

Jamie Hepburn MSP
Minister for Business, Fair Work and Skills

By email to raceemployment@gov.scot

8 March 2021

Dear Mr Hepburn

Thank you for your letter of 5 February 2020 about the Equalities and Human Rights Committee report: *Race Equality, Employment and Skills: Making Progress?*, requesting information on how the Scottish Fiscal Commission intends to take forward the Committee's recommendations. I am responding as Chief Executive of the Scottish Fiscal Commission.

1. Those in public authority leadership positions [should] undertake an assessment of their organisation's understanding of racism and the structural barriers that may exist within their organisations. Public authorities should integrate their ambitions into their next strategic plan. Their strategic goal should be underpinned by specific outcomes and supported by timely monitoring. Public authorities should be transparent about their targets and their progress in delivering their outcomes.

We intend to consult upon our next corporate plan in the second half of 2021 and intend to integrate our ambitions and any targets in that plan. In thinking about these issues in the Scottish Fiscal Commission, and in our profession, we intend to learn from the "Analysis Function Diversity and Inclusion Strategy 2021-2024" which was published at the start of February 2021 on www.gov.uk ([link](#)).

2. Public authorities should review their recruitment procedures and practice against the Scottish Government's toolkit and make the necessary changes.

We use the Scottish Government recruitment policies and procedures, so already follow the toolkit with respect to the simplified application process and improvements in assessment centres. We intend to use the toolkit when we next recruit staff or Commissioners to ensure that we are doing all that we can in terms of outreach, advertising and ensuring our selection panels are diverse and appropriately trained.

3. All public authorities subject to the Scottish specific Public Sector Equality Duty should, as a minimum, voluntarily record and publish their ethnicity pay gap and produce an action plan to deliver identified outcomes. This piece of work will help organisations to understand the reasons behind the gap and to take targeted action. By not doing so, the Committee believes not only is there a greater risk of reputational damage to the public authority but also the potential for loss of talent to other more progressive workplaces.

The Scottish Fiscal Commission is subject to only the general equality duty, rather than the specific duties. We follow the Scottish Government main pay scales, so we pay everyone undertaking work of an equal value on the same scale (ie within the same pay range) and exact pay depends on length of service. However, the Commission will commit to publishing our ethnicity pay gap alongside our gender pay gap when we can do so without it being statistically disclosive.

4. The Committee intends to send this report to every public authority it initially wrote to. The Committee asks each public authority to provide a commitment to the Committee to take a minimum of three new actions to address their organisation's specific issues along with associated timescales and reasons for those timescales. Public authorities must show strong leadership and demonstrate a dedication to addressing decades of damage. As Inclusion Scotland said, it is about “employer-ability”, not "employ-ability".

The Scottish Fiscal Commission was not one of the public authorities to which the Committee wrote. However, the Commission will commit to taking three new actions (as the Committee requests of other public authorities), and to reporting upon these in our annual reports.

Yours sincerely

A handwritten signature in black ink that reads "John Ireland". The signature is written in a cursive, slightly slanted style.

John Ireland
Chief Executive