### Integrated Impact Assessment – Summary Report

Each of the numbered sections below must be completed Please state if the IIA is interim or final - Interim

### 1. Title of proposal

The City of Edinburgh Council's (Draft) Community Wealth Building (CWB) Plan – Interim IIA

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

The Council will have agreed to go out to public consultation and engagement on a draft Community Wealth Building Plan (CWB). Following this, and pending approval, the Council will then have a Community Wealth Building Plan with actions to roll out across various service areas. These actions will range from creating case studies to promote existing work to running pilot projects in particular service areas.

The aim is that this plan will result in positive impacts particularly for local businesses, third sector and community organisations, workers, and those facing disadvantage or with experience of poverty.

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

To date, the public have not been involved in the development of the draft Community Wealth Building Plan. This report requests approval to begin this process through a public consultation planned from summer to autumn 2025. This consultation will include an online survey on the Council's Consultation Hub, inperson workshops, and one-to-one subject expert interviews.

## 4. Is the proposal considered strategic under the Fairer Scotland Duty?

Yes

#### 5. Date of IIA

10<sup>th</sup> February 2025

6. Who was present at the IIA? Identify facilitator, lead officer, report writer and any employee representative present and main stakeholder (e.g. Council, NHS)

Name	Job Title	Date of IIA
		training

Chris Adams	Strategy Manager (City	2018
	Strategies) (Lead officer)	
Bria Clegg	Senior Policy and Insight	2024
	Officer (CWB) (Report	
	writer, and facilitator)	
Gillie Severin	Head of Strategic Change	2022
	and Delivery	
Eleanor Cunningham	Lead Officer	2019
Vicki Lorimer	Business Growth and Talent	
	Development Lead	
Al Bryce	Business Growth	
	Programme and Contracts	
	and Programme Manager	
Michael Edwards	Community Empowerment 2022	
	and Engagement Officer	
Christine Downie	Strategy Manager 2023	
Maggie Deane	Commercial Partner	
Ross Irvine	Planning Officer 2024	

### 7. Evidence available at the time of the IIA

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Data on populations in need – where available use disaggregated data	Populations/groups directly targeted by the CWB Plan:  Local Businesses	
	Nomis, Labour Market Profile – City of Edinburgh	The UK Business Counts (2024) data shows that there are 18,015 enterprises in Edinburgh. 15,405 of these are micro (0-9 people), 2,085 of these are small (10 to 49 people), 395 are medium (50 to 249 people) and 125 are large (250+ people). This means that 85.5% of Edinburgh's businesses are micro and 11.6% are small.
	Federation of Small Businesses 'Big Small Business Survey' presentation for the Edinburgh and South East Scotland City Region Deal	101 respondents based in Edinburgh responded to the FSB business survey. Those with 1-5 employees were most widely represented in the respondents (42.6%).  Turnover data: Of these 33.7% reported a decrease in turnover in the last year.  Staffing data: 48.1% felt that they did not have enough staff to meet their business needs over the past year, and 42.7% did not feel confident that they could employ enough appropriately skilled staff if needed that year. 76.8% did not engage with schools/colleges/universities in relation to careers/recruitment.  Pay data: 17.8% were real Living Wage accredited, 50% paid the real Living Wage but weren't accredited and 32.2% responded that they were not real Living wage accredited and did not state that they paid the RLW without accrediting.

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		Public contracts/procurement data: 66.3% have not tendered or run for any public contracts, and 57.4% felt that key players in the community such as the local authority do not understand the needs of local businesses. Of those who had tendered for a public contract, 70.3% found the process complex and challenging to navigate and not satisfactory, and 29.7% found the process a little challenging but overall satisfactory. For those with negative experiences, 79.4% said this was due to the complexity of the system and paperwork used in the process. 59.4% felt that procurement spend by the local authority/public sector bodies was not sufficient with small/micro businesses.
	Edinburgh Workers	Employment rates
	Nomis, Labour Market Profile — City of Edinburgh	Based on data from Jul 2023-June 2024, 81.9% of Edinburgh residents are economically active, 9.1% are self-employed. 3.4% of the population is unemployed. More males are economically active (85.2%) compared to females (79%). 18.1% of the population is economically inactive, 12.9% are looking after family/home and 18.7% are on long-term sick. 85% do not want a job and 15% want a job. Data from Jan-December 2023 showed that there were 23,000 workless households in Edinburgh, this accounts to 11.8% of households. Occupation 70% of those in employment are employed in Soc 2020 Major Group 1-3 this includes managers, directors,

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		senior officials, professional occupations and associated professional occupations. 9.2% are employed in Soc 2020 Major Group 4-5 this includes administrative and secretarial occupations and skilled trades occupations.  12.5% of those in employment are in Soc 2020 Major Group 6-7 which includes caring, leisure, sales, customer services and other service occupations, and 8.2% are in Soc 2020 Major Group 8-9 which includes process plant and machine operatives and elementary occupations.  Based on data from Jul 2023 to Jun 2024.  Qualifications  4.2% of the population have no qualifications based on data from Jan 2023-Dec 2023.  Earnings  Median earnings for employees living in Edinburgh are £21.06 per hour for full-time workers, this is higher for males £21.79 than females £20.27. These are higher than the Scottish median earnings. Based on 2024 data.  Out-of-work benefits  Based on November 2024 data, 2.6% of Edinburgh residents claimed out-of-work benefits.  Job market  The jobs density for Edinburgh (ratio of total jobs to population aged 16-64) was 1.07. Higher than Scotland wide figure of 0.81 based on 2022 data.  69.2% of total employee jobs in 2023 were full-time and 30.8% were part-time. The most prominent industries in terms of employee jobs in
		Edinburgh based on 2023 data were

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		human health and social work activities (15.3%), financial and insurance activities (11.4%) and accommodation and food service activities (10.4%).
	Edinburgh Living Wage City Action Plan (2021)	37,000 workers in Edinburgh earn less than the Real Living Wage of £9.50 per hour and 27% of Edinburgh workers are in jobs that do not provide 'satisfactory' pay, contracts or hours. Based on 2021 data.
	Third Sector and Community Organisations	
	SCVO, Scottish Third Sector Tracker	Based on a longitudinal survey with a representative panel of Scotland's third sector organisations, the survey has been conducted every four months since August 2021.  As of April 2023, 71% of organisations selected that one of the top 3 challenges faced was finances, and 63% said staffing/volunteers.  8% of organisations were not confident that they would be operating in 12 months, 35% were quite confident and 55% were very confident.  In terms of access to reserves, 56% had access to less than 5 months, 39% had access to more than 6 months of reserves.
	SPICe (2024) What we know about the third sector's contribution to Scotland's economy	In 2022, the turnover of the third sector was £9.2 billion in Scotland. Higher than the accommodation and food services sector of £8.9 billion. Estimates that in 2022 about 5% of the Scottish workforce was employed in the third sector.  Median pay hourly pay in the 'non-profit' sector for 2023 was £15.13

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		lower than the all sector median of £16.56 but higher than that for the private sector of £14.41. 9,000 employed in social enterprises in Scotland.
	Social Enterprise Scotland (2023) New census report reveals social enterprises contribute over £2.63bn to the Scottish economy	Social Enterprise in Scotland: Census 2021 revealed that 6,047 social enterprises are operating in Scotland and employ nearly 90,000 full-time employees and contributed over £2.63bn to the Scottish Economy. 71% of these organisations are led by women, 85% pay at least the living wage to all employees and the net worth of Scotland's social enterprises is £7bn.
Data on service uptake/access		
Data on socio- economic disadvantage e.g. low income, low wealth, material deprivation, area deprivation	A Just Capital (2020)	Edinburgh is the wealthiest city in Scotland, but estimations suggest almost 78,000 people are living in relative poverty and as many as 1 in 5 children. The majority of people living in poverty in Edinburgh are of working age, in employment, living in rented accommodation with the highest rates experienced by families with lone children. Lone parents, 9 in 10 of them women, disabled people, carers and Black and Minority Ethnic families are more likely to be in poverty. 2/3 of people in poverty in Edinburgh do not live in those areas commonly considered as 'deprived'.
	Wealth in Scotland 2006-2020 (2022)	Personal wealth is a key component of people's standard of living. It is a source of finance to improve living

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		standards, allows investment in opportunities such as education, and provides a buffer for emergencies such as unemployment or illness. Data from just before the pandemic shows that a typical household in Scotland had £214,000 in total wealth. A typical household in the wealthiest 10% of households had £1.7 million in total wealth, a household in the least wealthy 10% of households had £7,600. The least wealthy households rarely own their property or have any private pension savings. Their wealth is mainly made up of possessions such as cars, furniture and clothing. Wealth inequality is more severe than income inequality – 2% of households with the highest incomes had 9% of all income while the wealthiest 2% of households had 18% of all wealth. Households that tend to be wealthier are often higher income households, pensioner couples and home owners. Households with below average wealth tend to be low income households, lone parents and single working-age adult households, and those who live in rented housing. 3 out of 10 households had insufficient savings to keep them above the property line for a month should they lose their income. 4% of households were in unmanageable debt. 1/3 of households did not own a property and 1/3 of adults had no private pension savings.
	Poverty and Income Inequality	This report provides estimates of poverty and income inequality in Scotland for April 2021 to March 2023. 24% of children were living in

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	in Scotland 2020- 23 (2024)	relative poverty after housing costs in 2020-23. 21% of working-age adults were living in relative poverty after housing costs in 2020-23. 15% of pensioners were living in relative poverty after housing costs in 2020-23.
	Population and demographics (based on 2022 data)	Just over 2 in 5 people (43.5%) in Edinburgh live in the 20% least deprived areas of Scotland. Over half of the population in both North West and South East live in the 20% least deprived datazones in Scotland and North East has the highest proportion living in the most deprived datazones. Just slightly more than 1 in 9 (11.6%) people in Edinburgh live in the 20% most deprived areas of Scotland. Just over 2 in 5 people (43.5%) in Edinburgh live in the 20% least deprived areas of Scotland.
Data on equality outcomes		
Research/literature evidence	Impacts on workers North Ayrshire Council CWB Annual Report (May 2020-April 2021)	This report provides updates on CWB initiatives in North Ayrshire. It shows that this work has contributed to achievement of key Council Plan performance measures, for instance in 2018/19 24.3% of people were earning less than the Living Wage and in 2019/20 this reduced to 16%.
	Impacts on inequality and poverty	
	Community Wealth Building in Scotland: A health impact assessment (December 2024)	The Health Impact Assessment of CWB conducted by Public Health Scotland found that successful implementation of CWB can bring a variety of positive impacts on health through addressing some of the

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		causes of health inequalities e.g. by reducing poverty and income inequality, improving access to secure and fair employment, improving local environments and increasing community cohesion. The assessment found one potential negative health impact of CWB: it could put more pressure on individuals and communities taking on new ownership and management roles.
	Health, income and wealth in Scotland: a data profile in support of a health impact assessment of community wealth building (May, 2024)	The economy is an important determinant of health and health inequalities as it shapes the distribution of income and wealth. Economic development can help people to gain high-quality employment and other positive health determinants. Some economic models have negative impacts on sustainability, inequality and health. This report provides baseline data on health, income and wealth in Scotland and baselines the pillars of CWB. Key findings are that – life expectancy is declining particularly in the most deprived areas, there are marked income and wealth inequalities, there is a gender pay gap and a disability employment gap, 10% of employees early less than the Real Living Wage, 4.1% of workers are employed on zero-hours contracts.
	Does it work?  Measuring impact for community wealth building (April 2023) The mental health and wellbeing impact of a	These papers discuss research that showed that CWB in Preston positively impacted on the health and wellbeing of its residents. During the period in which the CWB programme was introduced in Preston, there were fewer mental health problems

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	Community Wealth Building programme in England: a difference-in- differences study (June 2023)	that would have been expected compared to similar areas, and life satisfaction and economic measures improved. "The introduction of the programme was associated with a 3% decline in antidepressant prescribing, and a 2% decline in the prevalence of depression, along with a 9% improvement in life satisfaction, and an 11% increase in wages, compared to expected trends."
	Impacts on the local economy Local Government Association (2020) Inclusive economies: Preston City Council's approach to community wealth building	Through CWB Preston managed to increase their local spend so that an extra £74 million was retained in Preston and an extra £200 million was retained in Lancashire. Based on 2019 data.
Public/patient/client experience information		
Evidence of inclusive engagement of people who use the service and involvement findings		
Evidence of unmet need		
Good practice guidelines	Community Wealth Building and Land	How we own, manage and use land is key to building community wealth and strengthening local economies. The principles of place-based approach, collaboration and

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
		collective action, socially just use of land, tackling inequalities, balanced decision-making and flexibility to take a local approach is key. This document provides recommendations for how land should be managed in relation to CWB.
	Implementing Community Wealth Building (2023)	Adopting CWB involves developing and agreeing a strategy and action plan, this should include metrics and be developed through a collaborative approach.  Achieving CWB requires partnership between national and local government and all organisations with a significant presence in local and regional economies.
	Community Wealth Building 2020	Community Wealth Building is being harnessed at a national scale in Scotland and Wales and is becoming the foundation of some local areas' economic strategies. CWB can sit at the core of local approaches to addressing poverty, improving lives for residents and responding to the climate emergency. Partnership working, senior leadership buy-in, and using CWB as a lens to guide wider work are important factors. It is also important to —  • Redefine economic success so that it is not just rooted in Gross Domestic Product, but instead includes indicators related to social, environmental and economic inclusivity goals.  • Work with organisations and individuals who are change agents.  • Recognise the potential power of anchor institutions.

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
	How we built community wealth in Preston	<ul> <li>Collaborative work with other anchors and partners in an area is critical to CWB. These organisations collectively have a large amount of power and resource.</li> <li>It is important to learn from other organisations and areas to develop an effective approach.</li> <li>CWB needs to involve many individuals across many organisations to embed a collaborative, alternative approach.</li> <li>CWB needs to be rooted in the needs of a particular place.</li> <li>CWB is both a policy approach and a way of working.</li> </ul>
Carbon emissions generated/reduced data		
Environmental data		
Risk from cumulative impacts		
Other (please specify)		
Additional evidence required		

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

Equality, Health and Wellbeing and Human Rights and Children's Rights	Affected populations
<b>Positive</b> Community Wealth Building aims to reduce existing inequalities by creating more opportunities and increasing the power and resilience of local people and businesses.	Local businesses and residents

Equality, Health and Wellbeing and Human Rights and Children's Rights	Affected populations
Community Wealth Building can positively impact on health and wellbeing by creating more fair and secure employment opportunities, creating a resilient third sector that is able to continue providing key health and wellbeing services, and making sure that communities have access to greenspaces and properties that meet their needs in their local area.	
The impact on Human Rights and Children's Rights is challenging to define as currently the draft CWB Plan actions are relatively high-level. This can be expanded further once the consultation phase is completed, and actions are finalised.	
<b>Negative</b> Creating more skilled jobs without upskilling the local population to take up these roles may encourage more in-migration into the city and displace residents.	Local businesses and residents
Some communities and geographical areas of the city may be in a better position to take advantage of the opportunities delivered by Community Wealth Building than others. This would maintain or increase inequalities within the city.	

Environment and Sustainability including climate change emissions and impacts	Affected populations
Positive Community Wealth Building aims to positively impact on the environment and sustainability by reducing inequalities to enable a Just Transition, prioritising local supply chains to reduce carbon emissions, and upskilling the workforce in green skills.	Local businesses and residents
Negative There is a risk that the opportunities created by Community Wealth Building maintain or increase existing inequalities as those who are already able to access and navigate existing systems, such as public sector procurement processes, will likely find it easier to access new opportunities. To make sure that Community Wealth Building reduces inequalities, we need to undertake capacity building to support those who may face exclusion and disadvantage to access new opportunities. Running small scale pilots and scaling up will also make sure that we trial the approach and develop mitigating actions to reduce any unintended negative consequences.	Local businesses and residents

Economic	Affected populations
Positive The Community Wealth Building approach, and the specific actions in the draft CWB plan, are intended to support the local economy by creating more fair work opportunities and increasing spend with local and generative businesses. This would mean that more wealth circulates locally and benefits local people and organisations.	Local businesses and residents
Community Wealth Building also aims to harness resources such as land and property for the benefit of local people and the local economy. Some of the actions in the Community Wealth Building Plan give local people and organisations more power to influence decision-making about land and property in their area and encourage greater local ownership of these assets, where possible.	
Negative There could be unintended negative consequences of some of the actions involved in a Community Wealth Building approach. For instance, buying more goods and services from local businesses could result in increased cost to the Council and requires more resources to manage effectively due to a larger number of smaller contracts. There are also risks around ensuring that contracted organisations have the capacity to deliver and the necessary levels of insurance. Additionally, it could mean that more local businesses are more dependent on large public sector contracts.	Local businesses and residents
Creating a more prosperous local economy could result in increased gentrification. This could increase socioeconomic inequalities.	
There is only a finite amount of land in the city, prioritising one use over others means that some needs may not be met. For example, residents may grow attached to a temporary, meanwhile use of a site and as a result it may be more challenging to deliver the intended end-use of the site.	

9. Is any part of this policy/ service to be carried out wholly or partly by contractors and if so how will equality, human rights including children's rights, environmental and sustainability issues be addressed?

None of the actions themselves will be carried out directly by contractors so this is not applicable. However through implementing these actions it is likely that the Council will develop different relationships with local contractors.

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

A summary of the finalised Community Wealth Building Plan will be published in various forms including easy-read and translated into different languages including Gaelic and BSL. We will seek to follow best practice in inclusive communication to make sure that the CWB Plan is communicated effectively to a wide audience.

11. Is the plan, programme, strategy or policy likely to result in significant environmental effects, either positive or negative? If yes, it is likely that a <u>Strategic Environmental Assessment</u> (SEA) will be required and the impacts identified in the IIA should be included in this. See section 2.10 in the Guidance for further information.

Not applicable as unlikely to have significant environmental effects.

### 12. Additional Information and Evidence Required

No further evidence is required.

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

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title	Deadline for progressing	Review date
We will revisit the IIA process after the consultation process is	Bria Clegg (Senior Policy and Insight	October 2025	November 2025
complete and the actions are	Officer)		

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title	Deadline for progressing	Review date
finalised. We will put in place mitigating actions to make sure that each action/project considers equity and has targeted support for those who may face barriers and those with protected characteristics.			
Initially we will implement a CWB approach through small scale pilot projects. These pilots will be evaluated and the learning from them will be used to develop mitigating actions and controls to support effective project scaleup.	Bria Clegg (Senior Policy and Insight Officer) and service areas taking forward pilot projects	November 2026	December 2026
We will look to conduct capacity building with residents, local businesses and organisations, and communities to make sure that everyone is able to benefit from the opportunities created by Community Wealth Building. This work will support residents to take on new employment opportunities and local businesses and organisations to be ready to take on public sector contracts.	Bria Clegg (Senior Policy and Insight Officer) in conjunction with officers working in other service areas such as Community Empowerment and Community Planning	November 2026	December 2026
We will involve communities in decision-making about land and property and make sure that developments balance city-wide and local needs through delivering a mix of uses.	Ross Irvine (Planning Officer) and other planning officers	Ongoing	December 2026
Where possible, we will incorporate elements of temporary uses in the end-uses of sites.	Bria Clegg (Senior Policy and Insight Officer), Ross Irvine (Planning Officer) and other officers in planning and corporate property services	Ongoing	December 2026

# 14. Are there any negative impacts in section 8 for which there are no identified mitigating actions? None

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

A bespoke monitoring framework will be developed to monitor the impact of the CWB Plan.

The Community Wealth Building actions will be rolled out as small-scale pilots and these will be evaluated through collecting quantitative and qualitative data. This will include data about the impact on people with protected characteristics. The learning from this pilot phase will be built upon when scaling-up change projects.

### 16. Sign off by Head of Service

Name Gillie Severin

Date 29/04/2025

#### 17. Publication

Completed and signed IIAs should be sent to: <a href="mailto:integratedimpactassessments@edinburgh.gov.uk">integratedimpactassessments@edinburgh.gov.uk</a> to be published on the Council website <a href="mailto:www.edinburgh.gov.uk/impactassessments">www.edinburgh.gov.uk/impactassessments</a>

Edinburgh Integration Joint Board/Health and Social Care <a href="mailto:sarah.bryson@edinburgh.gov.uk">sarah.bryson@edinburgh.gov.uk</a> to be published at <a href="https://www.edinburghhsc.scot/the-iib/integrated-impact-assessments/">www.edinburghhsc.scot/the-iib/integrated-impact-assessments/</a>