

Section 4 Integrated Impact Assessment

Summary Report Template

Each of the numbered sections below must be completed

Interim report	<input type="checkbox"/>	Final report	<input checked="" type="checkbox"/>	(Tick as appropriate)
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1. **Title of proposal**
Proposal to Consolidate the Scottish Local Government Living Wage into existing pay and grading structure

2. **What will change as a result of this proposal?**

Scottish Local Government Living Wage (SLGLW)	
SLGLW is currently paid as “top up” allowance to base pay where base pay is lower than SLGLW	Consolidated into basic pay so that lowest pay is at least equal to SLGLW
	New pay structure with pay differential for grade 1,2 and 3 employees

3. **Briefly describe public involvement in this proposal to date and planned**

There has been no general public involvement in this proposal, but this proposal has come about as a result of a nationally agreed 2018-2021 Pay Agreement which was entered into following consultation and agreement by the Scottish Joint Council.

4. **Is the proposal considered strategic under the [Fairer Scotland Duty](#)?**
No

5. **Date of IIA**
21 January 2021 and 12 March 2021

6. **Who was present at the IIA? Identify facilitator, Lead Officer, report writer and any partnership representative present and main stakeholder (e.g. NHS, Council)**

Name	Job Title	Date of IIA training
Fiona Whitelaw	Facilitator	15/11/2018
Kathy McLauchlan	Project Lead	15/11/2018
Kirsty Scott	HR Adviser (note taker)	

Nina Kwiatkowski	HR Consultant & SPARC Network Chair (representing colleagues with disabilities and long term health conditions)	
Barry Fell	HR Adviser	
Charlotte Fleming / Abigail Drummond	Senior Solicitors	
Allan Farquharson	HR Consultant (ER)	

7. Evidence available at the time of the IIA

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected?
Data on populations in need	n/a	
Data on service uptake/access	n/a	
Data on socio-economic disadvantage e.g. low income, low wealth, material deprivation, area deprivation.	Not available	
Data on equality outcomes	Presentation attached	<p>The evidence provides the numbers of employees affected by the proposals in the following protected groups:</p> <ul style="list-style-type: none"> • Sex; • Race; • Disabled; and • Age <p>It also shows the split in respect of fulltime and part time employees which is relevant on the basis that more women than men work part time. Further analysis is outlined below.</p>
Research/literature evidence	n/a	
Public/patient/client experience information	n/a	
Evidence of inclusive engagement of people who use the service	n/a	

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected?
and involvement findings		
Evidence of unmet need	n/a	
Good practice guidelines	n/a	
Carbon emissions generated/reduced data	n/a	
Environmental data	n/a	
Risk from cumulative impacts	n/a	
Other (please specify)		
Additional evidence required	Analysis of G 1 – 3 data outcomes	Provided after the meeting

8. In summary, what impacts were identified, and which groups will they affect?

Equality, Health and Wellbeing and Human Rights	Affected populations
<p>Positive Employees who are currently in receipt of the SLGLW top-up allowance will have this top-up changed to a permanent increase to their hourly rate when the SLGLW is consolidated into their base pay.</p> <p>This applies to all employees who are currently on Spinal Column Point (SCP) 18 or below (Grade's 1 – 3). There will also be a positive impact, in the form of an increase to hourly rate, on employees currently on SCP19 to SCP24 since they will assimilate to a higher SCP in the new structure. The increase to the hourly rate will also be applied to any overtime earnings and term time holiday pay.</p> <p>Approximately 4,400 of our lowest paid employees will receive more take-home pay following consolidation, with no employees in any grades across the entire LGE & Craft employee population (i.e. grades 1 – 12 inclusive) suffering any reduction in their base pay.</p>	

<p>Paying the SLGLW as a “top-up” allowance means that the differential between jobs has been lost e.g. supervisors are earning the same as the people they are supervising. The proposals will re-instate a differential between grades 1 to 3. This should encourage internal recruitment, promotion and acting up to cover absence.</p> <p>For those nearing retiral age, an increase to pay will benefit their pension. For employees over 65 who have retired from their main career, they will receive an increase to their take home pay.</p> <p>There’s a positive impact on Grade 1 through to 4 entry level roles. This is likely to benefit young people joining from school or apprenticeships.</p> <p>For people with families, consolidation into base pay provides a guaranteed income (rather than an allowance) which may assist with rent and mortgage applications and payment.</p> <p>Due to the gender makeup of our workforce, more women than men are positively impacted, with 39% of women positively impacted by the change in the year following the implementation, compared to 22% of men. This is a result of more women being employed in lower paid jobs. There is also a more positive impact for part-time employees (who are made up of more women than men) compared to fulltime employees. This has resulted in a positive impact on reducing the gender pay gap.</p> <p>There is no disproportionate impact on disabled employees when compared with the total employee population. As the increase in pay affects the lowest grades and part time employees, this will benefit people in junior roles and those employees who have had to change to part-time working due to their disability.</p> <p>There is no disproportionate effect on people from Minority ethnic groups when compared to the total employee population.</p> <p>Negative</p> <p>It is noted that for some groups of employees the financial increase to their base pay will be less than for others.</p> <p>We recognise there is a disproportionate effect between full and part-time employees - 12 % of full-time</p>	<p>Older People</p> <p>Young People</p> <p>Families</p> <p>Men (include trans men), Women (include trans women)</p> <p>People with Disabilities</p> <p>Race</p>
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<p>employees will receive more pay compared to 58% of part-time employees. This is because there are more part-time workers than full-time workers in Grades 1 to 3.</p> <p>Current employees who are paid Grade 4 SCP 25 and above will not be impacted by the proposals and employees in higher grades will not see an increase in their hourly rate.</p> <p>CEC is required to consolidate in accordance with the nationally agreed 2018-2021 Pay Agreement and the proposals are aimed at increasing pay for lowest paid colleagues in line with Scottish Government Public Sector Pay Policy, tackling poverty and directing limited resources at ensuring consolidation is implemented by April 2021.</p>	
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<p>Environment and Sustainability including climate change emissions and impacts</p> <p>Positive n/a</p> <p>Negative n/a</p>	<p>Affected populations</p>
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<p>Economic including socio-economic disadvantage</p> <p>Positive An increase in the hourly rate will require agencies to pay parity for workers engaged through agencies subject to the requirements of the Agency Worker Regulations 2020.</p> <p>As a large employer in Edinburgh, paying the SLGLW may encourage other employers to follow suit and will help Edinburgh to work towards becoming a Living Wage City.</p> <p>Implementing consolidation of the SLGLW will result in a small improvement on the gender pay gap.</p> <p>Re-instating the pay differential between grades should make it easier for services to get short-term cover for absence in supervisory roles within the affected grades which may promote more consistent service delivery.</p> <p>Negative Consolidation of the SLGLW into base pay aims to improve the base pay of our lowest paid. It doesn't address the possibility of an employee in poverty in a</p>	<p>Affected populations</p> <p>Those vulnerable to falling into poverty</p>
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<p>higher grade e.g. a single parent relying on a single salary.</p> <p>There is potential for an increase in base pay to negatively impact an individual's entitlement to state benefits.</p>	
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9. Is any part of this policy/ service to be carried out wholly or partly by contractors and if so how will equality, human rights including children's rights, environmental and sustainability issues be addressed?

n/a

10. Consider how you will communicate information about this policy/ service change to children and young people and those affected by sensory impairment, speech impairment, low level literacy or numeracy, learning difficulties or English as a second language? Please provide a summary of the communications plan.

The proposals will make the payslips slightly simpler to understand.

Consideration will be given to the methods of communication to ensure everyone has access. Every employee will receive a letter to their home address outlining the proposals and their potential effect on their terms and conditions as well as how to be involved in the consultation. This information will recognise low level literacy and if requested will be made available in different media.

11. Is the policy likely to result in significant environmental effects, either positive or negative? If yes, it is likely that a [Strategic Environmental Assessment](#) (SEA) will be required and the impacts identified in the IIA should be included in this.

n/a

12. Additional Information and Evidence Required

If further evidence is required, please note how it will be gathered. If appropriate, mark this report as interim and submit updated final report once further evidence has been gathered.

Further analysis requested and provided on the impact on Grades 1 to 3 only to identify any unidentified impact on groups or characteristics

Pay gap breakdown for different workforce groups.

13. Specific to this IIA only, what recommended actions have been, or will be, undertaken and by when? (these should be drawn from 7 – 11 above) Please complete:

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title)	Deadline for progressing	Review date
Engagement & Consultation with Trade Unions resulted in the revised pay structure reviewed in this report.	Kathy McLauchlan Project Lead	January 2021	March 2021

14. Are there any negative impacts in section 8 for which there are no identified mitigating actions?

Whilst the proposal does not result in actual financial detriment to employees currently SCP 25 and above, our implementation engagement needs to take account of the potential negative response from employees who may perceive they have just missed out when others below this scale point are receiving a pay increase.

Our Help-desk will be prepared to assist with enquiries from employees for whom a pay increase may impact their entitlement to state benefits.

15. How will you monitor how this proposal affects different groups, including people with protected characteristics?

City of Edinburgh Council has engaged an external consultant to assess its proposals for implementing consolidation of the SLGLW.

Once the SLGLW is implemented, CEC will analyse the affect through its regular equalities reporting.

16. Sign off by Head of Service/ NHS Project Lead

Name Katy Miller

Date 07 April 2021

17. Publication

Completed and signed IIAs should be sent to strategyandbusinessplanning@edinburgh.gov.uk to be published on the IIA directory on the Council website www.edinburgh.gov.uk/impactassessments