

## **Welsh Government draft budget proposals for 2019-20**

### **1. About the Women's Equality Network Wales:**

- 1.1 WEN Wales is a representative women's network<sup>1</sup> and human rights organisation working to influence policy-making and empower women to achieve equal status in corporate and civil life. Our charitable objectives are to promote equality and human rights with specific reference to women and gender equality in Wales.
- 1.2 WEN Wales, in collaboration with Women Connect First, Welsh Women's Aid and Chwarae Teg published '[Equality for Women and Girls in Wales: Our Manifesto](#)'<sup>2</sup>, which sets the agenda in Wales to achieve greater equality for women and girls in Wales. Collectively, we have a vision of a Wales where every woman and girl is treated equally, lives safe from violence and fear and is able to fully participate in the economy. We want to ensure that Wales is the safest country in Europe to be a woman, where women and girls can flourish and actively participate in their communities. The document sets us on the path to achieving this.

### **2. What, in your opinion, has been the impact of the Welsh Government's 2018-19 budget?**

- 2.1 It is impossible to measure the impact of the Welsh Government's 2018-19 budget on women because there is no published analysis from Welsh Government on this area. This highlights how a lack of data makes effective scrutiny very difficult, and makes it even harder to achieve ambitious advancements in gender equality. It is for this reason that WEN Wales believes that the whole of Welsh Government's budget should be reviewed through a lens of gender-responsive budgeting. This process involves asking key questions about the annual budgets such as<sup>3</sup>:
  - Who benefits from state expenditure and how is the spending distributed between women and men
  - Is the spending meeting both women's and men's needs?
  - What impact are budget decisions having on work, including in full-time, part-time or unpaid work?<sup>4 5</sup>
- 2.2 Despite this shortfall in data, several specific policies piloted in 2018-19 have been flagged by WEN Wales' organisational and individual members as areas of concern. These need to be addressed if and when these policies are rolled out more widely.
- 2.3 Women's ambitions, achievements and health can be curtailed by a lack of affordable and flexible childcare. WEN Wales' members consistently list childcare provisions as one of the most significant barriers to women returning to work after parental leave and we do not think that the current childcare offer is fit for purpose, as it creates further barriers for certain women entering the workforce or maintaining employment while supporting a family.
- 2.4 In Wales, there does not seem to be join-up between shared parental leave in the first year of an infant's life – which according to the UK Government, allows “mothers to return to work sooner if they wish to” which “can contribute to [employers] closing their gender pay gap”<sup>6</sup>, and the unaffordability of childcare in the UK, which has one of the highest costs for childcare in the world.<sup>7</sup> Welsh Government's 30 hours a week offer for free early education and childcare

<sup>1</sup> Over 1000 individual members and organisational members, including women's rights and allied organisations from across the third sector, academia, international and national NGOs.

<sup>2</sup> [http://www.wenwales.org.uk/wp-content/uploads/LR\\_11509-WEN-Manifesto-20pp-A4-English.pdf](http://www.wenwales.org.uk/wp-content/uploads/LR_11509-WEN-Manifesto-20pp-A4-English.pdf);

[http://www.wenwales.org.uk/wp-content/uploads/LR\\_11509-WEN-Manifesto-20pp-A4-Welsh.pdf](http://www.wenwales.org.uk/wp-content/uploads/LR_11509-WEN-Manifesto-20pp-A4-Welsh.pdf)

<sup>3</sup> <http://www.wenwales.org.uk/wp-content/uploads/6462-WEN-Wales-GRB-Briefing-Doc-final.pdf>

<sup>4</sup> Rake, K. (2002), “Gender Budgets: The experience of UK's Women's Budget Group”, London: London School of Economics and Women's Budget Group, Basel@ Gender Balance – Equal Finance.

<sup>5</sup> Baumgardt, A. (2051) Gender Budget Workshop, WEN Wales.

<sup>6</sup> <https://www.gov.uk/government/news/new-share-the-joy-campaign-promotes-shared-parental-leave-rights-for-parents>.

<sup>7</sup> <http://www.bbc.co.uk/news/uk-42966047>.

for working parents, which applies only to children over the age of 3, presents a clear gap between ages 1-3 which is not covered by either policy. This gap is even longer when, for example shared parental leave is taken by both parents for the first 6 months or one or both parents return to work before their child's first birthday.

- 2.5 WEN Wales urge Welsh Government to provide childcare that meets the needs of parents or carers by ensuring guaranteed flexible, affordable and subsidised childcare for all parents from the age of 6 months, rather than from 3 years for parents currently in employment. We believe strongly that self-employed and non-working parents should also be eligible for this childcare offer, as the current offer clearly disadvantages families who don't meet the current criteria. When such a large proportion of pregnant women feel pressured into resigning posts while pregnant this is highly problematic as it imposes the double burden of ineligibility for parental leave (whether maternity or shared parental leave) and childcare, which could allow women to get back into jobs.<sup>8</sup> Flexible and wrap-around childcare is also essential.
- 2.6 Current provisions also often mean that parents need to use two providers, as 10-12.5 hours is allocated to Foundation Phase Nursery and 17.5-20 hours is allotted to additional childcare for 48 weeks a year and therefore this can be incredibly inconvenient for working parents.<sup>9</sup> The right to request flexible working has not yet changed our workplace cultures<sup>10</sup> and therefore there is a disconnect between work practices and inflexibility of childcare provisions. It is also important that when rolled out, the Welsh Government's free childcare scheme allows registered childminders to care for their relatives, rather than adding unnecessary stress and complications when a relative is appropriately qualified to do so.
- 2.7 In relation to the Early Intervention, Prevention and Support (EIPS) Grant, WEN Wales supports the views of one of our NGO members, Welsh Women's Aid. We would like the Housing Matters campaign taken forward. It proposes an alternative where the EIPS grant is split so that housing related grants (Supporting People and Homelessness Prevention Grants) are ring-fenced for housing costs in short term accommodation. This is to safeguard the essential life-saving services that short-term accommodation, such as women's refuges, offers to Wales' most vulnerable people. This is essential, particularly in light of the destruction caused by the removal of the ring-fence around Supporting People funding in England, which irreparably decimated many short-term accommodation services including the violence against women sector, losing the specialist expertise of the women's movement.<sup>11</sup>

### **3. What expectations do you have of the 2019-20 draft budget proposals? How financially prepared is your organisation for the 2019-20 financial year, and how robust is your ability to plan for future years?**

- 3.1 Achieving gender equality and women's rights will have a positive impact on the well-being of everyone living in Wales; it is good for our economy, our society and our culture. Several studies have shown that gender budgeting reduces inequality and has many positive effects and leads to higher growth rates, healthier children, improved productivity in the labour market and a more responsive government.<sup>12</sup> The similarity between these outcomes and the ambitions of the Future Generations Act cannot be ignored. For this reason, WEN Wales believes that we must see proper gender budgeting processes across Welsh Government

<sup>8</sup> <https://www.equalityhumanrights.com/en/file/10521/download?token=WqAVNfz5>.

<sup>9</sup> <https://www.torfaen.gov.uk/en/EducationLearning/Parental-Support/Childcare-Offer-for-Wales/The-Childcare-Offer-For-Wales-30-hours-Childcare.aspx>

<sup>10</sup> Fathers and the workplace, Women and Equalities Committee, House of Commons, 2018.

<sup>11</sup> <https://www.womensaid.org.uk/what-we-do/campaigning-and-influencing/campaign-with-us/sos/>.

<sup>12</sup> <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-budgeting#7>; Stotsky, J. (2016), 'Gender budgeting: fiscal context and current outcomes', International Monetary Fund working paper, WP/16/149, Washington DC.

budgets from the 2019-20 financial year onwards. It is not enough to simply have a Budget Advisory Group for Equality (BAGE).

3.2 Gender budgeting requires some key elements such as<sup>13</sup>:

- Tracking financial allocations to promote women's rights and gender equality – Welsh Government should track the money allocation that are given to other sectors in comparison to women's equality, for example;
- Combining gender budgeting with impact assessments;
- Mainstreaming gender perspectives into a whole process of public finance management;
- Applying standard gender budgeting tools such as gender aware policy and budget appraisal, gender disaggregated public expenditure and revenue incidence analysis, and gender responsive beneficiary needs assessments.

Further information about [Gender Responsive Budgeting](#) can be found in WEN Wales' briefing on this topic.<sup>14</sup>

3.3 Any future budget for Welsh Government needs to be considered through a gender lens and this approach should be embedded across all ministerial departments. WEN Wales hopes that the 2019-20 draft budget will consider how, in a climate of austerity, Welsh budgetary decisions will detrimentally affect women across Wales, and how this will be mitigated. We already know that women are disproportionately affected by welfare reforms and austerity measures<sup>15</sup> and that Black, Asian and Minority Ethnic (BAME) women are affected to an even greater degree.<sup>16</sup>

3.4 We want Welsh Government to produce an action plan to mitigate the impact of welfare reform that is cross-departmental and linked to devolved policies on equality, poverty, employment, housing, social care and childcare. This needs to take specific consideration of the impact of welfare cuts on survivors of violence, rural, disabled, older, migrant, refugee and BME women, single mothers and unpaid carers.

3.5 Following the First Minister's commitment to creating a feminist Welsh Government<sup>17</sup> and to making Wales the safest place in Europe to be a woman<sup>18</sup>, we hope that the 2019-20 budget will reflect these aspirations in monetary terms.

3.6 There is clearly much to be done to achieve gender equality in Wales, highlighted by the initial findings of the Gender Equality Review<sup>19</sup> that is currently underway. Chwarae Teg's initial findings<sup>20</sup> purport that the budget process is not aligned to the policy-making process and budgets focus on financial pressure rather than impact, which is a barrier to effective cross-government working on all issues, including gender equality.

3.7 In a post-Brexit environment, we are concerned that the impact of leaving the EU will mean a roll-back of legal rights for women, reduce funding for women's organisations and put extra pressure on specialist violence against women, domestic abuse and sexual violence (VAWDASV) services. As the UK exits the EU, Wales looks set to lose around £680m annually

<sup>13</sup> <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-budgeting#7>

<sup>14</sup> <http://www.wenwales.org.uk/wp-content/uploads/6462-WEN-Wales-GRB-Briefing-Doc-final.pdf>;

<http://www.wenwales.org.uk/wp-content/uploads/6586-WEN-Wales-Gender-Briefing-Doc-Welsh-P1.pdf>

<sup>15</sup> [https://www.equalityhumanrights.com/sites/default/files/impact-of-tax-and-welfare-reforms-2010-2017-interim-report\\_0.pdf](https://www.equalityhumanrights.com/sites/default/files/impact-of-tax-and-welfare-reforms-2010-2017-interim-report_0.pdf)

<sup>16</sup> <https://www.runnymedetrust.org/uploads/PressReleases/Correct%20WBG%20report%20for%20Microsite.pdf>

<sup>17</sup> <https://gov.wales/newsroom/people-and-communities/2018/180710-gender-equality/?lang=en>

<sup>18</sup> <https://gov.wales/newsroom/people-and-communities/2018/dont-be-bystander-new-campaign-launches/?lang=en>

<sup>19</sup> <https://gov.wales/topics/people-and-communities/equality-diversity/review-of-gender-equality/?lang=en>

<sup>20</sup> <https://www.cteg.org.uk/wp-content/uploads/2018/07/Rapid-Review-of-Gender-Equality-Phase-One-Summary-Report.pdf>

of EU funding.<sup>21</sup> If the UK Government does not replace these funds it will have a massive impact on equality and the Welsh economy, including our growth, job creation and retention.<sup>22</sup> We are also concerned that there will continue to be a rise in hate crime against BAME women and that women will be turned away from services that they need. The threat to women and girls' rights that have already been won is frighteningly tangible, once we are no longer under the protection of the European Union, which currently safeguards many of these rights.

3.8 WEN Wales is the pan-Wales umbrella membership women's organisation amplifying women's voices at this critical time of change under an equalities, inclusion and human rights framework. It is worrying then that WEN Wales' funding is guaranteed only until 2020, which means that our attention in 2019-20 will have to be on ensuring our viability post-March 2020, rather than defending those rights. A longer-term funding agreement would benefit all Equalities and Inclusion Grant organisations.

#### **4. Approach to preventative spending and how is this presented in resource allocation (preventative spending = spending which focuses on preventing problems and eases future demand on services by intervening early), particularly in relation to the financing of local health boards and health and social care services**

4.1 Health receives a high percentage of the budget allocation. It is essential to recognise that preventative spending on Health in relation to women and girls will generate considerable dividends. Proper investment in women's health issues such as endometriosis and the menopause, leading to better diagnoses, provisions and services is essential. Women's health and well-being must be prioritised, with high quality sexual reproductive health services available across Wales and reproductive rights upheld. Health commissioning and service delivery must recognise and respond to the needs of women and girls in Wales. We need to know more about women and girls sexual, reproductive and maternal health, ensuring that health information and services are available and accessible to all.

4.2 Health also needs to invest in preventative violence against women services, and programmes such as the Change that Lasts Model<sup>23</sup>, as early intervention could save huge amounts in hospital costs and other public services.<sup>24</sup> It is not acceptable that specialist VAWDASV services are under threat due to austerity. As well as a moral obligation, there is a financial imperative to invest in these life-saving interventions.

#### **5. Welsh Government policies to promote economic growth, reduce poverty, gender inequality and mitigate welfare reform**

5.1 WEN Wales welcomes the Welsh Government's commitment to better understand the gender equality landscape of Wales through the Rapid Review into Gender Equality. The First Minister's commitment to making Wales the safest place to be a woman in Europe, and to creating a feminist government in Wales is welcomed. It is imperative that these ambitions are translated into policy, budgetary commitments and radical rethinking of how to achieve these systemic goals for the equality of the nation.<sup>25</sup> The Gender Review offers a good backbone to this work. As per our Manifesto, we are interested in 'deeds not words' and would like to see action as soon as possible.

<sup>21</sup> WEN Wales et al, Equality for Women and Girls in Wales, Our Manifesto, 2018

<sup>22</sup> Welsh Government and Plaid Cymru, 'Securing Wales' Future' White Paper, January 2017

<sup>23</sup> <http://www.welshwomensaid.org.uk/what-we-do/our-approach-change-that-lasts/>

<sup>24</sup> <http://www.welshwomensaid.org.uk/wp-content/uploads/2016/03/Yasmin-WEB.gif>; <http://www.welshwomensaid.org.uk/what-we-do/our-approach-change-that-lasts/>

<sup>25</sup> [http://www.wenwales.org.uk/wp-content/uploads/LR\\_11509-WEN-Manifesto-20pp-A4-English.pdf](http://www.wenwales.org.uk/wp-content/uploads/LR_11509-WEN-Manifesto-20pp-A4-English.pdf)



## 6. Welsh Government's planning and preparedness for Brexit

- 6.1 Brexit threatens to have a significant detrimental impact on women. EU law has safeguarded many rights of women and girls and the UK's withdrawal from the EU will remove these. We already know that Wales will be immediately affected by the withdrawal of European social funding and that women are often the ones who experience the disproportionate impact of cuts, loss of funding and gaps in services.<sup>26</sup> The likely damage to the UK and Welsh economies come in a climate of austerity measures, which have already had massive impacts on women in the UK, and even more so for BAME women.<sup>27</sup> Women have been largely excluded from the negotiation table, resulting in women's lived experiences and voices being ignored and overlooked.
- 6.2 No longer being a signatory to the EU Charter of Fundamental Rights will create gaps in human rights protection.<sup>28</sup> For example, it includes 'a free-standing right to non-discrimination, protection of a child's best interests and the right to human dignity.'<sup>29</sup> It will also mean there is less power to protect women's rights.
- 6.3 Losing the protection and arbitration of the Court of Justice of the European Union (CJEU) will mean an end to our current safeguards to equalities legislation. EU equalities legislation that has not been finalised or incorporated into UK law will be lost – for example the EU is currently considering new legislation that further protects parental leave, flexible working and breast feeding in work.<sup>30</sup> It will also limit our ability to stay at the forefront of global equalities legislation and policy as we will no longer be taking an active role to help shape EU equalities law and automatically incorporating this within UK law.
- 6.4 With no clear indication of what a post-Brexit Britain will look like, it is very hard to judge how well prepared the Welsh Government can be. However, the sheer lack of funding available to mitigate against the impacts of Brexit is deeply worrying. It is predicted that women's organisations, including life-saving violence against women specialist services will be even more under threat than they have been in recent years.<sup>31</sup> If Wales wants to be the safest place to be a woman in Europe and to have a feminist government, women's equality organisations need to have a strong and prosperous future. The current economic and political climate in a UK-wide and European/International context does not instil much confidence that this is achievable.
- 6.5 Welsh government budgets need to specifically recognise that EU funding has a direct focus on equalities and that much of the investment that Wales has received in recent times has specifically benefited women, therefore any preparations for Brexit need to factor in how changes to this funding will disproportionately affect people on the ground. Any future funding needs to continue the focus of previous EU funds on tackling poverty and inequality.
- 6.6 The UK Government's new Shared Prosperity Fund must focus on addressing inequality and poverty and be distributed in Wales, it is imperative that the Welsh Government puts pressure on the UK Government to ensure that this is the case.

<sup>26</sup> The Fawcett Society, *Where's the Benefit? An Independent Inquiry into Women and Jobseeker's Allowance* 2015.

<sup>27</sup> <https://www.runnymedetrust.org/uploads/PressReleases/Correct%20WBG%20report%20for%20Microsite.pdf>

<sup>28</sup> Brexit and the EU Charter of Fundamental Rights: Our Concerns, EHRC <https://www.equalityhumanrights.com/en/what-are-human-rights/how-are-your-rights-protected/what-charter-fundamental-rights-european-union-0>

<sup>29</sup> Ibid

<sup>30</sup> Ensuring strong equalities legislation after the EU exit, Women and Equalities Committee, House of Commons, 2017 <https://publications.parliament.uk/pa/cm201617/cmselect/cmwomeq/799/799.pdf>

<sup>31</sup> <http://www.welshwomensaid.org.uk/wp-content/uploads/2017/12/WWA-State-of-the-Sector-2017-ENG.pdf>

## 7. How should Welsh Government use taxation and borrowing powers, particularly in relation to the Welsh Rate of Income Tax

- 7.1 New taxation powers to Wales mark a significant moment in devolution. On the one hand, lowering taxes could relieve the pressures on the people of Wales who have felt the squeeze of austerity and welfare cuts for many years. On the other hand, a cut would lead to less public money to be spent on public services. An increase in taxation could push more women and children in Wales into poverty. In Wales, the gender pay gap<sup>32</sup> affects part-time working women the most<sup>33</sup>, therefore, an increase in taxation could have a detrimental effect on women barely making ends meet now.
- 7.2 Impact assessments must be done to show how such a change would affect women, BAME people and disabled people before this power is used. Any use must lead to a fairer, more equal and more prosperous Wales with a focus on both short and long-term improvements felt across the whole country and throughout Welsh society.

## 8. How evidence is driving Welsh Government priority setting and budget allocations

- 8.1 WEN Wales hopes that the evidence that is collected as part of the Gender Equality Review Phase Two and our Manifesto will be used to drive Welsh Government priority in future budgets. This work is being conducted currently and is timetabled to conclude within the first few months of a post-Brexit Wales. It is imperative that Welsh Government uses the wealth of evidence available to act quickly to safeguard gender equality good practice and push on with this work.

## 9. How the Future Generations Act is influencing policy making

- 9.1 While sympathetic to gender inequalities issues, WEN Wales is disappointed that the Future Generations Commissioner is not planning to scrutinise Welsh Government's budgets in the context of gender, as she currently does in three other specific areas. WEN Wales believes that this is a missed opportunity to do significant work towards using the ground-breaking Act to influence policy making so that Wales can achieve gender equality.
- 9.2 It is imperative that both the Equalities Act 2010 and the Future Generations Act, with its strong commitment to equalities – particularly in relation to the goal of 'A More Equal Wales' – work in conjunction with one another. WEN Wales believes that it is essential that the Future Generations Commissioner understands the value of both pieces of legislation in strengthening Welsh Government's policy making in relation to equalities in Wales.
- 9.3 WEN Wales hopes that the new integrated impact assessments from Welsh Government effectively consider women in line with the UN's Sustainable Development Goals (including Goal 5: Gender Equality) and in relation to the Future Generations Act.

<sup>32</sup> ONS ASHE 2017 provisional results / Welsh Government Priority Sector Statistics 2017

<sup>33</sup> Office for National Statistics, Annual survey of Hours and Earnings, 2017

## WEN Wales Recommendations:

1. **Welsh Government should appoint a Cabinet Secretary for Women by 2021, with key responsibilities to ensure that women have an equal share of power at all levels of Welsh public and political life, including budgets.**
2. **All budgets across all departments should be created using gender budgeting techniques and data on the impact of the budget on women and men should be collated after each budget cycle.**
3. **Welsh Government to enshrine the United Nations Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) and the 'Istanbul Convention' into Welsh law to safeguard women's rights post-Brexit.**
4. **Improvements to impact assessments and practices must ensure that they are used consistently and are of an appropriately high standard.**
5. **Regarding Health, Welsh Government must invest in women's health issues, such as endometriosis and menopause, and invest in preventative and early intervention provisions for survivors of violence against women, domestic abuse and sexual violence.**
6. **Future Generations Commissioner to scrutinise Welsh Government budgets in relation to gender equality and work in conjunction with the Equalities Act 2010.**
7. **Welsh Government to invest in long-term funding for the Welsh women's sector.**
8. **Welsh Government to use evidence from the Gender Equality Review and WEN Wales' Manifesto to shape all future budgets and to commit through their budget to pushing forward women's equality in Wales.**

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*WEN Wales would like to thank the Finance Committee of the National Assembly for Wales for the opportunity to contribute to the inquiry.*

*If you have any further comments or queries, please get in touch.*

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