

Scotland's National Strategy for Economic Transformation Programme 6: A Culture of Delivery Equality Impact Assessment (Record and Results)

October 2022

EQUALITY IMPACT ASSESSMENT RECORD

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| Title of policy/ practice/ strategy/ legislation etc. | Scotland's National Strategy for Economic Transformation - Programme 6: A Culture of Delivery |
| Minister | John Swinney MSP, Deputy First Minister and Cabinet Secretary for Covid Recovery |
| Lead official | Lisa McDonald, Deputy Director, Economic Policy and Capability Division |
| Directorate | Economic Strategy Directorate |
| Is this new policy or revision to an existing policy? | Implementation of policies as set out in the National Strategy for Economic Transformation - Programme 6: A Culture of Delivery |

Screening

Policy Aim

The vision of the National Strategy for Economic Transformation (NSET), published on 1 March 2022, is for Scotland to be a wellbeing economy, thriving across economic, social and environmental dimensions. The strategy sets out an ambition that Scotland's economy will significantly outperform the last decade, both in terms of economic performance and tackling structural economic inequalities.

Analysis of the available evidence has identified six interconnected, transformational Programmes of Action to shift the economic dial and deliver our vision. Together they tackle long term structural challenges, build on our economic strengths and position Scotland to maximise the greatest economic opportunities of the next ten years in a way that will transform the very fundamentals of how our economy works.

The task of transforming our economy requires an equally radical transformation in the way we deliver results through the policy programmes. Effective delivery is crucial to delivering the strategy's aims, and this must embed and pay due regard to the three needs of the Public Sector Equality Duty (PSED) if the strategy is to achieve economic prosperity for all Scotland's people and places and have the intended positive impacts on people with protected characteristics.

The PSED is defined in the Equality Act 2010 as a duty on public authorities to: eliminate discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations between persons who share a protected characteristic and those who do not. Specifically, this equality impact assessment (EQIA) assesses any impacts of applying a proposed new or revised policy or practice against the needs relevant to a public authority's duty to meet the PSED.

The sixth Programme of Action, Programme 6: A Culture of Delivery, focuses on implementation of NSET. It introduces a new, streamlined delivery model where all participants are clear about their individual roles and accept

accountability for their actions; and where partners come together in a 'Team Scotland' approach. Programme 6 identifies the necessary structures and landscape that will support effective delivery and transform the way in which the Scottish Government and business listen to, support and work with each other. To provide clarity and ensure accountability, Programme 6 also establishes the metrics and mechanisms that will allow us to track and monitor our economic transformation, which will enable us to continually improve the collective impact of NSET.

NSET is aligned with Scotland's National Performance Framework¹ and Programme 6 contributes to achieving all of the National Outcomes².

For example, Project 16, and in particular Action 65 to establish the NSET Delivery Board, is intended to contribute to the following National Outcomes:

- Economy – a strong, competitive, entrepreneurial, inclusive and sustainable economy;
- Fair Work and Business – thriving and innovative businesses, with quality jobs and fair work for everyone;
- Environment – protect and enhance our natural resources;
- Health – health and wellbeing through actively promoting healthy public policy; and
- Education – a well-educated, skilled and able society.

Project 17, and in particular Action 64 to establish a Centre of Expertise in Equality and Human Rights, is intended to contribute to the following National Outcomes:

- Economy – a strong, competitive, entrepreneurial, sustainable and inclusive economy;
- Fair work and business – thriving and innovative businesses, with quality jobs and fair work for everyone;
- Human rights – respecting, protecting and fulfilling human rights and living free from discrimination; and
- Poverty – tackling poverty by sharing opportunities, wealth and power more equally.

In line with the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012,³ the Scottish Government has a duty to 'publish a set of equality outcomes which it considers will enable it to better perform the equality duty' at intervals of not more than 4 years. Delivery of NSET is expected to support the following Equality Outcomes for 2021-25⁴:

- More robust and comprehensive data will be gathered on the characteristics of people in Scotland, identifying and filling evidence gaps. Equality data will be used much more frequently to develop and

¹ [National Performance Framework | National Performance Framework](#)

² [National Outcomes | National Performance Framework](#)

³ [The Equality Act 2010 \(Specific Duties\) \(Scotland\) Regulations 2012 \(legislation.gov.uk\)](#)

⁴ [Supporting documents - Equality outcomes and mainstreaming: report 2021 - gov.scot \(www.gov.scot\)](#)

adjust service delivery, contributing to the mainstreaming of equality and human rights.

- Disparities in labour market outcomes for women, disabled people and ethnic minorities will have improved. Employer practice will have improved and workforces will be more diverse and inclusive through effective approaches embedded to tackle workplace inequality.
- We will have made progress towards reducing inequalities and advancing equality of opportunity and outcome - most notably across the Protected Characteristics of age, disability and sex - through the implementation of the National Transport Strategy; and transport services will become fairer to access, easier to use and more affordable. The NTS2 recognises that by ensuring access to suitable transport facilities it will lead to the fulfilment of other human rights, in line with the National Performance Framework and Scotland's international human rights obligations.
- During the current equality outcome cycle (2021-2025), people with lived experience of inequality and exclusion will be more involved in informing and co-designing policy and practice that affects them, and their voices will be better reflected in public policy across Scotland.

NSET Programme 6 contains three specific Projects which, together, provide the structure, accountability, support and data that 'Team Scotland' needs to successfully deliver economic transformation.

Project 16: Strengthen Accountability and Transparency - will lay the groundwork for a culture of delivery and accountability by sharing objectives and clearly allocating responsibilities across all sectors. The new, robust governance structures will increase transparency and enable the Delivery Board and Economic Leadership Group to hold delivery partners across Scotland to account. Where possible, and within the powers that are available to us, multi-year budgets will provide greater certainty and planning confidence for business and delivery partners. The best available data will allow our Delivery Board to take evidence-based decisions, respond in an agile manner and prioritise with confidence. That is particularly important during the current cost crisis.

Specifically, Project 16 will:

- Restructure the Enterprise and Skills Strategic Board (ESSB) to become the NSET Delivery Board
- Establish a Scottish Government Economic Leadership Group
- Introduce a common accountability framework with delivery partners, responsible for delivering specific programmes, establishing key milestones and agreeing metrics of success
- Ensure the NSET Board has the best available data, drawn from the public sector, academic and private sources

Project 17: Transform the Way We Provide Support - will change the way in which the public sector in Scotland provides support for business and provide greater clarity on the support they can expect at a local, regional, national and international level; our strategic guidance to the agencies will

ensure that their activity is framed by, and consistent with, the priorities set out in NSET and that they play their part in its delivery; and we will work collaboratively across sectors to consider how regulation can be used to support economic and societal aims more efficiently and effectively.

On regulation specifically, Scotland's approach is about better regulation, not deregulation, and focuses on five key principles: it should be transparent, proportionate, consistent, accountable and only where needed. The Scottish Government, however, recognises the regulatory burden on businesses and remains committed to improving regulation to deliver sustainable economic growth, to provide a favourable business environment, but also, crucially, to ensure protections for workers and our environment, aiming for an inclusive economy in which more people and businesses can grow and flourish.

We anticipate working closely with business leaders and organisations to co-produce a robust and effective business support landscape. We aim to build on the work of the Business Support Partnership, which already exists to drive forward change and brings together representatives from the Scottish Government, Scottish Local Government, Scotland's Enterprise and Skills Agencies, and other public bodies with a key role in supporting the economy, such as Skills Development Scotland, Creative Scotland and VisitScotland.

By establishing a Centre of Expertise in Equality and Human Rights within the Scottish Government we will also advance our understanding and embed equality and human rights within the economic policy-making process. The Centre will support our entire approach across NSET by building capacity and embedding consideration of equality and human rights in economic policy development. It is intended to work with external stakeholders to increase economic policy officials' knowledge, understanding and confidence concerning equality and human rights, and support wider work to identify and address gaps in data and evidence. It is anticipated that the work of the Centre will have indirect impacts on the wider community, in particular individuals and groups with protected characteristics and people experiencing socio-economic disadvantage, as well as other groups facing structural barriers, such as people with experience of care.

Specifically, Project 17 will:

- Establish a programme to radically transform the way in which the public sector in Scotland provides support for workers and businesses
- Ensure that strategic guidance to our key delivery agencies aligns with the priorities and delivers the Programmes of Action set out in NSET and is consistent with multi-year budgeting that will allow delivery partners to plan ahead
- Target support more effectively to businesses in every region of Scotland through introducing a common business identifier to be used by every delivery partner
- Work with stakeholders to consider how regulation can be used to support economic and societal aims, and use this work to continuously improve the approach to regulation and guidance in the future

- Establish a Centre of Expertise in Equality and Human Rights within the Scottish Government, advancing our understanding and embedding equality and human rights within the economic policy-making process, as agreed in the Economy Recovery Implementation Plan

Project 18: Measure Success - will capture the impact of NSET activity. To support increased accountability, we will publish annual progress reports and ensure a consistent approach to evaluation that will then drive coherent and informed improvements and spending decisions. In line with our commitment to a wealthier, greener and fairer Scotland, our Wellbeing Economy Monitor⁵ will ensure we look beyond traditional economic metrics and maintain delivery focus on driving our recovery to meet climate and nature targets, while ensuring we maximise and share the benefits fairly as part of a just transition, and improve collective wellbeing.

Specifically, Project 18 will:

- Publish an annual progress report for the NSET Board in order to enhance public accountability (including equalities monitoring)
- Publish a Wellbeing Economy Monitor
- Ensure a consistent approach to evaluation to drive continuous improvement and a greater understanding of the Return On Investment (ROI) in assessing the impact of support, which will guide future spending decisions
- Finalise detailed NSET delivery plans

This EQIA has been informed by engagement and discussions with a broad range of stakeholders, including equality and human rights organisations, and this will continue as the Projects and Actions are further developed and implemented. Potential impacts have been assessed based on the evidence gathered through stakeholder engagement and discussions, as well as through the NSET Evidence Paper⁶, the NSET Equality Position Statement⁷, and other evidence-gathering exercises leading up to publication of the Delivery Plan for Programme 6 and this EQIA.

It should be noted that the Wellbeing Economy Monitor, which was published on 24 June 2022, has been considered not to require an EQIA, and the relevant declaration to this effect has been completed. Therefore, this EQIA does not consider the Monitor. The Monitor brings together a range of indicators to provide a baseline for assessing progress towards the development of a wellbeing economy in Scotland. It involves the provision of analytical products that will not have a direct impact on individuals or other policies. Rather, it provides a monitoring tool across a range of economic, social and environmental measures to track progress towards achieving a wellbeing economy. Development of the Monitor was informed by consultation

⁵ [Wellbeing economy monitor - gov.scot \(www.gov.scot\)](https://www.gov.scot/wellbeing-economy-monitor)

⁶ [Scotland National Strategy for Economic Transformation: evidence paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/scotland-national-strategy-economic-transformation-evidence-paper)

⁷ [1. Background and Policy Aim - Scotland's National Strategy for Economic Transformation: equality position statement - gov.scot \(www.gov.scot\)](https://www.gov.scot/scotland-national-strategy-economic-transformation-equality-position-statement)

with stakeholder groups and it will continue to be refined as new or better data become available. The initial set of indicators includes two measures with an explicit focus on specific protected characteristics (gender pay gap and young people's participation rate), and others which reflect equality more broadly (income inequality and wealth inequality). Although an EQIA is not required, due regard will be given to the accessibility of online resources and to providing access to equality data where appropriate, and we will continue to engage with equality stakeholders regarding progress on these measures.

Who will it affect?

The economy impacts everybody, regardless of their age, ethnicity, sex and other characteristics. However, we know that people with some protected characteristics can be disproportionately affected, for example women, disabled people and minority ethnic people. We also recognise that protected characteristics intersect, therefore we have considered them on an intersectional basis. The implementation of NSET is expected to impact on everybody. The Projects under Programme 6 are intended to support and drive Scotland's overall economic prosperity to the benefit of all our people. However, just as every person is an individual with particular characteristics and circumstances, their experiences of economic activity and the impacts that Scotland's economy has on their lives are different. Taking a person-centred, intersectional approach to considering the implementation of policies and actions can help to address entrenched inequalities and cumulative impacts on people, and particularly those who experience disadvantage.

Several Actions across the strategy's Programmes specify that they will be targeted at under-represented groups. Examples include:

“Set targets and focus on providing access to support programmes from amongst the most under-represented groups, particularly women, those on low incomes and those without qualifications at further or higher education, including the six priority groups at greatest risk of child poverty. This would include the offer of financial support for those who are unable to afford time out from a full-time job or caring responsibilities to develop ideas. An early priority will be to deliver our commitment to review how we support more women into entrepreneurship.” (Entrepreneurial People & Culture)

“Systemically address Scotland's labour market inactivity challenges. Assess trends within different labour market inactive groups and understand what steps can be taken to bring more individuals into the labour market – including through the use of childcare and transport provision, part-time/flexible working, support for employees with disabilities, and business start-up and work from home opportunities. This is inextricably linked to reducing child poverty, including the approach of pathfinders to test how to ensure holistic support enables parents to enter, sustain and progress in work.” (Skilled Workforce)

Although Programme 6 underpins implementation of NSET as a whole and is relevant to Actions across the strategy, this EQIA relates to the approach to,

and culture of, delivery that Programme 6 is concerned with, rather than the specific Projects and Actions contained in the other Programmes. An EQIA on the expected impacts of NSET as a whole has been produced, and there are parallel EQIAs on the other five Programmes. In that context, a summary of how the Projects within Programme 6 might impact, both directly and indirectly, people, including different groups of people, and communities, is provided below.

Project 16

Project 16 is primarily based on the creation and management of a range of governance bodies, groups and boards (such as the NSET Delivery Board and Economic Leadership Group), and the ongoing support of such groups through the provision of evidence and data collection. Project 16 also has a wider set of goals around establishing a common accountability framework across delivery partners who will deliver specific NSET Projects. While equality indicators are not part of the metrics for most NSET Projects under the Framework, they are being monitored for the economy as a whole, for example through the Wellbeing Economy Monitor. Additionally, and where data allow, individual metrics of success will be broken down by different equality groups.

To further strengthen available evidence and evaluate outcomes from Projects, a series of logic models will be developed to show the link between specific Programme activities and outcomes. For NSET specifically, logic models will assist in setting out the evidence we have (and the evidence we need), identifying external factors which may influence specific Programmes, and identifying the shared outcomes (including wellbeing outcomes) to which each Project and Programme contributes.

To oversee the successful implementation of NSET, the Enterprise and Skills Strategic Board has been restructured to form a new NSET Delivery Board. The NSET Delivery Board is solely focused on delivery and accountability, rather than policy development or strategy. Its role is to ensure the successful delivery of the interconnected policy Programmes; to challenge and adapt any aspects that do not deliver on the ambitions of the strategy; and to prioritise based on what is most important, timescales, and where the greatest influence can be brought to bear. Board member champions will assist in specific areas if there are significant delivery concerns.

The NSET Delivery Board is made up of experienced leaders, appointed because of their professional experience in delivering results across the public, private and third sectors. Specifically, members have: a proven track record in senior executive leadership and delivery; experience of operationalising a complex and inter-connected series of policy actions and deliverables; experience of shaping and applying Programme and Project Management (PPM) principles in the delivery of major public or private sector projects; and strong analytical skills and the ability to link evidence to desired outputs and outcomes to review progress, prioritise investment, challenge, and identify new ways of working.

The Delivery Board is diverse in its approach to membership, ensuring all six Programmes have representation on the Board. The Board is fully representative of the people of Scotland, including a gender balanced approach to membership, minority ethnic representation and a voice for those in rural communities. It also consists of third sector expertise, with members championing and driving forward the fairer and more equal society agenda and equality considerations across the delivery of NSET to ensure that no one is left behind.

While it is not anticipated that Project 16 will itself directly impact upon any individuals or protected characteristics, the intent is for the plans, policies and projects that it supports to have a positive (or at least a neutral) impact on individuals across Scotland. Similarly to Project 18 discussed below, any specific impacts will be noted in Project-specific EQIAs.

Project 17

Action 71

Action 71 commits the Scottish Government to ensuring that strategic guidance to our key delivery agencies aligns with the priorities and delivers the Programmes set out in NSET. It provides clear direction to agency Chairs on priorities for the year ahead and outcomes we expect the agencies to deliver at agency level and as part of partnership working. The work taken forward by the Enterprise and Skills Agencies impacts businesses and other enterprises (including third sector), communities and individuals. The extent of their reach (domestically and internationally) underlines the importance attached to ensuring they are delivering effectively, with partners, across the economic development and skills landscape. The Agencies are required to comply with the Public Sector Equality Duty in the Equality Act 2010 and the Scottish specific duties set out in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. As a funder of college and university delivery, the Scottish Funding Council also reports on those institutions' progress in delivering equality outcomes as well as its own outcomes as an employer.

Action 70 and Action 72

Action 70 will assess the current delivery landscape from a user perspective – taking into account the many different types of businesses, entrepreneurs and workers who make up Scotland's economy – and develop and implement a new operating model that is designed to support NSET priorities. Action 72 is directly linked to the overall transformation programme described for Action 70, and will establish common data sets and systems that will enable greater joined up working and an improved user experience for businesses and individuals across the country. The changes to be made through these Actions have not yet been identified. However, it is anticipated that the outcomes will directly affect organisations that are represented on the Business Support Partnership, including the Enterprise Agencies and local authorities, as well as businesses in Scotland that access support from the public sector. One of the drivers for this work is to improve the data available about how under-represented groups access support, which can be used to improve accessibility, fairness and consistency.

Action 73

Action 73 focuses on improving the way the Scottish Government develops and implements regulations, include reviewing all the existing powers and processes to identify where changes could be made to support both businesses and regulators in achieving our strategic aims. The changes to be made have not yet been identified. However, we anticipate that outcomes will directly affect Scottish Government employees in the way they develop and implement regulations. The impacts may affect both businesses and regulators, depending on the changes implemented, particularly through the way government engages with them. Improved regulation processes could potentially benefit the whole of Scotland, though it is acknowledged that specific regulations may affect different groups differently and this will require further exploration.

Many regulations have important environmental and societal aims, which will benefit the public, while improved processes will ensure that the impact on businesses and regulators is appropriate and economic opportunities are maximised. In response to the ongoing cost crisis, the Scottish Government has engaged with business to identify regulations causing significant cost concerns. Any changes to planned regulations are complex, with wide-ranging implications, and while reducing burden is key at this time, as noted above, many of these regulations have important environmental and social aims which cannot be delayed, or indeed bring economic opportunities for sections of the business community. We are committed to continuing to work with business on upcoming regulatory requirements to understand any actions that can be taken to mitigate costs or support implementation while still meeting wider aims of regulations.

Action 64

The Centre of Expertise in Equality and Human Rights will be built on:

- an internal policy network to provide peer-to-peer support and challenge;
- an ongoing training programme to equip policy officials with skills and knowledge;
- thematic sessions with external partners to explore in depth how the implementation of NSET Programmes and Projects can help address equality and human rights issues;
- an academic partnership to bring insight and expertise in gender economics to policy making and support improvements in the evidence base.

It is anticipated that the Centre will directly affect Scottish Government economic policy officials and officials in Enterprise Agencies through increasing their knowledge, understanding and confidence concerning equality and human rights and the economy.

It is further anticipated that the work of the Centre will have indirect impacts on the wider community and in particular individuals and groups with protected characteristics and people experiencing socio-economic

disadvantage, as well as other groups facing structural barriers, such as people with experience of care, through building capacity and embedding consideration of equality and human rights in economic policy development to implement NSET Programmes and Projects.

The Centre also has the potential to support wider work to identify and address gaps in data and evidence in relation to equality and human rights and the economy.

Project 18

Project 18 does not cover any one specific policy action. It is based around delivering the various programmes within NSET, monitoring their implementation, embedding equalities monitoring as part of the wider reporting process and ensuring that there is a consistent approach to evaluation of Projects across NSET as a whole.

The implementation of NSET Actions will impact everyone in Scotland regardless of age, ethnicity or other characteristics. The Projects within NSET cover a range of Actions and some people may experience complex and interconnected issues relating to one or more of the protected characteristics.

As Project 18 is based around the implementation and evaluation of other Projects, it is not expected that Project 18 will impact on different groups of people directly, however it may have a number of indirect impacts. For example, Project 18 will monitor how NSET activity impacts on different groups, including those with protected characteristics. It is also likely that the monitoring and measurement of NSET Actions informs the future development of implementation so that NSET responds to changing needs, and this could support the achievement of better outcomes for people with protected characteristics.

What might prevent the desired outcomes being achieved?

Achieving the desired outcomes will require government, public sector, businesses, trade unions, third sector and social enterprises across all industries and sectors to take action and work together in a 'Team Scotland' approach to delivery.

Factors that might prevent the desired outcomes from being achieved for each Project within Programme 6 are outlined below.

Project 16 and Project 18

Achieving the desired outcomes will be dependent on:

- Successful engagement with Programme and Project teams across NSET, in creating delivery plans and the ongoing evaluation of the implementation of Projects;
- The availability of relevant equality data of sufficient quality, disaggregated by protected characteristic where possible; and
- Decisions made by Ministers informed by the NSET Delivery Board.

For Action 65 on establishing the NSET Delivery Board, which sits under Project 16, the following factors might prevent outcomes being achieved:

- The Board receiving insufficient information to enable it to ensure the strategy is being successfully implemented;
- The Board being unable to rely on the quality of information or make informed judgements on deliverable priorities; and
- Significant change in personnel or organisational structure undermining the aim of the accountability framework.

Mitigating actions that have been taken to address these factors are:

- A PPM system was introduced to track the progress of NSET Actions, ensuring consistent information is available to the Board across a range of areas, including progress towards key milestones;
- Programme Senior Responsible Officers (SROs) will provide assurance and the Portfolio Board will quality assure information provided to ensure that options presented to the NSET Delivery Board are affordable and deliverable;
- The accountability framework will be updated on an annual basis and published alongside the annual progress report.

If breakdowns by equality groups, sectors or regions are not included when measuring success of Programmes and Projects, this could inadvertently impact on specific groups as any future decisions made by the Board would not take such impacts into account. Guided by the needs of the Board, due attention will be paid to any evidence gaps identified in the course of the work with the intention to provide the Board with the best available data.

To support increased accountability, we will publish annual progress reports, which will include equalities monitoring, and ensure a consistent approach to evaluation that will drive coherent and informed improvements in spending decisions. As the monitoring and measurement of NSET Actions will inform the future implementation of Projects and decisions made by the NSET Delivery Board, improved data collection for equality groups could support the achievement of better outcomes for people with protected characteristics. As part of the monitoring process, the NSET Governance and Analytical Unit will engage with a number of stakeholders, including the Equality and Human Rights Budget Advisory Group.

Project 17

Achieving the desired outcomes will be dependent on:

Action 71

- Clarity over priorities;
- Agencies taking all opportunities for joint working and collaboration;
- Eliminating and removing any duplication with Scottish Government activity; and
- Businesses, communities and individuals understanding how to access agency support.

Action 70 and 72

- Successful engagement with stakeholders; and
- The requirement for specialist technical resources.

Action 73

- Successful engagement with stakeholders; and
- The impact of other urgent priorities that may require resources to be diverted, such as COVID-19 or the cost crisis.

Action 64

- Successful engagement with partners and stakeholders to draw on external expertise, insight and evidence, including to plan and deliver training and the proposed thematic sessions;
- Availability of high quality data across all protected characteristics and the effective use of that data; and
- External circumstances that could potentially divert attention and resources to other priorities, both for the Scottish Government and partners, such as responding to the cost crisis.

Stage 1: Framing

Results of framing exercise

NSET is designed to tackle long term structural challenges, build on our economic strengths and position Scotland to maximise the greatest economic opportunities of the next ten years. Its Programmes were chosen and informed based on analysis of the available evidence. The NSET Evidence Paper set out evidence on the structure and performance of Scotland's economy, and identified areas for action to deliver transformational improvements in Scotland's economic performance. Evidence concerning economic inequalities and the experiences of people with different protected characteristics in relation to Scotland's economy was brought together in the NSET Equality Position Statement.

In recognition of the breadth of direct and indirect impacts that delivery of NSET will have across all parts of society in all areas of Scotland, extensive engagement has been undertaken with a broad range of stakeholders both during the development of the strategy and since its publication as the Delivery Plans for each of the six NSET Programmes have been developed.

We engaged with equality stakeholders across Scotland and undertook a range of research activities to strengthen our understanding of existing inequalities in the economy and how they could be addressed through NSET. This included a public consultation; strategic conversations with a broad range of stakeholders across the private, public and third sectors; and discussions and roundtables to invite views from equality, third sector and business stakeholders, at both official and Ministerial level. This engagement has helped inform our approach to the culture of delivery, as set out in NSET and the Programme 6 Delivery Plan, and which is reflected in this EQIA.

A summary of our engagement with equality stakeholders relevant to Programme 6 specifically is outlined below:

Ministerial and official-led roundtables and meetings with equality and human rights stakeholders

- Ministerial engagements with the Women's Leadership Centre and the Poverty and Inequality Commission (June 2021);
- Equality and Human Rights roundtable with officials (September 2021);
- Equality and Human Rights roundtable with officials (November 2021);
- Equality and Human Rights roundtable hosted by the Cabinet Secretary for Finance and the Economy (January 2022);
- Equality and Human Rights roundtable hosted by the Cabinet Secretary for Finance and the Economy (May 2022); and
- Meeting between DG Economy and the Equality and Human Rights Commission (August 2022).

Evidence and data gathering

- Analysis of relevant responses to the NSET consultation, including a joint response from Engender and Close the Gap, and responses from

- Equate Scotland, CRER, the Scottish Women’s Budget Group and the Equality and Human Rights Commission;
- Evidence and data-gathering for the NSET Equality Position Statement, which was informed by a range of sources, including outputs from stakeholder engagement, public consultation and relevant evidence from government, third sector and academic evidence, and research papers and publications (see Annex for list of sources);
- Data gathered through the Equality Evidence Finder⁸;
- NSET Evidence paper; and
- Evidence and data-gathering for the Programme 6 EQIA (see Stage 2 below).

Since publication of NSET, official-level engagement with equality stakeholders has been undertaken to inform the development of the Centre of Expertise for Equality and Human Rights (Action 64), including:

- Meeting with Inclusion Scotland and Poverty and Inequality Commission (May 2022)
- Meeting with WISE Centre for Economic Justice (May 2022)
- Meeting with Scottish Women’s Budget Group (May 2022)
- Meeting with Close the Gap (May 2022)
- Meeting with Glasgow Disability Alliance (May 2022)
- Meeting with Equality and Human Rights Commission (May 2022)
- Meeting with Scottish Human Rights Commission (May 2022)
- Meeting with Close the Gap (September 2022)

Some of the Projects and Actions under Programme 6 are at early stages of development and implementation. As specific actions or interventions are being developed, further stakeholder engagement will be undertaken where appropriate and potential equality impacts will be considered where relevant. It should also be noted that for Action 71 under Project 17, guidance provides direction to the agencies on existing Scottish Government policies and strategies, which will have been subject to separate EQIAs where appropriate.

Notwithstanding the above, this evidence and engagement has helped shape decisions made to date, in particular regarding Project 16 and Action 64 under Project 17.

Project 16

Following feedback from stakeholders gathered during the development of NSET and the Delivery Plan for Programme 6, when setting up the NSET Delivery Board action was taken to ensure that the Board is diverse in its approach to membership and is representative of the people of Scotland. In addition to all six NSET Programmes having representation on the Board, it is also gender-balanced, contains representation from minority ethnic communities and gives a voice for those in rural communities. Its membership also includes third sector expertise, championing and driving forward the fairer and more equal society agenda across the delivery of NSET to ensure that no

⁸ <https://scotland.shinyapps.io/sg-equality-evidence-finder/>

one is left behind. The Board's wider vision links with the National Outcomes, as highlighted above, including equality. In addition, specific engagement will take place with equality stakeholders where relevant.

Action 64, Project 17

Based on feedback from stakeholders, the following decisions have been made to shape the work of the Centre of Expertise:

- The policy network will be enhanced by identifying an equality and human rights contact for each NSET Programme, and this individual will receive more in-depth training and support in equality and human rights.
- A training programme for economic policy officials is a central part of the Centre's model, and will be developed to include:
 - Taking an intersectional gendered approach to policy-making;
 - Use of equality data and evidence in policy development;
 - Options on involving external experts and stakeholder groups in providing insight, expertise and challenge to further enhance the understanding of economic policy officials.
- Thematic sessions with external experts will be planned in order to allow time for stakeholders to prepare and engage, and to enable input from people with lived experience.
- Overarching themes will be factored in to the thematic sessions, for example care, barriers faced by women, and child poverty.
- To help identify and address data gaps, and to help build knowledge and expertise, we will explore options around an academic partnership to bring insight and expertise in gender economics to policy making.
- A baseline survey of economy officials to gauge their self-assessment of knowledge, skills and confidence in considering equality and human rights included specific questions relating to intersectionality, as well as the availability of and access to data necessary to support officials' policy-making work, including intersectional data and evidence from people with lived experience.

Summary Reflection

To produce this EQIA we examined published evidence available for each of the protected characteristics as listed in the Equality Act 2010: age, disability, sex, pregnancy and maternity, marriage and civil partnership, gender reassignment, sexual orientation, race, and religion or belief. Data and qualitative information were also gathered from evidence arising from stakeholder engagement and the NSET public consultation. Details of the sources of evidence used have been provided in Stage 2 of this EQIA.

NSET has a vision of a wellbeing economy and has been designed, based on evidence, to deliver economic prosperity for all Scotland's people and places. The strategy sets out an aim that, by 2032, Scotland's economy will significantly outperform the last decade, both in terms of economic performance and tackling structural economic inequalities, with people at the heart of an economy that offers opportunities for all to succeed and where everybody, in every community and region of the country, will share in our economic prosperity. As such, the strategy has the potential to impact the

lives of people with protected characteristics, both directly and indirectly, as well as people experiencing socio-economic disadvantage. The realisation of these positive impacts depends on effective delivery of the strategy, as described in the delivery model set out in Programme 6, which has been shaped by our evidence gathering and stakeholder engagement to date.

While evidence has been gathered on groups with protected characteristics, it is vital to consider our approach through an intersectional lens. Some people may face complex and interconnected issues related to disadvantage at any one time, and will often have a combination of multiple protected characteristics, different socio-economic backgrounds and household incomes, and experience inequalities in relation to health, education and other aspects of their lives. Addressing inequalities must also recognise regional and rural dimensions, including the high incidences of child poverty in certain regions. It is therefore key to remember both the intersectionality of protected characteristics and the wide range of circumstances that influence the opportunities and barriers people face, including their lived experience of poverty, inequality and/or discrimination. Given gaps in the available evidence in relation to intersectionality, combined with the impacts of the current cost crisis on people with protected characteristics and low income households, further work will be required to build our understanding of the potential positive and negative impacts of delivery of NSET over the ten years of the strategy.

A number of Projects and Actions under Programme 6 have already been taken forward and are currently being developed and implemented. This includes Actions under Project 16 and 18, and also Action 64 under Project 17. However, some of the actions under Programme 6 are at early stages of development and, as implementation is taken forward and specific actions are identified, this EQIA will continue to be updated in light of further evidence and engagement with stakeholders. The EQIA sets out preliminary and indicative impacts of known actions in Programme 6 and, alongside further stakeholder engagement, will help inform decisions that are taken in the further development and implementation of actions.

A summary of Actions in Programme 6 that are expected to have a positive impact on people with protected characteristics is set out below:

- Diverse membership of the NSET Delivery Board;
- Annual reporting to the Board will include equalities monitoring;
- A Wellbeing Economy Monitor that includes indicators beyond GDP, such as measures on child poverty, levels of greenhouse gas emissions and biodiversity, and Fair Work indicators; and
- The Centre of Expertise in Equality and Human Rights will seek to work with external experts and stakeholder groups to build knowledge, skills and confidence in economic policy officials and help embed equality and human rights in economic policy-making.

Extent/Level of EQIA required

Evidence relating to the experiences of people with different protected characteristics in relation to the economy is set out below at Stage 2. This illustrates the potential impact that NSET can have if its Programmes, Projects and Actions are delivered effectively. Programme 6 underpins the implementation of all of the strategy's Programmes, however it is specifically concerned with the delivery model and the monitoring of the impacts of NSET. Therefore, this EQIA relates only to the specific actions contained within Programme 6.

The information and evidence contained within this EQIA has informed the content of the Programme 6 Delivery Plan as well as the content of the overarching EQIA on NSET as a whole. Additional EQIAs will be carried out on specific Projects and Actions as they are developed and implemented to ensure that full consideration is given to the three parts of the PSED, and that opportunities to advance equality through NSET Actions are maximised.

The evidence captured in the next section entitled 'Data and evidence gathering, involvement and consultation' has been drawn from a broad range of sources. As well as the above-noted engagement with equality and human rights stakeholders, evidence has been gathered and analysed from a range of published national and UK research papers, reports, studies and surveys relating to income and earnings, poverty and child poverty, labour market and employment, and the COVID-19 pandemic. Statistics and data have been gathered from Scotland's Annual Population Survey 2020/21, NSET's Evidence Paper (2022) and Scottish Government Labour Market briefings. Research papers and publications such as *If Not Now, When?* by the Social Renewal Advisory Board (2021), *UK Poverty 2020/21* by Joseph Rowntree Foundation and Tackling Child Poverty Delivery Plan progress reports have also been used to provide evidence.

To deliver NSET's transformational Programmes in a way that maximises opportunities to advance equality and human rights, we are undertaking work on improving our equality evidence base. Economy analysts are contributing to the Scottish Government Equality Data Improvement Programme (EDIP)⁹, to improve the quality of equality data that is available to use in policy development, implementation and monitoring.

To address some of the known gaps in equality evidence, we launched the first phase of EDIP in April 2021. A written stakeholder consultation¹⁰ was held from July until October 2022 on a draft plan to improve and strengthen Scotland's equality evidence base. This consultation was supplemented by stakeholder engagement workshops held throughout September 2022. The responses received from stakeholders will help shape the improvement plan, which will form the basis of Scotland's new Equality Evidence Strategy. It is anticipated that the strategy will be launched by the end of February 2023 and will run to 2025. It will help identify gaps in equality evidence and improve our evidence base.

⁹ [Equality Data Improvement Programme \(EDIP\) project board - gov.scot \(www.gov.scot\)](https://www.gov.scot/projects/equality-data-improvement-programme-edip)

¹⁰ [Equality Evidence Strategy 2023-25 consultation - Scottish Government - Citizen Space](https://www.gov.scot/projects/equality-evidence-strategy-2023-25-consultation)

Stage 2: Data and evidence gathering, involvement and consultation

| Characteristic ¹¹ | Evidence gathered and Strength/quality of evidence | Data gaps identified and action taken |
|--|--|---|
| AGE <i>Older People (Aged 50+)</i> | Scotland has an ageing population. Scotland's population is increasing and older people represent a growing share ¹² . People are also working into older ages ¹³ . | We will continue to gather and use relevant data relating to age, to help target activity to advance equality of opportunity for people of all ages in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes. |
| | There is considerable geographical variation in the age profile of the population, with lowest variation in the cities ¹⁴ and a greater proportion of older people in rural and island areas ¹⁵ . This uneven age structure can be attributed to falling birth rates, an increase in life expectancy, and migration. | |
| | Older people are among those who have experienced disproportionate health, social and economic impacts as a result of the COVID-19 pandemic ¹⁶ . In the year to April 2020-March 2021, the employment rate for people aged 50-64 fell by 2.6 percentage points, the largest decrease of any age group ¹⁷ . | |
| | During COVID-19, stereotypes about older people in relation to redundancy and caring responsibilities affected employer behaviour ¹⁸ . | |
| | Despite general increase in internet access at home (42% in 2003; 93% ¹⁹ in 2020) ²⁰ , digital participation is generally lower among the older population and average internet use decreases with age ²¹ . | |

¹¹ Refer to Definitions of Protected Characteristics document for information on the characteristics

¹² Annual Population Survey, 2021

¹³ [DWP, Economic Labour Market Status of Individuals Aged 50 and Over, Trends Over time: September 2021](#)

¹⁴ Scottish Science Advisory Council. Reaction to the UK Government Office for Science Foresight report "Future of an Ageing Population". Edinburgh: Scottish Science Advisory Council

¹⁵ National Records Scotland, Population Projection for Scottish Areas

¹⁶ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

¹⁷ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](#)

¹⁸ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

¹⁹ Note that due to the COVID-19 pandemic affecting survey methodology, the results of the SHS 2020 telephone survey are not directly comparable to SHS results for previous years.

²⁰ [Supporting documents - Scottish Household Survey 2020 - telephone survey: key findings - gov.scot \(www.gov.scot\)](#)

²¹ [A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](#)

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| | <p>Those aged over 50 face employment barriers in three key areas: communities, access to services and financial security²². Ageism, exclusion and lack of willingness to recognise the skills and experience of the older workforce also present employment barriers for this group²³.</p> <p>To promote ongoing employment and address employment barriers for older people there is a need for²⁴:</p> <ul style="list-style-type: none"> • access to, and increased awareness of, flexible employment opportunities and reduced working hours; • financial security (including pension-related information); • life changes support and flexible measures addressing issues related to rising retirement age, such as caring responsibilities; and • ongoing training and education opportunities that are (financially) accessible to older people. | |
| AGE <i>Young People</i> | <p>Following the 2008 recession, there was a substantial decrease in the employment rate for people aged 16-24, and the COVID-19 pandemic has also adversely impacted this age group²⁵. The employment rate for young people had been gradually increasing since April 2013-March 2014 but decreased significantly between April 2018-March 2019 and April 2020-March 2021²⁶.</p> | <p>We will continue to gather and use relevant data relating to age, to help target activity to advance equality of opportunity for people of all ages in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |
| | <p>More recent employment data suggests some recovery. The employment rate of 16-24 year olds increased from 52.9% in April 2020-March 2021 to 56.4% in April 2021-March 2022²⁷.</p> | |
| | <p>Young people (16-24 year olds) are more likely to be unemployed than older age groups and are vulnerable to long-term employment 'scarring'²⁸. They are more likely to earn less than the real Living</p> | |

²² [A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](http://www.gov.scot)

²³ [A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](http://www.gov.scot)

²⁴ [A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](http://www.gov.scot); Older People and Employment in Scotland: research. An examination of attitudes and issues surrounding an older workforce. Scottish Government, 2017

²⁵ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](http://www.gov.scot)

²⁶ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](http://www.gov.scot)

²⁷ ONS, Annual Population Survey

²⁸ 'Scarring' refers to the idea that people could face reduced pay and reduced employment prospects even after the economy has recovered.

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| | Wage ²⁹ , and are more likely to be financially vulnerable and in unmanageable debt ³⁰ . | |
| | Young people are more likely to work in sectors hardest-hit by COVID-19 such as retail, leisure and entertainment ³¹ , and they are less likely to be in contractually secure employment ³² . | |
| | With the arrival of the pandemic, young people in Scotland aged 16-24 experienced the largest increase in unemployment rate across all age groups, rising by 3.6 percentage points in the year to April 2020-March 2021, taking the rate to 12.5% ³³ . | |
| | More recent data shows that the unemployment rate of 16-24 year olds has fallen over the latest year – to 9.1% in April 2021-March 2022. ³⁴ | |
| | In 2021, the employment rate for young people aged 16-24 was 54.0%, almost 20 percentage points lower than the employment rate for the overall (16-64 years) population in Scotland ³⁵ . This is partly due to greater education participation for this group ³⁶ . | |
| | 11.5% of young people aged 16-24 were not in employment, education or training (NEET) in 2021 (Jan-Dec) ³⁷ . This represents a decrease of 0.9 percentage points from the previous year (2020), but is 1.3 percentage points higher than 2019 ³⁸ . | |

²⁹ [Annual survey of hours and earnings: 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/annual-survey-of-hours-and-earnings-2021/)

³⁰ [Wealth in Scotland 2006-2020 \(data.gov.scot\)](https://data.gov.scot/dataset/wealth-in-scotland-2006-2020)

³¹ [UK Inequality Briefing.pdf \(abiadams.com\)](https://www.abiadams.com/uk-inequality-briefing.pdf); [Sector shutdowns during the coronavirus crisis: which workers are most exposed? - Institute For Fiscal Studies - IFS](https://www.instituteoffiscalstudies.com/sector-shutdowns-during-the-coronavirus-crisis-which-workers-are-most-exposed/)

³² [EMP17: People in employment on zero hours contracts - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk/employment-and-labour-markets/people-in-employment-on-zero-hours-contracts); [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/scotland-labour-market-people-places-and-regions-2021/)

³³ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/scotland-labour-market-people-places-and-regions-2021/)

³⁴ ONS, Annual Population Survey

³⁵ [Supporting documents - Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/supporting-documents-scotland-labour-market-people-places-and-regions-protected-characteristics-2021/)

³⁶ [1. Introduction - Scotland National Strategy for Economic Transformation: evidence paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/1-introduction-scotland-national-strategy-for-economic-transformation-evidence-paper-2021/)

³⁷ [Supporting documents - Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/supporting-documents-scotland-labour-market-people-places-and-regions-protected-characteristics-2021/)

³⁸ [Supporting documents - Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/embedded/supporting-documents-scotland-labour-market-people-places-and-regions-protected-characteristics-2021/)

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| | <p>Whilst historically decreasing across all age groups from April 2020 to March 2021, the underemployment rate³⁹ was highest for young people (double the national average⁴⁰).</p> <p>There has been significant improvement in business start-ups in the younger age groups. Scotland's Total Early-stage Entrepreneurial Activity (TEA) rate for the 18-29 age group has increased over time to catch-up with rates in England and Wales, standing at 9% in the 2019-21 period, broadly in line with England and Wales⁴¹. It remains unclear whether this is caused by young people's interest in pursuing an entrepreneurial career or by a lack of secure, well-paid employment opportunities.</p> <p>Care experienced young people and care leavers are more likely to face challenges in the labour market than young people as a whole. They are over three times more likely not to have a job by the age of 26 and earn incomes which are 27% lower on average than their non-care experienced peers. They are also over one and a half times more likely to experience financial difficulties and are nearly twice as likely to have no internet access at home⁴².</p> <p>Workplaces upholding and implementing the principles of Fair Work are particularly important to ensuring that young people reach their full potential in the labour market, and stakeholders have called for a long-term commitment to the Developing Young Workforce (DYW) scheme for the length of NSET⁴³.</p> | |
| DISABILITY <i>Employment</i> | It is estimated that around one fifth of Scotland's working-age population is disabled ⁴⁴ . The prevalence of disability increases with age ⁴⁵ . | We will continue to gather and use relevant data relating to disabled people, to help target activity to |

³⁹ Underemployment refers to those who are in work but would prefer to work more hours in their current job (at their basic rate of pay), in an additional job or in a new job with longer hours to replace their current job. This provides a measure of underutilisation of labour.

⁴⁰ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-2020-21/pages/10.aspx)

⁴¹ [Global Entrepreneurship Monitor: Scotland Report 2021/2022 \(strath.ac.uk\)](https://strath.ac.uk/global-entrepreneurship-monitor-scotland-report-2021-2022/)

⁴² [Follow-the-money.pdf \(carereview.scot\)](https://www.carereview.scot/follow-the-money.pdf)

⁴³ Stakeholder feedback

⁴⁴ [Disabled people in the labour market in Scotland - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/disabled-people-labour-market-scotland/pages/1.aspx)

⁴⁵ [A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-older-people-framework-action/pages/1.aspx)

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| | <p>Disabled people are less likely to be in employment than non-disabled people and earn less on average than non-disabled people⁴⁶.</p> | <p>eliminate discrimination and advance equality of opportunity for people with this protected characteristic in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |
| <p>The employment rate for disabled people was estimated at 49.6% (Jan-Dec 2021), significantly lower than the employment rate for non-disabled people (80.8%)⁴⁷.</p> | | |
| <p>The disability employment gap in Scotland⁴⁸ narrowed in the pre-pandemic period and over the year to Jan-Dec 2021, but remains large at an estimated 31.2 percentage points⁴⁹.</p> | | |
| <p>Disabled people are employed across all occupation types and sectors of Scotland's economy, however they are more likely to work in lower paid occupations⁵⁰.</p> | | |
| <p>Even pre-pandemic, compared to non-disabled people, disabled people were less likely to have access to Fair Work⁵¹. They are also more likely to be underemployed than non-disabled people⁵².</p> | | |
| <p>Available data also indicate that the proportion of disabled sole traders is relatively low in Scotland. In 2014, only 9% of SMEs (between 1 and 249 employees) in Scotland had an owner with a disability or long-standing illness, representing a decrease of 2% since 2012⁵³.</p> | | |

⁴⁶ [Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-for-disabled-people-employment-action-plan-progress-report-year-2-2021/pages/10_to_12.aspx)

⁴⁷ [Scotland's Labour Market: People, Places and Regions – Protected Characteristics: Statistics from the Annual Population Survey 2021 \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-protected-characteristics-statistics-from-the-annual-population-survey-2021/pages/10_to_12.aspx)

⁴⁸ The disability employment gap is the difference between the employment rate of Equality Act disabled people (as defined by the Equality Act 2010) and the employment rate of non-disabled people.

⁴⁹ [Scotland's Labour Market: People, Places and Regions – Protected Characteristics: Statistics from the Annual Population Survey 2021 \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-protected-characteristics-statistics-from-the-annual-population-survey-2021/pages/10_to_12.aspx)

⁵⁰ [Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-for-disabled-people-employment-action-plan-progress-report-year-2-2021/pages/10_to_12.aspx)

⁵¹ [Work-and-Wellbeing-Discussion-Paper-1.pdf \(d1ssu070pg2v9i.cloudfront.net\); Coronavirus \(COVID-19\): impact on equality \(research\) - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/work-and-wellbeing-discussion-paper-1/pages/10_to_12.aspx)

⁵² [Disabled people in the labour market in Scotland - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/disabled-people-in-the-labour-market-in-scotland/pages/10_to_12.aspx)

⁵³ [Small Business Survey reports - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/small-business-survey-reports). Sole traders are defined as businesses with only one owner. This figure includes small and medium enterprises with employees only (i.e. between 1 and 249 employees).

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| | Employment barriers for disabled people include health needs, caring responsibilities, unaffordable childcare, transport, inaccessible job adverts and application processes, workplace discrimination, lack of flexible working and adequate support, and effects on benefits. To address employment barriers for disabled people and promote ongoing employment for those able to undertake paid work, as well as enabling disabled people to work more hours and take on roles that are better paid or more suited to their skills, there is a need for a greater availability of flexible working and remote working ⁵⁴ . | |
| DISABILITY <i>Disabled parents</i> | Disabled parents are less likely to be employed compared to non-disabled parents, with those in employment tending to work fewer hours ⁵⁵ . Disabled mothers are particularly unlikely to work full-time ⁵⁶ . | |
| | Children in households with a disabled person are more likely to live in poverty, and being in work sometimes does not prevent poverty ⁵⁷ . | |
| DISABILITY <i>Education and training</i> | Disabled people are more likely to have no or low qualifications compared to non-disabled people and are less likely than non-disabled people to have qualifications at degree level or above ⁵⁸ . Even with a degree or higher qualification, disabled people are still less likely to be employed than non-disabled people without one ⁵⁹ . | |
| | Disabled pupils have lower attendance levels at school and are more likely to be excluded ⁶⁰ . Disabled young people are twice as likely not to be in a positive destination (education, employment or training) six | |

⁵⁴ [How flexible hiring could improve business performance and living standards | JRF; If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

⁵⁵ [Tackling Child Poverty Delivery Plan: Third Year Progress Report \(2020-21\): Annex B: Child Poverty in Families with a Disabled Adult or Child \(www.gov.scot\)](#)

⁵⁶ [Tackling Child Poverty Delivery Plan: Third Year Progress Report \(2020-21\): Annex B: Child Poverty in Families with a Disabled Adult or Child \(www.gov.scot\)](#)

⁵⁷ [not-now-social-renewal-advisory-board-report.pdf \(scotland.gov.uk\); Economic Impact of Coronavirus Led Labour Market Effects on Individuals and Households; Tackling child poverty: third year progress report 2020-2021 - gov.scot \(www.gov.scot\)](#)

⁵⁸ [Disabled people in the labour market in Scotland - gov.scot \(www.gov.scot\)](#)

⁵⁹ [Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](#)

⁶⁰ [Tackling child poverty: third year progress report 2020-2021 - gov.scot \(www.gov.scot\)](#)

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| | months after leaving school, and three times as likely not to be in a positive destination by the age of 19 ⁶¹ . | |
| DISABILITY COVID-19 impact | The COVID-19 pandemic has posed additional barriers on disabled people's employment and exacerbated pre-existing barriers for some ⁶² , partly due to disabled people being more likely to work in industries hardest hit by the pandemic such as hospitality and distribution ⁶³ . | |
| | At UK level, there is evidence to suggest that disabled employees were more likely to be made redundant during the pandemic than non-disabled employees ⁶⁴ . Disabled employees were also more likely to have experienced a decrease in hours worked, and were more likely to report being asked to take leave - which includes unpaid leave ⁶⁵ . | |
| | Analysis by the JRF found that around 56% of disabled people in the UK who were employed at the start of 2020 had reported a loss of earnings by the middle of the year (2 percentage points more than non-disabled people) ⁶⁶ . The analysis also found that disabled people were also more likely to report they had zero earnings by mid-year ⁶⁷ . | |
| | Research published by Leonard Cheshire suggests that the economic impacts of the pandemic are expected to continue to have an adverse effect on access to employment and financial security of disabled people ⁶⁸ . | |

⁶¹ [Summary Statistics for Attainment and Initial Leaver Destinations, No. 3: 2021 Edition - gov.scot \(www.gov.scot\)](#); [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

⁶² [Tackling child poverty: third year progress report 2020-2021 - gov.scot \(www.gov.scot\)](#)

⁶³ [Locked out of the labour market \(leonardcheshire.org\)](#); [An unequal crisis - Citizens Advice](#); [Equality Advisory and Support Service \(equalityadvisoryservice.com\)](#); [Poverty and Covid-19 - Social Metrics Commission](#); [The COVID Decade: understanding the long-term societal impacts of COVID-19 | The British Academy](#); [Disabled mothers three times more likely to have lost work during the pandemic - Womens Budget Group \(wbg.org.uk\)](#); [Poverty in Scotland 2020 | JRF](#); [Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](#); [Which jobs are most likely to have seen a drop in pay during the pandemic? - Office for National Statistics \(ons.gov.uk\)](#); [Disability+Infographic+16-64+Final+Version+-+PDF.pdf \(www.gov.scot\)](#) | [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(scotland.gov.uk\)](#)

⁶⁴ [Coronavirus and redundancies in the UK labour market - Office for National Statistics \(ons.gov.uk\)](#)

⁶⁵ [Coronavirus and the social impacts on disabled people in Great Britain: September 2020 \(ons.gov.uk\)](#)

⁶⁶ [UK Poverty 2020/21 | JRF](#)

⁶⁷ [UK Poverty 2020/21 | JRF](#)

⁶⁸ [Locked out of the labour market \(leonardcheshire.org\)](#)

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| | Stakeholders highlighted that employers need to consider and offer a range of accessible jobs and adjustments that will meet the individual needs of (young) disabled people in the workforce. It was also suggested that the delivery of new, good, green jobs should be used to address the disability employment gap and be made available to disabled people and also other underrepresented groups. Stakeholders also emphasised the need to recognise the importance and economic value of informal/unpaid care and the need for the care sector to be reflected as a priority and strategic sector within the economy ⁶⁹ . | |
| SEX | Whilst substantial progress has been made over the past 20 years in Scotland in reducing both the employment rate gap and pay gap between men and women ⁷⁰ , outcomes for women still lag behind men. | We will continue to gather and use relevant data relating to this group, to help target activity to advance equality or opportunity for people within this protected characteristic in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes. A particular area of focus for strengthening the evidence base is intersectionality. |
| | Women experience a range of barriers in the labour market that lead them to be paid less on average than men, drive aspects of the gender pay gap and contribute to the existence of poverty ⁷¹ . These relate to the type of job they are more likely to do (job selection), how much these jobs pay (job valuation) and whether they can move into higher-paid jobs (job progression) ⁷² . Age also presents a barrier to women's employment – for example, women transitioning through the menopause while in work can require additional support ⁷³ . | |
| | Women (and particularly minority ethnic women) ⁷⁴ are more likely to be in insecure work ⁷⁵ and are overrepresented in sectors referred to as the 5 C's of cashiering (retail), care, catering, cleaning and clerical. These sectors have historically low pay, low progression and low status but | |

⁶⁹ Stakeholder feedback

⁷⁰ [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

⁷¹ [Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf); [A fairer Scotland for women: gender pay gap action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

⁷² [Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

⁷³ [A Fairer Scotland for Older People: framework for action - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

⁷⁴ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

⁷⁵ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf); [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf); [1. Introduction - Scotland National Strategy for Economic Transformation: evidence paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/Resource/0045/04012021/08009.pdf)

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| | <p>can often provide more flexibility to allow women to undertake unpaid caring responsibilities⁷⁶.</p> | |
| | <p>While the gender gap in participation in the paid labour market has narrowed over time, women are still less likely to participate, and when they do participate, it is more likely to be on a part-time basis⁷⁷ and at lower management levels⁷⁸. The reasons for this include, but are not limited to, education (and expectations of traditionally male and female subjects), limited career options, and availability of suitable jobs with part-time and flexible working only being available in certain occupations or sectors⁷⁹.</p> | |
| | <p>Women tend to do jobs that are low-paid compared to those undertaken by men. Gender segregation exists in many sectors in Scotland⁸⁰ and the undervaluation of ‘women’s work’ such as care, cleaning and retail is a key cause of women’s low pay⁸¹. Women also tend to be less likely than men to reach senior positions due to factors such as childcare responsibilities and unequal division of resources and work at home.</p> | |
| | <p>Disabled women, minority ethnic women, and lone parents (the vast majority of whom are young women), are at an even higher risk of poverty, disruption to employment chances and good labour market outcomes. The Analytical Annex⁸² to the ‘Gender Pay Gap Action Plan’ and the ‘Gender Pay Action Plan’⁸³ published by the Scottish Government sets out the drivers for gender disparities in the labour market in more detail.</p> | |

⁷⁶ [Tackling child poverty delivery plan 2018-2022: annex 3 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-2018-2022/annex-3/pages/102.aspx)

⁷⁷ [Tackling child poverty delivery plan 2018-2022: annex 3 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-2018-2022/annex-3/pages/102.aspx)

⁷⁸ [Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](https://www.gov.scot/publications/gender-pay-gap-action-plan-analytical-annex/pages/102.aspx)

⁷⁹ [Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](https://www.gov.scot/publications/gender-pay-gap-action-plan-analytical-annex/pages/102.aspx)

⁸⁰ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-statistics-from-the-annual-population-survey-2020-21/pages/102.aspx)

⁸¹ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/if-not-now-when-social-renewal-advisory-board-report-january-2021/pages/102.aspx); [International mechanisms to revalue women's work: research - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/international-mechanisms-to-revalue-women-work-research/pages/102.aspx)

⁸² [Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](https://www.gov.scot/publications/gender-pay-gap-action-plan-analytical-annex/pages/102.aspx)

⁸³ [A fairer Scotland for women: gender pay gap action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/a-fairer-scotland-for-women-gender-pay-gap-action-plan/pages/102.aspx)

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| | <p>The Gender Pay Gap⁸⁴ for full-time employees in Scotland has decreased significantly from over 18% in 2000 to 3.6% in 2021, however earnings from employment between men and women continue to vary, with women earning less on average than men⁸⁵.</p> | |
| | <p>Between April 2011-March 2012 and April 2014-March 2015, the employment rate had increased at a faster rate for women compared with men in Scotland. However, since then, the rate of change had been similar for women and men up until April 2019-March 2020, after which both decreased during the pandemic. In April 2020-March 2021, the employment rate for women was estimated at 70.5% (down from 71.4% in the previous year) and for men 75.2% (down from 77.7% in the previous year)⁸⁶.</p> | |
| | <p>More recent data (April 2021-March 2022) show increases in employment rates, with the employment rate for women 71.3% and for men 76.4%.⁸⁷</p> | |
| | <p>Despite an increasing share of self-employment, women are still less likely to be self-employed than men⁸⁸. In 2020, only 17% of SMEs in Scotland with employees and 20% of sole traders were women-led⁸⁹. In terms of start-ups, as measured by the TEA rate, female entrepreneurship in Scotland has risen over time but remains lower than that amongst males, at 7.8% for women and 11.4% for men in 2021⁹⁰.</p> | |
| | <p>As a result of COVID-19, women are expected to face larger long-term negative labour market outcomes due to their over-representation in part-time and insecure work⁹¹. Women were around three times more</p> | |

⁸⁴ The Gender Pay Gap is calculated as the difference between the average hourly earnings (excluding overtime) for men and women as a proportion of the average hourly earnings (excluding overtime) for men.

⁸⁵ [Annual survey of hours and earnings: 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/petitions/2021/annual-survey-of-hours-and-earnings-2021)

⁸⁶ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/petitions/2021/scotland-s-labour-market-people-places-and-regions)

⁸⁷ ONS, Annual Population Survey

⁸⁸ [Scotland's Labour Market: People, Places and Regions - Statistics from the Annual Population Survey 2020/21 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/petitions/2021/scotland-s-labour-market-people-places-and-regions)

⁸⁹ [Global Entrepreneurship Monitor: Scotland Report 2021/2022 \(strath.ac.uk\)](https://www.strath.ac.uk/research/centres-and-institutes/global-entrepreneurship-monitor-scotland-report-2021-2022/)

⁹⁰ [1. Introduction - Scotland National Strategy for Economic Transformation: evidence paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/petitions/2021/scotland-national-strategy-for-economic-transformation-evidence-paper)

⁹¹ [Coronavirus \(COVID-19\): impact on equality \(research\) - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/petitions/2021/coronavirus-covid-19-impact-on-equality-research)

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| | <p>likely to work in a sector shut down during the pandemic than men, with single mothers with low qualifications being particularly overrepresented in these sectors⁹². The pandemic has emphasised the need to address the issue of women's low incomes from social security and employment⁹³.</p> | |
| | <p>Over the course of the pandemic, women's unpaid housework, childcare, and unpaid care increased⁹⁴. Women may also find it more difficult to secure alternative employment and income streams following lay-off⁹⁵.</p> | |

⁹² [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

⁹³ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

⁹⁴ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

⁹⁵ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

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| | <p>Stakeholders have highlighted the following⁹⁶:</p> <ul style="list-style-type: none"> • Need for integrating gender perspectives and women’s needs, disadvantages and inequalities into response measures and wider economic policymaking; • Need to improve the understanding of inequality issues in the system with considerations on child-care and care economy more generally as critical to achieving women’s equality; • Need to understand the links between child poverty and women’s poverty; • NSET should build on Scottish Government commitments on the gender pay gap; • Root causes of women’s underrepresentation in technology and STEM sectors should be addressed; • Women’s entrepreneurship base should be developed and better supported; • Investment and growth should be targeted in sectors where women’s work is concentrated; • Need to enhance the quality of infrastructure that supports women to progress within the labour market, including through investing in structured, affordable and flexible childcare provision and social care; tackling occupational segregation through the development of gender-sensitive (re)training and development programmes; and • Need for expanding and funding peer-to-peer support networks and increased financial support, training and coaching for female entrepreneurs; and easier access to government contracts for women-led SMEs. | |
| <p>PREGNANCY AND MATERNITY</p> | <p>The relationship between lack of material resources and poor health, including during pregnancy, is well established, and the birth of a new baby can result in those close to the poverty line falling below it⁹⁷. Pregnancy brings a period of sudden increased financial pressure and</p> | <p>We will continue to gather and use relevant data relating to pregnancy and maternity, to help target activity to advance equality of opportunity for</p> |

⁹⁶ Stakeholder feedback

⁹⁷ [Project Title \(gcph.co.uk\)](http://gcph.co.uk)

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| | <p>sustained money worries have been reported following birth of a baby⁹⁸, increasing the risk of child poverty⁹⁹.</p> | <p>people within this group in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |
| <p>Households with children aged 0-4 are at high risk of poverty¹⁰⁰. The risk, however, is much higher when the youngest child is aged less than one year old. Families with a new child are more likely to enter poverty¹⁰¹.</p> | | |
| <p>Households with a baby under one year of age are one of the six priority family groups highlighted as being at higher risk of poverty. Approximately one third (34%) of children in households with a child under one were in relative poverty in 2017-20. This compares to 24% of children overall¹⁰².</p> | | |
| <p>Motherhood has a significant impact on the number of hours that some mothers can work, which then affects their pay and income relative to non-mothers and men¹⁰³. Mothers suffer a big long-term pay penalty from part-time working, on average earning about 30% less per hour than similarly educated fathers¹⁰⁴. Some of this wage gap can be attributed to mothers being more likely to work part-time, or taking time out of the labour market altogether.</p> | | |
| <p>Unlike for women, men's work prospects do not appear to be impacted by the birth of a child. International evidence suggests that, overall, the birth of a child tends to have little impact on a father's labour force status or hours of work¹⁰⁵.</p> | | |

⁹⁸ [Project Title \(gcph.co.uk\)](http://gcph.co.uk)

⁹⁹ The issue of child poverty is discussed in more detail in the NSET Evidence Paper, however we recognise that there are instances during pregnancy and early months of maternity that are likely to drive child poverty further. An intersectional approach should therefore be taken to consider the relationship between child poverty and pregnancy and maternity.

¹⁰⁰ [Every Child, Every Chance: The Tackling Child Poverty Delivery Plan 2018-22: Annex 3 – Equality Impact Assessment \(www.gov.scot\)](http://www.gov.scot)

¹⁰¹ [Tackling child poverty delivery plan 2018-2022: annex 3 - gov.scot \(www.gov.scot\)](http://www.gov.scot)

¹⁰² [Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with babies under one - gov.scot \(www.gov.scot\)](http://www.gov.scot)

¹⁰³ [Microsoft Word - The Motherhood Pay Penalty key findings in new template RS SH SB.docx \(tuc.org.uk\)](http://tuc.org.uk); [Mothers suffer big long-term pay penalty from part-time working - Institute For Fiscal Studies - IFS; wcms_371804.pdf \(europa.eu\)](http://europa.eu).

¹⁰⁴ [BN223.pdf \(ifs.org.uk\)](http://ifs.org.uk)

¹⁰⁵ The Effect of a First Born Child on Work and Childcare Time Allocation: Pre-post Analysis of Australian Couples, G. Argyrous, L. Craig & S. Rahman, 2017; The Impact of Work-Family Policies on Women's Employment: A Review of Research from OECD Countries, A. Hegewisch & J. Gornick, 2011

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| | <p>In-depth analysis of <i>Growing Up in Scotland</i> data showed that the likelihood of employment when a child was still under one increased with the mother's age¹⁰⁶. When their child was 10 months, 21% of mothers under 20 were employed (either full-time or part-time) compared with 55% of those in their early twenties and 83% of those aged 25 or older. As the child ages, mothers aged 25 or older remained most likely to be in employment and mothers aged under 20 remained least likely. However, employment levels among mothers aged under 20 do increase over time, while for other groups they remain similar. So, by age six the gap is narrower than at age two¹⁰⁷.</p> | |
| | <p>In circumstances where teenage mothers had negative experiences of education prior to pregnancy, extra care and support is required after pregnancy and birth. These mothers can find themselves becoming 'unofficially' excluded for being pregnant as they are unable to keep up with the demands of education and work around their education setting's schedule when balancing attending appointments and looking after their child. This lack of support can impact on their motivation and ability to continue with education, potentially leading to poorer employment opportunities¹⁰⁸.</p> | |
| | <p>Even before the pandemic, lone parents, the majority of whom are women, were more likely to be in unmanageable debt and/or financially vulnerable and more likely to live in deprived areas¹⁰⁹.</p> | |
| | <p>Single mothers with low qualifications are particularly concentrated in sectors most impacted by the pandemic¹¹⁰. Households with only one earner are more vulnerable to the impacts of earnings reductions or job losses and lone parents may be less likely to have someone to share childcare with, making participation in paid work challenging¹¹¹.</p> | |

¹⁰⁶ <https://www.gov.scot/publications/experiences-mothers-aged-under-20-analysis-data-growing-up-scotland-study/>

¹⁰⁷ [Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with mothers aged 25 or under - gov.scot \(www.gov.scot\)](#)

¹⁰⁸ [Tackling child poverty delivery plan: fourth year progress report 2021-2022 - focus report on households with mothers aged 25 or under - gov.scot \(www.gov.scot\)](#)

¹⁰⁹ [Scottish household survey 2018: annual report - gov.scot \(www.gov.scot\)](#); [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(www.gov.scot\)](#)

¹¹⁰ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

¹¹¹ [Coronavirus \(COVID-19\): impact on equality \(research\) - gov.scot \(www.gov.scot\)](#); [Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(www.gov.scot\)](#)

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| | <p>Compared with fathers, mothers spend less time in paid work and more time on household responsibilities, and the differences in work patterns between mothers and fathers have grown since before the pandemic¹¹².</p> <p>Since the start of the pandemic, mothers are more likely than fathers to have left or lost their job, or to have been furloughed¹¹³, and spent on average two hours longer per day caring for children during lockdown compared to fathers¹¹⁴.</p> <p>Some of the evidence gathered above was reflected in the response to the NSET public consultation and stakeholder engagement. Stakeholders emphasised the importance of unpaid care and the care sector for gender equality, and more broadly as part of the foundation economy in many communities across Scotland. Stakeholders called for the care sector to be reflected in the strategy as a priority and strategic sector, and, with women being more likely to take unpaid leave to care for children than men, they highlighted that an action on affordable childcare was critical for a gender-equal economic recovery¹¹⁵.</p> | |
| GENDER REASSIGNMENT | <p>Trans people face a range of disadvantages and vulnerabilities in their everyday life and in employment¹¹⁶.</p> <p>The lives of many trans people at work remain difficult, and they face discrimination, bullying and harassment at every stage of employment, including during recruitment processes¹¹⁷.</p> | <p>Relatively limited evidence is available for this group. Where appropriate, we will work with relevant stakeholders to build knowledge and improve data and</p> |

¹¹² 'Interrupted' is defined as doing at least one work and one non-work activity during an hour-long slot.

¹¹³ [Microsoft Word - BN290-Mothers-and-fathers-balancing-work-and-life-under-lockdown.docx \(ifs.org.uk\)](#)

¹¹⁴ [Women doing more childcare under lockdown but men more likely to feel their jobs are suffering \(kcl.ac.uk\)](#)

¹¹⁵ Stakeholder feedback

¹¹⁶ [Stonewall | LGBT in Britain - Trans Report \(2017\) \(stonewallscotland.org.uk\)](#); [Trans People and Work in Scotland \(lgbthealth.org.uk\)](#)

¹¹⁷ [Inclusion at work: Perspectives on LGBT+ working lives \(cipd.co.uk\)](#); [National LGBT Survey: Summary report - GOV.UK \(www.gov.uk\)](#); [Stonewall | LGBT in Britain - Trans Report \(2017\) \(stonewallscotland.org.uk\)](#); [trans_mh_study.pdf \(scottishtrans.org\)](#); [Trans-People-and-Work-Executive-Summary-LGBT-Health-Aug-2021-FINAL.pdf \(lgbthealth.org.uk\)](#).

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| | <p>Some trans people find getting into work difficult or challenging, with prejudice and stereotyping having negative impacts on their employment prospects¹¹⁸.</p> | <p>evidence. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |
| <p>More than half of trans people (51%) have deliberately hidden or disguised their identity at work for fear of discrimination, and one in eight trans employees (12%) has been physically attacked by a colleague or customer in the last 12 months¹¹⁹.</p> | | |
| <p>LGBT+ employees experience more job dissatisfaction and less psychological safety and are more likely to report that work has a negative impact on their (mental) health¹²⁰. Trans people are less likely to have had a paid job in the last 12 months (65% of trans women and 57% of trans men had one)¹²¹.</p> | | |
| <p>Trans and non-binary workers are particularly under-represented in the workforce¹²² overall.</p> | | |
| <p>Barriers and challenges to the inclusion of trans and intersex employees include lack of knowledge by employers and fellow employees, insufficient line manager confidence, stigma, practical considerations (e.g. toilet facilities, uniforms), lack of support and flexible policies¹²³. Barriers to accessing employment include fear of prejudice, application forms excluding non-binary identities, difficulties obtaining references and proof of qualification matching gender and new name, lack of awareness and transphobia from interview panels, and feeling unable to be open about trans identity when applying for jobs¹²⁴.</p> | | |
| <p>Trans students experience harassment and discrimination at HE institutions and, for some, this has a significant negative impact on their studies, future plans and skills.</p> | | |

¹¹⁸ [Trans People and Work in Scotland \(lgbthealth.org.uk\)](https://lgbthealth.org.uk/trans-people-and-work-in-scotland)

¹¹⁹ [trans_mh_study.pdf \(scottishtrans.org\)](https://scottishtrans.org/trans-mh-study.pdf)

¹²⁰ [Inclusion at work: executive summary \(cipd.co.uk\)](https://cipd.co.uk/inclusion-at-work-executive-summary)

¹²¹ [National LGBT Survey: Summary report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/national-lgbt-survey-summary-report)

¹²² [Listen carefully: transgender voices in the workplace \(researchgate.net\)](https://researchgate.net/publication/338111111)

¹²³ [Supporting trans employees in the workplace | Acas; Trans People and Work in Scotland \(lgbthealth.org.uk\)](https://lgbthealth.org.uk/supporting-trans-employees-in-the-workplace)

¹²⁴ [Trans People and Work in Scotland \(lgbthealth.org.uk\)](https://lgbthealth.org.uk/trans-people-and-work-in-scotland)

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| SEXUAL ORIENTATION | While attitudes towards lesbian, gay and bisexual people have become more positive over the past decade in Scotland, LGBT+ people continue to face a range of inequalities and disadvantage across a number of areas and settings, including employment, healthcare and education. | Relatively limited evidence is available for this group. Where appropriate, we will work with relevant stakeholders to build knowledge and improve data and evidence. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes. |
| | Compared to heterosexual adults, lesbian, gay, bisexual or other adults were more likely to be younger, live in deprived areas, report bad general health, be unemployed and have a degree ¹²⁵ . | |
| | Despite studies showing equal or better pay for LGBT+ people, they continue to experience discrimination, harassment and abuse in the workplace and in education ¹²⁶ . LGBT+ employees are more than twice as likely to experience bullying at work than heterosexual employees, but many do not report this ¹²⁷ . | |
| | Four in ten LGBT+ employees have experienced a form of workplace conflict in the past year, a rate significantly higher than for heterosexual workers ¹²⁸ . When conflicts, such as undermining, humiliation, shouting or verbal abuse occurred, the issue had only been partially resolved or not resolved at all. | |
| | LGBT+ employees report poorer working relationships and job satisfaction compared to their heterosexual colleagues, a lack of psychological safety, and they were more likely to report that work has a negative impact on their health ¹²⁹ . More subtle discrimination, such as derogatory jokes, misgendering and stereotyping also occur ¹³⁰ . | |
| RACE | Compared with the UK as a whole, Scotland's population is less ethnically diverse and its minority ethnic population is less likely to be born in the UK ¹³¹ . | We will continue to gather and use relevant data relating this group, to help target activity to advance |

¹²⁵ [Sexual orientation in Scotland 2017: summary of evidence base - gov.scot \(www.gov.scot\)](http://www.gov.scot)

¹²⁶ [Inclusion at work: Perspectives on LGBT+ working lives \(cipd.co.uk\)](http://cipd.co.uk); [Sexual orientation in Scotland 2017: summary of evidence base - gov.scot \(www.gov.scot\)](http://www.gov.scot)

¹²⁷ [Lesbian, Gay and Bisexual employees' experience of discrimination, bullying and harassment at work - ReShare \(ukdataservice.ac.uk\)](http://ukdataservice.ac.uk)

¹²⁸ [Inclusion at work: Perspectives on LGBT+ working lives \(cipd.co.uk\)](http://cipd.co.uk)

¹²⁹ [Inclusion at work: Perspectives on LGBT+ working lives \(cipd.co.uk\)](http://cipd.co.uk)

¹³⁰ [LGBT workplace discrimination: Learning from lived experiences | McKinsey](https://www.mckinsey.com)

¹³¹ Annual Population Survey, ONS

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| | <p>Compared with the white population, minority ethnic groups are more likely to work in accommodation and food services¹³², more likely to earn low income¹³³ and less likely to have savings¹³⁴.</p> | <p>equality of opportunity for people with this protected characteristic in workplaces and in the labour market overall. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |
| <p>Poverty rates for people in minority ethnic households are higher than for the general population in Scotland and minority ethnic people are more likely to be in relative poverty after housing costs¹³⁵. Minority ethnic families are also most at risk of child poverty (38% of children in minority ethnic families were in relative poverty in 2017-20 compared to 24% of all children in Scotland), and families from some minority ethnic groups are more likely to have three or more children, putting them at higher risk of child poverty¹³⁶.</p> | | |
| <p>Some minority ethnic households are also more likely to live in the most deprived areas in Scotland compared to white Scottish/British households¹³⁷.</p> | | |
| <p>People with multiple protected characteristics (e.g. someone from a minority ethnic group who also has a disability) can face heightened barriers to employment. For example, 2019 data show that a non-disabled white person is more than twice as likely to be in employment than a disabled person from a minority ethnic group¹³⁸.</p> | | |
| <p>While the UK's minority ethnic employment gap¹³⁹ has been narrowing consistently over time, there is less evidence of that same progress in Scotland¹⁴⁰. However, this may also be partly due to small survey samples in Scotland leading to greater data volatility in Scotland than in the UK.</p> | | |

¹³² [Scotland's Labour Market: People, Places and Regions – background tables and charts - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-2020/pages/10-background-tables-and-charts.aspx)

¹³³ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/if-not-now-when-social-renewal-advisory-board-report-january-2021/pages/10.aspx)

¹³⁴ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/if-not-now-when-social-renewal-advisory-board-report-january-2021/pages/10.aspx)

¹³⁵ [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](https://data.gov.scot/dataset/poverty-income-inequality-scotland-2017-20)

¹³⁶ [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](https://data.gov.scot/dataset/poverty-income-inequality-scotland-2017-20)

¹³⁷ [Housing needs of minority ethnic groups: Evidence review](https://www.gov.scot/publications/housing-needs-minority-ethnic-groups-evidence-review/pages/10.aspx)

¹³⁸ [Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-disabled-people-employment-action-plan-progress-report-year-2/pages/10.aspx)

¹³⁹ The Minority Ethnic Employment Gap is the difference between the employment rate of white people and the employment rate of minority ethnic people.

¹⁴⁰ Annual Population Survey, ONS, 2004-2020

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| | <p>The employment rate for people from minority ethnic groups in Scotland is consistently lower than the employment rate for white people¹⁴¹. The employment rate for the minority ethnic¹⁴² population aged 16 to 64 was estimated at 62.1% in 2021 (Jan-Dec)¹⁴³, significantly lower than the rate for the white population (73.9%) – an employment rate gap of 11.7 percentage points.</p> | |
| | <p>The minority ethnic employment gap is much larger for women than men. In Scotland, the minority ethnic employment gap was estimated at approximately 23.1 percentage points for women and at -1.5 percentage points for men (Jan-Dec 2021)¹⁴⁴. A negative ethnicity employment rate gap is where the rate for the minority ethnic population is higher than the rate for the white population. The much larger gap for women than men may be partly attributed to cultural factors for particular ethnic groups.</p> | |
| | <p>Analysis by ethnicity shows a TEA¹⁴⁵ rate of 15.5% amongst Scotland's non-white population, which is higher than for the general population, at 9.2% in 2021. For some, however, entrepreneurial activity may be partly undertaken as a result of discrimination in the labour market.</p> | |
| | <p>Minority ethnic workers are more likely to work in some of the sectors most impacted by the pandemic¹⁴⁶ and may be at greater risk of the 'scarring' effects of unemployment¹⁴⁷. Over a fifth of UK minority ethnic workers who were furloughed during the first lockdown in 2020 were no longer working by September 2020, more than double the overall rate¹⁴⁸.</p> | |

¹⁴¹ 'White' includes 'White Polish' and 'White Gypsy' who also experience disadvantage.

¹⁴² 'Minority ethnic' includes all categories outside the white population.

¹⁴³ [Scotland's Labour Market: People, Places and Regions – Protected Characteristics: Statistics from the Annual Population Survey 2021 \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-protected-characteristics-2021/pages/introduction.aspx)

¹⁴⁴ [Scotland's Labour Market: People, Places and Regions – Protected Characteristics: Statistics from the Annual Population Survey 2021 \(www.gov.scot\)](https://www.gov.scot/publications/scotland-labour-market-people-places-and-regions-protected-characteristics-2021/pages/introduction.aspx)

¹⁴⁵ Total Early-stage Entrepreneurial Activity [Global Entrepreneurship Monitor: Scotland Report 2021/2022 \(strath.ac.uk\)](https://www.strath.ac.uk/research/centres-and-institutes/global-entrepreneurship-monitor/scotland-report-2021-2022/)

¹⁴⁶ Economic Impact of Coronavirus Led Labour Market Effects on Individuals and Households, Communities Analysis Division, Scottish Government, April 2020; Annual Population Survey, ONS, 2020.

¹⁴⁷ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/if-not-now-when-social-renewal-advisory-board-report-january-2021/pages/introduction.aspx)

¹⁴⁸ [If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/if-not-now-when-social-renewal-advisory-board-report-january-2021/pages/introduction.aspx)

| | | |
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| | <p>The employment of minority ethnic people was disproportionately impacted by previous economic recessions, with profound implications for living standards and overall income and wealth equality¹⁴⁹.</p> <p>Even when in work, minority ethnic families still tend to earn less, with a higher proportion of in-work poverty¹⁵⁰.</p> <p>Stakeholders highlighted that there is a lack of representation of ethnic minorities in policy-making processes and that black and minority ethnic business owners, whilst very seldom included, have a substantial footprint across Scotland. They emphasised that diversity needs to be harnessed across Scotland’s business community and that diversity must be valued in order to drive innovation and deliver revenue growth. Stakeholders also emphasised that barriers to employment for ethnic minority groups in Scotland must be considered and addressed¹⁵¹.</p> | |
| RELIGION OR BELIEF | <p>In 2015-20¹⁵², relative poverty rates were considerably higher for Muslim adults (52%) compared to adults overall (18%).</p> <p>There is variation in employment rates by religion. Since 2004, the employment rate of Muslims in Scotland has been consistently lower than the employment rate for the population at large (58.1% vs 73.4% in 2020)¹⁵³.</p> <p>Whilst estimates are less precise for other religions due to small sample sizes, the data do suggest that the employment outcomes for those who are Jewish, Sikh or Buddhist in Scotland lag behind the overall population¹⁵⁴.</p> | <p>Relatively limited evidence is available for this group. Where appropriate, we will work with relevant stakeholders to build knowledge and improve data and evidence. This might be further supported by the Scottish Government Equality Data Improvement Programme (EDIP), depending on its outcomes.</p> |

¹⁴⁹ [Coronavirus \(COVID-19\): impact on equality \(research\) - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/corporate-social-responsibility/2020/06/2020-06-23-coronavirus-covid-19-impact-on-equality-research/)

¹⁵⁰ UK level data from Family resources Survey 2017-20. Note: "Working household" refers to someone in the household being in paid work.

¹⁵¹ Stakeholder feedback

¹⁵² [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](https://data.gov.scot/datasets/poverty-income-inequality-scotland-2017-20)

¹⁵³ [Scotland’s Labour Market: People, Places and Regions – background tables and charts - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/corporate-social-responsibility/2020/06/2020-06-23-scotland-labour-market-people-places-and-regions-background-tables-and-charts/)

¹⁵⁴ To note, sample sizes for these religious groups are small, resulting in less precise estimates. [Scotland’s Labour Market: People, Places and Regions – background tables and charts - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/corporate-social-responsibility/2020/06/2020-06-23-scotland-labour-market-people-places-and-regions-background-tables-and-charts/)

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| MARRIAGE AND CIVIL PARTNERSHIP¹⁵⁵ | N/A |
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¹⁵⁵ The Scottish Government does not require assessment against this protected characteristic unless the policy or practice relates to work, for example HR policies and practices - refer to Definitions of Protected Characteristics document for details.

Stage 3: Assessing the impacts and identifying opportunities to promote equality

Do you think that the policy impacts on people because of their age?

| Age | Positive | Negative | None | Reasons for your decision |
|---|-----------------|-----------------|-------------|---|
| Eliminating unlawful discrimination, harassment and victimisation | | | x | The delivery of NSET and Programme 6 considers people in Scotland at all ages. Whilst it does not directly address unlawful discrimination, the delivery of NSET, and the Projects and Actions under Programme 6, will indirectly help address and mitigate against discrimination, harassment and victimisation of people of all ages in their workplaces and in the labour market more generally through the delivery of NSET Programmes 1, 3, 4 and 5. Some of the projects under these Programmes set out actions to specifically support young people and older people in the labour market. |
| Advancing equality of opportunity | x | | | In line with NSET's overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. NSET Programmes 1, 3, 4 and 5 set out projects and actions that support advancing equality of opportunity for young people and older people in the labour market. |
| Promoting good relations among and between different age groups | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations among and between different age groups. However, it will be important to monitor the impact that targeting certain NSET Actions towards particular groups of people might have on relations among and between different age groups. |

Do you think that the policy impacts disabled people?

| Disability | Positive | Negative | None | Reasons for your decision |
|-------------------|-----------------|-----------------|-------------|----------------------------------|
|-------------------|-----------------|-----------------|-------------|----------------------------------|

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| Eliminating unlawful discrimination, harassment and victimisation | | | x | The delivery of NSET and Programme 6 will affect all people in Scotland, both disabled and non-disabled. Whilst it does not directly address unlawful discrimination, the strategy seeks to address and mitigate against the obstacles disabled people face in the labour market and lays out actions that will be taken to support someone with a disability, particularly within Programmes 4 and 5. |
| Advancing equality of opportunity | x | | | In line with NSET's overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. We recognise that disabled people are less likely to be in employment than non-disabled people and earn less on average than non-disabled people. NSET Programmes 4 and 5 set out Projects and Actions that support advancing equality of opportunity for people in the labour market, and to support Fair Work practices. |
| Promoting good relations among and between disabled and non-disabled people | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations among and between disabled and non-disabled people. However, there may be positive indirect effects through work on supporting people to participate in the labour market. It will be important to monitor the impact that targeting certain NSET Actions towards particular groups of people might have on relations among and between different groups. |

Do you think that the policy impacts on men and women in different ways?

| Sex | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|-----------------|-----------------|-------------|---|
| Eliminating unlawful discrimination | | | x | The delivery of NSET and Programme 6 will affect all people in Scotland, including men and women. Whilst it does not directly address unlawful discrimination, the delivery of NSET, and the Projects and Actions under Programme 6 and the principles they are guided by, will |

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| | | | | indirectly help address and mitigate against discrimination at workplaces and the wider labour market through the delivery of NSET Programmes 1, 3, 4 and 5. Some of the Projects under these Programmes set out Actions to specifically support women, and other marginalised groups, in the labour market. |
| Advancing equality of opportunity | | x | | <p>In line with NSET’s overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. Evidence tells us that, although progress has been made, labour market outcomes for women for both employment rate and pay gap still lag behind those for men, and women experience a range of barriers in the labour market that lead them to be paid less on average than men, be more likely to work in insecure jobs, drive aspects of the gender pay gap and contribute to the existence of (child) poverty. This is increased for women with multiple protected characteristics, such as disabled women and minority ethnic women.</p> <p>The NSET Programmes stated in the section above include Projects and Actions that support advancing equality of opportunity for women in the labour market.</p> |
| Promoting good relations between men and women | | | x | <p>It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations between different men and women groups. However, there may be positive indirect effect through work on supporting women in the labour market, as highlighted above. In addition, it will be important to monitor the impact that targeting certain NSET Actions towards particular groups of people might have on relations among and between different groups.</p> |

Do you think that the policy impacts on women because of pregnancy and maternity?

| Pregnancy and Maternity | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|-----------------|-----------------|-------------|---|
| Eliminating unlawful discrimination | | | x | <p>The delivery of NSET and Programme 6 will affect all people in Scotland, including those who are pregnant or who have given birth. Whilst it does not directly address unlawful discrimination, the delivery of NSET, and the Projects and Actions under Programme 6 and the principles they are guided by, will indirectly help address and mitigate against discrimination at workplaces and the wider labour market through the delivery of NSET Programmes 1, 3, 4 and 5. Some of the Projects under these Programmes set out Actions to specifically support women, and other marginalised groups, in the labour market.</p> |
| Advancing equality of opportunity | x | | | <p>In line with NSET’s overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. We recognise that while motherhood decreases income for women, men do not experience the same drop. Unlike for women, men’s work prospects do not appear to be impacted by the birth of a child. Pregnancy brings a period of financial pressure, including following birth of a baby, which increases the risk of child poverty.</p> <p>Whilst not targeting this group specifically, the NSET Programmes stated in the section above include Projects and Actions that support advancing equality of opportunity for women, including those who are pregnant or who have given birth, in the labour market. This includes an Action that seeks to ensure that individuals and families have access to advice and services such as housing, health, affordable and flexible childcare and transport.</p> |

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| Promoting good relations | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations for this group. However, there may be positive indirect effects through work on supporting women in the labour market, as highlighted above. In addition, it will be important to monitor the impact that targeting certain NSET Actions towards particular groups of people might have on relations among and between different groups. |
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Do you think your policy impacts on people proposing to undergo, undergoing, or who have undergone a process for the purpose of reassigning their sex? (NB: the Equality Act 2010 uses the term ‘transsexual people’ but ‘trans people’ is more commonly used)

| Gender reassignment | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|----------|----------|------|---|
| Eliminating unlawful discrimination | | | x | Whilst the delivery of NSET and Programme 6 does not directly address unlawful discrimination because of gender reassignment, where relevant we will work with stakeholders to build knowledge and implement changes which will aim to have a positive impact. The delivery of NSET and Programme 6 is designed to be undertaken in a way that will not create unlawful discrimination related to gender reassignment. |
| Advancing equality of opportunity | x | | | In line with NSET’s overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. We recognise that trans people face a range of disadvantages, barriers and challenges in their everyday life and in the labour market. NSET Programmes 1, 4 and 5 set out Projects and Actions that support advancing equality of opportunity for a range of marginalised groups in the labour market, and to support Fair Work practices. |
| Promoting good relations | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations for this group. However, there may be positive indirect effects |

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| | | | | through work on supporting participation in the labour market and Fair Work practices. |
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Do you think that the policy impacts on people because of their sexual orientation?

| Sexual orientation | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|-----------------|-----------------|-------------|--|
| Eliminating unlawful discrimination | | | x | Whilst the delivery of NSET and Programme 6 does not directly address unlawful discrimination because of sexual orientation, where relevant we will work with stakeholders to build knowledge and implement changes which will aim to have a positive impact. The delivery of NSET and Programme 6 is designed to be undertaken in a way that will not create unlawful discrimination related to sexual orientation. |
| Advancing equality of opportunity | x | | | In line with NSET's overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. NSET Programmes 1, 4 and 5 set out Projects and Actions that support advancing equality of opportunity for a range of marginalised groups in the labour market, and to support Fair Work practices. |
| Promoting good relations | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations for this group. However, there may be positive indirect effects through work on supporting participation in the labour market and Fair Work practices. |

Do you think the policy impacts on people on the grounds of their race?

| Race | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|-----------------|-----------------|-------------|--|
| Eliminating unlawful discrimination | | | | The delivery of NSET and Programme 6 will affect all people in Scotland, of all races. Whilst it does not directly address unlawful discrimination, the delivery of NSET, and the Projects and Actions under Programme 6, will |

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| | | | x | indirectly help address and mitigate against discrimination of people due to their race in their workplaces and in the labour market more generally through NSET Programmes 1, 3, 4 and 5. Some of the Projects under these Programmes set out Actions to specifically support marginalised groups, including for people from ethnic minority communities, in the labour market. |
| Advancing equality of opportunity | | | x | <p>In line with NSET’s overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. Evidence tells us that labour market outcomes for people from minority ethnic communities lag behind those for white people. The employment rate for people from minority ethnic groups is consistently lower than the employment rate for white people and, compared with the general population in Scotland, they are more likely to earn low income and be in relative poverty, with minority ethnic families being most at risk of child poverty. People with multiple protected characteristics can face heightened barriers to employment, which is also evidenced by the minority ethnic employment gap being much larger for women than men.</p> <p>The NSET Programmes stated in the section above include Projects and Actions that support advancing equality of opportunity for people from ethnic minority communities in the labour market.</p> |
| Promoting good race relations | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good race relations. However, there may be positive indirect effects through NSET Projects to remove barriers to participation in the labour market, as highlighted above. In addition, it will be important to monitor the impact that targeting certain NSET Actions towards particular groups of people |

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| | | | | might have on relations among and between different groups. |
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Do you think the policy impacts on people because of their religion or belief?

| Religion or belief | Positive | Negative | None | Reasons for your decision |
|-------------------------------------|-----------------|-----------------|-------------|---|
| Eliminating unlawful discrimination | | | x | Whilst the delivery of NSET and Programme 6 does not directly address unlawful discrimination because of religion or belief, where relevant we will work with stakeholders to build knowledge and implement changes which will aim to have a positive impact. The delivery of NSET and Programme 6 is designed to be undertaken in a way that will not create unlawful discrimination related to this group. |
| Advancing equality of opportunity | x | | | Relatively limited evidence is available for this group. In line with NSET's overarching vision of a wellbeing economy, Programme 6 is expected to advance equality of opportunity across equality groups through the delivery of NSET. NSET Programmes 3, 4 and 5 set out Projects and Actions that support advancing equality of opportunity through removing barriers to participation in the labour market and through promoting Fair Work practices, which might have a positive impact on this group. |
| Promoting good relations | | | x | It is not anticipated that Programme 6 and the delivery of NSET will have an impact on promoting good relations for this group. However, there may be positive indirect effects through NSET Projects to remove barriers to participation in the labour market, as highlighted above. |

Do you think the policy impacts on people because of their marriage or civil partnership?

| Marriage and Civil Partnership¹⁵⁶ | Positive | Negative | None | Reasons for your decision |
|---|-----------------|-----------------|-------------|--|
| Eliminating unlawful discrimination | N/A | N/A | N/A | As per the relevant guidance, this has not been considered as part of this EQIA. |

¹⁵⁶ In respect of this Protected Characteristic, a body subject to the Public Sector Equality Duty (which includes Scottish Government) only needs to comply with the first need of the duty (to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010) and only in relation to work. This is because the parts of the Act covering services and public functions, premises, education etc. do not apply to that Protected Characteristic. Equality impact assessment within the Scottish Government does not require assessment against the Protected Characteristic of Marriage and Civil Partnership unless the policy or practice relates to work, for example HR policies and practices.

Stage 4: Decision making and monitoring

Identifying and establishing any required mitigating action

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| <p>Have positive or negative impacts been identified for any of the equality groups?</p> | <p>Following the impact analysis, a range of potentially direct and indirect positive impacts for people with protected characteristics have been identified from NSET Programmes, Projects and Actions. Several of the Projects and Actions within NSET specify that they will be targeted at under-represented groups, with particular examples in relation to entrepreneurial activity and participation in the labour market. The realisation of these impacts depends on effective delivery, which is underpinned by the Projects contained within Programme 6. The information provided in this EQIA outlines the available evidence and assesses the anticipated impact in relation to each protected characteristic. These impacts are expected to be positive in relation to removing barriers to participation in the labour market and promoting Fair Work practices.</p> <p>As noted above, limited data is available for some protected characteristics and the impacts of the cost crisis will require evidence to be updated over coming months. In addition, there might potentially be a negative impact on relations among and between groups from targeting certain NSET Actions towards particular groups of people.</p> <p>The data and evidence available and gathered to date are described in Stage 2 of this EQIA. With regard to assessing the impacts of Programme 6 on people with protected characteristics, it should, however, be noted that specific policy interventions to implement some of the Actions and Projects are yet to be developed or are at a very early stage. As these develop further they will require their own EQIAs to ensure that the potential impacts on people with protected characteristics, including intersectional impacts, are fully considered. In addition, some of the commitments under Programme 6 are entirely delivery-focused, as opposed to concerned with policy development and implementation, and it is therefore our view that undertaking a further EQIA will not be appropriate in all cases. We are, however, committed to ensuring equality impact</p> |
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| | <p>assessments (and other relevant assessments) are carried out, where appropriate, as work progresses.</p> <p>In light of the above, and as supplemented by future, more detailed specific impact assessments to be carried out on particular actions, this EQIA will be subject to further review and revision, including in light of developing evidence and circumstances as NSET is implemented over its 10-year lifespan.</p> <p>The delivery of NSET and Programme 6 will include an effective monitoring and evaluation framework, which will include equalities monitoring and publication of an annual progress report. As part of this, it is essential to ensure that the identified impacts will be closely monitored and evaluated, which will provide ongoing information that will help ensure the delivery of NSET and the implementation of Programme 6 Projects meet the three requirements of the Public Sector Equality Duty to eliminate discrimination, advance equality of opportunity and foster good relations.</p> |
| <p>Is the policy directly or indirectly discriminatory under the Equality Act 2010¹⁵⁷?</p> | <p>No. There is no evidence within this EQIA that the policy is directly or indirectly discriminatory under the Equality Act 2010.</p> |
| <p>If the policy is indirectly discriminatory, how is it justified under the relevant legislation?</p> | <p>N/A</p> |
| <p>If not justified, what mitigating action will be undertaken?</p> | <p>N/A</p> |

Describing how Equality Impact analysis has shaped the policy making process

NSET has been shaped by evidence so that its Programmes are designed to tackle long term structural challenges, build on our economic strengths and position Scotland to maximise the greatest economic opportunities of the next ten years. This evidence includes the NSET Evidence Paper, the NSET Equality Position Statement, a semi-formal public consultation and extensive engagement with stakeholders. Since publication of the strategy, our approach to developing the Programme 6

¹⁵⁷ See EQIA – Setting the Scene for further information on the legislation.

Delivery Plan has been responsive to feedback and input from a range of stakeholders across the private, public and third sector, including equality and human rights organisations.

This EQIA has examined the three needs of the Public Sector Equality Duty, which requires public authorities to, with respect to people with protected characteristics, eliminate discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations between persons who share a protected characteristic and those who do not.

Through undertaking this EQIA we have identified areas where there are potential direct and/or indirect impacts on different groups and where work can be taken forward to promote equality. In particular, this EQIA has demonstrated that NSET delivery and Programme 6 will advance equality of opportunity across all protected characteristics, and in particular for the following groups: age, disability, sex, pregnancy and maternity, and race. This includes through effective delivery of NSET Projects aimed at removing barriers to participation in the labour market and to support Fair Work practices.

This EQIA has also helped highlight areas where there is limited evidence on certain groups, in particular for religion or belief and gender reassignment. This will help inform our ongoing work to develop and strengthen the evidence base in relation to equality and the economy, including in relation to intersectionality. This might be further supported by the wider Scottish Government's Equality Data Improvement Programme and by stakeholder engagement.

We have found no evidence of negative impacts for people with protected characteristics at this time, however we will keep this under review as part of the monitoring of this EQIA and as the commitments within Programme 6 are developed further over the course of the next 10 years. For example, there might potentially be a negative impact on relations among and between groups from targeting certain NSET Actions towards particular groups of people.

Examples of some of the actions under Programme 6 that have been influenced by the evidence gathered as part of the EQIA process, are:

Project 16: Strengthening Accountability and Transparency: in light of the data and evidence above, it was essential to ensure that membership of the NSET Delivery Board is fully representative of the people of Scotland, including a gender balanced approach to membership, representation from minority ethnic communities, and a voice for those in rural communities.

Project 17: Transforming the way we provide support: the Centre of Expertise in Equality and Human Rights training programme for economic policy officials will cover themes including the use of equality evidence and intersectionality, and options will be explored for partnership working with academic experts, stakeholder groups and people with lived experience, both to build the knowledge and understanding of officials in their policy-making work and to help improve the evidence base.

Transforming the delivery of support to businesses needs to take into account the many different types of businesses, entrepreneurs and workers who make up Scotland's economy, and one of the drivers for this work is to improve the data available about how under-represented groups access support, which we can use to improve accessibility, fairness and consistency.

Project 18: Measure Success: equality considerations have guided our approach towards NSET evaluation and data collection. Data collected as part of the evaluation and annual progress report will be broken down by equality groups where possible. Additionally, equality stakeholders will be consulted as part of the ongoing evaluation and monitoring of NSET.

Programme 6 underpins the implementation of Programmes, Projects and Actions across NSET, and one of the difficulties encountered in conducting this EQIA was in distinguishing the potential impacts of NSET Actions as a whole from the specific impacts of the Projects and Actions within Programme 6 relating to delivery, governance and measurement. In addition, as highlighted above, some of the specific policy interventions to implement some of the Actions and Projects within Programme 6 are yet to be developed or are at a very early stage. As these develop further they will require their own EQIAs to ensure that the potential impacts on people with protected characteristics, including intersectional impacts, are fully considered. In addition, some of the commitments under Programme 6 are entirely delivery-focused, as opposed to being concerned with policy development and implementation, and it is therefore our view that undertaking a further EQIA will not be appropriate in all cases. We are, however, committed to ensuring equality impact assessments (and other relevant assessments) are carried out, where appropriate, as work progresses.

In light of the above, and as supplemented by future, more detailed specific impact assessments to be carried out on particular Actions, this EQIA will be subject to further review and revision, including in light of developing evidence and circumstances as NSET is implemented over its 10-year lifespan. In particular for Project 18, we will continue to work to improve data collection on protected characteristics, and consider how such data could link with other relevant publications such as the Wellbeing Economy Monitor.

Monitoring and Review

We will continue to proactively consider equality impacts throughout implementation of NSET Programme 6, as set out in the Programme 6 Delivery Plan and NSET overall – creating a prioritised work plan to ensure the Projects and Actions we have laid out are taken forward, with a focus on advancing equality. This will support the achievement of the overarching NSET vision of a wellbeing economy and is expected to be reflected over time through the National Performance Framework and the Wellbeing Economy Monitor.

In addition and as noted above, further equality impact assessments will be conducted as appropriate on specific policies that are developed to implement NSET so that human rights and equality are embedded in delivery of the strategy and to uphold the Scottish Government's obligations under the Public Sector Equality Duty.

As committed to under Project 18: Measure Success, we will publish an annual progress report for the NSET Board in order to enhance accountability, which will include equalities monitoring. The specifics regarding the content of the annual progress report are currently under consideration, however we will continue to monitor and engage with the emerging equality evidence as we finalise the content of the report and the common accountability framework with delivery partners. As part of the monitoring process, the NSET Governance and Analytical Unit will engage with a number of stakeholders, including the Equality and Human Rights Budget Advisory Group.

This EQIA will be subject to further review and revision, including in light of developing evidence and circumstances as NSET is implemented over its 10-year lifespan. We will also seek to improve equality data collection, including through EDIP and Project 18, so that our consideration of the potential impacts of economic policy on people with protected characteristics is informed by a strong evidence base.

Stage 5 - Authorisation of EQIA

Please confirm that:

- ◆ This Equality Impact Assessment has informed the development of this policy:

Yes No

- ◆ Opportunities to promote equality in respect of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation have been considered, i.e.:

- Eliminating unlawful discrimination, harassment, victimisation;
- Removing or minimising any barriers and/or disadvantages;
- Taking steps which assist with promoting equality and meeting people's different needs;
- Encouraging participation (e.g. in public life)
- Fostering good relations, tackling prejudice and promoting understanding.

Yes No

- ◆ If the Marriage and Civil Partnership protected characteristic applies to this policy, the Equality Impact Assessment has also assessed against the duty to eliminate unlawful discrimination, harassment and victimisation in respect of this protected characteristic:

Yes No Not applicable

Declaration

I am satisfied with the equality impact assessment that has been undertaken for Scotland's National Strategy for Economic Transformation - Programme 6: A Culture of Delivery and give my authorisation for the results of this assessment to be published on the Scottish Government's website.

Name: Aidan Grisewood

Position: Interim Director, Economy Strategy Directorate

Authorisation date: 19 October 2022

NSET Equality Position Statement – Summary of Evidence Sources

[Economic Recovery Implementation Plan: Scottish Government response to the Advisory Group on Economic Recovery - gov.scot \(www.gov.scot\)](#)
[\(PDF\) Listen carefully: transgender voices in the workplace \(researchgate.net\)](#)
[A Fairer Scotland for Older People: A Framework for Action \(www.gov.scot\)](#)
[A fairer Scotland for women: gender pay gap action plan - gov.scot \(www.gov.scot\)](#)
[An unequal crisis - Citizens Advice](#)
 Annual Population Survey, 2021
 Annual Population Survey, ONS, 2004-2020
[Annual survey of hours and earnings: 2021 - gov.scot \(www.gov.scot\)](#)
[BN223.pdf \(ifs.org.uk\)](#)
[Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019 \(legislation.gov.uk\)](#)
[Coronavirus \(COVID-19\): impact on equality \(research\) - gov.scot \(www.gov.scot\)](#)
[Coronavirus and redundancies in the UK labour market - Office for National Statistics \(ons.gov.uk\)](#)
[Coronavirus and the social impacts on disabled people in Great Britain: September 2020 \(ons.gov.uk\)](#)
[Covid+and+Inequalities+Final+Report+For+Publication+-+PDF.pdf \(scotland.gov.uk\)](#)
[Disability+Infographic+16-64+Final+Version+-+PDF.pdf \(www.gov.scot\)](#)
[Disabled mothers three times more likely to have lost work during the pandemic - Womens Budget Group \(wbg.org.uk\)](#)
[Disabled people in the labour market in Scotland - gov.scot \(www.gov.scot\)](#)
[DWP, Economic Labour Market Status of Individuals Aged 50 and Over, Trends Over time: September 2021](#)
[Economic Impact of Coronavirus Led Labour Market Effects on Individuals and Households](#)
[EMP17: People in employment on zero hours contracts - Office for National Statistics \(ons.gov.uk\)](#)
[Equality Advisory and Support Service \(equalityadvisoryservice.com\)](#)
[Equality Budget Advisory Group: recommendations for equality and human rights budgeting - 2021-2026 parliamentary session - gov.scot \(www.gov.scot\)](#)
[Equality Data Improvement Programme \(EDIP\) project board - gov.scot \(www.gov.scot\)](#)
[Every Child, Every Chance: The Tackling Child Poverty Delivery Plan 2018-22: Annex 3 – Equality Impact Assessment \(www.gov.scot\)](#)
[Fairer Scotland for disabled people - employment action plan: progress report - year 2 - gov.scot \(www.gov.scot\)](#)
[Follow-the-money.pdf \(carereview.scot\)](#)
[Gender Pay Gap Action Plan: Analytical Annex \(www.gov.scot\)](#)
[Housing needs of minority ethnic groups: Evidence review](#)
[How flexible hiring could improve business performance and living standards | JRF](#)

[If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot \(www.gov.scot\)](#)

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EQUALITY IMPACT ASSESSMENT - RESULTS

| | |
|---|--|
| Title of Policy | Scotland's National Strategy for Economic Transformation - Programme 6: A Culture of Delivery |
| Summary of aims and desired outcomes of Policy | <p>The aim of Programme 6 is to ensure we successfully deliver the interconnected policy Programmes of Action set out in the National Strategy for Economic Transformation and transform the way in which the Government and business listen to, support and work with each other.</p> <p>The outcomes we are seeking to achieve are:</p> <ul style="list-style-type: none"> • Joined up delivery of the five transformational Programme plans; • Transform the way in which the public sector, business and wider civic Scotland listen to, support and work with each other; • Implement metrics and mechanisms to allow us to track and monitor transformation, and enable us to continually improve our collective impact; and • Establish a governance structure that ensures we flex and adapt our Programmes to respond to the economic challenges we face. |
| Directorate | Economic Strategy Directorate |

Executive summary

The Public Sector Equality Duty (PSED) requires the Scottish Government to pay due regard to the need to meet its obligations under the Equality Act 2010 by assessing the impacts of applying a proposed new or revised policy or practice in relation to equality. The Scottish Government is mindful of the three needs of the PSED: eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations between people who share a protected characteristic and those who do not. We have therefore undertaken an equality impact assessment (EQIA) as part of the process to develop the Delivery Plan for Programme 6 of NSET.

This EQIA aims to consider how a policy may impact, either positively or negatively, different sectors of the population in different ways. Where any negative impacts have been identified, we have sought to mitigate/eliminate these. We are also mindful that the equality duty is not just about negating or mitigating negative

impacts, as we also have a positive duty to promote equality. The development of this EQIA has been underpinned by equality legislation and covers the protected characteristics of: age, disability, gender reassignment, sex, pregnancy and maternity, race, religion or belief, and sexual orientation.¹⁵⁸

The vision of Scotland's National Strategy for Economic Transformation (NSET)¹⁵⁹, which was published on 1 March 2022, is for Scotland to be a wellbeing economy, thriving across economic, social and environmental dimensions. The strategy sets out an ambition that Scotland's economy will significantly outperform the last decade, both in terms of economic performance and tackling structural economic inequalities.

The task of transforming our economy requires an equally radical transformation in the way we deliver results through the transformational Programmes of Action set out in NSET. Effective delivery is crucial to delivering the strategy's aims, and this must embed and pay due regard to the three needs of the PSED if the strategy is to achieve economic prosperity for all Scotland's people and places, and to have the intended positive impacts on people with protected characteristics.

The sixth Programme of Action, Programme 6: A Culture of Delivery, focuses on implementation of NSET. It introduces a new streamlined delivery model where all participants are clear about their individual roles and accept accountability for their actions, and where partners come together in a 'Team Scotland' approach. It identifies the necessary structures and landscape to support effective delivery and also establishes the metrics and mechanisms to track and monitor our economic transformation, enabling us to continually improve the collective impact of NSET.

A number of Projects and commitments under Programme 6 have already been taken forward and are currently being developed and implemented. However, some of the commitments under Programme 6 are at early stages of development and, as implementation is taken forward and specific actions are identified, this EQIA will continue to be updated in light of further evidence and engagement with stakeholders. This EQIA sets out preliminary and indicative impacts of known commitments in Programme 6 and, alongside further stakeholder engagement, will help inform decisions that are taken in further development and implementation.

Examples of some of the commitments under Programme 6 that have been influenced by evidence gathered as part of the EQIA process are:

Project 16: Strengthening Accountability and Transparency: in light of the data and evidence gathered as part of the EQIA process, it was essential to ensure that membership of the NSET Delivery Board is fully representative of the people of Scotland and has access to information from people with lived experience of having protected characteristics, including a gender balanced approach to membership, representation from minority ethnic communities and the third sector, and a voice for those in rural communities.

¹⁵⁸ Whilst marriage and civil partnership is also covered by equality legislation, it has not been subject to this EQIA as the Scottish Government does not require assessment against this Protected Characteristic unless the policy or practice relates to work, for example HR policies and practices.

¹⁵⁹ [Scotland's National Strategy for Economic Transformation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/nset-2022/pages/introduction.aspx)

Project 17: Transforming the way we provide support: the Centre of Expertise in Equality and Human Rights training programme for economic policy officials will cover themes including the use of equality evidence and intersectionality, and options will be explored for partnership working with academic experts, stakeholder groups and people with lived experience, both to build the knowledge and understanding of officials in their policy-making work and to help improve the evidence base.

Transforming the delivery of support to businesses needs to take into account the many different types of businesses, entrepreneurs and workers who make up Scotland's economy, and one of the drivers for this work is to improve the data available about how under-represented groups access support, which can be used to improve accessibility, fairness and consistency.

Project 18: Measure Success: equality considerations have guided our approach towards NSET evaluation and data collection. Data collected as part of the evaluation and annual progress report will be broken down by equality groups where possible. Additionally, equality stakeholders, including the Equality and Human Rights Budget Advisory Group, will be consulted as part of the ongoing evaluation and monitoring of NSET.

Through undertaking this EQIA, we have identified areas where there are potential direct and/or indirect impacts on different groups and where work can be taken forward to promote equality. This process has demonstrated that NSET delivery and Programme 6 will advance equality of opportunity across all protected characteristics, and in particular for the following groups: age, disability, sex, pregnancy and maternity, and race. This includes through effective delivery of NSET commitments aimed at removing barriers to participation in the labour market and to support Fair Work practices. We have found no evidence of negative impacts for people with protected characteristics at this time.

A summary of commitments in Programme 6 that are expected to have a positive impact on people with protected characteristics is set out below:

- Diverse membership of the NSET Delivery Board;
- Annual reporting to the NSET Delivery Board will include equalities monitoring;
- A Wellbeing Economy Monitor that includes indicators beyond GDP, such as measures on child poverty, levels of greenhouse gas emissions and biodiversity, and Fair Work indicators; and
- The Centre of Expertise in Equality and Human Rights will seek to work with external experts and stakeholder groups to build knowledge, skills and confidence in economic policy officials and help embed equality and human rights in economic policy-making.

This EQIA has also highlighted areas where there is limited evidence on certain groups, in particular for religion or belief and gender reassignment, and also in relation to intersectionality. This will help inform our ongoing work to develop and strengthen the evidence base in relation to equality and the economy and to intersectionality. This might be further supported by the wider Scottish Government

Equality Data Improvement Programme (EDIP) and stakeholder engagement. Given gaps in the evidence in relation to intersectionality, combined with the impacts of the current cost crisis on people with protected characteristics and low income households, further work will be required to build our understanding of the potential positive and negative impacts of delivery of NSET.

We will continue to proactively consider equality impacts throughout implementation of NSET Programme 6, as set out in the Programme 6 Delivery Plan and NSET overall, creating a prioritised work plan to ensure the Projects and Actions we have laid out are taken forward, with a focus on advancing equality. This approach will support the achievement of the overarching NSET vision of a wellbeing economy and is expected to be reflected over time through the National Performance Framework and the Wellbeing Economy Monitor.

Further equality impact assessments will be conducted as appropriate on specific policies that are developed to implement NSET so that human rights and equality are embedded in delivery of the strategy and to uphold the Scottish Government's obligations under the PSED.

We will publish an annual progress report for the NSET Delivery Board in order to enhance accountability, which will include equalities monitoring. As part of this, we will continue to monitor and engage with the emerging equality evidence as we finalise the content of the report and the common accountability framework with delivery partners.

This EQIA will be subject to further review and revision, including in light of developing evidence and circumstances as NSET is implemented over its 10-year lifespan. This may result in the need to adapt our policies to ensure we mitigate against any direct or indirect negative impacts and deliver positive impacts on people with protected characteristics. We will also seek to improve equality data collection, including through EDIP and Project 18, so that our consideration of the potential impacts of economic policy on people with protected characteristics is informed by a strong and evolving evidence base.

Background

In 2021, the SNP Manifesto¹⁶⁰ made a commitment to delivering Scotland's National Strategy for Economic Transformation. In July 2021, the Scottish Government established an Advisory Council for Economic Transformation made up of business leaders, trade unions, academics and economists to help shape the strategy, which was published in March earlier this year.

In recognition of the breadth of direct and indirect impacts that delivery of NSET will have across all parts of society in all areas of Scotland, an extensive engagement programme has been undertaken with a broad range of stakeholders, including with equality and human rights stakeholders, and through a semi-formal 9-week consultation that received over 260 responses. Building on the pre-publication consultation and stakeholder engagement, since the launch of NSET Ministers have

¹⁶⁰[SNP 2021 Manifesto: Scotland's Future, Scotland's Choice — Scottish National Party](#)

undertaken an extensive programme of engagements, including roundtables, events, and boardroom meetings. In total they have engaged with more than 150 stakeholders across business, public and third sectors in small settings, as well as addressing hundreds more at events including at the Scotland House Vision for Trade Event, Unlocking Ambition showcase event, and the National Economic Forum. The pre-publication and post-publication stakeholder engagement has helped shape and inform NSET's vision and ambition, as well as the six transformational Programmes of Action and their Delivery Plans.

In addition, the NSET Evidence Paper¹⁶¹ set out evidence on the structure and performance of Scotland's economy, and identified areas for action to deliver transformational improvements in Scotland's economic performance. Evidence concerning economic inequalities and the experiences of people with different protected characteristics in relation to Scotland's economy was brought together in the NSET Equality Position Statement¹⁶².

A full summary of official and Ministerial stakeholder engagement and evidence and data gathering which has shaped the development of the Delivery Plan for Programme 6 and this EQIA can be found in the Programme 6 EQIA Record section of this document.

Scope of the EQIA

The scope of this EQIA is to consider the impact of NSET's Programme 6 and its Delivery Plan on people with protected characteristics. The economy impacts everybody, regardless of their age, ethnicity, sex and other characteristics. Therefore, the implementation of NSET is expected to impact on everybody. The commitments under Programme 6 are intended to support and drive Scotland's overall economic prosperity to the benefit of all our people. However, just as every person is an individual with particular characteristics and circumstances, their experiences of economic activity and the impacts that Scotland's economy has on their lives are different. Taking a person-centred, intersectional approach to considering the implementation of policies and actions can help to address entrenched inequalities and cumulative impacts on people, and particularly those who experience disadvantage.

As well as the above-noted stakeholder engagement, evidence and data have been gathered and analysed from a range of published national and UK research papers, reports, studies and surveys relating to income and earnings, poverty and child poverty, labour market and employment, and the COVID-19 pandemic. Statistics and data have been gathered from Scotland's Annual Population Survey 2020/21, NSET's Evidence Paper (2022) and Scottish Government Labour Market briefings. Research papers and publications such as *If Not Now, When?* by the Social Renewal Advisory Board (2021), *UK Poverty 2020/21* by the Joseph Rowntree Foundation, and Tackling Child Poverty Delivery Plan progress reports have also been used to provide evidence.

¹⁶¹[1. Introduction - Scotland National Strategy for Economic Transformation: evidence paper - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/evidence-paper-1-2022/pages/introduction-1-2022.aspx)

¹⁶²[1. Background and Policy Aim - Scotland's National Strategy for Economic Transformation: equality position statement - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/equality-position-statement-1-2022/pages/background-and-policy-aim-1-2022.aspx)

The evidence-gathering exercise has highlighted areas where there is limited evidence on certain groups, in particular for religion or belief and gender reassignment, and also in relation to intersectionality, which we will seek to address through Project 18, the Equality Data Improvement Programme and continuous stakeholder engagement.

Key Findings

This EQIA has outlined that there are some limitations in evidence and data on groups with protected characteristics in relation to the economy. This, in particular, applies to religion or belief and gender reassignment, and also to intersectionality. This EQIA has highlighted the need for more comprehensive and higher-quality evidence, as well as insight, to enable us to assess how policy decisions in the delivery of NSET are fair and are advancing equality of opportunity.

Through undertaking the EQIA on Programme 6, we have identified areas where there are potential direct and/or indirect impacts on different groups and where work can be taken forward to promote equality. This process has demonstrated that NSET delivery and Programme 6 will advance equality of opportunity across all protected characteristics, and in particular for the following groups: age, disability, sex, pregnancy and maternity, and race. This includes through effective delivery of NSET Projects aimed at removing barriers to participation in the labour market and to support Fair Work practices.

We have found no evidence of negative impacts for people with protected characteristics at this time; however, we will keep this under review as part of the monitoring of this EQIA, and as the commitments within Programme 6 are developed further over the course of the next 10 years and will be subject to their own EQIAs. For example, there might potentially be a negative impact on relations within and/or between groups from targeting certain NSET Actions.

A full summary of the evidence and data gathering on protected characteristics which has been undertaken to shape the development of the Delivery Plan for Programme 6 and this EQIA can be found in the Programme 6 EQIA Record section of this document.

Recommendations and Conclusion

The EQIA process did not identify indirect or direct discrimination through the policy intentions of Programme 6. It has shown that despite limited evidence for some protected characteristics, evidence for the wider context shows that the impact of Programme 6 will be positive and will advance equality of opportunity across all protected characteristics. In particular, this advancement applies to the following groups: age, disability, sex, pregnancy and maternity, and race. For religion or belief, gender reassignment and intersectionality we have particularly limited data. We have found no evidence of negative consequences at this time; however, in line with best practice we will keep this under review as part of the monitoring of this EQIA.

Where limitations in data and evidence have been found we will seek to strengthen the evidence base. Project 18: Measure Success, will continue to work to improve data collection in relation to protected characteristics, and consider how such data could link with other relevant publications such as the Wellbeing Economy Monitor. This work may be also supported by the wider Scottish Government EDIP programme and through further stakeholder engagement, including with the Equality and Human Rights Budget Advisory Group.

For some of the commitments under Programme 6, specific policy interventions are either at early stages or are yet to be developed. As these develop they will require their own EQIAs, which should also be subject to periodic updates throughout the duration of the strategy to ensure that barriers for each protected characteristic are fully considered.

This EQIA will be kept under regular review, with new data and evidence analysed as we improve data collection to monitor the impact the delivery of Programme 6, and, by extension, the overall delivery of NSET, is having on people with protected characteristics.



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