



## **Finance and Public Administration Committee: Call for Views on Inquiry into the National Performance Framework**

**April 2022**

### **About Children in Scotland**

Giving all children in Scotland an equal chance to flourish is at the heart of everything we do.

By bringing together a network of people working with and for children, alongside children and young people themselves, we offer a broad, balanced and independent voice. We create solutions, provide support and develop positive change across all areas affecting children in Scotland.

We do this by listening, gathering evidence, and applying and sharing our learning, while always working to uphold children's rights. Our range of knowledge and expertise means we can provide trusted support on issues as diverse as the people we work with and the varied lives of children and families in Scotland.

### **Responding to this consultation**

Children in Scotland is pleased to be able to respond to this call for views on the Inquiry into the National Performance Framework by the Finance and Public Administration Committee. As a membership charity representing many third and public sector organisations working directly with children, young people and families, we welcome the Finance and Public Administration Committee's focus on how the National Outcomes shape the Scottish Government's policy aims and spending decisions, and in turn, how this drives delivery at national and local level.

Children in Scotland convenes the Children's Sector Strategic Forum, a group of 25 senior representatives from the children's sector who come together to influence national policymaking on issues of common concern relating to the lives of children, young people and families in Scotland. In recent years, the Strategic Forum has had outcomes budgeting as one of its priority focuses, believing a joined-up, outcomes-based approach to policymaking and finance is crucial if we are to achieve our collective ambitions for children and young people.

Our response draws from learning from our Strategic Forum activity on outcomes budgeting, as well as our own organisation's approach to engaging with the National Outcomes.

## **To what extent do the National Outcomes shape how your organisation works?**

Children in Scotland's vision is that all children in Scotland have an equal chance to flourish. This is closely aligned with the National Outcome relating to children and young people which states '[children and young people] grow up loved, safe and respected so that we realise our full potential'.

In order to realise this vision, Children in Scotland has five strategic priorities:

- Championing the participation and inclusion of children and young people
- Working to ensure that support for children, young people and their families is appropriate, available and accessible
- Challenging inequalities
- Leading and developing the children's sector workforce
- Continuing as a sustainable organisation.

Together, these strategic priorities shape how our organisation works, and where we focus our attention to improve children's lives.

Scotland faces considerable challenges in achieving our collective vision for children, young people and families. Pre-pandemic, approximately one quarter of children in Scotland lived in poverty<sup>1</sup> and one in 10 had a diagnosable mental health problem<sup>2</sup>. Evidence suggests that the pandemic has had a negative impact in both of these areas<sup>3</sup>,

Children in Scotland recognises that addressing these challenges requires strategic, long-term cross-portfolio policy and decision making.

Our Manifesto for 2021-2026<sup>4</sup> highlights the key steps we believe are necessary to improve the lives of children, young people and families across Scotland. This manifesto was developed following in-depth engagement with our members, children and young people, our staff and Board, incorporating findings and recommendations from our projects and services and the wider evidence base. It includes 33 calls across 10 thematic areas. The manifesto is a significant document for us, shaping our policy and influencing work, learning programme and projects and services.

Our manifesto was not designed to align directly with the National Outcomes but features many of the same themes and priorities. In particular, this includes outcomes relating to human rights, poverty, health, education, communities, culture

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<sup>1</sup> <https://data.gov.scot/poverty/2022/cpupdate.html>

<sup>2</sup> <https://www.samh.org.uk/documents/Going to Be All Right Jacki Gordon Report 2017.pdf>

<sup>3</sup> <https://nationalperformance.gov.scot/scotlands-wellbeing-impact-covid-19>

<sup>4</sup> [Children in Scotland Manifesto for 2021-26](#)

and the environment. It is important to emphasise that it is not only the national outcome related to children and young people where there is crossover and relevance to our own manifesto, but many of the others as well. There are truly few areas of policymaking that are not relevant to children and young people's lives.

We view this alignment between our manifesto and the national outcomes positively. This synergy can be seen as:

- Further endorsement of the National Outcomes – they focus on the areas we believe are important to the lives of children and young people
- Evidence of agreement across much of the children's sector and Scottish Government about the key goals and priorities for Scotland's youngest citizens.

### **How empowered is your organisation to do something different (should it wish) to achieve the National Outcomes relevant to you?**

In line with many other third sector organisations, Children in Scotland experiences a number of barriers and opportunities to 'doing something different'.

#### **Barriers**

Our key barrier, and a common one across the third sector, is lack of sustainable funding. We currently receive a core grant from the Scottish Government through the Children and Young People's Early Intervention Fund, which comprises approximately 15% of our yearly budget (relatively small but absolutely vital because of the way it supports the core work of our organisation). This was originally a three year fund, but it has been rolled on year-on-year for a subsequent four years, in part due to uncertainties associated with the pandemic. Plans are now in motion to develop the fund that will replace it and our understanding is that this is currently being thought of as a two-year fund.

While two years is better than yearly funding, it still does not provide much stability to allow third sector organisations to plan ahead and make considered longer-term changes in order to improve our impact.

A similar year-by-year contract extension has been applied in recent years to a number of the services that we run on behalf of the Scottish Government, including Enquire, our advice service for additional support for learning. We did not receive notification of the extension of this contract for 2022-23 until March 2022 – weeks before the existing contract was due to finish. We appreciate the current challenges for Scottish Government, however, this is not an efficient or sustainable way for us to operate a vital service.

As can be imagined, this is incredibly unsettling for staff, and we sometimes lose great employees to organisations that can offer more stability. It also makes it incredibly difficult to plan longer-term and, while our services are consistently rated excellent, (in Q4 of 2021 –22, 100% of users rated the service as excellent and 96% as either easy or very easy to find), this without doubt affects our impact.

We know that short-term funding is an issue that many third sector organisations face, including many of our members. We strongly urge the committee to recommend that a longer-term, more sustainable approach is taken to third sector funding. Our manifesto calls for five-year funding timescales and we believe this stability would allow third sector organisations to be truly creative, ambitious and impactful. We would be happy to facilitate discussions between the Committee and some of our member organisations to help understand the negative impact of short-term funding, if this would be beneficial.

We understand that the Scottish Government is in a challenging financial situation, and that it therefore seems difficult to make the commitments to longer-term funding of third sector partners. However, we now have ambitious outcomes that we are trying to achieve as a nation, for instance tackling the entrenched and difficult issue of child poverty. If we want to succeed, we are all going to need to be ambitious and brave. Longer-term funding of the third sector is not the only tool that will help, but it can play a significant role in releasing the potential of key partners to have the appropriate scope and flexibility that can ultimately lead to a stronger and more sustainable impact.

## **Opportunities**

Among the strengths of the third sector are its ability to be nimble, innovative and responsive to the needs and priorities of the communities it supports<sup>5</sup>. The independence of the third sector is absolutely vital<sup>6</sup>. Its independent voice and ability to build trusting and respectful relationships with people living in disadvantage should be nurtured.

Third sector organisations need sustainable funding in order to thrive, but they also need the freedom and trust of funders to develop their organisations and deliver their services in ways that work for them and their communities. This can happen. Evidence from our members during the pandemic indicated that they appreciated the increased flexibility funders (including the Scottish Government) gave to them to use existing funds in creative ways to respond to urgent need. This was also reflected in a recent report by the Cross-Party Group on Children and Young People, for which Children in Scotland holds the joint secretariat<sup>7</sup>.

Framing funding awards around shared and agreed outcomes, such as the national outcomes, and moving away from rigid delivery criteria would, we believe, provide greater opportunity for the third sector to maximise its impact and contribute to the national outcomes.

## **How is your organisation held to account for how your actions and decisions impact on the National Outcomes?**

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<sup>5</sup> <https://www.thinknpc.org/resource-hub/untapped-potential-bringing-the-voluntary-sectors-strengths-to-health-and-care-transformation/>

<sup>6</sup> <https://cdn.baringfoundation.org.uk/wp-content/uploads/2014/08/IndependenceUV.pdf>

<sup>7</sup> <https://www.youthlinkscotland.org/media/6981/final-cpg-pandemic-report.pdf>

As a registered charity, Children in Scotland must meet the definition of charity as outlined by OSCR in that it must have charitable purposes and provide public benefit in Scotland<sup>8</sup>. We must produce and publish annual accounts as set out in the Charity Accounts (Scotland) Regulations 2006<sup>9</sup>. We have a Board of Trustees that oversees the running of the organisation and ensures we are meeting our legal responsibilities and charitable aims.

Beyond that, Children in Scotland is held to account in a number of ways:

- As a membership organisation we must be relevant and responsive to the needs of our members
- As a service delivery organisation, we must deliver on our commitments and responsibilities as outlined in service contracts
- As a policy and influencing organisation, we must comply with legal requirements for regulated lobbying as outlined in the Lobbying (Scotland) Act 2016.

Most important to us is our accountability to children, young people and families across Scotland. It is absolutely vital that we listen to what they tell us and act with them and for them to push for the changes they need.

Our children and young people's advisory group Changing our World helps us to ensure we are focusing our work and organisational priorities on the important issues and needs of children and young people. We also have accountability to the other children and young people we work with to ensure that we are listening to what they tell us and taking action as a result. Our 'Principles and Guidelines for the Meaningful Participation and Engagement of Children and Young People' guide our approach to ensure we are meeting our responsibilities to those we work with.<sup>10</sup> We believe embedding quality participation across the sector and more widely will strengthen the work conducted by organisations and, in our opinion, positively impact on delivery of the national outcomes.

We know from our work with children and young people over the years that their priorities align with many of the national outcomes: living free from poverty and discrimination, support for mental health, having a voice in things that matter to them, and action to address the climate emergency.

We recognise that our role at Children in Scotland is to share children and young people's views with national decision-makers and to encourage change in response to their needs. And we have seen change – incorporation of the United Nations Convention on the Rights of the Child (UNCRC) for example will give Scotland a legal duty to ensure that the rights of children and young people are met.

We can and will play our part in supporting incorporation of the UNCRC, but it will be the responsibility of all duty bearers across Scotland to ensure that children's rights are fully realised. An explicit framing of the national outcomes in rights terms, linking

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<sup>8</sup> <https://www.oscr.org.uk/guidance-and-forms/being-a-charity-in-scotland/>

<sup>9</sup> <https://www.legislation.gov.uk/ssi/2006/218/contents/made>

<sup>10</sup> <https://childreninscotland.org.uk/wp-content/uploads/2019/09/CiS-Participation-2019.pdf>

them with relevant Articles in the UNCRC (alongside the UN sustainable development goals) would be very helpful and welcome.

We would also be happy to facilitate engagement between the committee and our members through a range of our policy forums to support your inquiry into the National Performance Framework.

### **When it comes to spending priorities or providing funding to others, what role do the National Outcomes play?**

In 2019 the Children's Sector Strategic Forum (through Children in Scotland), Carnegie UK Trust and Cattnach commissioned the 'Being Bold: Building Budgets for Children's Wellbeing' report<sup>11</sup>, written by Katherine Trebeck. The report, published in 2021, outlines a route map to change Scotland's economic approach and calls on the Scottish Government to prioritise children's wellbeing by aligning budget processes more closely with both the National Performance Framework<sup>12</sup> and child poverty targets.

In the report we highlight the importance of taking a rights-based approach to budgetary processes. The report states "the goals of a [wellbeing] budget should be to uphold and realise human rights, including those of women and children, and to do so in an accountable, transparent and participatory manner"<sup>13</sup>.

The Strategic Forum and project partners have continued to use the Being Bold recommendations to advocate for outcomes budgeting for children and young people. Collectively we believe that aligning the Scottish Government's budget to outcomes will be more impactful and rights respecting.

We welcome the Scottish Government's commitment to a wellbeing economy and are strongly of the view that outcomes-based budgeting is a positive and necessary direction of travel for Scotland.

### **To what extent is any public sector funding you receive contingent upon demonstrating your contribution to delivery of the National Outcomes?**

At present, very little. We believe there is scope for funding to be more closely aligned to the National Outcomes, and we would welcome the opportunity for discussion about how this could be taken forward appropriately.

### **To what extent do you work collaboratively with other organisations in delivering the National Outcomes relevant to you?**

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<sup>11</sup> ['Being Bold: Building Budgets for Children's Wellbeing' report](#)

<sup>12</sup> [Scottish Government, National Performance Framework](#)

<sup>13</sup> ['Being Bold: Building Budgets for Children's Wellbeing' report \(Page 6\)](#)

As highlighted above, Children in Scotland works with its members through the Children's Sector Strategic Forum to deliver change for children and young people in Scotland. In recent years, the forum has supported the Scottish Government Directorate for Children and Families in their work to develop a series of children and young people's wellbeing outcomes and indicators which will sit under the National Outcomes. We would encourage the Committee to engage directly with the Scottish Government team developing these outcomes and indicators as part of this inquiry.

We are supportive of this development and our manifesto calls for "a series of rights-based wellbeing outcomes and indicators for children, young people and families to give future direction to policy action to improve the health and wellbeing of children, young people and families living in Scotland."<sup>14</sup> This call is supported by many of our members including Aberlour, Children 1<sup>st</sup>, CHAS, The ALLIANCE, Play Scotland, Together and YouthLink Scotland.

Inclusion of the children and young people's wellbeing outcomes framework within the NPF will, we believe help us to achieve our ambition to ensure public spending is outcomes-focused and evidence-informed and as efficient and effective as possible.

We recognise that the move towards outcomes-based planning and budgeting is a long journey and will require, amongst other things, good quality evidence on which to make decisions. We know that there are numerous data gaps at present, particularly with regards to younger children and those with protected characteristics. Committing funding to gather high quality data will be important to this mission's overall success.

### **Please share any examples of good practice, areas for improvement or practices that have not worked so well**

Children in Scotland believes better collaboration between the public and voluntary sector is an important way of supporting improved outcomes for children, young people and families.

As mentioned above, the third sector plays a crucial role in supporting children, young people and families in Scotland. The unique and valuable services the sector provides has never been more evident than over the past two years during the Coronavirus pandemic.

Through Children in Scotland's work on the Supporting the Third Sector project<sup>15</sup>, we understand the value of the sector, both in delivery of services and as a strategic partner bringing expertise and data to inform services planning.

Work is currently underway through the STTS project to evaluate how well the third sector is involved in children's services planning in each locality. Bringing the sector into children's services planning and collaborative working based on shared outcomes constitutes good and necessary practice.

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<sup>14</sup> [https://childreninscotland.org.uk/wp-content/uploads/2021/03/Manifesto\\_V2.1\\_March-21.pdf](https://childreninscotland.org.uk/wp-content/uploads/2021/03/Manifesto_V2.1_March-21.pdf)

<sup>15</sup> <https://childreninscotland.org.uk/supporting-the-third-sector-project/>

As highlighted in our 'Being Bold' report, we believe that children and their families need to be involved across the entire budget process to ensure public spending meets their needs. A participatory approach also aligns with the Scottish Government's goal of incorporating the United Nations Convention on the Rights of the Child into Scots Law. Creative and inclusive opportunities need to be made available that support children, young people and families to share their ideas and experiences.

The 'Being Bold' report also underlines the importance of elevating voices who are often marginalised. There are a range of organisations across the children's sector, including Children in Scotland, who can support the Scottish Government to effectively engage with children, young people and families about this topic, and we hope these avenues will be explored.

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