



WELFARE REFORM COMMITTEE

SCOTTISH GOVERNMENT'S DRAFT BUDGET SCRUTINY 2016-17

WRITTEN SUBMISSION RECEIVED FROM CLOSE THE GAP

1. Introduction

Close the Gap is a partnership initiative working in Scotland on women's participation in the labour market. Partners include Scottish Government, Scottish Enterprise, Highlands and Islands Enterprise, Equality and Human Rights Commission, Skills Development Scotland, and Scottish Trades Union Congress. The breadth of the partnership recognises that women's unequal position in the labour market is an economic issues as well as an equalities issues, and that narrowing the gender pay gap would bring aggregate gains to Scotland's economy.

Close the Gap welcomes the Committee's budget scrutiny focus on women's experience of social security, and values the opportunity to submit evidence.

Scottish Government's ongoing commitment to 'welfare reform' mitigation outlined in the draft budget is very welcome. However, the disproportionate impact on women remains unaddressed. Without targeted support for women accessing social security, patterns of gender inequality will be further entrenched. It is critical that measures that aim to mitigate the gendered impact recognise the specific issues that different groups of women experience including disabled women, lone parents, black and minority ethnic women, refugee and asylum seeking women, and women experiencing domestic abuse.¹

The equality statement is also very welcome, but gender should be mainstreamed in the budget process including the allocation of spend to measures which mitigate the gendered impact of 'welfare reform'. Without the mainstreaming of gender in decision-making, Scottish Government's commitments on gender equality elsewhere are at risk of being undermined.

2. Questions

Q1: Do you feel that the Scottish Government budget is being effectively used to mitigate the impacts of the social security reforms on women?

It is difficult to see whether the budget is being effectively used to mitigate the impacts on women, as there is no detail on the proposed spend on this specifically within the draft budget or the equality statement. Evidence shows that a gender-blind approach will not improve women's lives though, and unless there are targeted measures that

¹ Engender (2015) *A Widening Gap: Women and welfare reform*
<http://www.engender.org.uk/content/publications/A-Widening-Gap---Women-and-Welfare-Reform.pdf>

consider the way in which ‘welfare reform’ disproportionately impacts women, it is unlikely that the budget will improve women’s access to social security, and therefore address gender inequality. We would urge the Committee to consider this in its scrutiny of the budget.

Q2: If required, could social security spending be redirected or reprioritised by the Scottish Government to reduce the disproportionate impact on women? How would this impact on other areas?

From the detail contained in the budget and the equality statement, it is not clear how the Scottish Government’s mitigation programme will address the broad range of gender inequalities that are being entrenched by ‘welfare reform’.

Scottish Welfare Fund

Concerns have already been raised by women’s organisations that the Scottish Welfare Fund and the Welfare Funds (Scotland) Act were not developed using a gender budget analysis, and neither was subject to a robust equality impact assessment process². Although the updated Scottish Welfare Fund guidance reflects important learning since the implementation of the fund, it remains gender-blind except for one reference to women’s aid refuges.³ It is critical that guidance is developed for local authorities, and capacity building is delivered for local government Scottish Welfare Fund delivery staff on gender inequality, and the gendered impact of ‘welfare reform’.

Discretionary housing payments

We welcome Scottish Government’s ongoing commitment to mitigate the ‘bedroom tax’ through discretionary housing payments. However, there are problems with accessing this payment, and spend should be allocated within the budget to improve access for different groups of women such as carers, women experiencing domestic abuse, and lone mothers. To address the inequality in access that different groups of women face, capacity building for discretionary housing payments decision-makers should be delivered to ensure that there is knowledge around the gendered impact of ‘welfare reform’ in the decision-making process.

There is evidence that many women’s claims for discretionary housing payments are denied which exacerbates the inequality they are already experiencing and has further devastating effects on their lives. It is therefore critical that gender-disaggregated data is collected on appeals, and that this is used to inform an equality impact assessment for the appeals process to identify any differential impact on women.

Delivering a suite of gender-sensitive mitigation activities would have minimal impact on other areas of spend, and relate only to costs around capacity building.

Q3: Could savings or efficiencies in this area be made by thinking differently or through better use of resources?

² Engender (2015) *A Widening Gap: Women and welfare reform*

³ Ibid.

Council tax freeze

Scottish Government's continuation of the council tax freeze will impact on women disproportionately, both as employees, and as service users. Women comprise two-thirds of the local government workforce, and have already borne the brunt of spending cuts which have resulted in redundancies, pay freezes, enforced reduction in hours, and an increase in flexible working request refusals. The public sector has traditionally offered more favourable terms and conditions for women, and has been more likely to have employment practices in place which support their equal labour market participation. This is being eroded however with the impact of spending cuts, and the council tax freeze will only serve to exacerbate existing labour market inequalities.

Women are more likely to access public services, primarily because of their disproportionate caring responsibility for children, disabled people, older people and sick people. Cuts to public services including care and respite services will therefore differentially impact women and their families.

Q4: Is the Scottish Government meeting its equalities outcomes in relation to its social security spending?

None of Scottish Government's equality outcomes explicitly refer to women and social security. However, there is outcome that are pertinent to social security spending.

Women's position in the economy and in employment is improved in the long term and reflected more comprehensively in Scottish Government economic policy and strategies by 2017.⁴

The indicators for this outcome are a reduction in the gender pay gap, and an increase in the female employment rate. The impacts of 'welfare reform' influence both these indicators, particularly in relation to women's participation in employment support programmes. It will be crucial that in designing the newly devolved employability programmes, Scottish Government considers the negative impact of gender-blind programmes on occupational segregation, and therefore the gender pay gap⁵.

In reporting on progress to meet its outcomes, Scottish Government cites the equality budget statement as evidence of where women's position in the economy and in employment is reflected more comprehensively.⁶ In its scrutiny of the budget, we would urge the Committee to consider that the equality budget statement, and the draft budget could better detail the specific measures that will mitigate the impact of 'welfare reform' on women.

The impacts on women's lives are considerable and wide-ranging, and the cumulative impact pose a risk to women's equality in the following ways:

⁴ Scottish Government (2015) *Equality Outcomes and Mainstreaming Report*
<http://www.gov.scot/Publications/2015/04/7781>

⁵ Close the Gap (2015) *Written submission to the Welfare Reform Committee inquiry into the future delivery of social security in Scotland* <http://www.closesthegap.org.uk/content/resources/Welfare-Reform-Committee-evidence-on-the-future-delivery-of-social-security.pdf>

⁶ Scottish Government (2015) *Equality Outcomes and Mainstreaming Report*
<http://www.gov.scot/Publications/2015/04/7781>

- entrenched occupational segregation, labour market inequality, and a widening gender pay gap;
- increased levels of poverty for women and children;
- increased risk of domestic abuse; and
- women's exclusion from public life.

The equality statement and the draft budget should therefore explicitly outline how Scottish Government plans to allocate spend to improve gender equality in relation to social security.