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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>18 September 2018</b>
<b>Report By:</b>	<b>Steven McNab, Head of OD, Policy and Communications</b>	<b>Report No:</b>	<b>PR/23/18/SMcN/KB</b>
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<b>Subject:</b>	<b>The Fairer Scotland Duty</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to inform the Policy and Resources Committee of the Fairer Scotland Duty. Additional information is provided in the Appendices. App 1  
App 2

## 2.0 SUMMARY

- 2.1 The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in Scotland in April 2018 and places a legal responsibility on public bodies in Scotland to actively consider how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.
- 2.2 Socio-economic disadvantage is focused on low income, low wealth, material deprivation and area deprivation – with communities of interest and of place as cross-cutting issues.
- 2.3 The Fairer Scotland Duty clearly links to the Child Poverty (Scotland) Act 2017, and the National Co-ordinator for Child Poverty also has a role to help public bodies implement the Duty successfully.
- 2.4 As the Fairer Scotland Duty is a part of the Equality Act 2010 there are elements in common with delivering on the Public Sector Equality Duty such as Equality Impact Assessments and paying due regard to the Duty. As such, it is recommended that the Corporate Policy Officer who has responsibility for Equalities is the ‘appropriate officer’ (to be involved with any assessment process under the Duty) with support from the temporary Corporate Policy Officer – Poverty.
- 2.5 The Scottish Government has published interim guidance which came into force in April 2018 <https://www.gov.scot/Publications/2018/03/6918>. It is interim, because the government want to develop final guidance over the next three years with public bodies, grounded on experience of working on the Duty and reflecting the good practice that is already in place.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that Policy and Resources Committee:
- a. notes the contents of this report;
  - b. agrees that the ‘appropriate officer’ mentioned at paragraph 4.1 should be the Corporate Policy Officer with responsibility for Equalities, with support from the Corporate Policy Officer

– Poverty.

- c. agrees the addition of the Fairer Scotland Duty to the equalities implications section of the Council report template.
- d. agrees the integration of the Fairer Scotland Duty into the Councils current equality impact assessment process.

**Steven McNab**

**Head of Organisational Development, Policy and Communications**

## **4.0 BACKGROUND**

- 4.1 The Fairer Scotland Duty, Part 1 of The Equality Act 2010, came into force in April 2018. The Duty places a legal responsibility on the Council to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage. The Scottish Government advise to 'have due regard' means that, in making any strategic decision, the Council must actively consider, with an open mind, whether there are opportunities to reduce inequalities of outcome cause by socio-economic disadvantage. It is also suggested that an appropriate officer must be involved in any assessment process under the Duty and it is proposed that this should be the Corporate Policy Officer who currently has responsibility for Equalities. They will be supported by the temporary Corporate Policy Officer with responsibility for Poverty.
- 4.2 The Duty applies only to strategic decisions. The Scottish Government sees the Duty as an opportunity to put tackling inequality at the heart of key decision-making. More information is provided in the diagram at Appendix One.
- 4.3 The Duty will be regulated by the Equality and Human Rights Commission. The Commission will be closely involved with monitoring and the development of best practice for the Duty, particularly in the first three years.
- 4.4 The Scottish Government has funded a National Co-ordinator Post which, while mainly focusing on the planning and reporting duties under the Child Poverty (Scotland) Act 2017, will play a key role in supporting the implementation of the Fairer Scotland Duty in two ways:
  - by supporting local authorities and health boards (and other public bodies, as required) to develop and share best practice on the Duty; and
  - by advising on how the Guidance can be developed and updated to reflect best practice and deliver results.
- 4.5 The National Co-ordinator will also run regional best practice events and make recommendations to the Scottish Government on how the Interim Guidance can be improved and tools and templates developed, based on feedback.
- 4.6 Additionally, during the first year, the Scottish Government's Chief Social Policy Adviser's Team will lead on 3-4 pilots to help inform and develop the final Guidance.

## **5.0 THE FAIRER SCOTLAND DUTY – INTERIM GUIDANCE FOR PUBLIC BODIES**

- 5.1 Interim Guidance on the Duty has been issued by the Scottish Government. The Guidance is non-statutory and should be viewed as being advisory only. There will be a three year implementation phase for the Interim Guidance.
- 5.2 The Final Guidance - expected at the end of the three year period – will be developed with public bodies, based on their experience of working on the Duty and reflecting good practice.
- 5.3 To fulfil our obligations under the Duty, the Council must be able to meet two key requirements in each case:
  - to actively consider how we could reduce inequalities of outcome in any major strategic decision we make; and
  - to publish a written assessment, showing how we have done this.

In doing this, public bodies must approach the Duty in a way that:

- is not a tick box exercise but is meaningful and influences decision making
- helps to achieve public bodies' strategic corporate and equality outcomes

- makes sense to the public body in relation to the work they do and the processes they already have in place
- makes sense to the people and communities they serve (in many cases this may need direct community participation) and
- helps bring about demonstrable change.

5.4 Aside from the key requirements outlined above, the Council can approach meeting the duty as it sees fit. The Scottish Government is encouraging innovation in how public bodies meet the Duty and welcomes different approaches. Set out at Appendix Two is an example process for meeting the Duty on a day to day basis.

## **6.0 DEFINING SOCIO-ECONOMIC DISADVANTAGE**

6.1 The Scottish Government outline that ‘socio-economic disadvantage’ means living on a low income compared to others in Scotland, with little or no accumulated wealth, leading to greater material deprivation, restricting the ability to access basic goods and services. The guidance goes into further detail around:

- Low income compared to most others in Scotland
- Low wealth
- Material deprivation
- Area deprivation
- Socio-economic background.

## **7.0 DEFINING INEQUALITIES OF OUTCOME**

7.1 The guidance defines inequalities of outcome as any measurable differences between those who have experienced socio-economic disadvantage and the rest of the population – for example, in relation to health and life expectancy or educational attainment. Socio-economically disadvantaged households have a higher risk of experiencing negative outcomes.

7.2 In seeking to meet the Duty, the Scottish Government expect public bodies to tackle the range of inequalities of outcome they observe in their areas or that are specifically relevant to their core functions. In some cases an effective way to do this will mean tackling socio-economic disadvantage directly by, for example, reducing poverty. This has clear links to the Community Empowerment (Scotland) Act 2015 where Community Planning Partnerships must create locality plans for those areas experiencing the greatest inequalities.

7.3 Inverclyde Council and HSCP have a strong track record of seeking to tackle inequality and poverty, and the Locality Plans being developed through Community Planning seek to improve equality and equity in the areas experiencing the greatest inequality in Inverclyde. The Community Planning Partnership, the Inverclyde Alliance, has considered at length the Fundamental Causes of Health Inequality, applying this across outcomes and priorities, and widening its scope to encompass all inequalities.

7.4 The Corporate Policy Officer – Poverty is working on mapping the activity taking place across Inverclyde which will seek to mitigate the impact of poverty on local residents and will produce the Child Poverty Local Action Report for June 2019.

7.5 The work Education Services are undertaking in relation to the Attainment Challenge seeks to improve educational outcomes for those who live in the most deprived areas of Inverclyde, closing the attainment gap between them and their more affluent peers. The Children and Young People Improvement Collaborative aims to ensure that all young people in Inverclyde get the best start in life, regardless of their socio-economic situation.

7.6 The Financial Inclusion Partnership co-ordinates the work of a wide range of agencies

delivering money advice services and support to people in poverty or having money problems. The organisations involved have helped many people access additional benefits, bringing millions of pounds into Inverclyde.

- 7.7 Employability and economic regeneration are at the heart of tackling poverty and inequality. The Inverclyde Employability Pipeline supports people into work and helps them to access training. In tandem with this, is work to generate employment opportunities by attracting businesses into the area and supporting people to access job opportunities in the wider City region. Community benefit clauses as part of building projects also provide jobs for local people.
- 7.8 All this work, and more not mentioned here, will help to inform how the Council and HSCP are meeting the Fairer Scotland Duty.
- 7.9 The Policy and Resources Committee is asked to approve the addition of the Fairer Scotland Duty to the Equalities implications section of the Council Report Template. In addition, the Committee is asked to approve the integration of the Fairer Scotland Duty into the Council's current Equality Impact Assessment process, with training delivered to services to bring this to their attention.

## **8.0 STRATEGIC LEVEL DECISIONS**

- 8.1 The Duty applies to strategic level decisions. These would normally include strategy documents, decisions about setting priorities, allocating resources and commissioning services i.e. all decisions agreed at Corporate Management Team or Committee level. The decisions in question will have a major impact on the way in which other tactical and day-to-day operational decisions are taken, but they are not in themselves tactical or operational.
- 8.2 Examples of strategic decisions include:
- preparation of a Local Development Plan
  - City Deals or other major investment plans
  - development of new strategic frameworks
  - development of significant new policies or proposals
  - preparation of an annual budget
  - major procurement exercises
  - decisions about the shape, size and location of the Council's estate
  - preparation of a Local Outcomes Improvement Plan
  - preparation of Locality Plans
  - preparation of a Corporate Plan
  - commissioning of services.

The post mentioned at 4.4 will work with public bodies to build on the initial list of strategic decisions and highlight good practice models to follow.

- 8.3 Given the high levels of deprivation and poverty in Inverclyde, consideration of impact on socio-economic status of our population is automatically given when developing major strategies such as the Inverclyde Outcomes Improvement Plan (IOIP), the Locality Plans and the Corporate Plan. The IOIP includes a priority focused on tackling inequalities, which will be delivered through the Locality Plans, and the Corporate Plan has a priority focused on tackling poverty, and particularly child poverty.

## 9.0 FUNDING

9.1 The Scottish Government is encouraging public bodies to involve relevant communities, particularly people with direct experience of poverty and disadvantage. A new funding stream is available for 2018/19 which comprises a small amount of money to help public bodies set up new local 'Poverty Truth Commission' type groups, in collaboration with local authorities. Joint bids from groups of local public bodies are particularly welcome and, in the first instance, the Scottish Government is keen to support areas of Scotland where this kind of group would be a significant development. This will be explored by the Corporate Policy Officer – Poverty, but it is anticipated that engagement with people with direct experience of poverty will be undertaken via the locality planning process and the engagement with communities taking place around that.

## 10.0 IMPLICATIONS

10.1 Financial implications - one-off costs:

Cost centre	Budget heading	Budget year	Proposed spend this report	Virement from	Other comments
n/a	n/a	n/a	n/a	n/a	n/a

Financial implications - annually recurring costs/(savings):

Cost centre	Budget heading	With effect from	Annual net impact	Virement from	Other comments
n/a	n/a	n/a	n/a	n/a	n/a

10.2 Human Resources: There are no direct human resources implications arising from this report.

10.3 Legal: There are no direct legal implications arising from this report.

10.4 Equalities: People with particular protected characteristics can often be subject to inequality of outcome which can have a negative impact on their socio-economic situation. Implementation of the Fairer Scotland Duty will help to tackle these negative impacts.

10.5 Repopulation: Improving the socio-economic situation of the citizens of Inverclyde will encourage them to remain in the area, and if Inverclyde becomes more affluent it will be more attractive to a wider range of potential citizens of Inverclyde.

## 11.0 CONSULTATION

11.1 N/A

## 12.0 BACKGROUND PAPERS

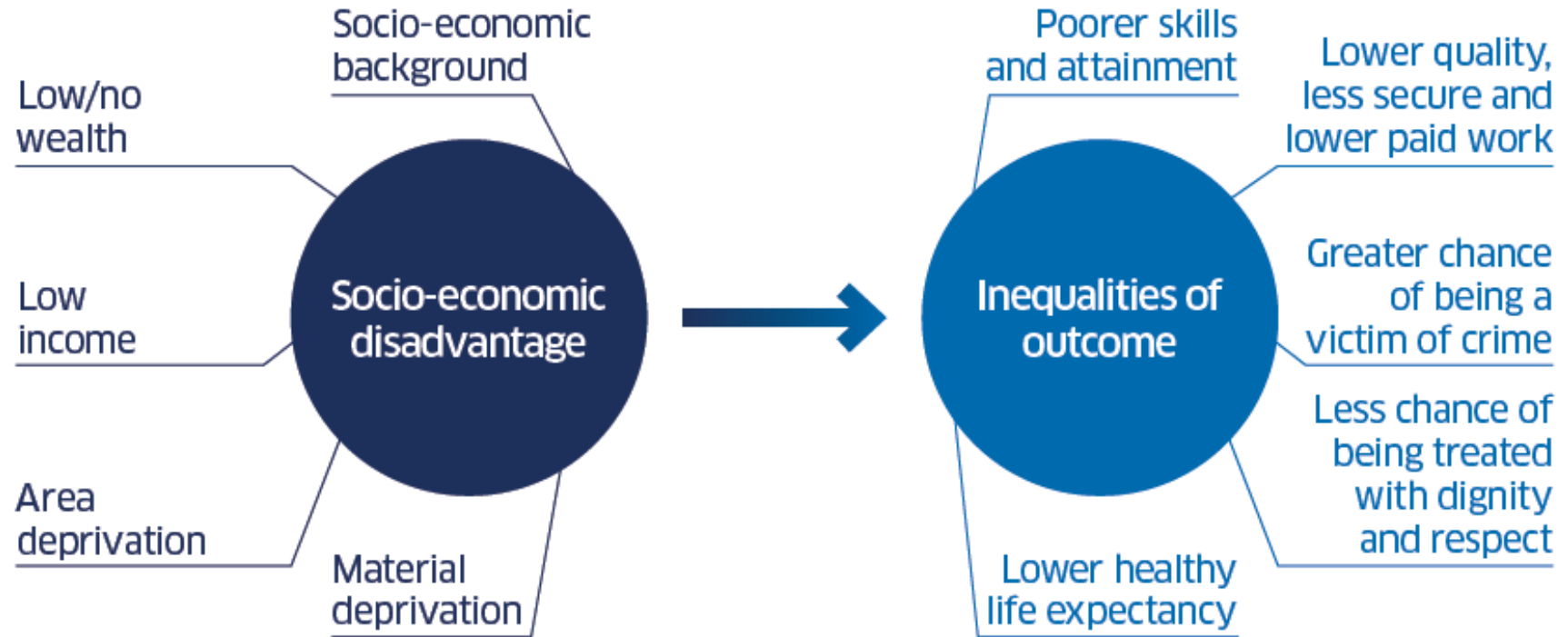
12.1 The Fairer Scotland Duty – Interim Guidance for Public Bodies <https://www.gov.scot/Publications/2018/03/6918>

## 13.0 CONCLUSION

13.1 Inverclyde Council has a clear Duty to actively consider, at an appropriate level, what more we can do to reduce the inequalities of outcome caused by socio-economic disadvantage, in any strategic decision making or policy development context and publish a written assessment showing how we have done this. It is suggested that Council Report templates add the Fairer Scotland Duty to the Equalities implications

section with guidance distributed to services. The Fairer Scotland Duty requirements will be integrated into the Council's current Equality Impact Assessment process to facilitate its delivery.

Appendix One – Socio-economic disadvantage and inequalities of outcome





## Meeting the Duty day-to-day

**THIS SECTION SETS OUT AN EXAMPLE PROCESS FOR MEETING THE DUTY ON A DAY-TO-DAY BASIS.**

These steps are intended to be similar to those used by many public bodies for equality impact assessment (EQIA)<sup>4</sup>, as part of the PSED. This should mean it's straightforward for public bodies to fit the Duty into its day-to-day processes.

Note that the PSED is currently subject to review and any findings will inform future iterations of this guidance.

A summary diagram of the process is shown below.

