or additional staffing that we could deploy, other than those people who were working on the website at the time. I would therefore take issue with the idea that the corporate body is not being advised of all those things.

Michelle Hegarty: On the point about governance, I reiterate that there was clear governance in place in the form of the governance that we would normally follow for projects and the various strata of that that I outlined. I am happy to provide a note with my colleagues of what that entails. There were clear delegations to two group heads for their operational areas of accountability, for budget performance and the administration of that, as well as clear checks in our financial systems and audit with an external audit board with Audit Scotland on it.

We have a risk register that the leadership group regularly reviews. We also have quarterly performance reporting against the delivery of our delivery plan and our strategic plan using the red-amber-green—or RAG—status that Jackson Carlaw noted. We are therefore constantly reprioritising and tackling issues, addressing and seeking to mitigate risk, and ensuring proper financial and performance management of the organisation.

Michelle Thomson: I am entirely familiar with everything that you said, and I have no doubt that it is happening. However, given today's session and the concerns that have come out of the Finance and Public Administration Committee, it is clear that there has been a mismatch. It is that mismatch that I am pulling out. If it were me, I would be looking carefully at avoiding that mismatch happening again. However, I want to move on, because I know that every colleague wants to come in.

I will pick up on a comment that Daniel Johnson made. I would not necessarily agree about the methodology that is used for projects. We know that the world has moved on from waterfall projects. However, where we have an agile methodology—which is of course sold by the IT consultants as much more flexible—it can often mean that we have increased costs. We are developing multiple prototypes and so costs can mount in that area. The fact that we do not have to do a big, huge analysis project up front, which is then out of date, is sold as a benefit.

I am not entirely sure what fits in where. However, looking at the figures, I notice that—[*Interruption*.].

My thing has just died, so I have to log in again. I may be able to quote the figures in a minute. However, between the alpha and beta phases, quite a number of prototypes were clearly going on. It looks to me like a disproportionately high number of prototypes, which could even suggest that different personnel were coming in and going out. The whole point of agile methodology is that you develop a prototype and test it and that it is iterative as compared to the old waterfall approach. Perhaps Alan Balharrie will give us more context on that.

Alan Balharrie: Very quickly, I note that it is the approach that is used by the UK Government digital service and by the Scottish Government for its digital projects. The waterfall approach is also still used, but the terminology that is used is almost that of a bimodal approach, depending on the project. It is therefore a familiar approach.

On the particular point about iteration, the iterations that we delivered were lots of different additions to the initial prototypes. We were adding more services as we went. We did user testing as part of that and refined some of those. In fact, some of the feedback that we received from the corporate body around things such as the postcode search meant that we changed the order of presentation of things such as that. It was therefore not only that we were polishing a particular set of functions; rather, we were continuing to add functionality in moving towards the goal of moving across to what was the beta

site and was to be our actual website and letting the old site wither on the vine at that point.

Michelle Thomson: I do not disagree with what you are saying. I am simply saying that, based on my experience, that is an area in using agile methodologies where costs can be incurred, because you have a multilayering effect. Again, I am very much aware of that from a risk perspective as a former IT project manager—many years ago, I have to concede.

I turn to my last question. In the typical project continuum, you always have a trade-off between cost, time and quality. I would like an honest reflection—perhaps from all of you—on those areas. What did you trade: time, cost or quality? Knowing what you know now, what would you trade? If anyone says that time, cost and quality were all of an equally high standard, I note that all the evidence tells us that that is never the case for IT projects.

I will start with Jackson Carlaw, although I appreciate that he will need to bring his staff in.

12:00

Jackson Carlaw: I do not know that I came to those value judgments on the development of the website any more than I do over whether it is time, quality or cost on the lift refurbishment programme.

The key point is that the corporate body is acutely aware that it is public money—that is where we start from in our examination—and that we must have a product that matches the quality and expectation of the Parliament. However, we defer and delegate to the people who are charged with the relevant responsibility for taking the project forward. We do not interfere in an executive way in the operational decisions that you just asked about.

Michelle Thomson: However, knowing what you know now, will you ask in future about what is being traded in relation to time, cost and quality?

Jackson Carlaw: The Finance and Public Administration Committee has its variable interest from one year to the next. I often used to be interrogated at excruciating length about the commissioners. The committee's interest can shift in any given year, given the priorities of the public understanding of the Parliament's work. The question that you put has to go to the people who were charged with delivering the project.

Alan Balharrie: You rightly recognised the difficult balance that we are faced with on the time and costs involved in any project, Ms Thomson. We were conscious that, if we took too long in developing our staff and getting them up to speed, the costs would increase because of the model that we chose to use—using contractors. We always thought that the project would take about three years and, despite Covid, we put a large push on to ensure that we finished roughly on time.

That was the time and cost element. At that point, we had built the in-house capability to improve the quality so, if anything, we gave a little bit on the quality. We are trying to serve multiple masters—the different users of our website—on quality. There are a variety of users: members, their staff, the public for our engagement needs, and political commentators and journalists. They all use our website.

If anything, we gave a little bit on the quality. It is always a delicate balance. You are moving things around and judging them function by function.

Michelle Thomson: I perhaps take a different view from some of the committee members in that I was surprised that the work had not been started in the 10 years when it was known that the operating system had become obsolete. Provisioning for IT is invariably expensive and only goes one way in any organisation. That seems to have been quite a long time to wait to start the project. I would appreciate your reflections on that, Alan. As I said, everyone needs to understand that it is a continuing, risky, built-in cost to the Parliament all the time, because that is the nature of IT and digital services. However, I would like to understand why it took so long.

Alan Balharrie: We would have liked to have started the project a bit earlier, to be honest, and to have been able to maintain it. When we put the previous website in place, it was done by a contractor who completed the task and moved on, so we were left looking to support it.

We went through a lot of resourcing issues in the IT team to get the project going and we still struggle to recruit and retain people. There were also changes at the senior management level in the ownership of the website and the services around it, with Susan Duffy taking it on late on in the project. In an ideal world, we would have moved a little bit faster but, given the resourcing and finance available, that was about the time that we had to do it in the Parliament.

We were getting by for a few years and were content with that, but it got to the point where we were worried about a catastrophic failure. The National Cyber Security Centre notified us that, because the website was no longer being updated and improved, it presented a cyber-risk. The centre had identified that someone had made an attack against the UK Government but had also probed our website and looked for spaces in it. That was the final straw that got us moving on the project.

Michelle Thomson: I am not surprised to hear that.

I will bring Susan Duffy in. There have been a few points at which we have talked about comms with the various governing bodies and the committee. Would you like to add anything to the record on what you would consider doing differently?

Susan Duffy: The point that you make about continuous improvement is a good one. Earlier, you asked about striking the balance, and Alan Balharrie also spoke about having to make that judgment. In March 2021, we judged that the technical platform was in place and we would be able to hand it over internally. At that point, we knew that there were still aspects that we wanted to look at reasonably immediately to try to make further improvements.

We will always have a rolling programme of continuous improvements as things evolve and as we get more feedback. However, at that time, we took the decision that we wanted to move across because we felt that we were in a position where we could take it forward and we did not want to incur any further costs by keeping external contractors on for longer than was needed. We also wanted to have the website in place for the new parliamentary session.

Michelle Thomson: That is not quite an answer to the question that I asked, but I will let it go in order to let other members come in.

Douglas Lumsden: My question is not about the functionality of the website but about the project initiation process and governance. Was it an agreed project and who signed it off? Was the overall cost of the project budget approved and, if so, by whom? Was the scope of the project agreed and, if so, by whom? Were the timescales of the project agreed and, if so, by whom?

Jackson Carlaw: I think that the answer to that is largely yes, and by the corporate body, on the advice that we received.

Michelle Hegarty: The digital strategy board puts together various projects—many more than just this project—that then go to the strategic resources board, which I currently chair. We then look at the entire parliamentary budget to advise the corporate body what it will take to run the Parliament, keep the lights on and improve the Parliament or address risk where we have things that might fall over or could present a cybersecurity risk and so on.

That board has an additional challenge function, based on all the previous challenges in the business areas, which is to look at the nature and shape of the different pots that make up the Parliament budget and, within that, the pots that make up the project spend. When we are satisfied with that, we advise the corporate body at several different meetings, on the Parliament's overall budget. The SPCB is the ultimate body that signs off the bid that goes forward for scrutiny by the finance committee.

Douglas Lumsden: Would the corporate body know that the overall cost of the website was more than £3 million or would it just be presented with comments such as, "This year it's going to cost £100K and next year it's going to cost £100K more"?

Michelle Hegarty: We were working on an annual budgetary cycle and the corporate body looks at that. As I said, over the past four years, we have been trying to improve the project pipeline, which looks ahead to where there might be multiple years of spend to deliver something, such as the lifts or the web and things like that. We have improved that pipeline. The corporate body is now starting to get that overview.

Douglas Lumsden: At that time, the corporate body would not have been aware of the overall cost of the project, and the finance committee would not have been aware of the overall cost of the project. It is like me going out to buy a car; I would not buy the wheels one year and the engine the next year—I need to know how much the car is going to cost.

Michelle Hegarty: The corporate body would have known that the cost was within the indicative budget that was going up for each financial year. Looking back, there would not have been a total cost of that spend that the finance committee would have seen.

Douglas Lumsden: That is a complete failing. A project has been approved without people knowing its overall cost. It almost seems as though a framework agreement has been in place, which is more like a maintenance project for a website—just adding a bit more on every year. It did not go out to tender, so you did not know what the total cost was going to be—or maybe someone did—and you did not know what the scope would be because you had not drawn it up because there was no tender process. Am I wrong?

Michelle Hegarty: Alan Balharrie addressed the point about the tender process. The project used existing frameworks that had been tendered on behalf of the public sector. There was a tender process and we were using a framework—

Douglas Lumsden: There was a tender process for the resource that was going to be used for the project, but there was not a tender process for the overall project, so no one could know what the overall project was going to cost, although maybe somebody did.

Michelle Hegarty: There was an estimate of the overall cost, which the digital strategy board had, based on estimates in each of the financial years, over several years—as we set out in our response to the committee. When the committee took evidence, in one of the two evidence sessions, we talked about the fact that it was a multiyear project but the spend was within the indicative budget level for each of the financial years. The spend was contained within the annual budgeting cycle and there was no additional spend.

Douglas Lumsden: No, but no elected members were ever told what the complete overall costs of this project were.

Michelle Hegarty: In 2016, when we put up our evidence, we set out several things in the project schedule, some of which would be contained as projects within a financial year and some of which we flagged at the time as being things that might cross financial years. We did that with the website. What we did not have was a line saying that the project would cost £2.9 million in totality. Now that we have the project pipeline, we can go back and start to address that for the committee. When you are scrutinising our budget, we will be able to say what we are going to spend our time on in the current financial year and that we expect it to be a feature in quite a few of our budgets.

Douglas Lumsden: Michelle Hegarty's point suggests that that is a lesson that has been learned: there is an overall project cost.

Michelle Hegarty: Yes. We have matured our project pipeline approach over the past few years and we can start to bring more of that to the table when we come before the committee.

Douglas Lumsden: This is my last point, convener. Was the scope of the project agreed at the outset, or is that something that has been added to over multiple years?

Michelle Hegarty: I will let Alan Balharrie come in on that, because he was involved in the scope of the project.

Alan Balharrie: We undertook a discovery phase in the first year of the project, which outlined the scope. At the same time, we further identified that cost of the project.

Douglas Lumsden: Who was that scope agreed with? Did that go back to the corporate body?

Alan Balharrie: The scope did not come to the corporate body, as far as I am aware. There was an update to the corporate body after that, outlining what we were going to be doing, but it was a high-level update, which was presented in March, before we kicked off the financial year 2018-19. It was put out to the digital strategy board prior to that. The project board would have taken the information to the board.

Douglas Lumsden: It does not seem as though the corporate body had any real knowledge—it was not presented with the facts about what the project was actually going to do and what the overall cost would be. The SPCB seems to have been as much in the dark as the finance committee at that time.

Michelle Hegarty: Can I come in on that? We have gone back and looked over the various documentation over the years. The delegation to officials is to develop and carry out all of the rigour around business cases being approved, challenged and assurance that those can be delivered, doing that budgeting and putting that advice up to the strategic resources board, which then looks at the strategic shape of the overall Parliament budget, juxtaposing the various elements that we need to balance.

The business case sits at senior level with officials who approve the detail of the business cases and then there are various checks and balances on that. The corporate body would not be signing off detailed business cases for projects, of which there are many in different areas of the Parliament in any given year—as Jackson Carlaw suggested.

Douglas Lumsden: The corporate body is putting forward a budget that is then approved by the finance committee, without us knowing what the overall cost is, until today.

Michelle Hegarty: We talk to the corporate body about the key areas of project spend, what they are going to deliver strategically for the Parliament—addressing risk and so on—and then we put forward the budget, saying what is accommodated in our project schedule. What you are talking about is that forward look.

Douglas Lumsden: Exactly. The corporate body was not given the complete project spend. That makes it difficult for the corporate body not to approve it, because it does not know how much it is going to be in total over several years.

Michelle Hegarty: However, what we were saying to the corporate body was that it was affordable in each annual budget. Our assurance to the corporate body was that it was affordable in each annual budget.

I take on board your point that we could set out that forward look and report on that a bit more to both the finance committee and the corporate body.

The Convener: There are some things that we can afford, but it does not necessarily mean that we have to buy them.

12:15

John Mason: I want to make a couple of points. I am slightly more sympathetic to the team than some of my colleagues are. To be fair, the project has come in roughly on time and on budget, which is a good result, given that we have much experience of IT projects that have not done so.

I do not use the new website that much, and I find searching for things a little difficult. I was looking for a motion that I had lodged on councillor pay, but when I searched for "councillor pay", the website gave me no results. I thought that the wording might have been something else, so I searched for "councillors' pay", and the system gave me one result, which was my motion. I wonder whether the public might struggle with things like that; unless a person knows the exact wording of a motion, they will struggle to find it. I will leave that with the team, because you said that the site will be developed.

In making my other point, I will probably reiterate what others have said. I do not think that I was on the Finance and Constitution Committee when the project started. Ms Hegarty, you said that you will present information slightly differently in future. I want to emphasise that it is important for a finance committee to know that a project will run on for several years. I think that that happened with the security enhancement project: I remember that the committee asked about that project and was given the information that it would go over more than one year.

As other members have just pointed out, if you had come back to the Finance and Constitution Committee in year 2 and it had said no, because money was tight, I presume that that would have meant that all the year 1 money would have been wasted. It is important for a finance committee—whoever is on it—to know what it is committing to. Correct me if I am wrong, but the committee is committing to a five-year project, when normally we commit budgets for only one year at a time. There is a risk to the Scottish Parliamentary Corporate Body that your budgets for the second, third, fourth and fifth years might get knocked back if the finance committee does not understand that it is making a commitment for five years. Have I understood that correctly?

Michelle Hegarty: The finance committee scrutinises the overall Parliament budget and all the various bits that make up the totality. Project spend is only £4.5 million to £5 million out of £112 million and we have maintained our project budget at that level for many years—we should consider other organisations in that regard.

That involves choices. Officials have to scrutinise different projects and take a risk-based position. That takes me back to the convener's point about affordability, which is one of the considerations. We eke out the life of things in order to push out costs, where we see that we can do that without catastrophic risk for the organisation. For example, the last time we replaced all the consoles and microphones in the chamber, we harvested a lot of the equipment so that it could be used to eke out the life of committee room equipment. We were looking at affordability in the round in the context of how we use our project spend.

We do that because we have to make choices. We have to make priority decisions every year, and on top of that, there might be a crisis situation such as we have had for the past couple of years. We have had to pedal furiously to address the increased resourcing costs to the organisation—such as the costs of enhanced cleaning, new service delivery so that we could operate during the pandemic, and additional equipment to enable people to work from home—and manage issues and projects such as the new website within our project budget without asking for more money. That is what we have managed to do.

We constantly reprioritise within our project budget in-year, and we look at spend across the years as we consider our medium-term financial planning, which we will speak to you about when we come back in December.

John Mason: I am convinced that you are trying to keep costs down and not spend. There is a balance to be found between preventative maintenance and a reactive approach.

I stress that it is important that this committee understands that a project is going to take longer, because in effect the committee is pre-approving what would normally be a year-by-year budget.

Liz Smith: On that point, I draw the panel's attention to the letter that the committee received from the Presiding Officer, in which she said:

"Officials have also recognised the need to provide increased detail on major multi-year project costs as part of the annual budgeting process".

She goes on to say that the committee should note that, because it is one of the Parliament's larger investments,

"the project is scheduled to be reviewed as part of our internal audit programme."

When is that audit due? Can you confirm that its results will be passed to this committee?

Michelle Hegarty: It will be within the current financial year. I will get back to you on when we anticipate it will happen in the audit programme. I also believe that it is a matter of public record, so those documents will be available.

Liz Smith: Following on from Mr Mason's point, I think it is important for us to be able to scrutinise multi-year projects. Obviously, we have to look at things on a yearly basis, but the forecasting for projections is important to the scrutiny of this committee, so any information that we could possibly have at the time of the internal audit would be immensely helpful to the committee.

The second thing I want to ask about is also in the Presiding Officer's letter. She says that the investment has achieved certain things, and that the website is

"more resilient, stable, flexible, and robust",

although we have heard varying views on that. She also says that it has reduced the possibility of a really awful cyberattack, which, as public bodies, we all have to accept can happen. We saw what happened to SEPA recently and how it made life very difficult for at least two Parliament committees—the Environment, Climate Change and Land Reform Committee and the Rural Economy and Connectivity Committee in the previous parliamentary session—which had implications for the work that the Parliament could do. I am not asking you to give away any state secrets, but why are we confident that the possibility of a cyberattack has been addressed by the new system? It is a very important point. If we were to have a cyberattack, it could cause huge problems.

Jackson Carlaw: I begin by acknowledging and thanking the officials who have worked tirelessly to ensure that the sustained efforts of external parties who have sought to break into and corrupt our network have been frustrated and defeated on each occasion. The corporate body has been advised of those efforts and it takes the issue seriously. I seem to remember that we have seen briefings from Government Communications Headquarters—GCHQ—which is obviously very exciting. A genuine and sustained effort has been made to attack the network, and I know that the team has worked incredibly hard and succeeded in frustrating it. I also know that, in developing the new website, as Alan Balharrie will now explain, the understanding that that is an on-going issue is very much to the fore of our thinking.

Alan Balharrie: We built in good design practices from the start of this project. It was one of the major risks of the old site. We did two things to reduce the risk, but I am not going to be complacent and say that we have eliminated the risk because we can never eliminate it. I hope that we will always be one step ahead of the bad people who will do this, but we cannot guarantee that.

We have put two things in place. With the new website and the team that we have on board, we are able to update it, maintain it, and keep it up-to-date, just as you do when you get updates for your mobile phone. We get those updates from the system that runs the website, and we make sure that they are applied as fast as possible. That helps us to prevent known faults becoming an issue for us and aiding a cyberattack.

The other thing that we undertake regularly with the website is what is called a penetration test: we test the system to see whether there are any faults and we address the faults or weaknesses that are identified. We are therefore coming at the issue from two perspectives, one of which is the preventative side and the other is tackling the cyberattack ourselves to see if we can break it. We also take advice and guidance from the Scottish Government resilience centre and from the National Cyber Security Centre around our security. It is a key issue for us.

Liz Smith: Thank you. That is very helpful and encouraging.

My final point comes back to what the Presiding Officer said—you have alluded to this already—about one of the reasons for the redesign being to ensure that the website is more accessible and user friendly for members of the public and people who are outside this building. What are we doing to measure the responses of those stakeholders so that we know that what we have done is helping people to understand this place a bit better and to contribute to it?

Susan Duffy: I am happy to answer that question.

Throughout the course of putting in place the website, we tried to carry out a lot of consultation with different stakeholders, and we want to continue doing that. With regard to people who are external to the Parliament, we have a message that is constantly at the top of the website, which asks people to give us feedback on what they think about it. As part of the programme of continuous improvement, we get the results of the feedback, together with feedback that we get from internal users, specifically members.

In March, we held a drop-in session for members and their staff, and we will be holding another one in June. We want to hold those sessions quarterly because it is really important that we capture the feedback from all the different users and use it to make improvements to the website.

To go back to something that Alan Balharrie or Jackson Carlaw said earlier, we are aware that we have a number of different users, and it can be a complex process to build something that will meet the needs of all of them. From an engagement perspective, it was key for us to ensure that people who do not know how the Parliament is

structured and how it operates are able to find things more easily. We will continue to act on that feedback.

Liz Smith: Is the feedback from people who are outwith the building relatively positive?

Susan Duffy: As with most feedback, we have a mixed bag. There are people who very much like the way that the website is structured, and some people who have given us constructive suggestions. I do not pretend that the feedback is overwhelmingly positive, but nor is it overwhelmingly negative. As would be expected, it is a mixed bag.

Jackson Carlaw: We have already responded to feedback in number of ways, and a number of initiatives are already planned. As well as the matter of the range of users, the team also had to accommodate the significant issue of the number of ways in which people now seek to access the website. There has been a huge shift to using mobile digital technology to access it, which was not something that the previous system was capable of sustaining.

Liz Smith: Thank you.

The Convener: That concludes questions from other members of the committee. I have one or two questions to round up the evidence session.

On the issue of costs, I notice that the annual licensing support cost—which has not come up yet today—has increased from £54,000 to £86,000. Is there an explanation for the significant jump in cost?

Jackson Carlaw: I think that I know the reason for that, because we also asked that question, but Alan Balharrie should probably answer.

Alan Balharrie: We are using a different product as the platform for the website—it costs more but it is a better product and it gives us a lot more functionality for our engagement. There is a lot more to it; we are using a more fulsome product, so it costs more annually.

The Convener: Okay. Having covered the issues of costs and scrutiny, I will cover one other issue, which is quality. My question relates to a comment that Alan Balharrie made earlier. We had the referendum in September 1997 to set up this Parliament, and 20 months later, the Parliament was established. It had a functioning website that served us for many years. I recall that there were many IT problems—for example, our email inboxes only had a capacity of 50 megabytes, and there were other issues—but I do not remember many difficulties with the website.

I think that we all accept that we have to evolve, because more than 20 years have elapsed. There have been some upgrades, but this was a mega one. When Michelle Thomson talked about the trade-offs between time, cost and quality, Alan Balharrie said that we had to give a little on the quality. Surely if you take more than three years to develop a project, and spend more than £3 million, you should not have to concede anything on quality. Where have we conceded on that quality?

Jackson Carlaw: It was you who said that, Alan.

12:30

Alan Balharrie: Yes, it was. We conceded a little in quality to ensure that we did not have to keep the project running. As the convener has rightly highlighted, the project was costing us money every day, given the contractor costs. We wanted to finish that work as quickly as we could so that we could move it on to our own team. In doing so, we accepted that not everything was perfect. We could have kept polishing the website for many years, but we did not want to continue to pay those costs. Across the organisation, we changed our whole model for the website to one involving continuous improvement and development, and that is exactly what we will do—we will continue to improve the website and seek feedback from various people on it.

The Convener: A basic thing that I referred to earlier is the fact that you have to go on to the old website to look at the *Official Report*. Surely that is a nonsense. I do not think that it is just a coincidence that, since the new website has been launched, for the first time in more than 20 years, members now get sent the *Official Report* every day. One might suspect that that is done so that we do not have to use the new website. Surely—

Jackson Carlaw: Convener, that is my fault. Since we stopped producing paper copies of the Official Report, I have become increasingly concerned that parliamentarians have not been bothering to access it and, therefore, might have less familiarity with the general business of the Parliament than was the case previously. Therefore, for no reason other than that it would be of enormous value to me, I requested that the Official Report be taken out of the general "go and find it" category and be proactively sent to all members every day, as used to be the case with the old paper copy.

The Convener: Surely if the *Official Report* was more accessible online, most people would just access it online and would not have to have it sent to them every day. We will leave it at that.

I have a final question. Michelle Hegarty said that we need to "eke out the life" of equipment. However, this very day, there are IT people in my constituency office and in my office upstairs telling me that the laptops, which some staff have had for

less than a year, need to be replaced and so on. We discussed retaining some of the technology, because it all works pretty well as far as we are concerned—it certainly works a lot better than it did a few years back—and we would rather not lose any of it. What is the necessity of that project? What will the overall cost be? We might want to further scrutinise that project later in the year.

Alan Balharrie: We provided technology to new members after the election and we are refreshing the technology that is used by returning members. We are ensuring that members have the latest version of Windows installed on their devices. That is key in maintaining our estate. People need to be working on the latest version so that it is compatible with other applications and so that we maintain our cybersecurity stance, ensuring that there are no known issues. If would be fine if everyone worked in Holyrood and was hidden behind our hard shell, but that is not how things have worked out over the past two years, so we are refreshing our technology.

The easiest way for us to do that is to replace all the equipment at the same time. Equipment that is not more than four years old will be reused elsewhere, further down the line. We have put together a fighting stock so that we can replace equipment for members, and we will reuse equipment that still has good value to us. We try to eke out the life of equipment because we are very conscious of the tension between sustainability and the equipment's speed and lifespan.

The Convener: I understand the need for a software upgrade, but I find it surprising that hardware is being replaced.

Alan Balharrie: It is easier and more cost effective for us to upgrade everything at once. If the equipment that we take from members is still serviceable, we will pass it on to others once we have fully updated it.

The Convener: I thank the witnesses for their evidence. The committee will consider any next steps that arise from today's session at a future meeting. We look forward to considering the SPCB's budget bid for 2023-24 towards the end of the year, as part of our wider budget scrutiny process.

That concludes the public part of today's meeting. Under the next agenda item, we will discuss a private paper and consider a work paper.

12:34

Meeting continued in private until 12:49.

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