

## **National Assembly Finance Committee**

### **Call for written evidence to inform scrutiny of the Welsh Government's 2014-2015 draft budget proposals**

**August 2013**

#### **Equality and Human Rights Commission Wales**

The Equality and Human Rights Commission in Wales champions equality and human rights for all, working to eliminate discrimination, reduce inequality, protect human rights and to build good relations, ensuring that everyone has a fair chance to participate in society. The EHRC Wales is regulator of the Public Sector Equality Duty Wales.

EHRC Wales welcomes the opportunity to provide advice to inform scrutiny of the Welsh Government's 2014-15 Draft Budget Proposals. Our advice focuses on the importance of undertaking an Equality Impact Assessment.

#### **Equality Impact Assessment**

A requirement of the Public Sector Equality Duty Wales is that public authorities carry out an Equality Impact Assessment to assess the likely impact of proposed policies and practices on people with protected characteristics.

The Finance Committee recognised the importance of Equality Impact Assessment (EIA), last year, in recommending the Welsh Government conduct an EIA of the entire budget, in line with EHRC guidance, on an annual basis.

Similarly, the Welsh Government has highlighted the key role an EIA plays in developing proposals that take into account the impact on groups of people and enabling resources to be focused where they are most needed.

The Welsh Government has stated that this year's budget will be particularly difficult. It anticipates the budget will be approximately £80 million less than the amount predicted in the 2013-2014 budget

statement. It is, therefore, essential that steps be taken to guard against the worst outcomes being faced by groups who may already face substantial disadvantage.

## **Reflections on the 2013-2014 budget**

The Commission is keen to see whether the Welsh Government has built on the lessons from last year's budget and whether improvements have been made to the EIA process.

Last year, the EHRC and Welsh Government carried out a joint inquiry into the Welsh Government's approach to EIA. [The report](#) will help inform the various Committees' scrutiny of the budget. Key recommendations included:

- Focusing EIA on decisions of strategic importance, these are most likely to be the major announcements highlighted in the budget narrative.
- Assessing the cumulative impacts of budgetary decisions to ensure the same group is not adversely impacted by budget reductions under several portfolios.
- Setting out clearly how strategically significant decisions impact on people with protected characteristics as well as, but distinct from, setting out how decisions impact on groups facing socio economic disadvantage.

## **Benefits of Equality Impact Assessment**

The benefit of carrying out an EIA of the Welsh Government budget is that it:

- Offers Government the opportunity to show it has gathered evidence and consulted with groups representing people with protected characteristics.
- Offers Government the opportunity to demonstrate openness and transparency in decision-making and that it is prepared to be challenged.
- Is a crucial 'stop and think' moment during the budget-setting process. It is a practical step to test whether policies will achieve the expected outcomes rather than relying on assumptions.
- Enables a focus on who accesses services.

- Encourages measurement of outcomes.

### **Questions to inform the scrutiny process**

The EHRC recommends that the Finance Committee includes these questions when undertaking scrutiny of the budget:

1. Throughout the year, those representing people with protected characteristics have been meeting with Committees and Ministers.
  - Has their evidence and their views been taken into account and reflected in the budget? if not, how could this be improved for the future?
2. The Welsh Government has published evidence by protected characteristic pointing to particular problem areas.
  - How has this evidence been used?
3. EIAs should focus on the most important elements of the budget.
  - Have EIAs been carried out on areas of particular strategic importance?
4. There is a risk that particular groups could be adversely affected by the cumulative impact of budget reductions across portfolios.
  - Have attempts been made to assess the cumulative impact of budget decisions?
5. There has been a lack of clarity about the relationship between the impact of budget decisions on protected groups and groups experiencing socio-economic disadvantage.
  - Does the budget acknowledge the links and differences between socio-economic disadvantage and inequality resulting from people's protected characteristics?

[Read more about equality impact assessments](#)

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