Covid Recovery Strategy For a fairer future



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Cover image: Teenagers meeting up to enjoy the great outdoors and improve their wellbeing. Photograph used for promotion of Get into Summer 2021, which provided £20 million of funding to support children, young people, their families and carers to enjoy the summer and improve their wellbeing.



Covid Recovery Strategy For a fairer future —

1. Foreword

The coronavirus pandemic has dramatically affected every area of life in Scotland. We came together as a nation to fight the pandemic. The virus and the public health measures necessary to suppress it had, and continue to have, a substantial, wide ranging impact on our lives, our businesses and our public services.

Throughout the pandemic we have sought to alleviate the overall harm caused by the virus – to our health, to our economy and to broader society.

The success of the vaccination programme in reducing much, but by no means all, of the serious harm associated with the virus enabled us to lift almost all restrictions in summer 2021 with a reduced risk of the NHS being overwhelmed as a result of Covid. Though life is by no means 'back to normal' and important public health measures remain in place, this lifting of restrictions has provided the platform for recovery.

Despite progress, we know that the impacts of Covid continue to be felt acutely by many individuals, businesses and other organisations across Scotland – and on our high streets and in our hospitals and especially by all those who have lost loved ones and continue to suffer themselves as a result of Covid.

It is clear that the impact of the pandemic has not been felt evenly. It has both highlighted the inequalities in our society and made them worse. Those who were already the most disadvantaged have suffered disproportionately. They have been more likely to get seriously ill, more likely to be hospitalised, and sadly more likely to die from Covid. They have also been the hardest hit socially, educationally and economically, by the restrictions that were brought in to control the spread of the virus.

For many of our people, the disadvantages they faced have been made worse by the pandemic. Our recovery must be about how we make life better for them. It cannot be about how we get life back to how it was before the crisis because, for too many of our citizens, that is not good enough.

Covid Recovery is about bringing the urgency, flexibility and creativity that was brought to saving lives and supporting people during the pandemic, to tackling the inequality and disadvantage starkly exposed by Covid.

Collectively, we have shown what can be done when barriers are not just broken down but trampled over in the interests of getting the right service or support to the right people when they need it. That is what we need to do again if we are to tackle these problems.

This recovery strategy is neither the end of the story, nor the whole of it. A vast amount of work has already been undertaken and more will follow. It does not seek to provide the level of detail on recovery plans for individual public services, but it does provide the overall principles that will guide them.

This strategy focuses on the efforts we require to tackle inequality and disadvantage. If our people are secure and have firm foundations then our communities, businesses, economy and society will be more resilient.



It will:

- address the systemic inequalities made worse by Covid.
- make progress towards a wellbeing economy.
- accelerate inclusive person-centred public services.

This cannot occur in a vacuum. To achieve these aims we require urgent action across society. From government, local and national, from community groups, charities and voluntary organisations and from businesses large and small. All must play their part, and none can do so in isolation. Every sector has something to contribute to the delivery of these aims and every sector stands to gain from success.

This strategy makes clear that a thriving economy underpins a successful recovery. The efforts of businesses will be central to the success of this strategy, and as we work with business organisations to finalise a set of principles based around mutual respect and a shared commitment to collaboration, we will work together to shape a fairer and more prosperous recovery. The pandemic has highlighted the precarious nature of employment for many people in Scotland. By providing secure foundations for those in work through better wages, working conditions and fair work, then our businesses will be more resilient, productive and profitable.

The Scottish Government will play our part through policy actions that are specifically designed to address one or more of these objectives, like the expansion of the Scottish Child Payment and increased free childcare. But we will also ensure that the other actions across government, from education to tackling climate change, also contribute to our recovery.

We will work in partnership with local government to deliver the joint leadership that is necessary for this effort, recognising the key leadership role councils play in their communities. Our recovery must recognise that different areas had different experiences in the pandemic and also that the changes we have already made, most notably in home working and digital services, open up new opportunities in some areas while creating new challenges in others.

In working with others we will also engage with our counterparts in England, Wales and Northern Ireland as each of these nations progress their recoveries. We continue to aim to work in equal partnership with the UK Government, in the best interests of Scotland's people. Our recovery strategy demonstrates a robust and wide reaching set of actions. However they are constrained by our current powers and by the UK Government's increasing undermining of our devolved responsibilities. We will continue to do all we can to keep Scotland safe, protect the gains of devolution and our democratic rights and to make the case for having full control of our recovery.

Over the last 18 months life has changed markedly. Over the next 18 months there is an opportunity to drive a more positive change, but we must move at pace. By working together over that timescale with the same energy, imagination, and urgency as we approached the pandemic, we can achieve that change and drive a recovery that delivers for all of Scotland.

John Swinney MSP, Deputy First Minister and Cabinet Secretary for Covid Recovery.



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Figure 1: Vision for Recovery



Our Vision

By working together, we will:

1

Address the systemic inequalities made worse by Covid 2.

Make progress towards a wellbeing economy 3.

Accelerate inclusive person-centred public services

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2. Overview and Vision for Recovery

Impact of the Pandemic

Our response to the pandemic has considered its impact across each of the defined 'Four Harms': the direct and indirect health harms; the harm to our society and how we live our lives; and the harm to our economy.¹

We have consistently sought to alleviate the overall harm caused by the virus. We cautiously eased restrictions when it was safe to do so. We tailored restrictions to epidemiological conditions, through our Levels approach, in order to both suppress the virus and mitigate the broader harms to the economy and broader society. As almost all countries have found, management of the pandemic has been challenging – particularly given the arrival of new variants that have required us to recalibrate our response to keep successively more transmissible variants of the virus under control.

We now face a challenging autumn and winter and will continue to respond effectively and proportionately to suppress the virus and alleviate its broader harms in the different ways set out in our COVID-19: Strategic Framework. At present, the success of the vaccination programme in mitigating much – but, importantly, not all – of the serious health harm of the virus means that we have been able to lift almost all legal restrictions and now have a platform to support broad-based economic and social recovery. Economic output in Scotland (as measured by GDP) has now almost returned to its pre-pandemic level. Labour market indicators are similarly only slightly worse than they were in February 2020. However, we know that many of the impacts of the pandemic are still being felt acutely by many people across Scotland: by the bereaved; by those suffering from long Covid; by those whose businesses, work, education and livelihoods have been substantially affected. The impacts of the pandemic have been felt unequally across Scotland.

Covid has affected people's health in different ways, with higher levels of morbidity and mortality in certain groups including older people, men, disabled people, minority ethnic groups and those living in large urban areas and the most deprived areas.^{2, 3, 4} The pandemic has also affected people's mental health, with women, young people and young carers, minority ethnic groups and those with an existing health diagnosis reporting greater impacts.^{5, 6, 7}

⁷ Coronavirus (COVID-19): highest risk - survey report - July 2021 - gov.scot (www.gov.scot)



¹ Coronavirus (COVID-19): framework for decision making - assessing the four harms - gov.scot (www.gov.scot)

² Scotland's Wellbeing: The Impact of COVID-19 | National Performance Framework

³ Deaths involving coronavirus (COVID-19) in Scotland, Week 11: Report (nrscotland.gov.uk)

⁴ Expert Reference Group on COVID-19 and Ethnicity: recommendations to Scottish Government - gov.scot (www.gov.scot)

⁵ Scotland's Wellbeing: The Impact of COVID-19 | National Performance Framework

⁶ Lockdown Lowdown, Demographic Exploration of Results, January 20201

We know that many people were living in poverty before the pandemic: more than one million people were living in poverty, including around 240,000 children (two thirds of children in poverty living in a household where at least one person works), and people from Black, Asian and Minority Ethnic backgrounds were more than twice as likely to be living in poverty than people from a White British background.⁸

Lower income households were less able to save and have taken on more debt, and young people are more likely than others in the job market to have been furloughed, lost working hours or lost their job.^{9, 10, 11} Existing job market inequalities have been reinforced with women, disabled people and minority ethnic people (particularly minority ethnic women) facing persistent employment and pay gaps.¹² Those in precarious employment, carers and lone parents, the majority of whom are women, have also experienced disproportionate impacts.¹³ These unequal effects of the pandemic on incomes and employment also have health implications, particularly in the longer term, and will have contributed to health inequalities.

Scotland's economy experienced a significant shock due to the concurrent impact of Covid restrictions and EU Exit. GDP in Scotland and the UK fell by record amounts and although gradually recovering, remains below pre-pandemic levels.¹⁴ At its peak, around one in three jobs in Scotland was supported by a combination of the Coronavirus Job Retention Scheme and business grants. The extent of impact and pace of recovery has varied. Customer facing businesses, such as retail, hospitality, tourism and the culture sector, have been most affected for longest by restrictions. These businesses tend to employ large numbers of young people and have higher concentrations of low earners who have been significantly affected.^{15, 16, 17, 18}

Home schooling also had a disproportionate impact on lower income households. The financial impact of remote learning has been challenging for low-income families, particularly with regard to access to digital technology.^{19, 20}

⁸ Poverty and Income Inequality in Scotland 2017-20 (data.gov.scot)

^{9 &}lt;u>Public attitudes to coronavirus - gov.scot (www.gov.scot)</u>

¹⁰ Rainy-Days.pdf (resolutionfoundation.org)

¹¹ Scotland's Wellbeing: The Impact of COVID-19 | National Performance Framework

¹² Labour market monthly briefing: August 2021 - gov.scot (www.gov.scot)

¹³ Scotland's Wellbeing: The Impact of COVID-19 - Chapter 4: Communities, Poverty, Human Rights | National Performance Framework

¹⁴ GDP Monthly Estimate: June 2021 - gov.scot (www.gov.scot)

¹⁵ Low Pay Britain 2021 • Resolution Foundation

¹⁶ Long Covid in the labour market • Resolution Foundation

¹⁷ Uneven steps • Resolution Foundation

¹⁸ Poverty-and-the-Impact-of-Coronavirus-on-Young-People-and-Families.pdf (includem.org)

¹⁹ Cost_of_Learning_in_Lockdown_2021_Scotland_findings.pdf (cpag.org.uk)

^{20 &}lt;u>'Covid Conversations': experiences of the pandemic in Scotland - gov.scot (www.gov.scot)</u>

Engagement

Experience from other significant population-level crises shows that the path to recovery is not linear and people experience a range of emotional responses, with these changing over time.²¹ The duration of this coronavirus pandemic and the fact that we must continue to respond to the pandemic mean that our approach to recovery will need to involve concurrent attention to living with the virus, mitigating its harms, and preventing further waves of infection. The foundations of our recovery strategy need to reflect what people, families, businesses and communities identify as priorities to address the impacts of the pandemic and build resilience for the future. The process of recovery involves supporting those individuals, families, businesses and communities through the losses experienced and the construction of a different future.

A range of engagement activity has underlined the disproportionate impacts of the pandemic and set out what sort of recovery people in Scotland want to see(see Figure 2).²²

The recovery priorities identified by people are closely aligned with the key principles of the Christie Commission's and the Scottish Government's reform ambitions: participation, partnership, prevention and performance, as well as place.

We are also committed to reviewing the impact of the pandemic on the Scottish statute book. We want to remove measures no longer needed in order to respond to the pandemic, whilst keeping those where there is demonstrable benefit to the people of Scotland. The Scottish Government's consultation paper <u>Covid Recovery</u>: <u>public health, services and justice reforms</u> seeks views on the legislative powers that have supported the response to the pandemic, as well as asking more generally about legislative changes which are necessary for recovery.

Vision and outcomes

Our vision for Covid Recovery, as set out in the foreword and in Figure 1, is bold and ambitious. Our three key outcomes (see Figure 3) are central to achieving this vision and are areas most likely to have the greatest impact on tackling the inequality and disadvantage highlighted by Covid. These outcomes will also benefit population health, by addressing some of the key upstream drivers of health inequalities.

²² See Annex A for further details on public engagement



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^{21 &}lt;u>Covid-19 recovery and resilience: what can health and care learn from other disasters? (kingsfund.org.uk)</u>

Figure 2: What sort of recovery people want to see









Is ambitious and transformational

People told us

they want a

recovery that

Empowers communities and places

Addresses the harms caused by the pandemic



Recognises the value of time and of social connections



Advances equality and strengthens rights

Starts from the individual



Involves people in decision making



Is evidence driven



Supports economic development

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Figure 3: Outcomes

Our Outcomes







Wellbeing of Children and Young People



Good, green jobs and fair work

3. Financial security for low income households



The impacts of the pandemic have been profound for low income households. Many households were struggling before the pandemic but low income households²³ have been able to save less, have taken on more debt, and been significantly affected by labour market impacts.

Low income limits choice and restricts freedom; it can bring anxiety, stress and uncertainty; it can be a contributory factor in family breakdown; it is a key driver in homelessness, crime and addiction; and it can lead to significant health problems and widen health inequalities, particularly if experience of low income is long-term.

We know that some groups are more likely than others to experience low income. For example, children in the six priority family types identified in our Tackling Child Poverty Delivery Plan²⁴ account for around 90% of children living in poverty in Scotland. These families are set out in Figure 4 below.

We will take a strong equality-led approach to everything we do to tackle low income.

²³ Low income households are those in relative poverty with equivalised incomes below 60% of median income after housing costs.

²⁴ Every child, every chance: tackling child poverty delivery plan 2018-2022 (gov.scot)

Figure 4: Groups more likely to experience low income



We will build on the 'Calls to Action' from the <u>Social Renewal Advisory Board</u> (SRAB), to sharpen our focus on reducing poverty and disadvantage, embedding a humanrights approach, and advancing equality.²⁵ A number of recommendations from the SRAB in common with recommendations from the <u>National Advisory Council on</u> <u>Women and Girls</u> (NACWG), including around extending access to childcare, increasing opportunities to secure fair work, and changing ways of working based on what has worked during the pandemic – are at the heart of this strategy. The <u>Citizens' Assembly</u> <u>of Scotland</u> also made a number of recommendations around financial security for low income households that have informed our approach and recommended that we should identify issues which can lead to people falling into poverty.

Reducing and ultimately eradicating child poverty is central to realising the change we need. This means meeting the interim targets of the <u>Child Poverty (Scotland) Act 2017</u> in 2023-24. The 2022-26 Tackling Child Poverty Delivery Plan is due for publication in March 2022; this will contain a number of game-changer policies across the key enablers of financial security such as employment, transport and childcare and will build on the actions to tackle poverty that are set out in this Strategy.

The work of <u>Social Security Scotland</u> is also critical to our efforts to bring about a fairer and more inclusive Scotland and we have placed the values of dignity, fairness and respect at the centre of our social security system. Scotland is currently responsible for a relatively small element of social security, with the UK Government retaining responsibility for many key working age benefits like Universal Credit. We will continue to call for increased social security powers in Scotland and for the UK Government to reverse its damaging plans to cut the £20 increase to Universal Credit introduced during the pandemic.

While social security is important in achieving financial security, we must also consider other vital components such as access to housing, transport and heating. Housing to 2040 - Scotland's first long term housing strategy - sets out our ambitions for how we want the housing and communities of the future to be. The pandemic has brought into sharp focus the fundamental importance of safe, good quality housing for all and how guickly households can move into fuel poverty as a result of external factors. Housing to 2040 sets out our commitment to a new Rented Sector Strategy. to be published by the end of the year, that will set out an ambitious New Deal for Tenants and tackle both affordability, for example through rent controls, and housing quality in the sector. This, alongside increasing the housing available is all vital for our long term recovery from Covid and ensuring people have safe, warm homes that meet their needs. We also set out in Housing to 2040 our commitment to taking action to realise the right to adequate housing in Scotland, through the introduction of a new Human Rights Bill. This new legislation should result in an increased awareness of people's housing rights. We also recognise the role of safe and affordable public transport in tackling inequalities and connecting communities across Scotland.

²⁵ The SRAB published its <u>final report</u> in January 2021 and the Scottish Government published its <u>response</u> in March 2021.





In the midst of a pandemic, we made things happen quickly. We had a clarity of ambition and a common purpose which we need to retain. We need strong communities, a vibrant third sector and thriving businesses working with national and local government, to drive Scotland's longer term resilience. We do not expect partners to wait for permission to solve problems, we trust them to do good work in a way that delivers for and with communities.

Over the next 18 months, to improve financial security for low income households we will:

- Commence work to **expand funded early learning and childcare for children aged 1 and 2**, starting with low-income households within this Parliament. In the coming year we will start engagement with families, the early learning sector and academics to design how the new offer will work.
- Design a wraparound childcare system providing care before and after school, all year round, where the least well-off families will pay nothing. The design will be driven by the needs of families, build on existing provision and will, where possible, be integrated with the design of an offer of free breakfasts and food provision.
- Begin the early phasing-in of community level systems of school age childcare (in 2022-23), targeted to support the six priority groups in the Tackling Child Poverty Plan. This early phasing will build on learning from our Access to Childcare Fund projects and input from our People Panel to help us test and understand how we can build a system of school age childcare to support a community. They will also consider and develop the role that organised children's activities can play in a school age childcare system alongside the regulated childcare sector to support families, provide choice and improve access to these activities for children from low income households. We will ensure that these systems meet the childcare needs of families before and after school.
- Provide over £8.65 million for the **Parental Employability Support Fund** in 2021-22, and invest at least a further £15 million across 2022-24. This helps low income families identified as being most at risk of experiencing poverty, including disabled parents to increase their earnings, by gaining and progressing in fair work, and providing intensive, person centred key worker employability support.
- Through our **No One Left Behind** approach with Local Government and the third sector, we will provide £20 million over the next 12 months for employability focused interventions for long-term unemployed people. Through this active labour market policy which targets those who are most vulnerable, we will provide intermediate employability services, including wraparound support and access to appropriate training. This approach will provide people with skills to effectively compete and move into jobs across sectors, including new and emerging ones, where there are skills shortages.



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- Roll out the Scottish Child Payment to children under 16 by the end of 2022 and set out, through our spending review, the route to doubling Scottish Child Payment to £20 per week, per child as quickly as possible during this Parliament. We will set out how and exactly when this commitment will be met when we publish the Budget Bill.
- Provide **free school lunches** to every child in primary school and to all children in state-funded special schools by August 2022. We have already provided universal free school meals for primary 4 pupils from August 2021. We will begin primary 5 provision in January 2022, with primary 6 and 7 being introduced from August 2022.
- In the next year, develop plans to deliver **free breakfasts** to all primary and special school children, and start to pilot provision. We will also commence the phased roll out of a food offer during the school holidays, starting with those who will benefit the most.
- Reduce the costs of the school day to families across Scotland. In our first 100 days, we have increased the School Clothing Grant for pupils from low-income households, increasing this vital support to at least £120 for primary school pupils and £150 for secondary school pupils in time for the start of the new school year. We will increase each grant each year by inflation and will work to enable local authorities to automate this payment if they choose to.
- Housing costs particularly rent or mortgage costs represent the most significant financial outlay that most households have to make. Making sure that housing is affordable is essential to tackling poverty and affordable housing supply is key. We will deliver a further **110,000 affordable homes by 2032, with** at least **70% in the social rented sector and 10% in our remote, rural and island** communities.
- Begin to implement our second Benefit Take-up Strategy from October 2021. This will set out our approach to maximising the take-up of Scottish benefits

 working with key partners to improve targeting of information and advice; challenge myths and stigma around claiming benefits; and continue to remove barriers to accessing social security in Scotland. We will explore automatic payment for devolved social security benefits to make it as easy as possible for people to maximise their incomes. The 2021 Benefit Take-up Strategy will build on learning from the first strategy. Evidence from the £600,000 Benefit Take-up and Income Maximisation Funds launched as part of the first strategy will inform a new approach to supporting stakeholders to extend and share good practices around removing barriers to Scottish benefits.
- Publish our Fuel Poverty Strategy by the end of the year to address the main drivers of fuel poverty.



- Commission a **Fair Fares Review** of the discounts and concessionary schemes which are available on all transport modes, and consider options against a background where the costs of car travel are declining and public transport costs are increasing.
- Introduce a **Community Bus Fund**, supporting local transport authorities to improve local public transport in their areas. The fund will support local transport authorities to explore the full range of options set out in the Transport (Scotland) Act 2019, including municipal bus services.
- Invest £10 million during this Parliament to increase accessibility to advice services in a range of places, including £2.9 million over two years to place welfare rights advisors in up to 150 GP surgeries in Scotland's most deprived areas providing support to many who have never accessed traditional advice services before. This service will launch in October 2021, with all participating surgeries offering in-house welfare rights advice by January 2022. Over the next 18 months, we will build on existing projects to ensure more people are able to access advice to maximise incomes and improve wellbeing in places where they are comfortable, focusing on the priority families from the Tackling Child Poverty Delivery Plan.



4. Wellbeing of Children and Young People



The pandemic has had a significant impact on the wellbeing of children and young people. Parents, carers, communities and our public and third sector have all worked hard to support children through the pandemic, and many children and young people have benefited from this support and have coped navigating the challenges. However, for many children and young people there have been significant negative impacts on their wellbeing, with impacts being felt more acutely by some than others.²⁶

The impact of school closures had an immediate and disruptive impact on children and families. Children in low income households experienced particular challenges regarding accessing digital technology, access to creative experiences and resources and having adequate space to learn at home.²⁷ Young people also report poorer mental health and overall wellbeing, with girls and young women, minority ethnic groups and disabled people amongst those most affected.^{28, 29} The experience of young people entering further education, training or employment has also been significantly affected. It is important to consider the wellbeing of parents, particularly mothers, as part of a holistic approach. There is also concern about the impact on preschool children who have missed out on important developmental opportunities.³⁰

Levels of child protection registrations are at their lowest levels since 2002 and there are below average numbers of children in care in Scotland.³¹ Evidence, including increased drugs deaths, suggests the potential for hidden harm. <u>The Promise</u> highlights the transformational change required in Scotland's 'care system': focusing on the importance of holistic whole family support, keeping families together where it is safe to do so, and ensuring those in a care environment are loved and nurtured throughout their life.

The Scottish education system benefits from a strong and shared vision as set out in the <u>National Improvement Framework</u> and our revised <u>strategic intent</u> provides an opportunity to review the focus of our education activity and ensure practitioners can continue to help our children and young people enjoy learning and develop to the best of their abilities. The Scottish Attainment Challenge Programme has a vital role to play in building upon the progress being made to tackle the poverty related attainment gap and support the children who need it most. Progress has been made but there is more to do. That is why we have committed to Attainment Scotland Funding investment of £215 million this year. This includes a £20 million Pupil Equity Funding premium to provide headteachers with additional support for the children and young people who need it most. Since the outset of the pandemic, the Scottish Government has provided funding for over 72,000 devices and over 14,000 connectivity packages to ensure disadvantaged children and young people can stay connected with their schools, learning, teachers and peers. We have now committed to ensuring that by the end of this Parliament, every school-aged child in Scotland will have access to an appropriate digital device and connectivity.

³¹ Vulnerable Children and Adult Protection | Tableau Public





²⁶ The SRAB published its final report in January 2021 and the Scottish Government published its response in March 2021.

²⁷ Cost of Learning in Lockdown 2021 Scotland findings.pdf (cpag.org.uk)

²⁸ Lockdown Lowdown, Demographic Exploration of Results, January 2021, Young Scot

²⁹ Coronavirus (COVID-19) - experiences of vulnerable children, young people, and parents: research - gov.scot (www.gov.scot)

³⁰ CEYRIS 1 COVID-19 Early years resilience and impact survey (CEYRIS) (1) - Publications - Public Health Scotland;

CEYRIS 2 <u>COVID-19 Early Years Resilience and Impact Survey (CEYRIS) – findings from Round 2 - Publications - Public Health</u> <u>Scotland</u>

Evidence suggests the pandemic has and is likely to continue to have a significant effect on young people. For instance, employees under 25 were about two and a half times more likely to work in sectors experiencing shutdowns as part of responses to the pandemic. Research also highlights that young people who have recently left education and who have recently entered (or are about to enter) the labour market are more susceptible to long-term unemployment and pay scarring as a result of the pandemic.

The pandemic has also had an impact on health, both on physical activity levels and on increased purchases of food higher in fat, salt and sugar, and these are likely to have exacerbated health inequalities, including among children and young people. We will focus on improving the health of our young people, aiming to halve childhood obesity by 2030 and significantly reduce diet related health inequalities, by taking forward the actions in our 2018 Diet and Healthy Weight Delivery Plan.

Our ambition for Scotland's children, young people and families is to create the conditions that enable wellbeing to flourish. We want Scotland to be the best place to grow up. We want every child and young person to be loved, safe and respected, realising their full potential. Incorporating the United Nations Convention on the Rights of the Child (UNCRC) into Scots law to the maximum extent possible is critical to ensuring children's rights are at the centre of all decision-making in Scotland.³² This approach continues to be supported by evidence and we are building on its implementation through improvement activity and strengthening collaborative local leadership through Children's Services Planning Partnerships.^{33, 34}

As Scotland recovers from the pandemic, it has never been more important to get it right for every child, young person and family, particularly those who have experienced most disruption and disadvantage during the pandemic.

Over the next 18 months, to improve the wellbeing of children and young people we will:

Invest at least £500 million over the life of this Parliament to create a
Whole Family Wellbeing Fund, to provide whole family support and act as a
transformation fund to shift from chronic to preventative interventions as we
#KeepThePromise. This will enable the building of universal, holistic support
services, available in communities across Scotland, giving families access to the
help they need, where and when they need it. Our ambition is that, from 2030,
we will be investing at least 5% of all community-based health and social care
spend in preventative whole family support measures that will enable us to
create a Scotland where more children will only know care, compassion and love,
and not a 'care system'.

³⁴ Children's services planning: guidance - gov.scot (www.gov.scot)



³² Landmark for children's rights - gov.scot (www.gov.scot)

³³ Review of findings from inspection programme for CYP 2018 to 2020.pdf (careinspectorate.com)

- Physical activity and sport can be central to Scotland's recovery from the pandemic, providing the boost we all need to our physical and mental health, and bringing us together within our communities. We have therefore committed to doubling investment in sport and active living to £100 million a year by the end of the Parliament, ensuring more people can enjoy active lives as we recover, improving physical, mental and social health.
- We will invest **£10 million in 2021-22 in relation to childhood obesity and adult weight management** recognising that for people living with obesity and diabetes, new vulnerabilities were exposed by Covid. This is an increase of £2.5m compared to last year's budget. We are supporting pilots and the evaluation of a Whole Systems Approach to diet and healthy weight in three NHS board areas, focussing on children and health inequalities, and will act upon the findings of the evaluation. We will support training for frontline staff across the services working with children, young people and families to have conversations about healthy diet and weight in a non-stigmatising way, which will launch in 2022.
- Provide £15 million to local authorities in 2021-22 to deliver locally-based mental health and wellbeing support for children and young people aged 5 to 24. We will work through the Children and Young People's Mental Health and Wellbeing Joint Delivery Group co-chaired by Scottish Government and COSLA to better signpost and enhance the range of support available, including implementation of Child and Adolescent Mental Health Services (CAMHS) and Neurodevelopmental Specifications. We will work together on mental health in schools digital resource, school counselling services and whole school approaches to mental health. We will continue to address the spectrum of mental health and wellbeing needs set out in the Mental Health Covid Transition and Recovery Plan.
- Provide £120 million of further funding through the <u>Mental Health Recovery and</u> <u>Renewal Fund</u> to ensure CAMHS is available, responsive, effective and equitable.
- Safeguard students' mental health and wellbeing, **developing a Student Mental Health Action Plan**, and deliver our commitment for an additional 80 counsellors in universities and colleges in the next two years, backed by £4.2 million this year.
- Invest in scaling the Social Innovation Partnership (SIP) in partnership with The Hunter Foundation to promote and embed wellbeing and capability approaches across different service settings. This will include continued investment in the Young People's Mentoring and Leadership programme announced in March 2021.



- Develop and deliver a programme of activity to improve holistic whole family support, including helping local Children's Services Planning Partnerships to scale up Family Support services delivered directly to families through universal and targeted approaches. Working in collaboration with Children's Service Planning Partnerships and other delivery partners, activity will include:
 - Collective work to improve commissioning and procurement of family support services, including improving the involvement of children and families in service design and specifications.
 - Supporting local Children's Services Planning Partnerships to scale up Family Support services delivered directly to families through universal and targeted approaches.
 - Developing a practical toolkit of support for local areas to ensure consistent standards and evaluation of support within a framework of core national principles.
- Secure **high quality recovery and renewal for children's hearings system** in line with the recovery plan adopted in November 2020 and renewed quarterly thereafter. Support professionals and system partners to give of their best to children and families in high need or at high risk and deliver reforms to improve experiences and outcomes, playing a full positive role in system redesign and keeping 'The Promise'.
- Build on Get Into Summer 2021 to deliver a summer 2022 offer for children and families in low income households which provides coordinated access to food, childcare and activities during the holidays. By summer 2023 we will build on this work to make holiday childcare provision available for all children from low income families.
- Invest in cultural and creative programmes, including **Sistema Scotland and the Youth Music Initiative**, which help young people grow confidently as citizens, foster wellbeing and support attainment.
- In partnership, develop a new and ambitious package of proposals to reinvigorate the study of Computing Science in Scottish schools; ensuring that the next generation of Scottish talent has the skills necessary to secure high paying work and to drive forward the Scottish economy. To support this agenda, we will **establish Scottish Teachers Advancing Computing Science** (STACS), an organisation run for and by computing science teachers by the end of the year.



- In this government's first 100 days, we have established six pilot schemes to
 provide free bikes for school age children who cannot afford one, with more to
 follow later in the autumn, which will inform a national rollout. These pilots will
 run for up to 12 months, testing out different approaches and delivery models
 to understand how best we can give children access to bikes. Informed by these
 pilots, we will start to provide free bikes to school age children who cannot
 afford them, an action which can also improve health outcomes.
- Make up for the opportunities lost to young people during the pandemic by delivering our **Young Person's Guarantee**. We will provide up to £70 million this year, so that every person aged between 16 and 24 will have the opportunity to study, take up an apprenticeship, job or work experience, or participate in formal volunteering with targeted measures to support those with experience of the care system, from low socio-economic groups, and for young disabled people. This funding includes provision of up to £45 million to local employability partnerships to deliver employability programmes, as well as providing training and employer recruitment incentives.
- By summer 2023, develop and deliver a package of tailored trauma training resources and support for those contributing to the lives of care experienced babies, children, young people and families as part of the <u>National Trauma</u> <u>Training Programme</u>, to ensure services and organisations recognise and effectively respond to the negative impacts of adverse and traumatic experiences.



5. Good, green jobs and fair work



A strong sustainable economy goes hand in hand with a fair and equal society. This understanding will be at the centre of a new 10 year National Strategy for Economic Transformation which we will publish later this year. This will set out the longer term steps to deliver a green economic recovery, with a focus on innovation, entrepreneurship and the ways in which we will support Scottish businesses, create and sustain new, good, green jobs and build the industries of the future.

Alongside the impacts of EU Exit, the pandemic has exacerbated and reinforced existing job market inequalities. These include persistent gender employment and pay gaps – a disproportionate share of caring responsibilities and unpaid household work is borne by women³⁵ – a disability employment gap that widened in 2020, and gaps in employment rates for minority ethnic people, particularly minority ethnic women.³⁶

The economy has already regained a lot of the ground that was lost because of the pandemic, supported by our approach which has sought to mitigate broader harms of the virus where possible. Looking forward we recognise that many individuals, businesses and other organisations remain acutely affected and want to ensure that all of Scotland can benefit from a broad-based recovery.

The pandemic resulted in an unprecedented shock to Scotland's economy and job market with economic activity in Scotland and the UK falling by record rates as necessary public health measures required many businesses to close or change the way they operated. This had significant implications for employment, with at its peak, around one in three jobs in Scotland supported by the Coronavirus Job Retention Scheme (CJRS).³⁷

The impact of the pandemic has been felt unevenly across the economy, with sectors like Accommodation & Food Services, characterised by public-facing jobs, seeing substantial and sustained use of the CJRS. These areas of the economy are also often low paid and can offer more precarious forms of work (e.g. temporary contracts) and are vulnerable to sudden changes, a particular issue for young people but also women, disabled people and minority ethnic groups. Self-employment has also been hit hard during the pandemic and parents, especially women, have had to juggle child-care responsibilities during school closures with work. More recently there is evidence of labour shortages across the economy (e.g. HGV drivers, hospitality) as the fast pace of business re-opening leads to strong demand for staff amid some labour supply challenges (e.g. reduced migration).

³⁷ Coronavirus Job Retention Scheme statistics: 29 July 2021 - GOV.UK (www.gov.uk)



³⁵ Coronavirus (COVID-19) and the different effects on men and women in the UK, March 2020 to February 2021 - Office for National Statistics (ons.gov.uk)

³⁶ Labour market monthly briefing: August 2021 - gov.scot (www.gov.scot)

Case Study: working with business to mitigate the impacts of labour shortages

- Across the economy, sectors that are crucial to recovery have been experiencing labour shortages which are subsequently impacting on the provision of services and delivery of goods. Analysis indicates the pandemic and EU Exit have exacerbated long-term recruitment and retention issues, presenting a 'perfect storm' of challenges.
- Whilst immigration is reserved the Scottish Government has called for the UK Government to make emergency changes to the UK immigration system to combat the acute post-Brexit labour shortages exacerbated by the pandemic. These include the introduction of two temporary worker schemes, scrapping immigration surcharges and significantly reducing fees and administrative costs.
- Our approach to mitigating labour shortages is to work in partnership with businesses across Scotland so that we have a clear plan to help people move into and stay in good jobs both now and in the future.
- To achieve this, we are working with business organisations to promote Fair Work which will benefit business and make organisations more attractive to workers, delivering targeted upskilling and retraining interventions, and providing a range of employability support to help people to enter into or progress in sectors where there are employment opportunities.

Since March 2020 businesses have benefitted from more than £4.3 billion in direct business support. This is in addition to the essential support for jobs and individuals provided by the UK Government, principally through the CJRS.

In addition to this, we have also committed more than £1.7 billion to building a stronger, more resilient and sustainable economy.

Many sectors of the economy have worked with us over the past 18 months to understand how they can operate safely and transition to new working practices which will be suitable for a post-pandemic economy. This work, guided by the recommendations of the <u>Advisory Group on Economic Recovery</u>, and the gradual removal of restrictions, has helped parts of the economy return to or exceed the levels of productivity they saw before the pandemic. Joint approaches have already delivered significant benefits in the tourism and farming, fishing, food and drink sectors.



Businesses have been – and in some cases continue to be – badly affected by the pandemic, including through the labour market challenges created by rapid reopening and Brexit. We recognise the steps companies have taken in every sector of the economy and every part of our country to keep workers and customers as safe as possible, and that many businesses, while operating again, have taken on debt in order to do so.

Case study: working together to help people facing long-term unemployment

- This year, supported by up to £27 million, **Fair Start Scotland** will continue to provide pre-employment and in-work support for people to secure and remain in work.
- We are providing over £8.65 million for the **Parental Employability Support Fund** this year and will invest at least a further £15 million across 2022-24 to help low income families. We are exploring the creation of a bespoke Lone Parent offer and a 'guarantee approach' for holistic employability services.
- Our **No One Left Behind** approach will move away from multiple, inflexible national programmes offering time-limited support and move towards more localised commissioning and delivery approaches that offer holistic packages of person-centred support.
- The **Young Person's Guarantee** will ensure that every person aged between 16 and 24 particularly disabled people, those with experience of the care system, and people from low socio-economic groups will have the opportunity to study, take up an apprenticeship, job or work experience, or participate in formal volunteering.

The Scottish Government's ability to directly effect change in the labour market is limited as long as employment law remains reserved. But we are determined to do all we can through our fair work, skills and employability interventions to help rebuild a labour market that supports a more productive economy more rewarding working lives targeting support in a way which reduces inequalities. We will also ensure people are supported to develop the green skills needed for a transition to net zero, as set out in the <u>Climate Emergency Skills Action Plan</u> (CESAP).

As the labour market recovers post pandemic, the Scottish Government's approach will:

- Simplify investment in skills and training: ensuring people have support throughout their lives to manage economic change, including developing the green skills needed for a just transition to net zero;
- Embed fair work so increasing productivity;
- Enhance equality of opportunity for all to access and progress in work.



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Over the next 18 months, to support good, green jobs and fair work we will:

Support the creation of more jobs

- Work with regional partners to ensure that every region has a Regional Economic **Partnership** (REP). Building on the foundations laid by the City Region and Growth Deals programme, these will encourage strategic collaboration between key economic actors within regions, to make long term, place based decisions to enable sustainable, inclusive prosperity. Although membership of REPs is decided by regional partners, the Scottish Government encourages them to include private sector members, along with FE/HE, Skills Development Scotland, our enterprise agencies, and the voluntary sector. By having this wider participation REPs can act as strategic leads to address skills and labour market challenges, along with other key economic drivers. We will support the development of regional economic strategies and recovery plans, and help REPs to take ownership of investment prospectuses, attracting new public and private sector investment. We will lead a review of Regional Policy in Scotland which will report in April 2022.
- Help businesses to create green employment and opportunities through investment in equipment and premises, and research and development via the **Green Jobs Fund**, and work with our agencies and other stakeholders to design and implement a skills guarantee for workers in carbon-intense sectors and deliver this as part of the **Green Jobs Workforce Academy**.
- Work proactively to support delivery of our Manufacturing Recovery Plan ensuring measures to support diversity are included in the strategic support programme for regions and sectors encouraging progressive leadership practice.
- Support delivery of our Construction Recovery Plan published in October 2020. Work with Scottish Futures Trust and Construction Scotland on development of a **Construction Accord** this year in line with our priorities. The Accord will comprise a shared vision for the industry as a vibrant part of the Scottish economy. including a strong commitment to fair work.
- Publish our Zero emissions affordable homes strategy based on greater use of offsite construction. This will set out how we will work with partners to identify the scale and nature of job opportunities in offsite construction and associated training and skills needs as well as embed Fair Work First in new industry developments. We will work with Skills Development Scotland to create flexible learning offers to ensure that the required skills are available. This will include creating an online training route through the National Construction Skills Academy.
- Work with our partners on the Affordable Housing Supply Programme to build on the excellent work they already do using the modern apprenticeships programme to train the workforce of the future.



- Publish a **Retail Strategy** later this year to help the sector in Scotland adapt, innovate and thrive and become an exemplar in sustainable and inclusive prosperity, including offering secure, well-paid and rewarding employment.
- Establish a **Women's Business Centre**, backed by £50 million across this Parliament, supporting the provision of accessible, relevant advice and support to women led businesses. As part of this funding, we will support **100 women per year** to develop pioneering business ideas.
- Publish a new 10 year national strategy for economic transformation setting out plans for strengthening Scotland's economy through national and regional action and working with businesses, education providers and enterprise and skills to address sector specific recruitment and retention challenges, including current and emerging skills and labour shortages.

Support individual moving into jobs

- Simplify and strengthen our lifelong learning offer to ensure people particularly those most in need of upskilling and retraining support - have access to the skills support they need to help navigate a fast changing economy, including as we make the transition to net zero. We will accelerate this work in 2021-22 by reviewing the performance of our existing skills investments – including independently evaluating both our Flexible Workforce Development Fund (FWDF) and Individual Training Accounts (ITAs) programmes – ensuring our services remain responsive to the people using them and to the evolving labour market.
- Invest £200 million specifically in **adult upskilling and retraining** opportunities. This includes our current investment through ITAs and FWDF as well as up to £20 million this year through the National Transition Training Fund (NTTF), which is designed to help retrain and reskill workers in areas of the economy particularly impacted by the pandemic and the transition to Net Zero, enabling future skills transitions. Future investment will be guided by the results of the above review of our lifelong learning offer.
- Creating a new **Digital Skills Pipeline** which will create new, free and modular provision to support people to progress all the way from beginner level to advanced, alongside up to £4 million for digital initiatives as part of the National Training Transition Fund, and £100 million already committed to investing in digital support programmes over this Parliament.
- Continue funding key transition projects via our **Energy Transition Scotland programme**, including the £62 million Energy Transition Fund (ETF), and recognise the particular challenges faced in the North East from the transition to Net Zero through the **North East Economic Recovery and Skills Fund**.
- We will also work with partners, communities and other stakeholders to take forward a ten-year **£500m Just Transition Fund for the North East and Moray**.



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Provide targeted support to those most affected

- Establish a scheme to remove the barriers many disabled people face in attaining leadership positions, building on the success of the **Minority Ethnic Leadership** and **Development Programme**.
- Refresh **A Fairer Scotland for Disabled People Employment Action Plan** during 2021-22 to ensure that disabled people's experiences directly feed in, and that the impact Covid is having on disabled people on the labour market is recognised.
- Launch a new version of the **Workplace Equality Fund** by winter 2021 to support employers increase diversity in the workforce, with up to £800,000 committed to the fund in 2021-22.
- Take forward work under our Gender Pay Gap Action Plan to tackle the drivers of the gender pay gap in Scotland. We will support 2,000 women transition back to work following a career gap through the Women Returners' Fund, backed by up to £2 million this year.
- Develop an **ethnicity pay gap strategy** which will support employers to evidence how different minority ethnic groups are represented in an organisation, across different pay bands. Development work is underway and we aim to publish this strategy in the Spring of 2022. Crucially, it will also help employers to understand if there are unfair disparities and help drive strategies for the recruitment, retention and progression of people from minority ethnic communities.

Create a Fair Work Nation

- Progress our vision of Scotland as a leading **Fair Work Nation** by 2025: including making payment of the **real Living Wage to all employees** a condition of public sector grants by summer 2022 and launching a consultation on fair work this autumn.
- Introduce Fair Work standards as a condition to public sector heat and energy efficiency contracts as set out in our response to the Just Transition Commission's recommendations.
- Apply **Fair Work First** to our zero emissions affordable homes strategy and apply these criteria to grants, other funding and contracts awarded by and across the affordable housing sector. This will help to tackle the gender pay gap and the disability pay gap, contributing to our efforts to eradicate child poverty by supporting families with children to gain more income through employment.



- Ensure that all providers in the private and third sectors delivering funded **Early Learning and Childcare** (ELC) receive a sustainable rate that enables **payment of the real Living Wage to all staff delivering funded ELC**. We will work with local government to strengthen the process for setting sustainable rates for Early Learning and Childcare (ELC) to ensure they are in place for August 2022. We will also establish a **Living Wage and Fair Work Implementation Group** by the end of 2021, to explore implementation challenges for providers delivering funded ELC and to support the wider childcare sector with the promotion of fair work practices to support staff retention.
- Provide leadership across **health and education sectors supporting full implementation of fair work principles** working with NHS Boards and the Scottish Funding Council to remove barriers to achieving Living Wage accreditation in advance of the 2025 ambition.
- Work with local government to deliver the key foundation pillars set out in the Independent Review of Adult Social Care in Scotland. We remain committed to **ensuring staff delivering direct adult social care are paid at least the real Living Wage** with additional funding of £64.5 million this year. We will also work with COSLA on the establishment of minimum standards for procurement decisions, with a requirement for ethical commissioning taking into account factors like fair work, terms and conditions and workforce and trade union recognition and representation.
- Publish a Fair Work statement on race for employers that considers the fair work principles specifically through the lens of race equality. It is designed to help employers think about the specific issues in relation to race in the workplace and where the fair work dimensions could be considered to address those issues. It contains helpful advice and examples that employers can refer to in order to improve minority ethnic representation and retention in their workforce.
- Work with local authorities to ensure a **Community Wealth Building plan** which sets out objectives to protect and create good quality local employment opportunities is in place as part of wider recovery plans.



6. Rebuilding Public Services – how we will deliver



During the pandemic public services have been suspended, reduced or delivered through different approaches often using technology. Barriers between organisations were dismantled and, in the face of urgent need, there was an increased willingness and ability to work together because it really mattered. National and local resilience partnerships have been incredibly effective involving local authorities, NHS Scotland, Police Scotland and Scottish Fire and Rescue alongside other partners. Communities and national and local governments worked together to slash the numbers of people sleeping rough to a record low. We need to bring that urgency, creativity and flexibility to recovery, and to addressing the systematic inequalities made worse by Covid.

Reducing delays in accessing public services is critical for Scotland's recovery. Individual recovery plans, including the <u>NHS Recovery Plan</u>; Education Recovery: Key Actions and Next Steps; and forthcoming justice strategy, all seek to address backlogs and increase capacity. Local Government also continues to play a crucial role in recovery, with councils leading production of recovery plans to address the priorities of their local areas. These plans cannot be viewed in isolation and all have a part to play in making Scotland a fairer place: for example education can help lift children and young people out of poverty, and progress on child poverty can support improvements in attainment.

A recent report from National Records of Scotland (NRS) emphasises the stark reality of health inequalities in Scotland evidenced by differences in outcomes for people living in the most deprived areas of Scotland compared to the least deprived areas. With those in the most deprived areas 18 times more likely to suffer a drugs related death; four times more likely to die from alcohol; three times more likely to die by suicide; twice as likely to die from Covid; and can expect 20 years less healthy life.³⁸

Covid undoubtedly has made the need to focus the collective endeavour of our public services more urgent. This strategy takes the learning from the innovation and creativity which characterised the way which public services, businesses, communities and the third sector responded to the pandemic and set out a process to systematise and scale successful approaches. We must make community involvement and empowerment both in service design and delivery the norm, not the exception.

³⁸ https://www.nrscotland.gov.uk/statistics-and-data/statistics/stats-at-a-glance/registrar-generals-annual-review/2020





In recovery, all partners must help the people of Scotland – especially those hardest hit by the pandemic – to live better, healthier, happier, more prosperous lives. Our commitment to reform and redesign is clear. We will build on the approach which the Christie Commission set out in 2011 and one that the Scottish Government and Local Government adopted as its Public Service Reform agenda the same year.^{39, 40} A renewed focus on prevention, greater partnership working, workforce development, and a more transparent focus on performance will be critical for success. This approach has already informed major reform programmes and local service design across Scotland⁴¹ and it commands confidence among community groups and the third sector, as the Social Renewal Advisory Board report confirmed.⁴²

Therefore the actions set out in this section provide the foundations for our continued and sustained commitment to tackle pre-existing inequalities and secure positive economic, environmental and social wellbeing for all.

Case study: working together to help homeless people in the pandemic

Covid put the lives and health of around 300 people who were sleeping rough or in shared dormitory style accommodation at immediately higher risk. They have poorer health and higher rates of complex problems than the general population. We made over £1.5 million rapidly accessible for Local Authorities and third sector partners to acquire emergency accommodation urgently, provide daily hot meals and emergency food, give enhanced independent living support to young women who are homeless and have experienced sexual assault, and support the basic needs of people with No Recourse to Public Funds. Rough sleeping was almost eradicated as many 'entrenched' rough sleepers accepted the offer of temporary housing, showing what a more personalised approach with a clear message of care and dignity can achieve. Having accommodation has enabled access to primary care, mental health services, advocacy, employment support and addiction services, helping to stabilise chaotic lives.

The Homelessness and Rough Sleeping Action Group's latest set of recommendations were published on 14 July and focus on how we can keep people safe now and in a future where no-one in Scotland sleeps rough. These have been publicly accepted in principle by Ministers and include:

- an immediate flexible supply of affordable housing for all;
- maximising housing options for all those facing homelessness;
- preventing homelessness from happening in the first place; and
- preventing migrant homelessness and destitution.

39 Christie Commission on the future delivery of public services - gov.scot (www.gov.scot)

⁴² If not now, when? - Social Renewal Advisory Board report: January 2021 - gov.scot (www.gov.scot)



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⁴⁰ Renewing Scotland's public services: priorities for reform in response to the Christie Commission - gov.scot (www.gov.scot)

⁴¹ Such as Getting It Right for Every Child (GIRFEC); a new approach to Public Health with the creation of Public Health Scotland, built on reducing health inequality and increasing healthy life expectancy through close partnership work with a focus on prevention and locality; instilling a person-centred approach to service design and delivery at the heart of Social Security Scotland.

Collective National Endeavour for Recovery

We know that individuals and organisations experience of public services varied significantly during the pandemic. We want every person to access and benefit from public services in a way that works for them and meets their needs. The Scottish Government cannot do this alone. We are committed to working with our partners in Local Government, the business community, health services, the third sector and our communities as part of an energetic national recovery endeavour. Our commitment in March 2021 to a long-term partnership to strengthen collaboration between the Scottish Council for Voluntary Organisations (SCVO) and COSLA, following successful partnership work in response to the pandemic is an example of this approach. Only by working together can we address the inequalities made worse by Covid and make the changes necessary for Scotland to thrive. To lead this collective national endeavour, we will work differently with our partners in the following ways:

a) Scottish Government's approach to Recovery

The agreement with the Scottish Green Party commits us to working together to redesign and rebuild public services, including reform of the education system and the establishment of a National Care Service, and to building a more equal Scotland.

We are renewing our commitment to taking a person centred and whole system approach to Covid recovery. In recovery we must also change to enable government, public, private, third and voluntary sectors to work together more effectively.

As we act as an enabler for transformation, we increase the transformational potential across the wider public sector.

We want to design services taking into account lived experience. We will make it easier to work with us by making sure that the people who help us design and deliver policies and services get practical support to do that. Covid recovery will need all Scotland's people, and all of our organisations to be willing to build new kinds of relationships with each other.

This strategy sets out how we will work differently, and how we will work differently with Local Government and business organisations.



b) Partnership with Local Government

We have worked closely with Local Government to agree the shared vision and outcomes of Covid Recovery and underpinned this with principles about how we will work together. Our joint approach recognises the critical roles of the Scottish Government and Local Government in leading our national and shared endeavour of Covid Recovery. Our urgent initial focus will be to address the areas of greatest harm resulting from the pandemic and its impacts on people, society, public services and the economy. This approach will seek to deliver discernible improvement in people's lives, demonstrating the ability to build back fairly.

Building on the partnership which underpinned our Covid response we will work with Local Government to shape the recovery activity which will support – rebuilding public services; good, green jobs and fair work; financial security for low income households; and wellbeing of Children and Young People. We will also support delivery of joint programmes of work with a Recovery Oversight board, allowing a strong focus on monitoring and performance towards outcomes.

c) Partnership with the Third Sector

Key to the resilience of our communities has been the work of Scotland's third sector and volunteers. Third sector organisations have led the way in adopting innovative, person centred, holistic services which wrap around families and individuals. Third sector organisations are also often working with those most marginalised including those most impacted by the pandemic. It is therefore essential that we strengthen our partnership with the third sector in our approach to recovery. Our shared commitment with SCVO and COSLA to strengthen collaboration demonstrates our determination to maintain this approach. Central to this will be continuing to support strategic infrastructure nationally and locally. The value of local Third Sector Interfaces in facilitating collaboration across a diverse third sector and public sector has been proven during the pandemic. Commitments to supporting infrastructure and key policies, including the Social Enterprise Action Plan and the Volunteering Action Plan, will ensure that we strengthen the sector's role in supporting recovery.



d) Partnership with Business

We welcome the way businesses and their representatives have worked collaboratively with government through the pandemic. We want to build on that. Recognising the opportunity to work differently to maximise and accelerate progress on recovery and learn from our experience during Covid response, we are finalising a new set of principles with representative business organisations which will establish an overarching framework to guide our future relationship.

When formalized, these principles will be used to support a change in how Scottish Government policies impacting on business are developed and delivered. They will encourage a more collaborative approach to economic policy development. They will also influence wider public sector activity by consistently articulating expectations around the role for, and value of, business involvement. And they will frame specific actions in our National Economic Transformation Strategy to help businesses to thrive, create jobs and address inequality. A fair, equal society and a strong, sustainable economy are not competing aims. They are interdependent.

e) Partnership with Communities

The local response to Covid has shone a light on the power of our communities and how they can come together and make change happen to shape their own futures. Where people live really matters to them. The pandemic has highlighted the importance of our parks and libraries particularly for those on low incomes. The fundamental purpose of Scotland's person centric, place based approach is to ensure that everything we do in our villages, towns, neighbourhoods and cities – involving all spheres of government – is relevant to that place and for the benefit of all the people in that place.

This means helping partners and stakeholders in every community to tackle the inequalities now made worse by Covid – in a way that listens to the distinct voices of that community and responds to the very specific needs of the people who live there. That includes shaping more inclusive and person-centred public services focused on those in greatest need, and creating local infrastructures that enable people to live well locally. It also involves Scottish Government taking the lead in orchestrating a more joined up approach to place across portfolios.

Key to the resilience of communities has been the action taken by communities themselves. We will build on this to ensure that resilience can be sustained as part of our recovery and renewal through our Empowering Communities Programme. The programme provides support to the hundreds of community anchor organisations across the country, enabling communities to take more control and make a difference in tackling inequalities on their own terms, shaping their own futures.



Over the next 18 months, to rebuild our public services, address inequalities which Covid made worse, and change how we deliver we will:

- Support public sector bodies and Community Planning Partnerships in every local area to develop and implement a **local plan for Covid Recovery** which focuses on the areas and approaches with the most significant scope for impact in their localities.
- Take a more holistic and joined-up approach to regeneration through the Place Based Investment Programme – to achieve outcomes that not only improve the physical, economic, cultural and social outcomes for communities but also tackle inclusivity, wellbeing, health and the climate. This is now an active 5 year programme to accelerate our recovery ambitions through 20 minute neighbourhoods, community-led regeneration and town centre revitalisation. The programme builds on the successful impact of the Regeneration Capital Grant Fund (RCGF) and Town Centre Action Plan which have been delivered through a strong partnership with COSLA and local government. RCGF for example, has invested in over 200 projects which have created and supported thousands of jobs, provided new space for local enterprises and supported the resilience and wellbeing of disadvantaged and fragile remote communities across Scotland.
- Provide a one-off fund of up to £1.25 million through the Scottish Libraries and Information Council to help **libraries re open and stay open**, particularly in areas of deprivation.
- Support the **joint development of leadership capacity in Scotland** as well as the workforce development in local and national contexts that will enable more effective and person centred services to be delivered
- Support the V&A Dundee to become a **National Centre for Design**, and to lead and inspire the contribution of design to our economic and public services recovery.
- Conclude, as a matter of urgency, work currently under way to bring forward proposals for the establishment of a recognised, authoritative and collaborative function to combat the accelerating threat of cyber attack to Scotland, its businesses and people. The intention is to leverage better coordination and collaboration for the common benefit and so prevent and respond to escalating cyber risk in a more rapid and resilient way. As well as incident response coordination capacity, the ambition is to also develop a capacity to better share threat intelligence, alerts, best practice, and advice and guidance across all sectors and so mitigate the impact of all attacks and cyber crime more generally.
- Work to establish a new **National Care Service** (NCS) with the aim of treating people with dignity and respect at its heart. We will ensure care is focused on the individual and is human rights based by taking a user led approach, properly recognising the value and insight of lived experience.



- Establish a **Centre of Expertise for Transformation** this year to develop collaboration and learning across a range of specialist analytical, digital, design, improvement and participation methods; applying this expertise to accelerate public service transformation.
- Deepen our engagement on work to embed equality, inclusion and human rights across the public sector, through collaboration with local government on the development of a strategy to improve how we embed equality, inclusion and human rights. The NACWG recommended that we incorporate the UN Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) into Scots Law. In this parliamentary session, we will introduce a Human Rights Bill, incorporating four international human rights treaties into Scots Law, as far as possible within devolved competence, including CEDAW. Later this year, we will also consult on the operation of the Public Sector Equality Duty in Scotland.
- Support **local, regional and national resilience partnerships** to embed the learning from the pandemic in order to prepare nationally for future risks
- Establish joint oversight of the **Covid Recovery policy programme**, chaired jointly by Scottish Government and COSLA. Working with Research Data Scotland and the Improvement Service we will agree outcomes, indicators, monitoring and evaluation which allows us to accelerate progress.
- Support our **Collective National Endeavour for Recovery** through the establishment of a Collaboration for Recovery which could draw on knowledge, experience, design, improvement science, innovation and local successes which can lead to scaling up and systemic improvement. We will publish an agreed programme plan in December followed by quarterly reporting of progress. See Figure 5.
- Deliver a framework that supports and enables local partnership working to deliver **coherent place-based approaches to tackling health inequalities within communities**. This will include developing more effective ways to support community-led third sector programmes that can help to improve the health and support those most in need. We will support our health and social care providers to be anchor institutions and to do what they can to reduce socioeconomic inequalities within their local community through their employment, procurement and use of assets.
- Renew and refocus or efforts to build equity into our health and social care services for minority ethnic groups by implementing the recommendations from the Expert Reference Group on COVID 19 and Ethnicity as set out in the <u>Race</u> <u>Equality: Immediate Priorities Plan</u>, including work to improve collection and use of ethnicity data within Health & Social Care





6. Summary of actions and delivery timescales

Figure 6 sets out how some of the actions set out in this strategy will impact more than one of our outcomes. Figures 7 to 10 set out indicative timescales for when many of our actions will be delivered over the next 18 months.

Figure 6: Table of cross-cutting actions

Outcomes	Good, green jobs and fair work	Financial security for low income households	Wellbeing of Children and Young People
	Job creation	Reducing costs of living	Early and preventative support for children and families
Drivers	Employability and skills support	Maximising income from social security / benefits in kind	Conditions for wellbeing to flourish
	Creating the conditions for fair work and a just transition	Increasing income from employment	

Outcomes	Good, green jobs and fair work	Financial security for low income households	Wellbeing of Children and Young People					
	Regional Economic Partnerships	Community level systems of school age childcare	Whole Family Wellbeing Fund					
	Green Jobs Fund and Green Jobs Workforce Academy	Parental Employability Support Fund	Sport and active living, and childhood obesity and adult weight management					
	Manufacturing Recovery Plan, Construction Recovery Plan and Construction Accord	Benefit Take-up Strategy	Locally-based mental health and wellbeing support					
	Zero emissions strategy for new affordable homes	Fuel Poverty Strategy	Mental Health Recovery and Renewal Fund					
	Affordable Housing Supply Programme	Fair Fares Review	Student mental health action plan					
	Retail Strategy	Community Bus Fund	Scaling Social Innovation Partnership					
Actions	Women's Business Centre	Welfare rights advisors in GP surgeries	(SIP) in partnership with The Hunter Foundation					
	10 year National Strategy for Economic Transformation	Roll out and doubling of Sc	ottish Child Payment					
	Adult upskilling and retraining	ol Clothing Grant, and free bikes pilot						
	Digital Skills Pipeline		Holistic whole family support					
	Energy Transition Scotland Fund and North East Recovery and Skills		Children's Hearings Scotland					
	Fund Gender, ethnicity and disability		Sistema Scotland and Youth Music Initiative					
	employment action plans and ethnicity pay gap strategy		Summer 2022 and Summer 2023 offers					
	Community wealth building		Scottish Teachers Advancing Computing Science (STACS)					
	Just Transition Fund for the North East and Moray		National Trauma Training Programme					
) affordable homes						
	No One Left Behind							
	Fair Work Nation: real Living Wage and other Fair Work standards							
	Wraparound childcare and expansion of Early Learning and Childcare for children aged one and two							
		Young Persons Guarantee						
-								

Covid Recovery Strategy For a fairer future

Figure 7: Strategy Delivery Plan for Financial security for low income households actions

Autumn 2021 Winter 2021 Sp	oring 2022	Summer 2022	Autumn 2022	Winter 2022	Spring 2023 and beyond
Publish Fuel Poverty Strategy					
Welfare rights advisors in 150 GP surgeries					
Expand free school lunches to all children in primary 5	Expand to all	children in primary 6 a	and 7		
Provide free school lunches to every cl	hild state-fund	ed special schools			
No One Left Behind approa	ach with Local	Government			
Free schoo	l breakfasts pi	lots			
Rollout of Sco	ottish Child Pay	ment to children un	der 16		
	Double Scotti	sh Child Payment thi	s Parliament		
Engagement period for model of funded E	ELC for children	aged 1 and 2			
Engagement period for wraparound	childcare delive	ery plan			
	Early	y phasing-in of comn	nunity level systems	of school age childc	are
£8.65m for Parental Employment Suppor	rt Fund	£15m for	Parental Employment	Support Fund across	2022-24
	Annual inc	rease of School Cloth	ning Grant		
	110,000	affordable homes b	y 2032		
	Implement our	second Benefit Take	e-up Strategy		
Commissi	on Fair Fares F	Review and introduce	e Community Bus Fur	nd	

Figure 8: Strategy Delivery Plan for Wellbeing of Children and Young People actions

Autumn 2021	Winter 2021	Spring 2022	Summer 2022	Autumn 2022	Winter 2022	Spring 2023 and beyond
Establish	n STACS					
£10m for childhoo	d obesity and adult we	eight management				
£15m for mental healt	h and wellbeing support	for 5 to 24 year olds				
£4.2m for St	udent Mental Health	Action Plan				
Up to £70 million t	o deliver our Young Pe	erson's Guarantee				
	Free bike pilots	for children who car	not afford one			
	Rollout	of Scottish Child Pay	/ment to children un	der 16		
Trial tailored tr	auma training	Develop and deliv	er tailored trauma tra	ining resources throug	h National Trauma Tra	ining Programme
Recovery and re	enewal of Children's	Hearings	Some virtual	and hybrid Children's	Hearings likely to conf	tinue
	onal investment in C. Jealth Recovery and		Commitment for a	1% of annual NHS Ope	rating Budget to be dir	rected to CAMHS
		Scale Social Innov	vation Partnership in	this Parliament		
		£500m for Whole Fa	amily Wellbeing Fund	d in this Parliament		
	Sport	and active living inve	estment up to £100n	n a year in this Parlia	ament	



Figure 9: Strategy Delivery Plan for Good, green jobs and fair work actions

Autumn 2021 Winter 2021 Spring 2022	Summer 2022	Autumn 2022	Winter 2022	Spring 2023 and beyond
Fair Work statement on race				
Zero emissions affordable homes strategy				
Retail Strategy				
Review of Regional Policy in Scotland				
Up to £20m investment in National Training Transition Fund				
£64.5m for adult social care to ensure staff are paid the real Living Wage				
North East Recovery and Skills Fund				
A Fairer Scotland for Disabled People - Employment Action Plan				
£800,000 for Workplace Equality Fund				
£2m for Women Returners' Fund				
Ethnicity Pay Gap Strategy				
Report on progress of Green Jobs Fund and Green Jobs V	Vorkforce Academy			
Construction Accord				
Gender Pay Gap Action Plan				
Real Living Wage condition of public sector	grants			
Real Living Wage for all providers of funde	d ELC			
Digital Skills Pipeline				
	MA programme withi	n Affordable Housing	g Supply Programme	
Manufacturing Recovery Plan	Incorporate	d into Making Scotlar	nd's Future	



Figure 9: Strategy Delivery Plan for Good, green jobs and fair work actions

Autumn 2021	Winter 2021	Spring 2022	Summer 2022	Autumn 2022	Winter 2022	Spring 2023 and beyond		
	Fair Work standards condition of heat and energy efficiency contracts in this Parliament							
	Fair Work First app	olied to zero emissio	ons new build afforda	ble homes strategy	in this Parliament			
	Fair Wo	rk standards across	health and education	n sectors in this Parl	iament			
Disability leadership and development programme								
Local authority Community Wealth Building plans by August 2023								
£50m for Women's Business Centre in this Parliament								
Energy Transition Scotland programme, including Energy Transition Fund								
Just Transition Fund for the North East and Moray								
Publish and implement 10 year National Strategy for Economic Transformation								

Figure 10: Strategy Delivery Plan for Rebuilding public services actions

Autumn 2021 Winter 2021	Spring 2022	Summer 2022	Autumn 2022	Winter 2022	Spring 2023 and beyond	
Publish Covid Recovery Programme pl	an					
Centre of Expertise for Transfo	rmation					
Launch of central cyber coordination func	tion for Scotland					
Consult on a new	I Human Rights Bill	and the Public Secto	r Equality duty			
	Joint development of leadership capacity					
Establish National Design Centre at the V&A						
	Place Based inve	estment Programme	over five years			
	Place-based a	approaches to health	inequalities			
Impleme	nt recommendation	s in the Race Equality	y: Immediate Prioriti	es Plan		

Annex A: Public engagement and stakeholder events

The Covid Recovery Strategy is informed by public engagement research on the kind of Scotland that people want to live in. The pandemic has reinforced the value and importance of people being actively involved in decision making that affects our lives, but our commitment to listening to the people of Scotland was well-established before the pandemic; <u>The Citizens' Assembly of Scotland</u>, a group of 100 citizens from across Scotland that are broadly representative of the country, was established in 2019 to consider the question "What kind of Scotland are we seeking to build?". The Assembly continued its work on-line during the pandemic, and published its report in January 2021. In February 2021 the outgoing Scottish Parliament voted to commend the report to its successor. The report sets out a challenging and ambitious agenda for Scotland's future: the recovery should be green; it should include tackling poverty and creating fair work; and it should support young people in terms of mental health support, affordable housing and education and employment opportunities.

Throughout the pandemic, we have listened to a diverse range of people across Scotland. In particular, we have listened to the views of those most impacted by Covid.⁴³ Their views have helped to inform the development of this strategy and our wider recovery and renewal work.

The people of Scotland want an ambitious and transformational recovery that is supported by investment in social, economic and green renewal. It should achieve financial security for all citizens and should strengthen existing rights for those with protected characteristics while supporting health and wellbeing to a greater extent.

The challenges of an uncertain future was felt particularly acutely by young people during the pandemic, with people not feeling sure about what their future will hold.

"I am due to graduate in June. All the jobs I had applied for have been put on hold and the sectors I am interested in have suspended the vast majority of recruitment. I have moved back in with my parents for the foreseeable future until places start recruiting again."⁴⁴

Feedback from Poverty Commissions in Edinburgh, Glasgow, Dundee and North Ayrshire to the Social Renewal Advisory Board highlighted concerns that Covid was increasing the number of people living in poverty and making things worse for those already experiencing poverty.

"My hope is that some of the people now having a tough time will think to themselves: is this how much people have to live on normally? When this is over, we need to say: a large proportion of the city's people won't be getting back on their feet because we live in a really unequal city and now it's time to fix it."⁴⁵



⁴³ This includes engagement through the Social Renewal Advisory Board, the <u>Children's Parliament</u>, and a range of other Scottish Government research and analysis.

⁴⁴ NPF_Impact_of_COVID-19_December_2020.pdf (nationalperformance.gov.scot)

⁴⁵ Feedback from Scotland's Poverty Commissions in Edinburgh, Glasgow, Dundee and North Ayrshire to the Social Renewal Advisory Board.

The Deputy First Minister held a series of four open dialogue events with stakeholders over the summer of 2021 to gain further insight from a broad range of organisations working directly with people adversely impacted by the pandemic as well as from local authorities, business organisations and third sector organisations including Child Poverty Action Group, Scottish Women's Aid, Scottish Refugee Council and Glasgow Disability Alliance. The collective national focus on recovery was welcomed by participants. People recognised that we have an opportunity to do things differently, to reshape and improve public services in Scotland.

Reflections from participants included:

*"Lack of financial security has been a key factor in conferring more risk from Covid infection for families who live in poverty."*⁴⁶

"Homeworking and the move to digital delivery of work has benefited some disabled people while making life harder for others – one size fits all responses should be avoided as we rebuild public services."⁴⁷

Throughout the sessions chaired by the Deputy First Minister, there was recognition of the quickly adapted good practices and structures that emerged in response to changing priorities during the pandemic. Although recovery priorities will vary by locality and sector, we should build upon these successes. Further themes recognised in these sessions include:

- The need to address structural inequalities exacerbated by the pandemic.
- The disproportionate impact of the pandemic on women, sole parents, children with complex needs, disabled people, refugees and those from ethnic minority communities.
- The need to talk about people and families, not systems and the inclusion of those who use the services in the redesign, was echoed throughout the research to ensure it meets people's needs.
- Recovery presents an opportunity to do things differently, to reshape and improve public services.

The small-scale <u>Covid Conversations</u> research project conducted in December 2020 and January 2021 invited people to share their experiences of the pandemic and what could be improved further. Some of their suggestions include: involving people and households on low incomes as early as possible in policy development; enhancing out-of-school activities and community youth work; tackling the digital divide fairly; and developing mental health services and widening employment opportunities for young people.

⁴⁶ Carey Lunan, Deep End General Practitioner and former Chair RCGP

⁴⁷ Heather Fisken, Interim Director, Inclusion Scotland

The importance of community empowerment was highlighted in the dialogue sessions and work conducted by the Social Renewal Advisory Board.

"I noticed a lot of people changed their attitude towards helping others in the community. People came together to help other people, the virus made people work more together and look after each other."48

A further key observation from the dialogue sessions was that the pandemic has required us all to work and think differently, and to act with 'laser like' focus for a common purpose. As we move further into recovery and renewal we must maintain the energy, flexibility and innovation exemplified throughout the pandemic to help everyone who was affected to come out stronger.

^{48 &#}x27;If not now, when?' Social Renewal Advisory Board 2021 (gov.scot)





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