

## **4.4 The UK Women's Budget Group Experience in Review – by Alifia Chakera, Kate Bellamy and Erin Leigh**

### ***About the UK Women's Budget Group***

The Women's Budget Group (WBG) is an independent UK organisation bringing together academics and people from non-governmental organisations and trades unions to form a network of experts to promote gender equality through appropriate economic policy. We also have close ties with similar organisations in Scotland, Wales, and beyond.

The WBG seeks to reveal how apparently gender neutral models and policy-making tools may have an implicit gender bias. In order to achieve this, it both develops analysis of the gendered impacts of economic policy, and promotes a gender analysis within Government itself. In all of our work we ask the question 'where are resources going, and what is their impact on gender equality?'

Our work falls into three broad categories:

- 1. RESPONDING TO THE GOVERNMENT POLICY PROPOSALS, INCLUDING THE ANNUAL BUDGET, AND PRE-BUDGET REPORT.*
- 2. ENCOURAGING GOVERNMENT, ESPECIALLY HM TREASURY, THE UK MINISTRY OF FINANCE TO INCORPORATE GENDER BUDGETING INTO THEIR WORK.*
- 3. WORKING WITH WOMEN LIVING IN POVERTY TO SUPPORT THEIR ENGAGEMENT IN THE DECISION MAKING PROCESS, AND BRING EXPERIENTIAL EVIDENCE TO BEAR ON POLICY.*

### ***1) RESPONDING TO BUDGET STATEMENTS***

Budget statements bring together public expenditure and public revenue commitments and positions and as a policy statement reflects the social and economic priorities of a government. Civil Society groups concerned with gender budgeting can analyse budget statements and use their analysis as an advocacy tool to make links between economic policy goals and social policy commitments and raise awareness of the gender impact of each.

The UK WBG, as a group external to government with limited influence on HM Treasury spending decisions and resources, has found the preparation and dissemination of a gender analysis of the Chancellor's annual Budget and, more recently, Pre Budget Statements to be an achievable and effective gender budgeting tool.

### ***The UK Budget Cycle***

The Treasury is legally bound to present two economic forecasts each year. Between 1993 and the 1997 election, this was done in the Budget which was held in November and the Summer Economic Forecast (late June/early July). Since May 1997, under the new government, the Chancellor presents a Budget in the Spring but also presents a Pre-Budget Report in the Autumn which provides a progress report on what has been achieved so far, gives an update on the state of the economy and the Government finances and sets out the direction of Government policy in the run up to the Spring Budget. This innovation has allowed the WBG to make formal submissions in response to the PBR that should, in theory, have more chance of influence on the Budget.

### ***The WBG response***

Since its establishment in 1989, responding to budget statements has been a central feature of the WBG's work plan. The WBG position and response are informed and strengthened by our member's work and research as academics, trade unionists and as public economists, as well as by their and their organisation's experience in the field of advocacy and public policy.

**Writing the response:** We produce a written response to the Budget and Pre Budget Statements each year that is co-ordinated by the Project Officer and the Management Committee, with sections written by members, or groups of members, according to their area of expertise.

The areas to be addressed in our response are brainstormed at a WBG meeting in response to the Chancellor's statement. We do not limit our response to what is covered by the Budget statement; we also seize the opportunity to highlight what should have been included. For example, in recent years little attention has been paid to the needs of pensioners, particularly poor women pensioners, in the Budget or Pre Budget Statements. But as we consider this to be a crucial issue in the fight for women's financial autonomy, and we have a lot of expertise on the issue within the group, it always forms a large part of our response.

We make efforts to ensure that the content is not only rigorous and convincing but also accessible to non-policy experts, for example Parliamentarians, the media, and other NGOs. In addition, we set out our response in a clear and user-friendly fashion to encourage take-up by officials. For example we set out our points to correspond with the Budget Statement lay out, and we pull out key recommendations.

**Disseminating our response:** This written response is disseminated to our members, government ministers, officials, and relevant opposition MPs. The Parliamentarians on our contact list are selected according to their interests and responsibilities, the officials according to their roles. For example all Secretaries of State and Junior Ministers from the departments dealing with the issues addressed in our response are included, as well as their cross-party equivalents. We also send the response to MPs concerned with cross-cutting equality issues such as the Women's Ministers and the Parliamentary Labour Party Women's Committee.

We also hope to reach a wider audience of UK women's NGO's and feminist activists. Our response is posted on our website (see [www.wbg.org.uk](http://www.wbg.org.uk)) for access by any other interested individuals and organisations. We have had interest expressed in our model of response from international organisations, and even a request from Japan to publish our response as an example of good practice.

Media work to pick up on our response has also been undertaken, but often our full response is not produced in time to be of interest to the media in the immediate aftermath of the Budget. We do have plans to develop a tighter media strategy for future Budget and Pre Budget statements, for example by providing informed comment and analysis by our expert members in the period around the Budget.

**Using our response to lobby government:** The WBG's engagement with and impact on the budgetary process has strengthened in the past ten years. The government has a stronger consultative 'evidence-based' policy making process, a Women's Minister has been appointed, and made commitments have been made to gender mainstreaming, all of which improved the WBG's lobbying position and made HM Treasury more receptive to our Budget responses. Indeed, in October 2000, HM Treasury described the WBG as a key feature of the consultation process with respect to gender and we now have a commitment from HM Treasury for regular meetings with both Ministers and officials to present and discuss our gender analysis of the Budget and Pre Budget reports.

### ***Benefits and Challenges of responding to Budget Statements***

This form of gender budgets tool is limited by the fact it is conducted outside government, so access to data and resources is limited, and it has no direct influence on spending decisions. Additionally, it is a reactive response to decisions or commitments already made; it does not feed into the content or formulation of the Budget. However, within these constraints, we consider it to be a useful exercise making good use of the resources available to the WBG.

## **Benefits**

Most simply, the fact that the budget cycle is regular and frequent makes it a reliable opportunity to comment on government spending and taxation. It provides a predictable framework around which work can be planned.

Additional benefits of this approach include:

**Awareness Raising:** Our Budget response is an opportunity to improve understanding of 'gender' and raise awareness and make the case for a gender budgets approach to the policy makers and opinion formers to whom it is disseminated. If we can use our responses as a tool to highlight that although provisions in a Budget may appear gender neutral, they actually affect women and men differently due to their different positions, resources and responsibilities, we can convince HM Treasury that gender budget analysis can play a vital role in improving policy-making. We hope that as HM Treasury becomes convinced of gender budget analysis as a tool to improve policy outcomes it will be employed inside government at an earlier stage in the budget process to ensure that spending allocations and the associated policy is made more gender sensitive. At the very least we hope that our Budget response from one year will impact on Budget decisions in the next.

As the Budget statements cover a wide range of policy areas applicable to a large number of parliamentarians and officials it presents a prime opportunity to put our lobbying position and the case for gender budget analysis across to a government departments beyond HM Treasury and the Women and Equality Unit.

Budget day also provides a key opportunity to raise awareness of gender and economic policy issues with the public as it is the one time each year that a broad cross-section of the UK public engages with macroeconomic policy therefore it presents opportunities for media coverage. Such media opportunities represent a cost effective means of communicating gender budgeting arguments to women's leaders, government, parliamentarians and grassroots activists and broader civil society.

**Capacity Building:** The process of preparing the WBG budget response builds the capacity of feminist civil society to engage with the budget process and macroeconomic policy. It also serves to expand our members understanding of gender and socio-economic policy in areas outside their expertise and help build a more comprehensive understanding of the many ways socio-economic policy impacts on different women throughout their lifetimes and in different situations.

## **Challenges**

**Working outside government:** Working outside government means that we have access to only limited data and resources to inform our analysis, can have only a limited impact on decision making and cannot directly reform the collection and analysis of gender disaggregated data. Those people working on a gendered analysis of the Budget inside government, for example as has happened in Australia, can call on government officials and statisticians to provide them with the data and information they need.

As a non governmental organisation we must also be conscious of ensuring that our budget analysis is not only academically rigorous, but also both politically astute and representative of the experience of grassroots women's groups. We have to strike a balance between representing the needs of women in the UK and using political opportunity wisely. The government is more likely to pay attention to our demands and take our responses seriously if they contain realistic and workable recommendations. This approach has been successful in winning us the respect and ear of HM Treasury who are now committed to a regular series of consultation meetings, including the presentation by WBG to HM Treasury Ministers and officials both our Pre Budget, and Budget responses.

**Changing Spending Allocations:** If the measure of success of a gender budget initiative is the extent to which it has changed the Budget then obviously a response to a budget statement is not go-

ing to have a retrospective impact on a budget all ready determined, so in that sense it is a limited gender budgeting tool. However, now that we are offered the chance to respond to the Pre Budget Response in time to impact on the Budget, the opportunity to affect the Budget is increased. Additionally, it has been suggested that the formulation of the Budget may be influenced by the knowledge that it is routinely assessed by feminist economists and lobby groups, and may be informed by our previous responses, and therefore the Budget might be made more gender aware. (Although it has also been suggested that that WBG's input to government can be used to enable government to pre-empt criticism by improving presentation alone, rather than having any substantive impact on policy.)

In general though, the success of our budget statements are a more gradual awareness and capacity building exercise, both inside and outside government. Building partnerships and changing the outlook of civil servants and other people in positions of power may not be immediately visible in the budget and policy terms, but can facilitate later changes.

For example it was through this longer term approach awareness raising that we were able to finally persuade HM Treasury to pioneer a gender analysis of expenditure pilot which is due to report. There are also examples of when our Pre Budget responses have had a more immediate impact. For example, as a result of WBG lobbying there was announcement in the 2002 Budget that, from 2003, the Child Tax Credit (CTC) would be paid to the main carer (normally the mother).

**Spending Review:** There are concerns that the Budget no longer presents the best opportunity to critique government spending. Since the introduction of the Comprehensive Spending Reviews which set government spending for the departments for the next budgetary year along with projected spending for the following three budgetary years, the Budget statement has become a public statement of government policy intentions and changes in tax and benefits, rather than an occasion for the announcement of new spending decisions. So the impact of even our Pre Budget Response on spending decisions is limited.

This illustrates how gender budget groups must adapt to political and spending machinery change. The WBG now feeds into and responds to the Spending Review process, as well as the Budget Cycle. Currently, we are identifying avenues for influencing the next Comprehensive Spending Review (2007). This is especially important given that the review, as in the previous two reviews, is likely to have a high level target to promote gender equality.

**Narrow Approach:** Efforts concentrated on the Budget have been criticised for being too narrow and for not considering the wider macroeconomic picture. By conducting analysis on a sectoral basis, the big picture is missed. And, by analysing the government's proposals rather than questioning the theoretical assumptions underpinning the Budget process, the impact can only be reformist rather than transformative. WBG is aware of these issues and attempts to go deeper in questioning the economic framework implicit in the approach of the Treasury, for example putting an emphasis on the role of the unpaid care economy and the value of time.

Responding to Budget Statements is a useful and realistic gender budgets tool for groups with expertise situated external to government. The tool needs to be adapted according to context, for example the political climate, and the challenges noted above should be taken into consideration. Gender budget groups must identify the best means for lobbying government with their response according to political circumstances and access to government.

## **2) ENCOURAGING GOVERNMENT TO INCORPORATE GENDER BUDGETING INTO THEIR WORK GENDER ANALYSIS OF EXPENDITURE PROJECT (GAP)**

The WBG has also recently achieved major success in persuading HM Treasury (HMT) to undertake a Gender Analysis of Expenditure Project (GAP). The WBG has been lobbying HMT to run a gender budget pilot for several years now and on 18 July 2002, the then Chief Secretary to the Tre-

asury, Paul Boateng MP, finally approved a pilot project to conduct a limited gender analysis. The project was launched in spring 2003, and a final report issued in July 2004<sup>22</sup>.

The project, conducted by the HMT and the Women and Equality Unit (WEU), had considerable support from the WBG. Our Program Manager was on part-time secondment to the Treasury as project manager, and members of the WBG provided technical advice. The GAP project undertook a gender analysis of expenditure in two departments, the Department for Work and Pensions (DWP), and the Department for Trade and Industry (DTI). The DWP analysed two projects: the New Deal for Lone Parents, and the New Deal 25+. The New Deal programs are Government initiatives to support people in acquiring training and employment. The DTI analysed its Small Business Service.

The project served as an important means of raising awareness within Government of the importance of gender analysis of expenditure, and its ability to contribute to evidence-based policy formation. It also helped to improve Government gender analysis capacity, and can act as a resource for similar future work<sup>23</sup>. For example, it was used to help inform the 2004 Spending Review.

### **3) WORKING WITH WOMEN LIVING IN POVERTY**

In 2003 the WBG established a Poverty Working Group (PWG). The PWG works towards mainstreaming the concerns and needs of women living in poverty throughout the work of the WBG. It also aims to work directly with women living in poverty to better inform its work, and help to develop their capacity to engage in the policy process. Poverty is high on the UK Government agenda, however, this is more focused on eradicating children's poverty, with a Government target of achieving this by 2025.

Women are still more likely than men to experience poverty in the UK. Government policy has obscured the gender dimension of poverty by focusing on child-poverty. In March 2005, after a series of participatory workshops with women living in poverty, the WBG released a report 'Women's and children's poverty: making the links'<sup>24</sup>. A combination of academic and experiential expertise, the report is a call to government to consider the gendered nature of poverty, and that without doing so, its goal of eradicating child poverty will not be reached.

Building on the success of the working group, and the importance of connecting women with experience of poverty with the policy process, the WBG has embarked on participatory action research with the support of long term funder the Barrow Cadbury Trust, and the Joseph Rowntree Foundation: the *Voices of Experience: eradicating women's poverty through policy* research project.

The research seeks to make visible women's poverty. Combating women's poverty is vital to achieving a range of Government targets such as child poverty (as mentioned above), welfare to work programs, and social inclusion policy. We are conducting research of women living in poverty's experience of claiming state financial support, and other areas not restricted to income poverty. Having identified this experience and potential solutions, participants will then have the opportunity to engage directly with policy makers to discuss their findings. It is envisaged that budget literacy capacity building and training will be provided to achieve this.

### **Government commitments to promoting gender equality**

The WBG is keen to see the upcoming implementation of a public sector duty to promote gender equality. The duty applies to central and local governments, and other public bodies, and legally obliges them to actively promote gender equality, in addition to challenging discrimination. The duty

---

<sup>22</sup> HMT and DTI (2004) 'The Gender Analysis of Expenditure Project: Final Report', available at [http://www.womenandequalityunit.gov.uk/research/gender\\_analysis.pdf](http://www.womenandequalityunit.gov.uk/research/gender_analysis.pdf)

<sup>23</sup> *ibid*

<sup>24</sup> Women's Budget Group (2005) *Women's and children's poverty: making the links*.

presents an opportunity for widespread gender mainstreaming at all levels of government, including incorporating gender budgeting as a tool for both implementation and monitoring against the duty. For example, there is a specific obligation for bodies to conduct gender impact assessments of proposed policies. We believe that this can be used as a lever for further encouragement to HM Treasury to conduct gender budgeting in a more systemic fashion.

## ***Conclusion***

The WBG has chosen to work in this three-pronged methodology to ensure that we are able to monitor the resource implications of government policies and programmes; to encourage government to carry out gender budgeting within its work; and to enhance the opportunities and access for women living in poverty to be involved in policy debate and influence, alongside academics and policy lobbyists. We believe that this mix of approaches is necessary in order to have the greatest impact to ensuring that public revenue raising and distribution is advancing gender equality.