

## WELFARE REFORM COMMITTEE

### WOMEN AND WELFARE INQUIRY

#### WRITTEN SUBMISSION RECEIVED FROM THE SCOTTISH WOMEN'S BUDGET GROUP

#### Introduction

The Scottish Women's Budget Group is an independent, non-party aligned advocacy group. Through our research and analysis we seek to advance gender equality through improved gender analysis of public policy, and specifically the elimination of gender bias in decisions and processes on resource allocation and government budgets. We have been pressing for gender analysis in the Scottish Government budget process and in the deliberations of the Scottish Parliament and its committees since 2000.

The evidence of the devastating impact of changes to social security, welfare and taxation regimes by the UK government and the compounding effects of the withdrawal of public services as a consequence of public spending cuts and arguably the Council Tax freeze in Scotland is well documented. The response of the Welfare Reform Committee to the data and the decision to run this inquiry is very welcome. Such an inquiry must, however, be more than a listening exercise and give close consideration to ensuring the effective implementation of current and new powers on social security and taxation and the consistent and transformative implementation of existing tools such as the Public Sector Equality Duty (PSED). Additional levers to ensure effective scrutiny and improved policy and resource decisions unique to Scotland are the ministerial duties in relation to the PSED, and the process of the Equality Budget Statement and commitment of the Scottish Government to equality analysis in the budget process. The potential transfer of further powers under the Smith process are another well documented area of concern.

This brief submission from the SWBG will focus on sources of evidence of impact on women and policy and procedural changes and improvements.

#### Impact of Welfare Reform

SWBG and our sister organisation, the UK Women's Budget Group have consistently presented evidence of the impact on women of changes to taxation and benefits under the Coalition UK Government. In successive publications analysing budgets and spending plans the **UKWBG** has presented compelling evidence of the effect on women's income, employment, financial security and independence as a consequence of undermining the social security system and ethos in the UK.

The proposals from the most recent UK Budget to make further cuts in social security and public spending have been challenged by the **UKWBG**. The lack of clarity on these proposals compounds the concern around further detrimental impact on women. The staggering statistic that 85% of the £26bn in cumulative cuts in public spending have been shouldered and financed by women<sup>1</sup> should be sufficient to stop politicians and the 'reform' process in its tracks.

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Tax and Welfare changes: House of Commons research quoted in The Independent 6th December 2014 found tax and benefit changes brought in under the Coalition Government have raised £22 billion (85 per cent) from women and £4 billion (15 per cent) from men. Andrew Grice, "Women bear 85% of burden after Coalition's tax and benefit tweaks", The Independent, December 6, 2014, accessed January 23, 2015, <http://www.independent.co.uk/news/uk/politics/women->

**SWBG** has also highlighted the cumulative impact of changes in the name of welfare reform, public service reform, and austerity on particular groups in society, particularly older women, women with children, disabled women, women carers.

The Scottish Government's own analysis demonstrates higher levels of poverty among particular groups of women:

- 22% of single women pensioners and 15% of male pensioners are in poverty;
- 23% of single male adults of working age without children are in poverty and 20% of women;
- 27% of single women with children live in poverty. "In Scotland there are so few households composed of a single man with children that we cannot produce robust poverty figures for this group" (**Scottish Government Equality Evidence Finder: Gender, Income and Poverty**).

These profiles correspond to the data on claimants through the Scottish Welfare Fund, and the gender differences that **SWBG have commented** upon previously,

This data is in addition to the considerable volume of evidence of the effects of 'welfare' reform in Scotland available from the **Scottish Government** and elsewhere.

In Scotland, **Engender** has led recent debate in conjunction with Scottish Women's Aid, and others on welfare reform, and the Scottish Women's Convention have been closely engaged with their members.

### **Mitigating the worst excesses...**

The Scottish Government have consistently framed critical components of its policy and resource interventions as aiming to "mitigate the worst excesses of the UK Government" reform of social security and taxation, public spending cuts and the recession. This has resulted in positive interventions including the establishment of the Scottish Welfare Fund and funding to offset the punitive Bedroom Tax. While mitigating the negative impacts of changes is essential in ensuring the security, dignity and wellbeing of individuals, it is also imperative that policy makers and legislatures proactively direct policy and practice that drives and delivers equality.

Highlighting that "cuts in social security spending also matter greatly to women, since lower incomes mean they rely more on benefits" Prof. **Sue Himmelweit** of UKWBG argues that further policy and political decisions must look to tax reform that generates increases in revenue to offset the withdrawal of services and social security payments to women. New and forthcoming powers on income taxation for Scotland must be developed as measures to promote and delivery tax justice for women and men.

In their assessment of manifesto proposals for the UK General Election against **Plan F** - an economic strategy for a caring and sustainable economy - the UK and Scottish Women's Budget Groups have highlighted the inconsistencies across the political parties in relation to austerity, protecting social security, and putting an end to further punishing benefit caps. There must be increased political challenge and leadership to the prevailing approach of raiding social security measures to fund deficit reduction. Alternative

approaches to economic policy that invests in social infrastructure and the workforce delivering care, investment in the dignity of a simple, fair and personal social security system that protects the dignity and wellbeing of individuals do exist and are possible. They require the political will to change track.

In developing a social security system for a future Scotland, and following the direction set by the **Expert Group on Welfare** for a system that is “fair, personal, and simple”, SWBG would urge the Welfare Reform Committee and cross committee support within the Scottish parliament to adopt a more proactive and transformative approach to challenging ‘welfare’ reform imposed by other levels of government and in implementing new powers to Scotland.

Current policy discourse on individual and community ‘resilience’ and support for an ‘assets’ based approach prevalent in social policy currently requires caution and vigilance to avoid reinforcing stigmatising and blaming behaviours towards individuals and their actions, rather than acknowledging and addressing structural constraints that result in disadvantage and unequal treatment.

## **Recommendations**

The principle approach advocated by SWBG is to ensure continued and accelerated progress towards effective scrutiny of the budget processes of the Scottish Government and public authorities to ensure integrated gender analysis. Budget scrutiny is as much a process of examining how decisions are made and arrived at and understanding the effects of those decisions as it is concerned with the value of resource allocation. This means:

- Effective scrutiny by parliamentary and governmental processes of public authorities
- Maximise the potential of the PSED in the deliberations of Scottish Parliament Committees to ensure robust equality impact assessment of policy, legislative and spending *proposals* as well as decisions
- Effective scrutiny of Scottish Government spending plans in relation to all policy areas affecting social security and wellbeing. This means health, education, violence prevention and protection, employability and skills programmes, housing, criminal and civil justice, and ‘welfare’.

A series of recommendations for improving implementation of existing administrative practice has been made by the Expert Group on Welfare and the Scottish Government’s **“Tracking Study on Welfare Reform” (2014)**.

From the newly launched report by Engender and partners, “Women and Welfare Reform” SWBG wishes to highlight and expand on the following recommendations:

- strategically link the Equality Budget Statement and Draft Budget and build on recommendations consistently made by SWBG for the budget to reflect the political rhetoric on advancing equality and tackling inequality, and to create greater procedural, technical, and conceptual coherence between the Budget, Scotland’s Economic Strategy, and the measurements prioritised in the National Performance Framework and the national outcomes;
- integrate effective equality analysis in the promotion, administration and analysis of the Scottish Welfare Fund;

- remove procedural barriers in the Housing Benefit system to women's access to refuge accommodation and direct local authorities to ensure equality impact assessments of Discretionary Housing Benefits and appropriate and sufficient training in DHP procedure *and* equality impact analysis for officials.

One substantive recommendation from Engender and partners is for a "clear action plan to mitigate the impacts of welfare reform on women". This positive recommendation could be taken forward as a cross-party and *cross-committee* initiative within the parliament. This would support the requirement to engage all relevant subject committees in effective scrutiny and proactive direction of social security policy that protects individuals and promotes dignity.

Future consideration should be made by the Welfare Reform Committee and all other subject committees to ensuring effective gender analysis of their scrutiny of Scottish Government's budgets and maximising the opportunity to draw upon specialist analysis of external advisers.

### **Concluding statement**

Taking meaningful and sustainable action to redress the impact on women of public policy decisions in 'welfare', tax, social security and public spending means a transformation in approach to policy making that puts concerns to advance equality and eliminate discrimination and disadvantage front and centre of the policy and resource allocation process. This means making policy that drives and results in greater equality, and not improving analysis and understanding of unequal and detrimental outcomes.

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