

**Delayed Office Opening  
for Employee Training**

*This office will be closed from  
8.45am - 11.00am on the first  
Thursday of each month.*

2 High Street, Perth, PH1 5PH  
Tel 01738 475000 Fax 01738 475008

Christina McKelvie MSP  
[Equalities.humanrights@parliament.scot](mailto:Equalities.humanrights@parliament.scot)  
(Via email only)

Contact Jim Valentine Ext 76502  
Direct Dial (01738) 476502  
Email [chiefexec@pkc.gov.uk](mailto:chiefexec@pkc.gov.uk)  
[www.pkc.gov.uk](http://www.pkc.gov.uk)

Our ref JV/LC

Your ref

Date 29 March 2018

Dear Christina

**Making the Most of our Equalities and Human Rights Levers**

Thank you for your letter of 16 February asking how we in Perth and Kinross approach our revenue budgeting process, in relation to local and national equalities and human rights priorities. I note your intention to develop and share good practice, based on the information you receive from other public authorities – we will be delighted to work with you further in this area.

A structured approach is in place to ensure that the Council promotes a culture of inclusion and delivers positive equality outcomes for the citizens and communities of Perth and Kinross, and Council staff. This approach to mainstreaming equalities has allowed us to ensure services see equality as a vital part of their day-to-day work.

Within the Council, our *Integrated Impact Assessment* tool ensures that equality impact can be measured at the policy development stage, alongside budgetary implications. We are also in the process of incorporating a Human Rights assessment to this process, in line with the introduction of the new socio-economic duty (the Fairer Scotland Duty), which will be introduced in April 2018.

We already seek to reduce inequalities in our work, and the Fairer Scotland Duty will strengthen this approach. We have incorporated this requirement into our Community Plan 2017 - 2027 which details the priorities we will progress over the next ten years, together with our Community Planning Partners and communities. These priorities were informed by the recommendations emerging from the Perth and Kinross Fairness Commission (launched in July 2017) which set out a specific and collective focus on tackling the causes and consequences of poverty and inequality in the area.

Turning specifically to our Revenue Budget process, Services are required to identify detailed additional expenditure proposals (that may result in increases in budgets) and savings proposals (that may result in reductions in budgets). To ensure our Elected Members have the correct information to allow them to make informed decisions, all savings proposals require to be assessed by individual Service Management Teams as to how they may impact on the following:

- Fairness – including the potential socio-economic impact on vulnerable individuals and groups
- Workforce – including information on numbers of employees affected, vacancies, staff turnover and fixed term contracts
- Customers – including information on the effect on all customers /stakeholders (both external and internal)
- Equalities/Diversity – ensuring that any statutory equalities issues are considered
- Outcome & Performance – identifying any significant impact on the Local Outcomes Improvement Plan and/or Service Business Management and Improvement Plans

Specifically in relation to Fairness, a separate exercise was undertaken to understand the cumulative impact of Revenue Budget proposals on certain individuals and groups (gender, disability, ethnicity, families, vulnerable children, vulnerable adults, sexual orientation, rurality and age). The output from this exercise was shared with Elected Members before the Council took decisions on the 2018/19 Final Revenue Budget and 2019/20 & 2020/21 Provisional Revenue Budgets on 22 February 2018 and is attached as Appendices 1, 2 and 3 to this response. The information that was shared with Elected Members included a visual classification of the proposals with “green” - Revenue Budget investment, “pink” – MAY result in negative outcomes for some vulnerable people and “red – LIKELY to result in negative outcomes for some vulnerable people. Specifically,

- Appendix 1 sets out a number of key facts to be considered alongside Revenue Budget proposals.
- Appendix 2 set out all expenditure pressures and savings proposals and was intended to demonstrate that there were significant savings proposals that had no specific impact on vulnerable individuals or groups.
- Appendix 3 summarised the expenditure pressures or savings proposals that, in the opinion of officers, might impact on vulnerable individuals and groups, and were considered by Members when rejecting some of these proposals.

We believe that this approach positively influenced the Revenue Budget process.

In addition, there was also significant investment in a number of equalities-related projects in the third sector (over a 3 year period to provide some financial certainty) and this was a direct and positive response to points raised through the work of the Fairness Commission.

Full details of all Revenue Budget proposals for 2018/19, 2019 /20 and 2020/2021 can be found here: [Revenue Budget Report - 22 February 2018](#). This report also includes an appendix summarising the findings of the public budget consultation exercise which took place in December 2017 and January 2018.

Participatory Budgeting (PB) is a key priority, and in 2017, eight successful events, organised by our [Action Partnerships](#), took place throughout Perth and Kinross in March and April. Perth & Kinross Council and Scottish Government each contributed funding so that the Action Partnerships could support community projects aimed at reducing local inequalities. All of the community groups who were successful in receiving funding at the events are listed here: [Perth and Kinross Decides - Funding Awarded to Community Groups](#). The PB exercise is well underway for this year, and so far, almost 4,500 people have participated in the voting process (over 5 events), with a further 4 events still to take place.

I trust the information outlined in this letter is helpful in terms of understanding the comprehensive approach taken in Perth & Kinross Council, and shaping your future inquiry and scrutiny work in relation to equalities and human rights.

If you wish to discuss any aspect of this response further, please contact Scott Walker, Chief Accountant ([SWWalker@pkc.gov.uk](mailto:SWWalker@pkc.gov.uk), 01738 475515) or Sandra Flanigan, Corporate Strategy and OD Manager ([Sflanigan@pkc.gov.uk](mailto:Sflanigan@pkc.gov.uk), 01738 475063).

Yours sincerely

A handwritten signature in black ink that reads "J. Valentine". The signature is written in a cursive style and is underlined with a single horizontal stroke.

Jim Valentine  
Depute Chief Executive  
(Chief Operating Officer)

## **Proposed Savings Options: Equality and Fairness Impact Assessment**

---

### **1.0 Context**

#### *1.1 Socio-Economic Duty*

The socio-economic duty (Section 1 of the Equality Act) is set in the broader context of Scottish public service reform. The approach places people and communities at the heart of public service delivery and policy making, and is designed to tackle the causes of disadvantage, not simply its consequences.

Public bodies already seek to reduce inequalities in their work, however, for the first time public bodies will be required to set out how their plans will help in reducing socio-economic disadvantage. A core principle of the new duty is prioritising expenditure on public services which prevent negative outcomes from arising.

The new socio-economic duty will create a focus on how major decisions / decisions of a strategic nature will either exacerbate or reduce inequality, and public bodies will be required to demonstrate their effectiveness towards this aim.

#### *1.2 Fairer Futures*

At a local level, the recommendations emerging from the Perth and Kinross Fairness Commission were approved at Council in April 2017. These set out a specific and collective focus on tackling the causes and consequences of poverty and inequality in the area.

### **2.0 Equality and Fairness Impact Assessment**

In relation to the proposed savings options submitted by Services, an early Equality and Fairness Impact assessment has been undertaken. The results of this analysis are shown at Appendix 1, which highlights those savings proposals which may have a negative impact on those we know are most vulnerable within our communities.

Key facts to be considered alongside the proposals are outlined below:

### **3.0 Education and Children's Services**

- Around 1 in 5 children are estimated to live in poverty in Perth and Kinross - around 4000 in total
- Children's learning begins at home, whether this is learning to read and count, or about behaviour and relationships. Family life plays a major role in a child's happiness and sense of belonging, which helps shape their future
- Closing the poverty-related attainment gap is a challenge for all schools, not just those serving the most deprived catchment areas
- The Fairness Commission recommended that every child should leave the education system with an agreed level of experiences, opportunities, skills and qualifications which will offer them a positive step into the world of work or further education
- Approximately one in five young people (around 350 from a Primary 1 year group), mainly from disadvantaged backgrounds, are not achieving all pre-school developmental milestones (such as the ability to communicate, social and emotional development, behaviour and attention span)

### **4.0 Housing and Community Safety**

- 1 in 8 Perth and Kinross households are classified as being amongst the most socially and financially challenged in the UK. These are found over the whole area
- Having a job doesn't automatically provide financial stability. Being able to access the right advice and having the opportunity to develop skills to understand and manage finances are crucial in negotiating a path out of poverty
- 1 in 9 working-age households rely on some form of benefit
- 11,500 people (8% of the population) are limited a lot by a long-term health problem or disability
- Good quality, affordable housing which is relevant to an individual or family's needs has a huge impact on quality of life. In the last recorded year to September 2016, there were 900 homeless applications and, within this, 350 families with children

### **5.0 The Environment Service**

- Across Perth and Kinross, and especially in remote areas, social isolation is a huge issue
- Just over 1 in 5 Perth and Kinross households have no access to a car or a van
- Being able to get from A to B is important, so that people can access services, employment, education and also cultural, sporting and social opportunities which may not be directly available in the area
- Holiday periods create additional financial strain for families, and this includes keeping children occupied during the weeks away from school

### **6.0 Corporate and Democratic Services**

- The 2011 census reported about 7% of the population are from ethnic minorities. More recently, around 1 in 7 births have been to non-UK mothers
- The Fairness Commission heard that longer term funding would reinforce the important role the voluntary sector plays within the community of Perth and Kinross, create stability and sustainability for those accessing the services on offer, and help to recruit and retain staff within the sector
- One of the key opportunities for people to experience a meaningful and fulfilling life is through work
- Apprenticeships create opportunities to retain the young workforce, contribute to growing the economy and offering a balance of age demographic across the area

### **7.0 Culture and Leisure Services**

- The Fairness Commission recommended that we fully recognise the social value and impact that participation in cultural activities has on individuals and communities, and also the importance of physical activity in supporting emotional, physical and mental health

Perth and Kinross Council Revenue Budget 2018/19 to 2020/21

Activity	Gender	Disability	Ethnicity	Families	Vulnerable Children	Vulnerable Adults	Sexual Orientation	Rurality	Age
<b>EXPENDITURE PRESSURES</b>									
<b>Education &amp; Children's Services</b>									
<b>C&amp;YP Act</b>									
Foster Fees									
Partner Provider Fees									
RCCT - previous saving									
English and Maths									
Securing the Future of the School Estate									
Corporate Savings Target									
Bertha Park High School									
Inflation on Investment in Learning Programme									
Increase in Property Costs									
Residential Care & Education - Inflation on Fees									
Home to School Transport									
Increase to Partner Provider Fees									
Additional Teachers to cover Projected Pupil Roll Increases									
Continuing Care									
Tayside Contracts School Meal Subsidy									
<b>Housing &amp; Community Safety</b>									
Corporate Savings Target									
Reinstatement of Community Safety Savings									
Reversal of Budget Flexibility									
Inflationary Increase for Foundation Living Wage (Housing Support)									
Reduction of DWP Admin Grant									
<b>The Environment Service</b>									
Waste Disposal - landfill tax									
Waste Disposal - gate fees									
Winter Maintenance									
Fleet Management									
Corporate Savings Target									
Public Transport Tendered Services									
<b>Parking Services</b>									
Waste Disposal Contracts									
Operations - Fuel									
Operations - Living Wage									
Community Greenspace - Maintenance Contracts									
Roads, Structures, Traffic & Network - Maintenance Contracts									
Street Lighting - Energy									
Economic Development - Harbour									
Flood Schemes - Maintenance Contracts									
Community Greenspace - Headstone Stabilisation									
Economic Development - Events									
<b>Property</b>									
fx maintenance									
Staffing									
Corporate Savings Target									
Property Energy									
Property Energy									
Property Energy, Water & Maintenance - New Builds									
Property Fees									
Pullar House									
Property Maintenance									
<b>Corporate &amp; Democratic Services</b>									
Corporate Savings Target									
General Data Protection Regulation									
Communities									
<b>Culture &amp; Leisure Services</b>									
Corporate Savings Target									
New Cultural Attraction									

Perth and Kinross Council Revenue Budget 2018/19 to 2020/21

Gender Disability Ethnicity Families Children Adults Sexual Orientation Rurality Age

Activity

Activity	Gender	Disability	Ethnicity	Families	Children	Adults	Sexual Orientation	Rurality	Age
<b>SAVINGS PROPOSALS</b>									
<b>Education &amp; Children's Services</b>									
Central Support Staff (Administrative and Finance staff)									
Review of Charges									
Review of Catering Services									
Review of Facilities Management									
Review of Commissioning Arrangements		x		x	x				
Securing the Future of the School Estate									
Reduction in staffing within Children & Families Services				x	x				
Scottish Government - Children & Young People Act									
Partner Provider Fee Payments									
Reduction in ECS Training Budget									
Reduce capacity in Inter-Agency working									
Early Years Development Teachers									
Cleaning Specification	x								
Corporate Support Review									
Remove remaining Early Years Development Teacher Budget									
Transformation Project - Workforce /Productivity savings									
Reduce Pension Costs Budget									
Increase to Partner Provider Fees									
Procurement									
Non Domestic Rates Savings from the transfer of Sports Halls									
Full Cost Recovery for Instrumental Music Service									
Reduction in DSM Budgets									
Increase in Staff Slippage Targets									
Reduction in Parent Council Funding									
Remove Primary Swimming Lessons									
Review Kids Clubs Charging Policy and Staff Compliment				x	x				
Full Cost Recovery of Kids Clubs				x	x				
Skills for Work - Remove SLA with Perth College	x				x				
Perth City Campus									
Removal of Targetted Supply Budgets									
Reduction in teacher numbers in Secondary Schools									
Closure of loss making Breakfast Clubs				x	x				
Efficiencies in Childcare Strategy Team	x			x	x				
SG Funding - early learning and childcare									
Remove School Crossing Patrollers									
Reduction in Financial Administration Posts									
Review & Redesign of Change & Imp. Research and Perf Team									
Further reduction of (Non Education) Senior Management posts				x	x				
Removal of clerical staff who support statutory functions	x			x	x				
Further reduction of School Improvement Senior Management posts									
Reduce Early Years Support Team Teachers & Travel Budgets				x	x				
Reduction to Teacher numbers in Primary Education				x	x				
Reduction to Teacher numbers in Inclusion		x	x	x	x				
Full removal of school supply contingency budget									
Full Removal of Playstart	x			x	x				
50% Reduction of Educational Psychologist Posts				x	x				
50% Removal of Parenting & Family Learning (including Homestart)	x			x	x				
Remove Posts Funded from GIRFEC Monies	x			x	x				
<b>Housing &amp; Community Safety</b>									
Procurement Reform									
Reduction in Directorate and Management Team Budgets									
Business Improvement Savings									
Reduction in Finance & Resources Staff Levels and non-staff costs									
Community Safety Review				x		x			
SLA Reductions - Housing Support	x	x				x			
SLA Reductions - Floating Support						x			
Reduction in Finance & Support Services budgets									
Reduction in Housing/Homeless Services budgets									
Review of staffing levels in Planning & Commissioning Team									
Community Safety Review						x			
Use of Budget Flexibility Carry Forward 2017/18									
Increase in Staff Slippage Target									
Inflationary Increase in Foundation Living Wage - Income from SG									
Workforce/Productivity Projects									
Increase in Income from Gypsy Travellers									
Alternative funding for criminal justice services									
Deletion of Community Safety and Environment Partnership Budget				x	x	x		x	
Reduction in Bed & Breakfast Budget									
Reduction in Housing/Homeless Budgets									
Reduction in Private Sector Housing Grant		x				x			x
Review of Support Services									
Revenues & Benefits		x		x		x			
Customer Service Centre									
Review of Housing Support Services Funded by SLAs	x	x				x			

Activity

Activity	Gender	Disability	Ethnicity	Families	Children	Adults	Sexual Orientation	Rurality	Age
<b>The Environment Service</b>									
TES procurement savings target									
TES Workforce/Productivity savings target									
Review of Roads Activities									
Enterprise - Close HUB building & retain service from other owned premises									
Enterprise - Cease provision of enhancing opportunities grants									
Waste Strategy - Further 50% reduction of education and awareness budget									
<b>Regulatory Services</b>									
Removal of equipment budget for recycling points									
Corporate H&S									
waste services and community greenspace									
public transport									
Re-introduction of Garden Waste Charging									
Trade Waste Permit System									
Development Management and Building Standards - workforce management									
Winter - remove 3 PBG		X						X	X
<b>Regulatory Services</b>									
Economic Development - redesign									
Building Standards									
planning and development management									
Traffic & Network Activities Income									
Corporate Asset Management									
Planning & Development									
Increase charge for domestic Garden Waste									
Increased charges									
Parking Services									
Economic Development									
North Inch Golf Course									
<b>Regulatory Services</b>									
Economic Development									
Introduction of Hybrid Mail									
Service Wide Training Budget									
Corporate Health, Safety & Wellbeing									
Planning Strategy & Policy - Tactran									
Enterprise - Supporting Business Growth									
Mobile Working Transformation Review									
Online Services Transformation Review									
Traffic & Network - workforce reduction									
Service Wide Staff Silppage									
Waste Management - Replace Recycling Centre with Points									
Economic Development - Workforce Reduction through TCD									
Capital Programme Office And Corporate Asset Management									
Waste Management - Replace remaining Recycling Centre with Recycling Points excluding 2 in Perth									
Winter Maintenance		X						X	X
<b>Public Conveniences - Comfort Schemes</b>									
Grounds Maintenance - Remove provision for the service at peak summer									
Public Transport		X		X				X	X
Winter Maintenance		X						X	X
Winter Maintenance - Reduce Network Coverage by 20%		X						X	X
50% reduction in Play Areas budget for Community Greenspace				X					
50% reduction in Planned Maintenance budget for Community Greenspace									
Roads Maintenance									
Building Standards - Workforce Reduction									
Planning Development Management And Strategy & Policy									
Performance & Resources - Workforce Reduction									
Waste Services & Community Greenspace - workforce									
Environmental and Consumer Services - Workforce Reduction									
Business Support - Workforce Reduction									
Finance & Governance Support - Workforce Reduction									
Street Cleansing - Reduction in activity									
Regulation - Workforce Reduction									
Street Cleansing - Further service reductions									
Grounds Maintenance									
Operations Training Team - Workforce Reduction									
<b>Property</b>									
Procurement									
EPC									
Electricity									
Gas / Oil / Biomass									
Property Fees									
Property Asset Management									
Property - Workforce Reduction									
Property Maintenance									

**Perth and Kinross Council Revenue Budget 2018/19 to 2020/21**

Gender Disability Ethnicity Families Vulnerable Children Vulnerable Adults Sexual Orientation Rurality Age

**Activity**

Activity	Gender	Disability	Ethnicity	Families	Vulnerable Children	Vulnerable Adults	Sexual Orientation	Rurality	Age
<b>Corporate &amp; Democratic Services</b>									
Workforce / Productivity									
Workforce Planning									
Reduction in IT Resources									
Reduction in Procurement Team Budgets									
Corporate OD - Non Staff Budgets									
Reduction in Councillors									
Supplies and Services									
Workforce Planning									
Adult Literacy SLAs		x	x			x			
Income									
MyAccount / Mobile Working									
Supplies & Services Efficiency Saving									
Training									
Increase in Slippage Target									
Workforce Management									
Increase charges to LAL & Tactran									
Charge Culture Perth & Kinross for Corporate Services									
Reduction in Grant to PKAVS		x	x	x	x	x		x	x
Review across C&DS & other Corporate Functions									
<b>Culture &amp; Leisure Services</b>									
Re-provision of Letham Centre									
Commissioned services with LAL and new trust									
Reduction in Management Costs									
Grant reduction to Birnam Arts									
Grant reduction to Pitlochry Festival Theatre									
Grant reduction to Village Halls									
Reduction in contract fee to LAL		x		x					
Reduction in contract fee to HX				x					
Reduction in contract fee to CPK				x					
Review of Cultural Trusts									

- Revenue Budget investment
- x May result in negative outcomes for some vulnerable people.
- x Likely to result in negative outcomes for some vulnerable people.

## Perth and Kinross Council Revenue Budget 2018/19 to 2020/21

	Gender	Disability	Ethnicity	Families	Vulnerable Children	Vulnerable Adults	Sexual Orientation	Rurality	Age
<b>EXPENDITURE PRESSURES</b>									
<b>Education &amp; Children's Services</b>									
Foster Fees									
Residential Care & Education - Inflation on Fees									
Continuing Care									
<b>Housing &amp; Community Safety</b>									
Reinstatement of Community Safety Savings									
<b>The Environment Service</b>									
Public Transport Tendered Services									
<b>Corporate &amp; Democratic Services</b>									
Communities									
<b>SAVINGS PROPOSALS</b>									
Review of Commissioning Arrangements		x		x	x				
Reduction in staffing within Children & Families Services				x	x				
Cleaning Specification	x								
Review Kids Clubs Charging Policy and Staff Compliment				x	x				
Full Cost Recovery of Kids Clubs				x	x				
Skills for Work - Remove SLA with Perth College		x							
Closure of loss making Breakfast Clubs				x	x				
Efficiencies in Childcare Strategy Team	x			x	x				
Further reduction of (Non Education) Senior Management posts				x	x				
Removal of clerical staff who support statutory functions	x			x	x				
Reduction to Teacher numbers in Primary Education				x	x				
Reduction to Teacher numbers in Inclusion		x	x	x	x				
Full Removal of Playstart	x			x	x				
50% Reduction of Educational Psychologist Posts				x	x				
50% Removal of Parenting & Family Learning (including Homestart)	x			x	x				
Remove Posts Funded from GIRFEC Monies	x			x	x				
<b>Housing &amp; Community Safety</b>									
Community Safety Review				x		x			
SLA Reductions - Housing Support	x	x				x			
SLA Reductions - Floating Support		x				x			
Community Safety Review						x			
Deletion of Community Safety and Environment Partnership Budget				x	x	x		x	
Reduction in Private Sector Housing Grant		x				x			x
Revenues & Benefits		x		x		x			
Review of Housing Support Services Funded by SLAs	x	x				x			
<b>The Environment Service</b>									
Winter - remove 3 PBG		x						x	x
Winter Maintenance		x						x	x
Public Transport				x				x	x
Winter Maintenance		x						x	x
Winter Maintenance - Reduce Network Coverage by 20%		x						x	x
50% reduction in Play Areas budget for Community Greenspace				x					
<b>Corporate &amp; Democratic Services</b>									
Adult Literacy SLAs		x	x			x			
Reduction in Grant to PKAVS		x	x	x	x	x		x	x
<b>Culture &amp; Leisure Services</b>									
Reduction in contract fee to LAL		x		x					
Reduction in contract fee to HX				x					
Reduction in contract fee to CPK				x					

	Revenue Budget investment
x	May result in negative outcomes for some vulnerable people.
x	Likely to result in negative outcomes for some vulnerable people.

