

Refreshed Fair Work Action Plan and Anti-Racist Employment Strategy

Child Rights and Wellbeing Impact Assessment

April 2023

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1. Introduction

1.1 Purpose

The Scottish Government commissioned AECOM to undertake a series of impact assessments on the Refreshed Fair Work Action Plan (RAP)¹ and the Anti-Racist Employment Strategy (ARES)². These include the following:

- Equality Impact Assessment (EqIA);
- **Child Rights and Wellbeing Impact Assessment (CRWIA)**;
- Fairer Scotland Duty Impact Assessment (FSDA);
- Island Communities Impact Assessment (ICIA);
- Data Protection Impact Assessment (DPIA); and
- Business and Regulatory Impact Assessment (BRIA).

The RAP merges and updates the existing Fair Work Action Plan, A Fairer Scotland for Women: gender pay gap action plan and a Fairer Scotland for Disabled People: Employment Action Plan as well as incorporating actions from the ARES. The changes to public sector grant conditionality proposed in the Bute House Agreement are also assessed through actions from the RAP, despite being screened separately.

This report presents a full assessment of the child rights and wellbeing impacts of the actions within the RAP and ARES based on existing evidence and findings from stakeholder engagement. In taking a human rights-based approach, this report also identifies where there is a contribution or alignment to human rights legislation. This report has been updated and expanded from a screening report produced in October 2022.

To inform the impact assessments for the RAP and ARES, AECOM conducted a period of stakeholder engagement between October 2022 and January 2023. This included engagement with Short Life Working Groups on disability, gender and race, equality organisations and businesses through survey responses and one-to-one discussions.

The feedback and findings of this engagement has contributed towards completing a full CRWIA on the RAP and ARES.

1.2 Refreshed Fair Work Action Plan 2022

Following the publication of the Fair Work Framework in 2016³, the Scottish Government published the Fair Work: Action Plan in 2019⁴, setting out the strategic approach of the Scottish Government to help achieve the vision of becoming a Fair Work Nation by 2025.

¹ [Fair Work action plan: becoming a leading Fair Work nation by 2025 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fair-work-action-plan-2022/pages/introduction.aspx)

² [Anti-racist employment strategy - A Fairer Scotland for All - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/anti-racist-employment-strategy/pages/introduction.aspx)

³ Fair Work Convention (2016). Fair Work Framework 2016. Available at: [Fair-Work-Convention-Framework-PDF-Full-Version.pdf \(fairworkconvention.scot\)](https://www.fairworkconvention.scot/Fair-Work-Convention-Framework-PDF-Full-Version.pdf)

⁴ Scottish Government (2019). Fair Work: Action Plan. [Fair Work: action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fair-work-action-plan-2019/pages/introduction.aspx)

The Fair Work Framework defines Fair Work as ‘work that offers effective voice, respect, security, opportunity and fulfilment; it balances the rights and responsibilities of employers and workers, and can generate benefits for individuals, organisations and society’.

The 2019 action plan covered three broad themes aiming to: support employers to adopt Fair Work practices; deliver Fair Work to a diverse and inclusive workforce; and embed Fair Work across the Scottish Government.

Informed by the 2021 consultation: 'Becoming a Fair Work Nation'⁵ and the analysis of the responses, the Scottish Government developed a refreshed, integrated Fair Work Action Plan (RAP) to set out a strategic approach to support Scotland becoming a Fair Work nation by 2025. It includes actions and commitments to reduce the gender pay gap, at least halve the disability employment gap by 2038, and progress a range of actions to deliver the new Anti-Racist Employment Strategy:

- Fair Work: action plan⁶;
- A Fairer Scotland for women: gender pay gap action plan (2019)⁷;
- A Fairer Scotland for Disabled People: Employment Action Plan (2018)⁸; and
- Actions supporting delivery of the strategy, A Fairer Scotland for All: An Anti-Racist Employment Strategy⁹.

The RAP will better enable the Scottish Government to align collective action across these agendas where there is clear synergy (e.g., real Living Wage, effective voice), addressing structural inequalities that perpetuate labour market inequalities through discrete actions.

A Fairer Scotland for Women (2019)¹⁰ aimed to tackle labour market inequalities faced by women, with the key objective to reduce the gender pay gap for employees in Scotland by the end of the parliamentary term (May 2021). The action plan recognised that disabled women, older women, racialised minority women, women from poorer socio-economic backgrounds and women with caring responsibilities are particularly at higher risk of experiencing labour market inequalities.

A Fairer Scotland for Disabled People (2016)¹¹ outlined five key ambitions as part of the Scottish Government's response to the United Nations Convention on the Rights of Persons with Disabilities, including 'Decent incomes and fairer working lives'. A key element of this was the commitment to at least halve the employment gap

⁵ Scottish Government (2021). Becoming a Fair Work nation: consultation. Available at: [Becoming a Fair Work nation: consultation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/becoming-a-fair-work-nation-consultation/documents/)

⁶ Scottish Government (2019). Fair Work: Action Plan. [Fair Work: action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fair-work-action-plan/documents/)

⁷ Scottish Government (2019). A fairer Scotland for women: gender pay gap action plan. <https://www.gov.scot/publications/fairer-scotland-women-gender-pay-gap-action-plan/>

⁸ Scottish Government (2018). A Fairer Scotland for Disabled People: employment action plan. (<https://www.gov.scot/publications/fairer-scotland-disabled-people-employment-action-plan/>)

⁹ [Anti-racist employment strategy - A Fairer Scotland for All - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/anti-racist-employment-strategy-a-fairer-scotland-for-all/documents/)

¹⁰ Scottish Government (2019). A Fairer Scotland for Women: gender pay gap action plan. Available at: [A fairer Scotland for women: gender pay gap action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fairer-scotland-women-gender-pay-gap-action-plan/documents/)

¹¹ Scottish Government (2016). A Fairer Scotland for Disabled People: delivery plan. <https://www.gov.scot/publications/fairer-scotland-disabled-people-delivery-plan-2016-united-nations-convention/documents/>

between disabled people and the rest of the working age population (the disability employment gap). Action to achieve this was outlined in A Fairer Scotland for Disabled People: Employment Action Plan (2018)¹².

The refreshed Fair Work Action Plan identifies the need for continual development in the approach to work and workplaces, especially in a dynamic society facing challenges such as the Covid-19 pandemic and cost of living crisis.

It promotes the underpinning principles of 'equity and equality of opportunity for all regardless of any individual or group characteristic' and takes an intersectional¹³ approach to workplace inequalities recognising that no inequality sits in isolation.

The key objectives of the RAP are to:

- Increase the number of people paid at least the real Living Wage and on stable contracts;
- Work with employers, workers and trade unions to strengthen effective voice, through a range of appropriate channels;
- Support employers to adopt flexible working practices;
- Reduce the gender pay gap in Scotland by the end of this parliamentary term (May 2026), and maintain or where possible improve our position relative to the UK as a whole and our international neighbours;
- At least halve the disability employment gap by 2038 (from 2016 baseline of 37.4 percentage points). The Disability employment gap in 2021 was 31.2 p.p. and the employment rate for disabled people was 49.6%. Interim milestones:
 - By 2023 to increase the employment rate for disabled people to 50%;
 - By 2030 to increase the employment rate for disabled people to 60%; and
- Improve labour market outcomes for racially minoritised¹⁴ people and increase the number and impact of actions taken forward by employers to address racial inequality.

The RAP sets out actions under four headline actions, which fall into the three broader themes below.

- Public sector leadership;
- Our ask of employers and support available; and

¹² Scottish Government (2018). A Fairer Scotland for Disabled People: employment action plan. Available at: [A Fairer Scotland for Disabled People: employment action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/a-fairer-scotland-for-disabled-people-employment-action-plan/pages/1-10.aspx)

¹³ Intersectionality describes people who are in possession of a combination of equality characteristics, who may face multiple barriers and compounded discrimination in the labour market (for example, disabled women, or people from racialised minorities aged over 50)

¹⁴ The Scottish Government adopts the term 'racialised minorities' to show that it is systems and structures that do not work for those who are categorised on the basis of "race", and because of this are sometimes treated differently or disadvantaged. These terms are becoming more widely used across Scottish Government, in line with our acceptance that racism is a structural issue. We support everyone's right to self-identify according to the term they relate to or are most comfortable with. Terminology changes as societal and systemic understanding grows. It should be noted that in labour market data analysis, the term minority ethnic is used and in reserved legislation such as the Equality Act (2010), the term "race" is used. These terms are not helpful to understand how racialised inequity impacts on those who experience systemic, institutional or interpersonal racism.

- Support for people to prepare for, access and sustain fair work

A breakdown of the RAP is shown in Appendix A.

1.3 Anti-Racist Employment Strategy 2022

The Scottish Government developed an Anti-Racist Employment Strategy (ARES) in response to the persistent inequality experienced by racialised minorities in the labour market.

The strategy is a call to action and supports and encourages employers to take an anti-racist and intersectional approach to identifying the structural and systemic barriers of racism. An intersectional approach recognises individuals with two or more protected characteristics are likely to face multiple barriers in the labour market.

The term “racialised minorities” is adopted throughout to show that it is systems and structures that do not work for those who are categorised based on ‘race’, and because of this, are sometimes treated differently or disadvantaged. The strategy defines racialisation as ‘the process by which groups of people are given racial identities and placed within the hierarchy based on their presumed superiority or inferiority to one another’.

The strategy has been developed alongside a refreshed Fair Work Action Plan (RAP) which sets out actions to support the implementation of the ARES under the themes of:

- Public sector and the role of leadership;
- Our ask of employers and support available; and
- Support for people to prepare for, access and sustain fair work.

To meet the key objective of ARES as outlined in the RAP – ‘increasing action and impact of employer action to address racial inequality’ – the ARES seeks to achieve the following outcomes:

- The number of people entering the labour market and staying in and progressing in an organisation is closer to and representative of that organisation’s local population;
- The number of employers taking action to remove intersectional barriers in their workplaces has increased;
- The number of employers proactively creating safe, diverse and inclusive workplaces has increased; and
- The number of employers taking forward actions evidence-based actions to improve Fair Work conditions for workers from all backgrounds has increased.

The strategy actions are set out in Appendix B.

2. Approach

This chapter sets out the approach to assessing the potential child rights and wellbeing impacts of the RAP and ARES. The impact upon children and young people is likely to be both direct – where they are of working age and in one or more of the groups identified for priority action – and indirect where they are in a household with those who are.

The assessment criteria consider how the actions could have both positive and negative impacts. In considering the impacts, this CRWIA takes a ‘worst case scenario’.

The approach for undertaking this CRWIA and compiling this report follows a six-stage process:

1. Screening for impacts
 - An overview of guidance and requirements, key evidence and issues and initial screening for potential impacts including a framework for more detailed assessment.
2. Stakeholder engagement
 - Interviews with stakeholders from equality organisations representing a range of groups and businesses.
3. Impact Assessment Input Note
 - A technical note for the Scottish Government highlighting the key impacts identified through initial screening and stakeholder engagement for the purpose of finalising the draft RAP and ARES
4. Baseline evidence review
 - Review of relevant legislation and policies as well as evidence relating to the Fair Work agenda with regards to protected characteristic groups, deprivation, poverty and labour market statistics.
5. Assessment of potential impacts
 - Informed by a consideration of the policy context, reviewed evidence and feedback received through stakeholder engagement.
6. Recommendations and conclusions
 - Concluding on key positive and negative impacts as well as planned and recommended actions for minimising negative or uncertain impacts.

2.1 Screening for impacts

A series of screening reports, including an CRWIA screening report, were produced for the Bute House Agreement grant conditionality commitment, refreshed Fair Work Action Plan and Anti-Racist Employment Strategy in October 2022.

These reports presented a screening of potential impacts for the six headline actions of the draft RAP and the eight key actions of the draft ARES provided by the Scottish

Government. The screening was prepared using publicly available data and evidence.

A screening report was also undertaken for a Strategic Environmental Assessment (SEA) which invited statutory consultees to comment through the Government Gateway. This process concluded that there are no significant environmental impacts, and a final impact assessment is not required.

2.2 Stakeholder engagement

Stakeholder engagement was undertaken to support the evidence outlined in the screening report and contribute to finalising the draft RAP and ARES documents. The views of equality organisations and businesses towards the RAP and ARES actions have also been used to prepare the final impact assessments report including the final ICIA.

Scottish Government and AECOM identified 103 stakeholders for AECOM to engage across all impact assessments. This included:

- The ARES Short Life Working Group;
- Disability Short Life Working Group;
- Subgroup of the Gender Pay Gap Ministerial Working Group;
- Protected characteristic groups;
- Island communities; and
- Businesses.

Stakeholders were invited to complete an online survey to submit their views on the two draft documents. Alternatively, one-to-one discussions were offered to stakeholders who required a more in-depth discussion of the initiatives. Alongside one-to-one discussions and the survey, the following stakeholder engagement activities took place:

- Organisations first contacted via email on 26th October 2022;
- Webinar to equality focused organisations on 31st October 2022;
- Business organisations contacted via Scottish Government's October 2022 bulletin; and
- Virtual business engagement session on 7th November 2022.

The Scottish Government provided an overview of the Bute House Agreement grant conditionality commitment, the RAP and the to share with stakeholders via email and in one-to-one discussions.

Four stakeholders took part in one-to-one discussions, both on Microsoft Teams and in person, and four submitted survey responses between 26th October and 15th November which fed into the input note for the Scottish Government.

AECOM used the findings of the stakeholder engagement to develop an Impact Assessment Input Note which was submitted to the Scottish Government on the 15th

November 2022. This set out key issues, consideration and recommendations for finalising the draft RAP and ARES documents.

Following this, AECOM continued stakeholder engagement between 15th November 2022 and 9th January 2023 to ensure that a wide range of voices contributed to the development of the impact assessments. An additional six stakeholders engaged in one-to-one discussions and five submitted survey responses which fed into the final assessment of impacts.

2.3 Impact Assessment Input Note

An Input Note was submitted to the Scottish Government on 15th November. For each impact assessment, this highlighted the key impacts of the RAP and ARES as identified through the screening process and stakeholder engagement activities.

AECOM delivered a virtual presentation of the input note to the Scottish Government colleagues involved in the drafting process of the RAP and ARES.

The input note provided a final opportunity for external input into the two documents prior to the finalisation of actions.

2.4 Baseline evidence review

The baseline covers the following:

- Review of all relevant documentation and available information regarding the RAP and ARES including the Fair Work Framework (2016), Fair Work Action Plan (2019) and 'Becoming a Fair Work Nation' consultation documents;
- Review of relevant legislation and policies to develop context pertinent to the CRWIA; and
- Evidence and key issues regarding potential equality impacts as identified through secondary data and research provided by Scottish Government, stakeholders and desktop review.

2.5 Assessment of child's rights and wellbeing impacts

This CRWIA presents the potential direct or indirect positive and negative impacts of each individual action in the RAP and ARES for children and young people. The actions within the RAP are organised into the four headline actions, while each ARES action sets out the RAP action it corresponds to or is incorporated into.

The assessment and identification of potential impacts has been based on the evidence and key issues (as set out in Section 4 of this report), information provided through discussions with Scottish Government and stakeholder engagement.

The scoring mechanism used for the assessment initially provides a score of the effect of the policy for children and young people as follows:

- **Major Positive Effect** - The action makes changes recommended by the UNCRC or has the potential to advance the realisation of children's rights in Scotland.
- **Minor Positive Effect** - The action complies with the UNCRC requirements.
- **Neutral/Negligible Effect** - There is no clear relationship between the policy and children's rights or their wellbeing, or the relationship is negligible.

- **Minor Negative Effect** - The action may impede or actually reverse the enjoyment of existing rights, requiring mitigation measures be put in place
- **Major Negative Effect** - The action fails to comply with UNCRC and other human rights obligations (as recognised under international treaties which apply to Scotland, including economic, social and cultural rights; employment, housing, health, education and adequate standards of living), requiring modification of the proposal; or may have a detrimental impact on children, so should be withdrawn and alternatives presented
- **Uncertain Effect** - The action has an uncertain relationship to UNCRC requirements. In addition, insufficient information may be available to enable an assessment to be made and will be gathered through further consultation and/or research.

2.6 Recommendations and conclusions

Section 7 of this report sets out conclusions on the impacts of the RAP and ARES.

The final section of this report sets out recommendations for enhancing the benefits to those affected by the Fair Work initiatives as well as appropriate mitigation against adverse impacts.

3. Relevant legislation and policy

This section provides an overview of the relevant legislation and policy to the RAP and ARES. A detailed policy review is provided in Appendix C.

3.1 Relevant legislation

The CRWIA assesses the impacts of each of the actions within the RAP and ARES and will help to demonstrate Scottish Government's compliance with specific legislation to which it has a legal duty to consider in the delivery of its policies, programmes and projects. This includes the Children and Young People (Scotland) Act 2014 (Section 1)¹⁵.

3.1.1 Children and Young People (Scotland) Act (2014)

In section 1 of the Children and Young People (Scotland) Act (2014), Scottish Ministers have committed to keep under consideration whether there are any steps which they could take which would or might secure better or further effect in Scotland of the United Nations Convention on the Rights of the Child (UNCRC) requirements. Completion of CRWIAs feeds into this consideration and review process. The 'wellbeing of children and young people' is defined at section 96(2) of the 2014 Act. The general principles of the Act (as identified by UNICEF 2019) are:

- Non-discrimination;
- Best interest of the child;
- Right to survival and life development; and,
- Right to be heard.
- A summary of the articles contained with the UNCRC are shown in Appendix A. The UNCRC considers a child as any human being below 18 years old, unless majority is attained earlier under the law applicable to the child. In Scotland, a minor is a person under the age of 18 in most circumstances (NSPCC, 2019).

Part 9 of the Children and Young People (Scotland) Act on corporate parenting is relevant to certain public bodies, including Transport Scotland. Through corporate parenting, duties were introduced for the relevant public bodies to support certain children and young people. The responsibilities of every corporate parent are:

- a) To be alert to matters which, or which might, adversely affect the wellbeing of children and young people to whom this Part applies;
- b) To assess the needs of those children and young people for services and support it provides;
- c) To promote the interests of those children and young people;
- d) To seek to provide those children and young people with opportunities to participate in activities designed to promote their wellbeing;
- e) To take such action as it considers appropriate to help those children and young people:

¹⁵ [Children and Young People \(Scotland\) Act 2014 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2014/26/section/1)

- to access opportunities, it provides in pursuance of paragraph (d); and,
 - to make use of services, and access support, which it provides; and,
- f) To take such other action as it considers appropriate for the purposes of improving the way in which it exercises its functions in relation to those children and young people.

3.1.2 The Human Rights Act

The Human Rights Act 1998¹⁶ is an Act of Parliament of the United Kingdom introduced to incorporate the rights of the European Convention on Human Rights into UK law. Public authorities must respect and protect the human rights set out through the articles of the Act. Articles relevant to the Fair Work agenda include:

- Article 4: Freedom from slavery and forced labour;
- Article 11: Freedom from assembly and association; and
- Article 14: Protection from discrimination in respect of these rights and freedoms.

Human rights implications are also considered in the context of upcoming International Human Rights Covenants and Conventions, including the International Covenant on Economic, Social and Cultural Rights; the Convention on the Elimination of All Forms of Racial Discrimination; the Convention on the Elimination of All Forms of Discrimination Against Women; the Convention on the Rights of Persons with Disabilities; and the Convention on the Rights of the Child.

In assessing the impacts on human rights legislation, this report considers:

- If there is any danger of someone's rights being infringed by the actions of the Fair Work agenda; and
- If the actions of the Fair Work agenda will strengthen people's ability to enjoy these rights

3.2 National policy

3.2.1 Fair Work Framework¹⁷

The Fair Work Convention published the Fair Work Framework in 2016. It sets out a vision that **'by 2025, people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society'**.

The framework defines Fair Work through the five dimensions: effective voice, opportunity, security, fulfilment, and respect.

¹⁶ [Human Rights Act 1998 \(legislation.gov.uk\)](https://legislation.gov.uk)

¹⁷ Fair Work Convention (2016). Fair Work Framework 2016. Available at: [Fair-Work-Convention-Framework-PDF-Full-Version.pdf \(fairworkconvention.scot\)](https://www.fairworkconvention.scot.gov.uk/Fair-Work-Convention-Framework-PDF-Full-Version.pdf)

3.2.2 National Strategy for Economic Transformation (NSET)¹⁸

The National Strategy for Economic Transformation outlines an ambition for a successful and 'fairer' economy by 2032 driven by a vision to create a wellbeing economy.

The 'fairer and more equality society' programme of action seeks to 'Reorient our economy towards wellbeing and fair work, to deliver higher rates of employment and wage growth, to significantly reduce structural poverty, particularly child poverty, and improve health, cultural and social outcomes for disadvantaged families and communities.'

3.2.3 National Performance Framework (NPF)¹⁹

The National Performance Framework is Scotland's wellbeing framework setting out a vision for a more successful, sustainable, and inclusive Scotland.

The Fair Work and Business National Outcome measures progress towards Scotland's vision for 2025. Performance against this outcome is measured through indicators, including but not limited to: pay gap, employee voice, gender balance and payment of the real Living Wage.

3.2.4 Developing the Young Workforce: Scotland's Youth Employment Strategy²⁰

The Youth Employment Strategy sets out how the Scottish Government will implement recommendations from the Commission for Developing Scotland's Young Workforce with the ambition to improve youth employment levels beyond pre-2008 and prioritise equal access to work relevant educational experience for all young people, despite the barriers they may face.

3.2.5 Tackling Child Poverty Delivery Plan 2022-2026²¹

The 'Best Start, Bright Futures' delivery plan sets out a vision for tackling child poverty in Scotland, following the foundations of the 'Every Child, Every Chance' publication in 2018.

To successfully tackle child poverty, the plan will support families with children through people-centred services to access financial, emotional, and practical assistance regardless of gender, race or status.

¹⁸ Scottish Government (2022). Scotland's National Strategy for Economic Transformation. Available at: [Scotland's National Strategy for Economic Transformation - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2022/04/Scotland's-National-Strategy-for-Economic-Transformation-2022-2032.pdf)

¹⁹ Scottish Government (2018). National Performance Framework: Our Purpose, Values and National Outcomes. Available at: [NPF_A2_Poster.pdf \(nationalperformance.gov.scot\)](https://www.gov.scot/resources/documents/2018/06/NPF-A2-Poster.pdf)

²⁰ Scottish Government (2014). Developing the Young Workforce: Scotland's Youth Employment Strategy. Implementing the Recommendations of the Commission for Developing Scotland's Young Workforce. Available at: [Supporting documents - Developing the young workforce: Scotland's youth employment strategy - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2014/06/Supporting-documents-Developing-the-young-workforce-Scotland's-youth-employment-strategy-gov.scot.pdf)

²¹ Scottish Government (2022). Best Start, Bright Futures: tackling child poverty delivery plan 2022-2026. Available at: [Supporting documents - Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2022/04/Supporting-documents-Best-Start-Bright-Futures-tackling-child-poverty-delivery-plan-2022-to-2026-gov.scot.pdf)

3.2.6 Covid Recovery Strategy²²

In response to the inequality and disadvantage both exacerbated and exposed by the Covid pandemic, the Scottish Government published the Covid Recovery Strategy.

The strategy prioritises the security and resilience of communities, businesses, society, and the economy by embedding fair work, skills and employability interventions.

Actions from this outcome include gender, ethnicity and disability employment action plans, an ethnicity pay gap strategy, real Living Wage commitments and other Fair Work standards.

3.2.7 Race Equality Framework for Scotland 2016 to 2030²³

This framework sets out the Scottish Government's approach to addressing racism and inequality between 2016 and 2030. Through showing leadership in advancing race equality and addressing barriers faced by racialised minorities, the Scottish Government will assist racialised minorities in realising their potential.

The Framework was created to prioritise the needs and experiences of Scotland's racialised minorities. It outlines how the Scottish Government will work in partnership with government agencies and key stakeholders to address opportunities for progress through six themed Visions.

3.3 Partnerships

3.3.1 No One Left Behind²⁴

No One Left Behind is a collective approach to delivering an employability system which is flexible, people-centred, and responsive.

Progress has been made through the Disability Employment Action Plan²⁵, Shared Measurement Framework²⁶, the Scottish Approach to Service Design²⁷ and Fair Start Scotland extension²⁸.

²² Scottish Government (2021). Covid Recovery Strategy: For a fairer future. Available at: [Supporting documents - Covid Recovery Strategy: for a fairer future - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2021/06/Supporting_documents_-_Covid_Recovery_Strategy_for_a_fairer_future_-_gov.scot)

²³ Scottish Government (2016). Race equality framework for Scotland 2016 to 2030. Available at: [Race equality framework for Scotland 2016 to 2030 - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2016/06/Race_equality_framework_for_Scotland_2016_to_2030_-_gov.scot)

²⁴ Employability in Scotland (2022). No One Left Behind. Available at: [No One Left Behind - Policy | Employability in Scotland](https://www.gov.scot/resources/documents/2022/06/No_One_Left_Behind_-_Policy_|_Employability_in_Scotland)

²⁵ Scottish Government (2018). A Fairer Scotland for Disabled People: employment action plan. Available at: [A Fairer Scotland for Disabled People: employment action plan - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2018/06/A_fairer_Scotland_for_Disabled_People_-_employment_action_plan_-_gov.scot)

²⁶ Scottish Government (2022). Employability Shared Measurement Framework. Available at: [Publications | Employability in Scotland](https://www.gov.scot/resources/documents/2022/06/Publications_|_Employability_in_Scotland)

²⁷ Establishment of a lived experience panel to facilitate the gathering of user views and influence future service delivery - October 2020

²⁸ Scottish Government (2018). Fair Start Scotland. Available at: [Fair Start Scotland - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2018/06/Fair_Start_Scotland_-_gov.scot)

3.3.2 Fair Start Scotland²⁹

Fair Start Scotland, a national employment support service, launched in April 2018 and has been supporting people with significant barriers towards and into sustainable work.

The service is entirely voluntary and offers personalised, one to one support, tailored to individual circumstances and has supported over 51,000 starts since launch in April 2018.

3.4 Other factors

Individuals and businesses face ever-changing burdens dependent on the cumulative impacts of socioeconomic crises. Those relevant to today's populations include Covid, EU Exit and the cost-of-living crisis.

3.4.1 Covid

Covid-19 has an impact on Scotland's health, economy and society and progress towards Scotland's National Outcomes from the NPF.³⁰ Emerging and exacerbated labour market inequalities are likely to generate poverty and human right impacts relevant to the Fair Work and Business Outcome. For example, young people are increasingly faced with early unemployment, while older unemployed adults are experiencing more long-term unemployment and are less likely to participate in upskilling.

3.4.2 EU Exit

Consideration must be given to EU Exit undermining trading and collaborative relationship, which Scottish society and businesses have traditionally relied on as efforts are made to rebuild, restore, and identify new markets and potential trade relationships.

3.4.3 Cost-of-living crisis

The recent cost of living crisis, driven by a surge in inflation, has generated social, economic, and environmental vulnerabilities across Scottish households.

While all households in Scotland will be affected by the increased cost of living, Scottish Government identify that disproportionate impacts are likely across low-income households.³¹ Low-income households also include overrepresentations protected characteristic groups.

Household's increased chances of suffering acutely from the current inflation crisis heightens vulnerabilities to changing legislation, in both positive and negative capacities.

²⁹ Fair Start Scotland (2023). Employability in Scotland. Available at: [Fair Start Scotland | Employability in Scotland](#)

³⁰ Scottish Government (2020). Scotland's Wellbeing: The Impact of Covid-19. Available at: [Scotland's Wellbeing: The Impact of COVID-19 | National Performance Framework](#)

³¹ Scottish Government (2022). The Cost of Living Crisis in Scotland: analytical report. Available at: [Supporting documents - The Cost of Living Crisis in Scotland: analytical report - gov.scot \(www.gov.scot\)](#)

4. Evidence and key issues

4.1 Population change

The latest estimate of the Scottish population is 5,479,900. The population has grown 0.25% since mid-2020, which is 0.18% lower than the average annual growth in the 5 years preceding the pandemic.

Contrary to previous years, population growth was recorded in many rural council areas while the population in the largest cities fell. For some rural regions, this year reversed a trend of population decline, such as Aberdeenshire and Argyll and Bute. While for other rural areas such as Highland and Perth and Kinross, the rate of steady growth increased. However, as some of this growth may be attributable to increased freedom of working environment related to the COVID pandemic, it is impossible to say if these trends will continue in future years.

Net migration was identified as the biggest driver of population change, with 27,800 more people moving into Scotland than leaving. This includes net international migration of +18,900 and 8,900 more people moving into Scotland from the UK than from Scotland to the UK.

While it is widely accepted that Scotland, like many European countries, has an ageing population, people under 19 still comprising 21% of the Scottish population in 2019 according to National Records of Scotland (NRS) data. NRS estimated in 2021 that 17% of the population were 15 and under which has decreased by 6% since 2000 but is broadly in line with the 16.1% of the population who were children under the age of 15 in the last Scottish Census data that is available, from 2011.

As such, children and young people make up a sizeable and significant portion of the Scottish population.

4.2 Labour market statistics

4.2.1 Employment and unemployment

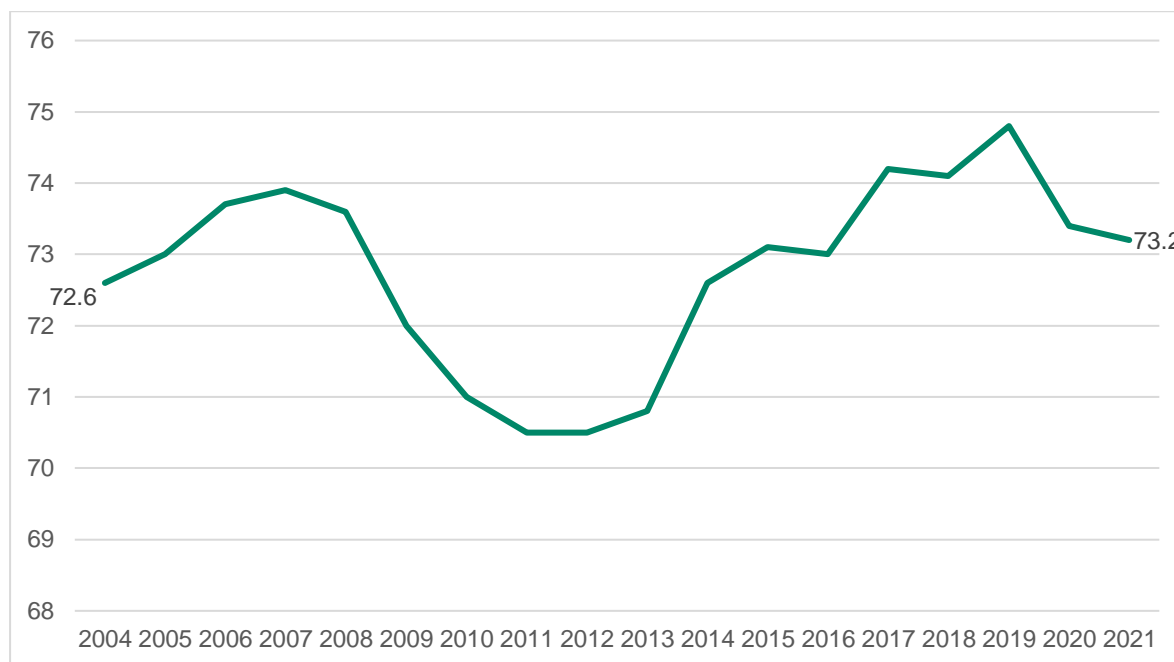
Employment rates in Scotland have always fluctuated. As shown in Figure 4-1, a steep decline in employment was experienced between 2008-2012 in line with the recession of 2008/09, before rising again to its peak of 74.8% in 2019.³² The employment rate then decreased to 73.2% in 2021,³³ however the latest quarterly employment rate estimates reveal that the employment rate has since increased to 76.6% in 2022 Q4.³⁴

³² Scottish Government (2022). Annual population survey: employment rate. Available at: [Dataset Selection - Query - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/dataset-selection-query-nomis-official-census-and-labour-market-statistics)

³³ Scottish Government (2022). Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021. Available at: [Scotland's Labour Market: People, Places and Regions – Protected Characteristics: Statistics from the Annual Population Survey 2021 \(www.gov.scot\)](https://www.gov.scot/Scotland's-Labour-Market-People-Places-and-Regions-Protected-Characteristics-Statistics-from-the-Annual-Population-Survey-2021)

³⁴ Scottish Government (2022). Labour market statistics. Available at: [Labour market statistics - gov.scot \(www.gov.scot\)](https://www.gov.scot/labour-market-statistics)

Figure 4-1 Employment rate in Scotland, 2004-2021



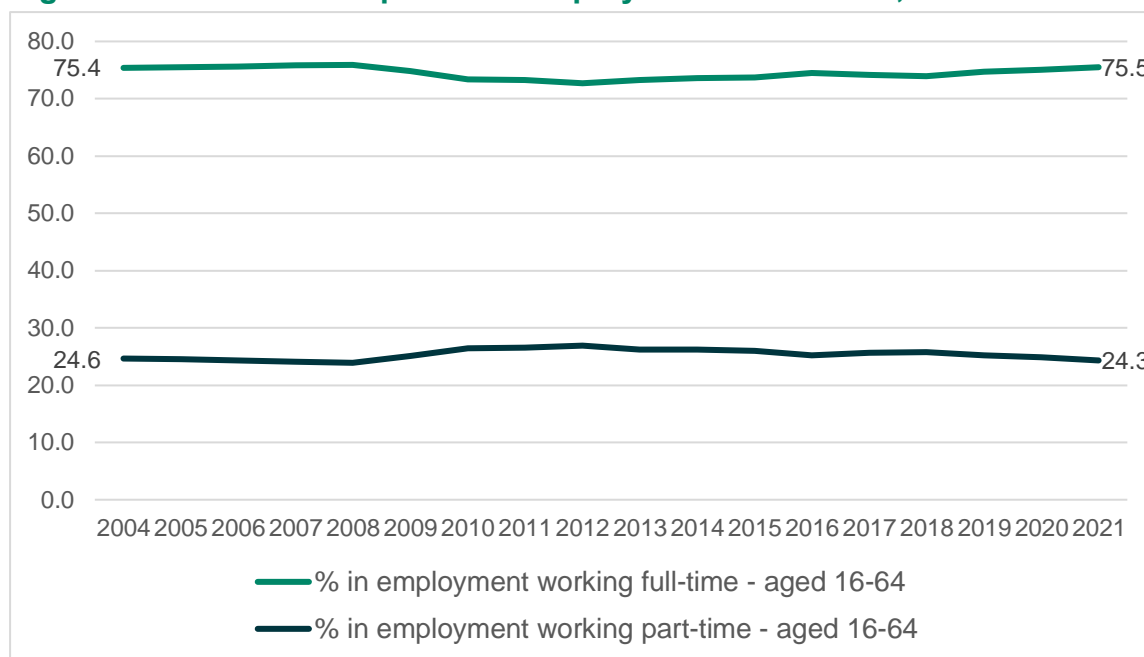
Source: Scottish Government (2021, 2022)

The Business Register and Employment Survey Data identifies the number of jobs by industry sector across Scotland. In 2021, 15.3% worked in the health sector, whilst 10.0% worked in retail, and 8.3% worked in education. Contrastingly, the sectors with the lowest levels of employment were property (employing 1.5% of the working population), motor trades (1.7%) and mining, quarrying, and utilities (2.4%).

Figure 4-2 reveals that the Full-time and Part-time employment rates for those aged 16-64 have remained relatively stable over time. However, the Part-time employment rate consistently sits lower than the Full-time employment rate, fluctuating between 24.6% in 2004 and 24.3% in 2021 compared to 75.4% and 75.5% respectively.³⁵

³⁵ Scottish Government (2020). Annual Population Survey: Full-Time and Part-Time Employment. Available at: [Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/)

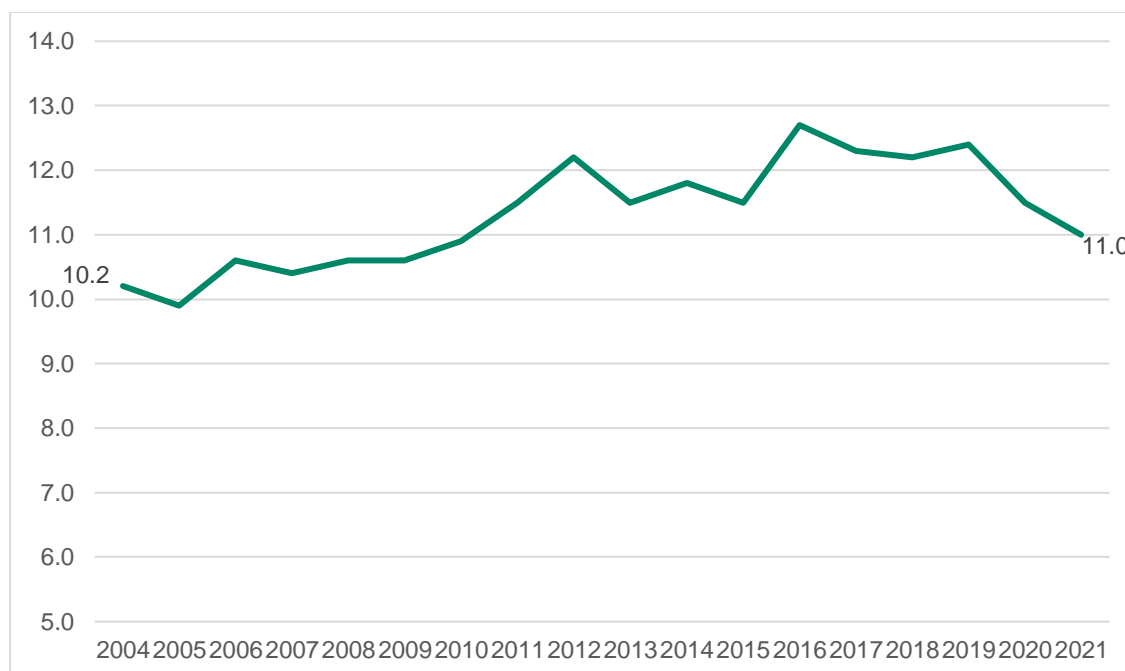
Figure 4-2 Full-time and part-time employment in Scotland, 2004-2020



Source: Annual Population Survey, January to December data, ONS

The self-employment rate fluctuated between 2004 and 2021, reaching a peak in of 12.7% in 2016. In 2021, the self-employment rate was recorded at 11.0%.³⁶

Figure 4-3 Self-employment rate in Scotland, 2014-2020

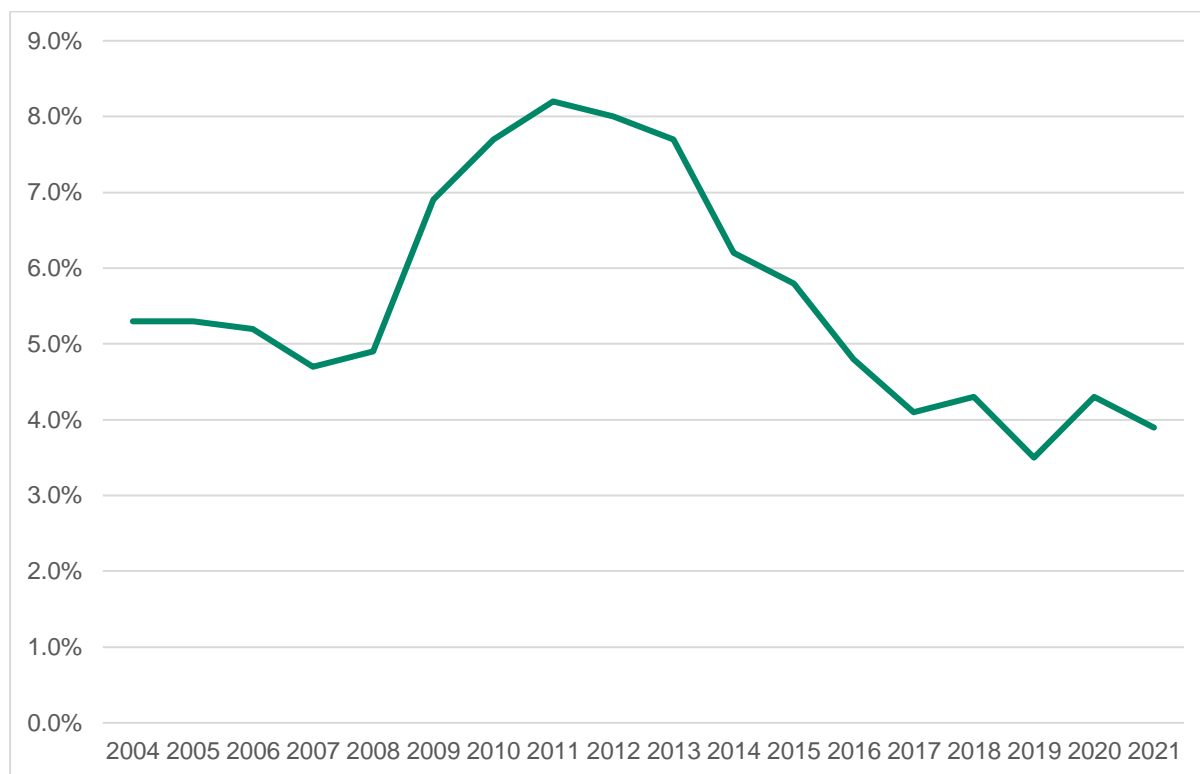


Source: Annual Population Survey, January to December data, ONS

³⁶ Scottish Government (2020). Annual Population Survey: Self-employment. Available at: [Nomis - Official Census and Labour Market Statistics - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/)

Unemployment rate figures have fluctuated between 2004 and 2021. In 2008, the unemployment rate began to rise to a peak of 8.2% in 2011 before decreasing steadily until 2017. Between 2017-2021, the rate fluctuated annually reaching 3.9% in 2021.³⁷

Figure 4-4 Unemployment rate in Scotland, 2004-2021



Source: Annual Population Survey, January to December data, ONS

4.2.2 Real Living Wage

The real Living Wage is an hourly rate of pay established by the Living Wage Foundation which employers can voluntarily commit to. It is £10.90 across the UK, and £11.95 in London for people aged 18 or over. Unlike the UK Government's minimum wage ('National Living Wage' for over 23s – £9.50), the real Living Wage is the only wage rate independently calculated based on living costs. It is a voluntary base rate for employers who wish to go beyond the government minimum to demonstrate that they value their lowest paid staff. Living Wage employers pay all their directly employed staff aged 18 and over – as well as in scope regular third-party contractors – at or above the real Living Wage.

At present, according to the Employer Directory in Scotland there are over 2,900 real Living Wage employers, with concentrations seen in large cities such as Edinburgh and Glasgow.³⁸

³⁷ Scottish Government (2021). Scotland's Labour Market: People, Places and Regions – Protected Characteristics Statistics from the Annual Population Survey 2021. Accessible at: [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/1-to-100.aspx)

³⁸ Living Wage Scotland (2022). Employer Directory. Available at: [Employer Directory - Living Wage Scotland \(scottishlivingwage.org\)](https://www.scottishlivingwage.org/)

Social Enterprise Scotland has demonstrated the potential outcomes of paying the real Living Wage.³⁹

- Over 59,000 workers currently employed by over 2,900 Living Wage employers in Scotland will receive a welcome pay boost because of the new rate; and
- As a result of rate increase, a full-time worker on the real Living Wage will earn £1,950 a year more than their current pay.

Further research from the Smith Institute reports a potential relationship between paying the real Living Wage and increased productivity and motivation in the workplace. Increased wages are also likely to have a positive impact on health and well-being through enabling workers to meet every day needs and increase resilience against financial crises. Therefore, these impacts could be acutely felt across low paid sectors and low-income households.⁴⁰

Figure 4-5 below reveals the percentage of employees (18+) earning at least the real Living Wage in Scotland between 2012-2022, across all employees, public sector employees, private sector employees and employees within not for profit or mutual organisations.⁴¹

Records for all employees (18+) reveal that 81.2% were paid at least the real Living Wage in 2012, which increased 2.0 percentage points to 83.2% by 2019.⁴² In 2022, the percentage of employees who were paid the real Living Wage stood at 91.0%.

In 2012, 96.5% of public sector employees were paid at least the real Living Wage and increased 0.4 percentage points to 96.9% by 2019. An increase was also recorded for private sector employees, from 71.7% to 75.4% in 2019. While data for not-for-profit organisations is only available for 2015-2022 and records an increase from 85.2% in 2015 to 85.4% in 2019.

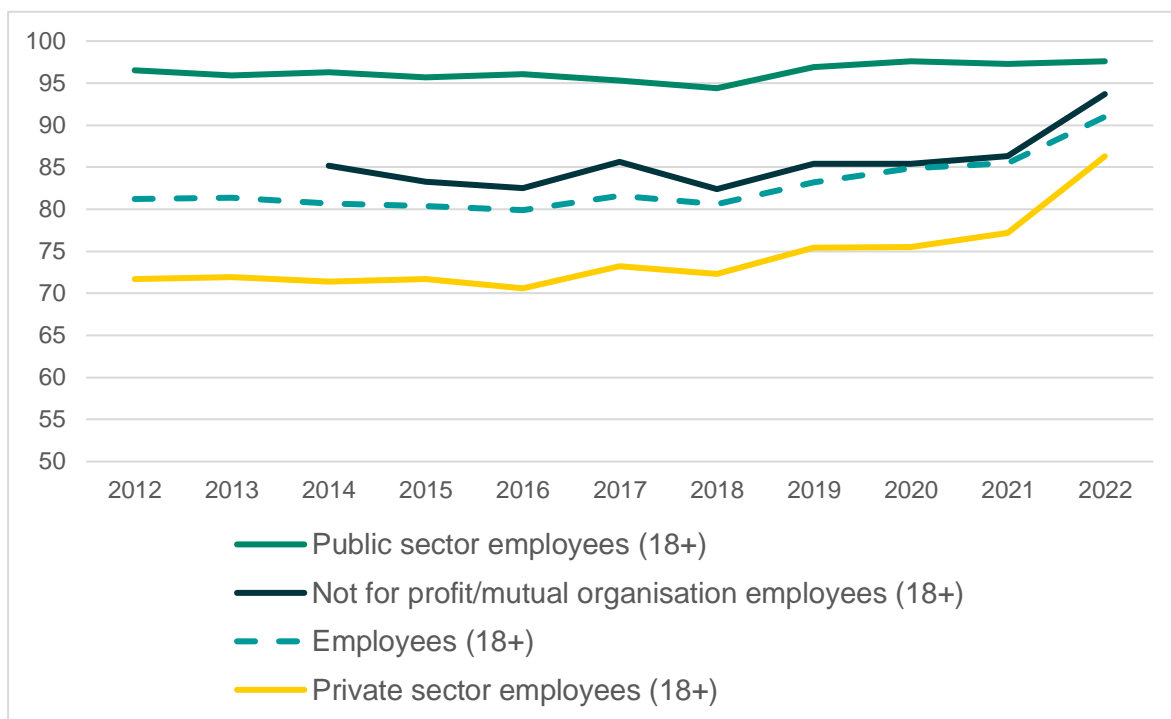
³⁹ Social Enterprise Scotland (2022). The real Living Wage rate rise – Key facts. Available at: [The real Living Wage rate rise - Key facts - Social Enterprise Scotland](#)

⁴⁰ The Smith Institute (2021). The Living Wage Dividend: maximising the local economic benefits of paying a living wage. Available at: [The Living Wage Dividend: maximising the local economic benefits of paying a living wage \(smith-institute.org.uk\)](#)

⁴¹ There was a break in the series between 2020 and 2021 to account for employees who have been furloughed under the Coronavirus Job Retention Scheme. Therefore, while the long-term trend can be observed, specific comparisons are only drawn between dates prior to this break in 2020/21.

⁴² Scottish Government (2022). Annual Survey of hours and earnings 2022. Available at: [Annual survey of hours and earnings: 2022 - gov.scot \(www.gov.scot\)](#)

Figure 4-5 Percentage of employees earning at least the real Living Wage in Scotland, 2012-2022.



Source: Scottish Government, Annual Survey of Hours and Earnings (2022)

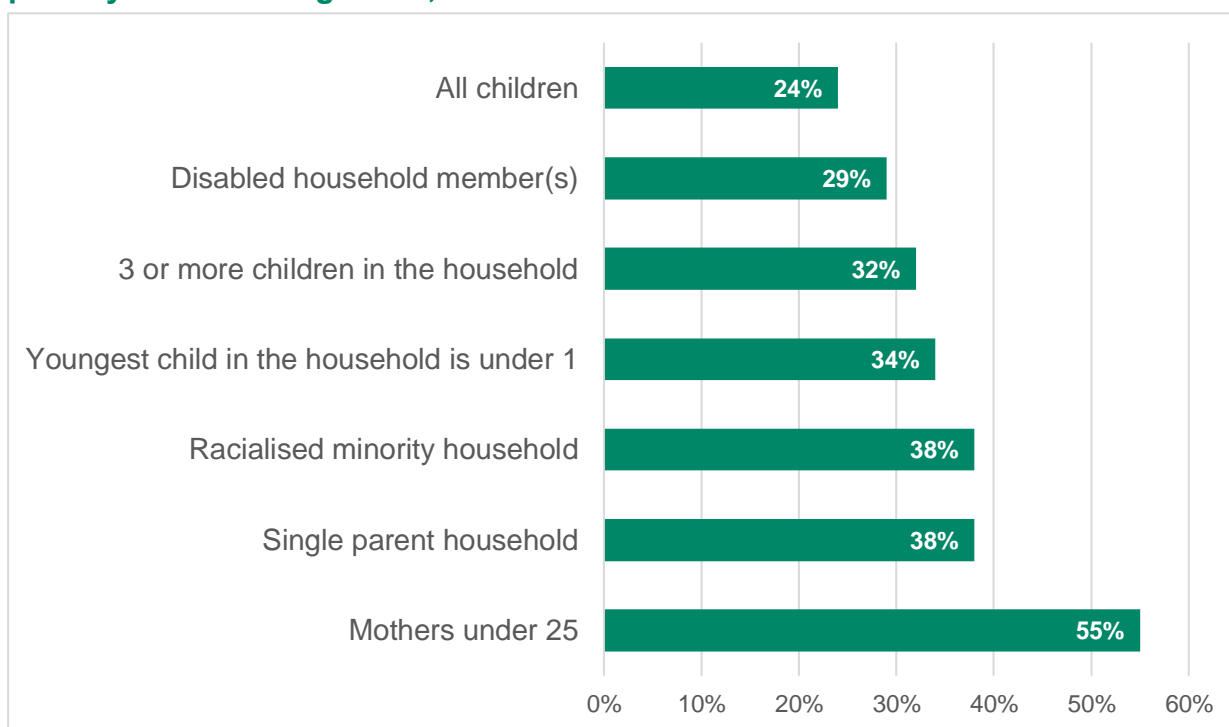
4.3 Child poverty

The latest records (2017-2020) estimate that 21% of children were living in relative poverty before housing costs and 24% after housing costs.⁴³ Following a steady decline between 1994-1997 and 2010-2013, child poverty rates have been rising again.

Figure 4-6 identifies priority groups for children which are known to have a greater risk of being in poverty. Most households with children experiencing poverty will belong to at least one of these groups.

⁴³ Scottish Government (2021). Poverty and Income Inequality in Scotland 2017-2020. Available at: [Poverty and Income Inequality in Scotland 2017-20 \(data.gov.scot\)](https://data.gov.scot)

Figure 4-6 Proportion of child poverty priority groups experiencing relative poverty after housing costs, Scotland 2017-20



Source: Scottish Government (2021) Poverty and Income Inequality

Tackling child poverty is a Scottish Government priority with 24% of Scotland’s children (240,000 children each year) living in relative poverty after housing costs in 2017-2020. Prior to the outbreak of COVID-19, it was predicted that if no further action were taken to tackle child poverty one in three children in Scotland would grow up in poverty by 2030, damaging society and the economy. The impact of COVID-19 on child poverty levels is still largely unknown, particularly the long-term effects on families and our economy, however we know that the impacts have been felt most acutely by the most disadvantaged in our society. Children in low-income households tend to experience a range of disadvantages including lower educational attainment and poorer health.

Poverty can have lasting impacts long into adulthood such as increased risk of homelessness, lower earning potential and greater likelihood of limiting illness. It is difficult to disentangle the effect of poverty from other factors associated with low income that may affect children's outcomes. However, the growing evidence in developed economies suggests that gaining additional income has positive causal effects on health, behavioural development and educational attainment for children in households at the lower end of income distribution.

In the Children’s Parliament report ‘What Kind of Scotland?’, poverty is identified as the most important barrier to a good life. It affects children day to day, in terms of practical things like having enough food to eat and a house that is warm, but also because children may notice the stress money concerns cause the adults at home.

Through the Best Start, Bright Futures: Tackling Child Poverty Delivery Plan, the Scottish Government have recognised that children facing poverty are not a homogenous group and that intersectional identities and inequalities are present, in relation to sex, disability and ethnicity.

5. Assessment of Refreshed Fair Work Action Plan

Headline action 1: We will lead by example on the Fair Work Agenda, including sharing and learning of practice, by 2025. We will continue to embed Fair Work in all public sector organisations, setting out clear priorities in the roles and responsibilities of public bodies.

Action 1.1: Scottish Government will undertake an equal pay audit examining pay gaps by gender, disability, race and age by March 2024. We will act on findings to review and refresh our recruitment and retention policies to address workplace inequalities by end of 2025.

The number of under 19s employed by the Scottish Government in Q3 of 2022 was 22. While no breakdown of job roles or grades is available, this small number of young people could benefit directly from an equal pay audit related to age. These individuals may also see intersectional benefits of pay gap audits in relation to gender, disability and race being carried out.

However, direct benefits are not the only ways in which children can be positively impacted by an action looking to address pay gaps in the Scottish Government workforce. Where children are living in a household with a parent or guardian who works for the Scottish Government, pay gaps being resolved could result in higher levels of income for the household. This will be particularly true in households led by a lone parent, the majority of which are women who will benefit from an audit related to the gender pay gap in Scottish Government.

The provisional CRWIA score for this action is minor positive.

Action 1.2: Work with equality organisations and public sector employers to co-deliver a series of engagements with the public sector by end of 2023 to support employers to address the recommendations of the Scottish Parliament's Equalities and Human Rights Committee's inquiry report into race equality, employment and skills which recommended employers assess their organisations' understanding of racism and structural barriers; employers subject to the Public Sector Equality Duty as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.

Further collecting, monitoring and analysis of ethnicity pay gap information could deliver tangible benefits in tackling labour market inequalities for racialised minorities.

Beyond direct impacts for workers who are both under 18 and from racialised minorities, tackling these inequalities could have indirect positive impacts children and young people from racialised minorities. As in Action 1.1, this could be through other members of their households being able to access and succeed in better paid employment through increased work to remove structural barriers and ethnicity pay gaps.

The provisional CRWIA score for this action is minor positive.

Action 1.3: The EHRC and Scottish Funding Council (SFC) to:

Action 1.3.1: implement National Equality Outcomes across protected characteristics (including disability, ethnicity, sex) from Sept 2022 to Sept 2025, in order to:

- Improve student success and retention rates;
- Ensure access to and confidence in support for students and staff that fosters good relations and tackle prejudice and discrimination;
- Increase diversity of staff in the workforce and on College Boards and University Courts.

This action could achieve significant positive impacts for young people and children in Scotland, with National Equality Outcomes able to target measures at improving success for those groups of young people and children who are not currently thriving within the Scottish further and higher education sectors.

Across UK and Scottish data, it is consistently shown that there are differences in rates of pupils achieving positive follow-up destinations after schooling as well as differences in rates of success for students within further and higher education. While the percentage of school leavers in a positive destination has increased in recent years, there are still discrepancies in the rate at which different groups are accessing these positive destinations. This is particularly true for some racialised minorities and young people with learning disabilities. National Equality Outcomes and measures to achieve them could create benefits for children from these groups by tackling barriers to success.

These benefits could be enhanced through engaging with the lived experiences of young people when assessing progress towards the National Equality Outcomes.

Implementing a National Equality Outcome for disability could improve the success of disabled students and their representation in the workforce. Currently, disabled students are more likely to experience lower levels of educational attainment and less likely to enter higher education compared to non-disabled students. Therefore, action 1.3 could prioritise access to educational opportunities for disabled students which have influence over their future careers.

Increasing the diversity of staff in the workforce could create a diverse and inclusive workforce which is representative of the population. This simultaneously increases the proportion of currently underrepresented groups, including women, disabled people and racialised minorities. Consequently, these groups could share lived experience of discrimination and inform action to overcome inequalities for the most vulnerable groups labour market. Specifically, increasing diversity on College Boards and University Courts allows for the needs of an increasingly diverse student population to be met.

The provisional CRWIA score for this action is major positive.

Action 1.3.2: develop a set of SFC annual thematic reviews to inform and direct improvement.

Publishing annual thematic reviews could disseminate knowledge on contemporary inequalities within the education sector, including schools as well as universities and colleges, and develop mechanisms to embed equality in wider societal issues such as access to skills, education and labour market confidence.

Where this improvement is related to widening participation, increasing student success and retention and tackling inequalities, this would have a tangible impact on the outcomes for children entering the further and higher education sectors in Scotland. This information could direct funding for teaching and learning provision, research and other higher education activities in Scotland more inclusively, while also encouraging positive actions to be taken forward across colleges, universities and other funded bodies to account for their delivery of required outcomes.

Therefore, the diverse student population could benefit from the annual review of higher education services, particularly those with poorer outcomes such as black and disabled students.

The provisional CRWIA score for this action is minor positive.

Action 1.4: Work with partners to establish senior leadership networks to build capability and understanding of racism and racial inequality in the workplace by the end of 2023.

The establishment of senior leadership networks, equipped with the capability and understanding of racism, could bring positive impacts for children and young people directly where they are in work as they could face less racial inequality and indirectly by increasing employment outcomes for other members of their household, as in Action 1.1 and 1.2.

Further information on the scope, membership and focus of these senior leadership networks would be required to fully assess the impact on children of this action.

The provisional CRWIA score for this action is uncertain.

Action 1.5: We will work with Scottish Government's analysts to run a series of official statistics dissemination sessions with interested stakeholders to help inform their understanding of the labour market landscape in relation to fair work. Where available data allows, this will include considering intersectionality.

Disseminating official statistics could highlight key inequalities within the labour market relevant to each stakeholder's industry and demonstrate best practice in monitoring progress through data. This could encourage positive action against inequalities and seek to establish a fair and inclusive workplace.

Stakeholders felt that more guidance and examples on cumulative effects would assist an intersectional approach to addressing labour market inequalities. The potential to consider intersectionality in dissemination could progress employers understanding of the most vulnerable groups with more than one protected characteristic and generate positive actions towards addressing these disadvantages.

Where this data considers age, direct positive impacts could be felt by children and young people in workplaces. It is more likely that indirect impacts would be felt in relation to other household members and their experience of the workplace.

The provisional CRWIA score for this action is minor positive.

Headline action 2: We will continue to use conditionality to further embed Fair Work in all public sector investment wherever possible.

Action 2.1: As part of the Bute House agreement and NSET, and within the limits on devolved competence, we will:

Action 2.1.1: Extend Fair Work conditionality with clear standards and minimum requirements to cover all forms of Scottish Government support within the limits of devolved competence. We will use all levers at our disposal to deliver on this commitment – including the use of grants, reliefs and licencing provisions.

Firstly, uplifting workers to the real Living Wage could contribute towards narrowing pay gaps in the labour market, including the gender, disability and ethnicity pay gaps. The impact of these pay gaps is likely to intersect with age where children and young people are in the workplace⁴⁴, they are likely to be in lower paid roles. This action could positively impact young employees aged 18-24 who are less likely to be paid the real Living Wage and under 18s who are not required to be paid the real Living Wage, even at accredited real Living Wage employers.

This action could also have positive impacts on the cost of living across disadvantaged groups in society. Payment of the real Living Wage could contribute to meeting the additional living costs faced by disabled people and alleviate in-work poverty for households with disabled members who are more likely to experience poverty. It could also reduce the levels of in-work poverty disproportionately experienced by racialised minority households and households with children.

Increasing purchasing power of households can be a significant factor in reducing the rate of child poverty present in Scotland. Payment of the real Living Wage could relieve the disproportionate financial pressures experienced by single-parent households, households with a disabled member and households with a baby during this economic crisis.

Stakeholders representing young women expressed the positive impact of being paid the real Living Wage in establishing equity in the early stages of women's career and uplifting them to a position not currently accessible. However, this stakeholder followed with a concern that employees could implement the Living Wage as 'standard pay' rather than enforcing pay brackets, which could restrict opportunities for progression in both pay and grade.

When discussing the universal payment of the real Living Wage, some business stakeholders raised concerns that with increased staff wage costs, some companies would feel the need to cut other costs including work placements and training programmes for young people. In addition, concern was raised on the impact on the number of modern apprenticeships which could be provided in some workplaces if the apprentices were to be paid the real Living Wage.

The inclusion of limited exemptions to this conditionality, for example, where a grant is essential for an organisation to continue its activities and that potential grant recipient is heavily or entirely dependent on grant funding but cannot pay the real Living Wage. should help mitigate negative impacts on young people. It will be

⁴⁴ [Child employment: Minimum ages children can work - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/child-employment)

important that this is considered throughout the implementation stage to avoid children and young people suffering unintended negative consequences of the real Living Wage being paid more widely by recipients of Scottish Government support.

Further stakeholder feedback commented on young employees' engagement with channels for effective voice. Many young people will be in their first experience of employment and feel too inexperienced to speak out against workplace discrimination. Therefore, in implementing this Scottish Government should consider how voice can be inclusive enough so the youngest employees can participate, such as encouraging employers to inform young people of trade unions when onboarding.

The provisional CRWIA score for this action is major positive.

Action 2.1.2: Consider how we can extend conditionality to the other Fair Work principles, including opportunity, security, respect and fulfilment by 2025.

The extension of conditionality to all five fair work principles could generate wide-ranging benefits for children and young people, directly and indirectly.

Extending conditionality to opportunity could equalise access to the labour market and generate positive impacts for protected characteristic groups most vulnerable to unemployment and underemployment. This could include women, older people, disabled people and racialised minorities, with children and young people benefitting from the positive impacts felt by others in their household.

Security is largely linked to having a consistent inflow of income and thereby could bring particular benefit to those vulnerable to zero-hour contracts and low-paid insecure work, including children and young people themselves but more often indirectly benefiting children whose parents or guardians are vulnerable to insecure work. This could be most acutely felt for single parent – the majority of which are women – and racialised minority households.

Respect encourages mutual support within the workplace and recognises that everyone is entitled to feel valued regardless of pay, status or characteristics. Therefore, this action could lead to minimising feelings of isolation, discrimination and harassment within the labour market for vulnerable groups such as disabled people, women and racialised minorities.

Fulfilling work engages with both personal development and career progression. Increasing access to fulfilment in employment could nurture a workplace culture in which employees feel engaged, committed to making a difference, have some control over their work and can source opportunities for growth.

Where both respect and fulfilment are prominent in workplaces, encouraged by conditionality, there could be increased positive mental health benefits or reduced negative work-related mental health outcomes. The ongoing impacts of the pandemic and the current cost of living crisis is having effects on mental health for families. 69% of single parent families, and four in five families with a baby have reported a negative impact on their mental health. This action could help to decrease these poorer mental health outcomes for families including children and young people.

The provisional CRWIA score for this action is minor positive.

Action 2.2: By 2023 update the Fair Work First criteria to better reflect priority action required to address labour market inequalities faced by women, people from racialised minorities, and disabled people, ensuring people can enter, remain and progress in work.

As in previous actions, the impact upon children and young people is likely to be both direct – where they are of working age and in one or more of the groups identified for priority action – and indirect where they are in a household with those who are.

At this stage, it is not possible to fully assess the impact on children of changes to the Fair Work First criteria, but this could be measured through the implementation stage of the new criteria.

The provisional CRWIA score for this action is minor positive.

Headline action 3: We will support employers to utilise the resources and support available to embed Fair Work in their organisations. We will work collaboratively to develop these resources to support and build capability among employers, employability providers and partners.

Action 3.1: By end 2023 we will work with partners to join up provision of advice and support for employers by establishing a central Fair Work resource, making it as simple and efficient as possible for employers to use. This would enhance and consolidate existing material to ensure employers have a clear route to access guidance, support and advice on Fair Work. It will involve:

- Advice and tools to promote the benefits of Fair Work and workplace equality
- Good practice case studies
- Advice on networking and establishing peer support groups
- Collaboration with existing trusted business support services and partners

A central resource to share tools such as advice and support on implementing fair work will be helpful to employers across Scotland in increasing their knowledge and capability in delivering fair work.

Stakeholder engagement highlighted the importance of engaging with lived experience through the provision of real-life case studies, this could be particularly useful where young people are included within the case studies. These could demonstrate practical positive actions for organisations who may struggle to engage with fair work and have a workforce with limited diversity, including in relation to age.

Recognition that this central resource must be “as simple and as efficient as possible for employers to use” could overcome accessibility barriers for employers with tight capacities, especially within smaller organisations, and generate more widespread impacts on protected characteristic groups across Scotland’s labour market.

The direct and indirect impacts on children and young people should be considered in the development of materials and in the implementation of the central resource itself.

The provisional CRWIA score for this action is minor positive.

Action 3.2: Develop a communications strategy to highlight and promote the benefits of Fair work and a diverse workplace to employers including;

- adoption of payment of at least the real Living Wage;
- effective voice channels, tackling the gender pay gap; and
- recruiting, employing and supporting disabled people and workers from racialised minorities.
- The strategy will be informed by sectoral and regional analysis and utilise a range of channels.

A communications strategy to share the benefits of fair work will be helpful to employers across Scotland in increasing their knowledge and capability in delivering fair work.

It will be particularly beneficial for young disabled people and young people from racialised minorities as guidance is provided to employers on how best to recruit, employ and support them.

However, before the focus and content of the communications strategy is developed, it is not possible to fully assess the impact on children and young people at this stage.

The provisional CRWIA score for this action is minor positive.

Action 3.3: Increase the number of people who have security of pay and contract by encouraging employers to seek real Living Wage and Living Hours accreditation. We will achieve this through our continuing support of Living Wage Scotland to achieve an additional 5,000 workers uplifted annually to the real Living wage through increases in employer accreditation.

As discussed in Action 2.1.1, an increase in the number of people having security of pay through the payment of the real Living Wage provides significant benefit for children and young people. This is true for those children and young people for whom household income would increase through parents or guardians being uplifted to the real Living Wage and for those young people entering the world of work. One stakeholder argued that this was of particular benefit to care-experience young people, who face specific barriers as they enter work, including lack of financial support for travel.

Increasing the number of people who have security of contract through Living Hours accreditation will benefit children and young people through similar indirect impacts related to household employment but also help to address the overrepresentation of young people in roles and sectors where insecure, contract work is prominent.

While a target of 5,000 workers being uplifted to the real Living Wage may appear significant, there are no conditions surrounding this which targets young people and they may not experience the direct impacts. For example, one large, newly accredited employer could fulfil this action alone. Therefore, the implementation stage should consider how the benefits of this action could be accessed by young people, both directly and indirectly.

The provisional CRWIA score for this action is minor positive.

Action 3.4: By the end of 2025 we will review and disseminate learning and best practice from on the conclusion of the 2024 Workplace Equality Fund.

The sharing of learning from the 2024 Workplace Equality Fund will be helpful to employers across Scotland in increasing their knowledge and capability in delivering fair work. However, it is not possible to assess the impact on children and young people at this stage.

The provisional CRWIA score for this action is uncertain.

Action 3.5: We will develop and promote guidance to encourage more employers across all sectors to use positive action measures as per the Equality Act 2010 giving particular attention to sex, pregnancy, race, age and disability by end 2024.

Broader promotion of guidance and the practice of positive action could inform progress to addressing labour market inequalities and could enable organisations to fulfil their equality duty. The recognition of 'all sectors' in this action demonstrates that during implementation the Scottish Government intend to secure far-reaching positive action across the public, private and third sector.

Children and young people could benefit from increased security of work and income for parents and guardians in their households. For example, women could experience greater liberation in the labour market because of this action, including uplifted wages and status, and pregnant women could overcome the 'motherhood penalty'. Targeted positive action measures could help to narrow the disability employment gap and remove barriers to certain roles and sectors for racialised minorities. Young people themselves, who are currently overrepresented in zero-hour contracts, could access more secure employment.

One business stakeholder felt that organisations may not have the skills to implement these fair work practices, especially when applying positive action to recruitment processes. Insufficient digital skills to recruit a younger workforce were reported across members of this organisation, which could limit the scope of their equality duty in terms of age. Therefore, to secure equal access for young people and children in positive action initiatives, guidance should not only disseminate knowledge on positive action for employees, but also skills development for employers and managers within organisations.

The provisional CRWIA score for this action is major positive.

Action 3.6: We will continue to promote existing and new advice and guidance on the benefits of flexible working to organisations across Scotland by working with public bodies to assess provision and highlight best practice throughout this parliamentary term (by 2026).

The continued promotion of advice and guidance in relation to flexible working will be helpful to employers across Scotland in increasing their knowledge and capability in delivering fair work. Where this leads to increased provision of flexible working arrangements, this is likely to have positive benefits to those with caring responsibilities, including childcare, who are predominantly women.

However, it is not possible to assess the impact on children and young people at this stage.

The provisional CRWIA score for this action is uncertain.

Action 3.7: Working with employers, equality stakeholders and training providers, develop and implement an intersectional and anti-racist training framework by 2025.

Developing an anti-racist training framework could reduce labour market stigma responsible for racially motivated structural and systemic barriers to employment. Embedding race equality training in all positions and responsibilities within an organisation could lead to an improved workplace culture, greater support for racialised minorities in the workplace and better-informed policies and practices to address racial inequality. This could directly benefit young people from racialised minorities in workplaces who could face intersectional inequalities in relation to race and age.

Engagement with equality stakeholders and training providers could also benefit the framework through providing lived experience and expertise in racial inequality.

However, as the framework is still to be developed, it is not possible to fully assess the impact on children and young people at this stage. It will be important to consider the direct and indirect impact on children over the development and implementation stages of this work.

The provisional CRWIA score for this action is uncertain.

Action 3.8: We will work with employers and trade unions, in sectors where low pay and precarious work can be most prevalent, to develop sectoral Fair Work agreements that deliver improved employment outcomes such as payment of the real living wage, better security of work, and wider “Fair Work First” standards.

The development of sectoral Fair Work agreements could generate positive impacts for the most vulnerable protected characteristic groups in the labour market who are overrepresented in low-paid and precarious employment. This includes young people, women, disabled people and racialised minorities.

Accompanying greater security in employment and increased salaries could be improved workplace culture in which these groups are feel more valued and respected by co-workers.

The impacts of paying the real Living Wage discussed under action 2.1.1 are also relevant here, especially amongst women, disabled households and racialised minority households. The positive impacts discussed could also be linked to increased socioeconomic wellbeing and uplifting people out of in-work poverty.

Similarly, increasing security of work could particularly benefit young people, women and racialised minorities who are disproportionately represented across zero-hour contracts and insecure work. Removing the inappropriate use of these contracts could secure regular hours and flows of income for these populations. This could generate an indirect positive impact of improved personal finances and household finances which increases the affordability of basic and essential items.

While working with trade unions positively represents employee voice, other effective voice channels could be engaged with such as employee forums. It was raised by stakeholders that the awareness of trade unions was more limited among young people just entering the workplace and it would be important to not solely rely on this in relation to providing effective voice for employees. Therefore, the sectoral Fair

Work agreements could benefit further from wider engagement with employees and employee stakeholders.

The provisional CRWIA score for this action is major positive.

Action 3.9: We will work with employers, workers and trade unions to strengthen effective voice, through a range of appropriate channels. We will do this by supporting strong trade unions and, in line with our NPF employee voice indicator, will promote the benefits of collective bargaining (including sectoral agreements) and other forms of effective voice at individual and collective levels.

Strengthening effective voice and highlighting the value of collective bargaining could establish an open line of communication within the workplace and nurture an inclusive and fair labour market.

This action could encourage the involvement of young employees in effective voice channels. Representative stakeholders expressed a current lack of knowledge or confidence to participate in workers' unions, which minimise contributions of lived experience. Thereby, enhancing the focus on workers voice could increase the representation of the views of young people across appropriate channels, potentially raising awareness to tackle barriers facing them in the workplace.

The provisional CRWIA score for this action is minor positive.

Headline action 4: We will work collaboratively to develop resources to support workers to access, remain and progress in fair work.

Action 4.1: Work with enterprise agencies and Business Gateway to promote Fair Work and deliver wider conditionality, and:

Action 4.1.1: By end of 2023 undertake a review of the Business Gateway website, utilising analytical and tracking techniques to ensure that disabled people find the website accessible, and are able to utilise the advice given to overcome the barriers they face.

The review and improvement of accessibility of the Business Gateway will be helpful to disabled people across Scotland, including young disabled people, in accessing support and overcoming barriers.

However, while young disabled people face particular barriers in relation to the labour market, it is not possible to assess the specific impact that this review will have on children and young people until it is clear what changes will be made.

The provisional CRWIA score for this action is uncertain.

Action 4.2: Scottish Government Employability Delivery: we will continue to work with Fair Start Scotland providers, within the timescales of the current contract until March 2023, to implement a continuous improvement approach to enhance delivery and outcomes for disabled people and those furthest from the labour market, including racialised minorities and women. This will include drawing upon learning from Pathfinders/ test and learn projects being delivered by Disabled People's Organisations and the pilot project on community engagement being delivered by CEMVO Enterprises CIC in 2022/23.

Learning from previous initiatives such as Pathfinders and the community engagement work being carried out by CEMVO in 2022/23 could provide a solid base for improvement of Fair Start to address the needs of priority groups.

The impact of this on children is likely to be indirect, where continuous improvement is undertaken in delivery, the results for these groups in terms of labour market outcomes should be improve. This could lead to increased job security and household earnings which would decrease the number of children and young people at risk of experiencing poverty.

Further assessment will need to be carried out following on from the sharing of learning and the development of a new approach for delivery with Fair Start Scotland providers.

The provisional CRWIA score for this action is neutral.

Action 4.3: Scottish Government to work with stakeholders to develop a Delivery Plan 2023-26, outlining the next phase development of No One Left Behind (NOLB) from April 2024.

Action 4.3.1: Build Fair Work outcomes into the design of No One Left Behind by taking account of the lived experience and needs of disabled people, people from racialised minorities, women and the over 50s.

This action could inform the delivery of a person-centred employability system which is responsive and flexible to a diverse labour market. It could increase Scottish Government's engagement with the lived experience of protected characteristic groups to better prepare employees for work through an employability system that is tailored to their needs. This could further promote a better working relationship between employers and employees through a shared understanding of labour market experiences.

Updating the No One Left Behind partnership for disabled people this way acknowledges the social model of disability. Engagement with lived experience overcomes the stereotype of disabled people being passive recipients of care, and instead acknowledges their contributions to the working economy.

Further, this action could eliminate race-related structural and systemic barriers to entering and progressing in employment. This could generate mental health and wellbeing benefits for racialised minorities and children and young people.

Additional indirect benefits for children from this action could also be felt through its ability to tackle gender and pregnancy discrimination in the workplace by challenging labour market stereotypes associated with women. It could tackle occupational segregation which traps women in low-paid 'women's roles', typically in caring professions, as well as the motherhood penalty which restricts career progression for pregnant women and returning mothers. These steps could benefit children through improved household earning and lower potential exposure to poverty.

The provisional CRWIA score for this action is major positive.

Action 4.3.2: Draw upon the findings and recommendations of the following:

- Health and Work Strategy Review (2019)
- Supported Employment Review (2022)
- Health and Work Support Pilot final evaluation (2022)
- Individual Placement and Support Review (2022 – forthcoming)

Action 4.3.2 has the potential to deliver positive impacts for disabled individuals, particularly those with learning disabilities, or those with a health condition,.

This action could narrow the largest employment gap in the Scottish labour market – the disability employment gap. These reviews offer mitigation against the risk of losing employment due to ill health and facilitate return to work after health-related absence. This could lead to positive impacts for children and young people through increased household earnings and a decreased vulnerability to poverty.

A full assessment of the positive impacts action 4.3.2 generates is dependent on the implementation of these recommendations.

The provisional CRWIA score for this action is minor positive.

Action 4.4: Skills Development Scotland (SDS) and Scottish Funding Council (SFC) will, on an annual basis, review disaggregated management information including the newly disaggregated Learning Disability statistics and take action where required where poorer outcomes or underrepresented groups are identified. This will include:

Action 4.4.1: Review the equality incentives for disabled people in relation to Work Based Learning (WBL) and make recommendations by end March 2024 with regard to impact on participation and achievement rates for disabled people.

Reviewing disaggregated data could generate positive impacts through providing a more comprehensive overview of labour market inequalities and identifying the most vulnerable groups with specific needs. Disproportionate positive impacts could be generated through engagement with the newly disaggregated Learning Disability statistics. Previously, data on learning disabilities has not always been separated from 'disabilities' data. This creates a barrier to assessing whether the needs of those with learning disabilities are being fulfilled. Therefore, this action could identify previously unknown outcomes and take forward positive action for children and young people with learning disabilities where necessary.

The focus of action 4.4.1 on Work Based Learning could generate disproportionate positive impacts for young disabled students undergoing the transition from school to employment. This group are particularly vulnerable to unemployment and underemployment. Therefore, the potential for increasing participation and achievement rates for disabled school leavers could be positive.

The provisional CRWIA score for this action is major positive.

Action 4.4.2: Review learning from pilot projects for Foundation Apprenticeships for disabled pupils and mainstream lessons learned by October 2023.

Improving the quality and inclusivity of apprenticeships by learning from pilot projects aimed at increasing the number of disabled pupils in foundation apprenticeships would have tangible benefits for young people.

By mainstreaming lessons learned into Foundation Apprenticeship programmes, as well as other forms of apprenticeships, it could be possible to remove barriers faced by young disabled people to this form of access to employment.

However, this learning should be applied comprehensively across apprenticeship provision as limiting this to Foundation Apprenticeships risks limiting access to, and success in, apprenticeships for young disabled people which may be inappropriate for the skills which they possess.

The provisional CRWIA score for this action is major positive.

Action 4.4.3: Use intelligence from training and learning providers and participants to develop and deliver disability equality-focused continuous professional development to build the capacity of learning providers to support disabled individuals and ensure a continuous development cycle is implemented by 2023.

The development of disability equality-focused continuous professional development is likely to bring significant positives to disabled individuals and employers. However, it is not possible to fully assess the impact on children at this stage. The particular

needs of young disabled people should be considered throughout the development and implementation of this approach.

The provisional CRWIA score for this action is uncertain.

Action 4.5: Skills Development Scotland (SDS) will:

Action 4.5.1: Implement Scotland's Career Review recommendations and develop a model to ensure future career services across sectors provide meaningful and accessible support for disabled people that is both tailored to their needs and available when they need it. The implementation phase of the Career Review is due to be completed by the end of 2022.

Scotland's Career Review recommendations were published in February 2022. The review engaged with the lived experiences of young people and stakeholders representing a diverse range of backgrounds and generated recommendations tailored to the needs of those who are most vulnerable in the labour market.

Implementing meaningful support for disabled people in careers services, whether community based or digital, will create positive impacts for young people and children who are disabled or whose parent or guardian is disabled.

In terms of children, the pandemic exemplified how disadvantaged households may disproportionately suffer due to material deprivation. Reliance on remote working highlighted how disadvantaged children and young people, who lacked access to IT hardware and broadband services at home, found homework more challenging, and this then negatively impacted the pre-existing attainment gap. As such, access to digital careers support could be challenging for some young disabled people, especially those with learning disabilities, so the combination or provision suggested in Scotland's Career Review could mean that no young people or children miss out on the benefits.

The provisional CRWIA score for this action is major positive.

Action 4.5.2: Skills Development Scotland (SDS) will continue to implement the Principles of Good Transitions across our Career Information Advice and Guidance (CIAG), through targeted Continuous Professional Development for all customer-facing CIAG colleagues and managers by the end of March 2023.

Skills Development Scotland continuing to implement the Principles of Good Transitions across their career information advice and guidance will have a significant positive impact on children and young people in Scotland.

This could generate positive impacts through recognising the dependencies between career services and post-school pathways, especially for disabled young people between the ages of 14 and 25 undergoing the transition to adult life. These impacts could include a reduction in post-school unemployment and an increased representation of disabled students across higher education.

Further, increasing organisational awareness of these principles through professional development could encourage services to employ a person-centred approach and place young people in the centre of their transition planning, giving them the autonomy and access to opportunity the current labour market lacks.

The provisional CRWIA score for this action is major positive.

Action 4.6: Health and Work: Aligning with the Scottish Government's Fairer and More Equal Society (FMES) Programme by December 2023, Public Health Scotland (PHS) to:

- Collaborate with NHS Boards to develop the NHS Scotland contribution to achieving fair and healthy work outcomes for people across Scotland; and
- Work with Scottish Government, Local Government and NHS Boards to define the health offer to enable those with health conditions to secure, sustain and progress in work.

Aligning the Scottish Government's FMES programme with actions from Public Health Scotland will help to promote greater healthy work outcomes as well as enabling those with health conditions to enjoy fair work. This should benefit children and young people directly where they are in work and indirectly where others in their household are.

If fair and healthy work outcomes are increased across Scotland, this will benefit young people who are employed as well as parents and guardians. As discussed in action 2.1.2, increased fair work could help to reduce poor mental health outcomes, benefiting families with children.

However, a full assessment of this approach will need to be built into the work of each intervention by local government, NHS boards and Scottish Government. As these are currently still to be defined, it is difficult to accurately assess the full impact on children and young people.

The provisional CRWIA score for this action is minor positive.

6. Assessment of Anti-Racist Employment Strategy

The actions listed in the Anti-Racist Employment Strategy have broadly been considered earlier in this document, where they sit throughout the Fair Work Action Plan. However, where additional assessment or comment is required, it has been included below.

Action 1: Establish a platform for exchanging learning and good operational practice among employers - practice that is anti-racist and intersectional in its approach.

This action sits within RAP action 3.1.

This platform would form a central component of a central Fair Work resource. Increasing the number of employers using an anti-racist approach could help to reduce racial discrimination in the workplace which would create positive impacts for young people from racialised minorities.

The provisional CRWIA score for this action is minor positive.

Action 2: Undertake evaluation of the 'Minority Ethnic Recruitment Toolkit' to ensure it remains fit for purpose (anti-racist and intersectional) and is applied across the public sector. Consider augmenting the toolkit to include other accessible support sources, including those for retention and progression.

This action sits within RAP action 3.1.

This action also contributes to the development of a central Fair Work resource and could increase the number of racialised minority individuals entering the labour market and develop a labour market that is representative of the population it serves.

Delivering a toolkit tailored to the recruitment of racialised minorities could assist in overcoming the barrier of structural racism and narrow the employment gap between racialised minorities and the white population. This could generate long-term positive impacts through reducing racialised minority households' vulnerability to in-work poverty, this could provide significant positive impacts to children who are then less likely to experience poverty.

The provisional CRWIA score for this action is minor positive.

Action 3: Promote and disseminate learning and practice that shows positive change in employers' end to end processes to increase representation of racialised minorities.

This action sits within RAP action 3.1.

The dissemination of learning and practice will contribute to the Fair Work resource under action 3.1 of the RAP and progress towards developing a labour market representative of the population it serves.

This action could overcome racial discrimination in recruitment processes through demonstrating best practice examples. Racialised minority groups could experience increased representation within the labour market, particularly within more secure and senior positions in which there is currently underrepresentation. Consequently,

this has the potential to alleviate the poverty trap of low paid insecure employment and the vulnerability of children in racialised minority households to in-work poverty.

The provisional CRWIA score for this action is minor positive.

Action 4: Develop an intersectional and anti-racist training framework for public and private sector employers by which to assess their training needs and improve the quality of training offered in the organisation.

This action sits within RAP action 3.7.

Developing an anti-racist training framework could reduce labour market stigma responsible for racially motivated structural and systemic barriers to employment. Embedding race equality training in all positions and responsibilities within an organisation could lead to an improved workplace culture, greater support for racialised minorities in the workplace and better-informed policies and practices to address racial inequality. This could directly benefit young people from racialised minorities in workplaces who could face intersectional inequalities in relation to race and age.

However, as the framework is still to be developed, it is not possible to fully assess the impact on children and young people at this stage.

The provisional CRWIA score for this action is uncertain.

Action 5: Produce guidance on positive action to support employers across the public sector and promote this guidance through a series of engagement sessions.

This action sits within RAP action 3.5.

Children and young people could benefit from increased security of work and income for parents and guardians in their households. For example, Women could experience greater liberation in the labour market because of this action, including uplifted wages and status, and pregnant women could overcome the 'motherhood penalty'. Targeted positive action measures could help to narrow the disability employment gap and remove barriers to certain roles and sectors for racialised minorities. Young people themselves, who are currently overrepresented in zero-hour contracts, could access more secure employment.

The provisional CRWIA score for this action is major positive.

Action 6: By the end of 2025 we will review and disseminate learning and best practice on the conclusion of the 2024 Workplace Equality Fund.

This action sits within RAP action 3.4.

The sharing of learning from the 2024 Workplace Equality Fund will be helpful to employers across Scotland in increasing their knowledge and capability in delivering fair work. However, it is not possible to assess the impact on children and young people at this stage.

The provisional CRWIA score for this action is uncertain.

Action 7: Oversee pilot to improve engagement of employers and employability services with racialised minority communities. Includes work to support EQIA process among employers. To improve the quality of assessments and how the practice can be embedded at the start of a process or policy development.

This action sits within RAP action 4.3.

Engagement with employability services could increase the recruitment, retention and progression of young people from racialised minorities in the labour market through tailored accessible support.

This action also supports the equality duties of employers under the Equality Act 2010 through encouraging equality assessments and improving the quality of these. This could ensure that workplace processes and policies are non-discriminatory and remove barriers for young people across Scotland, as well as racialised minorities and other groups. Children from racialised minorities could therefore be relieved from the poverty trap of low paid insecure employment and experience a lesser vulnerability to in-work poverty.

The provisional CRWIA score for this action is major positive.

Action 8: We will work with Labour Market Analysis colleagues to run a series of dissemination sessions when labour market statistics on ethnicity are published to make employers (and stakeholders) aware of data that is available and to support them to use national data to help inform their practice.

This action sits within RAP action 1.5.

The positive impacts of action 1.5 within the RAP are applicable here. Where this data considers age, direct positive impacts could be felt by children and young people in workplaces. It is more likely that indirect impacts would be felt in relation to other household members and their experience of the workplace.

The provisional CRWIA score for this action is minor positive.

Action 9: We will continue to press the UK Government to mandate ethnicity pay gap reporting, legislate for the prohibition of caste discrimination under the Equality Act 2010.

This action sits within the aggregated action narrative of RAP as follows: “We will also lobby the UK Parliament for key changes to reserved legislation to address racialised systemic inequity, including mandating employers to report their ethnicity pay gap.”

This action could establish a more equal and fair labour market through legislation. Mandating ethnicity pay gap reporting could narrow the 8.38% pay gap between the White and Non-White ethnic groups of Scotland. While prohibiting caste discrimination could enhance the PSED of employers under the Equality Act to remove systemic discrimination and increase the recruitment, retention and progression of racialised minorities in the workforce.

This could provide positive impacts for children and young people through reducing household vulnerability to poverty for racialised minorities.

However, the ability of small organisations to collect and publish usable data in relation to the ethnicity pay gap without experiencing GDPR conflicts could withhold

the positive impacts of this action. Further, stakeholders expressed concerns regarding the anonymity of pay gap data, especially when sharing intersectional analysis for groups with one or more protected characteristics such as racialised minority women.

Further, the degree of impact felt by racialised minorities in Scotland is dependent on the decision of the UK Government.

The provisional CRWIA score for this action is uncertain.

Action 10: Work with partners to establish senior leadership networks to build capability and understanding of racism and racial inequality in the workplace by the end of 2023.

This action sits within RAP action 1.4.

The establishment of senior leadership networks, equipped with the capability and understanding of racism, could bring positive impacts for children and young people directly where they are in work as they could face less racial inequality and indirectly by increasing employment outcomes for other members of their household.

Further information on the scope, membership and focus of these senior leadership networks would be required to fully assess the impact on children of this action.

The provisional CRWIA score for this action is uncertain.

Action 11: Co-deliver a series of engagements with the public sector by end of 2023 to support employers to address the recommendations of the Scottish Parliament's Equalities and Human Rights Committee's inquiry report into race equality, employment and skills which recommended employers assess their organisations' understanding of racism and structural barriers; employers subject to the Public Sector Equality Duty as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.

This action sits within RAP action 1.2.

Further collecting, monitoring and analysis of ethnicity pay gap information could deliver tangible benefits in tackling labour market inequalities for racialised minorities.

Beyond direct impacts for workers who are both under 18 and from racialised minorities, tackling these inequalities could have indirect positive impacts children and young people from racialised minorities.

The provisional CRWIA score for this action is minor positive.

Action 12: Ensure messaging around anti-racism and intersectionality is taken account of in Fair Work First guidance as used in procurement and grant funding processes.

This action sits within RAP action 2.2.

The impact upon children and young people is likely to be both direct – where they are of working age and in one or more of the groups identified for priority action – and indirect where they are in a household with those who are.

At this stage, it is not possible to fully assess the impact on children of changes to the Fair Work First criteria, but this could be measured through the implementation stage of the new criteria.

The provisional CRWIA score for this action is minor positive.

Action 13: The Scottish Government to undertake an equal pay audit examining pay gaps by gender, disability, race, and age by March 2024. We will act on findings to review and refresh our recruitment and retention policies to address workplace inequalities by end of 2025.

This action sits within RAP action 1.1.

The number of under 19s employed by the Scottish Government in Q3 of 2022 was 22. While no breakdown of job roles or grades is available, this small number of young people could benefit directly from an equal pay audit related to age. These individuals may also see intersectional benefits of pay gap audits in relation to gender, disability and race being carried out.

However, direct benefits are not the only ways in which children can be positively impacted by an action looking to address pay gaps in the Scottish Government workforce. Where children are living in a household with a parent or guardian who works for the Scottish Government, pay gaps being resolved could result in higher levels of income for the household.

The provisional CRWIA score for this action is minor positive.

7. Conclusions

The overall assessment of the Fair Work Action Plan and Anti-Racist Employment Strategy suggests an overall positive for children and young people. It is recommended that the Scottish Government continue with the delivery of the RAP and ARES.

Where children and young people are in employment themselves⁴⁵, the direct positive impacts of actions increasing fair work across Scotland is clear. Children and young people could be better protected from insecure working conditions and poor pay, as well as having their voice more effectively heard and listened to in workplaces. These impacts would be felt most acutely by particular groups of young people who face intersectional labour market inequalities, such as disabled young people and those from racialised minorities. The actions in the Fair Work Action Plan and Anti-Racist Employment Strategy would help to address the barriers which these groups face.

Children and young people are also likely to feel indirect positive impacts of the increased provision of fair work, where a parent or guardian sees increased security of work or pay. Child poverty is directly linked to household income and outcomes such as increased payment of the real Living Wage, reduced labour market inequalities and increased effective voice and collective bargaining for employees could create higher incomes for many families with children in Scotland.

However, there are some actions where impact has not been possible to assess at this stage. As a result, it will be important for a continuous monitoring and evaluation framework to be mindful of capturing the direct and indirect impacts on children and young people.

In addition, due to limited timeframes and capacity of external stakeholders, the engagement captured for this impact assessment was limited in scale. While many stakeholders spoke about the impact of the actions on young people and children, the engagement from young person's organisations and young people themselves was very limited. This lack of lived experience has provided a limitation to this assessment and, where possible, continued engagement with young person's organisations and children and young people should be considered during the implementation and evaluation stages of the Fair Work Action Plan and Anti-Racist Engagement Strategy up to 2025.

⁴⁵ [Child employment: Minimum ages children can work - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

8. Recommendations

Feedback gathered during stakeholder engagement suggested that the actions outlined in the RAP and ARES are generally supported. The consensus was that elevating the knowledge, reach and conditionalities behind the Fair Work principles will be of benefit to all of Scottish society, including to children's enjoyment of their rights.

Continued engagement

In line with the Scottish Government's stated commitment to continuous engagement during the implementation of the Plan and Strategy, continued involvement of stakeholders is crucial to the success of the RAP and ARES as they provide unparalleled insight into the viewpoints and lived experience of individuals, communities, and businesses across Scotland. Such insight should be used to further identify key points of intersectionality, support Fair Work implementation in differing sectors and contexts, and utilise data analysis and dissemination to improve Fair Work's application in society.

Key stakeholders who engaged with this assessment, such as the Princes Trust and CELCIS, expressed a desire for this dialogue to continue in future and could provide valuable insight as these actions are put into place.

Monitoring and evaluation

Moving forward, a robust monitoring and evaluation framework is necessary to demonstrate progress against the RAP and ARES by 2025, in line with the ambition of Scotland being a leading fair work nation by 2025. Developing this framework in collaboration with relevant stakeholders, including children and young people, is vital for measuring progress and continuing to measure the impact on children throughout and beyond the implementation stage of this work.

Appendix A Refreshed Fair Work Action Plan actions

A.1 Theme 1: Public sector leadership

A.1.1 Headline action 1: We will lead by example on the Fair Work agenda, including sharing and learning of practice, by 2025. We will continue to embed Fair Work in all public sector organisations, setting out clear priorities in the roles and responsibilities of public bodies

Action 1.1: Scottish Government will undertake an equal pay audit examining pay gaps by gender, disability, race and age by March 2024. We will act on findings to review and refresh our recruitment and retention policies to address workplace inequalities by end of 2025.

Action 1.2: Work with equality organisations and public sector employers to co-deliver a series of engagements with the public sector by end of 2023 to support employers to address the recommendations of the Scottish Parliament's Equalities and Human Rights Committee's inquiry report into race equality, employment and skills which recommended employers assess their organisations' understanding of racism and structural barriers; employers subject to the Public Sector Equality Duty as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.

Action 1.3: The EHRC and Scottish Funding Council (SFC) to:

Action 1.3.1: Implement National Equality Outcomes across protected characteristics (including disability, ethnicity, sex) from Sept 2022 to Sept 2025, in order to:

- improve student success and retention rates;
- ensure access to and confidence in support for students and staff that fosters good relations and tackle prejudice and discrimination;
- increase diversity of staff in the workforce and on College Boards and University Courts.

Action 1.3.2: Develop a set of SFC annual thematic reviews to inform and direct improvement.

Action 1.4: Work with partners to establish senior leadership networks to build capability and understanding of racism and racial inequality in the workplace by the end of 2023.

Action 1.5: We will work with Scottish Government's analysts to run a series of official statistics dissemination sessions with interested stakeholders to help inform their understanding of the labour market landscape in relation to fair work. Where available data allows, this will include considering intersectionality

A.1.2 Headline action 2: We will continue to use conditionality to further embed Fair Work in all forms of financial support

Action 2.1: As part of the Bute House agreement and NSET, and within the limits on devolved competence, we will:

Action 2.1.1: Extend Fair Work conditionality with clear standards and minimum requirements to cover all forms of Scottish Government support within the limits of devolved competence. We will use all levers at our disposal to deliver on this commitment – including the use of grants, reliefs and licencing provisions

Action 2.1.2: Consider how we can extend conditionality to the other Fair Work principles, including opportunity, security, respect and fulfilment by 2025.

Action 2.2: By 2023 update the Fair Work First criteria to better reflect priority action required to address labour market inequalities faced by women, people from racialised minorities, and disabled people, ensuring people can enter, remain and progress in work.

A.2 Theme 2: Our ask of employers and support available

A.2.1 Headline action 3: We will support employers to utilise the resources and support available to embed Fair Work in their organisations. We will work collaboratively to develop these resources to support and build capability among employers, employability providers and partners.

Action 3.1: By end 2023 we will work with partners to join up provision of advice and support for employers by establishing a central Fair Work resource, making it as simple and efficient as possible for employers to use. This would enhance and consolidate existing material to ensure employers have a clear route to access guidance, support and advice on Fair Work. It will involve:

- Advice and tools to promote the benefits of Fair Work and workplace equality
- Good practice case studies
- Advice on networking and establishing peer support groups
- Collaboration with existing trusted business support services and partners.

Action 3.2: Develop a communications strategy to highlight and promote the benefits of Fair work and a diverse workplace to employers including;

- adoption of payment of at least the real Living Wage;
- effective voice channels, tackling the gender pay gap; and
- recruiting, employing and supporting disabled people and workers from racialised minorities.

The strategy will be informed by sectoral and regional analysis and utilise a range of channels.

Action 3.3: Increase the number of people who have security of pay and contract by encouraging employers to seek real Living Wage and Living Hours accreditation. We will achieve this through our continuing support of Living Wage Scotland to achieve an additional 5,000 workers uplifted annually to the real Living wage through increases in employer accreditation.

Action 3.4: By the end of 2025 we will review and disseminate learning and best practice from on the conclusion of the 2024 Workplace Equality Fund.

Action 3.5: We will develop and promote guidance to encourage more employers across all sectors to use positive action measures as per the Equality Act 2010 giving particular attention to sex, pregnancy, race, age and disability by end 2024.

Action 3.6: We will continue to promote existing and new advice and guidance on the benefits of flexible working to organisations across Scotland by working with public bodies to assess provision and highlight best practice throughout this parliamentary term (by 2026).

Action 3.7: Working with employers, equality stakeholders and training providers, develop and implement an intersectional and anti-racist training framework by 2025.

Action 3.8: We will work with employers and trade unions, in sectors where low pay and precarious work can be most prevalent, to develop sectoral Fair Work agreements that deliver improved employment outcomes such as payment of the real living wage, better security of work, and wider “Fair Work First” standards.

Action 3.9: We will work with employers, workers and trade unions to strengthen effective voice, through a range of appropriate channels. We will do this by supporting strong trade unions and, in line with our NPF employee voice indicator, will promote the benefits of collective bargaining (including sectoral agreements) and other forms of effective voice at individual and collective levels.

A.3 Theme 3: Support for people to prepare for, access and sustain fair work

A.3.1 Headline action 4: We will work collaboratively to develop resources to support workers to access, remain and progress in fair work.

Action 4.1: Work with enterprise agencies and Business Gateway to promote Fair Work and deliver wider conditionality, and:

Action 4.1.1: By end of 2023 undertake a review of the Business Gateway website, utilising analytical and tracking techniques to ensure that disabled people find the website accessible, and are able to utilise the advice given to overcome the barriers they face.

Action 4.2: SG Employability Delivery: we will continue to work with Fair Start Scotland providers, within the timescales of the current contract until March 2023, to implement a continuous improvement approach to enhance delivery and outcomes for disabled people and those furthest from the labour market, including racialised minorities and women. This will include drawing upon learning from Pathfinders/ test and learn projects being delivered by Disabled People’s Organisations and the pilot project on community engagement being delivered by CEMVO Enterprises CIC in 2022/23.

Action 4.3: Scottish Government to work with stakeholders to develop a Delivery Plan 2023-26, outlining the next phase development of No One Left Behind (NOLB) from April 2024. This will:

Action 4.3.1: Build Fair Work outcomes into the design of No One Left Behind by taking account of the lived experience and needs of disabled people, people from racialised minorities, women and the over 50s.

Action 4.3.2: Draw upon the findings and recommendations of the following:

- Health and Work Strategy Review (2019)
- Supported Employment Review (2022)
- Health and Work Support Pilot final evaluation (2022)
- Individual Placement and Support Review (2022 – forthcoming)

Action 4.4: Skills Development Scotland (SDS) and Scottish Funding Council (SFC) will, on an annual basis, review disaggregated management information including the newly disaggregated Learning Disability statistics and take action where required where poorer outcomes or underrepresented groups are identified. This will include:

Action 4.4.1: Review the equality incentives for disabled people in relation to Work Based Learning (WBL) and make recommendations by end March 2024 with regard to impact on participation and achievement rates for disabled people.

Action 4.4.2: Review learning from pilot projects for Foundation Apprenticeships for disabled pupils and mainstream lessons learned by October 2023.

Action 4.4.3: Use intelligence from training and learning providers and participants to develop and deliver disability equality-focused continuous professional development to build the capacity of learning providers to support disabled individuals and ensure a continuous development cycle is implemented by 2023.

Action 4.5: Skills Development Scotland (SDS) will:

Action 4.5.1: Implement Scotland's Career Review recommendations and develop a model to ensure future career services across sectors provide meaningful and accessible support for disabled people that is both tailored to their needs and available when they need it. The implementation phase of the Career Review is due to be completed by the end of 2022.

Action 4.5.2: Continue to implement the Principles of Good Transitions across our Career Information Advice and Guidance (CIAG), through targeted Continuous Professional Development for all customer-facing CIAG colleagues and managers by the end of March 2023.

Action 4.6: Aligning with the Scottish Government's Fairer and More Equal Society (FMES) Programme by December 2023, Public Health Scotland (PHS) to:

- Collaborate with NHS Boards to develop the NHS Scotland contribution to achieving fair and healthy work outcomes for people across Scotland; and
- Work with Scottish Government, Local Government and NHS Boards to define the health offer to enable those with health conditions to secure, sustain and progress in work.

Appendix B Anti-Racist Employment Strategy actions

B.1 Action 1: Establish a platform for exchanging learning and good operational practice among employers - practice that is anti-racist and intersectional in its approach

Theme in RAP: Our ask of employers and support available

Action 3.1 of the RAP: By the end of 2023 we will work with partners to join up provision of advice and support for employers by establishing a central Fair Work resource, making it as simple and efficient as possible for employers to use. This would enhance and consolidate existing material to ensure employers have a clear route to access guidance, support and advice on Fair Work. It will involve:

- Advice and tools to promote the benefits of Fair Work and workplace equality
- Good practice case studies
- Advice on networking and establishing peer support groups
- Collaboration with existing trusted business support services and partners

B.2 Action 2: Undertake evaluation of the 'Minority Ethnic Recruitment Toolkit' to ensure it remains fit for purpose (anti-racist and intersectional) and is applied across the public sector. Consider augmenting the toolkit to include other accessible support sources, including those for retention and progression.

Theme in RAP: Our ask of employers and support available

Action 3.1 of the RAP above.

B.3 Action 3: Promote and disseminate learning and practice that shows positive change in employers' end to end processes to increase representation of racialised minorities.

Theme in RAP: Our ask of employers and support available

Action 3.1 of the RAP above.

B.4 Action 4: Develop an intersectional and anti-racist training framework for public and private sector employers by which to assess their training needs and improve the quality of training offered in the organisation.

Theme in RAP: Our ask of employers and support available

Action 3.7 of the RAP: Working with employers, equality stakeholders and training providers, develop and implement an intersectional and anti-racist training framework by 2025.

B.5 Action 5: Produce guidance on positive action to support employers across the public sector and promote this guidance through a series of engagement sessions.

Theme in RAP: Our ask of employers and support available

Action 3.5 of the RAP: We will develop and promote good practice guidance for employers to showcase successful application of positive action measures as per the Equality Act 2010, giving particular attention to sex, pregnancy, race, age, and disability by end 2024.

B.6 Action 6: By the end of 2025 we will review and disseminate learning and best practice on the conclusion of the 2024 Workplace Equality Fund.

Theme in RAP: Our ask of employers and support available

Action 3.4 of the RAP: By the end of 2025 we will review and disseminate learning and best practice on the conclusion of the 2024 Workplace Equality Fund.

B.7 Action 7: Oversee pilot to improve engagement of employers and employability services with racialised minority communities. Includes work to support EQIA process among employers. To improve the quality of assessments and how the practice can be embedded at the start of a process or policy development.

Theme in RAP: Support for People to Access and Sustain Fair Work

Action 4.3 of the RAP: The Scottish Government's Employability Delivery will continue to work with Fair Start Scotland providers, within the timescales of the current contract until March 2023, to implement a continuous improvement approach to enhance delivery and outcomes for disabled people and those furthest from the labour market, including people from racialised minorities and women. This will include drawing upon learning from Pathfinders/test and learn projects being delivered by Disabled People's Organisations in 2022/23 and the pilot project on community engagement being delivered by CEMVO Enterprises CIC.

B.8 Action 8: We will work with Labour Market Analysis colleagues to run a series of dissemination sessions when labour market statistics on ethnicity are published to make employers (and stakeholders) aware of data that is available and to support them to use national data to help inform their practice.

Theme in RAP: Public sector leadership

Action 1.5 of the RAP: We will work with the Scottish Government's analysts to run a series of official statistics dissemination sessions with interested stakeholders to help inform their understanding of the labour market landscape in relation to fair work. Where available data allows, this will include considering intersectionality.

B.9 Action 9: We will continue to press the UK Government to mandate ethnicity pay gap reporting, legislate for the prohibition of caste discrimination under the Equality Act 2010.

Part of the aggregated action narrative – “We will also lobby the UK Parliament for key changes to reserved legislation to address racialised systemic inequity, including mandating employers to report their ethnicity pay gap.

B.10 Action 10: Work with partners to establish senior leadership networks to build capability and understanding of racism and racial inequality in the workplace by the end of 2023.

Theme in RAP: public sector leadership

Action 1.4 of the RAP: Work with partners to establish senior leadership networks to build capability and understanding of racism and racial inequality in the workplace by the end of 2023.

B.11 Action 11: Co-deliver a series of engagements with the public sector by end of 2023 to support employers to address the recommendations of the Scottish Parliament’s Equalities and Human Right’s Committee’s inquiry report into race equality, employment, and skill which recommended employers assess their organisations’ understanding of racism and structural barriers; employers subject to the Public Sector Equality Duty as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.

Theme in RAP: public sector leadership

Action 1.2 of the RAP: Work with equality organisations and public sector employers to co-deliver a series of engagements with the public sector by end of 2023 to support employers to address the recommendations of the Scottish Parliament’s Equalities and Human Rights Committee’s inquiry report into race equality, employment and skills which recommended employers assess their organisations’ understanding of racism and structural barriers; employers subject to the Public Sector Equality Duty as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.

B.12 Action 12: Ensure messaging around anti-racism and intersectionality is taken account of in Fair Work First guidance as used in procurement and grand funding processes.

Theme in RAP: public sector leadership

Action 2.2 of the RAP: By 2023 update the Fair Work First criteria to better reflect priority action required to address labour market inequalities faced by women,

racialised minorities, and disabled people, ensuring people can enter, remain and progress in work.

B.13 Action 13: The Scottish Government to undertake an equal pay audit examining pay gaps by gender, disability, race, and age by March 2024. We will act on findings to review and refresh our recruitment and retention policies to address workplace inequalities by end of 2025.

Theme in RAP: public sector leadership

Action 1.1 of the RAP: The Scottish Government to undertake an equal pay audit examining pay gaps by gender, disability, race, and age by March 2024. We will act on findings to review and refresh our recruitment and retention policies to address workplace inequalities by end of 2025.

Appendix C Relevant legislation and policy

C.1 National policy

C.1.1 Fair Work Framework⁴⁶

The Fair Work Convention published the Fair Work Framework in 2016. It sets out a vision that **'by 2025, people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society'**.

The framework defines Fair Work through five dimensions: effective voice, opportunity, security, fulfilment and respect. These dimensions support positive outcomes for employers, workers and society through balancing rights and responsibilities in the workplace. The reinforcing synergies within these five dimensions nurture a workplace where the benefits of productive and innovative work are shared, while society benefits from the potential transformation towards inclusive economic growth.

The five dimensions of Fair Work are as follows:

- **Effective voice:** Voice can improve the experience of work as well as improving organisational performance.
- **Opportunity:** Fair opportunity is, however, more than the chance to access work. Attitudes, behaviours, policies and practices within organisations – and, crucially, the outcomes of these produce – signal and reflect the value placed on fair opportunity.
- **Security:** Security of employment, work and income are important foundations of a successful life.
- **Fulfilment:** Workers who are fulfilled in their jobs are more likely to be engaged, committed and healthy.
- **Respect:** Fair work is work in which people are respected and treated respectfully, whatever their role and status. Respect at work is a two-way process between employers and workers.

⁴⁶ Fair Work Convention (2016). Fair Work Framework 2016. Available at: [Fair-Work-Convention-Framework-PDF-Full-Version.pdf \(fairworkconvention.scot\)](https://www.fairworkconvention.scot/Fair-Work-Convention-Framework-PDF-Full-Version.pdf)

C.1.2 National Strategy for Economic Transformation (NSET)⁴⁷

The National Strategy for Economic Transformation outlines an ambition for a successful economy by 2032.

Driving this transformation is a vision to create a wellbeing economy. This recognises that “every citizen holds Scotland's economic potential in their hands” and that not every citizen is currently afforded the same opportunities.

This vision identifies an ambition for Scotland’s economy to be ‘fairer’ by 2032. Through ‘ensuring that work pays for everyone through better wages and fair work, reducing poverty and improving life chances’, the strategy seeks to not only grow the Scottish economy, but to enable equality of opportunity and reward, as well as celebrating quality of life.

To achieve the vision of a wellbeing economy, the strategy sets out five programmes of action, including ‘a fairer and more equality society’. This seeks to:

- ‘Reorient our economy towards wellbeing and fair work, to deliver higher rates of employment and wage growth, to significantly reduce structural poverty, particularly child poverty, and improve health, cultural and social outcomes for disadvantaged families and communities.’

This strategy is aligned with Scotland’s National Performance Framework, Tackling Child Poverty, Covid Recovery Strategy and existing commitments within the five programme areas. Contributions to ‘a fairer and more equality society’ include:

- Gender Pay Gap Action Plan;
- A Fairer Scotland for Disabled People: Employment Action Plan;
- Fair Work Nation;
- Fair Start Scotland;
- No One Left Behind;
- Culture Strategy for Scotland; and
- Community Wealth Building.

C.1.3 National Performance Framework (NPF)⁴⁸

The National Performance Framework is Scotland’s wellbeing framework setting out a vision for a more successful, sustainable and inclusive Scotland.

Within the National Performance Framework, there are 11 National Outcomes aligned with the United Nations Sustainable Development Goals and reflect the aspiration of the Scottish population.

⁴⁷ Scottish Government (2022). Scotland’s National Strategy for Economic Transformation. Available at: [Scotland's National Strategy for Economic Transformation - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-policies/economic-transformation/Scotland's-National-Strategy-for-Economic-Transformation-2022.pdf)

⁴⁸ Scottish Government (2018). National Performance Framework: Our Purpose, Values and National Outcomes. Available at: [NPF A2 Poster.pdf \(nationalperformance.gov.scot\)](https://www.gov.scot/resources/consultations-policies/national-performance-framework/NPF-A2-Poster.pdf)

The Fair Work and Business National Outcome measures progress towards Scotland's vision for 2025. This outcome measures progress towards the Refreshed Fair Work Action Plan (RAP) vision and guides the development of necessary legislative and operational structures to achieve a just and fairer Scotland. Performance against this outcome is measured through indicators, including the following:

- Pay gap
- Contractually secure work
- Employee voice
- Gender balance in organisations
- Employees on the living wage
- The number of businesses
- High growth businesses

C.1.4 Developing the Young Workforce: Scotland's Youth Employment Strategy⁴⁹

The Youth Employment Strategy sets out how the Scottish Government will implement the recommendations from the Commission for Developing Scotland's Young Workforce with the ambition to improve youth employment levels beyond pre-2008 levels.

The strategy prioritises equal access to work relevant educational experience for all young people, despite the barriers they may face. The active role of employer's in shaping the education system to generate a talented pool of future employees is also recognised.

Scottish Government and Local Government implementation plans are set out for schools, colleges, apprenticeships and employers, demonstrating the importance of providing young people with the knowledge to make informed career choices throughout their school studies and beyond.

C.1.5 Tackling Child Poverty Delivery Plan 2022-2026⁵⁰

The 'Best Start, Bright Futures' delivery plan sets out a vision for tackling child poverty in Scotland, following the foundations of the 'Every Child, Every Chance' publication in 2018.

The plan recognises that an action cannot drive change in isolation, but cumulative impacts across sectors will bring about change for children and their families.

⁴⁹ Scottish Government (2014). Developing the Young Workforce: Scotland's Youth Employment Strategy. Implementing the Recommendations of the Commission for Developing Scotland's Young Workforce. Available at: [Supporting documents - Developing the young workforce: Scotland's youth employment strategy - gov.scot \(www.gov.scot\)](https://www.gov.scot/Supporting%20documents%20-%20Developing%20the%20young%20workforce%3A%20Scotland's%20youth%20employment%20strategy%20-%20gov.scot)

⁵⁰ Scottish Government (2022). Best Start, Bright Futures: tackling child poverty delivery plan 2022-2026. Available at: [Supporting documents - Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 - gov.scot \(www.gov.scot\)](https://www.gov.scot/Supporting%20documents%20-%20Best%20Start%2C%20Bright%20Futures%3A%20tackling%20child%20poverty%20delivery%20plan%202022%20to%202026%20-%20gov.scot)

To successfully tackle child poverty, the plan will support families with children through holistic and people-centred services to access financial, emotional and practical assistance. All parents, regardless of gender, race or status, will be able to access high quality skills and ultimately good quality employment supported by childcare services.

The Plan sets out three parts, each of which contain key actions in achieving Scotland's offer to families as follows.

Part A: Providing the opportunities and integrated support parents need to enter, sustain and progress in work

- A strengthened employment offer to parents
- Connectivity and childcare to enable access to employment
- Transforming our economy

Part B: Maximising the support available for families to live dignified lives and meet their basic needs

- A transformational approach to people and place
- Enhanced support through social security
- Income maximisation
- Access to warm and affordable homes

Part C: Supporting the next generation to thrive

- Best start to life
- Supporting children to learn and grow
- Post school transitions

C.1.6 Covid Recovery Strategy⁵¹

In response to the inequality and disadvantage both exacerbated and exposed by the Covid pandemic, the Scottish Government published the Covid Recovery Strategy.

The strategy prioritises the security and resilience of communities, businesses, society and the economy. It sets out a vision to:

1. Address the systemic inequalities made worse by Covid
2. Make progress towards a wellbeing economy
3. Accelerate inclusive person-centred public services

Accompanying this vision are the following outcomes:

- Financial security for low-income households
- Wellbeing of Children and Young People
- Good, green jobs and fair work

⁵¹ Scottish Government (2021). Covid Recovery Strategy: For a fairer future. Available at: [Supporting documents - Covid Recovery Strategy: for a fairer future - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/covid-recovery-strategy-for-a-fairer-future/)

The ‘good, green jobs and fair work’ outcome recognises the persistent gender employment and pay gap, disability employment gap and ethnic employment gaps, especially for minority ethnic⁵² women.

By embedding fair work, skills and employability interventions, this outcome aims to increase productivity and enhance equality of opportunity for all to access and progress in work.

Actions from this outcome include gender, ethnicity and disability employment action plans, an ethnicity pay gap strategy, real Living Wage commitments and other Fair Work standards.

C.1.7 Race Equality Framework for Scotland 2016 to 2030⁵³

This framework sets out the Scottish Government’s approach to addressing racism and inequality between 2016 and 2030. Through showing leadership in advancing race equality and addressing barriers faced by racialised minorities, the Scottish Government will assist racialised minorities in realising their potential.

The key principles underpinning this ambition involve:

1. Creating awareness of how race equality benefits the whole of society;
2. Developing a detailed understanding of racial inequality and racism;
3. Promoting policy and practice that is evidence based;
4. Complementing mainstreaming approaches with lawful positive action;
5. Valuing capabilities and capacities; and
6. Looking at race equality from intercultural and intersectional perspectives.

The Framework was created to prioritise the needs and experiences of Scotland’s racialised minorities. It outlines how Scottish Government will work in partnership with government agencies and key stakeholders to address opportunities for progress through six themed Visions as follows.

- Overarching work: ‘our Vision for a fairer Scotland is that by 2030 Scotland is a place where people are healthier, happier and treated with respect, and where opportunities, wealth and power are spread more equally. The Race Equality Framework aims to ensure that this vision is achieved equally for people from all ethnicities, helping to build a Scotland where we all share a common sense of purpose and belonging.’

⁵² The Scottish Government adopts the term ‘racialised minorities’ to show that it is systems and structures that do not work for those who are categorised on the basis of “race”, and because of this are sometimes treated differently or disadvantaged. These terms are becoming more widely used across Scottish Government, in line with our acceptance that racism is a structural issue. We support everyone’s right to self-identify according to the term they relate to or are most comfortable with. Terminology changes as societal and systemic understanding grows. It should be noted that in labour market data analysis, the term minority ethnic is used and in reserved legislation such as the Equality Act (2010), the term “race” is used. These terms are not helpful to understand how racialised inequity impacts on those who experience systemic, institutional or interpersonal racism.

⁵³ Scottish Government (2016). Race equality framework for Scotland 2016 to 2030. Available at: <https://www.gov.scot/publications/race-equality-framework-scotland-2016-2030/>

- Community cohesion and safety: 'We build good race relations and community cohesion across all communities, and all minority ethnic individuals feel safe, protected and included, and experience less racism.'
- Participation and representation: 'Minority ethnic participation and representation is valued, effective, fair and proportionate at all levels of political, community and public life.'
- Education and lifelong learning: 'Everyone has the opportunity to learn in an inclusive environment without disadvantage in relation to racial inequality or racism.'
- Employability, employment and income: 'Minority ethnic people have equal, fair and proportionate access to employment and representation at all levels, grades and occupation types in Scotland's workforce and experience fewer labour market, workplace and income inequalities.'
- Health and income: 'Minority ethnic communities in Scotland have equality in physical and mental health as far as is achievable, have effective healthcare appropriate to their needs and experience fewer inequalities in housing and home life.'

The Scottish Government recognise the importance of monitoring and maintaining progress on the Framework and aligning the Framework to the National Performance Framework to further mainstream race equality.

C.2 Partnerships

C.2.1 No One Left Behind⁵⁴

No One Left Behind is a collective approach to delivering an employability system which is flexible, people-centred and responsive.

In 2018, the Scottish and Local Government agreed on a collaborative partnership for employability. This was followed by the publication of an Employability Action Plan setting out the framework to deliver 'No One Left Behind'.

The principles which underpin the No One Left Behind approach:

- Dignity and respect, fairness and equality and continuous improvement
- Provides flexible, and person-centred support
- Is straightforward for people to navigate
- Integrated and aligned with other services
- Provides pathways into sustainable and fair work
- Driven by evidence including data and experience of others
- Support more people to move into the right job, at the right time

Progress has been made through the Disability Employment Action Plan, Shared Measurement Framework, the Scottish Approach to Service Design and Fair Start Scotland extension.

⁵⁴ Employability in Scotland (2022). No One Left Behind. Available at: [No One Left Behind - Policy | Employability in Scotland](#)

C.2.2 Fair Start Scotland⁵⁵

Fair Start Scotland, our national employment support service, launched in April 2018 and has been supporting people with significant barriers towards and into sustainable work.

The service is entirely voluntary and offers personalised, one to one support, tailored to individual circumstances. Pre-employment support can last up to 18 months depending on the specific needs of the individual and up to 12 months in-work support is also available to participants and employers to ensure people remain supported during employment.

The service has supported over 51,000 starts since launch in April 2018 and there have been over 17,500 job starts with high rates of sustained employment for those who started work. 63% of people receiving support on Fair Start Scotland reported a long-term health condition and 45% were disabled.

C.3 Other factors

Individuals and businesses face ever-changing burdens dependent on the cumulative impacts of socio-economic crises. Those relevant to today's populations include Covid, EU Exit and the cost-of-living crisis.

C.3.1 Covid

Covid-19 has an impact on Scotland's health, economy and society and progress towards Scotland's National Outcomes from the NPF. Emerging and exacerbated labour market inequalities are likely to generate poverty and human right impacts relevant to the Fair Work and Business outcome.

Structural changes in the labour market disproportionately impact protected characteristic groups. For example, young people are increasingly faced with early unemployment while older unemployed adults are experiencing more long-term unemployment and are less likely to participate in upskilling.

The Covid Recovery Strategy (2021) further recognises the disproportionate impacts of the pandemic on the following vulnerable populations:

- Lower income households have been less able to save and have accumulated more debt;
- Young people are more likely to have been furloughed or lost their job;
- Women, disabled people and racialised minority groups have faced persistent employment and pay gaps;
- Young people and low-income earners employed in customer facing businesses (such as retail, hospitality, tourism and the culture sector) have suffered through the longest Covid restriction; and

⁵⁵ Fair Start Scotland, Employability in Scotland. Available at: <https://www.employabilityinScotland.com/employability-services/fair-start-scotland/>

- Lower income households faced challenges in home schooling through the financial impact of remote learning, especially in accessing digital technology.

C.3.2 EU Exit

Consideration must be given to EU Exit undermining trading and collaborative relationship which Scottish society and businesses have traditionally relied on as efforts are made to rebuild, restore and identify new markets and potential trade relationships.

C.3.3 Cost-of-living crisis

The recent cost of living crisis, driven by a surge in inflation, has generated social, economic and environmental vulnerabilities across Scottish households.

The Scottish Government published an analytical report of emerging evidence on the cost-of-living crisis, including public attitudes towards rising inflation and costs and households most affected.⁵⁶

The Open Society Foundations poll of 21,000 people recorded that 70% of British respondents named inflation and cost of living as one of the top-three challenging currently facing their family, community and country. Further, online polling by Ipsos MORI revealed that 54% of British respondents expected their disposable income to decrease over the next year.

While all households in Scotland will be affected by the increased cost of living, Scottish Government identify that disproportionate impacts are likely across low income households. These households are likely to be entering the crisis in a position of financial vulnerability and have restricted flexibility in their household's budget to cope with price rises. Low income households also include overrepresentations of the following groups: disabled people, lone parents, racialised minority households, child poverty priority groups, renters, young adults, unemployed adults and people with complex needs.

Further, the Joseph Rowntree Foundation published its annual 'Poverty in Scotland' report reflecting the results of a poll of 4,196 adults in Scotland undertaken between July and August 2022.

The report revealed that low-income households, single parents and households with one or more disabled people are most vulnerable to the cost-of-living crisis.

Feelings of financial insecurity, food insecurity, social isolation and worsening mental health are evidenced through the following results:

- One-third of households have less than £250 in savings.
- Almost half (47%) of households have at least one debt.
- 65% of households have already cut back on an essential item.
- Three in four households have cut back on the basics.
- 18% of low-income households have skipped meals or reduced meal sizes and not heated their homes.

⁵⁶ Scottish Government (2022). The Cost of Living Crisis in Scotland: analytical report. Available at: <https://www.gov.scot/publications/cost-living-crisis-scotland-analytical-report/documents/>

Household's increased chances of suffering acutely from the current inflation crisis heightens vulnerabilities to changing legislation, in both positive and negative capacities. Consequently, the potential exacerbation of impacts attributed to the cost-of-living crisis will be considered when assessing the impacts of Fair Work policies.



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Any enquiries regarding this publication should be sent to us at

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