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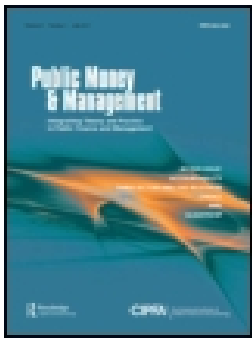
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## Watching the neighbours: gender budgeting in Scotland and Wales

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### IMPACT

There are opportunities and increased activities to advance gender budgeting across the UK's devolved nations with high levels of engagement in policy learning and knowledge exchange across the nations which this article explains. This article provides evidence of progress in Scotland and Wales up to 2022, achieved through the engagement of government, civil society, and academic and professional organizations. It presents a clear analysis of the levers that have been created and opportunities that remain for the full adoption of gender budgeting as an approach to progressive public finance management in the context of devolution and ongoing development of public finance processes.

### ABSTRACT

Gender budgeting efforts have shaped fiscal policies in over 80 countries worldwide in recent years, particularly in Europe, including the UK and its devolved nations. This article focuses on the devolved levels within the UK and compares approaches in Scotland and Wales, noting similarities in structure, and the shared challenges of introducing tools and processes to support improved gender analysis in budgetary and policy-making processes.

### KEYWORDS

Devolution; gender budgeting; gender equality policy; policy learning; public finance management; Scotland; Wales

## Introduction

A 2016 study for the International Monetary Fund (IMF) reported that gender budgeting efforts shaped fiscal policies in over 80 countries worldwide, though these varied in tools, extent used, and effectiveness in changing the budgetary process and in achieving gender equality (Stotsky, 2016). The concept and practice of gender budgeting has been spreading across Europe and has been attempted at local, regional, sub-national and national levels in several countries (O'Hagan & Klatzer, 2018).

The creation of devolved governments in Scotland, Wales, and Northern Ireland within the union state of the UK in 1999 presented important opportunities for alternative approaches to public policy-making and resource allocation decisions (Mackay et al., 2002; O'Hagan, 2017). Over the 20 years of devolution there have been extensive efforts to adapt the concept and practice of gender budget analysis in Scotland in the Scottish Budget process (O'Hagan, 2017; O'Hagan & Gillespie, 2016). These developments relate to the spending and allocation across public services of around £33 billion in Scotland in 2019–2020, and £18.4 billion in Wales.

Two of the most significant features of this have been the publication of the Equality Budget Statement since 2009 by the Scottish Government, changed to the Equality and Fairer Scotland Budget Statement since 2019, and the persistent advocacy of the Scottish Women's Budget Group (SWBG). Although voluntary and largely unresourced until 2020, SWBG has maintained pressure on successive administrations to adopt gender budgeting and integrated gender analysis into policy-making and approaches to resource allocation and revenue raising (UKWBG, 2018).

'Women's budget groups' (WBGs) in both the UK and Scotland function as independent networks of feminist economists and feminist policy analysts and activists focused on the gender dimensions of public policy and resourcing

decisions as expressed through government budgets. In Scotland, despite strong feminist advocacy, the approach to gender budgeting has largely been absorbed by government as part of a broader equalities budgeting approach, which involves analysing the budget for impacts on multiple inequalities. While this has been criticised by the SWBG, it has been instrumental in creating and engaging with those conducting equality analysis to advance improved gender *and* equalities analysis in the Scottish Budget process and potentially a move towards the integration of a more intersectional approach to policy-making and resource allocation (O'Hagan et al., 2018). The Equality Budgets Advisory Group (EBAG) (renamed the Equality and Human Rights Budgets Advisory Group in 2022) of the Scottish Government is tasked with supporting the development of a process to deliver this integrated analysis.

At the time of writing, there was not an equivalent Women's Budget Group (WBG) in Wales, but there had been previously. However, by 2020 the increasingly favourable political and legislative environment for gender budgeting and support from elsewhere presented possibilities for a new WBG in Wales, supported by Chwarae Teg (<https://chwaraeteg.com>), as Wales' largest women's charity. Additionally, the Welsh Government, like its Scottish counterpart, had considered how the budget could tackle inequalities through re-establishing a Budgets Advisory Group for Equality (BAGE), now the Budget Improvement and Impact Advisory Group (BIAG). There have also been renewed efforts from the Welsh Government to understand gender budgeting in the context of the Welsh Government's Gender Equality Review (GER) as reported by Davies & Furlong (2019) and in analysis commissioned from the Wales Centre for Public Policy by O'Hagan et al. (2019). This article draws on the findings and recommendations of the GER report that proposed future potential for developments in Wales.

The context of devolution in Scotland and Wales is one of constant change and progression from expenditure budgets to expenditure and revenue budgets as devolved competences have increased. In both countries, but particularly in Scotland, sustained campaigning for independence has resulted in an expansion of powers to the devolved executives and legislatures. Additional powers over taxation and responsibility for revenue raising in the Scotland Act 2016 prompted the creation of the 'Budget Review Group' in 2016–2017, which led to a series of recommendations jointly accepted by the Scottish Parliament and Scottish Government (Scottish Parliament, 2017). Similar developments in Wales reflect the dynamic nature of devolution and the increasing potential for divergence from Westminster and across the devolved governments.

For public finance professionals, gender analysis in budget formulation is a new challenge. In recent advice, the Chartered Institute for Public Finance and Accountancy (CIPFA) encouraged professionals within the sector to consider the range of ways in which public finance professionals and organizational processes can include gender analysis (O'Hagan & Meikle, 2019). This draws upon advice from the OECD which characterizes gender responsive budgeting as one of the key tools for implementing gender equality (Downes et al., 2017). Public sector organizations charged with disbursing public funds and delivering public services face significant and ongoing challenges, especially following years of austerity budgeting and resource constraints. Gender budgeting offers an approach to advance equality, improve outcomes for the whole population, and meet the obligations of the Public Sector Equality Duty (PSED) within the Equality Act 2010.

Building on this overview of the opportunities presented by devolution to work towards gender equality and gender budgeting across the devolved nations, this article highlights the difference (continuing) devolution has made to budget decisions and efforts in introducing gender budgeting. In a second section, we outline our theoretical framework and analytical approach, building upon insights from feminist economics and feminist institutionalism. In a third section, we focus on a comparative analysis using O'Hagan's (2015) Framework of Favourable Conditions to analyse gender budgeting efforts in Scotland and Wales up to 2019 and discuss gender budgeting as policy learning and policy transfer in the context of the devolved governments. The article concludes with a discussion on the future of implementing gender budgeting in Scotland and Wales, considering both opportunities and roadblocks in each context.

### Gender budgeting and devolution: powers and possibilities

Since 1999, the process of devolution from UK central government to separate governance structures in Scotland, Wales and Northern Ireland has characterized UK policy-making. Despite different speeds of evolution across these nations, devolution has resulted in the establishment of the Scottish Government and Scottish Parliament, the Welsh Government and Welsh Parliament (Senedd), and the Government of Northern Ireland and the Northern Ireland Assembly, as the respective executives and legislatures in each nation.

Devolution presents an opportunity for new forms of governance, with 'the potential for the development of radically different social policies' (Mooney et al., 2006, p. 483), which reflect national traditions, identities and aspirations (Mooney & Williams, 2006). This potential was acknowledged by the UK government, referring to devolution as 'creating new contexts within which work on equality and human rights must operate', as a consequence of 'the different political social and cultural environments' (Department of Trade and Industry, 2004, p. 16). The realities and divergences have been studied extensively, including in areas such as health (Smith et al., 2009), social justice (Drakeford, 2007) and social work (Dickens, 2012). Likewise, devolution has presented Scotland, Wales and Northern Ireland with the opportunity to work towards equality (Chaney, 2011), specifically as the process of devolution developed in the wake of an exclusivist approach towards governance (Mungham & Morgan, 2000). In turn, the prevailing discourse of equality or 'inclusiveness' (Chaney, 2011) shaped the development of each of the UK's devolved legislatures, as seen by examining the devolution statutes of each nation. In the Scotland Act 1998, provision is made for parliament to encourage equal opportunities, with a cross-party Equal Opportunities Committee charged with considering and reporting on these matters (Breitenbach, 2004). Likewise, following lobbying from gender equality campaigners, the Government of Wales Acts (1998, 2006) place an 'absolute duty' on Welsh Government to proactively promote equality and to mainstream equality for all people through public policy (Chaney & Fevre, 2004; Parken & Ashworth, 2019).

In the context of a focus on equality, devolution has been an opportunity to work towards gender equality, which has been variously grasped by policy-makers, activists, civil society organizations, officials and academics. This is often analysed in terms of representation, where Wales has been cited as progressing from having only elected four women MPs before 1997, to becoming the UK's legislative body with the highest proportion of women parliamentarians and the world's first to have equal numbers of men and women representatives (Chaney, 2006). In Scotland, the higher numbers of women in the Scottish Parliament achieved in the early elections have stalled with only 45 women of 129 MSPs returned in 2016—a fall of 4.5% from 2007. Ethnic minority representation has been even poorer as, over the 20 years of devolution, only four MSPs from ethnic minority backgrounds and no women of colour were elected to the Scottish Parliament until 2021.

Devolution and the creation of alternative governance structures are well established as significant political opportunity structures, creating the potential for alternative procedures and opportunities for engagement in policy-making. Arguably, it is not surprising that devolution has incentivized the adoption and implementation of gender budgeting. Quinn (2016) and O'Hagan & Klatzer (2018) reflect on this, identifying the positive role of decentralization in fuelling a number of gender budgeting initiatives across Europe. To understand this political change, devolution and decentralization should be conceived as opportunities for creating favourable conditions for the adoption of gender budgeting in country specific contexts (O'Hagan, 2015).

## Analytical approaches

Critiquing new institutionalism for its gender blindness, feminist institutionalism seeks to show ‘the way in which political institutions reflect structure, and reinforce gendered patterns of power’ (Kennedy, 2007, p. 91). As gender budgeting seeks to ‘change policies, programs and resource allocation’ to promote gender equality (Sharp & Vas Dev, 2004, p. 1), gender budgeting is a feminist policy change, as defined by Mazur (2002, pp. 30–31). That is, gender budgeting is a feminist policy as it seeks to redistribute resources equitably, increase the participation of women in decision-making and dismantle gendered hierarchies, in order to achieve gender equality goals (O’Hagan, 2016). For policy-makers and professional public finance managers, this means that taking this alternative approach to managing public finance produces different outcomes and allocates resources in a way that reflects the diversity of people’s experiences and needs.

Gender budgeting as a concept and developing approach to policy-making has been a travelling concept globally for more than thirty years, and particularly in the almost 30 years since the Beijing Platform for Action (PfA) recommended that:

*Governments and other actors should promote an active and visible policy of mainstreaming a gender perspective in all policies and programmes so that before decisions are taken, an analysis is made of the effects on women and men, respectively (United Nations, 1995, p. 27, para. 79).*

*Financial arrangements require the integration of a gender perspective in budgetary decisions on policies and programmes, as well as the adequate financing of specific programmes for securing equality between women and men.*

*[At the] national level: Governments should make efforts to systematically review how women benefit from public sector expenditures; adjust budgets to ensure equality of access to public expenditures.*

*[At the] international level: To facilitate implementation of the Platform for Action, interested developed and developing country partners, agreeing on a mutual commitment to allocate, on average, 20% of official development assistance and 20% of the national budget to basic social programmes, should take into account a gender perspective (UN, 1995, p. 128, paras 345, 346, 358).*

As a feminist policy change at an institutional level, embedded in the PfA, gender budgeting has travelled through feminist epistemic communities, communities of learning, and practice with engaged stakeholders—academics, activists (sometimes the same people), civil society organizations and officials. The core analytical approach of gender budgeting is rooted in feminist economics analysis that alternative approaches to economic policy are not only possible, but essential in revealing the inherent bias in economic decision-making. Over recent years, this perspective has gained traction and stimulated greater involvement of the international finance institutions—the IMF, the World Bank, the OECD, and the ILO, along with the UN/UNIFEM. This, in turn, has generated important resources for supporting the implementation, practice and advocacy for gender budgeting.

Public sector management and public finance officials have been increasingly engaged in discussions on alternative approaches to public finance management, as evidenced in the focus on gender budgeting and latterly

human rights budgeting at CIPFA conferences in Scotland and Northern Ireland in 2022, 2019, 2018, and 2016. The interest at domestic level across the UK mirrors the enhanced engagement in gender budgeting of the international economic institutions such as the IMF and World Bank, and the OECD. In its promotion of gender budgeting, the OECD encourages public finance professionals to consider these questions, to make sure that policies, laws, programmes and budgets are relevant to both women and men:

1. *Does the initiative affect women and men differently according to age, education, culture or other identity factors?*
2. *Does the initiative support the full participation and equal treatment of women and men in all their diversity?*
3. *Does the initiative have unintended impacts on, or create barriers for, specific groups of women and men?*

Answering these questions requires current, robust gender and equalities data so that policy-makers and finance managers can better understand a range of policy considerations including:

- The differences between women and men across a range of characteristics.
- How women and men use and provide services and access social security entitlements and other state benefits.
- How publicly-funded programmes like training and employability programmes, transport or health services, social security and housing differently benefit women and men.

Information needs to be gathered and understood by those making decisions about policy—at all levels—and then applied to thinking about how resources are allocated through budgets.

## Policy learning from watching the neighbours

Evidence shows that strong legislative underpinnings and appropriate institutional arrangements are key drivers for the implementation of gender budgeting. For example advisory groups—as seen in both Wales and Scotland—encourage thinking about the unintended consequences of budgetary decisions, through drawing together key officials and relevant external advisors with technical expertise. Often, this technical expertise draws heavily upon learning from others, with early work emphasising the importance of local context in policy learning and transfers (Budlender et al., 2002).

Despite this, mutual learning has been fairly limited, challenging the assumption that Scotland and Wales can be lumped together and expected to be learning and following one another. The opportunity and capacity to sustain relations has been constrained mainly due to resources, with both WBGs in Wales and Scotland being entirely voluntary efforts, with little funding.

In 2019 and 2020, there were significant activities to encourage learning and generate a more dynamic exchange of resources, evidence and ideas across the devolved nations. This has meant that with the greater policy divergence within and across the devolved nations in



general, 'watching the neighbours' is increasingly becoming a more established way of working, and one which engages government officials, academics and civil society activists. Such learning and exchange supporting policy learning and transfer was a key stimulus for this article. The authors collaborated on the Wales Centre for Public Policy's comparative report highlighting international activity on gender budgeting as part of the Welsh Government's GER (O'Hagan et al., 2019). Combined with Chwarae Teg's endeavours to deliver the GER, this represents the classic 'triangle of players', comprising government, civil society and academic engagement (Elson, 2004). Simultaneously, this academic and government-level activity was reinforced by the UKWBG and its counterparts in Scotland and Northern Ireland developing proposals to strengthen the independent country specific WBGs. In 2019, the UKWBG's Commission on a Gender Equal Economy was taking evidence from civil society, academic and government sources and holding hearings in Scotland, Wales, Northern Ireland and England throughout 2019. Part of that process also identified opportunities for the advancement of gender budgeting and sharing practice across the nations. Furthermore, at the devolved government level, ongoing conversations at ministerial level with officials in finance, equality and strategy were increasingly being supplemented by the involvement of WBGs—especially for the emerging Northern Ireland WBG—and those with technical expertise (particularly in Wales).

Over the years of devolution, processes and structures have changed within the governments in Scotland and Wales. These changes are (hopefully) improving the availability of equality data and analysis, and developing in response to the founding principles of the devolved institutions to equality, accountability, transparency and participation. In trying to gauge the responsiveness of the Scottish and Welsh Governments, we apply the elements of the Framework of Favourable (FFC) conditions to ascertain the context of these elements in Scotland and Wales up to 2019, and identify areas of development for both governments.

### Framework of favourable conditions

The Framework of Favourable Conditions (FFC) draws on a comparative analysis of international experiences and is used here as an analytical framework and diagnostic tool to

**Table 1.** Favourable conditions for gender budgeting in Scotland and Wales up to 2019.

Favourable conditions	Scotland	Wales
Pro-equality climate	X	X
Responsiveness/receptiveness to external influences	X	X
Political change/opportunities	X	X
Women's Policy Agency	-	-
Positive approach to governance	X	X
Engaged women's organizations	X	X
Understanding of budgetary processes	-	-
Engaged actors	X	X
Political will and leadership	X	X
Clear conceptual framework	-	X
Positive institutional arrangements	X	-
Strategy for continuity	+/-	+/-
Gender-aware budget	-	-
- Gender mainstreaming in policy analysis	+/-	+/-
- Gender analysis in government processes	+/-	+/-
- Gender-aware budget documentation	X-	X-

assess the extent to which the necessary contextual, institutional and political elements are in place to support the adoption and implementation of gender budgeting, and which remain to be secured. The FFC predates but can be read as mirrored in the OECD's good practice gender index which comprises a governance framework, operational tools and a supportive environment, identifying areas for improvement. The synergies between the OECD and FFC informed the analysis of the Welsh Government readiness for accelerating gender budgeting in 2019 (O'Hagan et al., 2019).

In Table 1, we set out an at-a-glance overview of the status of government institutions and processes in Scotland and Wales in 2019. An 'X' indicates where there is definite evidence of structures and process in place. A '-' marker is our assessment of a deficiency in current practice. Finally, an '+/-' marker indicates an assessment of limited evidence of practice or structure. Table 2 sets out in greater detail the evidence that we consider informs our assessment of Scotland and Wales in relation to the favourable conditions to support the implementation of gender budgeting.

### Positive levers for gender-aware budget processes and documents

The FFC sets out a series of elements that combine to create a context and series of institutional structures and processes which together produce a gender-aware budget. The following section focuses on innovations—both unique and comparative ones—that offer significant learning potential in relation to cross border learning, as well as transferable implications for public sector finance managers across the public sector.

#### The Scottish Budget Review 2016–2017

The Scottish Budget process changed following the new provisions for revenue raising and other competences contained in the Scotland Act 2016. In response, the Scottish Parliament Finance and Constitution Committee and the Scottish Government convened a short-run Review Group to focus on necessary and desirable changes to the Scottish Budget Process. This was an opportunity to revise the existing processes and specifically to introduce more effective equality and human rights scrutiny, in addition to recommended changes to the budget process and its timings. Among 38 references to equality in the final report, the key recommendations relevant to gender budgeting include:

- *The Group recommends that the equality dimensions of the budget should become a greater priority and that there should be a plan in place over time to further develop the performance evidence base by protected characteristic.*
- *The Group recommends that the Scottish Government and public bodies strengthen their performance planning and reporting to provide a greater focus on the delivery of outcomes. This means providing better information about what activity public spending will support, what this aims to achieve, the contribution this is expected to make to outcomes, how plans are being delivered and the impact this is having. This should include the impact of new*

**Table 2.** Structures and practice supporting gender budgeting in Scotland and Wales up to 2019.

Favourable condition	Scotland	Wales
Engaged women's organizations	<p>SWBG, along with other feminist advocacy and research organizations—including Engender, Close the Gap, the WISE Centre for Economic Justice, Women's Enterprise Scotland, the Women's Centre, and others—in a context of vocal and highly organized feminist movement in Scotland.</p> <p>Continued commitment from First Minister Nicola Sturgeon and the current cabinet. The Phase One report from National Advisory Council for Women and Girls recommended further and accelerated action on gender budgeting.</p>	<p>There was no WBG in 2019 in Wales, but plans were in place to progress, with support from WBGs in other UK nations; this was realized in 2020. Other organizations, including Chwarae Teg, the Women's Equality Network, and Welsh Women's Aid are all engaged in promoting gender budgeting and gender equality.</p> <p>Commitment from former First Minister for Wales, Carwyn Jones, to become a leader in gender equality, which was realized as the GER, led by Chwarae Teg, and led to the Gender Equality Roadmap published in 2019.</p> <p>Commitment of Welsh Government to 'Principles of Feminist Government'.</p>
Engaged actors and positive institutional arrangements	<p>EBAG has existed in different formations since 2000. In 2018 an independent chair was appointed and since then the group has had a renewed focus across the Scottish Government, with closer scrutiny on key areas of spend such as social security, housing, social care and childcare, and the processes informing the National Performance Framework and revenue and taxation policy. Membership includes external bodies including Audit Scotland, the Scottish Human Rights Commission, the Equality and Human Rights Commission, the Convention of Scottish Local Authorities, the SWBG, the Joseph Rowntree Foundation, and the Fraser of Allander Institute. The name and scope was changed to the Equality and Human Rights Budgets Advisory Group in 2022 to reflect the increased focus on Human Rights ahead of the incorporation of international conventions.</p>	<p>A number of institutional arrangements exist, including the Strategic Budget Unit in the Welsh Government and a number of committees in the Welsh Assembly (for example the Children, Young People and Education Committee, the Equality, Local Government and Communities Committee, and the Finance Committee).</p> <p>There are several engaged actors, including Chwarae Teg and other feminist organizations but no specific gender budget group.</p> <p>The BAGE, now the BIAG, provides advice, feedback and evidence to ensure the improvement of budget and tax processes and outcomes over the longer term.</p>
Clear conceptual framework for gender budgeting	<p>Equalities mainstreaming approach can dilute analysis of the gendered dimensions of public policy. Focus on poverty through the Fairer Scotland Duty has been integrated to the Equality Budget Statement and requires care to ensure the gender dimension remains central to analysis of policy and the measurements within the National Performance Framework.</p> <p>The absence of a gender equality strategy requires increased scrutiny inside and from outside government.</p> <p>Requires clear process for embedding gender analysis in budget process and related exercises, including medium-term financial frameworks, forecasting and other medium-term spending plans across services and policy areas, such as health and social care.</p> <p>Arguably, this should include improvements in availability and accessibility of data; training for policy-makers across government departments, transparency in the budget process and the sustained engagement of civil society in scrutinizing the budget.</p>	<p>The PSED, the Wales specific duties and the Wellbeing of Future Generations Act offers clear legislative underpinnings</p> <p>The GER and its outcomes of the Roadmap, creates a clear framework that the Welsh Government can be measured on and can be used by civil society to pressurize.</p>
Strategy for continuity	<p>Legislative underpinning protects gender budgeting from the vulnerability of the electoral cycle but existing platforms such as PSED and the newer Fairer Scotland Duty need to be more robustly and consistently implemented and compliance also understood as enabling improved practice and outcomes for people.</p> <p>EBAG is working across government to develop processes to underpin gender—and equality—analysis in the Scottish Budget Process. The recommendations of the Budget Review Group are central to this.</p>	
Key legislative and structural drivers	<ul style="list-style-type: none"> <li>• The Scotland Acts 1998, 2012, 2016</li> <li>• Scottish Parliament committee system of pre-budget inquiries and evidence gathering by all policy committees, and specific guidance from the Finance, Equality and Human Rights Committees</li> <li>• Equality and Budgets Advisory Group (EBAG)</li> <li>• SWBG, other women's organizations and the statutory equality and human rights commission.</li> <li>• Scottish Budget Review 2016-2017</li> <li>• National Performance Framework</li> <li>• Equality and Fairer Scotland Budget Statement</li> </ul>	<ul style="list-style-type: none"> <li>• The Government of Wales Acts 1998, 2006</li> <li>• National Assembly for Wales committees, including the Equality, Local Government and Communities Committee</li> <li>• BAGE, now the BIAG.</li> <li>• The Wellbeing of Future Generations Act 2015 and its goals, ways of working, and national indicators and milestone frameworks</li> <li>• The GER and its associated principles for a feminist government and vision for a gender equal Wales</li> <li>• Strategic Integrated Impact Assessments</li> <li>• The PSED and specific Welsh duties</li> </ul>

policies and significant changes to spending priorities and link with setting and reporting on equality outcomes.

- The Group recommends that the Scottish Government should explore the feasibility of providing a distributional analysis, by equality characteristic, of the taxation, expenditure and social security proposals contained in the budget.

- Committees should take a broader approach to budget scrutiny, shifting the focus from annual changes to inputs to the difference spending makes. Scrutiny of the selected areas should consider what is being spent overall, what this is achieving in terms of specific output and outcome measures, and if it is offering value for money (Scottish Parliament, 2017).

Key scrutiny questions could include:

- What progress has been made in advancing equality and in tackling underlying inequalities?

These recommendations, combined with the revised timetabling for the budget process, represented significant opportunities for gender and equality analysis to be integrated and more productively embedded in the budget process. A combination of disruption to the budget process in 2018 and 2019, due to external circumstances including UK elections and delayed budgets, and the time lag for committees to adapt to new processes and maximize evidence-seeking opportunities and requirements, has resulted in a rather limited impact to date of these potential levers for gender budgeting. These remain challenges for the internal policy-makers and analysts as well as for the external advocates such as the SWBG and other feminist organizations.

### *Measuring progress towards outcomes*

The Scottish Government is committed to an outcomes-based approach to its policies, contained within the National Performance Framework (NPF) that comprises a wide range of indicators used to assess progress towards its vision. The Budget Review Process focused on the NPF and considered there to be significant opportunity to integrate equalities data and analysis in the assessment of performance against the indicators and in the evidence generated from public authorities. This is consistent with the focus on equalities evidence and data from public sector bodies in relation to PSED reporting requirements that could be more effectively scrutinized by parliamentary committees in relation to budget-setting and outcomes evaluation.

In Wales, the Wellbeing of Future Generations Act 2015 is the framework that measures progress towards seven defined wellbeing goals, of which one is 'A more equal Wales'. This is done through 46 National Indicators, supported by National Milestones, which set out expectations of progress. Combining these with the five Ways of Working and the provision of a Future Generations Commissioner, the act offers positive policy and political conditions for the adoption of gender budgeting, especially as the National Milestones include a gendered dimension. Despite this, work is needed to refine the National Indicators, so that they can be mapped across spending allocations to usefully report progress (O'Hagan et al., 2019). For example the national indicator relating to the gender, disability and ethnicity pay gap only covers full-time workers, thereby missing the significant gendered dimensions of part-time work.

### *Equality budget statement*

An equality budget statement (EBS) has been produced since 2009 and has been expanded in recent years to include an assessment of how the Fairer Scotland (socio-economic) duty is being met through funding allocations. In the EBS each portfolio is required to set out how its spending plans support the delivery of the national outcome and is set out in budget document. The intention is that process should not only be an assessment of progress on average, but that

consideration of differential outcomes for different protected characteristics—necessary to fulfil the duties of the Equality Act 2010. However, the Budget Process Review Group recommended that there needed to be a clear narrative explaining the link between a particular priority, policy or initiative and the expected impact on outcomes, making direct reference to the NPF. In collaboration with a range of Scottish Government departments and the external members, EBAG has been driving a series of tools and robust processes to support improved gender analysis in the policy and resource allocation decision-making processes.

### *Impact assessments*

Under the Equality Act 2010, both the Welsh and Scottish governments are subject to the PSED and their country specific duties, which require them to have due regard to a number of equality considerations, including race, sex and disability. Devolved duties have tended to be more distinctive and extensive than those of the UK and England (Hankivsky et al., 2019). The Scottish specific duties require a mainstreaming report, publication of equality outcomes and progress, and ministers to publish proposals to enable better performance of the duties. Welsh specific duties require the government to engage, involve and consult people with protected characteristics when designing equality objectives and for public sector bodies to publish equality objectives and strategic equality plans, among others. While there has been little evaluation into the effectiveness of these duties (*ibid.*), the Welsh duties are action-focused and are in the process of being refreshed and renewed to move beyond compliance and to improve outcomes.

Each country carries out Equality Impact Assessments as a way of facilitating and evidencing compliance with PSED (Pyper, 2019). Two such assessments exist in Wales: Integrated Impact Assessments (IIA) for policies and the Strategic Integrated Impact Assessment (SIIA) of the budget. The latter, introduced from 2015–2016, considers spending decisions through different lenses to understand how funding allocations will affect particular services or sections of society, including, for example, equalities, human rights, children's rights, the Welsh language, and climate change. Recently, several concerns have been raised concerning the dilution of gender among the analysis of equalities impact (Davies et al., 2018) and the lack of clarity about what is assessed, especially as only results are published, not detailed conclusions.

Likewise, Equality Impact Assessments to assess the impact of new policies, practices and services are required within the policy process of the Scottish Government and public authorities. A review of the public sector equalities duty is being taken forward by the Scottish Government, as well as an internal review of the processes within the Scottish Government. Tools and templates for integrating gender and equality analysis are being developed and were trialled for the Equality and Fairer Scotland Statement on the Scottish Budget 2019–2020 (Scottish Government, 2019a) and in the National Performance Framework reporting in 2019 (Scottish Government, 2019b). Further guidance to directorates on integrating gender, equalities, and human rights budgeting (Scottish Government, 2019c)



was issued as part of the ‘equality product’ recommended by the Budget Review Group. The effectiveness of this guidance and approach will be reviewed by EBAG later in 2020.

The Budget Review Group process considered the Equality Budget Statement to be an important element in the Scottish Budget process but that it did not provide meaningful assessments of decisions and outcomes, and needed to be better understood and more effectively utilized by officials, parliamentarians and analysts (Scottish Parliament, 2017, p. 56).

### Next steps, opportunities and roadblocks

Despite neither devolved government currently having a fully gender-aware budget, a number of opportunities to advance gender budgeting have been progressed by the Scottish and Welsh Governments over the past 20 years. There has been a perception that Scotland’s efforts and current position have been more advanced than Wales, the renewed commitment of the Welsh Government towards gender budgeting represents a major step towards full adoption in both countries.

In Wales, opportunities to advance gender budgeting have been a consequence of the political commitment to gender equality as underscored by commissioning reviews analysing the state of gender equality in Wales. The first, led by the Welsh Assembly’s Equality of Opportunity Committee in 2003–2004, reviewed ‘how equality can be mainstreamed into the work of the Assembly and the Assembly Government’ (National Assembly for Wales, 2004, p. 5). This review was designed to monitor the mainstreaming duty in the Government of Wales Act 1998 and was organized around four key themes: strategy and leadership; people, practical action, levers, guidance and advance; and monitoring and evaluation. The review recommended that gender budgeting be piloted ‘in a policy area to assess the level of equity in financial allocations’ and then expanded across the Assembly (National Assembly for Wales, 2004). Despite this commitment, a gender budgeting pilot on sports participation and budgeting of local authority leisure centres in Wales, and technical assistance from the Welsh WBG, efforts to undertake gender budgeting in Wales ceased. The commitment was short-lived as the Welsh spending plan 2005–2006 to 2007–2008 failed to mention the application of gender budgeting, nor any learning from the pilot.

The political commitment to gender equality resulted in the advancement of gender budgeting through the GER in Wales. Its aim was to evaluate all gender and equality policies to establish Wales as a world leader for gender equality. Two relevant reports were published, the first an international evidence review of international good practice of gender budgeting efforts (O’Hagan et al., 2019) and the second a report assessing the use of impact assessments (Davies, 2019).

The core recommendations for the implementation of gender budgeting in Wales are:

- To develop a Welsh approach to gender budgeting with experts within the principles of the WFG.
- To strengthen impact assessments and training to create greater consistency.

- For the Welsh Treasury to undertake a leadership role (Davies and Furlong, 2019).

In Scotland, efforts to advance gender budgeting have been running for longer but, arguably, have yet to create a transformation in the policy and budgetary processes (O’Hagan, 2017). While EBAG’s purpose and personnel has changed since its establishment by the Scottish Executive in 2000, members currently comprises officials from across Scottish Government and external organizations. It aims to inform and advise on the process of integrating equality analysis in the budget process.

The Equality Budget Statement, introduced in 2009, originally sought to evidence the developing process of articulating how resourcing decisions are formulated in relation to broad equalities aspirations as well as set out the government’s spending on equalities activity. It has been the focus of some criticism—mainly that it is not an equality impact analysis of Scottish Government spending and revenue proposals but, rather, more of a narrative accompaniment offering a post hoc analysis of government spending decisions (O’Hagan & Gillespie, 2016). Furthermore, in seeking to reflect the ‘equalities mainstreaming’ approach of the Scottish Government, there is an assumption that central budgets will reach men and women equally. This has meant that equality considerations are integrated at the level of specific provision for ‘protected characteristics’, rather than as an intersectional analysis of the status quo and the policy intention to achieve specific outcomes through resource allocation.

A number of current structural and political opportunities exist for each devolved legislature to (further) implement gender budgeting, as well as actively learn from one another. Both countries have reset and reviewed their budget advisory groups (EBAG and BIIAG). For Wales, this meant clarifying the purpose of the group, its membership, and to consider better engagement that is timely and at the right level. During this process, other models, groups and good practice were drawn upon, including the Scottish model in terms of involving external organizations in the budget delivery process, presenting opportunities for learning at the government level and supplementing efforts at the civil society level.

In Wales, the acceptance of all the recommendations of the GER represents both an opportunity and a challenge to implementing gender budgeting. The Welsh Government responded to the recommendations that ‘A Welsh approach to gender or equalities budgeting should be developed’ by committing to develop a gender budgeting pilot in the 2020–2021 budget (Welsh Government, 2019a). The gender budgeting pilot was delivered as part of the two-year Personal Learning Accounts pilot, which invested to support employed adults in low paid and low skilled work. This pilot aimed to understand how a gender budgeting ‘approach might help identify and understand potential different impacts, including unintended impacts’ (Welsh Government, 2019b, p. 40). International experience, including the discussions at the WCPP Nordic Exchange seminar in 2019, advised caution in relation to pilots, as experience has shown that gender budgeting pilots become siloed rather than being rolled out across policy domains, resulting in a lack of policy integration (Klatzer et al., 2010). Pilots also have short timeframes which

undermine accountability and the process of changing budgets, and the considerable effort, co-ordination and leadership needed to maintain momentum and rollout the pilot more broadly (Sharp & Vas Dev, 2004). These concerns are amplified by the experience of Wales piloting other initiative budgeting techniques, such as Children's Budgeting in 2009, following successive Welsh Governments and the National Assembly for Wales expressing a commitment to children in the first decade of devolution (Croke & Crowley, 2013). That pilot did not lead to a rolling out of the approach to subsequent budgets, which may foretell the future of the gender budgeting pilot without continued pressure from civil society. In early 2022, two further gender budgeting pilots commenced in Wales, in the delivery of the Young Person's Guarantee and Active Travel. It remains to be seen whether learning from the first pilot has informed this next pilot although the distributional impact model for analysing public spending has since been refined and extended.

Both countries suffer from a lack of intersectional gendered knowledge, reflected in what can be described as a 'politics of equivalence' in Scotland, whereby different protected characteristics are treated individually, rather than as intersecting and inter-related; and the additional layers of equality in Wales, including the Welsh language. Previous commentary on the Scottish approach (McKay & Gillespie, 2007; O'Hagan & Gillespie, 2016) has highlighted the tensions inherent in an equality mainstreaming approach where specific—and universal—gender dimensions are not fully explored and are rather subsumed into a broader equalities narrative. This is arguably part of a wider issue, whereby an assumption that gender equality has been achieved and inequalities conquered that has increasingly pervaded public opinion and public policy-making. Gender budget analysis exposes the enduring realities of gendered inequality, with its inherent requirement for analysis of the status quo and the inter-relational elements of everyday life and public services, along with analysis from feminist groups such as the WBGs in the UK and internationally.

## Conclusion

Our review of gender budgeting in Scotland and Wales up to 2019, and the opportunities to make further progress, reveal numerous favourable conditions in relation to legislative underpinning, institutional arrangements, engaged actors inside and outside government, and alignment with current political narratives on equality, social justice and wellbeing.

Gender budgeting has moved from being an advocacy proposition of feminist civil society organizations and academics, through to a core recommendation of the UN, into the discourse, research, and advocacy of public finance and economic policy-making organizations. The engagement of the OECD, CIPFA, and other professional bodies arguably gives further impetus and support to public finance managers for whom gender equality has not been regarded as a traditional element of their domain. As 'gender budgeting is good budgeting' (Stotsky, 2016, p. 12), robust gender analysis, based on accurate data, informs policy-makers and resource managers on the realities of daily lives, and the different needs and uses of public services and resources.

Scotland and Wales are watching one another ever more closely. As policy agendas align and as the lessons from policy divergence between the UK and devolved governments and across the devolved governments offer up shared challenges and lessons, there are many opportunities to share practice and develop common solutions to alternative approaches to budgeting. The recommendations of the Budget Review Process in Scotland parallels work done in Wales. The common difficulties and challenges around multiple impact assessments and the need to ensure purposeful tools are available to policy-makers in order to make meaningful assessments of lived realities and progress to address them are increasingly being worked through together.

The assessment of favourable conditions we have discussed in this article reveals where positive progress had been made. We also demonstrate those areas which remain to be addressed and can be the focus of collective effort across devolved governments, and in conjunction with public sector and professional bodies.

## Disclosure statement

Angela O'Hagan has been the independent Chair of the Equality and Human Rights Budgeting Advisory Group since 2018.

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