

Integrated Impact Assessment

The purpose of Aberdeen City Council is to protect the people and the place of Aberdeen from harm, enabling them to prosper and supporting them in the event of harm happening.

The purpose of an Integrated Impact Assessment is to evidence that Aberdeen City Council are making decisions in an informed way, and that the impact of decisions made is understood and accepted. The legislation that is considered within this assessment are:

- Section 2 Equality Act 2010 protected characteristics
- Section 3 <u>Socio-Economic</u>
- Section 4 Human Rights
- Section 5 Children and Young People's Rights

The term 'policy' is used throughout this document and applies to policies, proposals, strategies, provision, criteria, functions, practice, budget savings and activities that includes delivery of our services.

1. About the Policy

1.1 Title

UK Shared Prosperity Fund (UKSPF)

1.2 What does this policy seek to achieve?

The UK Shared Prosperity Fund (UKSPF) is a central pillar of the UK Government ambitious levelling up agenda and a significant component of its support for places across the UK. It will provide £2.6 billion of new funding for local investment by March 2025. The UK Government published the UK Shared Prosperity Fund prospectus on 13 April 2022 alongside indicative funding allocations for each Local Authority within the United Kingdom. The Aberdeen City Council area received an indicative allocation of up to £7,156,831 for an initial three-year period covering 2022/23, 2023/24 and 2024/25. This is made up of £1,235,919 for "Multiply" and £5,920,913 for the core UK Shared Prosperity Fund. In 2022 Aberdeen City Council approved the UKSPF Investment Plan UK Shared Prosperity Fund | Aberdeen City Council.

The August 2024 report to F&R seeks the Committee's approval for the proposed allocation of grant funding for:

UKSPF Local Business Support

- Up to £137,592 to Aberdeen City Council for the Energy Pilot;
- Up to £40,000 to Aberdeen City Council for the Learning Journey Support for SMEs in Tourism, Digital Tech and Food and Drink project;
- Up to £48,740 to Aberdeen City Council for AI Upskilling for SMEs project;
- Up to £55,000 to Aberdeen City Council for the Tall Ships Creative Makers Programme;
- Up to £100,000 to Aberdeen City Council to deliver the Vibrant & Sustainable City Centre Pilot

1.3 Is this a new or existing policy?

Existing Policy (Fund)

Prior Integrated Impact Assessment for grant allocation <u>UK Shared Prosperity Fund UKSPF - IIA - 2024.pdf</u> (aberdeencity.gov.uk)

1.4 Is this report going to a committee?

Yes

1.5 Committee name and date:

Finances and Resources Committee – 07th August 2024

1.6 Report no and / or Budget proposal number and / or Business Case reference number:

CR&E/24/216

Impacts

This section demonstrates the considerations that have been made in relation to the policy - and that the impact of proposals made is understood and accepted.

2: Equality Act 2010 - Protected Characteristics

Aberdeen City Council wants to ensure everyone is treated fairly. This section identifies the <u>protected characteristics</u> that the policy potentially affects and records the impact and mitigating steps.

2.1 What impact could this policy have on any of the below groups?

		What is the impact?			
		Negative		Neutral	Positive
Protected Characteristic	High	Medium	Low		
Age					Х
Disability					х
Gender Reassignment					х
Marriage and Civil Partnership					х
Pregnancy and Maternity					х
Race					х
Religion or Belief					х
<u>Sex</u>					х
Sexual Orientation					х

2.2 In what way will the policy impact people with these protected characteristics?

The proposed UKSPF Local Business Support projects don't directly target protected characteristics, however by providing new business development opportunities accessible to all, they contribute positively to the broader inclusivity and support of individuals from protected characteristic groups. This approach ensures that everyone, regardless of their background, benefits from the economic growth and opportunities.

- The Energy Pilot the scheme is designed for small and medium-sized enterprises to co-finance energy and carbon-saving upgrades and support their efforts to achieve Net Zero targets. By supporting energy efficiency projects, this scheme helps to reduce energy consumption, directly lowering carbon emissions. This includes upgrading energy-efficient equipment, installing insulation, and adopting renewable energy sources. The program would also address ongoing cost-of-living and energy price crises. A non-repayable grant of up to £10,000 will cover up to 50% of the project's total cost. This financial support is crucial for small businesses that might otherwise lack the resources to make significant energy efficiency upgrades.
- the Learning Journey Support for SMEs in Tourism, Digital Tech and Food and Drink project aims to support SMEs resilience and export readiness by facilitating attendance at relevant trade fairs, conferences, and exhibitions. It ensures that businesses from various backgrounds, that might not have the financial means otherwise, can participate in important business development activities.

- AI Upskilling for SMEs project aims to help SMEs develop the digital skills, assets, and processes needed to stay competitive, foster innovation, and seize opportunities for growth. The project's objectives include providing AI training to SME owners and employees, enabling them to enhance productivity and efficiency, expand into new markets, and potentially increase their workforce. Additionally, the project seeks to inspire local SMEs by offering free online AI training, encouraging curiosity, and integrating AI technologies and opportunities into business planning and strategy.
- Tall Ships Creative Makers programme supports 10 small businesses/young entrepreneurs to develop new products centred on the themes of the Tall Ships Races, including local maritime history and heritage, environmental awareness of the issues facing our waters, marine biodiversity and Aberdeen's ongoing relationship with the sea. This work could be ceramics, jewellery, woodcraft, prints or other objects for sale.
- The Vibrant & Sustainable City Centre Pilot is designed to increase the resilience of local businesses and boost city centre footfall through various initiatives. By incorporating diverse needs into event planning, marketing, business support and accessibility improvement, the project promotes a welcoming and inclusive city centre.

2.3 What considerations have been made in reaching the above assessment?

What internal or external data has been considered? What does this data tell us?

The impact of the UK Shared Prosperity Fund was carefully assessed, taking into account lessons learned and outcomes from previous projects. Reviewing the successes and challenges of past initiatives has provided valuable insights into the most effective ways to enhance accessibility and support these groups. The applications received in this round have a strong focus on business support and energy efficiency, which will impact all users by reducing the running costs of the buildings, ensuring the services stay open and accessible to all. This analysis ensures that the fund's allocations are not only evidence-based but also aligned with proven strategies that promote inclusivity and equal opportunity for all citizens.

What consultation and engagement has been undertaken with officers and partner organisations?

The impact of the UK Shared Prosperity Fund is being assessed using reports from previously funded organisations. They have submitted project evaluations and kept communication open, allowing us to monitor funding effectiveness and the achievement of key milestones. Through strategic discussions with officers and partner organisations, lessons from past projects are being integrated into future planning. This ensures that the funds are directed towards initiatives with a proven track record of enhancing accessibility and supporting specific needs.

What consultation and engagement and has been undertaken with people who may be impacted by this policy (e.g. citizens, community groups, or other people/groups)?

Funded organisations gather first-hand accounts, which have been vital in understanding real life experiences.

2.4 What mitigations can be put in place?

What mitigations are there against any negative impacts (if applicable)?		
There are no negative impacts identified.		
With mitigations in place, what is the new overall rating	High	N/A
of the negative impact(s)?	Medium	N/A
	Low	N/A
	Negative Impact Removed	N/A

3: Socio-Economic Impacts

This section is used to consider the impact of the policy on people who might be **unemployed**, **single parents**, people with lower **education** or **literacy**, **looked after children**, those with **protected characteristics** as examples.

Use this guide to understand more on socio-economic inequalities: <u>The Fairer Scotland Duty: Guidance for Public Bodies (www.gov.scot)</u>

3.1 What impact could this policy have on any of the below groups?

Group		Negative			Positive	
		Medium	Low	Neutral	Positive	
Low income / income poverty – those who cannot					Р	
afford regular bills, food, clothing payments.						
Low and/or no wealth – those who can meet basic					Р	
living costs but have no savings for unexpected						
spend or provision for the future						
Material deprivation – those who cannot access				N		
basic goods and services, unable to repair/replace						
broken electrical goods, heat their homes or access						
to leisure or hobbies						
Area deprivation – consider where people live and				N		
where they work (accessibility and cost of						
transport)						
Socio-economic background – social class, parents'					Р	
education, employment, income.						

3.2 In what way will the policy impact people in these groups?

The UK Shared Prosperity Fund could have positive effects on the identified groups for the following reasons:

Low income / income poverty: The Energy Pilot funding provides financial support to SMEs, which might otherwise struggle to afford energy efficiency improvements. These upgrades help businesses reduce their energy consumption, leading to lower operational costs. This financial relief can be particularly beneficial for small businesses and economically disadvantaged areas, improving their sustainability and economic resilience. Trade Grants provide financial support to businesses that might not otherwise afford to attend important industry events. It allows SMEs from disadvantaged socio-economic backgrounds to access the same opportunities as better-funded businesses.

Low and/or no wealth: Reduced energy costs can improve the overall financial stability of SMEs. This can allow them to invest in other important areas such as employee wages, training, and business development. Ultimately, this can help in reducing local socio-economic inequalities. The scheme is designed to assist SMEs in becoming more resilient to energy price fluctuations and supply disruptions, which is especially beneficial for businesses in economically disadvantaged areas that may be more vulnerable to such challenges. Enhanced resilience contributes to the long-term viability and growth of these businesses.

Trade grants enable SMEs to participate in trade fairs, conferences, and exhibitions, supporting their business development and export readiness, leading to increased sales, market expansion, and long-term economic growth, as well as the creation of new jobs.

By providing AI training, the project equips SME owners and employees with the skills needed to improve productivity and efficiency. This can lead to increased profitability and economic stability, particularly benefiting those from disadvantaged areas. As SME become more competitive, they are more likely to expand their operations and creating new job opportunities.

Socio-economic background: The implementation of energy-saving projects creates and sustains jobs in the green economy, such as the installation of renewable energy systems and maintenance of energy-efficient equipment. These job opportunities can be particularly important in areas with high unemployment and limited

economic opportunities. Prioritising local contractors and service providers for the installation and maintenance of energy projects helps to stimulate the local economy and provides employment opportunities within the community. The Energy Pilot application process is meant to be inclusive, catering to a wide range of businesses and making sure that those in disadvantaged areas or sectors are not left out. By simplifying the application process and offering support through SCARF, the scheme ensures that businesses with limited administrative resources can apply.

Offering free online AI training widening access to advanced digital skills, ensuring that SMEs from all backgrounds can benefit. It helps businesses to expand into new markets, and supports economic resilience and growth in local economy.

The Vibrant & Sustainable City Centre Pilot aims to increase city centre activity through economic resilience initiatives, growth strategies, improved accessibility, and data-driven decision-making. The goal is to ensure that the benefits of this increased city centre activity are spread widely, leading to a reduction in socio-economic disparities and promoting a fairer, more inclusive Aberdeen.

3.3 What considerations have been made in reaching the above assessment?

What internal or external data has been considered? What does this data tell us?

We have carefully reviewed data from past funded projects, UKSPF guidelines, socio-economic research, and stakeholder feedback to assess the impact of the UK Shared Prosperity Fund. This data highlights the fund's potential to have a positive influence on low-income groups, wealth creation, and area deprivation through targeted interventions.

What consultation and engagement and has been undertaken with officers and partner organisations?

The consultation and engagement process with officers and partner organisations for the UK Shared Prosperity Fund has been extensive. It involved in-depth dialogues with those responsible for project delivery and implementation. These discussions have provided valuable insights, enabling a deep understanding of the needs and challenges within the communities being served.

What consultation and engagement and has been undertaken with people who may be impacted by this policy? citizens, community groups, or other people/groups impacted by this policy?

To ensure the UK Shared Prosperity Fund is in line with its goals, we conduct ongoing monitoring with funded organisations to gather insights into the experiences and perspectives of those affected by the approved projects.

3.4 What mitigations can be put in place?

What mitigations are there against any negative impacts	(if applicable)?	
There are no negative impacts identified.	(п арриовалор	
With mitigations in place, what is the new overall rating	High	N/A
of the negative impact(s)?	Medium	N/A
		A 1 / A
	Low	N/A

4: Human Rights Impacts

The Human Rights Act 1998 sets out the fundamental rights and freedoms that everyone in the UK is entitled to. It incorporates the rights set out in the European Convention on Human Rights (ECHR) into domestic British law. The Human Rights Act came into force in the UK in October 2000

The Act sets out our human rights in a series of 'Articles'. Each Article deals with a different right.

Use this guide to understand more about **Human Rights**.

4.1 What impact could this policy have on Human Rights?

Human Rights Article	Negative	Neutral	Positive	
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Article 6: Right to a fair trial	N	
Article 7: No punishment without law	N	
Article 8: Right to respect for private and family life, home and	N	
correspondence		
Article 9: Freedom of thought, belief and religion	N	
Article 10: Freedom of expression	N	
Article 11: Freedom of assembly and association	N	
Article 12: Right to marry and start a family	N	
Article 14: Protection from discrimination in respect of these rights and	N	
<u>freedoms</u>		
Article 1 of Protocol 1: Right to peaceful enjoyment of your property	N	
Article 2 of Protocol 1: Right to education	N	
Article 3 of Protocol 1: Right to participate in free elections	N	

4.2 In what way will the policy impact Human Rights?

The UK Shared Prosperity Fund primarily focuses on economic development and reducing inequalities between communities, rather than directly impacting human rights.

4.3 What mitigations can be put in place?

What mitigations are there against any negative impacts (if applicable)?		
There are no negative impacts identified.	arpassa (ii appiismass).	
If mitigations are in place, does this remove the	No – negative impact remains	N/A
negative impact?	Yes – negative impact reduced	N/A
	Yes - negative impact removed	N/A

5: Children and Young People's Rights Impacts

The United Nations Convention has 54 articles that cover all aspects of a child's life and set out the civil, political, economic, social and cultural rights that all children everywhere are entitled to. It also explains how adults and governments must work together to make sure all children can enjoy all their rights.

Children's rights apply to every child/young person under the age of 18 and to adults still eligible to receive a "children's service" (e.g. care leavers aged 18 – 25 years old).

The Conventions are also known as the "General Principles" and they help to interpret all the other articles and play a fundamental role in realising all the rights in the Convention for all children. They are:

- 1. Non-discrimination (Article 2)
- 2. Best interest of the child (Article 3)
- 3. Right to life survival and development (Article 6)
- 4. Right to be heard (Article 12)

You can <u>read the full UN Convention (pdf)</u>, or <u>just a summary (pdf)</u>, to find out more about the rights that are included.

5.1 What impact could this policy have on the rights of Children and Young People?

UNCRC and Optional Protocols	Negative	Neutral	Positive
Article 1: definition of the child		N	
Article 2: non-discrimination			Р
Article 3: best interests of the child		N	
Article 4: implementation of the convention		N	
Article 5: parental guidance and a child's evolving capacities			P
Article 6: life, survival and development			Р
Article 7: birth registration, name, nationality, care		N	
Article 8: protection and preservation of identity		N	
Article 9: separation from parents		N	
Article 10: family reunification		N	
Article 11: abduction and non-return of children		N	
Article 12: respect for the views of the child		N	
Article 13: freedom of expression		N	
Article 14: freedom of thought, belief and religion		N	
Article 15: freedom of association		N	
Article 16: right to privacy		N	
Article 17: access to information from the media		N	
Article 18: parental responsibilities and state assistance		N	
Article 19: protection from violence, abuse and neglect		N	
Article 20: children unable to live with their family		N	
Article 21: adoption		N	
Article 22: refugee children		N	
Article 23: children with a disability		N	
Article 24: health and health services		N	
Article 25: review of treatment in care		N	
Article 26: social security		N	
Article 27: adequate standard of living		N	
Article 28: right to education		N	
Article 29: goals of education		N	

Article 30: children from minority or indigenous groups	N	
Article 31: leisure, play and culture		Р
Article 32: child labour	N	
Article 33: drug abuse	N	
Article 34: sexual exploitation	N	
Article 35: abduction, sale and trafficking	N	
Article 36: other forms of exploitation	N	
Article 37: inhumane treatment and detention	N	
Article 38: war and armed conflicts	N	
Article 39: recovery from trauma and reintegration	N	
Article 40: juvenile justice	N	
Article 41: respect for higher national standards	N	
Article 42: knowledge of rights	N	
Optional	N/A	
Protocol on a Communications Procedure		

5.2 In what way will the policy impact the rights of Children and Young People?

The UK Shared Prosperity Fund could impact the rights of children and young people as follows:

Non-discrimination (Article 2): By promoting equal opportunities and reducing socio-economic disparities, UKSPF can help ensure that all children and young people have fair access to resources and services, regardless of their background.

Parental guidance and a child's evolving capacities (Article 5): Investments in educational and supportive services can empower parents and guardians to provide better guidance, while also respecting the growing competencies of young people.

Life, survival and development (Article 6): By improving socio-economic conditions, UKSPF could contribute to environments that support the health, security, and development of young individuals.

Health and health services (Article 24): Funding community health initiatives can improve access to care and preventative services, benefiting the physical and mental health of children and young people. By promoting energy efficiency and reducing carbon emissions, the scheme contributes to cleaner air and a healthier environment, crucial for the health and development of children.

Leisure, play, and culture (Article 31): Encouraging projects that create safe spaces for leisure and cultural activities can help fulfil children's rights to rest, leisure, and participation in cultural life. Also, healthier environment resulting from reduced emissions can enhance outdoor spaces and recreational areas, making them safer and more enjoyable for children.

UKSPF's impact on these rights will depend on the specific design and implementation of funded projects, ensuring they are child-centric and inclusive in nature.

5.3 What mitigations can be put in place?

What mitigations are there against any negative impacts (if applicable)?		
There are no negative impacts identified.		
If mitigations are in place, does this remove the	No – negative impact remains	N/A
negative impact?	Yes – negative impact reduced	N/A

6: Sign Off

Any further positive or negative impacts on individuals or groups that have been considered?

All positive impacts have been included and elaborated on above.

Overall summary of changes made as a result of impact assessment.

No changes have been made to the UK Shared Prosperity Fund as a result of the impact assessment. The current strategies and allocations remain as originally outlined, with the fund's implementation continuing as planned.

Outline of how impact of policy will be monitored.

The UK Shared Prosperity Fund will be continuously monitored and is set to end in March 2025. The UK Government to determine future funding allocations. Furthermore, thorough evaluations of all projects funded under UKSPF will be carried out to assess their success and impact, influencing decisions about future investments.

If there are any remaining negative impacts after mitigation, what is the justification for why this policy should proceed.

No negative impacts have been identified.

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Date	29/07/2024