

Emergency Budget Review: Summary of Evidence on Equality and Fairness

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Foreword

As set out in the Emergency Budget Review and associated documents published today, the cost of living crisis has created exceptional budgetary conditions. In particular, the Scottish Government's annual budget is now worth around £1.7 billion less than when it was introduced to Parliament in December. Furthermore, this budget is effectively fixed in cash terms, so every additional pound spent in one area must mean a pound less has to be spent in another area.

This context means that the Emergency Budget Review has involved a range of difficult decisions, which will have impacts on the lives of people across Scotland. Even when such decisions need to be made quickly, as is the case now, it is important they remain underpinned by an understanding of who will be affected, and how. The Cost of Living analysis we have undertaken shows that low income households are most at risk in the current circumstances, and low income households with particular characteristics are most likely to fare worse.

Recognising the unprecedented nature of the changes being required of the Scottish Government's budget over the course of this year, the Emergency Budget Review is also accompanied by this analysis of the equality and fairness impacts of the most substantive in-year adjustments. This shows that;

- Some of the new measures we have announced are expected to have positive impacts on equality and fairness, such as the doubling of the Scottish Child Payment Bridging Payments in December.
- Many of the savings that have been made arise from re-forecasting (for example as a result of changes in uptake of, or demand for, services), and these are unlikely to have a direct impact on equality or fairness.
- There are, inevitably, also some savings with likely negative equality and/or fairness impacts. In all cases, we have worked hard to maintain funding where possible, and will continue to work with partners to minimise impacts.

Clearly we are having to react to unpredictable UK Government actions as this year continues to unfold, and our future decisions will build on the evolving picture of impacts. However, we believe it is important to be transparent about the equality and fairness considerations associated with the difficult decisions required through the Emergency Budget Review.

Given the exceptional circumstances and time constraints under which the Review has been undertaken, the current summary evidence is necessarily presented at a high level and focuses on the most substantial changes. We will continue to develop equality evidence, as well as mitigations wherever possible for negative impacts.

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Introduction

What is the Summary of Evidence on Equality and Fairness for the Emergency Budget Review?

This report looks at the impact that in-year changes to the 2022-23 Scottish Budget, undertaken in the Emergency Budget Review, might have on people in Scotland, from an equality and fairness perspective.

It summarises information on the impact of those changes, whether this is likely to benefit or detrimentally affect some people more than others, including people with one or more protected characteristics, and how it might help reduce inequality.

This summary of evidence is not a review of the entire annual budget – that was provided most recently in the Equality and Fairer Scotland Budget Statement 2022-23 and its associated documents¹.

The exceptional nature of the Emergency Budget Review means that the present analysis is, necessarily, at a high-level and focussed on the most substantial impacts. Where gaps in evidence exist, we are committed to continuing to work to improve this situation. A full Equality and Fairer Scotland Budget Statement will be prepared for publication alongside the 2023-24 Scottish Budget, which is due in December 2022.

What is inequality?

Inequality means that for some groups of people, parts of their lives are harder or worse than for other groups of people, such as finding a job or feeling safe. They may not see themselves represented in positions of power or they may feel discriminated against.

What groups of people are we talking about?

The Equality Act requires that public bodies, when fulfilling their functions, have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. The groups of people are characterised by:

- Age (e.g. children, older people)
- Disability (disabled people)
- Gender reassignment (trans people)
- Pregnancy and maternity
- Marriage and Civil Partnership
- Race (e.g. Black Scottish, White Gypsy/Traveller)
- Religion or belief (e.g. Christians, Muslims, Sikhs)
- Sex (men, women)
- Sexual orientation (e.g. lesbian, gay and bisexual people)

¹ Equality and Fairer Scotland Budget Statement 2022-23 (9 December 2021) [Introduction - Equality and Fairer Scotland Budget Statement 2022-2023 - gov.scot \(www.gov.scot\)](https://www.gov.scot/budget/2022-23/equality-and-fairer-scotland-budget-statement-2022-23)

There is also a requirement to have due regard to reducing the inequality experienced by socio-economically disadvantaged groups (e.g. people with low incomes or wealth, people who live in a deprived area).

How has this Summary of Evidence been prepared?

As indicated above, the Emergency Budget Review is not a review of the entire budget. The scale of changes are significantly smaller than those in an annual budget, and as the Deputy First Minister set out in his parliamentary statement in September², there is only limited scope of what is possible to change, and what can be achieved with in-year budget adjustments. This report is therefore an in-year snapshot of revisions to planned spending, of the overall 2022-23 budget, rather than a forward look across a whole annual budget.

Across the Government, Equality Impact Assessments (EQIAs) and Fairer Scotland assessments are routinely undertaken. These are carefully considered in policy design and influence policy decisions.

Recognising that the Emergency Budget Review aims to focus specifically on mitigating the impacts of the cost of living crisis on individuals and groups most likely to be affected, the specific policy areas under consideration were asked to draw on existing Equality and Fairer Scotland evidence to enable us to conduct a high level analysis of the Review as a whole.

The Review has also been informed by an analytical paper (published separately) exploring the impact of the cost of living crisis on different groups. Both this summary of evidence and analytical paper have been published alongside the Emergency Budget Review.

When looking at the impact of changes in the 2022-23 budget, the Scottish Government has given due regard to the three needs of the Public Sector Equality Duty (PSED):

1. eliminate unlawful discrimination, harassment and victimisation,
2. advance equality of opportunity between people who share a protected characteristic and those who do not, and
3. foster good relations between people who share a protected characteristic and those who do not.

As well as the requirement under the Fairer Scotland Duty (FSD):

- to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions

² Letter to Convener of of Finance and Public Administration Committee from Deputy First Minister: Update on savings 2022-23, (7 September 2022), [dfmtoconvener_budgetsavingsupdate_7sept22.pdf](https://www.parliament.scot/dfmtoconvener_budgetsavingsupdate_7sept22.pdf) ([parliament.scot](https://www.parliament.scot/))

As in all policy decisions, where any negative impacts are identified, we will seek to mitigate or eliminate these. We also understand that the Duties are not just about negating or mitigating negative impacts, as we also have a positive duty to promote equality.

Public sector pay deals

Pay forms a large part of public sector expenditure, with the total devolved public sector pay bill costing over £22 billion of resource spending this year. The Scottish Government's approach to pay remains to achieve fair and affordable pay awards that promote wellbeing, are progressive, support the lowest paid, protect jobs and invest in public services, while providing for sustainable public finances.

The primary purpose of Public Sector Pay Policy, which directly applies to 50 public bodies and acts as a reference point for all major Scottish public sector workforce groups, is to set parameters for pay increases for respective years; however it also includes wider policy provisions such as on a shorter working week and no compulsory redundancy. The Public Sector Pay Policy is reviewed annually and normally announced alongside the Scottish Budget (the 2022-23 Public Sector Pay Policy was published on 9 December 2021). For 2022-23 Ministers subsequently enabled greater flexibilities – which are typically used to address inequalities - to go beyond pay policy limits to deliver higher pay awards as a direct response to the cost of living crisis, recognising its impact on individuals and households.

The Scottish Government annually produces a detailed Equality Impact Assessment of its pay policy, which also considers impacts on income inequality, and is published alongside the policy³. The most recent assessment for 2022-23⁴ concluded that the “measures proposed in the 2022-23 pay policy can be seen to positively benefit lower paid staff”. It reported, for example:

- within the public sector workforce there are higher proportions of women and older employees than within the private sector
- there is a higher proportion of women, disabled people, minority ethnic people, younger employees or a combination of one or more of these protected characteristics as well as part-time workers among lower paid public sector employees

Public bodies covered by the Public Sector Pay Policy are also required to carry out their own equality impact assessment on their specific pay proposals. Accordingly no further impact assessment around pay is required under the Emergency Budget Review.

³ Scottish Government web pages on Public Sector Pay [Public sector pay - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/2022-23-public-sector-pay-policy/pages/2/)

⁴ Scottish government: Public sector pay policy 2022 to 2023: equality impact assessment, 9 December 2021: [Public sector pay policy 2022 to 2023: equality impact assessment - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/2022-23-public-sector-pay-policy/pages/2/)

How is the cost crisis affecting equality and fairness in Scotland?

The Cost of Living analysis which accompanies the Emergency Budget Review⁵ draws from a wide range of sources, and provides an overview of emerging evidence of the effects of the current Cost of Living crisis.

It finds that the high rate of inflation has contributed to a cost crisis, which follows on from the Covid-19 pandemic, Brexit and a period of prolonged austerity. In this landscape of a sustained period of change, it is clear that further analysis will be needed over the coming months to more fully understand the emerging consequences of the crisis.

The analysis sets out a wide range of impacts, including on businesses, and on the demands for public services, and flags up that public and third sector services will come under sustained pressure this winter.

Of particular relevance to understanding Equality and Fairer Scotland impacts, the analytical report examines evidence on the types of households that are likely to be most negatively affected by the cost of living crisis. Its over-riding conclusion is that

“Low income households are most at risk. Low income households with particular characteristics are likely to fare worse.”

This is because low income households as a whole are likely to be disproportionately negatively affected by increases in the cost of living⁶ due to for example:

- Spending a higher proportion than average on energy, food and transport and therefore being more affected by inflation and having less flexibility in their budget to cope with price rises. In Scotland in 2017-20, households with the lowest 15% of income spent 61.5% of that income on housing, fuel & food; those in the remainder spent 20.5% of income on this.
- Being more likely to be financially vulnerable, and entering the cost of living crisis in a position of financial hardship. Among the 20% of households in Scotland with the lowest incomes 50% did not have enough savings going into the crisis to keep them above the poverty line for one month should they lose their income, compared with 30% of households overall.⁷

The evidence in the analytical report highlights some of the equality and socio-economic impacts of the current cost crisis in Scotland. Some of these are outlined below, but further information can be found in the report itself:

Minority ethnic people are significantly more likely to live in larger households⁸, to be unpaid carers, and to live in private rented accommodation. Minority ethnic

⁵ The Cost of Living Crisis in Scotland: An Analytical Report; Scottish Government 2022

⁶ [Equality evidence: publications - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/equality-evidence/)

⁷ [Wealth in Scotland 2006-2020 \(data.gov.scot\)](https://data.gov.scot/publications/wealth-in-scotland-2006-2020/)

⁸ According to 2011 Census Data

households in Scotland are also more likely to experience severe poverty⁹ and so a greater proportion of their income is likely to be spent on essentials which are subject to inflation.

Gypsy/Travellers are more likely to be in seasonal work, saving money in the summer to last through the winter, and therefore may find it more difficult to access lending or benefits depending on their lifestyle. These issues were highlighted during the lockdowns as a result of the Covid-19 pandemic.

People who arrive in the UK as **refugees** and are seeking asylum also face particular hardship that will be exacerbated by the rising cost of living, as they are on very low fixed incomes and do not have the right to work. Women with 'no recourse to public funds' who are excluded from claiming social security benefits are at high risk of poverty, and often destitution, if they lose work or separate from a partner

Women are likely to experience indirect effects of cost pressures that are not always apparent in routine data. This can, for example, be due to formal or informal caring responsibilities and consequent loss of income or career progression, and the unequal division of domestic labour.

Women are more likely to live in lone parent households, households with an unpaid carer and larger households.

- Lone Parent Households make up 25% of all family households in Scotland. 92% are headed by women. 90,000 children living in relative poverty are in a lone parent family, and 80,000 children are living in absolute poverty.¹⁰ Lone parent households are the least wealthy household type in Scotland, and also the most financially vulnerable. 64% of lone parent households were financially vulnerable in 2018-2020, meaning that their savings could only replace their income for a month before falling below the poverty line. Lone parent households were also the most likely to have unmanageable debt, compared to other household types.¹¹
- Reduced ability to work can push carers into poverty - unpaid carers already have lower financial resilience as caring is often unpredictable and can be difficult to plan for financially, reducing their capacity to work to earn money, with carers working part time, in lower paid jobs or having to give up work entirely in order to care. This situation is likely to be worsened for people with more intensive caring roles.
- The risk of relative poverty increases with number of children and overall, larger families require higher levels of income to achieve an adequate standard of living. In Scotland, 32% of children in households with three or

⁹ Scottish Government (2020). Poverty and income inequality in Scotland 2016-19 and [Additional poverty analysis 2018 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2020/08/Additional_poverty_analysis_2018_-_gov.scot.pdf). Rate of severe poverty after housing costs was 12% for White British households; rates among all other groups are 18% or higher.

¹⁰ Scottish Government (20 August, 2020), [Tackling child poverty: second year progress report - annex C - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2020/08/Tackling_child_poverty_-_second_year_progress_report_-_annex_C_-_gov.scot.pdf); Scottish Government (5 April, 2022), [Additional child poverty analysis 2022 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2022/04/Additional_child_poverty_analysis_2022_-_gov.scot.pdf)

¹¹ Scottish Government (18 February, 2022), [Source: Wealth in Scotland](https://www.gov.scot/resources/documents/2022/02/Source_Wealth_in_Scotland.pdf)

more children experience relative poverty, compared with 24% of children overall.¹²

In addition, the six child poverty priority family types identified within the [Child Poverty Delivery plan](#), which are more likely to include women, feature prominently within the groups identified.

The Women's Budget Group produced a recent briefing on the gendered dimension of the cost of living crisis based on analysis of UK evidence and argued that women in the UK are more exposed to cost of living pressures, due to lower earnings and savings (amongst other factors and structural inequalities) as well as some of the harmful consequences of the crisis, such as domestic abuse.¹³¹⁴

Households in Scotland including **disabled people** were more likely to be financially vulnerable, and more likely to have unmanageable debt.¹⁵ Furthermore there are 100,000 children living in relative poverty, and 90,000 people in absolute poverty in families with a disabled person.¹⁶ Analysis shows that:

- 29% of children in families with a disabled person are in relative poverty¹⁷
- overall, it is generally recognised that disabled families face higher costs of living than non-disabled
- families where someone has a long-term condition find it harder to afford childcare and there are barriers around finding the right childcare to support children's needs
- they are less likely to have savings (among families with long-term conditions).¹⁸ In Scotland as of 2017-19, 45% of households with children where someone had a long-term health condition had no savings, compared with 34% of all households with children.¹⁹

There is also likely to be **intersection and overlap** in relation to the household types identified above, and within them, people's membership of multiple interconnected social categories, and experiences of structural inequalities.²⁰ A person could have a number of protected characteristics and experiences, for example being a minority ethnic disabled renter on income-related benefits, or a mother with caring responsibilities heading a rural low income, lone parent family. Some of these

¹² Scottish Government (25 March 2021) [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](#)

¹³ Women's Budget Group (5 September, 2022), [The Cost Crisis: a Gendered Analysis - Womens Budget Group \(wbg.org.uk\)](#)

¹⁴ Women's Aid (1 August, 2022), [The cost of living - Women's Aid \(womensaid.org.uk\)](#)

¹⁵ Scottish Government (18 February, 2022), [Source: Wealth in Scotland](#)

¹⁶ Scottish Government (4 October, 2021), [Tackling child poverty priority families overview - gov.scot \(www.gov.scot\)](#)

¹⁷ Scottish Government (7 May 2021) [Additional child poverty analysis 2021 - gov.scot \(www.gov.scot\)](#)

¹⁸ Scottish Government (2 July, 2021), [Tackling child poverty - third year progress report : annex B - child poverty in families with a disabled adult or child - gov.scot \(www.gov.scot\)](#)

¹⁹ Scottish household Survey.

²⁰ Scottish Government, (9 March, 2022) [Using intersectionality to understand structural inequality in Scotland: Evidence synthesis \(www.gov.scot\)](#)

overlapping characteristics may interact with each other in a way that compounds negative outcomes.

It is also important to consider **major life events and points of transition**, which can affect a range of different types of low income households. For example, additional costs may be incurred due to the arrival of a new baby, a child starting school, parental separation, bereavement, retirement, or the onset of poor health. There are also individuals within households with complex needs that may not be captured within the groups included.

The report also highlights the impacts of the cost crisis on those experiencing **socio-economic disadvantage** in Scotland. For example, this includes:

- **Households in Receipt of Income Related Benefits** - who are likely to be disproportionately negatively affected, due both to the starting point of financial hardship following a sustained period of austerity and a series of benefit reductions since October 2021.
- **Households Narrowly Ineligible for Means-tested Benefits** - there could be a significant number of households in Scotland who narrowly miss out on qualifying for the £650 Cost of Living payment for low income households. For example, there could be around 10,000 households in Scotland who earn just too much to qualify for Universal Credit,²¹ who would have been better off earning less, and remaining on Universal Credit.
- **Households who rent their homes** - the rented sectors have a higher proportions of people who are in relative poverty and who are in fuel poverty, as well as of children in relative poverty.
- **Rural and island householders** - approximately 100,000 off-gas-grid households were considered to be in fuel poverty in 2019, representing a fuel poverty rate of 34%, above the national rate of 25%. This is likely to have increased with rising costs.²²

Analysis by the Office for National Statistics for Great Britain as a whole,²³ using data from the Opinions and Lifestyle Survey, looked at which people have been affected by an increase in their cost of living, in the period June to September 2022. Amongst the findings were that:

- Over half (55%) of disabled adults reported finding it difficult to afford their energy bills, and around a third (36%) found it difficult to afford their rent or

²¹ Based on internal Scottish Government analysis using the number of households in Scotland with monthly Universal Credit awards no higher than the equivalent of £20 per week, and assuming a similar number of households earn £20 per week too much to qualify for Universal Credit. DWP, Stat-Xplore, Households on Universal Credit, May 2022.

²² Scottish Government (1 December 2020) Revised methodology applied to SHCS [Scottish house condition survey: 2019 key findings - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/collections/documents/SHCS-2019-key-findings.pdf)

²³ Office for National Statistics (25 October 2022): [Impact of increased cost of living on adults across Great Britain - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peoplepopulationandcommunity/healthandcare/articles/impact-of-increased-cost-of-living-on-adults-across-great-britain)

mortgage payments compared with 40% and 27% of non-disabled people, respectively.

- Around 4 in 10 (44%) White adults reported finding it difficult to afford their energy bills, compared with around two-thirds (69%) for Black or Black British adults and around 6 in 10 (59%) Asian or Asian British adults.
- Around half of those with a personal income of less than £20,000 per year said they found it difficult to afford their energy bills; this proportion decreased as personal income increased, with around a quarter (23%) of those earning £50,000 or more reporting this.
- Adults in the youngest and oldest age groups appeared less likely to report having difficulty with or being behind on rent or mortgage payments. This possibly reflects younger people not yet being responsible for such payments and older people being more likely to own their home outright.

Summary of equality and fairness evidence for the Emergency Budget Review

The list and tables below summarise the in-year budget measures that form the Emergency Budget Review (covering savings, additional income and some new areas of spend). They provide a high level summary of the current evidence in relation to the equality and fairness impacts.

The expected impacts can be categorised into three groups:

- **Measures which have an expected positive equality and/or fairness impact.** These include additional funding for Fuel Insecurity, the Scottish Child Payment Bridging Payments and an Islands Crisis Emergency Fund.
- **Measures with no expected direct equality or fairness impact.** Including for example savings that can be made as a result of lower than expected demand for services (see below for further explanation). A high proportion of the savings set out in the Emergency Budget Review come under this category.
- **Measures which have an expected negative equality and/or fairness impact.** These are mainly savings/re-phasing in health and social care expenditure, and reductions in employability funding (see tables for further details, including of potential mitigations for these impacts).

What are the savings arising as a result of re-forecasting?

As is standard practice in large organisations, annual budget forecasts across the many areas of Government are made on the basis of a number of assumptions, based on the best available evidence. For example this may include:

- forecasts on the demands for, and uptake of, services or financial support
- forecasts of expected income, including from charges or other revenue streams.

In some cases, the demands for services over the year may not be as great as envisaged, or income streams may be higher than expected. For these and other financial management reasons, budget lines may be re-profiled, and savings or additional income be made available for funding elsewhere.

The list below summarises evidence on the equality and fairness impacts of some of the new financial measures confirmed in the Emergency Budget Review to help tackle the cost of living crisis.

Measure:

Doubling the value of the December **Scottish Child Payment Bridging Payments**, from £130 per eligible child to £260, benefitting around 145,000 school age children registered to receive free school meals on the basis of family low income.

Summary of Equality and Fairness Evidence:

The Scottish Child Payment Bridging Payments are awarded for each child in receipt of Free School Meals on the basis of low income, with the families of around 145,000 school age children set to benefit from the increased funding committed. The payment of £260 is anticipated to provide around £37.7 million to the lowest income families this winter, of which £18.85 million is additional funding. A total of around £169 million is expected to have been awarded through Bridging Payments across 2021 and 2022 ahead of the expansion of the Scottish Child Payment.

Families in receipt of Bridging Payments either have a low earned income, not more than £660 per month if receiving Universal Credit, or are not in receipt of income replacement benefits, including the likes of Employment and Support Allowance (Income Related) and Income Support.

As set out in the Tackling Child Poverty Delivery Plan²⁴ there is a strong correlation between experience of poverty and equality characteristics. Almost 90% of all children in poverty in Scotland live within the six priority family types identified, with each group more likely to experience poverty than all children in Scotland (24%) and households which do not have any of the priority family characteristics (10%). Priority groups are more likely to still be in poverty despite working. The six priority family types identified include: Lone parent families, the large majority of which are headed by women; Families which include a disabled adult or child; Larger families; Minority ethnic families; Families with a child under one year old; Families where the mother is under 25 years of age.

Measure:

Doubling our **Fuel Insecurity Fund** to £20 million in 2022-23, to help households at risk of self-disconnection or self-rationing of energy use as the energy price guarantee rises from October.

Summary of Equality and Fairness Evidence:

²⁴ Scottish Government (24 March 2022): [Tackling Child Poverty Delivery Plan 2022-26 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-2022-26/pages/12/index.aspx)

Some households who will receive additional support through mechanisms announced by the UK Government are already unable to pay for their energy costs.

Scottish Government analysis indicates that under the Energy Price Guarantee, with the price cap frozen at £2,500 for the average dual fuel customer paying by direct debit, around 860,000 households (35% of all households) will be in fuel poverty. Around 600,000 of these households (24% of all households) will be in extreme fuel poverty²⁵. Indeed, of the 860,000 households estimated to be in fuel poverty, 69% will be in extreme fuel poverty. Setting the price cap for the average dual fuel customer paying by direct debit at £2,500 under the Energy Price Guarantee will increase fuel poverty by around 110,000 households and extreme fuel poverty by around 150,000 households compared to the previous April 2022 price cap of £1,971.

Under the Energy Price Guarantee, we estimate that fuel poverty rates will be higher for households in rented housing (52% to 57% in the social rented sector and 48% in the private rented sector) compared to households who own their home outright (28%) and households with a mortgage (19%)²⁶

Groups with protected characteristics are also overrepresented among fuel poor households:

- Between 2017 and 2019, 36% of all fuel poor households were older households, i.e. small households made up of one or two residents, at least one of which is aged 65 or older.²⁷
- Disabled people often use more energy, as many need to keep heating on for medical reasons, or use electricity to charge essential equipment such as mobility aids.²⁸ A UK survey in May-June 2022 found that households with a disability had taken greater steps to reduce their energy usage in 2022 with nearly half struggling to keep their home warm (48% compared to 30% of non-disabled households).²⁹ Many disabled people have needs which mean that economising on energy can bring severe hardship. In their advice to the Scottish Government in June, the Poverty and Inequality Commission identified disabled people who faced higher energy costs, but were not on low income benefits as one of the groups who missed out under the May Cost of

²⁵ These estimates are net of the following mitigations: £400 Energy Bills Support Scheme payment, £650 Cost of Living payment for those on means-tested benefits, £300 Pensioner Cost of Living Payment for pensioner households who receive the Winter Fuel Payment, £150 Disability Cost of Living Payment and £150 Council Tax rebate for households in council tax bands A-D or that receive council tax reduction. The estimates do not account for the £100 Alternative Fuel Payments for households who are not on the mains gas grid and therefore use alternative fuels, such as heating oil, to heat their homes.

²⁶ Scottish Parliament (3 October 2022): Cost of Living (Tenant Protection) (Scotland) Bill [Policy Memorandum accessible \(parliament.scot\)](#)

²⁷ Scottish Government (December, 2021), Table 9, [fuel-poverty-strategy-analytical-annex.pdf \(www.gov.scot\)](#)

²⁸ Scottish Government (December, 2021), [fuel-poverty-strategy-analytical-annex.pdf \(www.gov.scot\)](#)

²⁹ Evans and Collard (September, 2022), [Facing Barriers \(financialfairness.org.uk\)](#)

Living Support Package. In addition, almost half of carers recently surveyed indicated that increases in energy bills would negatively affect their health or the health of the person they care for.

- Minority ethnic groups are significantly more likely to live in larger households,³⁰ and to live in private rented accommodation, both household type types with high rates of fuel insecurity. Among Gypsy/Traveller communities, low incomes, poorly insulated accommodation and the way some members of the community pay for their energy, mean that fuel poverty can be a particular issue, with feedback suggesting that some existing accommodation is cold, difficult to heat and prone to condensation.³¹

We know from lived experience research that households living with fuel poverty are likely to self-ration their energy use due to financial hardship and/or concerns about accumulating debt. Using less energy than necessary can have serious implications for health, especially where this results in under-heating of the home. A wide range of stakeholders across the fuel poverty, housing, health and wider third sectors have raised issues around households experiencing severe difficulty in affording energy costs with increased risks of self-rationing or self-disconnection.

The Fuel Insecurity Fund support presents a lifeline for households struggling and includes fuel top up vouchers for those using pre-payment meters, help to manage fuel debt and support for those using non regulated fuel sources such as oil and solid fuel (most often off gas-grid households living in rural or island areas but also many Gypsy/traveller communities). Support is available for both households with pre-payment meters and credit meters.

We are already seeing unprecedented demand. The Fuel Bank Foundation (FBF) recently reported a 75% increase in demand for their services over the past year; Scottish Federation of Housing Associations (SFHA) reported that the third round of the Social Housing Fuel Support Fund was oversubscribed within 36 hours.³² Without the additional funding, it is therefore possible that the existing £10 million funding will run out before the worst effects of the energy crisis begin to bite for the disadvantaged groups highlighted above, especially if we have a harsh winter this year.

Measure:

Funding to local authorities for additional **Discretionary Housing Payment support** to mitigate the UK Government benefit cap as fully as possible within devolved powers, and providing local authorities more flexibility to take account of energy bills in their prioritisation of households for Discretionary Housing Payments.

³⁰ According to [2011 Census Data](#) (Office for National Statistics)

³¹ Scottish Government (3 February, 2022), [Gypsy/Traveller accommodation fund and site design guide: fairer Scotland assessment - summary - gov.scot \(www.gov.scot\)](#)

³² Scottish Housing News (4 October 2022) [SFHA: Funding demand reinforces the unprecedented scale and nature of the energy crisis | Scottish Housing News](#)

Summary of Equality and Fairness Evidence:

Discretionary housing payments (DHPs) are an important tool to prevent homelessness and assist households who are struggling with housing costs to sustain tenancies. There may be particular demand in rural areas; a Scottish Government report shows that additional minimum living costs for households in remote rural Scotland typically add 15-30% to a household budget, compared to urban areas of the UK.³³

DHPs directly support households with the cost of housing where their benefits have been capped. To be eligible for a DHP a person must be in receipt of housing benefit or Universal Credit with a housing element; as such, the measure targets low income households who rent their homes, a socio-economically disadvantaged group who have experienced particular impacts from the cost of living crisis. The Joseph Rowntree Foundation (JRF) find that of those on low incomes across the UK, 75% of private renters and 73% of social renters are going without at least one essential, compared to 39% of those who own their homes outright.³⁴ JRF's more recently published Poverty in Scotland 2022 found that renters in Scotland were at a higher risk of arrears, with around one in three renters being behind on one or more bills, and that renters feel more financially insecure than homeowners.³⁵ Research on the challenges of living in Scotland's private rented sector showed that in winter last year, affordability pressures forced 34% of renters claiming Universal Credit or Housing Benefit to cut spending on other essentials such as food or heating to pay their rent; 44% of low income renters surveyed worried about being able to pay their rent, and women and people with a disability were more likely to report this worry.³⁶

Some protected characteristics groups have high rates of households struggling with housing costs, for whom this measure will also be of particular benefit:

- Increases in energy prices mean older renters are likely to struggle to meet housing costs. Age Scotland have highlighted that many of the older people who live in socially rented homes in Scotland report they will cut back on buying food, skip meals or heat just one room of their house to be able to pay their bills.³⁷ In addition, children make up the majority of those impacted by the benefit cap, with around 14,000 children currently affected. 98% of households capped are families, 72% are lone parent families and 92% of lone parents are women.³⁸

³³ Scottish Government (29 September, 2021), [The cost of remoteness - reflecting higher living costs in remote rural Scotland when measuring fuel poverty: research report - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2021/09/29-The-cost-of-remoteness-research-report.pdf)

³⁴ JRF (29 June, 2022), [Not heating, eating or meeting bills: managing a cost of living crisis on a low income | JRF](https://www.jrf.org.uk/news/2022/06/29/not-heating-eating-or-meeting-bills-managing-a-cost-of-living-crisis-on-a-low-income)

³⁵ JRF (3 October, 2022), [Poverty in Scotland 2022 | JRF](https://www.jrf.org.uk/news/2022/10/03/poverty-in-scotland-2022)

³⁶ UK Collaborative Centre for Housing Evidence (September, 2022), [Low income renters priorities for change scotland synthesis report sept 2022.pdf \(housingevidence.ac.uk\)](https://www.housingevidence.ac.uk/wp-content/uploads/2022/09/low-income-renters-priorities-for-change-scotland-synthesis-report-sept-2022.pdf)

³⁷ [Age Scotland welcomes rent freeze for older tenants \(ageuk.org.uk\)](https://www.ageuk.org.uk/news/2022/06/29/age-scotland-welcomes-rent-freeze-for-older-tenants)

³⁸ JRF (29 June, 2022), [Not heating, eating or meeting bills: managing a cost of living crisis on a low income | JRF](https://www.jrf.org.uk/news/2022/06/29/not-heating-eating-or-meeting-bills-managing-a-cost-of-living-crisis-on-a-low-income)

- Black and minority ethnic families have recently been found to be much more likely to face unaffordable rents than White families (65% compared to 52%) driven by factors like geography, labour market inequalities and elements of the social security system (e.g. the benefit cap), which it is argued argue disproportionately impact Black and minority ethnic groups. Minority ethnic groups are significantly more likely to live in larger households³⁹, to be unpaid carers and live in private rented accommodation, all household types facing high rates of difficulty with housing costs. Families with three or more children have also been found to be disproportionately more likely to be in arrears, with 64% in arrears, compared to 27% of households without children.⁴⁰ In the six months to March 2022, the number of UK carers who worried that they would not be able to manage their expenses more than doubled during that time. Minority ethnic households are also more likely to have deeper levels of poverty⁴¹ and so a greater proportion of their income is likely to be spent on essentials which are subject to inflation. In May 2022, analysis from the New Economics Foundation (NEF) indicated that single Black, Asian or other ethnic minority households are experiencing costs that are 50% higher than their white counterparts as a portion of their income.⁴²
- People with disabilities are affected by the benefit cap such that, if someone in the household is in receipt of a qualifying disability benefit, they are exempt from the cap. Also, if someone is over state pension age then they are exempt. However, if they are living with a partner who is under state pension age and in receipt of certain working-age benefits then they may still be impacted. People with a disability renting in the private sector have been found to be more likely to worry about being able to pay their rent than other renters.⁴³ Recent data from Scotland show that nearly one in four families (23%) where someone is disabled are behind on at least one bill or payment and 4% are behind on three or more.⁴⁴ Findings from Disability Equality Scotland's weekly poll on the cost of living crisis show that (for week beginning 18 April 2022) 85% of participants were very concerned about the current cost of living. Disabled people (receiving qualifying disability benefits) were given an additional £150 as part of the Cost of Living Support Package. However, this will not cover the additional cost of inflation applied to disability-related benefits.
- Women are more likely to live in household types most exposed to the impacts of the cost of living crisis, including households with an unpaid carer

³⁹ According to [2011 Census Data](#)

⁴⁰ JRF (29 June, 2022), [Not heating, eating or meeting bills: managing a cost of living crisis on a low income | JRF](#)

⁴¹ Scottish Government (2020). Poverty and income inequality in Scotland 2016-19 and [Additional poverty analysis 2018 - gov.scot \(www.gov.scot\)](#)

⁴² New Economics Foundation (5 May, 2022), [Losing the inflation race | New Economics Foundation](#)

⁴³ UK Collaborative Centre for Housing Evidence (September, 2022), [Low income renters priorities for change scotland synthesis report sept 2022.pdf \(housingevidence.ac.uk\)](#)

⁴⁴ JRF (3 October, 2022), [Poverty in Scotland 2022 | JRF](#)

and larger households. It has been argued recently that women are more exposed to cost of living pressures, due to lower earnings and savings (amongst other factors and structural inequalities) as well as some of the harmful consequences of the crisis, such as domestic abuse.^{45 46} DHPS could particularly help lone parent households who account for 68% of eligibility, and are predominantly headed by women. Nearly half (45%) of single-parent families are behind on at least one bill or payment, nearly one in ten (9%) are behind on three or more. In May 2022, analysis from the New Economics Foundation (NEF) indicated that single female households are experiencing costs that are 50% higher than their male counterparts as a portion of their income. Single women will see average costs increasing by £1,400 (6% of income) compared to £1,110 (4% of income) for single adult male households. The NEF argue that these outcomes are partly due to pre-existing gender and racial inequalities such as those that contribute to pay gaps in the labour market and unequal responsibility for childcare.⁴⁷ In a survey of those on low incomes living in Scotland's private rented sector, women were more likely to report worrying about being able to pay their rent.⁴⁸

Measure:

An **Island Cost Crisis Emergency Fund** of £1.4 million to support island households already experiencing higher costs of living, with geography, high fuel costs, a challenging climate as we head into winter and a lack of consumer choice exacerbating this.

Summary of Equality and Fairness Evidence:

This is designed to give the six island local authorities monies to fund island communities, and where necessary households in need due to the cost crisis. The delivery mechanism and criteria are currently being established. So whilst it is not possible to set out fully the beneficiaries of the scheme at this stage, it is likely that the recipients of grant will be more likely to be households in fuel poverty and pensioner households,⁴⁹ given the overall demographics of island

⁴⁵ Women's Budget Group (5 September, 2022), [The Cost Crisis: a Gendered Analysis - Women's Budget Group \(wbg.org.uk\)](https://www.wbg.org.uk)

⁴⁶ Women's Aid (1 August, 2022), [The cost of living - Women's Aid \(womensaid.org.uk\)](https://www.womensaid.org.uk)

⁴⁷ New Economics Foundation (5 May, 2022), [Losing the inflation race | New Economics Foundation](https://www.neweconomics.org)

⁴⁸ UK Collaborative Centre for Housing Evidence (September, 2022), [Low income renters priorities for change scotland synthesis report sept 2022.pdf \(housingevidence.ac.uk\)](https://www.housingevidence.ac.uk)

⁴⁹ Scotland's population is ageing. Rural and island areas experienced more ageing than cities. The percentage of data zones in which the median age increased over the last decade varied from 55% in Dundee City to 97% in Na h-Eileanan Siar [Mid-2021 Small Area Population Estimates, Scotland: Report \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk). Fuel poverty data: [Scottish house condition survey: 2019 key findings - gov.scot \(www.gov.scot\)](https://www.gov.scot)

communities. Individual local authorities may however choose to tailor the grant to their local community's needs.

Between 2018 and 2019, rates of fuel poverty increased in remote rural areas (from 33% to 43%), increasing the gap when comparing overall urban (24%) to overall rural areas (29%). Similarly, levels of extreme fuel poverty increased in remote rural areas (from 23% to 33%), so extreme fuel poverty rates in rural areas (19%) were higher than in urban areas (11%).⁵⁰

Measure:

Building on the additional £300,000 provided to Business Energy Scotland (BES) earlier this year to **expand and improve energy support for small to medium sized businesses** by doubling the energy efficiency cashback element of the BES Loan & Cash Back Scheme to £20,000, covering up to 75% of the installation cost, helping many SMEs with their energy efficiency ambitions.

Summary of Equality and Fairness Evidence:

No direct equality or fairness impacts identified.

⁵⁰ Scottish Government (1 December 2020): Scottish house condition survey: 2019 key findings: [Scottish house condition survey: 2019 key findings - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scottish-house-condition-survey-2019-key-findings/pages/12.aspx)

Table 1: EBR Adjustments - November

Resource Reprioritisation within Health and Social Care Portfolio:

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Health and Social Care			
Covid	116.0	A range of actions relating to Covid expenditure on vaccinations, test and protect, PPE and additional capacity to drive down additional costs.	The impact on inequalities will continue to be a focus, ensuring uptake rates and activity aimed at reducing vaccine inequalities are not negatively affected.
Social Care and National Care Service (NCS) re-profiling	70.0	Continuing to progress the commitment to fair work and adult social care, with a one-off saving released this financial year as we work with stakeholders on delivery mechanisms for future years . Re-phasing of NCS development from the Financial Memorandum based on recruitment profile and data and digital investment.	<p>The adult social care workforce in Scotland (c. 144,000 people)⁵¹ is predominantly female (approx. 80%) and approx. 47% work part time. The revised fair work timeline will limit the Scottish Government’s ability to further improve the terms and conditions of the adult social care workforce this financial year. The Scottish Government has increased the minimum pay for commissioned services twice in the last year from £9.50 per hour to £10.50 per hour. For a full-time adult social care worker, based on 37.5 hours a week, the increase represents an uplift of over £1,600 over the course of the year.</p> <p>All reductions in social care capacity and health care capacity have a disproportionate impact on unpaid carers who step in to support those whose needs are not being met. Unpaid carers are predominantly female (around 60% overall and 69% of Carer’s Allowance recipients in more intensive caring roles) and</p>

⁵¹ Scottish Social Services Council: Data on the Social Care Workforce: <https://www.sssc.uk.com/the-scottish-social-services-council/workforce-data/>

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
			disproportionately from low income areas.
Primary Care	65.0	This has been achieved by a reduction in the planned growth rate for the Primary Care Improvement Fund, including a one-off utilisation of reserve funding held by integration authorities. In addition, it includes re-phasing of some elements of the planned enhancements to community optometry and audiology services.	<p>The Primary Care Improvement Fund (PCIF) reduction in the planned growth rate reflects the utilisation of one off reserves for the PCIF. Whilst this will maintain funding, it means planned increases in Community Links and Mental Health Worker (CLW) numbers will not be taken forward this financial year. CLWs support on debt, social isolation and housing, and are crucial to Covid recovery given the long-term impact of Covid on unemployment, mental health and health inequalities.</p> <p>The reprioritisation of funding for General Dental Services, community optometry and audiology will defer service developments for people with sensory impairment. This will impact on those with low vision and/or hearing loss, predominantly older people, which can contribute to their social exclusion.</p>
Re-phasing and pausing of other programmes	63.0	Includes Scottish Trauma Network, Genomics programmes and improvement programmes on older people, clinical audit and education and development.	The majority of savings under this category will result in re-phasing and/or pausing of programmes such as the Scottish Trauma Network, and Genomics. These are not expected to have a direct equality or fairness impacts on existing services.
Mental Health	38.0	This has included continuing to support overall increases to mental health spending as well as delivery of dementia, learning disability and autism services, and cross-cutting trauma work at level of last year's spend. Within the revised budget	<p>This will enable us to continue to pursue the commitment to clear CAMHS waiting times backlogs by March 2023.</p> <p>We know that poor mental health disproportionately affects those from the most disadvantaged backgrounds. Early evidence from the investment we have already made through the recovery and</p>

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
		we will seek to focus on progressing existing commitments including clearing CAMHS and psychological therapies waiting times backlogs.	<p>renewal fund suggests that we are reaching those in our most disadvantaged communities. Reductions in additional funding will impact on these communities most heavily while also having impacts on those less disadvantaged backgrounds. We will work with delivery partners to prioritise support for those most in need.</p> <p>In addition to socio-economic disadvantage, the evidence also demonstrates that women and girls, people with a disability, people from BAME communities and people from LGBT+ communities are more likely to experience poor mental health and less likely to be able to access effective mental health supports. Children and young people have also been disproportionately impacted by the pandemic. Reductions in additional funding will impact on progress for these groups although we will continue to maintain a very significant focus on the children and young people's mental health, perinatal mental health and to work with representatives of our BAME and LGBT+ communities to support access to mental health support for those who need it.</p>
SG Staff Reductions and other central savings	21.0	Includes vacancy freezes and tightening of recruitment controls at a central level. This does not apply to NHS staff.	Re-profiling of expenditure: No direct equality or fairness impacts identified.
Digital	14.0	Reprioritising of work across projects such as Digital prescribing and Microsoft Office updates.	<p>There will be a range of impacts resulting from reprioritisation and scaling back of digital projects.</p> <p>Digital inclusion is a key focus within health and care and has been demonstrated to bring significant benefits for citizens. These include</p>

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
			<p>supporting vulnerable people to remain connected to lifeline services, to connect people to family and friends, to stimulate people into work and housing opportunities and for support with things like social security which are all intrinsically linked to good health and care outcomes. Reductions to funding means all tests of change to support Remote Health Pathways and Care Homes have been stopped, with impacts on health inequalities potentially increasing.</p>
Population Health	13.0	Re-phasing of commitment to double investment in sport, reprioritisation of health improvement spending.	<p>The planned investment in sport would have supported a range of activity including investment in Active Schools, Disability Sport, investment in local authorities equalities and inclusion plans, community sport hubs, women and girls media summit, walking interventions for older people, work with colleges to enhance the physical activity offer for students from deprived areas, funding to Sports governing bodies for planned improvements to the efficiency and effectiveness of the safeguarding system in sport which protects young people from the risk of abuse, and support for street soccer Scotland to deliver education, mental health provision, poverty relief, employability, social connection, volunteering opportunities and positive support networks for Scotland's most at risk and disadvantaged. We will seek to mitigate these impacts by targeting savings to minimise the impact on inequalities.⁵²</p>

⁵² A wide range of sources of information including Scottish Government (29 September 2020) [The Scottish Health Survey: 2019 edition - volume 1 - main report \(www.gov.scot\)](https://www.gov.scot/publications/scottish-health-survey-2019-main-report/pages/100-to-109.aspx),

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
			<p>Obesity and type 2 diabetes disproportionately affect those already most at risk from the impact of the cost of living crisis. People from minority ethnic groups and living in our most deprived areas develop type 2 diabetes and the life-changing complications of the condition earlier than the general population, impacting significantly on quality of life and healthy life expectancy. A reduction in funding for weight management services will have an immediate and direct effect on board delivery of these interventions while they still recover their services from COVID-19. Without an uplift in funding, waiting times for patients will likely increase which will impact across the health system but particularly on the groups outlined above. We will mitigate impacts by seeking to maintain funding for weight management services at current levels and protecting spend for children's services.</p> <p>Alcohol-related hospital stays are 7 times higher in Scotland's poorest communities than the most affluent. Budget savings will mean the work that can be taken forward to develop alcohol treatment targets and reviewing how alcohol brief interventions are delivered across Scotland will be delivered at a slower pace.</p>

Resource Savings Across Portfolios:

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Education and Skills			
Further Education	1.3	Reduction in grant spend for international Higher Education.	No direct equality or fairness impacts identified.
Raising Attainment	1.6	Re-profiling of expenditure across financial years of the youth work fund and reduction in marketing expenditure.	Re-profiling of expenditure: no direct equality or fairness impacts identified.
Finance and Economy			
Economic Development	1.8	Reduction in grant expenditure and demand led funding.	No direct equality or fairness impacts identified.
Tourism Special Projects	1.5	The Covid recovery plan recommended the continuation of the Tourism Recovery Programme (TRP), which was funded from consequentials in 2021-22. As no new funding was secured to support this, a reduced TRP was developed, based on £1.5m funding available within Tourism Special Projects. The reduced TRP programme contained 2 elements, support for Destination Net Zero, and a campaign to promote tourism and hospitality as a career choice. These elements will no longer be delivered as planned.	No direct equality or fairness impacts identified.
Justice and Veterans			
Safer Communities	14.2	Projected saving on the Scottish Government contribution towards the UK-wide ESMCP	Reduced contribution, no direct equality or fairness impacts identified.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
		programme and resource/capital switch.	
Justice Demand Led Budgets	7.0	Reduction in spend based on lower than initially anticipated requirement for demand led services within the Justice system as it continues to recover from backlogs. Does not impact on service availability or delivery.	Reforecasts of existing spend which will have been considered as part of the Equality and Fairer Scotland Budget Statement for the 2022/23 budget. It has either been the case that the spend is now forecast to be less because costs were less certain at the start of the FY or they are demand led lines where demand has been less than forecast. However given there has been no restriction in spend, there are not expected to be any further differential impacts of protected groups from those at identified at the start of the year.
Net Zero Energy and Transport			
Various	1.2	Re-profiling of expenditure on ENFOR projects to reflect capacity to deliver before the end of the financial year.	Re-profiled spending: no direct equality or fairness impacts identified.
Social Justice Housing and Local Government			
Social Security	3.0	Reduced expenditure in Social Security Scotland operational costs.	This reduction is due to routine re-forecasting of costs: no direct equality or fairness impacts identified.
Communities	2.0	Re-phasing of expenditure on child poverty as actual delivery costs emerge. This is due to programmes with partners developing at a pace that requires less funding than anticipated. This re-profiling of expenditure will be spent in future financial years to achieve child poverty targets.	This relates to realignment of forecast spend, therefore leads to no material impact relative to the Equality and Fairer Scotland Budget Statement for the 22/23 budget.

Capital & Financial Transactions Savings:

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Education and Skills			
Education capital projects	40.0	Includes £30m for reduction in spend due to construction delays in further education projects, and £10m reduced current year expenditure on digital devices, due to a requirement for more detailed scoping of the project in order to support successful delivery, with capital funding now expected to be utilised later in the project.	Re-profiled spending: no direct equality or fairness impacts identified.
Finance and Economy			
Digital capital projects	16.0	In consultation with our Reaching 100 (R100) delivery partner, agreement was made to re-baseline the R100 programme plans. This resulted in an overall increase in R100 contract investment, and a reduction in funding required in respect of the digital connectivity R100 programme in this financial year.	The savings will be re-profiled and no direct equality or fairness impacts identified.
Planning capital projects	3.0	Re-profiling of spend across financial years on digital planning projects.	Re-profiled spending: no direct equality or fairness impacts identified.
Economic Development capital and financial transaction projects	14.0	£10m re-profiling of expenditure in City Deals programme into future financial years and £4m on reduction in expenditure within South of Scotland Enterprise on	The savings will be re-profiled and no direct equality or fairness impacts identified.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
		loans/equity investment in business.	
Net Zero Energy and Transport			
Energy capital projects	15.0	£5m of savings have arisen as a result of delays in progressing procurement and due diligence in energy investment programmes (including Hydrogen projects) as well £10m of funding that was allocated to Carbon Capture Usage and Storage (CCUS) deployment, but has been delayed due to the lack of market certainty following the UK Government decision on CCUS Cluster sequencing.	The savings will be re-profiled: no direct equality or fairness impacts identified.
Future Transport Fund and support for active travel	28.5	Reduction in expenditure this financial year on Low Carbon funds including Green Bus Fund and Zero Emission Bus funding due to capacity for uptake in grant funding from recipients caused by number of buses that can be converted (i.e. out of action) at any one time (funding will be re-profiled into future financial years), and on support for active travel due to review of non-committed spend to support the EBR process.	The savings will be re-profiled and no direct equality or fairness impacts identified.
Roads and Taxis capital projects	7.2	Includes changing programmes to reflect challenges on delivery in the current climate	The savings will be re-profiled and no direct equality or fairness impacts identified.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
		and £1.5m of reductions in Low Emission Zone taxi improvements due to lower uptake of grant funding caused by lower taxi driver numbers.	
Rail capital projects	5.0	In-year spend reduction due to slower delivery of projects reported by Network Rail.	The savings will be re-profiled and no direct equality or fairness impacts identified.
Scottish Canals capital projects	2.5	Saving as a result of pausing non-essential maintenance and works this financial year to support the Emergency Budget Review.	The savings will be re-profiled and no direct equality or fairness impacts identified.
Forestry capital projects	2.7	Reduction in Woodland Grants expenditure based on current level of applications and grants awarded.	Reforecasting of grants: no direct equality or fairness impacts identified.
Rural Affairs and Islands			
Agri-Environment	1.5	Revised forecast of spend on agri-environmental measures due to lower than expected number of applications to be progressed in-year, with applications impacted by on-going worldwide supply chain issues.	Revised forecast: no direct equality or fairness impacts identified.
Marine Scotland Projects	2.1	risen partly due to slippage on a range of science and marine related projects because of inflationary and supply chain factors impacting on procurement and delivery timelines. In addition, IT project spend has been paused subject to the findings of an IT review linked to the ongoing transformation activities.	Slippage of projects (and re-profiling): no direct equality or fairness impacts identified.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
European Maritime Fisheries Fund	2.6	The European Maritime Fisheries Fund programme was fully committed prior to closing on 31 December 2020 but due to the impact of Covid and supply chain issues on claimants the activities underpinning the awards have not been delivered within the specified timeframe which is resulting in a reduced spend this financial year.	Saving identified as a result of reduced spend on activities underpinning the awards: no direct equality or fairness impacts identified.
Social Justice Housing and Local Government			
Housing capital projects	10.0	£6m of reduced expenditure in Buildings Standards projects this financial year due to prioritisation of assessment in advance of remediation (which lowers costs in the first instance), and £4m reduced expenditure in More Homes due to global supply chain issues causing delays to the pace of new build delivery.	Although we do not have data on the direct beneficiaries of those households moving into newly delivered affordable homes, we can look at the characteristics of people moving into social rented housing. An analysis was carried out for the Social Tenants in Scotland 2017 statistical publication, based on data from the Scottish Household Survey. This showed that for social rented households in Scotland where an adult had moved into the address within the last 12 months, 70% had a net household income of £20,000 or less, 53% had a female highest income householder, 39% of adults had a disability, 12% of adults were single parents, 18% of adults were unemployed and seeking work, 13% were permanently sick or disabled, and only 24% of households were managing well financially ⁵³ .

Additional Income:

⁵³ Scottish Government (16 April 2019) Social tenants in Scotland 2017: [SG Social Tenants in Scotland 2017 statistics](#)

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Finance and Economy			
Capital and Financial Transactions	19.0	Repayments on regeneration investments (SPRUCE)	No direct equality or fairness impacts identified.
Social Justice Housing and Local Government			
Capital and Financial Transactions	12.2	Increased income from receipts from sales of shared equity properties	No direct equality or fairness impacts identified.

Table 3: EBR Adjustments - September⁵⁴

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Constitution, External Affairs and Culture			
Historic Environment Scotland	1.2	Forecast increase in commercial income.	No direct equality or fairness impacts identified.
Various	2.4	Savings from enhanced recruitment controls, reduction in touring fund and National Performing Companies and Scottish Lord-lieutenant activities. Forecast changes across programmes.	No direct equality or fairness impacts identified.
Corporate Recharge Costs	1.6	Savings from enhanced recruitment controls and workplace/systems development.	Change in accounting treatment has resulted in an underspend on the capital budget. No direct equality or fairness impacts identified.
Deputy First Minister and Covid Recovery			
	0.8	Savings from enhanced recruitment controls and forecast changes across programmes.	No direct equality or fairness impacts identified.
Education and Skills			
Educational Maintenance Allowance (EMA)	3.0	EMA is a demand-led programme and fluctuates from year to year - saving is predicated on lower	Demand led programme, with uptake lower than previously forecast: no direct equality or fairness impacts identified.

⁵⁴ Announced by Deputy First Minister to Scottish Parliament on 7 September, 2022 [Public sector pay and emergency budget review: Ministerial statement - gov.scot \(www.gov.scot\)](#)

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
		forecast demand. No change to qualification criteria.	
Gaelic Support	1.0	Gaelic Resource being replaced with capital.	No direct equality or fairness impacts identified.
Scottish Funding Council savings across programmes	20.0	Lower forecast requirement in Further Education student support, other ring fenced budgets such as National Transition Training Fund and additional European Structural Funds income.	Forecasts lower than planned: no direct equality or fairness impacts identified.
Teacher Training	2.0	Lower cap on STEM Bursary awards. Forecast reduction in applicants. £800k through the consolidation of programmes within the Initial Teacher Education budget. £200k resource reduction for SPPA teachers' pension scheme costs.	No direct equality or fairness impacts identified.
Various	16.7	Further resource/capital switches, forecast changes across programmes and savings targets within public bodies.	Changing forecasts, and switches between capital and resource: no direct equality or fairness impacts identified.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
Education and Skills and Finance and Economy			
Flexible Workforce Development Fund (FWDF)	3.0	Delivery of Year 5 of FWDF is underway with applications closed in August. Latest estimates of spend are below the full allocation.	Revised forecasts: No direct equality or fairness impacts identified.
Finance and Economy			
City and Regional Deals	1.3	Forecast changes based on review of spend and project timelines.	Revised forecasts: no direct equality or fairness impacts identified.
Employability	53.0	Reduction in Employability spend. Work to be undertaken with Local Authorities and delivery partners now to learn the lessons from Phase 2 of No One Left Behind and to further strengthen our approach to the design and delivery of employability services.	<p>Best Start Bright Futures (BSBF) committed investment of up to £81m in 2022-23 to increase parental earnings from employment as part of a wider investment to deliver against Scotland's statutory child poverty targets. This represents the first year of funding required to support up to 12,000 parents to access and sustain work and up to 3,000 parents to progress in work over the lifetime of the plan. This £81m reflected:</p> <ul style="list-style-type: none"> • existing £8.79m Parental Employability Support Fund, • existing £20m Long Term Unemployed; and • up to an additional £53m made available for additional activity to support parents, over and above that already funded through No One Left Behind to support those at risk of long term unemployment or who face labour market challenges.

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
			<p>Reduced additional funding this year will have challenging long term impacts, in the context that over 9000 parents received support from Fair Start Scotland since it began in 2018 and Our No One Left Behind approach (including Parental Employability Support Fund) has supported over 4000 parents over the past 2 years (April 20 to March 22).</p> <p>Although taking the additional £53m committed to employability as savings will have an impact on the volume of parents we are able to support, it does not necessitate a cut to front line services that were already in place. Our support for parents is delivered under the No One Left Behind approach, which moves away from bespoke programmes for certain user groups with strict eligibility, to an accessible, all-age, person centred service offering that can be accessed by anyone who requires support, with delivery partners required to consider how they can support cohorts we know face additional barriers to entering employment. As the result of this delivery model, young people, those aged 50+, those at risk of long term unemployment, disabled people, those from a minority ethnic backgrounds, parents and other priority groups will continue to benefit from support.</p> <p>Our published EQIA summary for No One Left Behind⁵⁵ set out a</p>

⁵⁵ Scottish Government (2 September 2019) Employment support programme: equality impact assessment ([Employment support programme: equality impact assessment - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/plain-language/employment-support-programme-equality-impact-assessment-2019-09-02.pdf))

Portfolio by Budget Line	£m	Description	Summary of Equality and Fairness Evidence
			range of actions we will take to continue to improve and develop our service offering for those with protected characteristics. This activity is underpinned by the collection of consistent, comprehensive participant characteristic and outcome data reported from services, in line with recommendations made by the Employability Shared Measurement Framework, which sets out our shared understanding of how we measure the impact of employability services for the people and areas they aim to support.
Income - various streams	10.0	Increased income projections including from Scottish National Investment Bank and Registrars of Scotland.	The additional income and efficiency savings for the Scottish National Investment Bank have been delivered in the usual course of business, no direct equality or fairness impacts identified.
Staff costs	4.4	Saving through organisational redesign and resource to capital switching within digital. Savings from enhanced recruitment controls across portfolio.	No direct equality or fairness impacts identified.
Various	18.7	2% efficiency savings across public bodies, forecast changes and savings across a number of programmes.	The efficiency savings are primarily a result of reforecasting of various programmes including demand led schemes, and there is no direct equality or fairness impact expected.

Justice and Veterans			
Recovery, Renewal and Transformation Fund (RRT)	5.5	Forecast reduction in demand for RRT funding to replace lost income.	Reforecasts of existing spend which will have been considered as part of the Equality and Fairer Scotland Budget Statement for the 2022/23 budget. It has either been the case that the spend is now forecast to be lower because costs were less certain at the start of the financial year or they are demand led lines where demand has been less than forecast. However given there has been no restriction in spend, there would be no further differential impacts of protected groups from those at identified at the start of the year.
Various	3.6	Forecast changes across programmes based on demand.	Reforecasts of spend on demand led programmes: no direct equality or fairness impacts identified.
Net Zero Energy and Transport			
Concessionary Travel	37.6	Forecast reduction in patronage numbers and fare levels. Risk based forecasting approach. No impact on eligibility.	Forecast reduction in patronage numbers due to slower uptake than expected. No impact on eligibility for the scheme. No direct equality or fairness impacts identified.
EC Receipts - Woodland Grants	5.0	Forecast additional EU funding.	Increased income: no direct equality or fairness impacts identified.
Forestry and Land Scotland	1.0	Increased timber income projections.	Increased income: no direct equality or fairness impacts identified.
Forestry Land Scotland	4.0	Reduced resource investment offset by higher capital investment	No direct equality or fairness impacts identified.
Various	12.2	Resource to capital switching, higher	Higher income, forecast changes and other measures: no direct

		interest income within Scottish Water, reduced staff spend and forecast changes.	equality or fairness impacts identified.
Rural Affairs and Islands			
Agriculture and Rural Economy operations	8.4	Savings from enhanced recruitment controls.	No direct equality or fairness impacts identified.
EU Income	3.5	Legacy EU Scottish Rural Development Programme one-off modification forecast change.	Changes in forecasts: no direct equality or fairness impacts identified.
Marine Scotland	2.2	Savings from enhanced recruitment controls and forecast changes within research programmes.	Changes in forecasts: no direct equality or fairness impacts identified.
Ring fenced rural funding	33.0	UKG ring-fenced funds, to be returned to RAI in future years.	Deferral of UK Government ring-fenced funds, to be returned in future years, with no direct equality or fairness impacts identified.
Various	14.2	Forecast changes across programmes based on demand.	Result of revised forecasting, reflecting changes in demand: No direct equality or fairness impacts identified.
Social Justice Housing and Local Government			
Consequential	82.0	Utilisation of funding provided by the UKG as part of cost of living announcements in spring 2022.	No direct equality/fairness impact, as represents additional income.
Employee Costs	20.0	Savings from enhanced	The savings are the results of improved forecasting and so no

		recruitment controls.	expected impact on service levels as a result. No direct equality or fairness impacts identified.
Various	6.1	Forecast changes across programmes based on demand and re-phasing as well as reductions in staff training, overtime and travel.	Linked to re-profiling and updated forecasting of spend, and therefore no material impact compared to the EFSBS for the 22/23 budget.
Miscellaneous			
	63.0	Income into the Scottish Consolidated Fund for further ScotWind revenues of up to £56m in 2022-23 from the ScotWind Clearing Process. £7m interest income from short term investment of ScotWind funds. To be returned to NZET in future years.	Increased in-year funding generated by the ScotWind clearing process. Funding will be reinstated in future years and used, as planned, to invest in addressing the climate and biodiversity crises. No direct equality or fairness impacts identified.
Capital support for Local Government (from multiple portfolios)	120.0	Capital reprioritisation to be identified in multiple portfolios- capital spend so far funded via natural re-profiling.	Results from routine re-profiling, and no direct equality or fairness impacts identified.



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