

## **Evidence from the UK Women's Budget Group, to the Standing Committee on the Status of Women**

The UK Women's Budget Group has been working for around 20 years. It has sister organisations in other parts of the UK, principally in Scotland and Wales.

The Women's Budget Group is a membership organisation, drawing its members from women's organisations, researchers, and academics. It relies on its members for the expertise that it is able to bring to its analysis of public policy. It is supported by a project officer, volunteers and interns. It is funded through independent charitable foundations.

This evidence will focus on the relationship between the Women's Budget Group and government. The Women's Budget Group seeks to influence government in developing and setting its annual budget and its general economic policy. We see this as an integral part of gender mainstreaming, which was a commitment under the Beijing Platform for Action, as adequate resources are essential to implement gender equality policies. We believe that gender budgeting ensures that policy is evidence-based and is therefore more effective in achieving the objectives set. However, this efficiency argument is based on the political premise that gender equity is a desirable objective in itself. This touches on the question of whether gender budgeting is a political activity. We believe gender budgeting is first and foremost a better and more informed way of developing policy. But it is also political in the sense that we apply a feminist perspective, challenging traditional gender roles, traditional power structures, and the traditional division of labour. By feminist, we mean that gender budgeting, as we understand and apply it, is predicated on the idea that it is the business of the state to support women to achieve full substantive equality, for example through equal access to the paid Labour market, but also by formally recognizing the value of their contribution to the caring and unpaid economy.

### **Key issues**

The UK government machinery, policy and legal context offers a number of opportunities to promote gender budgeting. In recent years there have been some profound changes in both the machinery and the law relating to equality.

- The Minister for Women and Equality is supported by the Government Equalities Office. This provides a natural focal point for gender budgeting. The GEO has recently replaced the Women and Equality Unit.
- The Women and Equality Unit co-sponsored the Gender Expenditure Analysis Project undertaken by the Women's Budget Group and HM Treasury
- HM Treasury has an equalities champion, at a senior level.
- The GEO sponsors the newly created Equalities and Human Rights Commission (EHRC), to offer independent advice and scrutiny to government. Women's organisations have been ambivalent about this change; they welcomed the potential for a stronger single voice, but are concerned about a loss of focus on gender, which they see as distinct from other forms of discrimination.
- All public bodies are bound by the new gender equality duty, which came into law a year ago. This duty requires them to promote equality between men and women in public policy. It requires them to carry out gender impact assessment of all new and existing policies. It also requires government departments to publish three yearly gender equality schemes, which set priority gender equality objectives. This is a key lever for the equality and human rights commission in scrutinising progress on equality is
- All government departments are required to publish Public Service Agreements, which set out their key, high level targets. There is a separate, cross departmental, equalities PSA. These PSAs set measurable outputs for each department, within the context of the

Comprehensive Spending Review, which sets out identified allocation of funding to each department. The equalities PSA includes closing the gender pay gap as a top priority. However, the link which PSAs create between resources and targets is not as transparent as we would like.

#### The Women's Budget Group and government

- The Women's Budget Group, along with other NGOs, has two opportunities in year to comment on the annual budget. About halfway through the financial year, the government publishes its prebudget report, and the Women's Budget Group has an opportunity to feed into that. We usually meet ministers within Treasury, either before or after the report.
- In March, the annual budget report is published, and the Women's Budget Group usually makes a formal response.
- Our response generally criticises the budget for its absence of gender analysis, and for any negative effects on women.
- We provide briefings to parliamentarians, and run seminars at intervals for Treasury and other government officials. The aim is to build parliamentarians awareness of gender analysis and the gender perspective on public policy, to help them scrutinise and hold the executive to account.

#### What needs to be done

- We believe that the gender equality duty, once fully implemented, will provide an excellent lever for proper gender budgeting. This is because there will be opportunities for individuals and women's organisations to apply for judicial review of policies where they believe their gender impact analysis has not been done, or done properly.
- The capacity of government officials to undertake gender analysis of the policies that they are developing is still very limited. Most officials now receive some training on the equalities implications of policy development, but it is not extensive.
- The political pressure on government departments to undertake gender analysis and gender budgeting is still very limited. It is not prioritised by many ministers.
- The equalities focal points within the government machine (the GEO, the EHRC) are relatively poorly resourced. Their ability to influence departments is therefore limited; and the Minister for Women and Equalities is also the Leader of the House of Commons, Deputy Leader of the Labour Party, and Lord Privy Seal. She therefore has a limited amount of time to spend on the equalities agenda. The gender equality machinery (the Equal Opportunities Commission, and the Women and Equalities Unit,) has recently been subsumed into the generic equalities machinery, and the gender focus has been lost. Improved resources and focus are necessary.
- There is a lack of gender disaggregated statistical data available to officials making policy, and this limits their ability to undertake gender analysis. The data that are available need to be routinely published; and additional data are required, particularly data that permit analysis of intra-household expenditure and resources. Unfortunately the majority of statistics used the household unit as the lowest level of analysis, masking the inequality that lies within the household..
- Gender budgeting should include macroeconomic policy as well as microeconomic policy. State accounting principles are not gender neutral; they measure mainly male economic activity in the formal labour market, and discount the contribution made by the informal unpaid economy. The UK should repeat the household satellite account produced in 2000, which measure the value of outputs rather than inputs, e.g. the unpaid transportation of children to school, and other unpaid services, mainly provided by women, and not measured in normal state accounting.

- The UK has a well-developed tax credit system, that provides tax credits for childcare. However, the tax credit system is based on households; the tax system is based on individuals. We believe that women are not well served by taxation systems that use the household unit as their basis. There is a dearth of research evidence about this, but what evidence exists indicates that resources are not equitably distributed between men and women within a household unit. Such a system is unlikely therefore to promote gender equality. Instead it will reinforce and support the inequalities that already exist.

### **Recent work**

- The Women's Budget Group produces reports on aspects of gender budgeting e.g. linking child poverty with women's poverty.
- The Women's Budget Group has regular meetings with ministers in Treasury, and their officials, to talk to them about adopting gender budgeting processes, most recently. We met with the Exchequer Secretary Angela Eagle, and another meeting is planned.
- The Women's Budget Group, in partnership with HM Treasury, undertook the Gender Expenditure Analysis Project. Our Project manager spent two days a week on secondment to the Treasury, over a period of a number of months, and a number of our members, notably Professor Diane Elson, undertook analysis and capacity building within Treasury. We identified two expenditure programmes and analysed them for their gender impact. A report and evaluation of the project can be found on the GEO website. A key finding was the absence of gender disaggregated data, which made it difficult to assess the gender impact of the programmes. Also, gender sensitive objectives were not set at the outset.
- The Women's Budget Group is producing shortly a report on The Voices of Experience project, in which we built the capacity of grassroots women's organisations and women living in poverty to engage with and influence politicians and government in drawing up local budgets.
- A Women's Budget Group member, Professor Sylvia Walby, was commissioned in 2004 by the government to produce a report on the costs of domestic violence. This report analyses the cost to the public purse and to the individual of domestic violence in England and Wales, using official figures, and found that this amounts in total to some £24 billion a year. This sort of analysis is crucial if we are to identify the costs of one of the key drivers of women's inequality, violence against women, and make a business case for investment to bring down those costs. The Women's Budget Group is also a member of the End Violence against Women coalition, which produces an annual assessment of Government's initiatives on violence against women; this survey scores each department against 12 key indicators, one of which measures the resources that are allocated to violence against women. It is clear from the results of this that more needs to be done to link government initiatives transparently to streams of finance. This is a general problem in government, not limited to gender or equalities more generally. Without these links between resources input and the achievement of outcomes, it is not possible to assess value for money. What work is done, is gender neutral -- that is, it is based on the underlying assumption that the effect on men and women will be the same. This will not be the case in many instances; we believe the differences in relation to gender are particularly intractable and embedded, and invisible because they are not measured.
- The Women's Budget Group submitted evidence to the UK Select Committee on Innovation, Universities and Skills for their enquiry into government proposals on the funding of equivalent and lower qualifications. This provided the main gender analysis that was given to the Committee. This is an example of a policy which had on the face of it no gender implications. The aim was to remove public funding from individuals taking a further

qualification that was equivalent, or lower, to that which they had already been publicly funded to undertake. The objective was to prioritise funding first qualifications. The unintended effect is to stop women who are returning to the Labour market after a break, from upgrading their skills, perhaps in another more relevant area. This also have a secondary effect of making certain courses, economically unviable. Removing funding from such a large cohort jeopardised the courses for everyone else.

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