

EQUALITY STATEMENT SCOTTISH DRAFT BUDGET 2018-19



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**EQUALITY STATEMENT
SCOTTISH DRAFT BUDGET
2018-19**

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FOREWORD

by the Cabinet Secretary for
Finance and the Constitution
and the Cabinet Secretary for
Communities, Social Security and
Equalities



We are very pleased to present the Scottish Government's equality statement on its tax and spending proposals for 2018-19. This is the ninth Equality Budget Statement (EBS) published by the Scottish Government, again reflecting that advancing equality is at the heart of everything we do. This statement is the end point of considerations that have shaped policy and budgetary decisions throughout the year.

It is our view that effective decision making on tax raising and spending means understanding what public spending is intended to achieve and what is actually being achieved. That is why we prioritise our budgets to focus on the outcomes – the results – for people in Scotland. However, we know that it is important that we consider not just the average impact for Scotland, but the impacts on different populations and different protected characteristics to ensure that we do continually strive towards equality.

The 2018-19 Draft Budget sets out our next steps in delivering an ambitious, transformative Programme for Government. It comes at a time when the UK Government is setting a context of austerity, challenging welfare reform for individuals and extreme uncertainty surrounding Brexit. Alongside this, we are also faced with broader demographic and societal change, such as an ageing population; continued health inequalities; a gender pay gap; unacceptable discrimination; and high poverty prevalence for certain groups. We acknowledge these challenges and remain absolutely committed to building a Fairer Scotland where equality of opportunity leads to better social and economic outcomes for all.

We have used our tax-raising powers to unlock additional revenues that allow us to address challenges and safeguard our public services. In doing so, the Draft Budget recognises the financial pressures that households are under and protects those on the lowest incomes.

As our Programme for Government set out, and the Draft Budget reinforces, we are prioritising spend towards building a strong, inclusive economy. The Draft Budget underpins our economic vision with resource to develop a competitive business environment; investment in infrastructure, including digital and skills; and support to become an international leader in technologies and practices needed to move towards a low carbon economy. The Draft Budget demonstrates our understanding that sustainable economic growth can best be achieved by removing barriers to full participation and

harnessing the entrepreneurship, diversity, creativity and skills of all of Scottish society. That is clearly shown in our developing approach to employability and skills.

Scotland's public services are at the heart of this inclusive agenda. It is imperative that they adapt to the challenges faced by our economy and society overall, and continue to provide support to those who need it. To support public services we have again invested heavily in education, health and social care.

Alongside an increasingly inclusive economy, we also know that we need a secure and respectful safety net for people. We have committed to delivering this through the social security powers that have been devolved. However, we must continue to rely on the UK Government's decisions for the vast majority of welfare systems in Scotland. To this end, this Draft Budget continues to do what it can to mitigate the worst effects of UK Government welfare reform.

In preparing the EBS this year, we are as ever grateful to EBAG, the Equality Budget Advisory Group, for its continuing support and advice. The EBS is held in some regard internationally as a good example of equality assessment, but we are not complacent. We are already working alongside EBAG to develop methods and data to improve our equality assessments for the future.



Derek Mackay MSP

Cabinet Secretary for Finance and the Constitution



Angela Constance MSP

Cabinet Secretary for Communities, Social Security and Equalities

CHAPTER 1

Introduction – Equality and the Draft Budget 2018-19

INTRODUCTION

Equality is at the heart of this Draft Budget's ambitions for a prosperous and fairer Scotland. It is key to how we meet the challenges and seize the opportunities that will allow us to thrive in the 21st Century.

The Draft Budget has been accompanied by an Equality Budget Statement (EBS) for the last nine years. Many aspects of the EBS process are acknowledged as world-leading, including the involvement of an expert advisory group; coverage of a range of protected characteristics; the integration of equality assessment into the process of setting a Draft Budget; and publication on the same day as the Draft Budget.

It is important to note, however, that the EBS is not the start of the process. Equality assessment takes place throughout the year, helping us make the best decisions about how to target government resources. It ensures that we understand the impacts of policy and spending decisions on equality outcomes and highlights any impacts that appear to be negative. In many cases, a negative assessment at an early stage in the policy or budget process will mean that particular proposals are not taken any further and do not appear in the Draft Budget. This is one of the, perhaps less recognised, benefits of equality processes within the Scottish Government.

This introductory chapter sets out the strategic context for equality from events this year. It then outlines the EBS recommendations of the Scottish Parliament's Budget Process Review Group, and concludes by summarising new and proposed improvements to the evidence base.

STRATEGIC BUDGET CONTEXT

Continued leadership in approach – At the beginning of this parliamentary term, the First Minister set out a commitment to equality of opportunity and tackling inequalities. This message has been repeated through various engagements and was further reinforced with the 'Programme for Government' published in September 2017. This Draft Budget invests in the development of a strong, innovative, inclusive economy combined with the provision of high quality universal services and progressive taxation which together represents a strong social contract between this government and the people of Scotland. This social contract supports the economy of Scotland, reduces inequality and boosts intergenerational fairness. It also gives everyone a stake in our public services and economy.

Responding to slow UK economic growth and austerity – The UK Government’s commitment to austerity and the sluggish growth of the UK economy makes these challenging times, but this Draft Budget supports Scotland to be more positive and to seize future opportunities. It invests in physical and digital infrastructure, it invests in innovation and a competitive business environment and it invests in public services. But, with equal importance, through its social contract, it invests in people. It demonstrates our understanding that sustainable economic growth and prosperity for all can best be achieved by removing barriers to full participation and harnessing the entrepreneurship, diversity, creativity, productivity and skills of all of Scottish society.

Developing a fairer tax system – We recognise the pressure that household incomes are under and aim to continue to make the tax system a fairer, more progressive one: protecting those on the lowest incomes and reducing inequalities. Early this year, we produced a discussion paper ‘The role of income tax in Scotland’s budget’ to inform the debate on the future use of the income tax powers devolved to the Scottish Parliament. The paper covers matters such as the extent of our income tax powers, how the Scottish Government’s final budget is set, the current make-up of income taxpayers in Scotland, the interaction with reserved areas of policy making and some international comparisons. It also set out the impact of various tax policy choices across the income distribution, providing further evidence to support tax decisions.

Responding to Brexit – In response to the negotiations on Brexit and the high Remain vote within Scotland, the Scottish Government published its White Paper ‘Scotland’s Place in Europe’. This explored how to find common ground around a solution that would protect Scotland’s place in the European Single Market from within the UK. Key within Scotland’s approach to Brexit is our continued commitment to the spirit of the core values of respect and dignity, of fostering community cohesion and welcoming and protecting the past and future contribution of EU nationals to Scotland.

Responding to poverty and UK welfare reforms – Further welfare reforms have further entrenched households in poverty in Scotland. The Institute of Fiscal Studies estimated in November 2017 that income inequality would grow over the next four years in the UK and that planned welfare reforms would contribute to rising poverty with absolute child poverty in the UK projected to rise by around four percentage points. Against this backdrop, the Scottish Government has prioritised spend to mitigate some of the worst impacts of welfare reform and has passed the new Child Poverty (Scotland) Act 2017, setting very ambitious targets to reduce child poverty by 2030.

Protecting public services – A healthy, safe and secure population is a vital component of a successful country which requires the provision of first-class public services. This Draft Budget delivers over £430 million of funding to the NHS in Scotland across a range of public services, providing a real terms uplift as part of our commitment to increase health funding by £2 billion over the life of this parliament. It also increases investment in education through the expansion of early learning and childcare, educational attainment funding and investment in colleges, universities and skills agencies. It also provides real-terms protection for the resource budget of the Scottish Police Authority and a fair settlement for local authorities.

Delivering new powers – As the EBS describes in detail, Fair Start Scotland is part of our response to devolved powers on employability. The approach has built in diversity from the start and has developed specific programmes and help informed by the range of protected characteristics. The transfer of social security powers is also on track with experience panels, comprising of people with past experience of the range of transferring benefits, already helping to shape the new system.

STRATEGIC EQUALITY CONTEXT

Supporting human rights – The Scottish Government’s overarching vision is of a Scotland where every member of society is able to live with human dignity. The Scottish Government recognises that equality, social justice and inclusive growth are interconnected, and that action to give effect to international human rights treaties requires concerted action to promote genuine equality of opportunity and esteem for all.

Introducing a Fairer Scotland Duty – During 2017, Scotland became the first part of the UK to introduce the socio-economic duty; now called the Fairer Scotland Duty. This duty asks public authorities, including the Scottish Government, to do more to tackle inequality of outcome caused by socio-economic disadvantage. The case for introducing the socio-economic duty was compelling. The public sector already does a lot of important work on poverty and inequality, but the scale of the challenge is huge. Over a million people are living in poverty in Scotland, including one in four children. Public bodies are generally fully supportive of this action. However, we understand and recognise the concerns of some equality stakeholders that efforts to concentrate on socio-economic inequality may actually reduce the emphasis placed on protected characteristics. We will ensure that guidance for public bodies clearly sets out that the Fairer Scotland Duty is additional and in no way replaces the requirements of the Public Sector Equality Duty. We will also consider carefully the relationship between the Fairer Scotland Duty and equality assessments of Scottish budgets.

Supporting children and young people – As we move into the Year of Young People in 2018, this Draft Budget sets out many programmes to improve the outcomes for children and young people. Early learning and childcare remains a significant infrastructure investment programme with funding identified for the expansion of free childcare. Likewise, educational budget priorities aim to reduce the attainment gap and widen access to higher education for young people. This carries forward into improved opportunities for paid employment through apprenticeships and additional help with travel and housing.

Promoting LGBTI rights – Scotland is considered to be one of the most progressive countries in Europe regarding LGBTI equality and has a very clear position on promoting LGBTI rights. This was abundantly clear when the Historical Sexual Offences (Pardons and Disregards) (Scotland) Bill was introduced in the Scottish Parliament on 7 November with a public apology from the First Minister for the wrongs committed by the State against people convicted of same sex sexual activity which is now legal. This was followed on 9 November with the launch of a consultation on the reform of gender recognition legislation to establish whether Scotland ought to adopt a new streamlined administrative process for legal gender recognition and to legally recognise non-binary people.

Improving disability, gender and race equality – Although Scotland takes a mainstreamed approach to the protected characteristics, there is often a justifiable reason to develop specific programmes and plans of action to tackle inequality. The increased budget will support strategic work to advance equality and help communities most impacted by discrimination and disadvantage. Specifically, in 2017 the Scottish Government published ‘A Fairer Scotland for Disabled People’ which set out clear action and targets to progress equality for disabled people. Likewise, we appointed an independent adviser to spearhead further efforts to tackle racism and to take forward the recommendations set out in the ‘Race Equality Framework’. The development of the ‘BSL National Plan’ following the introduction of the BSL (Scotland) Act 2015 brought the experience of citizens whose first or preferred language is British Sign Language (BSL) into sharp focus. We also established an Advisory Council on Women and Girls to act as a catalyst for change on gender equality.

Welcoming refugees and promoting community cohesion – Scotland has taken a strong stance on accepting and welcoming refugees with almost 2,000 Syrian refugees resettled since October 2015, reflecting Scotland’s role as a good global citizen and recognising the value and richness that comes from diverse communities.

RESPONDING TO THE NEW BUDGET PROCESSES

During 2017, the Scottish Parliament established an independent review group – the Budget Process Review Group (BPRG) – to carry out a fundamental review of the budget process following the devolution of further powers. The BPRG produced a final report in June 2017 which recommended that the Scottish Government and public bodies strengthen their scrutiny, performance planning and reporting to provide greater focus on the delivery of outcomes. The Scottish Government has welcomed the report recommendations although notes that some will take time to fully develop. This is particularly true for the recommendations around equality assessment.

The BPRG welcomed and supported the approach to equality analysis taken by the Scottish Government, agreeing that the EBS and associated processes provided a good foundation to build on. However, they did recommend some specific changes including that:

- The equality dimensions of the budget should become an even greater priority and that there should be a plan in place over time to further develop the performance evidence base by protected characteristic.
- There should be further attempts to work towards a cycle of ex-ante (impact and budget baseline analysis), concurrent (performance setting and resource allocation) and ex-post (audit) equality scrutiny of the budget process as recommended by the OECD.
- That the Scottish Government should explore methodologies for developing distributional analysis of the budget by income group and/or protected characteristic.

The Scottish Government already undertakes work in some of these areas. For example, ex-ante equality scrutiny is performed through equality impact assessments and the EBS; concurrent activity is undertaken through the National Performance Framework

and other measurement frameworks, and distributional analysis was undertaken by income group in the recent tax discussion paper. However, there is still room for improvement.

The Scottish Government will be working with EBAG over the next 12 months to consider these recommendations and to decide what further analysis is feasible given available data, methodologies and resources.

THE EQUALITY BUDGET ADVISORY GROUP

The Equality Budget Advisory Group (EBAG) has supported the Scottish Government's efforts to bring equality considerations into budget preparations since the early years of devolution. During 2017, EBAG was represented on the BPRG, discussing the implications of proposed changes on the equality assessment of the Draft Budget. Over the next year, they have been tasked with working with the Scottish Government to improve equality assessment and identify the range of products that could be provided by the government over time.

The work of EBAG remains extremely helpful to the Scottish Government in setting out its equality statement, and we remain grateful to its members for their challenge, time and insight.

IMPROVING EQUALITY EVIDENCE

During 2017 we have continued to develop equality evidence to allow better analysis of impacts. 'Scottish Surveys Core Questions', an annual Official Statistics publication for Scotland, can now provide analysis by country of birth, ethnicity, sexual orientation, religion, age, sex, marital status as well as other variables including education level, economic activity, tenure and household type. From 2018, the core questions will also include a new gender identity question which will provide an alternative option for people with a non-binary gender identity. Core questions data is invaluable in providing evidence around some of the protected characteristics where samples are smaller. For example, in January 2017 we published an analysis of sexual orientation in Scotland based on these core questions.¹

In June 2017, the Scottish Government published 'Scotland's Equality Evidence Strategy'.² This strategy was produced following discussions with policy officials, stakeholders and academics aiming to identify the key research and evidence gaps for each protected characteristic. The strategy set out the types of things we will consider when prioritising research gaps, such as whether data could contribute to the National Performance Framework or would have clear policy relevance. We also set out that we are not responsible for all the evidence gaps. All public bodies have a duty through the Public Sector Equality Duty to monitor the impact of their work as employers, service providers and partners on the different protected characteristics. The more that can be done to share that information, the better the overall data becomes. This strategy should be seen as the start of a discussion on improving equality data with and for ourselves and partners.

¹ <https://beta.gov.scot/publications/sexual-orientation-scotland-2017-summary-evidence-base/>

² <https://beta.gov.scot/publications/scotlands-equality-evidence-strategy-2017-2021/pages/8/>

In October 2017, the Scottish Government published a draft discussion paper on the gender index; a commitment of the 'Fairer Scotland Action Plan'. Despite significant analytical work, it proved impossible to replicate the methodology used in the European Gender Index (EIGE) and, as a result, a technical discussion paper was produced.³ Based on this initial paper, stakeholders have agreed that even without international comparisons, the gender index remains a priority and a stakeholder working group will be formed in 2018 to take forward work in this area.

In 2017 we also developed data around older people in employment. Research identified barriers and potential assistance to help older people to continue working into official retirement, helping many to maintain income and good health and wellbeing. This report was launched with employers and has been presented to the Strategic Labour Board comprising of the Minister for Employability and Training, senior academics and key industry representatives.

During 2017, to help provide evidence to support the Child Poverty Bill and to understand the impact of welfare changes, a number of reports were published by Scottish Government analysts. These included a package of statistics and reports on child and other household poverty⁴ as well as detailed papers on the impact of welfare reforms on children⁵ and disabled people.⁶

The 'Equality Evidence Finder'⁷ brings together evidence on the protected characteristics in one portal and is updated on a regular basis. Qualitative data will increasingly be used to populate the finder when quantitative data is not available, particularly to provide more detail about intersectionalities.

INTERSECTIONALITY AND THE BUDGET

Intersectionality is the term generally used to refer to combinations of protected characteristics – for example older disabled men, younger Muslim women, or disabled transgender people. It makes clear that as human beings, we all reflect multiple combinations of the protected characteristics. These combinations can shape how we access and experience services, as well as how we experience society. Although there is some reference to intersectionality across the EBS, the evidence base on the range of intersections remains patchy or anecdotal.

It is widely acknowledged that it can be challenging to evidence impacts on particular intersections of protected characteristics because of low population numbers and the sheer number of different variations. In many cases, it is not possible to derive statistically robust data, and other types of information and evidence are needed to understand how people experience services and society. The recent British Sign Language (BSL) consultation provided BSL people of all ages and genders the opportunity to talk about the issues they face daily. Likewise, a consultation run by third sector stakeholders with refugees in Scotland attempted to identify key barriers that they face including by age, gender and ethnicity. This type of consultation is not

3 <http://www.gov.scot/Resource/0052/00525298.pdf>

4 <http://www.gov.scot/Topics/Statistics/Browse/Social-Welfare/IncomePoverty>

5 <http://www.gov.scot/Publications/2017/09/6666>

6 <http://www.gov.scot/Publications/2017/10/7211>

7 <http://www.gov.scot/Topics/People/Equality/Equalities/DataGrid>

statistically representative, but where samples are small and populations less likely to be heard, then consultation and better understanding of lived experience can still provide valuable evidence to inform appropriate policy.

In this way, intersectionality requires government and public services to think more creatively about how to understand issues and about what is provided, how, and to whom. Simply making a service accessible to disabled people might not address the specific needs disabled women have. Equally, opening up a service for lesbian, gay and bisexual (LGB) people does not automatically mean that minority ethnic LGB people, for example, will use it. Policy makers, funders and service providers need to think harder and smarter about the range of protected characteristics users (and staff) have if they ultimately want to have a successful policy, funding stream or service.

ABOUT THE EBS 2018-19

The first substantive chapter in the EBS provides an overview of impacts by the equality protected characteristics established in the Equality Act 2010.

A thematic chapter on inclusive growth follows to explain in more detail the Scottish Government's approach to this critical issue.

The remainder of the EBS document is taken up with a summary chapter for each Ministerial portfolio, e.g. Health and Sport; Education and Skills, allowing a more detailed exploration of these issues.

CHAPTER 2

Overview by Protected Characteristic

INTRODUCTION

This chapter summarises how the following protected characteristics – age, disability, gender, gender identity, race, religion and belief, and sexual orientation – are affected by the Draft Budget 2018-19.

The overview is easiest to produce for those characteristics where there is better data. Assessments for gender identity, race, religion and belief, and sexual orientation have been made where possible, but data limitations affect what we can say. Likewise, as discussed in Chapter 1, the assessment of intersectionality is challenging.

As in previous years, this chapter also includes an assessment of how the Draft Budget impacts on people with low incomes or living in socio-economic disadvantage. The introduction of the Fairer Scotland Duty – which will require public bodies, including the Scottish Government, to consider the impact of their strategic decisions on socio-economic disadvantage – means that this type of assessment will become increasingly important. It is important that any new focus on socio-economic concerns must not detract from the existing focus on equality considerations, and we will work with EBAG over the next few months to ensure that we strike the right balance.

GENDER

The Draft Budget has a range of implications for gender equality.

There are known structural gender inequalities in the economy. For example, women are more likely to be economically inactive or working part-time due to caring, they are paid less per hour on average, and there is gender segregation by employment sector and grade. A number of programmes in this year's Draft Budget aim to influence gender imbalances. Funding will allow Skills Development Scotland to tackle culturally ingrained challenges by taking forward measures set out in the Equality Action Plan (EAP) for **Modern Apprenticeships** (MAs). The EAP sets out the scale of the challenge relating to occupational segregation and inequality in MAs, and the requirement for all partners to work in collaboration. Likewise, the new **National Manufacturing Institute for Scotland** recognises the need to promote manufacturing enterprise to under-represented groups, including women. The Scottish Funding Council's **Gender Action Plan** will continue to reduce gender under-representation in some college and undergraduate courses, as well as increasing the representation of women on Higher Education Courts and Boards and in senior management structures.

The new **employability support service** provides an early entry option for lone parents (who are predominantly women); and the expansion of living wage payments to **sleepover care workers** will predominantly impact positively on women's income. In addition, the financial support for the **Scottish Social Services Council** promotes gender equality by providing additional training and support to its predominantly female workforce.

Caring is a particular barrier to employment for many women. The continued investment in the **expansion of childcare** enables more care for younger children in disadvantaged circumstances which may assist women to enter the labour market or undertake other paid or unpaid community activity. A pilot **deposit guarantee scheme** will target families with younger children who are not yet eligible for funded provision.

The number of sexual offences reported to the Crown Office and Procurator Fiscal Service (COPFS) continues to rise. Although sexual offences can affect both men and women, 94 per cent of crimes of rape and attempted rape and 87 per cent of crimes of sexual assault had a female victim in 2016-17. Given the high number of sexual offending cases, the COPFS budget services four specialist **High Court sexual crime units** to supplement the specialist work of Crown Counsel within the National Sex Crimes Unit.

The continuing investment to progress the Domestic Abuse (Scotland) Bill 2017 through Parliament and to tackle **violence against women and girls** through the Equality, COPFS and Justice budgets will have an ongoing positive impact on women and young people. The budget also includes the expansion of the innovative **Caledonian** programme so that more male perpetrators of domestic abuse can receive specific rehabilitation services designed to address the issues giving rise to their offending behaviour.

For the first time, the Equality budget will also support the newly established **Advisory Council on Women and Girls**, reporting directly to the First Minister. The Advisory Council will raise awareness of gender inequality, champion the rights of women and girls, and act as a catalyst for change.

Increased health funding will have positive impacts on anyone who makes use of primary care staff and facilities. The increased funding for the **Family Nurse Partnership** programme will be of specific benefit to women, supporting the extension of the programme to vulnerable first-time mothers up to the age of 24, and new funding for **breastfeeding resources** will specifically benefit mothers and their children in the first days after birth.

The Justice budget prioritises a **presumption to community sentencing** but also invests in a new **female custodial estate**, including a smaller national women's prison and two innovative community-based custody units in Glasgow and Dundee to provide better support to women and reduce reoffending.

The Draft Budget also seeks to help women through international development, for example, through the Culture budget's funding of training for women from **International Conflict Zones** and the Environment budget's maintained funding of the **HydroNation** programme.

AGE

Children and Young People

This assessment considers how children and young people are affected by the Draft Budget.

Care at birth and in the early years of life will be supported by increased staffing in key areas. The **increase in the number of health visitors** by 500 will provide a particular benefit for the women and babies who use midwifery and health visiting services.

The continuance of funding for the **Baby Box** and increased investment into the **expansion of child care** facilities, staff recruitment and training will also impact positively on younger children. Early learning and childcare (ELC) is Scotland's most significant infrastructure investment, and high quality early years support is crucial to positive child outcomes. The prioritisation of childcare expansion into areas of higher deprivation will aim to reach children who may currently be more disadvantaged at an earlier stage.

The Draft Budget is investing in the continued delivery of the **Scottish Attainment Challenge**. Continued funding including **Pupil Equity Funding** to reduce the poverty related attainment gap, will have a positive impact on disabled children and young people, and those from White Gypsy/Traveller, Polish, Caribbean/Black, African and Arab groups who are over-represented in the most deprived areas. The **Attainment Challenge Fund** further advances equality of opportunity by providing additional resources to support children with Additional Support Needs.

Publication of our 'Child and Adolescent Health and Wellbeing Action Plan' in addition to the Draft Budget's continued support for a **preventative mental health** focus on children and young people should have a range of positive wellbeing impacts. This is likely to be particularly important for girls and younger women who currently report lower levels of mental wellbeing.

The commitment to delivering **free access to higher education** for Scottish or EU domiciled students will continue, and we have maintained funding for the **Education Maintenance Allowance** (EMA) programme to ensure that this opportunity is available to all.

To address the barriers for care-experienced students, specific budgets will provide a non-income assessed **bursary** of £7,625 for those undertaking an eligible undergraduate course.

A new programme is being introduced to give universal **access to sanitary products** for girls and young women at schools, colleges and universities providing them with this basic necessity.

The **Developing Young Workforce** programme has fulfilled its commitment to reduce youth unemployment by 40 per cent, four years ahead of schedule. However, there is still work to do to ensure that all young people have opportunities to succeed. Maintained funding for the **Modern Apprenticeship** programme will continue with developing targets to address gender imbalances and increase opportunities for disabled or socio-economically disadvantaged apprentices.

New transport funding to pilot **concessionary bus passes for Modern Apprentices** will ease the path of younger people into the workforce whilst maintained funding for the **Road Equivalent Tariff** and action to reduce fares on ferry services ensures that young people living in island communities can travel at an affordable cost, increasing their opportunities for work and leisure.

In the Justice portfolio, work is being progressed to better support victims and witnesses of crime, in particular **child witnesses**, and a Bill will be introduced to help further expand the taking of pre-recorded evidence.

The Scottish Government's **reforms to Council Tax** make local taxation fairer. To further protect households with below median income, a relief scheme was put in place for those living in the highest value properties. The child allowance of this relief is being maintained in 2018-19 and the Scottish Government has not introduced the two child cap (which now applies to many UK benefits) to the scheme. In addition, to support care-experienced young adults as they adapt to life in independent accommodation, all care leavers will be **exempt from Council Tax** from April 2018.

Cultural budgets have been maintained to help young people's involvement in culture and the arts through programmes such as the **Youth Music Initiative** and **Sistema Scotland**, as well as the outreach work of the **National Performing Companies** such as the Royal Scottish National Opera Junior Chorus.

Older People

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

Many aspects of the Health budget will impact positively on older people. Increased investment of £110 million in the **primary care fund** in 2018-19 will be of benefit to disabled people and people with limiting long-term health conditions who are more likely to use GP services, as well as to the significant number of GP patients managing multiple health problems. GP records suggest that older people in particular are more likely to receive care for multiple health problems and are more likely to suffer from mental and physical health problems in tandem.

Increased Social Care funding to Health and Social Care Partnerships and a new Carers Act coming into effect in April 2018 will also assist older people who are more likely to be carers, and who tend to provide more hours of care.

The number of people with cancer increases with age, hence the increased funding to **enhance cancer services** in Scotland will be of benefit. 2018-19 will be the second year of a five-year commitment to invest £100 million to improve services. **New funding for weight management** will also provide support for older people as obesity rates increase with age before peaking amongst those aged 65 to 74. This investment will be supported by the Scottish Government's developing strategy for diet and obesity, and by action to progress measures to limit the marketing of products high in fat, sugar and salt.

The Draft Budget invests significantly in domestic energy efficiency programmes such as **Scotland's Energy Efficiency Programme; Warmer Homes Scotland** and **Home Energy Scotland** to help people vulnerable to fuel poverty which includes almost half of older households.

The Housing budget supports the ambitious target of delivering 50,000 new **affordable homes** and the **adaptation of existing Housing Association homes**, both of which can have positive impacts for older people. Other programmes also assist older people to move into more suitable owner-occupied housing through ongoing funding of **Open Market Shared Equity** and **Help to Buy (Scotland)**, both of which have specific support for older people.

The Draft Budget retains its commitment to ensuring the long-term sustainability of the **Concessionary Travel Scheme**, currently providing free bus travel on local or Scottish long-distance buses for Scotland's older people and disabled people. The scheme has positive impacts on the physical and mental wellbeing of cardholders, helping to reduce social isolation.

The Draft Budget is increasing spend on activities to tackle **air and noise pollution**, including an increase in funding for certain local authorities to monitor air quality and to support actions such as Low Emission Zones. It also supports **flood risk management** activities. We know that older people are more susceptible to the impacts of poor air quality and find it difficult to prepare for, respond to, and recover from flooding, so this additional funding will be welcome.

The Equality budget will support a range of work to help older people have their **voices heard in policy making**, including a fund of £500,000 per annum to deliver the aims of the Scottish Government's proposed social isolation and loneliness strategy.

DISABILITY

A number of the elements in the Draft Budget 2018-19 specifically affect disabled people and will help to deliver actions in the 'Fairer Scotland for Disabled People' action plan.

As noted above, many of the early years, learning and Developing the Young Workforce related funded programmes in the Draft Budget are being increasingly targeted or made available to disabled children or families including a disabled person. For example, disabled children are one of the priority groups for **access to early learning** as part of the childcare expansion programme, and specific improvement targets are in place to increase participation of disabled people in the **Modern Apprentice** programme. A new fund in the Education budget (**ELC Inclusion Fund**) will be used to support staff training and equipment for disabled children and children with additional support needs (ASN); and separate resource has been identified for organisations which support children and young people with complex ASN to ensure they achieve positive outcomes.

A 'Fairer Scotland for Disabled People' set a target of halving the employment gap for disabled people. Devolution of employability powers has allowed the Scottish Government scope to begin to address this with **Fair Start Scotland**, an employability support service targeting support for disabled people.

In the recent examination by the UN Committee on the Rights of Persons with Disabilities, the Scottish Government's '**Accessible Travel Framework**' was singled out as deserving of recognition. In 2018-19, the framework will focus on providing accessibility training to customer-facing staff, tackling hate crime through our pilot charter, and strengthening the governance of the framework by creating a Scottish Strategic Travel Accessibility Board. Alongside the continued budget for the **concessionary bus pass scheme** for disabled people, there are a number of supportive budgetary impacts, including removing barriers to accessibility on the **Trunk Road Network** and **accessibility improvements with Scotrail**.

The Draft Budget recognises that housing is a key issue for disabled people via a number of investments. Social rented housing is a particularly important tenure for long-term sick and disabled people, so the funded commitment to build **50,000 affordable homes**, which wherever possible comply with essential aspects of Housing for Varying Needs, will be helpful. In addition, the funding of new **specialist housing**, priority for **Open Market Shared Equity** housing, adaptations of existing housing and funding for energy efficiency measures through the **Warmer Homes Fund** will all specifically benefit disabled people. We have also maintained budgets for **Discretionary Housing Benefit** to continue to fully mitigate the effects of the bedroom tax which disproportionately impacts on disabled people.

Many aspects of the increasing Health budget will impact positively on disabled people. These include increased investment in the **primary care fund**; increased **Social Care funding** to Health and Social Care Partnerships; and additional investment over the next five years for 800 additional **mental health workers** in key settings such as Accident and Emergency, GP practices, police station custody suites, and to our prisons. Maintained funding to the Independent Living Fund will continue to deliver support payments to disabled people with high support needs, and a new £5 million fund aims to help young people aged 16 to 21 participate in and contribute to their local community.

Self-Directed Support (SDS) allows users of social care to choose how their support is provided and gives them control of their individual budget. A reduction in funding for SDS could have a negative impact on the range of individuals using social care services, including disabled adults and children. However, the revised figure is in line with actual transformation spending in 2017-18 and should not significantly constrain the support available or have negative equality impacts.

RACE

The Draft Budget 2018-19 has a range of implications for race equality. It will help us to implement both the 'Race Equality Framework' which sets out a long term partnership approach for promoting race equality and tackling racism, the newly launched 'Race Equality Action Plan' and our work to prevent and address all forms of hate crime based on ethnicity (racism).

The Draft Budget will allow the Scottish Government to progress actions and activities for **Gypsy/Travellers** as set out in the Race Equality Action Plan, but in addition we have also established a Ministerial Working Group to determine priorities for action and drive forward change.

Specific funded programmes in the Education budget are targeted or made available to minority ethnic children to try to tackle inequalities. For example, some minority ethnic groups have priority access to **early learning and childcare** as part of the expansion programme; **attainment funding** that is targeted at deprived areas may have beneficial impacts because some ethnic groups such as White Gypsy/Traveller, Polish, Caribbean/Black, African and Arab groups are over-represented in the most deprived areas; and portfolio funding programmes aiming to **tackle child poverty** may also have positive impacts given a higher prevalence for poverty amongst some ethnic minorities.

Devolution of employability powers has allowed the Scottish Government the scope to begin to address lower employment rates for ethnic minorities with **Fair Start Scotland**, an employability support service targeting support to increase participation of ethnic minorities in the labour market.

People of other nationalities make up a large proportion of those who are referred to **human trafficking**-related services. The Draft Budget allows for continued investment in measures to address human trafficking and exploitation and to support its victims.

Scotland is proud to have received almost 2,000 Syrian refugees since October 2015. The Draft Budget allows us to continue to work with our partners, including COSLA and the Scottish Refugee Council, to implement the second '**New Scots Refugee Integration Strategy**' which supports all refugees and asylum seekers to integrate and rebuild their lives from the day they arrive in our communities. It will also support the roll-out of a **Family Reunion Crisis Grant Fund** – a commitment of the Scottish Government to simplify access to crisis grants for refugee families arriving in Scotland under Family Reunion rules.

RELIGION AND BELIEF

The Equality budget will continue to fund a range of activity to support faith groups and tackle discrimination.

The launch of our **hate crime campaign**, #HateHasNoHomeInScotland, marks the beginning of an ambitious programme of work following recommendations made by the Independent Advisory Group on Hate Crime, Prejudice and Community Cohesion. This is an issue that crosses most protected characteristics. The increased Equality budget will allow us to continue to work with faith groups and others to identify those individuals who are most vulnerable to messages of hate to steer them towards a different path. Our funding for Interfaith Scotland and local interfaith work will also help to foster more inclusive communities through the promotion of interfaith dialogue.

Following the end of time-limited funding for **sectarianism** community projects in 2017-18, we will take forward and embed the learning from these and continue to take a stand against sectarianism wherever it exists.

Additional resources will help **National Registers of Scotland** to inform their understanding of the specific needs of faith and cultural groups as they develop the Census 2021 and as part of normal processes and procedures such as the death certification process.

Within the Scottish Government estate **contemplation rooms** are being established and set up as a 'neutral' space which can be used by people of all faith groups and beliefs during breaks in the working day.

SEXUAL ORIENTATION, GENDER IDENTITY AND INTERSEX

The Draft Budget will help to build on the progress made on equality for LGBTI (lesbian, gay, bisexual, transgender and intersex) people which will continue to contribute to maintaining Scotland's position as one of the most LGBTI-progressive countries in Europe. Specifically, it will help us to take forward the **reform of gender recognition legislation**, to develop **baseline data on gender identity** through our core Scottish Government surveys, and to allow **National Registers of Scotland** to invest in both Census questions on sexual orientation and appropriate services and systems. It will also support funding of our **key stakeholders**.

The Draft Budget's increased investment in **mental health** will have a positive impact for LGBTI people who have higher rates of attempted suicide, depression, anxiety and self-harm.

Tackling hate crime continues to be a top priority for the Scottish Government and through the **new campaign** #HateHasNoHomeInScotland, we will work with LGBTI stakeholders to challenge discrimination and encourage understanding.

Within the Scottish Government **administration**, our work on increasing our diversity declaration rates has seen continued improvement across all protected characteristics. Scottish Government staff declaring their sexual orientation has increased from 61 per cent over the 12 months to 68 per cent in September 2017 with 3.1 per cent of staff now identifying as LGBO at that date. We also work closely with LGBT organisations to raise awareness of our MA programme.

In 2017, COPFS retained the title of the top public sector employer in Scotland in Stonewall UK's Workplace Equality Index. This is indicative of their commitment to ensuring an inclusive workforce, support for victims and witnesses, and increasing public confidence in the prosecution service. The wider Scottish Government also continues to perform well in the Workplace Equality Index having been recognised by Stonewall UK as the 'Most Improved Scottish Employer' in 2017.

SOCIO-ECONOMIC

Being socio-economically disadvantaged means living in less favourable social and economic circumstances than others in the same society. Features of socio-economic disadvantage can include low income and living in a deprived area. Socio-economically disadvantaged households have a higher risk of experiencing poor outcomes in terms of a range of issues such as education, health, poverty and crime. For example, we know that while overall recorded crime is at a 43-year low, people living in deprived

areas are more likely to experience crime and civil justice problems. It is important to remember that people with other protected characteristics are quite often also socio-economically disadvantaged or living in deprived areas, so it is important to consider the intersectional nature of disadvantage.

The Child Poverty (Scotland) Bill has set ambitious targets in statute to eradicate child poverty which is vital in reducing negative outcomes for children as they grow up. Moving children out of poverty means moving their families out of poverty and there are obvious benefits across protected characteristics, bearing in mind the high poverty risk of lone parents and disabled and minority ethnic families with children.

A specific £50 million **Tackling Child Poverty Fund** has been identified in the Draft Budget for the period of the first delivery plan. This will be supported by a wide range of other initiatives across portfolios, for example, the **Fair Start** programme will help and encourage parents and others into work. £1.5 million will provide for a **Family Financial Health Check Guarantee** to help families with children claim all that they are entitled to, and to access the best deals on financial products, services and energy bills. The Draft Budget will also enable continued measures to tackle **food insecurity** and supports a range of third sector organisations that work on this agenda, including the Poverty Alliance and the Poverty Truth Commission.

Key to tackling poverty and socio-economic disadvantage is supporting communities to develop action on their own terms. Through the **Empowering Communities Fund** we continue to support over 300 community organisations to deliver locally-identified priorities to tackle poverty and inequality in a responsive way (including money advice, childcare, training and up-skilling, healthy eating initiatives and volunteering opportunities).

Closing the poverty related **attainment gap** in education is a key priority of the Scottish Government. Research has found that children from more disadvantaged families benefit more from high quality Early Learning and Childcare, and so investment in the **expansion of childcare** will support these efforts – especially as local authorities have been asked to phase in the early learning and childcare expansion based on Scottish Index of Multiple Deprivation data. The Education budget also invests heavily in the Attainment Scotland Fund, including £120.5 million of **Pupil Equity Funding** allocated directly to schools on the basis of the number of children in P1 to S3 eligible for free school meals. Funding is also continued for the **Education Maintenance Allowance** (EMA) programme allowing young people from low-income households to overcome financial barriers to participate in appropriate school or college courses or Activity Agreements.

New investment to support the **National Film and Television School** (NFTS) to establish a base in Scotland will help to break down barriers to entry into the screen industry. The aspiration of the NFTS project is that a third of total places should be funded by bursaries so as to widen recruitment to those disadvantaged in particular by their socio-economic background, gender or disability.

VisitScotland has a key role in ensuring Scotland is an inclusive, welcoming destination. The Culture budget supports VisitScotland to work with the industry and the Family Holiday Association to provide vulnerable and disadvantaged families in Scotland a short break or day out via **ScotSpirit** 2017.

Access to quality greenspace is often an issue for socio-economically disadvantaged people. The Environment budget funds **Central Scotland Green Network (CSGN) Trust** and a range of other activities to improve the quality of publicly-owned green spaces for recreation and community use, and will target improvements in the most disadvantaged areas.

In 2018-19, the Scottish Government will invest an additional £20 million in **alcohol and drugs services**. This will be of particular benefit to those living in deprived areas who are significantly more likely to experience an alcohol- or drug-related hospital admission and significantly more likely to suffer an alcohol- or drug-related death than those living in the least deprived areas. Obesity rates for both adults and children are generally higher for those living in more deprived areas, so new funding for **weight management** action could have a beneficial impact here. Likewise, cancer incidence and mortality rates are higher amongst individuals from deprived areas. Funding to enhance cancer services, including preventative efforts, will be of benefit to socio-economically disadvantaged people. Investment in **active travel**, cycling and walking will double for 2018-19. This investment will benefit those living in the most deprived areas of Scotland where levels of car ownership are lowest, and yet where levels of physical activity are also lowest.

The Scottish Welfare Fund (SWF) acts as a safety net for vulnerable people on low incomes. It provides 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. The SWF has benefited from consistent investment levels for the last five years and this has been maintained in 2018-19.

CHAPTER 3

Inclusive Growth

STRATEGIC CONTEXT

Scotland is a wealthy country with low unemployment levels and high living standards. Despite this, levels of in-work poverty are rising and inequalities in income, wealth and health remain high, following a similar pattern to many other advanced nations. Moreover, among some protected characteristic groups, poverty and economic disadvantage are more prevalent as evidenced in indicators such as the gender pay gap and gaps in employment participation for disabled people and ethnic minorities. There is now international consensus that inequality such as this is not only bad for social resilience but also for economic resilience and growth.^{1,2}

Sustainable economic growth has been a long-term ambition for the Scottish Government, and the notion of inclusive growth as a strategic priority underpinning our economic ambitions was set out in 'Scotland's Economic Strategy' in 2015. Inclusive growth is growth that combines increased prosperity with tackling inequality, creating opportunities for all and distributing the dividends of increased prosperity fairly.

The strategy sets out that a strong, vibrant and diverse economy is essential to our national prosperity and to creating the wealth to support high quality public services. Ensuring that growth is shared and sustainable is the key to unlocking all of Scotland's potential and to strengthening our greatest asset: the people of Scotland. The Scottish approach to inclusive growth thus centres on both the pace and pattern of growth across the country, and across different groups within our society.

Our actions focus on:

- driving competitiveness and raising productivity through investment, innovation, internationalisation and fairer work;
- tackling inequalities and barriers that prevent individuals from participating in the economy in areas such as skills, health, social capital, networks, access to services and opportunities;
- promoting more equal growth and opportunity across cities, towns, regions and rural areas, embracing joint working with local actors and ensuring sustainable communities; and

¹ OECD, (2014), Focus on Inequality and Growth <https://www.oecd.org/social/Focus-Inequality-and-Growth-2014.pdf>
² IMF, (2017), Work on Inequality and Bridging Research and Reality <https://blogs.imf.org/2017/02/22/the-imfs-work-on-inequality-bridging-research-and-reality/>

- taking an evidence-based approach, ensuring that our priorities, planning, programmes and policies are focused on making the greatest impact at national, regional and local levels.

Inclusive growth cuts across many of the strategic priorities of the Scottish Government and partners. It sits at the heart of ‘Scotland’s Economic Strategy’ and ‘Scotland’s Labour Market Strategy’, and is embedded in the review, now in its implementation phase, of the enterprise and skills support provided by economic development and skills agencies. Contributions to the economy from our social policies are important too, such as those set out in our ‘Fairer Scotland Action Plan’.

We are already making progress in delivering the Scottish approach to inclusive growth. We are:

- Improving the quality of work through the Fair Work agenda which promotes effective voice, opportunity, security, fulfilment and respect for employees; and the Business Pledge which promotes internationalisation, workplace innovation, the Living Wage and employment practises that support both higher levels of productivity and employee wellbeing.
- Increasing access to early learning and childcare (ELC). We will almost double the funded ELC entitlement from 600 to 1,140 hours by 2020 in a bid to transform the life chances of children in Scotland.
- Equipping our young people for the future through the Scottish Attainment Challenge, providing £750 million during the course of this parliament to tackle the poverty-related attainment gap.
- Increasing Modern Apprenticeship opportunities to 30,000 per year by 2020, and supporting young people aged 16 to 24 who have been out of work for six months or more by introducing a Job Grant (a one-off payment of £100, or £250 for people with children, plus a bus pass for three months) aiming to help meet the costs of getting into, or back into, employment.
- Incorporating inclusive growth in national and regional planning and regeneration activities. For example, nationally through the new Planning Bill and the on-going National Transport Strategy Review, and regionally and locally through the Regeneration Capital Grant Fund. Progress has also been made in our work on the Clyde Gateway, City Region Deals (CRDs) and regional partnerships (see below).
- Improving population health, including preventative measures, as well as improving access to mental health services and support for people with health conditions, and their carers, to stay in work.

In addition, the Scottish Government hosted an international conference on inclusive growth in Glasgow in October 2017, establishing Scotland’s place as leaders in delivering inclusive growth. It was attended by delegates from organisations including the Organisation for Economic Co-operation and Development, International Monetary Fund (IMF) and World Economic Forum, with the IMF noting that Scotland is well placed to take forward inclusive growth as a country that places a high value on education and community, and is outward-looking.

EXAMPLES OF PORTFOLIO CONTRIBUTIONS TO INCLUSIVE GROWTH

This section illustrates some of the ways in which different portfolios are delivering inclusive growth across the Scottish Government. Further information can be found in the relevant portfolio chapters in this document.

Communities, Social Security and Equalities

Children who live in poverty are known to have poorer outcomes, and this can limit their opportunities in later life. Taking an inclusive growth approach will be key in meeting the ambitious interim and 2030 child poverty targets encapsulated within the Child Poverty Bill.

Community-led regeneration delivers inclusive growth by supporting interventions which respond to local circumstances and increase opportunities to attract investment and jobs in disadvantaged and fragile communities, while building community and regional cohesion.

Finance and the Constitution

The Scottish model of procurement plays a major role in supporting inclusive growth, by balancing business needs and social responsibility to secure the maximum benefits from the £11 billion spent by the public sector each year.

Health and Sport

Disabled people, those with long-term health problems – particularly mental ill health – and those with low levels of qualifications are particularly disadvantaged in the labour market and often experience worsening ill health and poverty as a result.

Health and care services play a crucial role in delivering inclusive growth by ensuring that as many people as possible benefit from being in work; not only in terms of income and maximising our workforce, but also from the self-worth and expression that can come from employment.

Economy, Jobs and Fair Work

Inclusive growth is at the heart of Scotland's Economic Strategy and is therefore central to the Economy, Jobs and Fair Work portfolio. Fair Start Scotland will take great strides towards achieving equality of opportunity in the labour market, and the Fair Work directive will continue to ensure that those who are in work are in jobs that are secure and well paid and are treated with respect.

A PLACE-BASED APPROACH TO INCLUSIVE GROWTH

Within Scotland, economic and social outcomes vary considerably between regions, local authorities and places. Ensuring that all areas and people can prosper is fundamentally important for Scotland's overall performance and for ensuring that equality is advanced in all parts of Scotland.

Driving inclusive growth across Scotland's cities, regions and rural areas requires an understanding of the unique opportunities and challenges that exist in Scotland's places and communities. To support local, regional and other partners in this, the Scottish Government is creating a Centre for Regional Inclusive Growth which will be a platform for disseminating analysis at a local and regional level, sharing best practice and developing ways to support the use of local and regional data and evidence to inform inclusive growth policies.

The centre will build on the inclusive growth diagnostic work which is currently being undertaken in a number of economic geographies and will be supported by the development of a monitoring framework that captures the five main themes of inclusive growth:

- economic performance and productivity;
- labour market participation;
- fair work;
- the distribution of opportunities and benefits across different groups of people; and
- the pattern of growth across different places in Scotland.

This will complement and sit as an aligned framework to the refreshed National Performance Framework, providing clear metrics for national, regional and local organisations to use to track progress. This framework will include metrics for race and disability outcomes alongside gender.

Another mechanism for driving inclusive growth in Scotland's regions is the City Region Deals approach, which encourages local authorities to operate strategically at regional level, in partnership with national governments. City Region Deals, as well as Regional Partnership Plans such as the Clyde Gateway, provide additional resources while encouraging local and regional partners to identify and deliver a vision for inclusive growth in their areas.

These actions, in combination with the work already being conducted at community and local authority level, will support local areas to deliver the change required in their communities, and help achieve our ambitions of delivering inclusive growth across all of Scotland.

CHAPTER 4

Health and Sport

INTRODUCTION

The main purpose of the Health and Sport portfolio is to maintain and improve the health and wellbeing of people in Scotland. Its role is in providing support to ensure that the NHS and wider health and care services meet the health and care needs of the people of Scotland effectively and at the right time.

Despite significant improvements in recent years, Scotland continues to have a poor record with regards to healthy life expectancy. People in Scotland's most deprived communities still have significantly lower health life expectancies than those in the least deprived areas and are more likely to smoke, be physically inactive, and have an unhealthy diet. The portfolio is therefore key to tackling socio-economic disadvantage.

The portfolio also has a vital role in promoting equality through investments in areas such as child and women's health, older people's care, and support for disabled people.

KEY STRATEGIC PRIORITIES

With increasing demand for services, the Scottish Government's first priority is to protect and invest in frontline services across health and social care.

At the same time, the Scottish Government will continue to pursue a **preventative agenda**, matching our successful actions on smoking and alcohol with new initiatives to reduce obesity, boost active travel, improve mental health and tackle air pollution. This will help reduce the long-term challenges facing our health service and allow our people to live healthier for longer.

A key focus for prevention and intervention will be the **earliest years of life**, building strong foundations and reducing the number of adverse childhood experiences that we know can have lasting impacts on our children and shape their lives as adults.

We will continue to **break down the barriers between health and social care services**, particularly for our older people. More support must be provided in people's homes and communities, enriching their lives and extending healthy life expectancy. The Scottish Government is integrating health and social care and will invest an increasing proportion of the budget in primary, community, mental health and social care services to support the shift in the balance of care that is required.

The Health and Sport portfolio has an important role to play in achieving **inclusive growth** for Scotland. Although unemployment is at historically low levels, there are many who still struggle to secure and sustain jobs. Disabled people, those with long-term health problems – particularly mental ill health – and those with low levels of qualifications are particularly disadvantaged in the labour market and often experience worsening ill health and poverty as a result. Health and care services can help ensure that as many people as possible benefit from being in work; not only in terms of income and maximising our workforce, but also from the self-worth and expression that can come from employment.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

The Scottish Government has increased funding for **Early Years** in order to give our children the best start in life, supporting the implementation of recommendations from the Best Start review of Maternity and Neonatal Care. The increased £16.9 million funding for the **Family Nurse Partnership** programme will help complete the roll-out of the programme beyond first-time teenage mothers to cover vulnerable first-time mothers up to the age of 24, specifically benefiting eligible young women and their children. The increase in early years funding will also allow us to deliver a Baby Box to all newborns in Scotland.

Care at birth and in the early years of life will be supported by increased staffing in key areas. As part of the reform and improvement of health visiting services, the Scottish Government will **increase the number of health visitors** by 500. This will be supported by funding which has increased over four years to reach an annually recurring figure of £20 million. The resultant increase in frontline staff will be of particular benefit to women and their young children.

Similarly, £2.6 million of **new funding for breastfeeding resources** will support mothers, particularly in the days immediately following the birth, and help infants receive the health benefits that breastfeeding can provide.

In 2018, we will publish our **Child and Adolescent Health and Wellbeing Action Plan**, which will set out concrete actions to support all children to become, and remain, healthy and successful, putting children and young people at the centre of policies that affect them. Increased funding in 2018-19 to support the development of the action plan will help ensure that children and young people's wishes and views are taken into account alongside views sought from equality groups, parents and carers.

Long-term mental health problems that limit people's day-to-day activities are recognised as a disability. **Increased funding for mental health** in 2018-19, part of a five-year investment of £150 million, will be guided by the Scottish Government's 10-year mental health strategy which includes actions covering prevention and intervention, and access to services. This funding will have a positive impact on individuals with mental health problems through reducing waiting times and supporting them to manage their own conditions and stay well.

This investment in mental health will impact positively on lesbian, gay, bisexual, transgender and intersex (LGBTI) people who have higher rates of attempted suicide, self-harm, depression and anxiety. The focus on prevention and anticipation of mental health problems through attention to early years, child and adolescent mental health will have a positive impact on children and young people.

The Scottish Government will provide additional investment over the next five years, rising to £35 million in the fifth year, for 800 additional mental health workers in key settings. This will give increased **access to dedicated mental health professionals** in Accident and Emergency and GP practices, every police station custody suite, and to our prisons. This will help all those in need of mental health support. The main users of the increased mental health support in custodial environments are likely to be young men – the demographic group most likely to be in prison.

The **Independent Living Fund Scotland** (ILF) will continue to deliver ILF support payments to disabled people with high support needs – a key investment enabling independent living in the community. ILF funding for 2018-19 includes £5 million for a new scheme for people aged 16 to 21 who are at an important transitional stage in their lives. This scheme will help young disabled people to be active, and to participate and contribute to their local community.

In 2018-19, the Scottish Government will invest an additional £20 million in **alcohol and drugs services**. This will be of particular benefit to those living in deprived areas who are significantly more likely to experience an alcohol- or drug-related hospital admission and significantly more likely to suffer an alcohol- or drug-related death than those living in the least deprived areas. Additional funding will also benefit men, who are more likely to require hospital treatment in relation to alcohol and drugs.

Primary care is at the heart of the healthcare system and the means by which the majority of health interactions take place. It is a universal service which provides care to all people, throughout every stage of life. Increased investment of £110 million in the primary care fund in 2018-19 will allow services to provide a continuing and transforming service and deliver our six key outcomes for primary care, including to ‘better address health inequalities’.

This increased funding will be of benefit to disabled people and people with limiting long-term health conditions who are more likely to use GP services, as well as to the significant number of GP patients managing multiple health problems. GP records suggest that older people in particular are more likely to receive care for multiple health problems and are more likely to suffer from mental and physical health problems in tandem.

The Scottish Government will **double its investment in cycling and walking** for 2018-19. This has the potential to encourage and enable greater physical activity amongst groups that are currently less active, including older people, women, and people in South-Asian ethnic groups.

The active travel investment will also benefit those living in the most deprived areas of Scotland where levels of car ownership are lowest, and yet where levels of physical activity are also lowest. Air pollution impacts on human health, exacerbates respiratory and cardiovascular conditions, and particularly affects vulnerable groups, including the very young and old. This investment, alongside the ‘Cleaner Air for Scotland’ plan, will help work towards reducing traffic-related air pollution.

New funding for weight management will provide support for those who are overweight and obese and help mitigate related health problems. This investment will be supported by the Scottish Government’s developing strategy for diet and obesity, and by action to progress measures to limit the marketing of products high in fat, sugar and salt. The new

funding could be of particular benefit to older people as obesity rates increase with age before peaking amongst those aged 65 to 74. Obesity rates for both adults and children are also generally higher for those living in more deprived areas, so action to reduce obesity could have the greatest impact for people in these areas.

The Scottish Government has provided **increased social care funding** to Health and Social Care Partnerships. This will ensure that vital social care is provided to older people and disabled people, offering them greater choice and control in their lives. This also enables the delivery of the Living Wage to adult social care workers, the majority of whom are women, to be extended to those working sleepovers during 2018-19.

This funding will also support the implementation of the Carers Act coming into effect in April 2018. The Act aims to **ensure carers are supported** on a more consistent basis to enable them to continue to care, should they wish, in good health and to have a life alongside caring. Women and older people are more likely to be carers, and tend to provide more hours of care, so implementation of the Act will be of particular help to them. The Act will also be of benefit to young carers, for whom there is an additional need to remove inappropriate caring responsibilities.

2018-19 will be the third year of a five-year commitment to invest £100 million in order to **enhance cancer services**. Currently, cancer incidence and mortality are higher amongst individuals from deprived areas. Preventative efforts relating to tobacco, alcohol and diet, as well as more equitable access to screening, earlier diagnosis, and access to services to support people who are living with cancer should all impact positively on people from deprived areas. As the number of people with cancer increases with age, this additional funding for cancer services should also be of benefit to older people.

Self-Directed Support (SDS) allows users of social care to choose how their support is provided and gives them control of their individual budget. A reduction in funding for SDS could have a negative impact on the range of individuals using social care services, including disabled adults and children. However, the specific SDS budget line relates to transformation funding used to support system change and the provision of information and advice to individuals. Funding for the actual delivery of self-directed support is integral to mainstream social care.

The apparent reduction of this transformation funding in 2018-19 reflects the use of some of this finance to support the closely related policy changes for carers. This is a baseline redistribution to implement related policy goals. The revised figure is in line with actual transformation spending in 2017-18 and should not therefore constrain the support available or have negative equality impacts.

CONCLUSION

Equality of opportunity is advanced by the Health and Sport portfolio by ensuring that all individuals have access to the health and social care that they need. Through providing care and support for those in ill health and taking steps to ensure that those in the wider population are healthy and active, the portfolio can ensure that people in Scotland are able to take advantage of available opportunities. It will be important that funding continues to promote equality and meets the varied needs of those receiving care as effectively as possible.

CHAPTER 5

Finance and the Constitution

INTRODUCTION

The Finance and Constitution portfolio is a wide-ranging portfolio that is at the heart of implementing the powers over taxation that are provided for in the Scotland Act 2012 and 2016, and providing public services that are efficient, fair, flexible and valued.

The Finance and Constitution 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 support the ambitions set out in Scotland's Economic Strategy to boost competitiveness while ensuring that economic growth is inclusive.

In 2018-19, the additional powers over income tax provided for in the Scotland Act 2016 will continue to be used to protect low-income taxpayers while supporting investment in high quality public services and the Scottish economy.

The Scottish model of procurement plays a major role in supporting inclusive growth by balancing business needs and social responsibility to secure the maximum benefits from the £11 billion spent by the public sector each year. Delivering community benefits through procurement advances equality of opportunity and delivers wider social benefits.

The Scottish Futures Trust (SFT) will continue to improve the efficiency and effectiveness of infrastructure investment in Scotland by working collaboratively with public bodies and industry, leading to better value for money and ultimately improved public services. This infrastructure investment improves access to services and creates greater opportunities for individuals.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Procurement Shared Services

In 2018-19, £16.8 million of the Finance and Constitution budget is invested in Procurement Shared Services. Public procurement policy and legislation is fundamentally non-discriminatory and requires public bodies to treat all bidders equally and without discrimination. The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 places specific demands on public bodies and has informed the overall approach to public procurement in Scotland. The Procurement Reform (Scotland) Act 2014 established a national legislative framework for sustainable public procurement that supports inclusive growth by delivering social, economic and environmental benefits. This means our approach to procurement is socially responsible and delivers value that goes well beyond financial savings and benefits.

The Sustainable Procurement Duty is an important element of the 2014 Act and we use it as a means of identifying opportunities to promote equality through public procurement. It requires public bodies to think about how the procurement process can enable small and medium sized enterprises (SMEs), supported businesses¹ and the third sector to access contract opportunities.

Procurement legislation also delivers greater community benefits which again can have positive impacts for equality outcomes. Public bodies in Scotland must try to include community benefits for any procurement over £4 million and explain their reasons if they choose not to include them. Our community benefit policy and associated guidance² encourages public bodies to identify priority groups for targeted recruitment and training and clarifies the intention to use community benefits to promote equality and to reduce inequality. Apprenticeships and training opportunities, for example, can benefit younger people by helping them to enter the labour market. Public procurement policy has also been used to promote, where appropriate, the payment of the 'real' Living Wage. In 2018-19 we will ensure that contracts for our large infrastructure projects include community benefit clauses to achieve continued employment and training opportunities.

Scottish Rate of Income Tax

The Scotland Act 2016 gave the Scottish Parliament powers over all revenue raised from non-savings non-dividend income tax paid by Scottish taxpayers. The Scottish Parliament now sets the rates and band thresholds, excluding personal allowance. These additional powers over income tax are used in a way that protect low-income taxpayers and provide additional revenue to invest in high quality public services.

¹ Procurement legislation defines supported businesses as businesses for which the core purpose is the social and professional integration of disabled or disadvantaged persons and where at least 30 per cent of the employees of those businesses are disabled or disadvantaged persons.

² <http://www.gov.scot/Publications/2016/03/8410/4>

The Scottish Government believes that any income tax change in 2018-19 must be assessed against the following four tests. Tax changes must:

- mitigate UK Government spending cuts and maintain and promote the level of public services;
- make the tax system more progressive;
- protect lower earners; and
- support economic growth.

A recent paper by the Scottish Government showed the distributional impacts of a number of tax options.³ Different policy decisions have varying impacts on different income groups and revenue raised, depending on behavioural responses. These impacts have been taken into account when developing tax proposals for this budget.

However, 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.

Even with further new income tax powers, the Scottish Government has limited powers to define the tax base or adjust tax reliefs, and National Insurance remains reserved to the UK Government. Due to these policy restrictions, the Scottish Government's power to affect the relative distribution of tax is limited.

Scottish Futures Trust

In 2018-19, £4.5 million has been allocated to the Scottish Futures Trust (SFT). This body was established to improve the efficiency and effectiveness of infrastructure investment in Scotland by working collaboratively with public bodies and industry, leading to better value for money and ultimately improved public services.

In 2018-19, SFT will continue to work to enhance value for money from infrastructure investment across the public sector in Scotland. This includes working in partnership with others to progress delivery of the Scottish Government's key policy commitments, including the expansion of early learning and childcare and supporting the 'Reaching 100 per cent' project to deliver superfast broadband access to all residential and business premises by 2021.

Investment in our infrastructure – both physical and digital – improves access to services and creates greater opportunities for everyone, but benefits can be particularly significant for disabled people and people with accessibility issues. Improved connectivity for individuals can be life changing, and widening the pool of potential talent for Scotland's firms is beneficial to the economy.

³ <https://beta.gov.scot/publications/role-income-tax-scotlands-budget/>

Sustainability is a key driver for SFT when developing infrastructure and delivery solutions. Economic, environmental and social sustainability are addressed in the early stages of product development and are an integral part of procurement and delivery. As part of this, there is a focus on improved outcomes for communities. Completed projects will allow public services to be delivered to communities in a more joined-up way, delivering affordable housing in high-cost housing areas and bringing economic activity to disadvantaged areas, thereby promoting socio-economic equality.

CONCLUSION

This portfolio is focused on delivering sustainable economic growth, with opportunities for all the people of Scotland to flourish. The focus on growth that is inclusive is based on the increasing body of evidence that demonstrates increasing equality through improving diversity and eliminating barriers also supports economic growth.

CHAPTER 6

Education and Skills

INTRODUCTION

The Education and Skills portfolio is responsible for transforming the lives of our children and young people, in and beyond educational settings; developing and championing the social care workforce; and producing a skilled workforce with opportunities for young people to move into sustained employment.

A significant challenge for this portfolio is the impact of poverty. The educational attainment gap between children from Scotland's most and least deprived communities continues to exist. Disabled people and those from minority ethnic groups are more likely to experience poverty.¹ Therefore, some children and young people's educational attainment may be affected by both deprivation and the additional barriers faced as a result of the protected characteristics they share.

The Education and Skills portfolio has a key role to play in ensuring that all children and young people, whatever their background or circumstances, are able to reach their full potential.

KEY STRATEGIC PRIORITIES

The priorities of the Education and Skills portfolio are linked to the Scottish Government's objective to ensure that all children and young people are equipped to succeed in life. **Reducing inequality** is key to ensuring this, alongside **raising attainment** and **promoting health and wellbeing**.

Our commitment to the significant expansion of early learning and childcare remains fundamental to the ambition of best start for every child, increasing access to high-quality early learning for the under-fives.

We will continue with our reform agenda and drive forward excellence and equity in our schools. A new Education Bill will empower parents, teachers and children to make key decisions about school education. Regional improvement collaboratives will give greater support to teachers. In addition, following a wider consultation on school funding, we will develop an approach to funding that better reflects schools' needs, setting out firm proposals by summer 2018.

¹ HBAI, DWP and Pupil Census 2016

We will continue to invest resources through our Attainment Scotland Fund to close the attainment gap; targeting funding at schools and local authorities in need, including significant additional resource through the pupil equity funding programme. We will roll out national standardised assessments to all schools, providing robust, consistent evidence of children's progress for teachers and parents.

Our college sector provides a modern, responsive and valued part of our education and training system. We will continue to maintain at least 116,000 full-time equivalent college places meeting the needs of both learners and the economy.

We will continue to protect free university tuition for all eligible undergraduate students. Our widening access programme will support our ambition that a child born today in one of our most deprived communities will have the same chance of attending university as those from our least deprived communities.

Our youth employment strategy, 'Developing the Young Workforce' (DYW), continues to contribute to the inclusive growth of the Scottish economy with vocational pathways helping to bridge the gap between education and employers, providing routes for young people that meet the skills needs of both the local and national economy.

Inclusive economic growth will also be supported through the development of the Flexible Workforce Development Fund which will provide employers with flexible workforce development training and opportunities through up-skilling or re-skilling existing employees.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Children and Families

We will progress towards our ambitious goal of expanding funded early learning and childcare (ELC) entitlement to 1,140 hours per year for all three and four year olds and those two year olds who will benefit most. To support the next phase of this expansion, we are providing local authorities with an addition £52.2 million in revenue and an additional £150 million in capital funding in 2018-19 to develop the additional capacity and capability required for 2020, both in the ELC workforce and in infrastructure.

Additional revenue funding will also enable the delivery of our commitment to have an additional graduate in nurseries serving our most deprived communities from August 2018.

We know that high quality ELC can have a positive effect on the educational, cognitive, behavioural and social outcomes for children in both the short and long term, including those who are most deprived in terms of household income. Indeed, some research has found that the benefits of ELC are even greater for children from more disadvantaged families, and so can contribute towards closing the attainment gap. For that reason, we have asked local authorities to phase in the expansion with reference to the Scottish Index of Multiple Deprivation (SIMD) data so that we can ensure that those children who stand to benefit most from the expansion also benefit first.

Around a quarter of two year olds will benefit from the ELC expansion. The eligibility criteria is aimed at those who are likely to benefit most, and includes families on certain

disability-related benefits, as well income-related benefits and support under part VI of the Immigration and Asylum Act 1999. We know that minority ethnic households are much more likely to experience poverty which suggests that minority ethnic groups are more likely to be eligible for the expanded provision.

In 2018-19, we will be spending up to £0.1 million piloting a deposit guarantee scheme to remove some of the barriers that families face when accessing ELC. This will be aimed at families with younger children who are not yet eligible for funded provision. It is designed to help parents from lower-income households who are seeking to return to work after a period out of the labour market to look after their children. Such non-working carers are predominantly women, so the added provision will promote gender equality.

The 2018-19 budget also includes the first tranche of spending on our new ELC Inclusion Fund which will enable staff to support disabled children and children with additional support needs (ASN). This will provide one-off funding for specialist training for ELC staff as well as funding for specialist equipment, including establishing equipment banks in local areas, making small-scale adaptations to existing environments and providing sensory areas or rooms.

Learning

We will continue to support schools and local authorities to tackle the poverty-related attainment gap by investing £179 million in 2018-19. This includes £120.5 million of Pupil Equity Funding allocated directly to schools on the basis of the number of children in P1 to S3 eligible for free school meals.

Work to close the poverty related attainment gap will have a positive impact on disabled children and young people, and those from White Gypsy/Traveller, Polish, Caribbean/Black, African and Arab groups who are over-represented in the most deprived areas.² The Attainment Challenge Fund further advances equality of opportunity by providing additional resources to support children with ASN. This will provide resource for speech and language development; additional support for speakers of English as an Additional Language; Educational Psychologists; and counsellors.

During 2018-19, £10 million of funding will be delivered to organisations supporting children and young people with complex ASN to help ensure they achieve positive outcomes. Children's rights will be extended under the Additional Support for Learning Act giving children over the age of 12 the same rights as their parents, helping to ensure that age is not a barrier to having your voice heard.

Advanced Learning and Science

Consideration will be given this year to the findings of the independent review of student support to continue to ensure that all students, particularly those from the poorest backgrounds, get the support they need to stay in education and increase their employment prospects. To support that, we will invest over £5 million for initial anticipated pressures emerging from the review.

² Pupil Census 2016

We will continue to ensure that care-experienced students in further education receive the optimum award available, taking into consideration their wider circumstances. We will also provide a non-income assessed bursary of £7,625 for care-experienced higher education students undertaking an eligible undergraduate course.

In line with our view that access to higher education should be based on the ability to learn not the ability to pay, Scottish domiciled undergraduate students and those from EU countries will continue to be exempt from paying tuition fees.

In 2018-19, the Scottish Funding Council (SFC) will intensify the university and college outcome agreement process to maximise the equality impact of this investment, including accelerated progress in securing gender balance in senior positions and on university and college Courts and Boards. The SFC will continue to implement its Gender Action Plan which sets out actions to address gender imbalances and significantly reduce gender under-representation in some college and undergraduate courses.

Youth Employment and Skills

As part of the Developing the Young Workforce programme, we have fulfilled our commitment to reduce youth unemployment by 40 per cent, four years ahead of schedule. We have, and will continue to, transform young people's readiness for work. We will deliver more work-relevant learning to young people in school, giving them appropriate skills for the current and future jobs market, including creating new vocational learning options in our colleges; enabling young people to learn in a range of settings in their senior phase of school; and embedding employer engagement in education. All 21 industry-led DYW Regional Groups established across Scotland will receive Scottish Government support until 2021.

We will continue to build on both the successful expansion of our Modern Apprenticeship (MA) programme, working towards our 2020 target of 30,000 MA starts, and Foundation Apprenticeship and Graduate Level Apprenticeships as pathways into work. Through the Flexible Workforce Development Fund we will continue to invest £10 million in the up-skilling and re-skilling of our existing workforce on an all-age basis.

In 2018-19, we will continue to ensure that apprenticeship opportunities are open to all by investing £192.8 million to support Skills Development Scotland (SDS). SDS will continue to work with partners to take forward the measures set out in the Equality Action Plan (EAP) for MAs in order to better advance equality in relation to the labour market. The EAP sets out the scale of the challenge relating to occupational segregation and inequality in MAs, and the requirement for all partners to work in collaboration to tackle culturally ingrained challenges. It includes specific improvement targets for MA participation by disabled people, minority ethnic groups, care leavers, and aims to tackle apprenticeship areas where there are gender imbalances.

Every young person has to have real choices about their education and skills and be sure they are making the right decisions. In 2018-19, the outcome of the 15-24 Learner Journey review will inform the detailed consideration of policy propositions, with the aim of improving this stage of young people's learning and ensuring that options are developed for those who need additional support at any point in their learner journey. The review complements other work focused on improving equity and excellence across

the education system, including the work on Fair Access, the Student Support review, and the Enterprise and Skills review.

We will continue funding for the Education Maintenance Allowance (EMA) programme. EMA provides financial support for young people from low-income households to overcome financial barriers to participate in appropriate school or college courses or Activity Agreement. In 2015-16, the proportion of EMA recipients living in Scotland's 20 per cent most deprived areas was 35 per cent.

The Inspiring Scotland 14:19 Fund has supported investment 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. As the programme enters the penultimate year of a 10-year financial commitment, funding in 2018-19 will be tapered but remain significant, demonstrating our continued support for programmes aimed at helping vulnerable young people across Scotland towards and into employment.

CONCLUSION

The Scottish Government recognises the importance of investing in the development of the skills of our children and young people in order that they can achieve the most they can in life. The expansion of free, high quality early learning and childcare will give our children the best start in life. Work to close the attainment gap will ensure all children and young people, whatever their background or circumstances, have the same chance to reach their full potential. Resource to support our schools will enable children and young people to fulfil their ambitions and to gain the skills they need to enter the workforce and contribute to a successful and prosperous Scotland. Ongoing investment in our tertiary education system will provide opportunities for learners of all ages to up-skill and re-skill to take up job opportunities now and in the future.

CHAPTER 7

Justice

INTRODUCTION

The Justice portfolio is responsible for keeping our communities safe and administering justice in its various forms: civil, criminal and administrative. This includes Scotland's prisons, courts, tribunals, police, fire and rescue services, the legal aid system and criminal justice social work services. The most pressing demands for this portfolio include the changing nature of recorded crime which has seen increasing levels of sexual offences and domestic abuse-related prosecutions and convictions. It also includes our cross-government focus on mainstreaming resilience and improving Scotland's ability to anticipate, prevent, prepare, respond and recover from emergencies and disruptive events on an all-risks basis.

While overall recorded crime is at a 43-year low, people living in deprived areas are more likely to experience crime and civil justice problems. The economic and social costs of crime in Scotland are estimated at around £5 billion, and these costs disproportionately affect more deprived communities. People in prison experience multiple disadvantages, with women in the criminal justice system particularly at risk. Whilst there has been a significant decline in youth crime, the number of older people in prison has been increasing steadily over the last 10 years. The Justice portfolio therefore plays a key role in promoting equality by, for example, tackling the causes of crime, which are often rooted in inequality, through an increased emphasis on prevention and rehabilitation. It is also crucial for targeting specific types of crime, such as violence against women and girls, and all forms of hate crime.

KEY STRATEGIC PRIORITIES

'Justice in Scotland: Vision and Priorities', published in July 2017, sets out the way in which we will work towards a safe, just and resilient Scotland. It seeks to build on recent success and progress across the Justice portfolio, identifies current and emerging challenges, and sets out our priorities to tackle these challenges.

There are a number of strategic priorities that are key to promoting greater equality. These include penal reform, where there is a fundamental shift towards prevention and rehabilitation, informed by evidence that community-based interventions are more effective at reducing re-offending than short-term imprisonment. In line with this evidence, we have committed to extend the presumption against short periods of imprisonment to include sentences of 12 months or less once provisions within the Domestic Abuse (Scotland) Bill are fully in force.

There is also a strong focus on **tackling violence against women and girls**. The proposed introduction of a specific offence of domestic abuse covering both physical and psychological abuse reflects our modern understanding of this behaviour, and will provide police, prosecutors and courts with new powers to bring perpetrators of abuse to justice. The Domestic Abuse (Scotland) Bill also includes provisions to better reflect the impact on children living in environments involving domestic abuse.

Work is being progressed to better support victims and witnesses of crime, in particular **child witnesses**, and a Bill will be introduced to help further expand the taking of pre-recorded evidence by child and vulnerable adult witnesses. These reforms will help move our criminal justice system closer to achieving our vision that children, wherever possible, should not have to give evidence in court during a criminal trial.

The Scottish Government will progress, with the Scottish Prison Service and other key agencies, the development of a new estate model for females in custody which will provide women with intensive support to address the causes of their offending behaviour and prevent further re-offending.

People from deprived areas and disabled people are more likely to experience **civil justice** problems than those in less deprived areas and the general population. Disabled people are also less likely to have their civil justice problems resolved. The most common problems are issues with home, family or living arrangements, but they also include unfair treatment. We will continue to maintain access to justice for individuals by reforming Scotland's system of legal aid, and progress work to modernise and strengthen family justice.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

To reduce reoffending and social exclusion, it is essential that we address the underlying causes of offending which can involve multiple inequalities and risk factors, including deprivation, adverse childhood experiences and health problems. The new model for **community justice**, including the creation of the new national body, Community Justice Scotland, supports this holistic approach to prevent and reduce further offending. Funding for our approach to community justice and reducing re-offending is provided through the Community Justice Services budget, as well as central grants to local authorities for criminal justice social work services.

A central element of our vision for **reducing reoffending** is that our criminal justice system uses prison less and has an even stronger emphasis on robust community sentences, including greater use of electronic monitoring. Evidence shows that community sentences are more effective at reducing reoffending than short prison sentences. They can also help prevent some of the detrimental impacts of imprisonment which can be particularly acute for marginalised groups such as women, young people, older prisoners and children of people in prison. We will extend the presumption against short periods of imprisonment to cover sentences of 12 months or less, and there will also be a continued focus on community sentences and services to support the reintegration of people leaving prison, such as mentoring services.

We know that many **women who offend** have multiple disadvantages, including experience of trauma and abuse. The Scottish Government will invest in development work for a new female custodial estate, including a smaller national women's prison and two innovative community-based custody units in Glasgow and Dundee. These facilities will help women in custody to overcome issues such as alcohol and drug abuse, mental health and trauma which evidence shows can drive offending behaviour. We will continue to work with partners to support people in custody with social care needs, including those with social care needs who are part of the growing population of older people in custody.

The Justice portfolio's continuing investment to **tackle violence against women and girls** (VAWG) will have an ongoing and positive impact on women and young people. A Bill is currently before Parliament that seeks to make domestic abuse a specific offence. We will also expand the innovative Caledonian programme so that more male perpetrators of domestic abuse can receive specific rehabilitation services designed to address the issues giving rise to their offending behaviour. During 2018-19, we will ensure continuing investment through the Justice portfolio budget in services to prevent and tackle VAWG and to ensure effective support for the victims of these crimes. This will include investment in measures to improve the experience of victims of rape and other forms of sexual offending.

People of other nationalities make up a large proportion of those who are referred to **human trafficking**-related services. From January to June 2017, 105 persons recovered in Scotland were officially recorded as being victims of trafficking. 59 per cent of female victims were trafficked for the purposes of sexual exploitation and 82 per cent of male victims. Support services must therefore take account of a wide variety of cultural and social factors, as well as providing psychological trauma support. We will continue to invest in measures to address human trafficking and exploitation and to support its victims. This will include ongoing implementation of the Human Trafficking and Exploitation (Scotland) Act 2015 and taking forward the actions set out in the Trafficking and Exploitation Strategy.

Legal aid is a key part of providing access to justice and tackling inequality. It helps people to defend or pursue their rights if they cannot afford to do so and resolve disputes and problems in their lives. We expect a report from the chair of the independent review of legal aid in February 2018. Following that, we will engage with the legal profession and others to identify specific measures to reform Scotland's system of legal aid, maintaining access to public funding for legal advice and representation in both civil and criminal cases.

A **Safer and Stronger Scotland** is one of the Scottish Government's strategic objectives. Continued funding to reduce and prevent violence, reduce the numbers of victims of crime and the extent of accidental harm will improve safety within our communities. Sustained reductions in recorded crime and victimisation show that we have made significant progress toward our aims, but there remain challenges, particularly in the most deprived communities. Although fear of crime is higher for disabled people, women and older people, this is not reflected in statistics on the risks of being a victim of crime. The Scottish Crime and Justice Survey shows that young men are disproportionately more likely to be a victim of crime in general, and are at highest risk of experiencing violent crime.

The **Building Safer Communities** programme promotes the Christie principles of public service reform (which emphasises prevention and cross-boundary working) in a way which prioritises disadvantaged communities and builds on their assets. Investment of over £14 million in violence prevention measures and programmes since 2008 includes £8.7 million invested in the Scottish Violence Reduction Unit (VRU) and £42,000 for Medics Against Violence.

Risks to safety, such as fire, vary by socio-demographic factors, including deprivation and disability. We will increase investment in our **fire and rescue service** to support their plans to modernise and redesign services to achieve a transformational shift to prevention and collaboration, where the need of local communities is greatest. Transformation will include an enhanced role for fire-fighters to ensure they are trained and equipped to prevent harm to individuals and communities along with having the flexibility to meet new and emerging risks. This includes, for example, the Scottish Fire and Rescue Service **home fire safety visits** which target vulnerable people in the community and assess various aspects of risk within the home beyond fire safety. This preventative and collaborative approach helps build community capacity to respond to the changing risk profiles of our communities, such as positively recognising the ageing population.

For policing, resource will support Police Scotland and the Scottish Police Authority to implement Policing 2026, the long-term transformational strategy for policing in Scotland. The strategy, which builds on the Scottish Government's 'Strategic Police Priorities', is a direct response to the changing demands policing is facing, with efforts increasingly focused towards addressing vulnerability and the consequences of inequality. It will support efforts to ensure that the police workforce is properly reflective of the people it serves and that Scotland continues to benefit from a modern and responsive police service that is fit for the future.

Tackling **hate crime** remains a key focus. We will continue to work closely with the Equalities portfolio to prevent and address all forms of hate crime based on ethnicity (racism), sexual orientation (homophobia and biphobia), transgender identity (transphobia), religion (Islamophobia and sectarianism) and hate crimes against disabled people. We will also consider the outcome of the independent hate crime review being led by Lord Bracadale.

Following the end of time-limited funding for **sectarianism** community projects in 2017-18, we will take forward and embed the learning from these along with the recommendations of Dr Duncan Morrow's review of the implementation of the recommendations of the independent Advisory Group on Tackling Sectarianism in Scotland; and we will continue to take a stand against sectarianism wherever it exists.

CONCLUSION

The Justice portfolio remains committed to advancing equality. We are taking forward a range of measures to prevent offending and to protect and support various equality groups, including women, children and older people, from the detrimental effects of crime and accidental harm. Taken together, these investments and reforms provide an opportunity to maintain and develop an accessible and effective justice system that can meet our wider ambitions to tackle inequality.

CHAPTER 8

Economy, Jobs and Fair Work

INTRODUCTION

The Economy, Jobs and Fair Work portfolio plays a crucial part in fulfilling the Scottish Government's purpose of supporting Scotland becoming a more successful country, with opportunities for all to flourish through increasing sustainable economic growth. It covers a range of areas, from employability, enterprise, skills and fair work to City Region Deals, enterprise and energy.

Scotland is a wealthy country, but economic inequalities continue to exist. There is considerable variation in economic performance across Scotland.¹ Women, disabled people and ethnic minorities are less likely to be in employment² and those who are in work earn less on average or are more likely to live in poor households than men,³ non-disabled people⁴ and white people.⁵

The Scottish Government also recognises that inequalities experienced are often multi-dimensional. This portfolio has an important role in not only improving access to work for disadvantaged groups but also ensuring those in work have a positive experience of fair work, and to promote equality in the opportunities and outcomes offered by this budget.

KEY STRATEGIC PRIORITIES

This portfolio plays a central role in supporting and delivering Scotland's Economic Strategy. This is based on the twin pillars of increasing competitiveness and tackling inequality. The two mutually supportive pillars are reinforced by the four 'Is', the strategic priority areas for action identified in the Strategy: investment, innovation, internationalisation and inclusive growth.

Inclusive growth is of ever-increasing importance on the national and international stage. Following Scotland's international inclusive growth conference in October 2017, there is increasing international recognition of the work that the Scottish Government and partners have achieved so far and continue to commit to going forward.

1 Scottish Government (2017) [Annual Population Survey results for year to 30 June 2017](#)

2 Scottish Government (2017) [Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey 2016](#)

3 SPICe (2017) [The gender pay gap - facts and figures 2016](#)

4 Scottish Government's Equality Evidence Finder - [Disability and Income and Poverty](#)

5 Scottish Government's Equality Evidence Finder - [Ethnicity and Income and Poverty](#)

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Employability

Employability and Training programme budgets play an essential role in delivering the Scottish Government's aims of tackling poverty, promoting inclusion and social justice, and creating a fair and prosperous Scotland, and will benefit from a net increase of £9.9 million in 2018-19. This will ensure that this government delivers on its Programme for Government commitment to invest an additional £20 million each year for employability services, over and above funding transferred from Westminster. The investment made in employment and training support provides an important contribution to inclusive growth and the innovation element of Scotland's economic strategy, encouraging service providers to seek new ways to help people into sustained work.

Fair Start Scotland, an employability support service which helps people find and retain work, will benefit from £13.3 million in 2018-19. The service will target disabled people, people with a health condition as defined in the Equality Act 2010, people with convictions, care leavers, lone parents, refugees, ethnic minorities, people in the 15 per cent most deprived Scottish Index of Multiple Deprivation (SIMD) areas, people with health issues which present a barrier to employment, and people who have been unemployed for two years or more. The programme was designed with equality considerations from the outset and will have a significant impact on addressing inequality in Scotland. For instance, it will play an important role in the Scottish Government's ambition of halving the disability employment gap.

Enterprise and Innovation

Our investment through our enterprise agencies contributes to the delivery of Scotland's economic strategy, supports innovation and internationalisation, and ensures inclusive growth is at the heart of all they do.

The budget for **Scottish Enterprise** (SE) is being increased by £50.7 million. At this stage, it is not possible to know how SE will use this or to assess what the equality impacts will be. It will, however, allow the agency to continue to meet its legal requirements, and to continue current activity which promotes equality. This includes commitments to build the number of account-managed companies led by women, ethnic minorities, young people and disabled people, and improve equal pay occupational segregation profiles for gender, ethnicity and disability. Any additional activity associated with the increase will require equality impact assessment by SE.

There will also be new spend of £10 million to support the activities of the **South of Scotland Economic Partnership** (SOSEP), the interim arrangements established in advance of the new statutory South of Scotland Enterprise Agency (SOSEA). This new agency will help to address challenges in a part of Scotland that had traditionally lagged behind in economic and social terms. Specific challenges include an ageing population, a loss of young people, and local economies dominated by low-skilled, low-paid jobs.

Interim arrangements for the area include a new economic partnership; and its prioritised work programme will set out what the partnership will do to tackle economic disadvantage and barriers to inclusive growth, addressing issues such as low levels of

skills and opportunities for young people, older workers and women. The new spend is therefore expected to have positive impact for gender and age. A full equality impact assessment will be undertaken in due course to consider the full range of protected characteristics.

There is also new spend of £18 million planned for the **National Manufacturing Institute of Scotland** (NMIS). Through bringing research, industry and the public sector together to transform skills, productivity and innovation, this industry-focused international centre of manufacturing expertise will attract investment and boost the international competitiveness of manufacturing companies in Scotland. The equality impacts of NMIS will be fully considered through the programme's detailed design and delivery stages. Although still in early stages of development, two areas have been identified which particularly promote equality:

1. The capital investment stage: construction activity, including through the supply chains, will offer employment opportunities for disadvantaged groups, including women, disabled people, ethnic minorities and young people.
2. The operational stage: the training offer, both for upskilling older employees and attracting future manufacturing talent, will play a key role in delivering inclusive growth outcomes, including on improving the gender balance of the manufacturing workforce.

It is intended that NMIS will be accessible to all companies across Scotland and internationally. Outreach activity will ensure the Institute delivers truly national benefits, with existing businesses and inward investors able to draw on the expertise NMIS offers to help them prosper in an increasingly digital industrial age.

Research and development (R&D) activity is crucial to unlocking innovation in Scotland. An additional £15 million will be made available for the **large R&D grants scheme** and the **SMART programme** to fund more projects. These grants are open and accessible to all businesses, and are marketed to a wide range of businesses by Scottish Enterprise alongside other SE opportunities. SE ensures that all of their products are delivered in a manner that is consistent with the equality duties outlined in their 'Equality Mainstreaming Report' published in April 2017.⁶

A £4 million commitment has been made to the Unlocking Ambition Challenge, and £3 million of this will be made available in 2018-19. This will support up to 40 early-stage entrepreneurs to base their business growth in Scotland. Successful individuals will receive wraparound business support and mentoring from high-profile successful entrepreneurs. We will try to achieve a gender balance across mentors in order to help reduce specific barriers for women and address the gender gap in enterprise.

A Focus on Place: City Region Deals

City Region Deals (CRDs) are central to our delivery of inclusive growth across all parts of Scotland. Their emergence has presented an opportunity for using investment to address the geographic imbalance of growth across Scotland. An additional £65.3 million will be made available for new and continuing CRDs. Resource will provide for agreed

⁶ <https://www.scottish-enterprise.com/about-us/transparency/equality-and-diversity>

deals for Glasgow City Region, Aberdeen City Region, and Inverness and Highland City Region. Heads of Terms have been agreed for Edinburgh and South East Scotland City Region, and discussions are ongoing to secure CRDs for the Tay Cities Region and the Stirling and Clackmannanshire City Region. We are working to deliver a regional deal for the Ayrshires and a Borderlands deal.

The impact on equality groups from CRDs has the potential to be significant, however, impact assessments have only been conducted for Aberdeen and Inverness deals. This is in part due to the fact that data on protected characteristics is limited at regional level. To combat this, efforts are being made to collaborate with local authorities as deals are delivered to ensure maximum impact for equality communities is achieved and inclusive growth delivered. Grant offer letters explicitly state that councils will work with the Equality and Human Rights Commission and others 'to explore opportunities to maximise the impact of the deal to deliver inclusive growth'. This focus on protected characteristics during the operationalising of CRDs has the potential to address inequalities both within and between regions in Scotland.

Energy

This budget will deliver secure, affordable and clean energy, and contribute to the strategic priority areas of investment, innovation and inclusive growth. The spend on energy is being maintained for the year ahead, reflecting the continued support for a flourishing, competitive energy sector. There is limited anticipated impact for protected groups in this context.

Accountant in Bankruptcy

Accountant in Bankruptcy is responsible for administering and supervising the process of personal bankruptcy and recording corporate insolvencies in Scotland. Most of the costs of the agency are met by statutory fees, including the recovery of operational costs incurred in administering bankruptcy cases.

Given a forecast fall in revenue, increased government support of £2.4 million is necessary to maintain current service standards, but will not impact on equality groups.

CONCLUSION

An increase in spending on Fair Start Scotland, the NMIS, SE, SOSEP and CRDs should have benefits for people with protected characteristics across all of Scotland, especially women, younger and older people. In areas where spending levels have been maintained or decreased, there is no anticipated equality impact. There is also scope for new policy areas to consider equality implications from the start of the policy cycle, ensuring inequality is reduced and inclusive growth is supported.

CHAPTER 9

Communities, Social Security and Equalities

INTRODUCTION

The Communities, Social Security and Equalities portfolio has core responsibility for equality and human rights across government, tackling discrimination and promoting equal opportunity and equal outcomes across many key issues.

This portfolio's spend focuses on providing opportunities to deliver good quality, sustainable and affordable housing; supporting regeneration activity within Scotland's most deprived communities; leading planning reform and the design of quality places; and responding to UK Government welfare changes. The budget also supports the drive for social justice; tackling poverty (including fuel poverty); and strengthening the third sector and local communities.

Scottish Government funding through this portfolio also represents the vast majority of local authority income, paying for a wide range of services which are co-ordinated and delivered at a local level to meet locally agreed outcomes.

KEY STRATEGIC PRIORITIES

The portfolio budget has continued its commitments to the provision of affordable housing, especially social rented housing, ensuring warm housing through energy efficiency and tackling fuel poverty, and to social justice through place-based regeneration and other project work. The Scottish Welfare Fund and Discretionary Housing Payments have been protected to mitigate the negative impacts of major UK welfare changes. The Equality budget, which is important in a range of ways to delivering a fairer Scotland, has been increased. The Local Authority budget provides resources and fiscal flexibility whilst protecting key priorities of health, social care and education.

This portfolio is concerned with ensuring people get the support they need, whether in relation to housing, access to local public services, financial support through social security, maximising income and financial advice, or as a result of tackling discrimination they have experienced. This is most apparent in our work to tackle child poverty and is why we successfully introduced the Child Poverty Bill.

Tackling poverty and inequalities goes hand in hand with inclusive growth. Indeed, inclusive growth cannot be achieved when a significant number of children and adults live in poverty, and we know that people from ethnic minority groups, households with a disabled adult and lone parents are more likely to experience poverty.

This portfolio is at the heart of ensuring inclusive growth becomes a reality for all. Community-led solutions which deliver projects and services specific to community needs and aspirations through collaborative partnerships are the route through which improved economic, social and environmental outcomes can be achieved.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Housing

The Scottish Government's **More Homes** Scotland approach supports our bold and ambitious target to deliver at least 50,000 affordable homes over the five years to March 2021, backed with investment of over £3 billion which is estimated to support between 12,000 and 14,000 full-time equivalent jobs in the construction and related sectors. We are also committed to preserving and expanding our social housing stock as part of creating a fairer society, and 70 per cent of the 50,000 affordable homes target will be for social rent. The social rented sector is a particularly important tenure for lone parent households and long-term sick and disabled people amongst others. The lower rents in this sector play an important role in protecting the after-housing-costs income of less-well-off households.

There will continue to be a correspondingly higher proportion of capital grant funding (rather than loan funding) in 2018-19 to reflect this need for social rented housing. This funding is part of the Scottish Government's £1.754 billion resource planning assumption commitment to March 2021 which is giving councils and housing associations the certainty needed to increase the pace of delivery.

We will continue to support people on low to moderate incomes to purchase their own house with the support of an equity stake from the Scottish Government. This includes ongoing funding for the **Open Market Shared Equity** (OMSE) Scheme in 2018-19. OMSE is available to help all first-time buyers – who tend to be younger than existing home-movers – and priority access to the scheme is given to those who may otherwise be disadvantaged in accessing home ownership. The OMSE priority groups include disabled people, older people (those aged 60 and over), armed forces personnel, and those currently living in the social rented sector.

The **Help to Buy (Scotland): Affordable New Build and Smaller Developers Schemes** also provides shared equity to people looking to own a new home and a total of £50 million will be available for these schemes in 2018-19. As of October 2017, the Help to Buy (Scotland) schemes provide additional support for older people by removing the requirement for those aged over 60 to take out a mortgage. As older people often find it more difficult than other groups to secure a mortgage, removing this requirement will allow them to access the scheme more easily and increase their chances of finding a home suitable for their needs.

We made more than £100 million available for fuel poverty and domestic energy efficiency during 2017-18. In 2018-19, the overall budget has been maintained at £114 million. Within this, we are continuing partnerships with related energy funding programmes to support **Scotland's Energy Efficiency Programme** (SEEP) pilots and meet the commitment in the 2016 Programme for Government to provide £0.5 billion for SEEP over four years.

Some key equality groups, as well as those households with the lowest incomes, are more likely than other groups to experience fuel poverty at present (50 per cent of older households and 90 per cent of households with weekly income of less than £200 were in fuel poverty in 2016). The eligibility criteria for **Warmer Homes Scotland** has been particularly designed to target help at vulnerable people (people in receipt of certain benefits, including older people and disabled people). We expect to help around 4,000 vulnerable households through preservation of funding for this scheme to make their homes warmer and more comfortable by installing a range of energy-saving measures.

Scottish Government funding for **Home Energy Scotland** has been maintained for 2018-19, enabling continuing links with national partners targeting low-income and vulnerable groups, including older people and disabled people experiencing or at risk of fuel poverty. In particular, we will continue to fund the Home Energy Scotland Homecare pilot, which will provide face-to-face advice and support to those people most vulnerable to fuel poverty in two rural areas, Dumfries and Galloway and Moray.

Homelessness disproportionately affects young people: 59 per cent of homelessness applicants were aged 34 or under in 2016-17. We have created an **Ending Homelessness Together Fund** of £50 million over 2018-23 to support prevention initiatives and to support our objectives of eradicating rough sleeping and transforming temporary accommodation.

During 2018-19, we will continue to 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.

The **Housing Voluntary Grant Scheme** funding has been maintained, providing funding to national voluntary housing and homelessness organisations to help vulnerable people and to provide training to those that provide these services. The bids received are assessed on the basis of the approach taken to consideration of equality issues (among other criteria). 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.

Social Justice and Regeneration

Building a fairer and more equal country is at the heart of this government's ambitions, and the Social Justice and Regeneration budgets contribute to this via a focus on both people and place. In 2018-19, the **Social Justice budget** is £27.8 million, an increase of £20.9 million (from £6.9 million in 2017-18). This budget invests in key priorities emerging from the 'Fairer Scotland Action Plan' (FSAP), which aims to reduce poverty and tackle inequality.

The introduction of the Child Poverty (Scotland) Bill, which established ambitious targets to reduce poverty, will reduce negative outcomes for children as they grow up. Investment here should benefit women's incomes, particularly those of lone parents (the vast majority of whom are women). Minority ethnic households and households with disabled adults or children are much more likely to experience poverty, so action to reduce poverty should have significant impacts on these groups.

The Scottish Government has announced a £50 million Tackling Child Poverty Fund over the period of the first Child Poverty Delivery Plan, with the majority of funding available in future years to test new ideas. In addition, £1.5 million will provide for a Family Financial Health Check Guarantee to help families with children claim all that they are entitled to, and to access the best deals on financial products, services and energy bills. These initiatives complement bigger investments in early learning and childcare, housing, and the new best start grant that will also provide important assistance to low-income families. A range of other important initiatives will be set out in the Delivery Plan, helping us make real progress towards our new child poverty targets.

The first annual progress report¹ of FSAP, published in November 2017, set out a range of new social justice priorities, including a specific commitment to provide access to free sanitary products in schools, colleges and universities. This new commitment in the budget will support access to this basic necessity.

The budget will continue to fund advice services to support income maximisation and navigate UK Government welfare cuts for the most vulnerable groups in society and provide measures to tackle food insecurity. It also supports a range of third sector organisations that work on this agenda, including the Poverty Alliance and the Poverty Truth Commission.

In addition, £125,000 will be made available in 2018-19 (with a similar amount indicated for 2019-20) to help local authorities who are wishing to pilot elements of a citizen's income develop their proposals further. Although these pilots are at an early stage, we would expect any citizen's income intervention to look to deliver positive equality outcomes as a key determinant of its success.

We will invest in **regeneration activity**, including delivery of the **Regeneration Capital Grant Fund** (RCGF) in partnership with local government. The RCGF has invested in over 90 projects across Scotland since 2014 supporting locally developed regeneration projects that involve local communities, helping to support and create jobs and build sustainable communities. We will also support regeneration through the SPRUCE infrastructure investment loan fund, the Vacant and Derelict Land Fund and continued support of Clyde Gateway.

We believe strongly in supporting communities to tackle poverty on their own terms. Through our £20 million **Empowering Communities Fund**, we are supporting over 300 community organisations to deliver locally identified priorities to tackle poverty and inequality in a responsive way. The fund impacts on thousands of lives across the country, supporting community-led approaches (including money advice, childcare, training and up-skilling, healthy eating initiatives and volunteering opportunities), all of which can help to directly tackle inequality as well as promoting inclusive growth.

Building on what we know works, we have used this fund to lever in additional money from the **European Social Fund** (ESF) to create the **Aspiring Communities Fund**. This will support communities to work collaboratively with partners to accelerate the design and delivery of community-led initiatives that tackle poverty, inequality and exclusion, and contribute to ESF interventions to support our most deprived and fragile communities.

¹ <https://beta.gov.scot/publications/fairer-scotland-action-plan-first-annual-progress-report/>

Social Security

The Scottish Government will become responsible for some of the benefits currently delivered by the UK **Department for Work and Pensions** (DWP), including a range of ill health and disability benefits (Disability Living Allowance, Personal Independence Payment, and Attendance Allowance).

As part of work to prepare for this change, the Scottish Government has established and funded Social Security **Experience Panels**. The panels will work with people who have recent experience of benefits currently delivered by DWP to help the government design a new social security system. Over 2,400 volunteers from across Scotland have signed up to be panel members, helping to design and test the new social security system to ensure it works for them. The written material used for recruitment to the panel has followed accessibility guidance, and all panel events have been held in accessible locations across Scotland, ensuring that attendees' support needs are met.

The **Scottish Welfare Fund** (SWF) 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. Since 2013, 265,000 low-income households have been supported, including more than 87,000 households with children. As an interim measure, the Scottish Welfare Fund will also be used to help mitigate housing costs for 18 to 21 year olds who are not eligible to claim the housing cost element of Universal Credit. The SWF has benefited from consistent investment levels for the last five years. Funding for the SWF (including administration) remains at £38 million in 2018-19, following the implementation of new review mechanisms by the Scottish Public Services Ombudsman.

The Scottish Government has increased investment in **Discretionary Housing Payments** (DHPs) which provide further assistance with housing costs for those entitled to Housing Benefit or the housing element of Universal Credit, and has set aside a total budget (including administration) of £62.2 million in 2018-19. DHPs are also used to compensate local authorities for the cost of fully mitigating the 'bedroom tax' (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, so this investment is particularly important for disabled people. DHPs were fully devolved in April 2017 and the DHP budget commitment of £62.2 million will mean that the Scottish Government will continue to fully mitigate the effects of the bedroom tax until it can be formally abolished in Scotland. This will be through Universal Credit flexibilities and will be dependent on full roll-out.

Equality Budget

For the first time since 2010-11, the Equality budget has seen an increase of 12 per cent. This increase demonstrates the value Scottish Ministers place on supporting a more equal and inclusive society, and underlines the Scottish Government's continued commitment to advancing equality and tackling inequality. We will invest this additional resource in strategic equality, human rights and cohesive communities work in order to deliver on our commitment to respecting, protecting and implementing human rights for everyone in Scotland, and to embedding equality, dignity and respect in everything we do.

The increase in this budget directly supports the Scottish Government's overall purpose and contributes to realising our overarching vision of a Scotland where every member of society is able to live with human dignity. The Scottish Government recognises that equality, social justice and inclusive growth are interconnected, and that action to give effect to international human rights treaties requires concerted action to promote genuine equality of opportunity and esteem for all. An increase in financial commitment in 2018-19 will enable us to further advance that work, as well as undertaking additional activity which both directly improves lived experience for individuals and communities in Scotland and implements our domestic and international obligations. In doing so, we will continue to build on Scotland's reputation as one of Europe's most progressive and inclusive national jurisdictions.

In the recent UK examination by the UN Committee on the Rights of Persons with Disabilities, in its concluding observations, the Scottish Government's progressive approach to disability equality – specifically 'A Fairer Scotland for Disabled People', our Accessible Travel Framework, and the manner in which engagement with disabled people was taken forward in the process of creating a new social security system – was singled out by the Committee as deserving of recognition.

In line with our commitment to improve access to information and services for our citizens whose first or preferred language is **British Sign Language** (BSL), the Scottish Government took a highly consultative approach to the development of the BSL National Plan following the introduction of the BSL (Scotland) Act 2015. In this financial year, alongside the implementation of a number of national actions, increased resource will support public bodies in their duties with regards to the BSL (Scotland) Act 2015 to engage with BSL users to inform the content of their own BSL plans to be published by October 2018.

Scotland has a progressive approach to human rights, equality and inclusion for **lesbian, gay, bisexual, transgender and intersex** (LGBTI) people. Increased resource for this sector to just under £1 million from the Equality budget last year has helped inform a range of work, including the development of Scottish Government consultations on the reform of the Gender Recognition Act 2004, and around the needs of intersex people. Continued investment in 2018-19 will inform action from the consultation responses and support LGBTI-inclusive activity in education and public services so that Scotland continues to be one of the best places for people of any sexual orientation or gender identity to live.

During 2018-19, the Equality budget will help to deliver the Scottish Government's ambitions for women's equality, with targeted financial support to organisations working to ensure that women's experiences are reflected in policy making; to close the gender

pay gap; and to improve the recruitment, retention and progression of women in STEM sectors. For the first time, the Equality budget will also support the newly established **Advisory Council on Women and Girls**, reporting directly to the First Minister. The Advisory Council will raise awareness of gender inequality, champion the rights of women and girls, and act as a catalyst for change.

This budget supports our ongoing commitment to address all forms of violence against women and girls (VAWG) by providing continued investment of £11.8 million both for frontline services as well as advancing the strategic priorities within Equally Safe, our strategy to prevent and eradicate all forms of violence against women and girls. Combined resource from across the Justice and Equality budgets provides broader support for the VAWG sector to help address gendered attitudes and inequalities through the implementation of our 'Equally Safe Delivery Plan' published on 24 November 2017. Funding will support the development of a national campaign to tackle sexual harassment and sexism; the development of an Equally Safe accreditation scheme for employers; expansion of Rape Crisis Scotland's sexual violence prevention work in schools; and scoping out the capability of public services to respond effectively to VAWG with a view to developing a sustainable model of capacity building in this area. Funding will also continue to support a range of local domestic abuse and sexual assault services across Scotland that support women and children who have experienced gendered violence.

A significant amount of work is already underway regarding the progression of race equality in Scotland, most notably through implementation of the **Race Equality Framework**. This sets out a long-term partnership approach for promoting race equality and tackling racism and inequality from 2016-2030. This budget will help deliver a range of outcomes and activities set out in the recently published **Race Equality Action Plan**, including addressing issues minority ethnic women face around employment and to invest in developing the skills and understanding for young people to participate in local and national decision-making processes as part of the Year of Young People 2018 programme.

In addition to specific Scottish Government-led activities for **Gypsy/Travellers** as set out in the Race Equality Action Plan, we have also established a Ministerial Working Group chaired by the Cabinet Secretary for Communities, Social Security and Equalities, which will determine priorities for action and drive forward the changes required to begin making improvements for Gypsy/Travellers across a range of issues.

The Scottish Government is in the process of responding formally to recommendations emerging from the Universal Periodic Review of the UK's **human rights** record, conducted by the United Nations in 2017. There are also ongoing programmes of implementation under individual human rights treaties, including the initiatives already noted above which address particular challenges in areas such as gender inequality, race discrimination and the rights of disabled people. Additional activity will be carried out in 2018-19 to facilitate the participation of Scottish civil society in work which explores how Scotland can place even greater emphasis on respecting, protecting and implementing human rights. The Expert Advisory Group announced in the Programme for Government 2017-18 will lead a participative process and make recommendations on how Scotland can continue to lead by example, including in relation to economic, social, cultural and environmental rights.

Resource will also support initiatives to **tackle intolerance and extremism** and to build resilience within Scottish communities against divisive narratives. That includes in the context of Brexit, where the Scottish Government remains unequivocal in its insistence of fully securing and protecting the rights of everyone living in Scotland, including non-UK EU nationals.

The launch of our hate crime campaign, #HateHasNoHomeInScotland, marks the beginning of an ambitious programme of work following recommendations made by the Independent Advisory Group on Hate Crime, Prejudice and Community Cohesion. A multi-agency delivery group and advisory panel will look to build on progress made in targeting people who have experienced or witnessed **hate crime** to raise awareness of what hate crime is and how to report it, supporting greater community cohesion. We will continue to work with faith groups and others to identify those individuals who are most vulnerable to messages of hate to steer them towards a different path. In recognition of the diversity of different faiths in Scotland and to encourage understanding across religious and cultural boundaries, our funding for Interfaith Scotland and local interfaith work will help to foster more inclusive communities through the promotion of interfaith dialogue.

In 2018-19, the Equality budget will continue to support a range of organisations working with **refugees and asylum seekers**. We will work with our partners, including COSLA and the Scottish Refugee Council, to implement the second 'New Scots Refugee Integration Strategy' which supports all refugees and asylum seekers to integrate and rebuild their lives from the day they arrive in our communities. Almost 2,000 refugees have been welcomed to Scotland under the Syrian Resettlement Programme since October 2015. This target was set as part of a five-year programme, however, the dedication and hard work of Scotland's local authorities has meant that this number has been reached in little over two years.

The Equality budget will also support the roll-out of a Family Reunion Crisis Grant Fund – a commitment of the Scottish Government to simplify access to crisis grants for refugee families arriving in Scotland under Family Reunion rules. This will ease the process for families settling in a new country by helping to meet their immediate needs during the first days following their arrival.

The varied skills and expertise of **older people** and the valuable contribution they make to Scottish society continue to be recognised by this government. This budget will support a renewed focus on work to reduce inequalities faced by older people.

Additional resource for the Equality budget will provide a fund of £500,000 per annum to deliver the aims of the Scottish Government's proposed **social isolation and loneliness** strategy. The intention of the fund is to support the work of frontline grassroots organisations to tackle social isolation and loneliness in communities across Scotland.

Key to equality progression is the outcomes-focused approach taken in policy development across the Scottish Government. The introduction of the **socio-economic duty** will make it the responsibility of public sector bodies to consider ways in which to reduce poverty and promote equality for Scotland's population. Although the suite of equality outcomes published in April 2017 provides a particular focus on themes such

as VAWG, mental health, and education; training and mainstreaming work will ensure that across the Scottish Government, policy and legislation continues to be assessed for its impact on equality. The Equality budget will help ensure that policy development is informed by the views and voices of equality communities and stakeholders in order to bring about positive change.

Third Sector

Scotland has a strong and dynamic third sector, which plays a crucial role in the drive for social justice and inclusive economic growth. It is also essential to the reform of public services, and to the wellbeing of our communities. The sector plays a vital role in helping to advance equality, and in supporting communities most impacted by discrimination and disadvantage.

This budget helps to support third sector organisations in their work with individuals and communities across Scotland. Many of these organisations work closely with communities of interest and of place to tackle inequality and tough social issues at source. This budget will also support work to provide the third sector with greater funding stability and the opportunity for longer term planning and development of its role in supporting communities and tackling inequality.

We are ambitious in our plans to realise our vision for **volunteering** and the role volunteers can play in shaping the lives of their communities. The Third Sector budget has been maintained at £24.5 million to do more to support groups currently facing barriers to engaging in their communities, including disabled people, older people and people out of work. We will work with young people throughout the Year of Young People 2018 to ensure they can contribute on the issues that matter to them.

The third sector plays an important role in addressing poverty and disadvantage. In recognition of this, we will use the **European Social Fund programme**, matched by our own resources, to invest in and strengthen Scotland's social economy, enabling organisations to do even more to transform the lives of disadvantaged individuals and families.

Investment will help to deliver on the co-produced 10-year **social enterprise strategy** by implementing the 92 specific actions identified by 'Building a Sustainable Social Enterprise Sector in Scotland: 2017-2020'. It will also help to realise the full potential of the innovative social enterprise sector where profits made are reinvested into specific social objectives, for example, delivering local community projects or services, creating employment for disadvantaged people, or protecting the environment.

Credit unions provide ethical and affordable financial services to people from all walks of life, including those facing financial exclusion, by reinvesting all their profits for the benefit of their members rather than shareholders. The Scottish Government recognises the importance of continuing to work to raise the profile of credit unions and helping to grow their capacity, therefore this budget will deliver a national credit union awareness raising campaign as well as continuing to implement the recommendations of 'Scotland's Credit Unions: Investing in Our Future'.

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 provided by the Scottish Government represents the vast majority of local authorities' income, and is allocated using a needs-based formula. This methodology takes account of demographics, disadvantage and various other considerations and allocates resources based on relative need, including age and levels of deprivation. However, each local authority decides how to spend its total available finances based on its understanding of local needs and priorities, guided by 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.

In addition, the Scottish Government is committed to increasing the use of **Participatory Budgeting** which is recognised internationally as a way for local people to have a direct say in how and where public funds are spent. Our commitment in Programme for Government is to work with local government on having at least one per cent of council budgets subject to Community Choices budgeting. Supporting allocation of public money in this way is anticipated to ensure it is directed where it is needed most, impacting positively on equality outcomes.

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. 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.

In 2018-19, the Scottish Government will continue to support spending on health and social care by providing £355 million from the NHS Boards to Integration Authorities. Within the overall local government finance settlement total, an additional £66 million is included to support a range of financial pressures facing local authorities in 2018-19. These include support for the implementation of the Carers (Scotland) Act 2016, maintaining our joint commitment to the Living Wage (including our agreement to extend it to cover sleepovers following the further work we have undertaken) and an increase in the Free Personal and Nursing Care Payments.

£88 million will continue to be made available to local authorities to support work on maintaining the national pupil/teacher ratio at 2017-18 levels, and securing places for all probationers who require this under the teacher induction scheme.

In addition, £120.5 million of Pupil Equity Funding will continue in 2018-19 as part of the local government settlement. This is targeted at closing the poverty-related attainment gap in education. As educational attainment tends to be lower for more disadvantaged pupils, the increase in funds should help to address this inequality.

The Scottish Government will also allocate an additional £52.2 million and £150 million of capital to local authorities in 2018-19 to support the expansion in funded **Early Learning and Childcare** (ELC) entitlement to 1,140 hours by 2020. This additional funding will enable further investment in the ELC workforce – increasing the size of the workforce and equipping existing staff with new skills – and in infrastructure development to expand capacity in ELC provision. This builds on the first phase of revenue and capital funding provided to local authorities in 2017-18.

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 education and health and social care.

The Scottish Government's reforms to **Council Tax** make local taxation fairer by reducing the amount lower banded properties pay, as a proportion of property value, relative to households in bands E to H. To protect households with below median income from the impact of the changes, a relief scheme is in place for those living in the highest value properties.

In 2017-18, a 25 per cent increase in the child allowance of this relief benefited up to 77,000 households. This relief is being maintained in 2018-19. The Scottish Government has not introduced the two child cap (which now applies to many UK benefits) to the scheme, and has excluded income and lump sum payments made under the new Bereavement Support Payment.

From April 2018, to support care-experienced young adults as they adapt to life in independent accommodation, we will make all care leavers exempt from Council Tax.

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

CONCLUSION

Overall, the Communities, Social Security and Equalities budget has the potential for significant positive impacts across society and particularly for equality groups. Local authority budgets continue to offer resource and fiscal flexibility as well as reflecting key priorities of health and social care and educational attainment. Spend on social security has been increased, demonstrating our commitment to mitigating the negative impact of UK Government welfare changes. Equality spend has increased and third sector and regeneration investment has been protected which, along with a significant increase in social justice funding, ensures that organisations can continue to tackle poverty and remove barriers for equality groups. Portfolio spend on housing has also been maintained, with particular commitments to increasing the supply of affordable and social rented housing and to tackling fuel poverty.

CHAPTER 10

Environment, Climate Change and Land Reform

INTRODUCTION

The Environment, Climate Change and Land Reform portfolio is responsible for protecting and enhancing Scotland's environment, responding to the challenges of climate change, driving forward land reform and investing in relevant policy research. A significant part of the portfolio's budget goes towards funding public bodies and other organisations that invest in our natural resources, manage our land and seas, or deliver other priority work.¹ The pressing demands for the portfolio are reducing emissions; developing a low carbon economy; improving the way that land is owned, used and managed; managing the marine environment; investing in Scottish Water; reducing waste and tackling flood risk.

Climate change affects different people and places unevenly, leading to inequality within and across countries. Lower-income and other disadvantaged groups generally contribute least to causing climate change, but are likely to be more negatively affected by its impacts. They may also benefit least from policies to address it.

We also know that some groups in society suffer more from the effects of air pollution and flooding than others. In addition, green spaces can help people live active lives and have a positive impact on mental health, yet some people are less likely to visit the outdoors and face multiple barriers to doing so. Overall, certain groups – including older people, disabled people, those with existing health problems and households on lower incomes – face more disadvantage and may be less likely to have their voices heard in decision making.

KEY STRATEGIC PRIORITIES

Two of the Scottish Government's key strategic priorities are **tackling climate change** and **growing the low carbon economy**. This portfolio supports climate change policy development and delivery, and provides funding for local communities to take action on climate change. It is responsible for the Climate Change Bill and Climate Change Plan which will increase our statutory target and outline how we will reduce emissions over the coming years. On the circular economy, we are developing a deposit return scheme for drinks containers and will establish an advisory group to consider fiscal measures to reduce waste. In the last year, we have collaborated with an academic partner on

¹ Scottish Water, Marine Scotland, Scottish Natural Heritage, Scottish Environment Protection Agency, the two National Park Authorities, the Royal Botanic Garden Edinburgh, Scottish Land Commission, Crown Estate Scotland and Zero Waste Scotland

a project about domestic climate justice which considered the potential implications of selected policies in the draft Climate Change Plan on different groups. The Scottish Government is also establishing a Just Transition Commission to advise Ministers on adjusting to a more resource-efficient and sustainable economic model in a fair and inclusive way.

Another priority is creating a **cleaner, greener Scotland**. The portfolio protects and enhances Scotland's natural environment and resources, as well as improving drinking water and air quality, and addressing flood risk. This portfolio is important for improving the health, wellbeing and quality of life of people in Scotland. It also supports sustainable economic growth and brings benefits to wildlife, ecosystems and biodiversity.

Land reform, in both the urban and rural context, and managing the **Crown Estate** are other priority areas. We want to encourage responsible and diverse land ownership and management which supports sustainable development. We also want communities to have a say in how land and other assets in their area are used. This work has the potential to address social and economic needs.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Spending on **Natural Assets and Flooding** will increase from £11.1 million in 2017-18 to £14.5 million in 2018-19. This covers activities to tackle air and noise pollution, including an increase in funding for certain local authorities to monitor air quality and to support actions such as Low Emission Zones. The budget also supports flood risk management activities and improvements to the water environment. These have benefits for health and wellbeing at population level, but also for certain groups in society:

- Actions to tackle **air quality and environmental disturbance** will benefit those who suffer most from the ill effects on their health and wellbeing. This includes children, older people, those with existing health problems and people living in urban areas close to busy roads.
- We know that certain groups of people – including older adults, disabled people, people whose first language is not English and those on lower incomes – can find it more difficult to prepare for, respond to, and recover from **flooding**.

Spending on **Land Reform** will increase from £13.4 million in 2017-18 to £17.1 million in 2018-19. This budget is used to implement measures in the Land Reform (Scotland) Act 2016, to encourage community land ownership through the Scottish Land Fund, and to fund the activities of the Scottish Land Commission. Although we are uncertain if there are specific equality implications, there are positive impacts in terms of community empowerment and social justice for people in Scotland overall.

There is no change to the budget for **climate change** policy development and implementation. This supports the portfolio's climate change coordination work which is needed to take forward our responsibilities under Scotland's climate change legislation. The Land Managers' Renewables Fund has been maintained while there is an increase for the Sustainable Action Fund (which covers the Climate Justice Fund and Climate

Challenge Fund). The Climate Challenge Fund is currently supporting 112 projects in Scotland to take action on climate change. This includes projects with young people, minority ethnic communities and people living in more deprived areas.

The budget for the **Hydro Nation** programme is being maintained at 2017-18 levels. This includes funding for the Climate Justice Fund which supports projects in Malawi, Zambia, Tanzania and Rwanda to address water quality and scarcity, and to increase communities' resilience to the impacts of climate change. This work has a positive equality impact on a global scale as the poorest and most vulnerable people, including women and children, are often the most affected by climate change.

The budgetary reduction for the **Water and Sewerage Exemption Scheme** reflects the transfer of responsibility for the scheme to Scottish Water (where it is funded by business customers). The scheme provides support to eligible small charities and community amateur sports clubs for the payment of their water and sewerage charges. The groups funded by the scheme make an important contribution to the wellbeing of communities across Scotland. The exemption means that more of their resources can be used to support the valuable services that they provide. The reduction in budget for **Private Water** reflects demand for the private water supplies grant. Around 3.6 per cent of Scotland's population rely on private water supplies. The reduction does not reduce service provision and is not expected to have any impact on those who use private water supplies, the majority of whom live in remote rural areas.

There is a small increase to the **Natural Resources** budget. This incorporates funding for Special Protection Area restoration at an opencast coal mine in East Ayrshire, core funding for the Central Scotland Green Network (CSGN) Trust and a range of other activities. The CSGN aims to improve the quality of publicly-owned green spaces for recreation and community use, and will target improvements in the most disadvantaged areas.

There is also no change to the **Zero Waste** budget which funds the activities of Zero Waste Scotland and the Scottish Government's Zero Waste policy team. This includes actions to improve recycling, reduce emissions from waste, tackle litter and deliver our circular economy strategy. In the coming year, Zero Waste Scotland will consider equality impacts for a deposit return scheme for drinks containers.

There are increases for the National Park Authorities and the Royal Botanic Garden Edinburgh. Monies for Marine Scotland include the Coastal Communities Fund, previously funded by the Treasury. In the past, funding has supported projects including improvements to access routes, coastal paths, visitor attractions and other facilities. These have benefits for local communities and visitors, including disabled people, older people and children.

Lifting the public sector pay cap will result in an increased pay bill for all public bodies which will require reprioritisation of activity. All public bodies will continue to deliver their statutory equality duties and are required to assess equality impacts where there are significant changes to policy interventions, service delivery or staffing.

There are not thought to be any equality impacts of a reduction in funding for **research programmes** or the Contract Research Fund.

CONCLUSION

Increasing spending on air quality, flood risk management and land reform, and prioritising funding for climate change should have benefits for health, wellbeing and community engagement for people in Scotland as a whole, as well as for some more disadvantaged groups. Equality assessments indicate that any decrease in spend across the portfolio is likely to have little or no equality impact. Although public bodies funded by this portfolio are facing an increased wage pressure as a result of lifting the public sector pay cap, their budget should not significantly impact on delivery of policy or equality outcomes.

CHAPTER 11

Rural Economy and Connectivity

INTRODUCTION

Rural Economy and Connectivity is a diverse portfolio that has responsibility for developing rural Scotland's economy and wider connectivity (physical and digital) through working with the public, private and third sectors and with local communities. It includes responsibility for agriculture and crofting, connectivity – including transport and digital broadband coverage – as well as cross-government coordination on islands, fisheries and aquaculture, food and drink, forestry and rural communities.

The majority of portfolio spend is focused on delivering improvement in accessibility through investment in transport, extending broadband coverage and by funding schemes that support and build local growth in the rural economy. Such investment is targeted to ensure key sections of the population, such as older and disabled people, are able to access sustainable and reliable transport options, and to support rural, island and coastal communities and sectors.

KEY STRATEGIC PRIORITIES

Our overarching aim is to grow the rural economy and support wider connectivity through an integrated approach to inclusive economic growth.

Transport infrastructure is a key area where improving connectivity between our cities, rural communities and centres of economic activity is vital to boosting productivity and competitiveness. This budget continues the significant investment in Scotland's railways to support a safe and high-performing railway through the delivery of new and better services, while our support for air and ferry services will help support plans for more autonomy for our island communities.

We are committed to building on the success of our existing broadband investment programme, which will deliver fibre access to at least 95 per cent of premises by the end of 2017. We have set a new commitment to extend coverage even further to ensure that all premises in Scotland are able to access superfast broadband by 2021.

We will continue to manage our natural resources for the benefit of Scotland. This includes delivering the reformed Common Agriculture Policy (CAP), continued sustainable fisheries management and protection of fishing opportunities for both inshore and offshore fisheries as well as management of forests.

We will continue to support community engagement and ownership of land, marine and forests for community benefit, recreation and access. In the coming year, an Islands Bill reflecting the unique needs of Scotland's islands will provide more power and protection for island communities, including measures to ensure other relevant policy matters are 'island proofed' in the future.

We will continue to support Highlands and Islands Enterprise to develop growth sectors; improve competitiveness, productivity and support fair work; attract new investment; and work with the financial sector to improve access to finance.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

The portfolio has been able to protect spend in a number of areas and increase funding in others. These policies will have positive implications for equality groups, including disabled people, older people and others dependent on public transport.

We are committed to providing free bus travel to those who need it most through the **Concessionary Travel Scheme**. This currently provides free bus travel on local or Scottish long-distance buses for Scotland's older people and disabled people. The scheme has positive impacts on the physical and mental wellbeing of cardholders, reducing isolation and helping disabled users to access employment and educational opportunities. In 2018, we will work in partnership with others to develop a pilot scheme of free bus travel for young modern apprentices.

We will protect our funding of **Road Equivalent Tariff** to all routes in the Clyde and Hebrides, and take action to reduce fares on ferry services to Orkney and Shetland, ensuring that island communities can travel on lifeline ferry services at an affordable cost. The scheme particularly benefits islanders on low incomes. It also assists young people below the age of 16 who pay an even lower fare.

Funding for **Active Travel** will be doubled from £40 million to £80 million in 2018-19, with a further £6 million for sustainable travel and car-sharing programmes. This significant increase in investment in sustainable and active travel will support efforts to ensure that cheaper, healthier and greener forms of travel are available to more people. We will ensure funding is targeted to tackle transport poverty, providing lower cost mobility options such as car sharing and bike ownership and hire. This will benefit those with lower incomes and less access to essential services by public transport.

We are committed to removing barriers to accessibility on the **Trunk Road** network, and will allocate up to £2 million in 2018-19 specifically for this purpose. This will help to improve access for disabled road users. We will continue to engage with equality groups represented on our Roads for All Forum to ensure equality implications are considered in this work going forward.

We will continue to support bus services across Scotland through the **Bus Service Operators' Grant** (BSOG). This will help to deliver an extensive bus network and keep fares lower, benefiting those who, due to low income, disability or choice, use the bus relatively more than they use other modes of transport.

We will continue to fund the **Air Discount Scheme** and the lifeline Public Service Obligation air services to Barra, Campbeltown and Tiree. This will ensure that those living in some of the most remote parts of Scotland continue to benefit from reduced air fares.

Through our funding of the **ScotRail** franchise, we will continue to deliver a range of fare offers to customers, including reduced fares for job seekers and the newly employed on all routes. Our funding also includes the Minor Works budget which provides £350,000 a year to improve facilities across the network, promoting rail use by disabled people and older people.

We will continue to deliver the priorities identified through our **Accessible Travel Framework**, removing barriers which prevent people from travelling or make their journeys an unpleasant experience. In 2018-19, we will focus on providing accessibility training to customer-facing staff, tackle hate crime through our pilot charter, and strengthen the governance of the framework by creating a Scottish Strategic Travel Accessibility Board.

We are committed to extending the Scottish Government's **superfast broadband** programme so that, by the end of 2017, we will see at least 95 per cent of premises connected to the fibre broadband network, with all premises able to access superfast broadband by end 2021. This will particularly impact those living in rural communities by providing increased opportunities for employment and learning. This investment also opens up greater opportunities for individuals with accessibility issues which can have a positive impact on people's quality of life.

The core budget for **Highlands and Islands Enterprise** is being maintained for 2018-19. This will allow the agency to continue its work to support fragile rural communities, and to continue current activity which promotes equality. This includes increasing women's contribution to economic growth through developing leadership and entrepreneurship capability and addressing occupational segregation; supporting young people across the region through placement and development opportunities; and through implementing Scotland's Youth Employment Strategy.

The 2018-19 budget for **Forestry Commission Scotland** will increase, the majority of which will support the creation of new woodlands, increasing opportunities across the country for communities to access these. The budget for **Forest Enterprise Scotland** will decrease, therefore investment in formal recreation trails will be focused on sustaining facilities that are most inclusive and have the potential to provide additional benefits, such as improving the gender balance of those who use them and improving access for families.

Funding received from the EU to support **LEADER** projects will increase in 2018-19 to over £22 million from around £10 million in 2017-18. LEADER encourages rural communities and businesses to come together to develop and implement their own Local Development Strategies according to local priorities. As a result of the planned uplift in funding, Local Action Groups will be able to support additional projects this year, such as those in rural and coastal Scotland that most need support. These projects include the planning of services for older people and other more vulnerable groups and those which enable younger people to find employment.

The **Less Favoured Area Support Scheme** (LFASS) will maintain its level of support in 2018-19. This scheme supports farming and local communities in Scotland's least profitable and most environmentally-challenged areas, including much of the Highlands and Islands.

CONCLUSION

The assessment of the 2018-19 Rural Economy and Connectivity Budget highlights its positive impacts on equality and reflects our ongoing commitment to the rural and island economy, broadband and transport.

CHAPTER 12

Culture, Tourism and External Affairs

INTRODUCTION

The Culture, Tourism and External Affairs portfolio seeks to promote Scotland's interests at home and abroad through European and International Affairs. It contributes to delivering Scotland's economic ambition by investing in Scotland's unique heritage and culture as well as its capacity for creativity, tourism and major events.

The portfolio has a role to play in enhancing 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 by supporting young people's learning and creativity through engagement with culture and heritage.

KEY STRATEGIC PRIORITIES

Promoting Scotland and its interests at home and abroad is a key strategic priority for the Scottish Government. The External Affairs budget will continue to deepen Scotland's relationship with key countries in the pursuit of furthering sustainable economic growth in Scotland, increasing Scotland's profile on the world stage and contributing as a good global citizen towards the achievement of the United Nations (UN) Global Goals (including Goal 10, 'reducing inequality within and among countries'). The budget also supports the attraction of talented and skilled individuals to live, study and work in Scotland.

The development of our Culture Strategy for Scotland will explore the role of culture in our lives, articulating the powerful and transformative effect that culture can have in contributing both directly and indirectly to the health, wealth and success of our country. It will seek to harness the potential of culture to overcome inequalities in many areas including health, education, justice, employment, housing, and democratic participation. A key aim of the strategy is to ensure that there are equal opportunities for everyone – individuals, artists and cultural producers from all backgrounds – to engage in culture and the arts.

We will 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 and inclusive audience at home and abroad.
- 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.

The Scottish Government seeks to make Scotland a world-class tourism destination, providing a perfect stage for world-class events and supporting our tourism industry to maximise the contribution of the visitor economy to Scotland's prosperity. The Major Events budget will support a strong and inspirational programme of events and festivals each year, including the European Championships in Glasgow 2018. These generate business, create jobs and boost the economy while delivering benefits to all of Scotland's communities and build on our nation's strong reputation and international attractiveness.

The historic environment is a vital part of our heritage and communities and is also hugely important to the national economy. The Scottish Government will work to ensure our diverse and evolving cultural heritage thrives and is celebrated, and that our historic environment and world-class collections are cared for and enjoyed by new and diverse audiences and future generations right across Scotland.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Europe and External Affairs

In 2018-19, funding for the **British-Irish Council** remains the same as in 2017-18. There has been an increase in the **International and European Relations** budget of £1 million to support our increasing international presence and activity. These budget lines will help Scotland to participate to the fullest extent in negotiations on the UK's future relationship with the EU and its member states. Our relationship with Europe 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, which all focus on equality outcomes in their delivery.

The **International Development Fund** and **Humanitarian Fund** enhance international activities which seek to build upon historic and contemporary relationships that exist between Scotland, partner 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. The overall International Development Fund and Humanitarian Fund budget in 2018-19 will be maintained at 2017-18 levels with funding for International Development and Humanitarian Aid at £10 million and £1 million respectively.

Our International Development work supports a range of specific equality projects focusing on gender, disability and low-income households, covering health, education, renewable energy, civic governance and economic development. In 2018-19, for example, we will fund training for women from International Conflict Zones to give them the skills and confidence to maximise their contributions to building a safer world by involvement in UN peace processes. 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.

Culture, Tourism and Major Events

Creative Scotland and Other Arts support artistic work which explores and promotes equality and tackles discrimination in Scotland. Continued commitment to Creative Scotland in 2018-19 will ensure organisations can continue to deliver diverse programmes of work which are of particular benefit to equality communities.

In particular, increased resource in this portfolio will support the establishment of a dedicated **Screen Unit** within Creative Scotland. In addition to better alignment with and coordination of public sector support for the TV and film sector, it will also increase production and inward investment, boosting audience, company and skills development. By bringing together creative, skills and enterprise partners through the Screen Unit to deliver an ambitious vision for cultural, social and economic development of the sector, we will work more effectively towards generating inclusive growth through an expanding film and television industry.

We are also supporting the National Film and Television School's plans to establish a base in Scotland which will help break down barriers to entry into the screen industry. The aspiration of the National Film and Television School's project is that a third of total places should be funded by bursaries so as to widen recruitment to those disadvantaged in particular by their socio-economic background, gender or disability.

Research by Creative Scotland and others has highlighted the complex barriers to access and progression in the industry. We will also work in partnership with broadcast regulator Ofcom to press the BBC and other public service broadcasters to continue to advance equality and diversity in their businesses and to aim for fuller and more authentic representation, on and off screen, of Scotland's many diverse communities.

The Scottish Government's long-standing investment of £109 million since 2007 in the **Youth Music Initiative** has made a huge impact in helping young people across Scotland access music making opportunities and develop their wider skills and learning. Funding at 2017-18 levels of £9 million will be maintained in 2018-19 to continue work to boost young people's confidence, self-esteem and personal skills and support the development of skills for wider learning, including literacy, language and numeracy skills and development.

We are committed to early intervention programmes that support our young people, raise attainment, tackle inequality and empower our communities. **Sistema Scotland** works across four areas reaching 2,000 children weekly, and has huge potential to transform lives and help tackle inequality. Independent evaluation highlights that as well as increasing the confidence, aspirations and self-esteem in the children and young people involved, Sistema Scotland is making a real and positive difference benefitting families and wider communities in Raploch, Govanhill and Torry. The recent opening of a new Big Noise centre in Dundee extends Sistema Scotland's reach. Scottish Government investment of £2.5 million will enable Sistema Scotland to reach 700 more children to access its inclusive teaching and learning opportunities in 2018-19.

The **National Performing Companies** place education and participation at the heart of their core activity to enhance the wellbeing of individuals who participate. Continued support for the National Performing Companies will ensure a range of initiatives are targeted at young people to increase access to performing arts across Scotland, such as the Royal Scottish National Opera Junior Chorus, and outreach programmes such as those run by the Scottish Chamber Orchestra and Scottish Opera.

Continued commitment to working with our partners and providing funding support for the themed years programme will ensure focus on and delivery of the themes of the Year of Young People 2018 (participation, education, health and wellbeing, enterprise, equality and tackling discrimination, and culture). A programme of cultural and educational events and activities, co-designed with young people, will inspire Scotland through its young people, celebrating their achievements, valuing their contribution to communities and creating new opportunities for them to shine locally, nationally and globally. Our Programme for Government sets out a number of policy commitments linked to the Year that aim to improve the life experience and life chances of Scotland's young people so they can thrive and be equipped to take advantage of opportunities.

Tourism is a key sector for Scotland's economy and the latest strategic guidance for **VisitScotland** highlights the need for the organisation to embed equality and to actively promote this in everything it does. Funding for VisitScotland will reduce by two per cent in 2018-19, however, a range of initiatives will continue to be supported in order to realise the Programme for Government ambition to ensure tourism continues to progress equality and opportunity for all.

VisitScotland has a key role in ensuring Scotland is an inclusive, welcoming destination, collaborating with the industry in the delivery of several inclusive tourism projects and assisting tourism businesses to promote and provide both quality customer service and access for the inclusive tourism market. Our work with the Rural Tourism Infrastructure Fund – which will see £6 million invested over 2018-20 – will provide for the services and facilities tourists and communities need to support sustainable growth in rural tourism across Scotland. VisitScotland is currently working with the industry and the Family Holiday Association to provide vulnerable and disadvantaged families in Scotland a short break or day out via ScotSpirit 2017.

Scottish Government support to the **National Museums Scotland, National Galleries of Scotland** and **National Library of Scotland** to provide free public access to the collections will continue in 2018-19, with additional funding provided to help the National Collections to deliver the pay policy. Continued support for the National Collections to provide free access will be of particular benefit to those on low incomes, of whom women, disabled people and some minority ethnic groups are disproportionately represented.

Historic Environment Scotland

Historic Environment Scotland cares for and promotes Scotland's historic environment, providing support for heritage building repairs, employment for those with traditional building skills, and contribution to the regeneration of Scotland's town centres. Historic Environment Scotland also encourages engagement with, participation in, and enjoyment of the historic environment and increases the diversity of people accessing it. The Historic Environment Scotland 'Equality Outcomes and Mainstreaming Report' outlines how it is working to deliver its public sector equality duties and sets out four equality outcomes it aims to achieve by April 2021. Due to Historic Environment Scotland's capacity to generate additional income, a reduction of eight per cent in funding to Historic Environment Scotland in 2018-19 is not anticipated to have negative impacts on older people and disabled people who are the groups least likely to visit historical places.

National Records of Scotland

There will be an increased budget for **National Records of Scotland** from 2017-18 to support the ongoing design of the 2021 Census. During the course of 2018-19, National Records of Scotland will be carrying out testing on a range of equality questions, including the possible inclusion of a question on sexual orientation. In addition, work will start to develop the range of systems and services required for the 2021 Census, and National Records of Scotland will be working with equality groups to ensure that the approaches taken are appropriate and accessible to all.

Additional resources will also support demographic analysis to inform our understanding of the impact on certain protected characteristics in particular areas and other activity, such as the needs of faith and cultural groups as part of the death certification process.

CONCLUSION

This portfolio has a key role in enriching people's quality of life across a range of protected characteristics. Where budgets are protected or increased, this helps to enhance access to, and participation in, Scotland's culture and heritage. It will be important to maintain current levels of investment to ensure the long-term sustainability of programmes, activities and sites.

CHAPTER 13

Administration

INTRODUCTION

The Administration Budget covers the costs of running the core administration required to support the Scottish Government's purpose and strategic objectives. The majority of the Scottish Government Administration Budget is spent on Scottish Government staff engaged largely in policy formulation and support for Ministers. Other costs include accommodation and information technology.

A key priority for 2018-19 will be to ensure that the Scottish Government has the required capacity and capability to deliver the functions of government in the context of: the continued commitment to the National Performance Framework outcomes; the new responsibilities set out in the Scotland Act 2016; and ensuring an effective response to the outcome of the EU referendum. This includes enhancing skills, making best use of talent, and the matching of staff resources to priorities as we take on new powers.

The Scottish Government aims to become a world-leading, diverse employer. This is an ambitious aspiration and, in order to achieve it, we need to be fully representative of modern Scotland and the public and communities we serve. As we embrace the new powers being devolved to us, we will ensure that any new recruitment priorities provide an opportunity to enhance our diversity as an organisation.

KEY STRATEGIC PRIORITIES

Our aim as an organisation is to create the conditions and culture for individuals to bring their whole selves to work, to thrive and to be successful. We want to have the right people in the right places, with the right skills at the right time so that we are the open, capable and responsive organisation we need and want to be. We aim to be a Fair Work employer with our diversity and inclusion priorities focused on being more representative of Scotland and on nurturing a positive and inclusive culture.

The costs associated with unacceptable behaviours impacts on individuals, teams and the entire organisation. We will tackle any bullying, harassment and victimisation and have set core priorities of consistent good people management and wellbeing. We have also appointed a senior director to the role of Bullying and Harassment Champion to provide visible leadership in this area.

We will continue to progress our aim of achieving a more representative workforce by 2025 through positive actions to encourage the recruitment and development of currently under-represented groups. We will also continue to work to improve the quality of our diversity data for the organisation. Our programme of targeted communications and awareness raising will help staff to understand how enhancing the quality and quantity of our data can underpin better policies and procedures.

Our commitment to equal pay for our employees is supported through monitoring of our pay systems and practices, as well as attention to occupational segregation within the Scottish Government. Scottish Ministers have confirmed their commitment to no compulsory redundancies, prioritising support for those on the lowest incomes and maintaining our status as an accredited living wage employer.

EQUALITY IMPLICATIONS OF THE DRAFT BUDGET 2018-19

Resourcing and Staffing

As of November 2017, the current staffing profile of our directly employed core Scottish Government staff does not yet fully reflect the wider Scottish working population. For gender, sexual orientation and religion our staff complement is closely reflective or higher than the Scottish population, however, this is lower for disability and ethnicity. In addition, to improve our age diversity we are working to increase the numbers of younger people in our organisation through our Modern Apprenticeship programme. We have been working on improving the diversity of our staff in senior posts and those entering our talent 'pipeline' at graduate level. For example, we saw a three per cent increase in the proportion of our most senior female staff identifying as belonging to a minority ethnic group in the 12 months up to September 2017.

The Scottish Government's Graduate Development Programme (GDP) aims to identify individuals with the potential for senior leadership. The 2017 recruitment exercise was an improvement on the 2015 process, and a significant step in understanding how we reach and support people of all backgrounds to enable equal opportunity of employment and contribution to public services. There were over 2,700 applicants, including 347 (12 per cent) who self-identified as belonging to a minority ethnic group. Work on the 2017 GDP campaign led to greater proportions of offers made to candidates identifying as LGBO (our system allows applicants to select 'other' as a sexual orientation), disabled, and as an ethnic minority. Across all of these characteristics, the percentage of successful candidates was either representative of or greater than the Scottish population.

In continuing to support the Modern Apprentice (MA) programme, we do not ask applicants for formal qualifications but rather that applicants should be unemployed or under-employed and prepared to undertake an SVQ qualification. We have directly recruited 583 MAs in the period April 2011 to October 2017, and continue to work with LGBT, disability and minority ethnic organisations to raise awareness of our MA programme and to ensure greater diversity within our MA intake.

We continue to make progress to ensure true equality in the workplace for LGBTI colleagues, including through participation in Stonewall's Workplace Equality Index (WEI). A renewed focus has seen the Scottish Government move back into the Top 100

of the WEI in 2017, now ranked 50th, having climbed 56 places from 2016 and 163 places from 2015. Stonewall recognised the Scottish Government as the 'Most Improved Scottish Employer in 2017'; an achievement even more notable considering the rising number of employers participating in the Index (397 in 2015 to 439 in 2017) and the increased competition this brings.

We will continue to build on our network of diversity and inclusion allies and role models. Across each protected characteristic, our most senior leaders have personal performance objectives linked to ally roles. All our role models and allies will be supported and empowered to be active change agents throughout the Scottish Government, creating a more inclusive workplace for everyone.

Our work on increasing diversity declaration rates has seen continued improvement across all protected characteristics. For example, people declaring their sexual orientation has increased by seven percentage points over the previous 12 months to 68 per cent in September 2017 with 3.1 per cent of staff now identifying as LGBO at that date. Staff declaring their religion and belief has also increased from 60 per cent to 67 per cent in the last 12 months.

We are closely following ongoing work by the UK Civil Service on developing practical measures to capture employee socio-economic background (SEB). The Scottish Government has included a question on SEB in the 2017 People Survey, ahead of the introduction of core SEB questions for all participating Civil Service organisations. We are also looking at UK-wide Civil Service proposals for capturing the gender identity of staff following the results of the 2016 Transgender Equality Inquiry by the UK Government's Women and Equalities Committee which referenced a 'data gap' in understanding the needs of transgender staff. We will work closely with our staff, with other Civil Service departments and with transgender equality organisations to ensure that we consider and implement best practice in this area.

With 95 people currently in partial retirement (235 since the scheme began in 2008), we will sustain our offer of partial retirement to staff wishing to adjust their work-life balance. This initiative is part of our overall commitment to flexible working practices and will have a positive impact on older people within the organisation and those who have caring responsibilities later in life.

To ensure that posts are attractive and available to all, we advertise that all internal and external posts are available on a flexible and part-time basis unless there is a genuine business reason that means this is not possible. In these instances, recruiting areas are required to provide a robust business case before the post is advertised.

Pay and Pay Gap

The Scottish Government is subject to Public Sector Pay Policy and is an accredited Living Wage employer. The Scottish Government Main Bargaining Unit's responsibilities on pay covers all grades below Senior Civil Service. Pay for staff in the Senior Civil Service is reserved to the UK Government. Information on pay and gender is gathered following the implementation of pay awards, and an analysis of Pay 2017 will be undertaken in January 2018.

Data from the Scottish Government 'Equality Outcomes and Mainstreaming Report 2017'¹ illustrates that, within every pay band, there is a difference of less than 3 per cent between the average salaries of female and male staff. However, the 'All Staff' analysis illustrates that the gap in the overall average female and male salaries is 4.14 per cent. This demonstrates that the Scottish Government pay arrangements are delivering equal pay for work of equal value for staff at each individual pay band. The higher overall pay gap is largely a function of the gender distribution across our grade structure where a greater proportion of those in lower-paid roles are female. We will continue to work to improve the gender representation of our most senior grades.

Our Workplaces

Our Smarter Workplaces programme aims to provide our staff with modern, flexible working environments that enable them to deliver the needs of the business. This includes disabled colleagues, those with caring or other responsibilities, those who work an alternative pattern or who work from a number of locations and/or closer to home, and includes consideration of the needs of visitors to our government buildings.

The Smarter Workplaces programme is committed to ensuring we carry out our legal responsibilities and, wherever possible, take opportunities to improve the working environment. The Smarter Workplaces team has been working with colleagues and staff diversity networks across the Scottish Government to embed diversity into the design principles that are shaping our buildings and facilities. The programme is creating new, flexible workspaces while actively working to support equality for all, irrespective of age, disability, gender, gender identity, race, religion and belief, and sexual orientation.

Gender neutral toilet facilities were introduced in Victoria Quay in Edinburgh and Atlantic Quay in Glasgow last year and improvements were made to multi-faith and contemplation rooms in Atlantic Quay. Engagement will continue with our staff equality and diversity networks in 2018-19 to ensure that our workspaces meet the needs of all our staff.

Through improved efficiency from optimising the value of our buildings and wider estate, the Smarter Workplaces programme is working towards saving £28 million per annum from accommodation costs across the core Scottish Government estate and its wider network of public bodies.

CONCLUSION

The Scottish Government remains committed to increasing and valuing the diversity of our people with equality considerations underpinning all of our employment policies and practices. To support this, work will continue to capture information across relevant protected characteristics for all of our staff to ensure our policies and practices are fair and inclusive, supporting our aspirations of being a world-leading, diverse employer, truly reflective of Scottish society.

1 <http://www.gov.scot/Resource/0051/00517333.pdf>

CHAPTER 14

Crown Office and Procurator Fiscal Service

INTRODUCTION

The Crown Office and Procurator Fiscal Service (COPFS) is Scotland's sole public prosecuting authority. It acts independently in the public interest on the authority of the Lord Advocate. COPFS receives 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. The Service also enquires into deaths that need further explanation and investigates allegations of criminal conduct against police officers.

KEY STRATEGIC PRIORITIES

'Justice in Scotland: Vision and Priorities' sets the following outcomes and priorities:

- We live in safe, cohesive and resilient communities.
- Our system and interventions are proportionate, fair and effective.
- We will enable our communities to be safe and supported, where individuals exercise their rights and responsibilities.
- We will work to quickly identify offenders and ensure responses are proportionate, just, effective and promote rehabilitation.

The impartial and independent administration of criminal justice in Scotland underpins a fair and equal society which seeks to protect people and communities from harm. The Service's operational priorities make it clear that prosecutors are targeting hate crime, domestic abuse, stalking and sexual offending, all of which have significant equality implications.

EQUALITY IMPLICATIONS FROM THE DRAFT BUDGET 2018-19

Hate Crime

COPFS is committed to taking effective prosecutorial action in relation to hate crime offences where there is sufficient, credible and reliable evidence to do so. The Service looks forward to the publication of Lord Bracadale's review of hate crime although it is not currently known if there will be any financial implications for COPFS arising from his recommendations. COPFS continues to invest staff resources to giving victims of such offences confidence to report hate crime to the police. Victims of hate crime

are supported through the court process by the Service's Victim Information and Advice service. COPFS also invests staff time and resources into awareness-raising campaigns and educational presentations to raise awareness of individual rights and responsibilities.

COPFS recognises the work of the many charities and support groups who represent and assist victims of hate crime, and we continue to engage with such groups, schools and local communities to encourage reporting and to change attitudes towards hate crime.

Sexual Offences

The Service is committed to dealing effectively with sexual offences. While sexual offences can affect both men and women, 94 per cent of crimes of rape and attempted rape and 87 per cent of crimes of sexual assault had a female victim in 2016-17. Dealing effectively with sexual crime is therefore important in terms of addressing gender inequality.

Sexual crime comprises 75 per cent of the Service's High Court caseload. The number of sexual offences reported to the Service continues to rise significantly. This means that more victims are coming forward, that more cases are being prosecuted, and more perpetrators are being brought to justice.

The Service is responding, and will continue to respond, to the increase in the number of such cases. It has established four specialist High Court sexual crime units within the Service to supplement the specialist work of Crown Counsel within the National Sex Crimes Unit. It has implemented a new Victim Strategy, and will continue to engage with stakeholders with a view to continuing to learn from the victims' experience of the criminal justice system. At the same time, the Service participates actively in the work of the Scottish Courts and Tribunal Service's Evidence and Procedure Review and other work directed to improving the arrangements under which the evidence of vulnerable witnesses is taken.

Domestic Abuse

The robust and effective prosecution of domestic abuse continues to be a key objective for COPFS given the seriousness of the offending and the significant and enduring impact it has on victims, predominantly women and children.

The number of domestic abuse charges reported to COPFS by Police Scotland has increased significantly over the last four years, largely due to the prioritisation and focus on policing this type of crime. Prosecutors dealt with over 30,000 charges reported by Police Scotland in the year 2016-17, and 85 per cent of charges reported were prosecuted. The number of rapes, attempted rapes and sexual assaults involving an element of domestic abuse reported to COPFS remains significantly higher than in 2013.

A revised joint protocol between COPFS and Police Scotland, 'In Partnership: Challenging Domestic Abuse', was launched in March 2017, setting out the policies and approach taken and committing both organisations to a consistent and robust approach to tackling domestic abuse.

Legislative reforms will provide additional tools to police and prosecutors and will enhance the protection available to victims of domestic abuse. These reforms include:

- The Abusive Behaviour and Sexual Harm (Scotland) Act 2016, which introduced an intimate image abuse offence, a domestic abuse aggravation, new sexual offender orders and jury directions.
- The Domestic Abuse (Scotland) Bill 2017, currently progressing through Parliament, proposes a new domestic abuse offence criminalising a course of abusive behaviour which may incorporate both violent and threatening behaviours, but also coercive control behaviours not currently criminalised. The Bill also proposes a number of measures aimed at increasing victim safety, including strengthening provisions in relation to Non-harassment Orders, and includes a new aggravation in relation to the involvement of children in domestic abuse.
- The Criminal Justice (Scotland) Act 2016 which, when introduced in 2018, will provide the police with new powers to release a suspect on investigative liberation with liberation conditions which could include conditions to protect victims.

Under the direction of the National Procurator Fiscal for Domestic Abuse, the Service will continue to ensure that its policies are appropriate. It will also continue to provide specialist training for staff, including in relation to new offences in order that these cases are prosecuted effectively and to provide services to victims of such crime, the vast majority of who are women.

Interpreting and Translation

COPFS provides interpreting services for all Crown witnesses who request such support and provides translation and transcription services to all witnesses and accused persons who require this. The provision of these services ensures that people whose first language is not English are able to fully participate in the criminal justice process. The cost of providing such services continues to grow year on year, especially after the implementation of the EU directive on the right to interpretation and translation in criminal proceedings four years ago.

In 2016-17, the cost of providing such services was approximately £312,000, an eight per cent increase on the previous year. This figure only reflects the costs incurred for spoken languages and does not include costs for the provision of British Sign Language interpreters for Crown witnesses.

British Sign Language (BSL) Act 2015

The Scottish Government published its first BSL National Plan in October 2017 which covered all Non-Departmental Public Bodies, including COPFS. The Act is designed to promote and facilitate the use and understanding of BSL across the Scottish public sector and ensure deaf and deafblind BSL users are fully involved in all aspects of life, including access to justice services.

COPFS is a member of the cross-justice Working Group on Interpreting and Translation (WGIT). COPFS and Police Scotland jointly represent the Justice sector on the BSL National Advisory Group which helped develop the BSL National Plan. Thereafter, all public bodies will be required to create their own plans to demonstrate how they will meet the requirements of the Act. The WGIT will drive forward the work to comply with the National Plan for the justice sector. It is too early to calculate the cost implications of this work.

COPFS is a member of **enei** (Employer's Network for Equality and Inclusion) and **Happy to Translate**. In 2017, COPFS retained the title of the top public sector employer in Scotland in Stonewall UK's Workplace Equality Index for the fourth year in a row. As a Diversity Champion of **Stonewall Scotland**, COPFS ranked 13th in the UK Index overall. Continued membership of such organisations in the current financial climate is indicative of COPFS' commitment to ensuring an inclusive workforce, support for victims and witnesses, and increasing public confidence in the prosecution service.

CONCLUSION

COPFS remains committed to advancing equal and inclusive access to justice for all people and communities across Scotland. It will continue investment in 2018-19 to promote equality and access to justice and endeavour to mitigate the negative impact of crime for some of the most vulnerable groups in Scotland, including people with learning difficulties, children and young people, and people whose first language is not English.



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