

EQUALITY STATEMENT
SCOTTISH DRAFT BUDGET
2016-17



one
scotland
SCOTTISH GOVERNMENT

**EQUALITY STATEMENT
SCOTTISH DRAFT BUDGET
2016-17**

© Crown copyright 2015

You may re-use this information (excluding logos and images) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or e-mail: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This document is available from our website at www.scotland.gov.uk.

ISBN: 978-1-78544-867-6

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

Produced for the Scottish Government by APS Group Scotland
PPDAS60354 (12/15)

Published by the Scottish Government, December 2015

CONTENTS

FOREWORD	by the the Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy and the Cabinet Secretary for Social Justice, Communities and Pensioners' Rights	i
Chapter 1	Strategic Introduction	4
Chapter 2	Overview by Characteristic	10
PORTFOLIO CHAPTERS		
Chapter 3	Health, Wellbeing and Sport	18
Chapter 4	Finance, Constitution and Economy	21
Chapter 5	Education and Lifelong Learning	25
Chapter 6	Fair Work, Skills and Training	30
Chapter 7	Justice	34
Chapter 8	Social Justice, Communities and Pensioners' Rights	37
Chapter 9	Rural Affairs, Food and the Environment	43
Chapter 10	Culture, Europe and External Affairs	46
Chapter 11	Infrastructure, Investment and Cities	49
Chapter 12	Administration	52
Chapter 13	Crown Office and Procurator Fiscal Service	56

FOREWORD

**by the Deputy First Minister and
Cabinet Secretary for
Finance, Constitution
and Economy**

**and the Cabinet Secretary for
Social Justice, Communities
and Pensioners' Rights**



Promoting equality and tackling the inequalities in our society remain priorities for the Scottish Government. The Scottish Economic Strategy with its focus on inclusive growth and the Programme for Government with its strong emphasis on equality and social justice stand as testimony to this continuing commitment. In the coming year, we will be focused on the drive for economic growth, social justice and equality; underpinned by our public service reform strategy to increase the participation and empowerment of people and communities. Our Draft Budget outlines the spending decisions that support this drive. It also provides a clear statement of the Scottish Government's priorities in the face of continuing austerity.

The UK Spending Review in November 2015 signalled further reductions in the Scottish Government's spending power and the UK Government's continued austerity agenda, outside the frontline health budget, has led to sustained real terms cuts to our budget. We have had to make difficult decisions as a result, while protecting key investments and new priorities, as set out in detail in our Draft Budget for 2016-17.

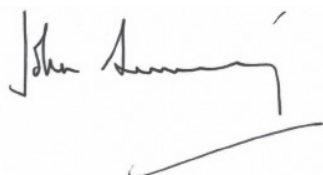
At times like this, the equality assessment of a Draft Budget becomes ever more important. It is the potential and cumulative impacts of these difficult decisions on equality that are discussed in this, the seventh Equality Statement published by the Scottish Government. While the Draft Budget sets out our detailed spending plans for the coming year, the Equality Statement considers the implications of these plans for age (with a particular focus on children), disability, gender, gender reassignment, race, religion, and sexual orientation, wherever evidence enables an assessment to be made. It also enables a consideration of socio-economic circumstances, in particular focusing on low-income households.

This budget reflects again the strong commitments we have made to the people of Scotland that higher education should be based on ability, not on ability to pay; that we do not penalise those who are sick by charging for prescriptions; and those older people who need care and support have access to free personal and nursing care, and free eye tests. We continue to support concessionary travel to ensure our older people and disabled people in particular can continue to participate fully in society. We continue in the drive for adoption of the living wage. We believe this package of measures improves lives and underpins our firm focus on prevention in our public services. We are taking

action to ensure public services are truly responsive to what people need and value most, in every place across Scotland. Over the past year, the Scottish Cabinet has been out listening to the views and experiences of people up and down the country about what is important to them. These spending plans reflect our commitment to responding to those views, emphasising the importance of addressing attainment, fair work and improved health. We will be supporting the delivery of the social justice action plan, supporting the empowerment and cohesion of communities and continuing to invest in the promotion of equality and the strengthening of the third sector.

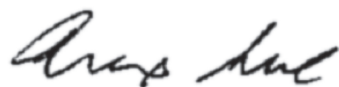
Similarly, as new tax, economic and social security powers come to Scotland, we will use these powers wisely to deliver on what matters to the people of Scotland. We will set out a different approach from the UK Government, and demonstrate what can be achieved when Scotland is able to design its own responses to the challenges it faces. For example, on social security there is consensus across Parliament that the cuts to the welfare system are deeply damaging. New social security powers will enable the Scottish Government to deliver a more responsive system: one that ensures people are treated with dignity and respect, provides people with relevant information when they need it, and is efficient and fair to all who rely on and contribute to it. Running through all we do will be a continuing commitment to equality.

In preparing this Equality Budget Statement, we are grateful to EBAG, the Equality and Budget Advisory Group, for its continuing support and advice. We look forward to working with this group in the year ahead.



John Swinney MSP

Deputy First Minister and Cabinet Secretary for Finance, Employment and Sustainable Growth



Alex Neil MSP

Cabinet Secretary for Social Justice, Communities and Pensioners' Rights

CHAPTER 1

Strategic Equality Context for the Scottish Draft Budget 2016-17

INTRODUCTION – EQUALITY AND THE DRAFT BUDGET

The Scottish Government maintains its strong commitment to equality. It recognises that equality is at the heart of its ambitions for a successful, modern and fairer Scotland. It is a key element in growing the economy in an inclusive and sustainable way, enhancing public services and improving outcomes for the people of Scotland.

The Scottish Draft Budget has been accompanied by an Equality Budget Statement (EBS) for the last seven years and this is now a central component of our approach. Equality assessment helps us to arrive at informed decisions and to make the best judgements about how to target resources. It ensures that we understand, as far as possible, the impacts of the spending decisions that we make. And where impacts are or appear to be negative for progressing equality, it assists us in identifying mitigating action.

This initial chapter of the EBS introduces the scale of the challenge for Scotland and sets out the Scottish Government's strategic response. It then concludes with a description of the equality budget process this year.

THE SCOTTISH DRAFT BUDGET 2016-17

The Draft Budget sets out the Scottish Government's spending plans for 2016-17 and a strategic vision for Scotland's public finances over the Spending Review period to 2019-20.

The UK Government's continuing austerity agenda has provided a challenging context for these spending plans. However, the Scottish Government is committed to building on the consistent approach adopted since 2007 to create opportunities for all of Scotland to flourish through increasing sustainable economic growth.

Our focus on growing Scotland's economy in an inclusive and sustainable way, and enhancing our public services, has delivered benefits and improved outcomes, building a more equal country and a fairer society. For example:

- We have invested heavily in infrastructure – hospitals, schools, railways, broadband connectivity, and social housing – helping those who need these vital services most.
- Employment in Scotland is above pre-recession levels and Scotland's economic activity, youth employment and female employment rates are all higher than in the UK as a whole.

- Staff numbers are at record levels in the National Health Service, up 8.4 per cent under this Government, benefiting in particular the people who use NHS services most.
- We have worked to mitigate the most damaging effects of the UK Government's welfare cuts, offering protection to low income households and other vulnerable groups - for example, with £38 million for the Scottish Welfare Fund.
- We have delivered 600 hours of free high-quality early learning and childcare for all three and four year olds and over a quarter of two year olds to help ensure that Scotland is among the best places in the world to grow up. We will continue to invest in early learning and childcare as we work towards delivering the increased entitlement of 1,140 hours a year by the end of the next Parliament.

The Programme for Government, published in September, reaffirmed the drive for a fairer, more prosperous Scotland, in which a process of democratic renewal continues to empower communities and reform public services around the Christie principles; and where work and the workplace become fairer, social justice is pursued and equality and human rights run through all that we do.

The Draft Budget 2016-17 provides the underpinning resource to support this programme and ambition. It is a budget that aims to improve productivity and is driving forward investment, innovation, internationalisation and inclusive growth. It also a budget that protects and reforms public services and supports individuals and communities as part of its commitment to a more equal and socially-just Scotland.

FINANCIAL CONTEXT

The Chancellor of the Exchequer's spending plans for the period 2016-17 to 2019-20 continue the austerity agenda that the UK Government has pursued since 2010. It is the Scottish Government's position that this agenda has been adopted out of choice rather than necessity. Whilst we recognise the need to ensure the public finances are on a sustainable footing, the scale of the cuts is unnecessary.

The consequences for Scotland are significant. It means that the funding Scotland will receive from the UK Government will have fallen by 12.5 per cent in real terms by 2019-20. This represents a real terms reduction in the Scottish Government's discretionary spending power of £3.9 billion.

Scottish Ministers have consistently argued for an alternative approach, including the prioritisation of infrastructure investment. Although the improvement in the capital budget is welcome, capital funding will still be over half a billion pounds a year lower in real terms in 2020-21 than it was in 2010-11. The UK Government's failure to allow for significant investment in public spending will mean real on-going pressures on the revenue budget and difficult decisions having to be made as a result.

The financial context provides a challenging settlement for our spending plans. However, the decisions we have taken to protect key services and continue with ambitious reform plans mean that we will still be able to promote equality and deliver improved outcomes for the people of Scotland.

PROTECTING AND REFORMING PUBLIC SERVICES

Public services play a vital role in promoting equality, supporting the wellbeing of our communities, and enabling people to participate more fully in society. The Scottish Government has worked to protect public services and to pursue ambitious reform, promoting joint working at local level between public bodies with a strong focus on meeting the needs of individual citizens, integrating public services and maximising preventative spending. Since then, we have reformed the delivery of college education and the police and fire services with greater efficiency as a result.

The people of Scotland value the benefits provided by our public services and the Scottish Government is determined to protect and reform those services. The budget delivers this objective by, for example, increasing investment in health in Scotland, by over £500 million, to deliver total planned spending of nearly £13 billion next year, up 6.5 per cent on comparable figures for 2015-16, and providing for a £250 million transformative new investment in the integration of health and social care services. The core budget of the third sector within government will be protected to ensure that this sector continues to play a key role in the support provided to communities and in the delivery of public services. We value the work of the third sector in all its diversity and this budget will enable investment in its activity and infrastructure.

This programme of reform is not only informed by equality considerations but is a driver for greater equality. Equality communities have long argued that understanding their specific needs and experiences is key in the shaping of policy and service design and delivery if these are to be responsive and fit for purpose. Equality legislation and, in particular, the Public Sector Equality Duty, provide a helpful framework for ensuring that services and policies are designed and delivered appropriately, effectively, and without discrimination.

SUPPORTING INNOVATION-LED ECONOMIC GROWTH

We want to ensure that the innovation and growth Scotland experiences is inclusive and that outcomes for the people of Scotland are increasingly more equal. The budget will support our aims by, for example, promoting the Scottish Business Pledge for companies that show public leadership and commitment to these values. More than 150 companies in Scotland have signed up. We are also championing the adoption of the real living wage and there are now 400 living wage accredited employers in Scotland, up from just 34 last year; and we are ensuring that Scotland continues as a world leader in support of social enterprise, to invest in and develop the sector.

IMPROVING INFRASTRUCTURE AND INCREASING HOUSE BUILDING

The Scottish Government has placed considerable emphasis on public sector investment in infrastructure to stimulate economic recovery, including the successful delivery of the commitment to deliver 30,000 affordable homes over the course of this Parliament. This programme will be taken forward by investment of a further £690 million in housing supply, with an increase of around £90 million in affordable housing supply compared with 2015-16 – the first step in our commitment to provide 50,000 new affordable homes by 2020-21. This investment will benefit a range of key groups – including disabled people and lone parents – in delivering a fairer and more equal Scotland.

INCREASING THE FOCUS ON EDUCATIONAL ATTAINMENT

To build a stronger, more sustainable economy and a more equal society, we must ensure that everyone has the opportunity to fulfil their potential. Our focus on inclusive growth means we are committed to tackling inequality of opportunity from early years onwards. At the heart of this approach are actions to improve educational attainment. The budget provides for this aim by, for example, investing in our schools to ensure that every child in Scotland has the opportunity to fulfil their potential. The £33 million investment in attainment, which will support the four year £100 million Scottish Attainment Challenge, will help close the attainment gap between children in our most and least deprived areas. Similarly, the budget supports young people in education and training by expanding the Education Maintenance Allowance and Modern Apprenticeship (MA) programmes. A new MA equality action plan will help deliver better outcomes from the programme for women, disabled people, and minority ethnic groups.

MITIGATING AGAINST UK GOVERNMENT CUTS AND PROTECTING FAMILY BUDGETS

The welfare reform agenda of the UK Government is presenting real difficulties for many hard-pressed families in Scotland and impacting on some of the most vulnerable in our communities. In contrast, the Scottish Government will continue to do whatever it can to protect family incomes. The budget will support this by, for example, maintaining our commitment to support those affected through measures, including the allocation of £38 million to the Scottish Welfare Fund, up to £343 million for the Council Tax Reduction Scheme and £35 million to ensure nobody pays the 'bedroom tax'.

Income Tax

This Budget will be the first time that Scotland can set income tax. The Scottish rate of income tax introduced under Scotland Act 2012 will commence on 6 April 2016. At this time, all rates of income tax for Scottish taxpayers will be reduced by 10p and the Scottish Parliament will set a Scottish rate of income tax (SRIT) to replace this amount.

The flexibility of this power is limited in that the same SRIT is applied to all tax bands. Furthermore, the Scottish Government has no powers over setting the tax base either through adjustments of reliefs or the personal allowance. Due to these policy restrictions the Scottish Government has no power to affect the relative burden of tax between different groups of protected characteristics.

The Scottish Government is aware of how the income tax burden falls across different groups of protected characteristics, and this will be taken into consideration as part of wider policy development where corrective actions may be able to be taken.

FUTURE PRIORITIES

The UK Government's Comprehensive Spending Review, published in November, covers the period 2016-17 to 2019-20. This provided an illustrative profile for future Scottish Block Grants from the UK Government. A full Scottish Spending Review has not been possible because of the truncated timescales that would have been available for scrutiny and the ongoing discussions about the Fiscal Framework that will underpin future Scottish Block Grants from the UK as part of the Scotland Bill.

However, Scottish Ministers have identified key themes and priorities which will drive the future Scottish Spending Review, which in outline are as follows.

- Protection and Reform of Public Services
- Coherence of Public Spending and Investment
- Delivering Sustainable Economic Growth
- Tackling Inequalities

More detail on these priorities is presented in the Draft Budget.

EQUALITY BUDGET STATEMENT PROCESS 2016-17

The EBS is an integral part of the Scottish Government's budget process, published every year as part of a suite of Draft Budget documents. It is the specific responsibility of the Cabinet Secretary for Finance, Constitution and Economy, who is responsible for the Draft Budget, and the Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, who has lead responsibility for equality across Scottish Government. The Cabinet Secretaries have exercised joint oversight in relation to this year's EBS process and are committed to continuing to strengthen the approach taken to advance equality across Scottish Government decision making.

Cabinet Secretaries also want to see a final product that is improving each year in terms of presentation and accessibility. Given this, the Equality and Budget Advisory Group (EBAG) has advised that the focus of portfolio contributions this year should be firmly on equality impacts where these have emerged. This means that some of the contextual material – for example, information on improving equality assessment and case studies – does not feature in the EBS. The EBS this year is therefore more concise, and we hope more readable, more accessible and more incisive, focusing squarely on spending decisions.

Equality and Budget Advisory Group

The Equality and Budget Advisory Group (EBAG) meets on a regular basis through the year, providing advice and support to the Scottish Government on its equality budget processes. A focus of EBAG's considerations this year centred around a series of thematic meetings with Scottish Government officials on issues the group considered key to future development and spending decisions. Discussions were held around:

- Investment and Infrastructure
- Welfare Reform and New Social Security Powers
- The Care Economy
- Equality analysis and Scotland's Tax Regime and Fiscal Framework

The discussions were important for giving focus to the equality dimensions of these areas of policy and to providing a basis for further discussion in the period ahead. They also informed the annual discussion between EBAG and the Deputy First Minister, Cabinet Secretary for Finance, Constitution and the Economy.

The work of EBAG is extremely helpful to the Scottish Government and we remain grateful to its members for their time and insight.

Improving equality evidence

Evidence is crucial to high quality impact assessment and the Scottish Government continues to have a strong commitment to improving the equality evidence base. For example, significant equality analysis from the Census, covering a number of protected characteristics, has been published by the Scottish Government over the last 12 months. In addition, the Scottish Government's Equality Evidence Finder¹ continues to be updated on a regular basis. Officials are looking at how the range of equality analysis can be made still more accessible in the coming year.

STRUCTURE OF THE EBS 2016-17

The remainder of the EBS is structured as follows.

The next chapter provides an overview of impacts by the protected characteristics for equality established in the Equality Act 2010; this also considers socio-economic inequality and provides, in relation to age, an overall assessment of child rights and wellbeing.

There then follows a series of chapters, one for each ministerial portfolio (e.g. Health, Wellbeing and Sport), exploring these issues in more detail.

CONCLUSION

The budget process is a dynamic one and the Equality Budget Statement captures the analyses and assessment of the spending plans up to this point. Individual policies and programmes that are made possible by these spending plans will be subject, as appropriate, to assessment for their equality impact in due course.

Promoting equality and tackling inequality clearly run through this Draft Budget. Across the range of portfolios there is investment and support for provision that will advance equality and address disadvantage. The following chapters provide further detail of the equality impact and implications of spending decisions.

¹ www.gov.scot/EqualityEvidence

CHAPTER 2

Overview by Equality Characteristic

INTRODUCTION

This chapter offers an overarching assessment of how different protected characteristics have been affected by spending changes across the Draft Budget as a whole. More detail by ministerial portfolio is then provided in the main body of the Equality Budget Statement (EBS).

Such an overview is easiest to produce for those characteristics where there is most data and/or where an understanding of the implications of particular policy directions has been developed over time: on age, disability and gender, for example. However, despite improvements in equality evidence across the board, there remains only limited data for a number of protected characteristics, which affects the extent to which an assessment can be made. This particularly affects religion and belief, gender identity and sexual orientation.

As in previous years, this chapter also contains an assessment of the impact of the Draft Budget on socio-economic inequality, with a particular focus on low income. This year, there is also an expanded section on children and young people within the consideration of 'Age' to reflect the importance placed on furthering child rights and wellbeing within Scotland.

AGE

This assessment considers different groups across the age range, in particular children, young people and older people.

Children and Young People

Children and young people, and their rights and wellbeing, are affected in a number of ways by the Draft Budget 2016-17.

Children and young people will benefit, from investment to increase the Health Visitor Workforce by 500 in the years up to 2018, ensuring that NHSScotland staff will be able to provide universal visits and child developmental reviews. The health budget also has a preventative focus on mental health with specific attention on early years, parenting and child and adolescent mental health.

However, a net reduction in funding for alcohol and drug treatment services in 2016-17 may impact on particular groups, including children. While alcohol-related harm is greatest among men aged 45-59, and while fewer young people are using illegal drugs, there may be impacts on children affected by their parents' alcohol use. To mitigate these risks, it is essential that the funds provided through NHS Boards to support the work of Alcohol and Drug Partnerships continue to address impacts on all people affected.

Children and families will benefit from continued investment to deliver the increased entitlement of 1,140 hours a year **early learning and childcare** by the end of the next Parliament. This will include additional investment in a graduate-led workforce to ensure the best level of care, support and educational development, with an initial focus on Scotland's most disadvantaged communities.

In terms of support for attainment at school, investment in the **Attainment Scotland Fund** will be distributed to the schools, communities and local authorities with the highest concentrations of deprivation. The total number of primary schools benefiting from the fund is currently more than 300. The schools have been selected on the basis of their supporting a significant proportion of pupils and families from communities which are facing some of the greatest challenges across Scotland.

The development and implementation of a **National Improvement Framework** for Scottish Education will continue in 2016-17, leading to improved data and evidence on the performance of our education system. Actions taken, based on the evidence collected, will lead to improved outcomes for all children and young people.

Alongside this, **child protection** will be further strengthened to give additional protection to the youngest and most disadvantaged children.

This budget attempts to tackle inequality and multiple risk factors that lead to poor outcomes for Scotland's **looked after children and young people**. The programme will strengthen protection and care for children at risk. £10 million of annual funding to local authorities to deliver significantly improved allowances for children in and on the edge of care should directly reduce the likelihood of a child becoming looked after and support low-income households. These benefits accrue disproportionately to maternal grandmothers in low-income households who represent a high proportion of kinship carers.

The successful **Permanence and Care Excellence** (PACE) programme is being expanded across Scotland to help secure a permanent, nurturing home at the earliest opportunity for children and young people (including by supporting birth parents). PACE supports local practitioners and leaders across all key systems to strip out drift and delay in decision-making - thus maximising the chance of a child settling successfully into their home life.

Substantial investment in the **college and university sectors** will continue, benefiting young people in particular. This includes a particular focus on working to widen access to university; and to maintain a commitment to create a world-class vocational education system by funding the college sector to deliver courses that support young people into employment.

'Opportunities for All' underpins the Scottish Government's focus on **youth employment** by ensuring that the disadvantage experienced by different groups of young people is addressed as they move towards work. The commitment to 'Opportunities for All' has helped deliver the highest ever proportion of pupils who left school during 2013-14 into making a sustained positive destination – 91.7 per cent – up from 90.4 per cent in the previous year.

The **Education Maintenance Allowance** (EMA) is a key aspect of 'Opportunities for All'. The EMA programme is being expanded as of January 2016 to help more school pupils and college students continue their studies and fulfil their potential.

More than 6,000 young people have benefited from **Community Jobs Scotland** (CJS), funding for which has been maintained in 2016-17. CJS offers unemployed vulnerable people, aged 16 to 29, paid job-training posts. CJS delivers key equality benefits, as it offers job-training opportunities lasting up to a year for care leavers and other vulnerable young people aged up to 29, including disabled people and those with long term health conditions.

Funding for **Inspiring Scotland** has been maintained in 2016-17, as part of a commitment to support programmes aimed at helping vulnerable young people across Scotland into employment.

CashBack for Communities uses sums collected under the Proceeds of Crime Act 2002 to fund community activities and facilities largely, though not exclusively, for young people. All CashBack projects are required under the terms of their grant to focus activity in deprived areas of need using communities identified through the Scottish Index of Multiple Deprivation.

Older people

Older people are affected by the Draft Budget 2016-17 in a number of ways.

Like all of Scotland, older people will continue to benefit from investment in **health and wellbeing**, with this group being a key user of NHSScotland services. Health and social care integration should offer positive benefits for a range of equality strands, perhaps particularly older people. Furthermore, six Diagnostic and Treatment Centres across Scotland are expected to meet the increasing demand for hip and knee replacements and cataract operations, which will have a positive equality impact on older people. Free, universal health provision – free personal care and regular free eye tests – continue to be highly valued. Additional investment in **primary care** will help promote equality, in particular in the context of an ageing population with many older people suffering from multiple illnesses.

Free bus travel for the over 60s will continue, making it easier for older people to get around and to participate fully in Scottish society.

Older people's needs and experience vary considerably but issues such as social isolation can be significant. The equality budget will continue to provide support to **older people's organisations** such as Age Scotland – providing a range of help and advice. This funding will also help to ensure that the voices of older people are heard in policy making.

Historic Environment Scotland outreach and education work continues to be important for engaging older people, as evidence suggests that they (and disabled people) are least likely to go to historical places. This investment aims to improve this. There is, however, a risk that reductions in spending for Creative Scotland, the National Collections, National Performance Companies, and on major events, may have impacts in terms of equality of access to culture for a range of groups, although key investments (including free access to national collections) are being protected. It will be critical that cultural organisations innovate where they can to continue to target their offer at under-represented groups.

DISABILITY

A number of elements in the Draft Budget 2016-17 specifically affect disabled people.

Increased investment in, and focus on, **social housing** over the next Parliament will be particularly important for disabled people, with the 2011 Census showing nearly half of those limited a lot by disability were living in the social sector. The maintenance of funding for Registered Social Landlords to carry out housing adaptations is similarly important. This investment helps older and disabled tenants live safely and independently at home.

The Draft Budget supports a range of transport support for disabled people. These include the **National Concessionary Travel Scheme**, which helps disabled people with free travel on local or Scottish long-distance buses, enabling more connected, healthier lives. Disabled people receiving Personal Independence Payments in Scotland will also be able to access their entitlement to free bus travel.

Transport accessibility is a key issue. The Scottish Government's funding of **lifeline ferry services** will continue to improve access to ferry facilities. However, 2016-17 funding to support the **Bus Investment Fund** will be deferred, which could impact on further improvements to the accessibility of Scottish bus services. In addition, the provision of community transport which is of particular benefit to older and disabled people, may be affected. However, the **Bus Service Operators' Grant** will continue to provide subsidies to help with such services.

The Draft Budget continues support for **full mitigation of the 'bedroom tax'** – Scottish Government estimates had suggested that eight in 10 households affected contained a disabled adult. Other social security-focused investment is also likely to benefit many disabled people.

The **Independent Living Fund Scotland** will continue to deliver support payments to severely disabled people. This is a key investment, enabling this particularly disadvantaged group to continue to live independently in the community.

The Draft Budget's additional investment in **mental health** will have a positive impact on people affected by this disability by tackling under-treatment and also addressing the physical health needs of people with a mental illness. This investment also offers benefits for those with other protected characteristics.

The Scottish Government central equality budget will support a range of interventions to support disabled people, including continuing to fund **disabled people's organisations** – such as Inclusion Scotland – which are key advocates for the rights and freedoms of disabled people in Scotland. The budget will also support the implementation of the **British Sign Language (Scotland) Act 2015** and enable investment to support the Disability Delivery Plan, helping ensure Scotland fulfil its obligations towards disabled people under the United Nations Convention on the Rights of People with Disabilities.

ETHNICITY

The Draft Budget 2016-17 will have a number of impacts on people from different ethnic groups.

The Draft Budget contains a £250 million investment in **Health and Social Care partnerships** to ensure improved outcomes in social care. Partnerships will be helped to develop effective engagement and communication tools with people who use health and social care services. This will include a focus on minority ethnic groups and gypsy/travellers to enable them to help shape the services that they use.

Minority ethnic groups are particularly likely to benefit from income-related commitments on higher education – for example, the Education Maintenance Allowance and free university tuition – because their demographic profile tends to be younger.

The central equality budget will enable resources to be aligned with a **new Race Equality Framework** being developed jointly with minority ethnic communities. This budget will also continue to support minority ethnic advocacy organisations – for example, CEMVO and BEMIS – who provide a range of important services to communities.

Tackling **hate crime** continues to be a key focus, and investment here contributes to preventing and addressing racism in all its forms.

The Draft Budget 2016-17 will continue to tackle **human trafficking**. The Human Trafficking and Exploitation (Scotland) Act 2015 will put support for adults on a statutory footing, as is already the case for children who are potential trafficking victims. People of other nationalities make up almost all those who access human trafficking-related services.

Continued funding for the Scottish Guardianship Service will protect the rights of unaccompanied **asylum-seeking children**, with numbers expected to grow during 2016-17 as a result of the Syrian crisis. Scotland is rightly proud of its stance in welcoming refugees and asylum seekers. This budget will enable the work around 'New Scots' to continue and will support the ongoing integration of refugees into Scotland including those who have come here as a result of the international refugee crisis.

GENDER

Elements of the Draft Budget 2016-17 affect women and men in different ways.

The Scottish Government has made tackling the **gender pay gap** a priority in its Programme for Government and this work takes a variety of forms. This includes strengthening pay transparency by reducing the threshold at which public authorities must report on their pay gap; working with the Equality and Human Rights Commission

to tackle pregnancy- and maternity-related discrimination; tackling the under-representation of women in senior management roles and in the boardroom through the 50/50 by 2020 campaign; and continuing to promote fair work practices. The central equality budget will maintain funding for Close the Gap, a partnership project that works to encourage and enable action to address the gender pay gap.

The **Modern Apprenticeship** (MA) Equality Action Plan outlines the actions which will be taken to address the gender imbalance within the uptake of occupational frameworks for the MA programme. Note that the plan also commits to improving the participation of minority ethnic communities, care leavers and disabled people in MAs too.

Investment in **childcare** should also increase women's participation in the workforce, reducing barriers to accessing employment and increasing hours, as well as to progression and developing careers.

Evidence suggests that women tend to be disproportionately affected by UK welfare reform, particularly where they have roles as primary carers for children and other relatives. So the Scottish Government's **welfare reform mitigation** spend is likely to benefit women in particular, and low-income families in general.

The Draft Budget also contains a strong focus on **tackling violence against women and girls**. This can have an immediate and long-lasting impact on individuals and families directly involved, and it can also impact on the wider health, wellbeing and safety of communities. Investment in this area will support infrastructure at both national and local levels, providing support for the victims of abuse and helping ensure that those who perpetrate abuse are held to account. For example, the central equality budget will continue to support Scottish Women's Aid, which is working towards the prevention of domestic abuse.

The **affordable housing** commitment in the Draft Budget for the next Parliament will be particularly important to a number of groups, including lone parents.

Investment is increasing in **community-based justice services** for women. This will help sustain existing services and provide additional funding for local services that should, in turn, help reduce the number of women being remanded and receiving short sentences. In addition, grant funding from the Reducing Reoffending Change Fund is being invested in 'Shine', an offender mentoring service for women offenders. This aims to help them to address the personal and practical issues that shape their behaviour, in order to desist from future offending.

LESBIAN, GAY AND BISEXUAL; GENDER IDENTITY AND INTERSEX

The central Equality budget has been maintained in 2016-17. For **representative organisations** – such as Equality Network, LGBT Youth Scotland and Stonewall Scotland – this means continued support to develop their capacity, lead change, and continue to challenge government, public services, and businesses on inclusion for lesbian, gay, bisexual, transgender and intersex (LGBTI) people. These organisations have helped deliver a real transformation in terms of how LGBTI people are viewed in Scottish society, and this has led to Scotland being seen as one of the most progressive countries in Europe in terms of LGBTI equality and human rights. It is important that we continue to support these efforts to deliver real equality in terms of sexual orientation and gender identity.

The Draft Budget will also support LGBTI communities across Scotland with its continuing emphasis on **tackling hate crime**. Addressing all forms of homophobia, biphobia and transphobia is an important step to empowering these communities and providing LGBTI people with opportunities to fulfil their potential.

Lesbians, and gay and bisexual people have higher rates of attempted suicide, self-harm, depression and anxiety. Improving mental health services, taking a more person-centred approach in primary care, should have a positive impact. Improving access to services is also expected to have a positive impact on transgender people, who tend to experience high levels of discrimination with associated impacts on mental health.

RELIGION AND BELIEF

The central Equality budget will maintain spending to support different faith groups.

In particular, the budget will continue to support work to tackle hate crime, and there will be investment in addressing Islamophobia and sectarianism.

There will also be support for Interfaith Scotland as a forum for dialogue between people from different religions and beliefs.

SOCIO-ECONOMIC

Each year, the EBS considers the impact of the Draft Budget on those on low incomes, including children, as a contribution to understanding how government spending helps to tackle **socio-economic inequality** in Scotland. Links between activity to promote equality and tackle poverty obviously exist, but new powers will offer opportunities to do more to bring these together in future.

Relative poverty rates, after housing costs, have been largely unchanged over recent years. This could be considered positive bearing in mind the long UK recession, and the estimated £6 billion withdrawn from the Scottish welfare bill by UK welfare reform since 2010. Scottish employability, affordable housing and welfare mitigation programmes will all have contributed positively. However, considering that the UK Government is committed to withdrawing an additional £12 billion from the UK welfare bill by 2020-21, the challenge to protect those on low incomes moving forward will be all the more difficult.

Low-income households will continue to benefit from the Scottish Government's commitment to the **living wage** and from the range of employability programmes mentioned earlier in this chapter.

The Scottish Government's commitment to deliver 50,000 **affordable homes** over the next Parliament is a step up from the 30,000 commitment made in this Parliament. The 2016-17 Draft Budget will provide sufficient funding to deliver the first 8,000 to 9,000 homes of this target. This investment will be key to low-income households, particularly those in the private rented sector currently unable to access social housing. Lower rents in this sector play an important role in protecting the after-housing-costs income of less well-off households.

Lower-income households will be able to benefit from **fuel poverty and energy efficiency** spend, as the eligibility criteria for Warmer Homes Scotland has been specifically designed to target help at vulnerable people (people in receipt of certain benefits, and also older and disabled people). We expect to help up to 4,000 vulnerable households make their homes warmer and more comfortable by installing a range of energy-saving measures.

Education Maintenance Allowance (EMA) is a key programme helping school pupils and college students from low-income families to continue their studies and fulfil their potential. The programme is being expanded as of January 2016. The proportion of EMA recipients living in Scotland's 20 per cent most deprived areas in 2013-14 was the highest on record at 34.0 per cent (11,875). EMA has been abolished in England.

In terms of welfare reform mitigation, the Draft Budget continues to support the **Scottish Welfare Fund** in 2016-17. This has helped 164,000 low-income households to date with crisis and community care grants, including more than 54,000 households with children. Investment in Discretionary Housing Payments will continue in 2016-17 to help fully mitigate the cuts to housing benefit in the social rented sector introduced by the UK Government in April 2013 (also known as the 'bedroom tax'). Finally, funding for council tax reduction will continue, providing vital help for those on low incomes with council tax bills.

The Fairer Scotland budget is targeted at reducing inequalities and supporting people living in poverty. The budget in 2016-17 will continue to fund measures to tackle **food poverty**, with a focus on funding food security recommendations emerging from the Independent Group on Food Poverty.

A range of transport initiatives help those on low incomes. As part of the **ScotRail franchise agreement**, ScotRail will provide reduced fares for job seekers and the newly employed on all routes. Interventions to help low-income residents in island and remote parts of Scotland will continue. For example, funding for **Road Equivalent Tariff** (RET) will ensure that island residents can travel on lifeline services and access additional education and employment opportunities on the mainland at an affordable cost. The reduced fares are of particular benefit to young people aged between 5 and 15 who will pay half of the adult RET fare.

Finally, the **Empowering Communities Fund** provides funding through a package of programmes to consolidate and support communities to tackle poverty and inequalities on their own terms. The bulk of the funds are targeted at supporting community-led regeneration in areas of disadvantage, but this may benefit all who share protected characteristics.

CHAPTER 3

Health, Wellbeing and Sport

INTRODUCTION

The Health, Wellbeing and Sport portfolio is responsible for helping people to maintain and improve health and wellbeing, ensuring better, local and faster access to healthcare. The most pressing demands for this portfolio include the impact of a growing and ageing population, the increasing expectations arising from new drugs and technologies, and the impact of health inflation on the health service.

While health in Scotland has steadily improved for most people over the last 50 years, it has not been progressing quickly enough among the most vulnerable groups. People in Scotland's most deprived communities still have significantly lower healthy life expectancies than those in the least deprived areas, and this is associated with a greater dependency on health services. People in the most deprived areas are also more likely to smoke, be physically inactive, have an unhealthy diet or be obese, with several of these inequalities arising in childhood. The portfolio is therefore key for helping address socio-economic disadvantage, but is also key for promoting equality through its investments in child health and wellbeing, older people's care, women's health, including during pregnancy and maternity, and support for disabled people, among others.

KEY STRATEGIC PRIORITIES

The Draft Budget includes a central commitment to protect and enhance the frontline NHS resource budget in 2016-17. This is crucial to ensuring that the care needs of all patients are met as effectively as possible.

Primary care is where most healthcare begins. By supporting the development of new models of care, we aim to have as many people as possible receiving care at home or in a home-like setting. Integration of health and social care will transform the planning and delivery of services, prioritising more effective and efficient use of health and social care resources to meet the needs of a growing and ageing population of people with longer term and often complex needs.

Improvements to the quality of care will also be prioritised, benefiting all those who use NHS services, in particular older people living with multiple physical and mental health conditions.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

There are many positive implications for equality from the Draft Budget 2016-17.

The Draft Budget contains a £250 million investment in **Health and Social Care partnerships** to ensure improved outcomes in social care. This support is expected to impact positively on service users, their families and carers. It will do this by supporting those with multiple conditions and addressing issues around the 'inverse care law', where people who most need care are least likely to receive it. Partnerships will be helped to develop effective engagement and communication tools with people who use health and social care services, in particular disabled people, minority ethnic groups and gypsy/travellers to enable them to help shape the services that they use.

The **Independent Living Fund Scotland** (ILF Scotland) will continue to deliver ILF support payments to severely disabled people. This is a key investment, enabling independent living in the community.

Primary care is at the heart of the healthcare system, where the vast bulk of health interactions take place. Additional investment in primary care in 2016-17 will allow services to provide a continuing and transforming service, helping promote equality. This is expected to be particularly relevant in the context of an ageing population, with many older people suffering from multiple illnesses. The new Primary Care Fund will provide a range of means by which health inequalities may be tackled, such as support for testing new models of primary care.

Long-term mental health problems that limit people's day-to-day activities are recognised as a disability. The Draft Budget's additional investment in **mental health** will have a positive impact on this group of people by tackling under-treatment and also addressing the physical health needs of people with a mental illness. This investment also offers benefits for those who share other protected characteristics. Decreasing the treatment gap for older adults for non-dementia-related mental ill-health, and improving access to child and adolescent mental health services will have a positive impact on age equality. Tackling under-treatment of mental illness will have a positive impact on both women and men, given levels of under-diagnosis and treatment compared with expected prevalence.

Lesbians, and gay and bisexual people have higher rates of attempted suicide, self-harm, depression and anxiety. Improving rights and taking a more person-centred approach in primary care should have a positive impact.

Improving access to services is also expected to have a positive impact on transgender people, who tend to experience high levels of discrimination with associated impacts on mental health.

Increasing the **Health Visitor Workforce** by 500 in the years up to 2018 will have a positive impact on children and women by ensuring NHSScotland staff will be able to provide universal visits and child developmental reviews, supporting families to get the best outcomes for their children. It will also enable health boards to deliver on their responsibility under the Children and Young People's (Scotland) Act 2014 to provide a Named Person for every child under five, ensuring access to support at the earliest point at which it is needed.

Six **Diagnostic and Treatment Centres** across Scotland are expected to meet the increasing demand for hip and knee replacements and cataract operations, picking up some of the most common procedures. This will have a positive equality impact on older people who benefit from planned elective care by mitigating the knock-on effect of peaks in demand from unscheduled, emergency patients.

There are some areas in the portfolio where funding is being reduced. These reductions may, unless mitigated, have equality implications.

Healthy Start is a demand-led scheme offered to low income pregnant women and children to provide weekly food and vitamin vouchers. The uptake has remained at 74 per cent for a number of years, but there is a focus on improvement activity to drive this number up through the Early Years Collaborative, which is starting to show an impact. This scheme is offered automatically to all pregnant women under 18. The scheme is still administered by the UK Government, and is based on entitlement through specific benefits. A reduction to this budget is based on previous uptake, but we are mindful that, should uptake increase, we are obliged to meet that cost. Healthy Start is also a component of the **Welfare Foods** programme, which will be devolved to the Scottish Government, with £1 million set aside to assist with that process and support Healthy Start.

From 2016-17, funding for **Alcohol and Drug Treatment Services** will be a part of the Health and Wellbeing portfolio. This funding incorporates responsibility for drugs treatment that previously rested with the Justice portfolio and will now cover measures to support alcohol treatment and harm prevention. There will be a net reduction in funding for alcohol and drug treatment services in 2016-17 that may impact on particular groups. For example, alcohol-related harm is greatest among men aged 45-59; and while fewer young people are using illegal drugs, there is a vulnerable group of people who have been using drugs for many years and who experience other chronic medical conditions alongside their drug use. It is therefore critical that the funds provided through NHS Boards to support the work of Alcohol and Drug Partnerships continue to be used to tackle the harm to individuals, costs to the health and justice systems, and wider socio-economic impacts.

A reduction in **Sport and Legacy** funding will be mitigated as much as possible by working with sportscotland to target resources effectively at the groups evidence indicates are the most disadvantaged.

NHS Boards' last tranche of funding for the **Keep Well** programme, which provides interventions focused on tackling health inequalities, will reduce in 2016-17. NHS Boards are asked to continue with Keep Well by integrating it into current services and adapting it to suit their local population needs.

CONCLUSION

Equality of opportunity is advanced by the Health, Wellbeing and Sport portfolio by ensuring people are at the centre of their care. By supporting integration joint boards and developing new models of primary care, the portfolio continues to be responsive to the needs of people and their communities. This budget ensures health boards who deliver services directly to patients receive more funding that is flexibly structured. It will be important that funding continues to promote equality, meeting the needs of those receiving care as effectively as possible.

CHAPTER 4

Finance, Constitution and Economy

INTRODUCTION

The Finance, Constitution and Economy portfolio is central to delivering Scotland's Economic Strategy and achieving a more productive, cohesive and fairer Scotland. Crucially, we recognise that increasing growth and tackling inequality are mutually supportive in making Scotland a more successful country with opportunities for all to flourish.

KEY STRATEGIC PRIORITIES

The portfolio's strategic priorities mirror those of Scotland's Economic Strategy, with a focus on investment, innovation, internationalisation and inclusive growth.

Investment in our infrastructure – both physical and digital – improves access to services for disabled people and disadvantaged groups while also widening the pool of potential talent for Scotland's firms. Investing in Scotland's Energy Efficiency Programme will provide warmer homes while lowering costs to Scotland's low income households.

Investing in new ways of offering public services remotely presents the opportunity for a transformation in the provision of services to those in most need – including disabled people and those in rural locations – for instance, in healthcare. We will also encourage the development of both basic and specialist digital skills to ensure no groups are unable to benefit from the digital revolution.

Innovation goes beyond technology, for instance, the Scottish Government is working in partnership with business, through the Scottish Business Pledge, to promote new progressive workplace practices which support better pay, employee engagement and workforce diversity to drive forward competitiveness.

EQUALITY CONSIDERATIONS OF THE DRAFT BUDGET 2016-17

The **Scottish rate of income tax** introduced under the Scotland Act 2012 will commence on 6 April 2016. At this time, all rates of income tax for Scottish taxpayers will be reduced by 10p and the Scottish Parliament will set a Scottish rate of income tax (SRIT) to replace this amount. The flexibility of this power is limited in that the same SRIT is applied to all tax bands. Furthermore the Scottish Government has no powers over setting the tax base either through adjustments of reliefs or the personal allowance. Due to these policy restrictions the Scottish Government has no power to affect the relative burden of tax between different equality groups.

The impact of income tax policy is limited to those who are in receipt of a taxable income. In Scotland there are almost two million adults with no income tax liabilities due to low or no income, which is over 40 per cent of the 16+ population. The Scottish Government is aware of how the income tax burden falls across different equality groups and this is taken into consideration as part of wider policy development where corrective actions may be able to be taken. This information will also be used as policy is developed for the use of further income tax powers outlined in the new Scotland Bill in the appropriate timeframe. However, even with the proposed further income tax powers, the Scottish Government will still not have significant control over defining the tax base.

Regional Economic Development – The Scottish Government is a full partner in the Glasgow and Clyde Valley City Deal, contributing £15 million of capital funding per annum towards the Infrastructure Investment Fund. This supports the delivery of an improved transport network across Glasgow and the Clyde Valley, improved public transport, and the development and regeneration of key sites via a collaborative approach to regional development. An improved public transport system will be particularly beneficial to those individuals with accessibility issues and will provide greater opportunities to access facilities and the labour market across the region.

Inclusive growth lies at the heart of the City Deal, and there is a commitment to establish programmes that target youth unemployment and support for vulnerable residents that are in receipt of Employment Support Allowance, while looking at models which can help boost the incomes of people on low wages.

In 2016-17 we will continue to extend the City Deal approach to cities across Scotland and encourage regions facing economic challenge to work collaboratively on Regional Partnership Plans that identify how best to deliver a vision for inclusive growth.

The **Scottish Business Pledge** is a Scottish Government initiative to encourage progressive business practices amongst businesses operating in Scotland. It is a voluntary commitment to uphold some of the best modern business practices – including paying at least the living wage to all employees – and also making at least a further two commitments to policies, including moving towards a gender balanced workforce and investing in youth through greater training and employment of young people. Paying the living wage has the greatest impact on young people, and those from poorer socio-economic backgrounds.

This budget supports the delivery of Scotland's integrated **digital strategy** which covers digital infrastructure, digital participation, digital public services and the digital economy.

The ongoing £400 million Digital Scotland Superfast Broadband (DSSB) programme will deliver a step change in broadband for 95 per cent of Scottish premises by the end of 2017. We have already met our interim target of 85 per cent of Scottish premises having access to superfast broadband by the end of 2015. This investment opens up greater opportunities for individuals with accessibility issues and the improved connectivity can be life changing.

Funding to increase digital participation remains unchanged. There has been significant progress in closing the 'digital divide' between different groups of the population over the past few years. However, there are still particular areas where gaps in access and use remain, for instance, the use of the internet in owner occupied and privately rented housing is significantly higher than in socially rented housing, and the lower use of the internet by older people. Funding will be aimed at addressing these gaps.

Scotland's success is dependent on developing a culture of innovation, entrepreneurship and global ambition amongst Scotland's innovators and early stage businesses. The **Entrepreneurship and Innovation** budget will continue to support the implementation of Scotland CAN DO: our collective impact approach with public, private and third sector partners towards realising our shared ambition of ensuring Scotland becomes a world-leading entrepreneurial and innovative nation. Central to this strategy is ensuring that everyone is exposed to entrepreneurialism from an early age and emphasising the diversity of potential ideas, ensuring equal opportunities for all of Scotland's children to help build their own and Scotland's future success.

There is an expectation that Enterprise Bodies will provide targeted sectoral support for innovation. As part of this, the Scottish Government will continue to support **Wave Energy Scotland**. There are no anticipated equality impacts resulting from this budget change.

For **Energy**, capital spend has been reduced to reflect the sustained uncertainty arising from the raft of UK regulatory and policy changes, in particular the UK Government's Electricity Market Reform. There are no anticipated equality impacts resulting from this budget change.

Scotland's Energy Efficiency Programme (SEEP) will bring together existing domestic and non-domestic energy efficiency schemes, including area-based programmes, as well as low carbon heat. The SEEP programme is intended to achieve multiple aims, including improvements in health through warmer homes for vulnerable households, and reductions in inequality and fuel poverty. Its active targeting of energy efficiency programmes towards households experiencing fuel poverty is likely to have a beneficial effect on people in less affluent socio-economic groups and in vulnerable households, in line with the equality focus of the Programme for Government. As the SEEP programme develops, an EQIA will be undertaken to review the potential equality impacts of this programme.

In terms of **Enterprise Agencies**, Scottish Enterprise, Highland and Islands Enterprise and VisitScotland are being given slight reductions in their day-to-day resource budgets in comparison to 2015-16. This should be absorbed by improved ways of working and reduced work pressures, therefore we do not anticipate any equality implications. Capital budgets for Scottish Enterprise and Highlands and Islands Enterprise are seeing more significant reductions in comparison to 2015-16. However these reductions could be mitigated to an extent by the agencies themselves, for instance, through disposals from their investment portfolios.

A Scottish Enterprise commissioned study published in 2015 found no overarching trends can be identified with regards to equality issues in Scotland's growth sectors: the representation of individuals sharing some protected characteristics in the workforce increased in certain sectors, but declined in others. There are also mixed findings on a sector-by-sector basis, with sectors often making progress on the representation of some equality groups within their workforce whilst experiencing a decline in others.

Partners in the **Strategic Forum** (Scottish Enterprise, Highlands and Islands Enterprise, VisitScotland, Skills Development Scotland and Scottish Funding Council) have been tasked with making efficiency savings through increased collaboration and greater alignment of services. Our enterprise agencies will have a savings target set prior to the start of the budget year.

This challenge has been in place since 2012-13, and our enterprise agencies have successfully demonstrated their ability to absorb these reductions through efficiencies where the level of support provided remained unchanged, and there are therefore no anticipated equality implications.

CONCLUSION

This portfolio is focused on delivering sustainable economic growth, with opportunities for all the people of Scotland to flourish. Our focus on inclusive growth is based on the increasing body of evidence that demonstrates increasing diversity and removing barriers to participation not only a social benefit but also drives economic growth. Equality considerations therefore lie at the heart of all the work of this portfolio.

In a tough fiscal climate, we have protected or increased spend in many areas which should be most beneficial to equality: be it our investment in digital connectivity and provision of digital public services, to our work on regional economic development to ensure that the benefits of economic growth are shared across all of Scotland.

CHAPTER 5

Education and Lifelong Learning

INTRODUCTION

The Education and Lifelong Learning portfolio is responsible for government policy related to improving outcomes for children and young people as well as developing and championing the social care workforce. This includes all aspects of early years provision; support for children and families; school education; further and higher education; university research; innovation and knowledge exchange; science; and community and adult learning and development.

The work of the portfolio links closely to that of the Fair Work, Skills and Training portfolio by ensuring effective alignment of school and college education to industry needs and helps to better prepare individuals for work. It aligns to the Finance, Constitution and Economy portfolio in supporting the translation of our world-class university research into economic growth. It also aligns to the Health, Wellbeing and Sport, and Justice portfolios by supporting early intervention to increase positive outcomes.

Funding within the local government settlement provides for local authority delivery of early learning and childcare, school education and social work.

There are strong links between equal opportunities, equality, socio-economic disadvantage and lifelong learning and employment outcomes. Many Education and Lifelong Learning policies target vulnerable children, where the number of disabled children are over-represented, and young people and their families who predominantly live in the most deprived communities in Scotland.

KEY STRATEGIC PRIORITIES

We will continue to invest in early learning and childcare as we work towards delivering the increased entitlement of 1,140 hours a year by the end of the next Parliament. This will include additional investment in a graduate-led workforce to ensure the best level of care, support and educational development in the early phase of the learner journey, with an initial focus on our most disadvantaged communities. Alongside this, we will continue to tackle inequalities and improve outcomes for our youngest and most disadvantaged children with a programme of work to strengthen child protection and by supporting the use of improvement methodology through the combined efforts of our childhood collaborative programmes.

We will continue the development and implementation of a National Improvement Framework for Scottish Education which sets our clear priorities. The development of the Framework represents a new phase in the ongoing implementation of Curriculum for Excellence, as we work towards improving literacy and numeracy via programmes, such as Read, Write, Count, throughout Scottish schools. The Framework and the Attainment Scotland Fund will underpin the work to close the attainment gap between the most and least disadvantaged children through the Scottish Attainment Challenge. We will continue to invest in the quality of our teaching profession and school estate through the implementation of Teaching Scotland's Future and the Schools for the Future programme.

We will continue to invest substantially in the college and university sectors with a particular focus on tackling inequality by working to widen access to university and ensuring we address under-representation of women and other groups, on courses and in academia. We maintain our commitment to create a world class vocational education system by funding the college sector to deliver courses that support young people into employment.

In support of our youth employment strategy, Developing the Young Workforce, we will complement the work being undertaken within the Fair Work, Skills and Training portfolio to strengthen links between our schools, colleges, universities, employers, local authorities and Skills Development Scotland, ensuring a seamless transition for young people from education and training to work. We will continue to support high quality learning in our higher education institutions that equips graduates for employment. We will support accelerated translation of world-class research into economic growth through the work of the Innovation Scotland Forum to increase collaboration and knowledge exchange between universities and businesses, and continue to invest in Scotland's network of innovation centres.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

Early Learning and Childcare

There is continued resourcing for the Children, Families and Young People Early Intervention Fund and the Adult Learning and Empowering Communities Fund. These funds have been designed to support the core infrastructure and services of third sector organisations who undertake a range of activities including, for example, funding support for the role of fathers in the family; women in pregnancy; tackling issues associated with gender-based violence; youthwork; support for ethnic minority communities; and equality of access to services for disabled people amongst other things.

The Early Years Collaborative provides a method for improving early years services at national and local level. This includes many services that focus on reducing inequality and improving outcomes and life chances for children and families. There is a focus on prevention and early intervention, recognising the financial and social benefits of early support to families. A small reduction in collaborative funding is to reflect the maturation of the model enabling a planned reduction in national level learning sessions as Community Planning Partnerships are continuing to embed improvement methods within their local early years services.

Looked After Children

The recently launched Looked After Children Strategy focuses on improving outcomes for care-experienced young people and those at risk of becoming looked after. This budget attempts to tackle inequality and multiple risk factors that lead to poor outcomes for Scotland's most vulnerable children and young people. The programme will strengthen protection and care for children at risk through more effective evidence-based interventions, securing permanent homes more quickly, better support for carers and embedding a collective approach to corporate parenting.

The remaining parts of the Children and Young People (Scotland) Act 2014 that pertain to care-experienced young people including the Kinship Care Order and Part 12 (Services to support children at risk of becoming looked after) will be implemented in 2016-17. Together with £10 million of annual funding to local authorities to deliver significantly improved allowances for children in and on the edge of care, this should directly reduce income inequality and the likelihood of a child becoming looked after. These benefits accrue disproportionately to maternal grandmothers in low-income households who represent a high proportion of kinship carers.

Continued funding for the Scottish Guardianship Service will protect the rights of unaccompanied asylum-seeking children, with numbers expected to grow during 2016-17 as a result of the Syrian crisis.

The successful Permanence and Care Excellence (PACE) programme is being expanded across Scotland to help secure a permanent, nurturing home at the earliest opportunity for children and young people (including by supporting birth parents). PACE supports local practitioners and leaders across all key systems to strip out drift and delay in decision-making - thus maximising the chance of a child settling successfully into their home life. This reduces short-term waste, long-term cost to public services and dramatically improves life chances.

The Realigning Children's Services (RCS) programme is leading efforts to map the needs of children and families and to use analysis of this need to re-design frontline services. Early evidence shows that services are not well aligned currently and significant improvement is possible, at lower cost, when commissioning decisions follow clear evidence. RCS influences the wider children's services landscape and therefore positively influences a range of equality considerations.

Funding within youth justice is focused on further embedding the whole system approach, improving life chances and developing capacity and improvement as part of a preventative agenda which helps tackle singular inequalities. There has been a sustained impact of a decisive shift to prevention, and tangible benefits through the roll out of the whole system approach since 2011. Work in youth justice helps reduce the demand for secure care, young offender institutions and the criminal justice system as a whole. Investment can have a significant saving in relation to longer-term costs and contribute to improved outcomes.

Learning

In 2016-17, we will continue to support schools and local authorities facing challenges in addressing poverty-related disadvantage through the Scottish Attainment Challenge and the 'Attainment Scotland Fund'. Additional funding will continue to be targeted at those schools, communities and local authorities with the highest concentrations of children living in deprived communities. The total number of primary schools benefiting from the fund is currently more than 300. The schools have been selected on the basis of their supporting a significant proportion of pupils and families from communities which are facing some of the greatest challenges across Scotland.

The development and implementation of a National Improvement Framework (NIF) for Scottish Education will continue in 2016-17. It will lead to improved data and evidence on the performance of our education system. It will provide consistent and clear information, supported by new standardised assessments in P1, P4, P7 and S3, that will inform what is and what is not working to close the gap and raise attainment. Actions taken based on the evidence collected will lead to improved outcomes for all children and young people. In particular they will help those living in the most deprived areas of Scotland to gain the knowledge, skills and attributes required to be successful adults. It is essential for Scotland's future that we enable every child to achieve their potential.

Local Government Gaelic

The Local Government Gaelic Grant is protected and remains the same.

Advanced Learning and Science

The scale of the budget reduction across Qualifications and Accreditation, Higher Education and the Office of the Chief Scientific Adviser is small in the context of our overall support for universities and science. We do not have any evidence to suggest that this level of reduction will have any significant impact on ensuring equality.

Following publication of its interim report in November 2015, the **Commission on Widening Access** - established to advise the Scottish Government on how it can meet its ambition of equality of access to higher education for students from disadvantaged backgrounds - will continue its work in 2016 making recommendations for widening access to students from disadvantaged backgrounds and specific groups including care leavers and mature students.

Spending on the **Office of the Chief Scientific Adviser** has reduced. The reduction reflects a number of Science and Society activities funded in 2015-16 either ending this year or continuing at a reduced level. We will continue to support the science centres and science festivals.

Resource funding to the **Scottish Funding Council** has been slightly reduced. Within the overall funding settlement, college funding remains broadly flat with no specific changes that would have any equality impacts. The Scottish Funding Council will consider how savings from the higher education can best be realised in order to preserve equality ambitions.

While there continue to be issues of **gender balance in academia**, such as in the proportion of senior staff who are female and the proportion of female students, particularly in Science, Technology, Engineering and Mathematics (STEM) subjects, the Ministerial Letter of Guidance to SFC for 2016-17 lists as a key objective addressing the underrepresentation of women on governing bodies and at senior levels and gender balance among student intakes for some key subjects. In addition, our universities have signed up to principles that state a commitment to addressing gender inequality and we continue to encourage further progress.

Spending on **higher education student support funding** has been maintained. Within this budget, we will expand access for more students by changing the eligibility thresholds for the maximum student support package.

CONCLUSION

The Education and Lifelong Learning portfolio is taking a range of actions to ensure children have the best start in life and are ready to succeed, and that we improve the life chances for children, young people and families at risk.

CHAPTER 6

Fair Work, Skills and Training

INTRODUCTION

This government is leading the way to create a culture of Fair Work in Scotland. The Scottish Government believes that a labour market that is fair and inclusive and that provides sustainable and well-paid jobs is key to promoting equality and improving productivity. In essence to ensure that, in Scotland, work improves people's lives.

KEY STRATEGIC PRIORITIES

With our partners, we aim to develop and implement a strategic approach to the labour market that will:

- produce the skilled workforce necessary to realise Scotland's Economic Strategy;
- maximise the employment opportunities for everyone that wants to work, including young people and women; and
- promote a culture of fair work.

We will continue to take specific action to address the barriers that many people face accessing and progressing in the labour market and other spheres of public and economic life. This includes, but is not restricted to, challenges facing women, the young workforce, disabled people, and minority ethnic groups. Our aim is to enable equal access to an increased range of opportunities while challenging bias and systemic institutional barriers to ensure, as far as possible, equality of outcomes.

The Scottish Government will continue to lead by example in areas such as advancing greater gender equality, and by ensuring all staff covered by our own pay policy receive the living wage. We are also funding the Poverty Alliance to promote take up of the Living Wage Accreditation Scheme across the wider economy. There are now over 425 accredited living wage employers and over 160 employers who have signed the Scottish Business Pledge: we will continue to build on that.

We have established the Fair Work Convention to bring employers and trade unions together to develop a blueprint for what Fair Work should look like in Scotland. This will be completed by March 2016.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

The devolution of **employability services** provides an opportunity to look closely at existing services and build on what works best to help people find work and stay in work. In doing so, the Scottish Government is aiming to deliver employability services with a strong focus on equality. By this focused approach, the Scottish Government aims to align employability services to better meet the employability needs of individuals, or groups of individuals who face specific barriers to employment. Fair Work officials sought input from specific organisations in relation to the consultation on Scotland employability services, 'Creating a Fairer Scotland Employability Support'. These included equality groups representing disabled people, young people, minority ethnic groups and women's employability groups. Providing proportionate, effective and flexible support to Scots in search for work will more effectively deliver the aim of an inclusive, socially-just, equal and prosperous Scotland.

The UK Government has proposed limited devolution of employability powers, and the UK Spending Review has placed further constraints on the budget to support delivery of those. Nonetheless, within those constraints, the Scottish Government is working to ensure sustainable procurement in its approach to commissioning services, to encourage a good market response to any future invitations to tender to employability services, and specifically to support and encourage small and medium enterprises, third sector and not-for-profit interests to form consortia to bid for service delivery. The Scottish Government will engage the Scottish Human Rights Commissioner and Sustainable Procurement in developing the commissioning strategy.

The Scottish Government has made tackling the gender pay gap a priority in its Programme for Government and we are taking a broad and dynamic approach to **gender equality** in order to drive forward progress. Particular priorities include working with the Equality and Human Rights Commission to tackle pregnancy- and maternity-related discrimination; tackling the under-representation of women in senior management roles and in the boardroom through our Partnership for Change 50/50 by 2020 campaign; strengthening our commitment to pay transparency by reducing the threshold at which public authorities must report on their pay gap, from authorities with more than 150 employees to those with more than 20 employees; and continuing to promote fair work practices and to extend childcare.

The Strategic Group on Women and Work continues to maintain a strategic overview of the Scottish Government's approach to tackling the barriers women face in entering and progressing through the labour market.

The **Developing Scotland's Young Workforce** (DYW) programme aims to help tackle structural youth unemployment and ensure that all young people, regardless of any barriers they face, have fair access to opportunity. Programme milestones relate to equality issues in education and employment with a focus on gender, race, disability and care leavers. The annual report published in December 2015 outlined progress towards programme milestones and Key Performance Indicators (KPIs). These include a range of equality ambitions which we will continue to progress in 2016-17. There is no stand-alone DYW implementation budget for 2016-17. Scottish Ministers have always made clear that the DYW implementation budget would last for two years (2014-16) to allow partners to build capacity and try out new approaches. As we move into year three of programme delivery, our focus is on mainstream provision and funding activity through core budgets.

Part of the DYW funding allocated to Skills Development Scotland (SDS) across 2014-16 delivered a range of equality activity as referenced in their Equality Action Plan for Modern Apprenticeships (MA) in Scotland. The MA Equality Action Plan outlines the challenges to be addressed and the actions which SDS will undertake with partners specifically to improve the participation of minority ethnic communities, care leavers and disabled people in MAs, as well as addressing the gender imbalance within the uptake of occupational frameworks. The plan will also embrace the wider goal of improving equality of access for all.

Opportunities for All underpins our focus on youth employment by ensuring the inequalities experienced by different groups of young people are addressed as they move towards work. Our commitment to Opportunities for All has helped us to deliver the highest ever proportion of pupils who left school during 2013-14 into making a sustained positive destination – 91.7 per cent – up from 90.4 per cent in the previous year.

We will be continuing to support local authority multi-agency partnerships to deliver Opportunities for All through improvements to post-16 transition planning toward and into further learning, training and employment; and Stage 1 of the Employability Skills Pipeline through Activity Agreements for those young people furthest from the labour market.

Offering the right financial support to young people (aged 16-19), for example through an **Education Maintenance Allowance** (EMA), is a key aspect of the Opportunities for All policy. The EMA programme is being expanded as of January 2016 to support our commitment to the continued availability of EMAs in Scotland assisting more school pupils and college students continue their studies and fulfil their potential. The proportion of EMA recipients living in Scotland's 20 per cent most deprived areas in 2013-14 was the highest on record at 34.0 per cent (11,875). EMA has been abolished in England.

More than 6,000 young people have benefited from **Community Jobs Scotland** (CJS) which offers unemployed vulnerable people, aged 16 to 29, six-18 month paid job training posts and has helped the third sector by providing financial support to host employers. CJS delivers key equality DYW recommendations as it offers job training opportunities lasting up to a year for care leavers and other vulnerable young people aged up to 29, including disabled people and those with long-term health conditions, people with convictions, and military early service leavers. Funding for CJS has been maintained in 2016-17 in recognition of the commitment to support programmes aimed at helping vulnerable groups across Scotland towards and into employment.

Inspiring Scotland's 14:19 Fund provides supported programmes created to improve the lives of Scotland's most disadvantaged young people aged 14 to 19 to help them make successful transitions from school into employment, education or training. Since its launch in 2009 the 14:19 Fund has supported over 16,000 disadvantaged young people across Scotland into positive destinations of employment, education or training. Funding for Inspiring Scotland has been maintained in 2016-17 in recognition of the commitment to support programmes aimed at helping vulnerable young people across Scotland towards and into employment.

CONCLUSION

The Fair Work, Skills and Training portfolio will continue to take specific action to address the barriers that many people face accessing and progressing in the labour market, including challenges facing women, the young workforce, disabled people, and minority ethnic groups. Our aim is to enable equal access to an increased range of opportunities while challenging bias and systemic institutional barriers to ensure, as far as possible, equality of outcomes.

CHAPTER 7

Justice

INTRODUCTION

The Justice portfolio has responsibility for the civil, criminal and administrative justice systems which include Scotland's prisons, courts, tribunals, police, fire and rescue services, the legal aid system and criminal justice social work services. The portfolio also supports safer communities and works to build Scotland's resilience through multi-agency planning.

The purpose of the Justice portfolio is to keep our communities safe, and to administer justice in its various forms: civil, criminal and administrative. It helps to create an inclusive and respectful society in which all people and communities live in safety and security, where individual and collective rights are supported, and where disputes are resolved fairly and swiftly. It has a key role in promoting equality by, for example, tackling violence against women and girls. We have maintained access to justice for individuals and businesses through the Legal Aid system and are also investing in advice services to help people deal with issues that give rise to civil justice problems. The Scottish Police Authority and Police Scotland are committed to advancing and mainstreaming equality and socio-economic considerations in all areas of policing. The Scottish Police Authority has published a set of equality outcomes for 2013-17, and published an update report in April 2015: <http://www.spa.police.uk/assets/128635/equality-mainstreaming-report>.

KEY STRATEGIC PRIORITIES

The portfolio has a number of strategic priorities that are key for equality. These include **penal policy**, where there is a shift away from short-term imprisonment towards community justice solutions which are more effective at reducing re-offending, as well as improving re-integration. There is also a strong focus on **tackling violence against women and girls**, enhancing support for the victims of abuse by providing a legal framework which reflects modern understanding of abuse and strengthens the existing law to ensure those who perpetrate abuse are held to account. **Human trafficking** can have devastating physical and mental impacts on its victims. Investment in this area takes a victim-centred approach, enabling those people trafficked to access immediate support, such as medical attention and accommodation. **CashBack for Communities**, which uses the proceeds of crime to fund community activities and facilities funding, is focused largely on young people in disadvantaged communities, helping to change lives for the better and lessen inequality. Since 2008, over 1.8 million free, positive and

healthy opportunities and activities for young people have been delivered. The **Building Safer Communities** (BSC) programme works collaboratively with partners and makes best use of the strengths that exist within communities. It has a stretch aim of reducing the number of victims of crime by 250,000. We know that crime is disproportionately concentrated in our most deprived areas, so we are working with communities with the highest crime rates to promote change and learn what works.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

The Draft Budget for 2016-17 allows the Justice portfolio to protect and invest in key priorities for equality.

If we are to be successful in reducing reoffending, it is essential that the underlying causes of offending behaviour, which often include multiple inequalities, are effectively addressed. A central element of our **penal policy** vision is to reduce the use of imprisonment – particularly the use of short term imprisonment. We are taking a number of steps to address this, including consulting on proposals to strengthen the presumption against short sentences and encouraging increased use of existing robust community sentences. We will invest an additional £4 million during 2016-17 in community-based services to ensure robust and effective alternatives to short-term imprisonment.

We will invest a further £1.5 million in **community-based justice services** for women to help sustain existing services and provide additional funding for local services. This should help reduce the number of women being remanded and receiving short sentences.

We will also invest grant funding of £1.4 million from our Reducing Reoffending Change Fund in '**Shine**', an offender mentoring service for women offenders, which aims to help them to address the personal and practical issues that shape their behaviour, in order to desist from future offending.

The Justice portfolio's investment to support a robust response to **tackling violence against women and girls** will continue. The Justice response is in line with the 'Equally Safe' strategy, launched in June 2014. This strategy specifically targets offending which is perpetrated predominantly by males against females and links offending behaviour to deep-rooted gender inequalities within our society.

The policy recognises that the criminal justice system has an important role not only in dealing with perpetrators, but also in shaping community perceptions and encouraging community intolerance of violence against women and girls.

We will continue to invest in important work to address **human trafficking**. The Human Trafficking and Exploitation (Scotland) Act 2015 will put support for adults on a statutory footing, as is already the case for children who are potential trafficking victims. Support for adult victims of human trafficking is accessed by more women than men. In 2014, 56 per cent of potential victims of trafficking were women.¹

¹ Source – National Referral Mechanism Statistics – End of Year Summary 2014.

People of other nationalities make up almost all those who access the services. In 2014, of 86 potential victims of human trafficking entered in the National Referral Mechanism, only one was a UK national.

Safeguarding victims is one element of an overarching policy that aims to make Scotland a hostile environment for traffickers while identifying and meeting victims' needs. The development during 2016-17 of Scotland's first Human Trafficking and Exploitation Strategy will help us to both prevent and identify potential victims.

CashBack for Communities uses sums collected under the Proceeds of Crime Act 2002 to fund community activities and facilities largely, though not exclusively, for young people.

All CashBack projects are required under the terms of their grant to focus activity in deprived areas of need using communities identified through the Scottish Index of Multiple Deprivation. In addition, Youth Link Scotland youth work grants will continue to be disbursed across all 32 local authority areas using a funding formula: 80 per cent population: 10 per cent level of deprivation: 10 per cent rurality.

Through particular support for young people in disadvantaged communities, CashBack will continue to make a positive contribution to promoting equality.

Building Safer Communities (BSC) aims to reduce the numbers of victims of crime in Scotland by promoting the Christie principles of public service reform (a decisive shift towards prevention with people in public services working across boundaries) in a way which prioritises disadvantaged communities and builds on their assets.

A Safer and Stronger Scotland is one of the Scottish Government's strategic objectives and is fundamental to the strategy for Justice. We have already made significant progress toward this objective. However, there remain significant challenges, particularly in those communities most affected by deep-rooted issues like worklessness, poor educational attainment, poor mental wellbeing and preventable ill health. Continued funding for BSC will support the equality agenda by facilitating work to help address these ongoing challenges.

CONCLUSION

Evidence shows the strong correlation between equality and engagement with the justice system for victims, offenders, civil litigants and through tribunals. Through the measures set out above and across the wider justice system and budget, we will continue to provide an accessible and effective justice system that helps to resolve issues and protect people and communities from harm.

CHAPTER 8

Social Justice, Communities and Pensioners' Rights

INTRODUCTION

The Social Justice, Communities and Pensioners' Rights portfolio spend covers housing, social justice, regeneration, equality and human rights, third sector, planning, social security and both resource and capital funding to local government.

Portfolio spend is focused on providing opportunities to deliver good quality, sustainable and affordable housing, supporting regeneration activity within Scotland's most deprived communities, and leading the Scottish Government's efforts in responding to welfare reform. It also supports the drive for social justice, strengthening the third sector and communities, and improving the lives of people in Scotland by advancing equality and human rights, and tackling discrimination and prejudice.

KEY STRATEGIC PRIORITIES

The portfolio has increased its commitment to affordable housing, especially social rented housing. We continue to provide more than £100 million towards energy efficiency and tackling fuel poverty, and have protected our budget for the Scottish Welfare Fund and for Discretionary Housing Payments to mitigate the negative impacts of UK welfare reform. Finally, the Equality and Third Sector Budgets, which are important in a range of ways to delivering a fairer Scotland, have both been protected.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

Housing

The Scottish Government's commitment to **affordable housing** is underlined by our pledge to deliver 50,000 affordable homes over the next Parliament. This compares to our commitment to deliver 30,000 affordable homes in the current Parliament, which has already been met. The 2016-17 budget will provide sufficient funding to deliver the first 8,000 to 9,000 homes of this target.

Within this, we will place a high priority on **social rented housing**, with 70 per cent of the 50,000 target being for this tenure. There will be a correspondingly higher proportion of capital grant funding (rather than loan funding) in the housing supply budget, which reflects this positive shift in government support for social housing. The social sector is a particularly important tenure for households such as single parents, and long-term sick and disabled people, and the lower rents in this sector play an important role in protecting the after-housing-costs income of less-well-off households.

During 2016-17, we will maintain funding of £10 million to Registered Social Landlords to carry out **housing adaptations** that will help their older and disabled tenants live safely and independently at home.

On **energy efficiency and tackling fuel poverty**, Scottish Government funding of Home Energy Scotland has enabled continuing links with national partners targeting low income and vulnerable groups. For example, in addition to our ongoing work with NHS Scotland, we have also begun to work with food banks and MacMillan Cancer Support. This partnership working will deliver fuel poverty and Home Energy Scotland awareness training to frontline staff which will be of particular benefit to the most vulnerable clients, including older people, disabled people and those in lower income groups.

Although key equality groups and lower income households will be able to benefit from all our fuel poverty and energy efficiency spend, we have particularly designed the eligibility criteria for Warmer Homes Scotland to target help at vulnerable people (people in receipt of certain benefits, including older and disabled people). We expect to help up to 4,000 vulnerable households through £19 million funding for this scheme to make their homes warmer and more comfortable by installing a range of energy-saving measures.

Taking into account additional consequential funding which became available during the fiscal year, we will have made more than £100 million available for fuel poverty and energy efficiency during 2015-16. In 2016-17, we will again make more than £100 million available. A proportion of the £103 million allocation for fuel poverty and energy efficiency in the Draft Budget 2016-17 will, in due course, combine with related energy funding programmes to support Scotland's Energy Efficiency Programme (SEEP). More information on this can be found in the energy section of the Finance, Constitution and Economy EBS chapter.

The **Housing Voluntary Grant Scheme** provides funding to national voluntary housing and homelessness organisations to help vulnerable people, and to provide training to those that provide these services. The groups who benefit include homeless people and those at risk of homelessness, disabled people, older people, refugees, asylum seekers and minority ethnic communities, as well as women and children who are victims of domestic abuse. Funding for the scheme is to be reduced in 2016, however, the majority of organisations that depend on this for recurrent funding will not see a cut. We are, therefore, confident of minimising impacts on equality.

Social Security

The **Scottish Welfare Fund** (SWF) is a national grant scheme, delivered by all local authorities on a voluntary basis since April 2013. The scheme acts as a safety net for vulnerable people on low incomes by providing Crisis Grants, which help those facing disaster or emergency situations, and Community Care Grants, which help people live independently, preventing the need for institutional care. To date, 164,000 low income households have been supported, including more than 54,000 households with children. To ensure investment is well targeted, key equality data is collected about application numbers and grants issued; and SWF guidance has been developed over time to meet equality concerns as these arise.

The SWF has benefited from consistent investment levels of £38 million per annum for 2013-14, 2014-15 and 2015-16. For 2016-17, the Draft Budget is £38.4 million. In April 2016, the scheme becomes statutory, and all local authorities will be required to maintain and administer a Welfare Fund.

The Scottish Government also invests in **Discretionary Housing Payments (DHPs)** and has set aside £35 million in 2016-17 (as in 2015-16). DHPs compensate local authorities for the cost of fully mitigating the 'bedroom tax' (the cuts to housing benefit in the social rented sector introduced by the UK Government in April 2013). At the time of introduction, it was estimated that 80 per cent of affected Scottish households contained someone with a disability.

Social Justice and Regeneration

The **Fairer Scotland** budget is targeted at reducing inequalities and supporting people living in poverty. The budget in 2016-17 is £8 million, the same as the previous year, and will be used to support key priorities emerging from the Social Justice Action Plan, which will be published early in 2016. We recognise that there is a strong connection between poverty and longstanding issues of inequality and discrimination. Addressing this will be part of our broader work around social justice going forward. The budget will continue to fund measures to tackle food poverty, with a focus on funding food security recommendations emerging from the Independent Group on Food Poverty.

In 2016-17, we will continue to support capital **regeneration** projects in disadvantaged areas, focusing on projects that engage and involve local people, with investments to improve local infrastructure and revitalise town centres, helping to support and create jobs and build strong and sustainable communities.

We will also continue to invest in **enterprising community organisations** to enhance their capacity to drive forward community-led regeneration in their areas. There is a vibrant and diverse range of community-led initiatives, including managing renewable energy projects, running childcare services, preserving the local heritage and managing forestry enterprises. The work of these groups is having an impact, from our islands and remotest rural villages to the hearts of our cities and towns. Match funding for programmes to tackle poverty and social inclusion through the 2014-20 European Social Fund will support this work.

Inequalities in power and influence can have a direct impact on people's life chances and opportunities, and on how public services help them to achieve what they need. Empowering people in all their diversity and achieving greater democratic equality are, therefore, key to our Programme for Government and our spending plans to achieve a fairer Scotland and support economic growth. The **Empowering Communities Fund** provides funding through a package of programmes to consolidate and support communities to tackle poverty and inequalities on their own terms. The bulk of the funds are targeted at supporting community-led regeneration in areas of disadvantage.

The largest of these programmes, the People and Communities Fund, is aimed at robust community anchor organisations, such as Registered Social Landlords and Community Development Trusts with a proven track record of delivering projects and services within their community. A range of projects are being supported, providing money advice, childcare, training/upskilling, healthy eating initiatives, and volunteering opportunities focusing on social inclusion and tackling poverty.

The Equality Budget

People's life chances, opportunities and experiences are also deeply affected by discrimination, prejudice, and systemic and structural inequalities. This government's economic and social ambitions flow from an understanding that Scotland cannot reach its full potential without all of its people having opportunities to achieve the most that they can. The spending plans outlined in this budget are designed to drive forward equality, tackle discrimination and prejudice, and improve the lives of the people of Scotland. Spend through the **Equality Budget** will direct support to frontline provision, particularly in relation to violence against women and girls, will help build the capacity and leadership of equality organisations and groups, and will focus on delivering real change for people.

The Equality Budget has been maintained at £20.3 million for 2016-17, demonstrating a continuing commitment to this important agenda. In 2016-17, the Equality Budget will support work to strengthen community cohesion and to tackle hate crime. It matters in the current climate that we strengthen our links within and between communities and support measures that build trust, respect and good relations. This budget will help to build on the progress made on equality for LGBTI (lesbian, gay, bisexual, transgender and intersex) people which will contribute to maintaining Scotland's position as one of the most LGBTI-progressive countries in Europe. It will also support the drive for gender equality, including delivery on Programme for Government commitments, and will support the advance of the equality provisions of the Scotland Bill. It will enable resources to be aligned with a new Race Equality Framework being developed in partnership with minority ethnic communities. The budget will also support the implementation of the British Sign Language (Scotland) Act 2015 and the Disability Delivery Plan, helping ensure Scotland is fulfilling its obligations towards disabled people under the United Nations Convention on the Rights of People with Disabilities (UNCRPD). We will use the UNCRPD framework to champion the rights of disabled people to have the same freedom, dignity, choice and control over their lives as everyone else.

Scotland is rightly proud of its stance in welcoming refugees and asylum seekers. This budget will enable the work around 'New Scots' to continue and will support the ongoing integration of refugees into Scotland including those who have come here as a result of the international refugee crisis.

Addressing all forms of violence against women and girls (VAWG) continues to be a strategic priority for this government. Not only does VAWG have an immediate and long-lasting impact on the individuals and families directly involved, but it impacts on the wider health, wellbeing and safety of our communities. In conjunction with the investment through the Justice portfolio, Scotland is committing significant resource to tackling this important issue. The resources in the Equality Budget will support the progression of our national violence against women and girls strategy, 'Equally Safe'.

Older people's needs and experiences vary but issues such as social isolation can be significant. This budget will help to support older people and to ensure that the voices of older people are heard in policy making.

Much of what has been possible around advancing equality has resulted from the actions and activity of organisations working in the field. The resources available in this budget will enable investment in equality organisations and communities, building their capacity and supporting them to contribute to shaping policy, their communities and Scotland's future. This is particularly important at a time of community empowerment and public service reform, and with a strong focus on social justice and economic and social participation.

The diversity of our communities needs to be reflected in the approaches we take across the breadth of policy areas. To that end the budget also enables support for our mainstreaming work and the delivery on our responsibilities under equality legislation.

Third Sector

Scotland has a strong and vibrant third sector with much to contribute to Scotland's future. The sector plays a crucial role in the drive for social justice, is essential to the reform of public services and to the wellbeing of our communities, and contributes to our economic growth. The sector is also instrumental in helping to advance equality and in supporting communities most impacted by discrimination and disadvantage.

The investment made through the national and local infrastructure helps to ensure that the third sector is supported and engaged, and that there is effective response to the issues of concern to communities and the organisations that support them. Furthermore, Scotland has developed as a world leader in social enterprise, and this sustainable and effective model of business has the potential to provide solutions to some of our most difficult challenges. This budget will enable investment to be directed at social innovation and social enterprise.

This budget will enable the strengthening of communities and investment in the capacity of the third sector. This will be beneficial to equality communities and organisations.

Work will continue this year to ensure that equality communities are more fully engaged in the broader activities of the sector and that there is a stronger alignment of interests.

The sector is embracing the call for increased diversity on its boards and the recent census of social enterprise in Scotland flagged that the majority of social enterprises are led by women. The third sector has a positive role to play in championing equality and in supporting its advance in Scotland.

Local Government

Local government provides a wide range of services and plays a major role in local Community Planning Partnerships (CPPs) that are essential to the delivery of the outcomes that matter to the people of Scotland. The funding from the Scottish Government represents the vast majority of local authorities' income, but each local authority decides how to spend its total available finances on the basis of local needs and priorities and a set of national and local outcomes. The Equality Act 2010 and associated specific duties published in May 2012 provides a framework to help local authorities pay due regard to equality issues.

Local government equality considerations focus on general expenditure by Scotland's 32 local authorities, funded through the local government settlement and policies around council tax, non-domestic rates and other locally generated income. The formula used to distribute funding equitably to each local authority uses a number of needs-based indicators (relating to population, equality characteristics and relative deprivation). Other portfolios are responsible for assessing the impacts of any changes in grants that are ring-fenced for spending on a particular type of activity.

The Scottish Government endeavours to have the correct size of teaching workforce and one which operates flexibly and imaginatively in the interests of schools, pupils and those connected with education so that Scotland gets the best out of its education system and teaching profession. **Maintaining teacher numbers** in our schools is vital to ensure a consistent high level of educational experience for all pupils, regardless of background, across the country.

By directing that significant resources be allocated to Integration Authorities, we are ensuring **health and social care integration** is centred on preventative care and early intervention, as well as providing support for people with multiple, complex and long-term conditions that is focused on their needs.

The Scottish Government believes that the package of measures set out in the Draft Budget provides local authorities with the necessary resources and fiscal flexibility that they need to protect key priorities around investment in health and social care and educational attainment.

The **Commission on Local Tax Reform** was established jointly by the Scottish Government and the Convention of Scottish Local Authorities in February 2015. The agreed remit was to identify and examine alternatives that would deliver a fairer system of local taxation to support the funding of services delivered by Local Government. Within this remit, the Commission considered the impacts on individuals, households and inequalities in income and wealth. The Commission reported on 14 December and the Scottish Government is now considering its response to the report. In the meantime, the Scottish Government will work with their local government partners to continue the **council tax freeze** for a ninth consecutive year, protecting households from further reductions to their disposable incomes in difficult economic times. Provision to cover the costs of the Council Tax Reduction scheme as part of our continuing effort to mitigate the impacts of UK welfare reform is included in the local government Draft Budget allocations for 2016-17.

The Local Government portfolio includes overall policy for non-domestic rates, including the small business bonus scheme. As these relate to taxes on businesses, it is not straightforward to identify direct effects on equality. However, they are an important part of the Scottish Government's commitment to driving economic recovery.

CONCLUSION

Overall, portfolio spend on housing has been maintained, with particular commitments to increasing the supply of affordable and social rented housing and to tackling fuel poverty, both of which will support disabled people, older people and people on low incomes. Spend on Social Security and Discretionary Housing Payments is also maintained, demonstrating our commitment to tackling poverty and mitigating the negative impact of UK welfare reforms. Equality and third sector spend have also been protected.

CHAPTER 9

Rural Affairs, Food and the Environment

INTRODUCTION

The aim of the Rural Affairs, Food and Environment (RAFE) portfolio is to enhance the environment and grow the rural economy. It does this through support for our land based and marine industries; support of the sustainability of rural communities; addressing land rights; improving rural connectivity; improving our environment; tackling climate change; and investing in the research base. The Scottish Government recognises particular support is required for rural communities due to specific issues around the demographic and equality profile in these areas.

KEY STRATEGIC PRIORITIES

Portfolio spend helps to promote equality in some areas, however, the largest line on the RAFE budget is EU Support and Related Services which primarily support the incomes of farmers and landowners. There are opportunities to promote equality through **LEADER funding** and the **Scottish Land Fund**, both which help to address difficult issues for rural communities, ensuring they can participate in Scottish life and overcome challenges accessing essential services. The Scottish Index of Multiple Deprivation shows that people in rural areas, particularly in remote rural areas, are likely to face the greatest difficulties in accessing day-to-day services because of greater distances and challenges with public transport and other services.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

Total spending in the RAFE portfolio has reduced by less than two per cent in cash terms between 2015-16 and 2016-17. Spending has risen in the EU Support and Related Services line, but reduced in the other Level 2 lines. In percentage terms, the biggest change in Level 2 budget lines is in the Research and Analysis line, with a nine per cent reduction.

Within the RAFE portfolio, £2 million has been identified (within the Natural Resources budget line) to help repair the environmental damage to former **opencast coal sites** impacting on special protected areas in East Ayrshire. When coal sites close, there can be adverse effects on family and community life. However, site restoration and aftercare can support jobs over many years including indirectly, for example, through local contracting and land management. This work will help to minimise damage to previously coal-dependent and often low-income communities.

Continued investment of £4.5 million has been announced for the **LEADER programme** where Local Action Groups (LAGs) are responsible for preparing and implementing Local Development Strategies and priorities, supporting communities and enterprise. This gives local community groups the opportunity to build skills and capacity to improve their abilities for community development on community benefit projects. This is a reduction from 2015-16 of £4.5 million which is, to some extent, due to a new programme as part of the Scottish Rural Development Programme (SRDP) starting mid-year.

The **Scottish Land Fund** has seen a very significant increase in grant, from £3 million in 2015-16 to £10 million in 2016-17. This fund is for grants to small and very small geographically defined communities (population of fewer than 10,000). Spending on this line helps communities to purchase, own and manage land assets which are then used for sustainable development, and to ensure that rural communities are more resilient and able to deliver their own essential services. Increased funding to bring land into community ownership should have highly positive outcomes for rural communities able to take advantage of the new opportunities available to them.

The large majority of principal farm owners and operators are men, and as so much **Common Agricultural Policy** (CAP) funding is paid to farmers, it is particularly important to understand the roles played by women in Scottish agriculture and to build up the evidence base on what support there is for women's participation in the sector. We will invest in research to learn more about consideration of women's entry into farming and farming careers; their participation in on-farm and off-farm work; and barriers to women taking up leadership roles in agriculture. We expect the funding for this work to come through the £4.5 million Contract Research Fund (CRF). The CRF has reduced from £5 million to £4.5 million in 2016-17, but will still be able to support significant policy-relevant research.

To address the challenges of rural internet connectivity, the Scottish Government will provide £3.6 million in funding to the **Rural Broadband Fund** (up from £3 million in 2015-16 within the Environment and Rural Services budget line). There are different barriers affecting digital participation in rural areas as opposed to urban centres. Lack of infrastructure and access to broadband combined with greater distances to learning centres can mean remote communities are excluded and isolated. This can negatively impact employment opportunities, access to services, and increase urban/rural inequality. This is particularly true for older people and disabled people, with both being currently less likely to make use of internet services.

Whilst the reduction in **research programme spending** from £56 million to £50 million may affect Scotland's capabilities for innovation and development in the longer term, is not expected to have short-term equality consequences. However, it is unclear how the research institutes affected will choose to reduce their costs so the equality position cannot be certain.

Resource budgets for both the **Scottish Environmental Protection Agency (SEPA)**¹ and **Scottish Natural Heritage (SNH)**² are reducing by around 7 per cent. Those organisations will carry out relevant EQIAs should the funding change affect significant policy interventions.

The spend for **National Assets and Flooding** has been protected from 2015-16 into 2016-17 at £9.1 million. This covers a range of spend activities including those tackling flooding. Research commissioned in 2015 demonstrated that whilst there were no simple equality patterns in those at risk of flooding, older people and disabled people were less able to cope during and after flooding events. This is partly because older people and disabled people favour single-floor properties which are disproportionately affected by flooding, and because mobility issues can make property level responses more difficult.

CONCLUSION

Overall, the draft budget settlement for RAFF has reduced by less than two per cent. Within the budget there has been some marginal change and reallocations, but the largest budget lines have remained relatively stable. The new opencast coal fund should help to improve the environment and opportunities for some vulnerable communities, as will the increased Scottish Land Fund. The main beneficiaries from the RAFF budget, farm businesses and landed estates, have less of a direct equality impact.

1 SEPA provide detailed EQIAs for some of their policies here: <http://www.sepa.org.uk/about-us/our-role/equalities/equality-impact-assessments/> however there is no aggregate basis on which to assess the impact of spending increases or reductions on the agency.

2 SNH provide detailed EQIAs for some of their policies here: <http://www.snh.gov.uk/about-snh/info-services/equality-diversity/equality-impact-ass/> however there is no aggregate basis on which to assess the impact of spending increases or reductions on the agency.

CHAPTER 10

Culture, Europe and External Affairs

INTRODUCTION

The Culture and External Affairs portfolio includes policy on culture, creative industries, and the support and development of Scotland's national collections and performing arts organisations. It also covers the built environment, both historic and new, documentary heritage and European and international affairs, including International Development.

The portfolio promotes Scotland's interests, identity and reputation at home and abroad and has a role to enhance the quality of life for Scotland's communities. This is achieved through widening access to and participation in high-quality cultural events and opportunities, and to help young people's learning and creativity through engagement with culture and heritage.

KEY STRATEGIC PRIORITIES

The Culture, Europe and External Affairs portfolio has a number of key strategic priorities with equality implications, including the following:

- ensure Scotland values its creative talent and provides opportunities for that talent to develop and thrive, including within our disadvantaged communities and amongst disabled people;
- continue to invest in the arts and culture through Creative Scotland, the National Collections and the National Performing Companies. This helps to ensure that:
 - Scotland's culture reaches a diverse audience at home and abroad; and
 - all children and young people are encouraged to, and have the chance to, engage in culture, and that this engagement is sustained throughout their lives;
- continue to deepen Scotland's relationships with key countries in the pursuit of sustainable economic growth, optimising the potential of our diverse communities, and increasing our visibility on the world stage; and
- deliver an increased level of engagement with the European Union and its member states, strengthen our role as an active member of the British-Irish Council and continue to enhance Scotland's reputation as a good global citizen through our international development agenda.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

A number of priority Culture, Europe and External Affairs budgets and public service provisions have been protected. A small increase in budget to the new **Historic Environment Scotland** body compared to 2015-16 will enable continuation of building repair, supporting employment of those with traditional skills and contributing to regeneration of Scotland's town centres. Also, Historic Environment Scotland will continue to develop its outreach and education work, including to equality groups, and continue to offer concessionary membership options for older people and those on low incomes. Evidence from the Scottish Household Survey shows that older people and disabled people are least likely to go to historical places. This investment aims to improve this.

The continued commitment to **International Development** work will support ongoing international activities which seek to build upon historic and contemporary relationships that exist between Scotland, recipient countries and the wider international community. This is in line with our commitment to be a good global citizen, continuing to make distinctive contributions to addressing global challenges. A range of specific equality projects covering health, education, renewable energy, civic governance and economic development are supported by our International Development work. For example, Goal 5 of the UN Sustainable Development Goals endorsed by Scotland is *Achieve gender equality and empower all women and girls*. We are confident that by placing equality at the heart of our international agenda, our work will have the greatest impact on those who experience disadvantage, both at home and abroad.

The protection of budgets for our **European Strategy and the British-Irish Council** will help to deepen Scotland's level of engagement with the European Union and its member states. Our place in the European Union and Scotland's active membership of the British-Irish Council are critical to the delivery of other key strategic goals, including education, health and sustainable economic growth.

Compared to 2015-16, there is an increase in budget for **National Records of Scotland**. This will support preparations for the 2021 Census and allow for continued analysis of current and forthcoming Scotland population data in order to understand the demographic make-up and experiences of key equality groups. Data from the 2011 Census have already advanced our understanding of health inequalities; as well the experiences of minority ethnic communities, religious groups and disabled people in the labour market, in education, housing, etc. in Scotland.

There remain a number of programme areas which are key to promoting equality but where spend is decreasing. **National Collections** provide free access to the collections for the public. This enables participation for those on low incomes, and also supports Sustainable Tourism, where a significant section of employment in the sector comprises work in lower-wage occupations. Continuing to support the National Collections bodies to provide free access sustains support for these priority groups. However, the overall Cultural Collections budget will reduce by £7.3 million (8.5 per cent) compared to 2015-16, with support for National Collections running costs reduced by £468,000 (1.0 per cent). This could, potentially, impact on the levels of activity in education and outreach programmes. It will be critical that forward running programmes innovate to target key equality groups.

The £4.7 million (17.1 per cent) reduction in funding for the **National Performance Companies** is primarily the result of a contribution to the National Theatre project (£4.0 million) in 2015-16. Nevertheless, the remaining elements of the decrease may lead to a reduction in educational and touring activity.

Creative Scotland and Other Arts supports artistic work which explores and challenges societal attitudes to equality and discrimination in Scotland. The decrease in budget of £4.1 million (7.2 per cent), of which Creative Scotland's core funding decreases by £1.2 million (3.6 per cent), may perhaps lead to financial pressures for a number of their regularly funded organisations in 2016-17. Organisations funded by the Creative Scotland and Other Arts budget have diverse programmes, and many projects take place in areas of deprivation, targeting those in specific equality groups.

Compared to 2015-16, there is a decrease in the overall **International Relations** budget of £1.1 million (7.5 per cent). With the continued commitment to International Development work and the protection of budgets for Europe and the British-Irish Council, there is likely to be impacts in other areas; for example, Other International Development, International Strategy and Reputation and Immigration Advice. It would, therefore, be prudent to consider fully the implications of budgetary changes in these areas, especially within the context of the ongoing refugee situation and potential further international crises.

Finally, the relatively significant reduction in the budget for **Major Events and Themed Years** of £0.8 million (24.7 per cent) compared to 2015-16 is likely to increase funding pressures over the coming years.

CONCLUSION

The portfolio area has a key role in enriching quality of life for people in a range of equality groups. Where budgets are protected or increased, this helps to enhance access to, and participation in, Scotland's culture and heritage. However, where reductions are significant, the long-term sustainability of programmes, activities and sites may be compromised. In addition, decreases in budgets may increase vulnerability and limit resilience in responding to unexpected crises.

CHAPTER 11

Infrastructure, Investment and Cities

INTRODUCTION

The Infrastructure, Investment and Cities portfolio is responsible for transport policy and delivery, veterans, European Structural Funds, Scottish Water, Scottish Government procurement, Scottish Futures Trust and cross-government co-ordination on Scotland's islands.

The majority of the portfolio spend is focused on delivering improvement in accessibility through investment in transport, and by funding schemes that connect communities and make transport affordable to everyone. Such investment is targeted to ensure key equality groups, such as older and disabled people, are able to access sustainable and reliable transport options.

KEY STRATEGIC PRIORITIES

The portfolio plays a significant role in helping achieve the Scottish Government's Purpose, primarily through contributing to three Strategic Objectives: Wealthier and Fairer, Safer and Stronger, and Greener.

In 2016-17, a significant part of the portfolio's budget will continue to be spent on improving Scotland's transport infrastructure, ensuring that all our communities are well connected. Spend will be used to improve connectivity and ensure all modes of transport are accessible to all, with key benefits for equality groups.

As well as investing in infrastructure, we are continuing to fund schemes that ensure that transport is sustainable and affordable for everyone. Reflecting the diverse geography and demography of Scotland, the Air Discount Scheme and Road Equivalent Tariff directly support Scotland's remote and island communities. We have policies in place to limit train fares to ensure they remain affordable. We also reimburse bus operators for participating in the National Concessionary Travel Scheme, helping older people and disabled people, and provide funding to ensure services are available in remote and rural areas.

Recognising the challenges which may restrict disabled passengers' access to transport, we have been working with disabled people and transport providers to develop a national vision and action plan for accessible transport for all in Scotland.

A significant part of the portfolio's spend is being invested in water infrastructure. We are committed to retaining Scottish Water within the public sector, and also to keeping the average household charge for water and sewerage services lower than in England and Wales.

Using European Structural Funds we will introduce a new £40 million Small and Medium Enterprises (SME) Holding Fund, which will increase the levels of loans, equity and microcredit being offered to Scottish SMEs.

Investment will also continue in schemes such as the Scottish Model of Procurement which will encourage further collaborative procurement across the public sector in Scotland and enable further efficiencies to be produced.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

The portfolio has been able to protect spend in a number of areas with key equality implications in 2016-17. This is also the case in relation to particular interventions that support those on low incomes. For example:

We will continue to provide **free bus travel** for the over 60s and disabled people, and reimburse bus operators for these journeys. The National Concessionary Bus Travel Scheme helps 1.3 million older and disabled people to lead more connected, healthier lives. We have also sought to mitigate the impacts of the UK Government's welfare reforms by ensuring that disabled people receiving Personal Independence Payments in Scotland will be able to access their entitlement to free bus travel.

The Scottish Government's funding of **lifeline ferry services** will continue and our investment in ferry infrastructure will support the redevelopment of Brodick Harbour. This will include a new Passenger Access System, accessible lifts, toilets and parking spaces.

The funding for **Road Equivalent Tariff** will be sustained which will ensure that people who live in our island communities can travel on lifeline services and access additional education and employment opportunities on the mainland at an affordable cost. The reduced fares are of particular benefit to residents on low incomes, as well as to young people aged between five and 15 who will pay half of the adult RET fare.

To ensure that those in some of the most remote parts of Scotland continue to benefit from a reduction in air fares, funding for the **Air Discount Scheme** will increase. This will rise to reflect our commitment to raise the discount rate to 50 per cent.

The portfolio provides funding to Abellio for the operation of the **ScotRail franchise**. As part of the franchise agreement, ScotRail will provide reduced fares for job seekers and the newly employed on all routes.

We will continue to increase our record level of investment in capital projects and resource spending on **sustainable and active travel** to offer greater access to healthier, cheaper and greener forms of travel. Whilst the equality impact of investment in this area is complex, it is likely that people in less affluent communities will benefit as car ownership is often lower and levels of walking tend to be higher in such areas.

Funding for the **European Structural Fund Programme Operation** will be protected, and project monitoring by the Scottish Government will ensure that equality considerations are taken into account. Such issues are accounted for at the design stage of all projects, and those receiving funding must incorporate findings into the project's Equality Action Plan. Project sponsors are also expected to ensure that partners and sub-contractors adhere to the same procedures.

The **Sustainable Procurement Duty** of the Procurement Reform (Scotland) Act 2014 requires a contracting authority, before starting a procurement competition, to consider how it might improve economic, social and environmental wellbeing (in particular with regards to reducing inequality). Scottish Ministers recently issued guidance which contracting authorities must have regard to when selecting suppliers to participate in a procurement process to address fair employment practices. The Act also requires public bodies to consider including community benefit requirements on major contracts. We will continue to ensure that contracts for our large infrastructure projects include community benefit clauses to achieve continued jobs and training opportunities for some, such as long-term unemployed people, young people and disabled people.

Funding for the **Water and Sewerage Exemption Service** scheme will continue. This scheme provides support to charities and Community Amateur Sports Clubs for the payment of their water and sewerage charges.

Overall, the equality assessment of the draft budget has found that generally the most significant decreases in spend across the portfolio have no or limited equality impacts. That said, however, because of the challenges facing the portfolio budget, difficult decisions have been required. It is worth noting that in 2016-17, funding to support the **Bus Investment Fund (BIF)** will be deferred. The BIF has supported a range of projects to improve accessibility since 2013, such as improvements to bus stops and the rollout of real-time passenger information. As such, this may impact on the provision of infrastructure by local transport authorities, potentially including interventions to improve the accessibility of Scottish bus services to disabled passengers. In addition, the provision of community transport which is of particular benefit to older and disabled people may be affected. However, the Bus Service Operators Grant will continue to provide subsidies to help with such services.

CONCLUSION

This assessment of the 2016-17 Infrastructure, Investment and Cities budget has highlighted the positive equality impacts of schemes such as the National Concessionary Travel Scheme, and the Road Equivalent Tariff. It has highlighted how spend will be used to ensure that our transport infrastructure and services are accessible to all. Elsewhere in the portfolio, the equality impact of the European Structural Fund programme will continue to be monitored. As part of the reform of public sector procurement, economic, social and environmental wellbeing is required to be considered in all procurement exercises. The negative impact of any reduction in spend in the portfolio has also been considered in relation to deferral of the Bus Investment Fund.

CHAPTER 12

Administration

INTRODUCTION

The Administration budget covers the costs of running the core administration required to support the Scottish Government's purpose and strategic objectives. These costs comprise staffing costs for staff engaged largely in policy formulation and support for Ministers, as well as costs for accommodation, information technology, travel and training. The Scottish Government continues to demonstrate leadership in delivering maximum value for public money at a time when all public bodies are being asked to operate within an increasingly tight financial settlement, whilst paying particular attention to any possible impact on working practices and associated impacts on equality groups.

KEY STRATEGIC PRIORITIES

In 2016-17 we will continue to make progress in ensuring efficiency in the administration costs of the Scottish Government while maintaining a high-quality service to Scottish Ministers and the people of Scotland. Key priorities will include the delivery of the objectives and outcomes set out in the Government Economic Strategy and the National Performance Framework.

The Scottish Government has established an Equality and Diversity Advisory Board to provide strategic oversight of our key equality and diversity priorities. It will also oversee a programme of activity to ensure that we deliver on the outcomes from the Civil Service Removing Barriers plan, our requirements under Equality legislation and, benchmarking and the broader equality and diversity ambitions of our People Strategy: having the right people, in the right place, with the right skills, at the right time.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

Staffing

Most of the Administration budget is spent on Scottish Government staff engaged largely in policy formulation and support for Ministers. A key priority for 2016-17 will be to ensure that the Scottish Government has the required capacity and capability to deliver the required functions of government and the priority outcomes. This includes enhancing skills, making best use of talent, and greater matching of staff resources to priorities, all of which provide an opportunity to enhance the contribution of our diverse staff groups. Where new skills are required, we take the opportunity to broaden the current staffing diversity profile of the Scottish Government.

The Scottish Government aims to champion and broaden its diversity and mainstream equal opportunities in its work and the work of all public bodies. Scottish Ministers particularly welcome seeing higher membership from those groups currently under-represented on Scotland's public bodies. The Scottish Government's Programme for Government encourages public bodies to set a voluntary commitment for gender balance on their Boards of 50/50 by 2020, with the aim of ensuring that Boards of public bodies are broadly reflective of the wider Scottish population. The Scottish Government has already committed to achieving a gender balance on its Boards by 2020 and is taking action to achieve this.

We are also working to identify and remove barriers for our LGBTI staff. Through implementation of a Scottish Government Stonewall Programme we will create a network of allies and role models. The programme will empower role models and allies to be active change agents throughout the Scottish Government – creating a more inclusive workplace for LGBTI colleagues, as well as everyone else.

As of November 2015, the current staffing profile of our directly employed Core Scottish Government Staff does not yet reflect the wider Scottish population. While we have a gender balanced workforce across the Core Scottish Government, only 40 per cent of senior civil service graded employees in Core SG, including inward secondees, are women compared with the 2011 Scottish Census figure that showed the Scottish working-age population of women is 49.3 per cent. Of the 85 per cent of our staff that have self-reported their ethnicity, 1.6 per cent of these staff are from a minority ethnic background compared to 4.3 per cent of the whole population of Scotland from the 2011 Scottish census. Of the 62 per cent of our staff that have reported their disability status, 5.1 per cent of our staff have identified as having a disability, while 15 per cent of the census working-age population recorded a long-term illness or disability.

The Scottish Government asks for full diversity information from staff. Although we have complete information on the age and sex of our staff and 85 per cent and 62 per cent response rates for ethnicity and disability respectively, this falls to 53 per cent for sexual orientation and 52 per cent for religion and belief. We have, however, seen significant increases in self-identification, particularly for the latter two characteristics. This is primarily due to work to understand and remove the barriers for staff completing their diversity data. We do not currently capture gender identity but this is something we will periodically review in line with advice on best practice from *A:Gender*.

As part of ongoing work to make progress on our Equality Outcomes by 2017, we will continue to take further steps to improve diversity declaration rates across protected characteristics. This will help ensure that we have accurate information about the make-up of the staff we employ to work towards our ambition: to be a government that is reflective of the people it serves.

Resourcing policy

We assess the equality impact of all new and substantially revised resourcing policies and will introduce a rolling programme to assess major existing policies in 2016-17. We will invest further in selection and marketing to help ensure our Graduate Development Programme in 2016-17 attracts high calibre graduates from under-represented groups,

and will continue to participate in the UK Civil Service Summer Diversity Internship Programme. We will also look to attract more Modern Apprentices from under-represented groups through improved outreach to help spread awareness and will continue to host young people on the Whitehall Internship Programme, part of the UK Government's social mobility strategy.

Pay and Pay Gap

The Scottish Government is subject to Public Sector Pay Policy, a key feature of which is maintaining no compulsory redundancies. Within the Scottish Government this has again been achieved for the duration of the current pay award and runs until 31 July 2016. The Scottish Government is also an accredited Living Wage employer.

Following the implementation of pay awards, information is gathered on the gender pay gap. This illustrates that within each pay range there is either no gap or a very minimal gap between the mean average salaries of female and male staff. This broadly demonstrates that the Scottish Government pay arrangements are delivering equal pay for work of equal value. Details of information compiled following the implementation of the August 2014 pay award can be found on the Scottish Government mainstreaming report: <http://www.gov.scot/Publications/2015/04/7781/6#section3>.

Within the Scottish Government, pay covers all grades below Senior Civil Service. The 'All Staff' analysis illustrates that the gap in the overall average female and male salaries is around six per cent which is a reflection of the distribution of female and male staff across the different pay ranges. Thus, the overall pay gap is at least partly a function of the gender distribution across our grade structure, where a greater proportion of those in lower paid roles are female. Discussions with the Trade Unions are taking place with a view to examining equality within the pay system on a rolling basis.

Smarter Workplaces

The Scottish Government is working jointly with Scottish Futures Trust on a programme to deliver better ways of working across the central Government estate which will in turn help the Scottish Government to deliver better services to our clients and customers as well as to the wider public.

We are committed to making our office based and remote working facilities more flexible and responsive to everyone's needs, including our disabled staff and those who, due to caring or other responsibilities, work an alternative pattern or who need to work closer to home, and to improving the experience of using these facilities.

The programme has undertaken an overarching Equality Impact Assessment as part of changes to current Scottish Government buildings to ensure equal treatment of all current and prospective staff, not only by carrying out our responsibilities as laid out in law, but by ensuring where possible we add benefit to those using the spaces. We will ensure this programme actively promotes equality for all, irrespective of age, disability, gender, gender identity, race, religion and belief, and sexual orientation.

CONCLUSION

We are committed to ensuring that our workplaces, policies and practices support our staff in becoming the best they can be by identifying and removing any barrier to their recruitment, development, progression and retention. We continue to progress our aim of achieving a more representative workforce by 2025 through positive actions to encourage the recruitment and development of our under-represented groups. We are also continuing to maintain the key principle of equal pay for our employees through the monitoring of our pay systems and practices and addressing occupational segregation within the Scottish Government.

CHAPTER 13

Crown Office and Procurator Fiscal Service

INTRODUCTION

The Crown Office and Procurator Fiscal Service (COPFS) is Scotland's sole independent prosecuting authority which acts independently in the public interest on the authority of the Lord Advocate. COPFS receives initial investigation reports about crimes from the police, and all other reporting agencies in Scotland, and decides, independently and impartially, what action to take in the public interest, including whether to prosecute. We also enquire into deaths that need further explanation and investigate allegations of criminal conduct against police officers.

KEY STRATEGIC PRIORITIES

The Strategy for Justice in Scotland sets the following priorities:

- reducing crime, particularly violent and serious organised crime;
- tackling hate crime and sectarianism;
- supporting victims and witnesses; and
- increasing public confidence and reducing fear of crime.

Our operational priorities make it clear that prosecutors are targeting hate crime, domestic abuse, stalking and sexual offending, all of which involve significant equality issues for those who share protected characteristics across all sections of society.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2016-17

Fatal Accident Inquiries – A major new pressure for COPFS in 2016-17 will be introduced with the implementation of the Inquiries into Fatal Accidents and Sudden Deaths etc (Scotland) Bill. The statutory 'milestone' charter will introduce additional meetings with families in a percentage of the deaths cases that COPFS further investigates. Initial estimates are that there would be an increased cost to COPFS in excess of £1 million per annum in staff time that would need to be deployed against this activity. This will particularly benefit those who are bereaved next of kin, especially those with learning difficulties and those from ethnic minority groups who, given differing cultural backgrounds, can find this process difficult to understand.

Historic Sexual Abuse Inquiry – This inquiry is likely to run for four years and will focus on historical child abuse which has been committed within a care setting, including boarding schools, children in foster care in private homes, and young people in long-term care such as hospitals. COPFS will need to provide a dedicated team to liaise with the inquiry team, the cost of which is likely to be in excess of £1 million over the life-span of the inquiry.

Implementing the Right to Review – The Victims and Witnesses (Scotland) Act 2014 was implemented in July 2015 and introduced the victims’ right to review our decisions to take no action. This has resulted in an increase in postal costs and staff time required to advise victims of this right and to explain the process for review. It has also resulted in an increased cost in staff time required to review the decisions which have been challenged. Initial estimates are that there would be an increased cost to COPFS of up to £300,000. Although this will benefit a wide range of victims, this will help to respond to the victims of disability aggravated hate crime who have expressed concerns about the perceived attrition rate.

Enhanced Special Measures Provision – The Victims and Witnesses (Scotland) Act 2014 also introduced a statutory right to special measures provision for certain categories of victims and witnesses giving evidence in court. The Act extended the right to special measures for 16-17 year olds and also to victims of certain categories of crimes, including domestic abuse and sexual offending. This will result in an increase in the number of vulnerable witness applications from young people and women which require to be processed by COPFS staff and an increased number of court notices. Initial estimates are that the changes to the legislation will result in an additional 20,000 applications, but that the cost of processing these will be offset by improvements as a result of more electronic processing.

Domestic Abuse – The numbers of reported domestic abuse charges and cases of rape or attempted rape with a domestic element have both seen a significant increase over the last few years. Holding perpetrators to account and preventing further abuse are key commitments in the strategic priority we place on tackling domestic abuse. Presumptions for robust and effective prosecution of these offences have seen 86 per cent of cases prosecuted in 2014-15, and an ever-increasing proportion of High Court business involving a domestic abuse or serious sexual element.

With new legislation proposed in the Abusive Behaviour and Sexual Harm (Scotland) Bill which should see the introduction of a new intimate image offence and a domestic abuse aggravator, and with consultation ongoing on a new domestic abuse offence, this will remain a priority area of our business. Our financial commitment to funding a specialist prosecutorial response in both domestic abuse and sexual offending remains unchanged from 2015-16 levels. Under the direction of the National Procurator Fiscal for Domestic Abuse, we will continue to ensure our policies are appropriate, and to provide specialist training for staff to prosecute these cases effectively and a quality service to victims of such crime. Again, this will particularly help women as the main victims of domestic abuse but will apply to any gender.

Vulnerable People – Investment of approximately £10,000 will enable staff in all COPFS offices to receive training developed by 'I am Me' in conjunction with Police Scotland. By including all COPFS offices, the 'Keep Safe' initiative will be able to provide a national network of safe havens for vulnerable people across Scotland. Amongst the vulnerable groups that will benefit are victims with mental health issues, and physical and learning disabilities.

Commitment to Disabled People – Resource at 2015-16 levels has been maintained to continue the work across criminal justice to promote and increase access to justice for disabled people. This work will be included in the Scottish Government's Action Plan responding to the recommendations from the United Nations Convention on the Rights of People with Disabilities. This is targeted to assist disabled people.

Commitment to Under-representation – We remain committed to protecting 2015-16 funding levels to lead criminal justice work to increase the representation of people from minority protected characteristics in our workforce through the Justice Board's Equality and Diversity sub-group. This work is focused on providing development opportunities for current staff, providing training on unconscious bias, and the promotion of COPFS as an inclusive employer to potential future employees. It will benefit those from under-represented protected characteristic groups.

CONCLUSION

We remain committed to advancing equal access to justice for all users of our service. We will continue investment in 2016-17 to promote equality and mitigate the negative impact for some of the most vulnerable groups in Scotland, including disabled people who have experienced hate crime, young people who give evidence in court, and victims of sexual offending, domestic abuse and stalking crimes.



**The Scottish
Government**
Riaghaltas na h-Alba

© Crown copyright 2015

ISBN: 978-1-78544-867-6

This document is also available on The Scottish Government website:
www.gov.scot

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS60354 (12/15)

W W W . g o v . s c o t