Dear Kenneth,

2016-17 Scottish Government Draft Budget

As you are aware consideration of the Draft Budget has been severely truncated this year. The Welfare Reform Committee considered the social security elements of the Draft Budget on 12 January* and wishes to draw the Finance Committee’s attention to the following points made by witnesses:

- The groups that the Committee took evidence from were very appreciative of the opportunity to contribute to the budget process, which they regard as significantly superior to that for the UK.

- The witnesses reinforced the point that welfare reform primarily impacts on women. Research by the House of Commons Library states that of the £26 billion cuts to benefits tax credits, pay and pensions since 2010, 85% have been taken from women’s incomes.

- They are therefore very supportive of the mitigation measures that the Scottish government has put into place to counter UK government welfare reforms. In particular

  - The Scottish Welfare Fund – (noting that 5% of community care grants are for women fleeing domestic abuse)

  - Council tax reduction – (noting that these have particularly benefited lone parents, 93% of whom are women)
- Discretionary Housing Payments – (which have completely mitigated the ‘bedroom tax’)

- There was also support for other budget lines - (in particular for tackling violence against women, affordable housing, and the extension of childcare)

- Concerns were expressed about the cuts to local authority budgets in terms of both local authority services and employees, many of whom are female.

- there was also a concern that local authorities do not consistently undertake gender analysis of budget changes

- there was a belief that more research is required on the gender impacts of the council tax freeze

- Witnesses were very supportive of the Government’s aspirations in regard to equality budgeting. However, they felt improvements could be made to the process particularly in terms of a cumulative gender budget analysis, whilst recognizing that this year the budget process had been particularly truncated for reasons outside the Scottish Government’s control.

- They were concerned that gender analysis be extended through to programmes beyond Social Security, for instance employability programmes, long-term care, transport, and some aspects of childcare.

- Witnesses were particularly concerned to ensure that a full gender analysis is undertaken of the new Social Security schemes for which the Scottish government will take responsibility following the passing of Scotland Bill.

I hope that you find this useful in your scrutiny of budget. Further information on the Welfare Reform Committee’s scrutiny is available on the Committee’s website http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/94539.aspx

Yours sincerely,

Hugh Henry

HUGH HENRY MSP
CONVENER
*The Committee took evidence from:
  - Emma Ritch, Executive Director, Engender;
  - Angela O’Hagan, Convener, Scottish Women's Budget Group;
  - Samantha Smethers, Chief Executive, The Fawcett Society;
  - Dr Marsha Scott, Chief Executive, Scottish Women's Aid;
  - Lorna Kettles, Research Advisor, Scottish Women's Convention.