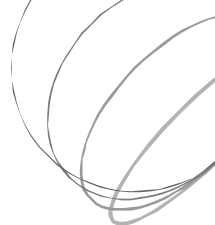


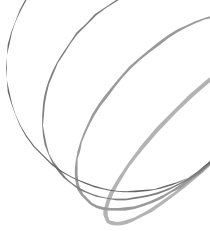
Equality Impact Assessment in Audit Scotland
The Performance Appraisal and Development Framework



Audit Scotland Equality Impact Assessment

Policy Title ¹	The Performance Appraisal and Development Framework
Strategic Outcome	The performance appraisal and development framework will help us to achieve Audit Scotland's Corporate Plan objectives by supporting staff to maintain and develop their professional skills and competencies.
Directorate	Corporate Project
We have completed the equality impact assessment for this policy.	Name: F Mitchell-Knight Position: Assistant Director (ASG) and Chair of the Performance and Development Improvement Group (PDIG) Date: 11 February 2011
Approval by Director on behalf of Business Group Management Team	Name: Diane McGiffen Position: Chief Operating Officer Date: 8 March 2011
Sign off by the Diversity & Equality Steering Group (DESG) Chair on behalf of the DESG members	Name: Angela Canning Date: 28 March 2011

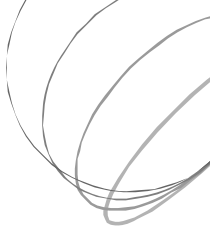
Once the EQIA documentation has been completed and signed off arrangements will be made by the Diversity & Equality Steering Group and communications team to publish the EqIA on Audit Scotland's website.



Step 1: Define the aims of the policy

Title of policy	The Performance Appraisal and Development Framework
Strategic Outcome	The performance appraisal and development framework will help us to achieve Audit Scotland's Corporate Plan objectives by supporting staff to maintain and develop their professional skills and competencies.
Directorate	Corporate Project

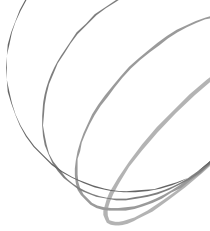
What is the purpose of the proposed policy (or changes to be made to the policy)?	<p>A project has been completed to review existing performance management processes which have been in place for a number of years. This included a review of the performance appraisal and development scheme (PAD) cycle for the 2010 cycle and into the future.</p> <p>The main priorities for the improved framework are:</p> <ul style="list-style-type: none"> • Feedback – make Audit Scotland a place where giving and receiving feedback about our performance occurs readily, frequently and constructively. • Results – maintain and develop our existing strength in the delivery of results to time, quality and cost standards. • Behaviours – intensifying our focus upon how we can deliver the results so that we can maintain sustainably high performance by means of the new competency framework.
Who is affected by the policy or who is intended to benefit from the proposed policy and how?	<p>All main grade staff (permanent and contract) are affected by this framework and should benefit from improvements made.</p> <p>Elements of the framework have now also been implemented with the Fixed Point Salary Group (FPSG). The FPSG have line management responsibilities for main grade staff.</p> <p>As we implement and develop a feedback culture, clients should also see benefits through our communications/dealings with them.</p>



<p>How have you, or will you, put the policy into practice, and who is or will be responsible for delivering it?</p>	<p>A dedicated project group – the Performance and Development Improvement Group (PDIG) - was set up to manage this project at the end of 2008. Business Group representatives from each area of the organisation and a union representative sit on the group. PDIG had responsibility for designing the revised framework, producing guidance and providing support to staff to implement it.</p> <p>All members of staff are responsible for their own performance development and improvement plans.</p> <p>Line managers have formal responsibilities for giving ongoing performance feedback and conducting PAD reviews.</p> <p>Each local team nominated a performance development champion who ran training events within their local team. They will also provide ongoing support to their teams. The champions are supported by local assistant directors.</p> <p>Business groups have the ongoing responsibility for operating the framework. The PDIG monitored implementation of the framework across the organisation for the 2010 PAD cycle. They have also ensured that the business groups have processes in place to monitor the effectiveness of the performance appraisal and development system themselves from the 2011 PAD cycle.</p>
<p>How does the policy fit into our wider or related policy initiatives?</p>	<p>The improved performance management framework will help us to achieve Audit Scotland's Corporate Plan objectives by supporting staff to maintain and develop their professional skills and competencies.</p> <p>The framework reflects the objectives of the sector plans and business groups' workforce plans.</p> <p>The training and support events for staff on the framework have been reflected in business group learning and development plans.</p> <p>The framework has been reviewed to ensure it is robust and can support our contribution based pay system.</p>

Do you have a set budget for this work?

Yes. The budget for this project was monitored on a monthly basis by the PDIG. The final spend on the project was below the budgeted figure.

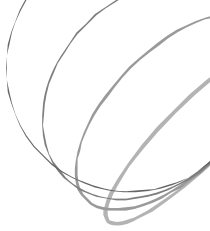


Step 2: What do you already know about the diverse needs and/or experiences of your target audience?

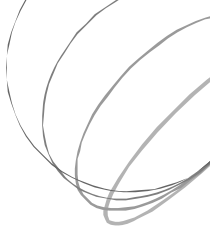
Do you have information on				
Age	Yes	✓	No	
Disability	Yes	✓	No	
Gender	Yes	✓	No	
Lesbian, Gay, Bisexual & Transgender	Yes		No	✓
Race	Yes	✓	No	
Religion and Belief	Yes		No	✓

Age	<p>Evidence</p> <p>Information is compiled on the age profile of Audit Scotland (AS) staff and published in Audit Scotland's Equality Annual Review. As at 31 March 2010, age information is:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Age</th> <th>16-24</th> <th>25-34</th> <th>35-49</th> <th>50+</th> </tr> </thead> <tbody> <tr> <td></td> <td>11</td> <td>81</td> <td>131</td> <td>79</td> </tr> </tbody> </table> <p>Information is collated by HR on PAD scores by age. However, it is not published due to the small numbers involved in some categories.</p> <p>Consultation</p> <p>Staff focus groups were used to identify areas for improving performance development processes. All staff were invited to attend these events.</p> <p>Staff survey information gathered in 2010, through the Best Companies survey, has not provided any evidence of staff concerns on equality issues in using the performance management framework.</p>	Age	16-24	25-34	35-49	50+		11	81	131	79
Age	16-24	25-34	35-49	50+							
	11	81	131	79							
Disability	<p>Evidence</p> <p>During our 2010 annual details check process 14% staff declared themselves as having a disability as defined under the social model for disability.</p> <p>Recruitment statistics on disability are collected and reported on in our Equality Annual Review. The latest report was at 31 March 2010.</p> <p>Local managers are aware of staff members with a disability and carry out risk assessments to ensure we are making any reasonable adjustments required. Working practices are also reviewed to take account of the disability if required. No information is monitored on PAD scores for staff members with a disability.</p>										

	<p>Consultation See above</p>
Gender	<p>Evidence Information is compiled on the gender profile of AS staff and published in our Equality Annual Review. As at 31 March 2010, gender information is: 49% Male 51% Female Information is collated by HR on PAD scores by gender. This information is reported in our Equality Annual Review. The latest report was at 31 March 2010.</p> <p>Consultation See above.</p>
Lesbian, Gay, Bisexual & Transgender	<p>Evidence This data was not collected within the HR Management Information system which was the source of the data for the Equality Annual Review.</p> <p>Consultation All staff in Audit Scotland had the opportunity to complete an anonymous survey on diversity and equality in September 2009. The survey was completed by 203 members of staff (84.2%). Within the survey, staff were asked to indicate their sexual orientation The breakdown of the survey results were:</p> <ul style="list-style-type: none"> • heterosexual (83.7%); • bi-sexual (0.5%); • gay man (2.5%); • gay woman/lesbian (2.5%); • other (0%); • prefer not to say (10.8%). <p>No information is monitored on PAD scores by sexual orientation.</p>
Race	<p>Evidence Information is compiled on the race profile of AS staff and published in our Equality Annual Review. As at 31 March 2010, race information is: 98.3% White 1.7% Minority Ethnic Group Information is collated by HR on PAD scores by ethnicity, however, it is not published due to the small numbers involved in some categories.</p> <p>Consultation See above</p>



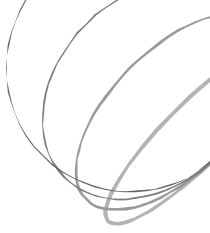
Religion and Belief	<p>Evidence</p> <p>This data was not collected within the HR Management Information system for all staff. However recruitment statistics on religion are collected and reported on in our Equality Annual Review. The latest report was at 31 March 2010.</p> <p>Consultation</p> <p>Within the survey staff were about their religion and faith within an anonymous setting. The breakdown of the survey results were :</p> <ul style="list-style-type: none">• No religion/faith (44.3%)• Christian denominations (40.9%)• Other religion/faith (4.9%)• Prefer not to say (9.9%)
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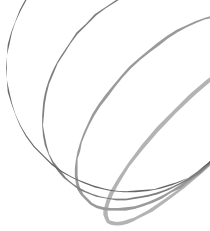
Step 3: Do you have enough information to help you understand the diverse needs and/or experiences of your target audience?

If not, what else do you need to know?

Age	Do you have enough information to proceed?	Yes	
<p>The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework.</p> <p>Currently whilst information is collated by HR for PAD scores by age it is not published due to the small numbers involved in some categories. HR will retain a record centrally and report on any general patterns going forward to business groups, provided confidentiality can be maintained.</p>			
Disability	Do you have enough information to proceed?	Yes	
<p>The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework.</p> <p>Issues such as agreeing the timing and location of performance discussions is recognised as an issue for all staff.</p> <p>The format of the PAD documentation has been written in Plain English and is accessible to all staff.</p>			
Gender	Do you have enough information to proceed?	Yes	
<p>The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework.</p> <p>Information is collated by HR on PAD scores by gender. This information is reported in our Equality Annual Review. The latest report was at 31 March 2010.</p> <p>Issues such as agreeing the timing and location of performance discussions, taking account of individual circumstances, is recognised as an issue for all staff.</p>			

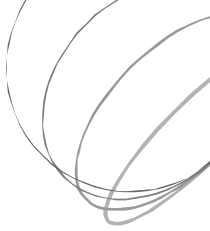


Lesbian, gay, bisexual and transgender	Do you have enough information to proceed?	Yes	
	The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework.		
Race	Do you have enough information to proceed?	Yes	
	The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework. Currently whilst information is collated by HR for PAD scores by ethnicity it is not published due to the small numbers involved in some categories. HR will retain a record centrally and report on any general patterns going forward to business groups, provided confidentiality can be maintained.		
Religion and Belief	Do you have enough information to proceed?	Yes	
	The performance development focus groups and general staff surveys have not identified any particular issues in this equality area with regard to the performance framework.		



Step 4: What does the information you have tell you about how this policy might impact positively or negatively on the different groups within the target audience?

Age	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p> <p>There is no evidence to suggest differential treatment by age through the PAD process.</p>
Disability	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p> <p>The timing and location of performance discussions is an issue for all staff but particularly this group.</p> <p>The format of the PAD documentation is written in a way that is accessible and plain English used.</p>
Gender	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p> <p>An analysis of PAD scores by gender, published in our Equality Annual Report, does not show any evidence of discrimination.</p>
Lesbian, Gay, Bisexual & Transgender	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p>
Race	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p> <p>There is no evidence to suggest differential treatment by race through the PAD process.</p>
Religion and Belief	<p>The performance development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p>



Step 5: Will you be making any changes to your policy?

Are there any changes?				
Age	Yes	✓	No	
Disability	Yes	✓	No	
Gender	Yes	✓	No	
Lesbian, Gay, Bisexual & Transgender	Yes	✓	No	
Race	Yes	✓	No	
Religion and Belief	Yes	✓	No	

Please identify:

- what action you will take
- who will take that action
- when that action will be taken.

Action taken to date:

The Performance and Development Improvement Group (PDIG): In June 2008 a new competency dictionary was rolled out across Audit Scotland. A dedicated project group, the PDIG, was then set up to carry out a more comprehensive review and implement a revised performance appraisal and development framework, producing guidance and providing support to staff to implement it.

The PDIG had members from all business groups, HR and a PCS representative. The views of all staff groups were covered by the group. The PDIG considered inclusion and avoidance of all types of discrimination in all aspects of the project. The review of the performance development framework was designed to promote consistency for all staff in how performance management is conducted/experienced across AS.

PAD documentation: All updated PAD documentation and guidance has been written in a standard AS style which should be easily understood by staff. Plain English has been considered in writing the Guidance Notes, Performance Appraisal and Development (PAD Scheme), issued to all staff in September 2009.

Staff consultation events: All staff were invited to attend these events. They were facilitated by a consultant to encourage an open sharing of issues.

Team champions: Team champions were nominated by local teams. The selections were considered by the assistant directors to ensure an individual with the right skills was put forward. Champions attended training events run by a consultant. At these events they were given a standard training package which they facilitated at their local team meetings.

Team training events: The events were scheduled by the team champions at dates where the majority of staff could attend. Arrangements were made for staff who could not make these dates to attend other team meetings. A standard training package was facilitated by the team champions at each of these events to ensure consistency in the information shared. All team meetings were held in the period 16 November 2009 to 15 January 2010.

Champion guidance on performance feedback: The guidance produced to be delivered at the training events included the:

- importance of scheduling meetings at mutually convenient times and venues
- Importance of adopting styles which recognise different styles/ personalities of staff
- if a change in performance occurs staff are asked to look for signs of discrimination

as a possible reason.

Performance feedback meetings: The importance of agreeing a mutually agreeable time and location for performance discussions has been built into guidance and training events. All staff are expected to give and receive feedback on performance on a regular basis.

The moderation process: Moderation of PAD scores is an important part of the revised PAD process, which promotes consistency of scoring and ensures that all staff are treated fairly. Since the 2010 PAD cycle Audit Scotland has applied a corporate approach to moderation, which applies across all business groups and aims to ensure: appraisers evaluate performance in a fair and consistent way; there is a common understanding of the standards required at each level of assessment; and the integrity of the appraisal system is protected.

Before PAD discussions: Appraisers consider performance assessment scores for their appraisees. The proposed PAD scores are discussed among peer groups in local teams (generally staff of the same grade with responsibility for appraising staff the grade below, eg a group of Grade G or F staff discussing proposed scores for Grade E staff) and with appraisers' line managers to provide challenge, support and consistency on scores by staff grade. The purpose of this is to seek consistency in awarding scores. Provisional scores are also reviewed and challenged by the business group management teams, eg Audit Services Group Management Team (ASGMT). As a result of these moderation discussions, appraisers may be asked to discuss and justify some scores.

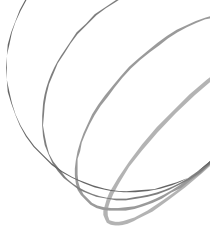
At the PAD discussion: The PAD meeting offers the opportunity for appraisees to discuss and challenge their appraiser's assessment of their performance. Both parties should be able to provide evidence to support their scoring assessment. Appraisers use 'moderated' scores to inform the PAD discussion with their appraisees. However, the PAD scores agreed between appraisee and appraiser in the formal PAD meeting are final – these will not be changed.

After the PAD meeting: After all PAD meetings have been held and scores are submitted to HR, business group management teams review the distribution of scores across their business group. They will use this information to identify any areas where there appears to be inconsistent scoring or quality standards. This may lead to action in the following year to address these issues, such as specific training or coaching for appraisers. A summary report showing PAD scores will be published by HR each year.

Monitoring the success of the new framework: In June 2010 PDIG reviewed the results of the 2010 PAD cycle. The review included a summary of PAD scores across Audit Scotland, by business group, by grade of staff and by competency. There is no evidence of any group of staff experiencing inequalities, in their treatment in application of the PAD process, through this data. All staff were given access to this report via the PDIG newsletter issued on 8 June 2010. In October 2010 the Management Team also considered the results of this review. They agreed to have further discussions to improve consistency of scoring across business groups in future PAD cycles.

The appeals process: During the review of the 2010 PAD process it was identified that staff felt that the appeal process could be improved to ensure it is seen to be equitable. In response a revised process for the final stage of a PAD appeal was developed by PDIG and approved by the MT in October 2010. The revised process is now reflected in updated PAD guidance notes. The new process is for the appeal to be heard and determined by a single arbiter from across Audit Scotland. The arbiter is appointed by the HR team who will give consideration to the degree of independence, technical knowledge and qualities of the arbiter depending on the nature of the appeal.

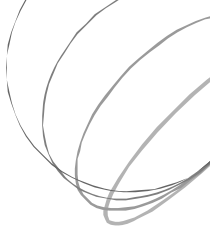
Further training events: Further training events were piloted in April 2010 and developed for new managers and staff who were identified as needing more support in delivering the performance management framework. All staff were invited to volunteer for these courses. The courses were held before the 2011 PAD cycle commenced in January 2011.



Step 6: Does your policy provide the opportunity to promote equality of opportunity or good relations by altering the policy or working with others?

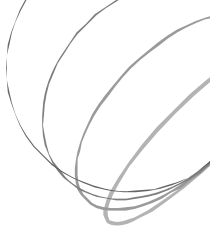
Age	Yes	✓	No	
Disability	Yes	✓	No	
Gender	Yes	✓	No	
Lesbian, Gay, Bisexual & Transgender	Yes	✓	No	
Race	Yes	✓	No	
Religion and Belief	Yes	✓	No	

Age	<p>The performance appraisal and development framework has been designed specifically to promote consistency for all staff in how performance management is conducted/experienced across AS.</p> <p>After the 2010 PAD reviews staff feedback on the revised framework was gathered from staff through PDIG champion feedback sessions. The PDIG meeting in August 2010 considered this feedback. The feedback did not identify any issues relating to inequalities with performance management system.</p>
Disability	<p>See above</p> <p>The timing and location of performance discussions is considered by all staff.</p> <p>The format of the PAD documentation is written in Plain English and is accessible to all staff.</p>
Gender	<p>See above</p> <p>The timing and location of performance discussions is considered by all staff.</p>
Lesbian, Gay, Bisexual & Transgender	See above
Race	See above
Religion and Belief	See above



Step 7: Based on the work you have done - rate the level of relevance of your policy

	Age	Disability	Gender	LGBT	Religion and belief	Race
<p>High:</p> <ul style="list-style-type: none"> There is substantial evidence that people from different groups or communities are (or could be) differently affected by the policy (positively or negatively) There is substantial public concern about the policy, or concerns have been raised about the policy's potential impact by relevant bodies The policy is relevant to all or part of the respective general duty, in the case of race, disability and gender. 						
<p>Medium:</p> <ul style="list-style-type: none"> There is some evidence that people from different groups or communities are (or could be) differently affected (positively or negatively). There is some public concern about the policy. The policy is relevant to parts of the respective general duty, in the case of race, disability and gender. 	✓	✓	✓	✓	✓	✓
<p>Low:</p> <ul style="list-style-type: none"> There is little or no evidence that some people from different groups or communities are (or could be) differently affected (positively or negatively). There is little or no evidence of public concern about the policy. The policy has little or no relevance to the respective general duty, in the case of race, disability and gender. 						
<p>Unknown:</p> <ul style="list-style-type: none"> No evidence or data has been collected therefore an assessment cannot be made. 						



Step 8: Is a further impact assessment required?

Age	Yes		No	✓
Disability	Yes		No	✓
Gender	Yes		No	✓
Lesbian, Gay, Bisexual & Transgender	Yes		No	✓
Race	Yes		No	✓
Religion and Belief	Yes		No	✓

If you have answered yes please explain why

If you have answered no please explain why

Business groups and HR will monitor the performance management framework as part of their ongoing management team operational responsibilities for the 2011 PAD cycle and into the future.

Step 9: Explain how you will monitor and evaluate this policy/function or strategy to measure progress?

Please explain how monitoring will be undertaken, when it will take place and who is responsible for undertaking it:

PDIG ongoing monitoring

The PDIG met monthly throughout its lifetime to October 2010, to monitor progress against the group's action plan.

Monitoring the success of the new framework

Review of the 2010 PAD cycle: In June 2010, the HR team presented the results of their review of the 2010 PAD cycle to PDIG. The results confirmed that all staff held a PAD review meeting with their line manager during the last cycle and 99.3% of the paperwork was submitted to HR by the deadline set.

The review included a summary of PAD scores across Audit Scotland, by business group, by grade of staff and by competency. There is no evidence of any group of staff being unfairly treated through this data. All staff have been given access to this report.

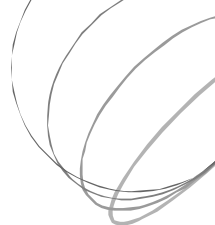
Feedback from staff: After the 2010 PAD reviews staff feedback on the revised framework was gathered from staff through champion feedback sessions.

Also in a newsletter issued to all staff in June 2010 PDIG asked staff to share any feedback with them on any aspect of the revised performance development framework, including the PAD guidance notes, through their PDIG Champion by 30 July. The PDIG meeting in August 2010 considered the feedback received. The feedback did not identify any issues relating to inequalities with performance management system.

In October 2010 the Management Team considered the achievements of PDIG in implementing the revised PAD process for 2010 and preparing the business groups for the 2011 PAD cycle. The decision was taken that PDIG would be disbanded and handover the monitoring of the 2011 PAD cycle to the business groups. Each business group named a PAD lead.

Future developments

In May 2011 and annually thereafter, HR are to review of a sample of PAD forms to identify trends and any areas for improvement - setting objectives, quality of feedback, any diversity and equality issues that arise, consistency of scores and common training needs. Results will be discussed with the PAD business group leads and reported to business group management teams for consideration and appropriate action.



Step 10: Summary of improvements, outcomes and impact

The performance appraisal and development framework has been developed to help Audit Scotland achieve its objectives by supporting all staff to maintain and develop their professional skills and competencies.

The updated framework implemented for the 2010 performance appraisal and development cycle was developed taking account of Audit Scotland's commitment to building equality into its corporate frameworks. The framework has been updated to promote the following:

Feedback – make Audit Scotland a place where giving and receiving feedback about our performance occurs readily, frequently and constructively.

Results – maintain and develop our existing strength in the delivery of results to time, quality and cost standards.

Behaviours – intensifying our focus upon how we can deliver the results so that we can sustain high performance.

Each year in May, the annual PAD process will be reviewed to identify trends and any areas for improvement. This will include consideration of any equality issues that arise. Results will be discussed with the PAD business group leads and reported to business group management teams for consideration and appropriate action.