

Cross-Party Group on Wellbeing Economy

7th of December 2022, 6:30-8:00 pm,

Minutes

Present

MSPs

Paul McLennan MSP, Emma Harper MSP, Maggie Chapman MSP

Invited guests

Rachel Le Noan, Margreet Frieling, Sarah Deas, Shumela Ahmed, Vikki Manson, Margaret Brown, Pauline Stafford, Laura Airey

Non-MSP Group Members

Rachel Searle (Foundation Scotland), Sara Cowan (Scottish Women's Budget Group), Heather Williams (Scottish Women's Budget Group), Snow Curtis Kolu (Includem), Lewis Ryder-Jones (Oxfam Scotland), Philip Whyte (IPPR Scotland), Gill Davies (SCCAN), Lyn Jardine (Office of Paul McLennan MSP), Alex Turner (WEAll Scotland), Lukas Bunse (WEAll Scotland)

Apologies

Tom Sneddon (DTAS), Emma Sedgwick (GrowBiz)

Welcome

Welcome from Paul McLennan MSP, convenor of the Cross Party Group on Wellbeing Economy.

Approval of last meeting's minutes

Sara Cowan proposed to approve the minutes from the meeting on the 6th of September as accurate, seconded by Emma Harper MSP and approved without objection.

Presentation: Building Support for Gender Budgeting

Presentation by Sara Cowan and Heather Williams from the Scottish Women's Budget Group

What is Gender Budgeting?

- Core purpose of Gender Budgeting is to change policies, programmes and resource allocation to improve gender equality
- In current society men and women don't have equal rights and opportunities and hence different needs and priorities
- How money is raised and spend is important and has different impacts on men and women
 - Women are more likely to work part-time and more likely to receive benefits
 - they experience poverty and public services differently,
 - they perform the majority of unpaid care work
- Policies that appear gender neutral often have unintended consequences that exacerbate existing gender inequalities
 - e.g. pension access is linked to full-time employment but women are more likely to have periods of being inactive in the labour market or work part time due to caring responsibilities
- Budgets are often assumed to affect everybody equal, looking at the impacts of an imagined 'average citizen', but that citizen is often white, male and middle class
- Gender Budgeting is asking who benefits from the proposed proposals and who is impacted negatively due to structural inequalities
 - For example, in public discourse the gender pension gap is sometimes put down to the fact that women are saving less, but the structural factors causing this are not examined
- Decisions on how money is raised and spent are often taken without taking into account gendered impacts. We need to take these impacts into account or will otherwise exacerbate existing inequalities.
- Gender Budgeting is not about creating a special budget for women, it is a tool for bringing about change in the structure of spending and revenue to eliminate unequal impacts. It is just good budgeting.
- Gender Budgeting tests whether spending is sufficient to meet essential needs and recognises the importance of care work to create a fairer economy and fairer policies.

The presentation included the showing of a video introducing gender budgeting that can be accessed under the following link: <https://wbq.org.uk/analysis/spirals-of-inequality/>

How does Gender Budgeting fits with a Wellbeing Economy?

- There are various approaches being explored to use budgeting to achieve gender equality, realise human rights and promote collective wellbeing, which are very complementary.

- Gender Budgeting is an important part of the process of building a Wellbeing Economy, because it helps to ensure that economic changes meet everyone's needs and are done in a way that is equal.
- It can ensure that everyone is able to equally access universal services, which is currently not often the case.
 - E.g. Employability programs are open to everyone and want to prioritise single parents but are often not set up to provide childcare, making it inaccessible for many people
- As efforts to build a Wellbeing Economy are developing, it is important that Gender Budgeting is an integral part, as it can help ensure that building a Wellbeing Economy will be more than just tick-box exercises.
- Gender Budgeting can support a decision-making framework that ensures that decisions in the transition to a Wellbeing Economy are made well.
- The Scottish Women's Budget Group just published a [research report](#), with the Poverty Alliance on the impact of cost-of-living crisis impact on women.
 - The research shows disproportionate impact of the crisis on women,
 - the type of decisions that they have to make
 - and the increasing debt women are experiencing
- Recognising how different people experience the crisis has to be an important consideration in the government's response to the crisis that will be set out in the budget next week
- SWBG is also currently part of the campaign [A Scotland that Cares](#), which is asking for a better recognition and valuation of care work by including a new national outcome on care in the National Performance Framework.

Presentation: Wellbeing Budgets

Presentation by Margreet Frieling from the Wellbeing Economy Alliance (WEAll)

- WEAll is currently preparing a briefing paper on what steps countries have taken towards Wellbeing Budgeting, which will be circulated when it is ready

Why do we need Wellbeing Budgeting?

- The Scottish and UK governments are currently spending large amounts of money on 'failure demands', which are avoidable demands that result of damage done by our economy
 - E.g. government expenditure on in-work benefits due to low wages
- WEAll has published a [report](#) on the topic.
- Many governments are stuck in cycle of trying to fix what the economy keeps breaking, we have to break through that vicious cycle
- The current crisis highlights the importance of government raising and spending money in a way that addresses root causes of the problems.
- The budget process is a powerful lever to incorporate different priorities in policymaking

What is the value of Wellbeing Budgeting?

- Addressing the confusion between means and ends
- Make government spending more aligned with people's lived experiences
- Strengthen strategic alignment and policy coherence towards wellbeing, because it defines a clear set of priorities

- A more holistic approach to policy design that encourages working across silos

The New Zealand Wellbeing Budget

- Based on two wellbeing frameworks:
 - living standards framework
 - indigenous He Ara Waiora wellbeing framework
- Focused on three themes: current wellbeing, inequality and future wellbeing
- Follows a process of different phases:
 - Strategic phase: identify budget priorities
 - Initiative development: agencies develop and submit proposals
 - Treasury phase: treasury assesses proposals
 - Decision-making: ministers decide on final budget package
 - Public-facing: documents on priorities are prepared to set out how budget will improve them
 - Evaluation phase
- First time implemented in 2019
- Wellbeing framework is used for identifying wellbeing priorities for the budget rather than conventional measures such as inflation, GDP growth
- Wellbeing priorities are outlined at the beginning of the budget policy statement; conventional economic and fiscal forecasts are still there but at the end of the statement

Initiative development phase

- Agencies submit budget proposals describing how they contribute to wellbeing priorities
- Use as much evidence as possible, but acknowledge lack of data and challenges of quantification, recognising the challenge that it is hard to identify and quantify the impact of policy proposals on wellbeing outcomes.
- Justification for proposals is as much about a robust intervention logic as about quantification of impacts
- This is something government departments have already been doing before Wellbeing Budgeting, but the wellbeing framework makes it much more systematic
- [Another example is the Canadian Quality of Life budget which has a template for identifying impacts, which are then translated into summary statements for each policy proposal]
- Cross-agency collaboration is key, ministries in NZ have to work together when developing budget bids.
- Amended civil service act to create joint venture structure that makes it easier to work together. When priorities and budget allocation are agreed they go directly to those structures with several chief execs responsible
- In 2022 piloted a “cluster of agencies approach”, which also get a 3 year funding package to enable stronger focus on root causes.

Treasury assessment phase looking at Wellbeing value for money

- Assess the Wellbeing value, i.e. the strength impacts and outcomes of proposals on Wellbeing
- Assess the alignment with wellbeing priorities and support for Government’s wellbeing strategy

- Assess delivery, i.e. the confidence in the ability to deliver

Selection of proposals

- Proposals selected by ministries before final budget is released

Budget documentation

- Final budget documentation narrative has changed: it outlines wellbeing priorities and how budget package contributes to that

Followed by monitoring and evaluation

Strength of NZ approach so far:

- Anchored in procedural, legislative and institutional changes
- Operates both at strategic level, e.g. agenda setting, as well as at operational level
- Strong focus on policy coherence and cross-government collaboration
- Recognises the diversity of perspectives on wellbeing

Challenges and next steps

- Two important elements missing: paradigm shift and capacity building. Wellbeing Economy is about new way of thinking about the economy.
- Wellbeing Frameworks treat social, environmental and financial aspects on the same footing, but do not talk about interrelationships and how they are nested within each other.
- If you get carried away by monitoring and measuring without deep paradigm shift it can lead to Wellbeing Economy sprinkles on more conventional thinking.
- Budget is only part of the process, Wellbeing Economy approach needs to be embedded in all parts of government, e.g. procurement, regulation. It is as much about how we deliver services rather than what we fund.
- New funding is always only a small part of annual budgets. But NZ is now looking at reviews of existing funding. Need to build in long-term perspective.
- Accountability: Existing Wellbeing Frameworks focus on outcomes and the accountability mechanisms also focus on outcomes. But measures for Wellbeing Economy can take a long time to have impact on outcomes.
 - E.g. they invested a lot in child wellbeing but found it challenging to show how child wellbeing has increased over time.
- Outcome accountability assumes that we will get to new economy by using old ways of working. Need to focus on changing ways of working, too.
- The Wales Future Generations Act is interesting here because looks at different ways of working, has an independent commissioner to hold government to account and help with capacity building.
- We also need to further strengthen citizen engagement. Most engagement has focused on developing a vision for a better society. But it is also important for citizen's to play a more ongoing role in agenda-setting and policy development.
- [Ost-Belgian](#) model is very interesting. They have mandate for three citizen's assemblies a year.
- Ultimately improving wellbeing is a whole-society challenge.

- Christmas wish list: Combine New Zealand's Wellbeing Budget, with Wales Future Generations Act and Ost-Belgian permanent citizen council/assembly model

Discussion of presentations

Question: How can we deal with inequalities within Gender Budgeting, e.g. different payment levels for different types of care?

- No care work is well paid
 - E.g. Adult social care got promise of higher pay by Scottish Government, but child care sectors still have no hard commitments
- We have to think about care holistically rather than its different forms and see all care throughout people's lifetimes as interconnected.
- This is where the campaign around care outcome in National Performance Framework comes in, hopefully to make people look at all kinds of care.
- Care work is skilled work. Real living wage is the basic and minimum. But it should be seen as skilled labour and we want to see wage rates going up.

Question: How can Wellbeing Budgeting approach help to better address the cost of living crisis and root causes?

- Importance of policy coherence. People's life cannot be divided up into different sectors.
- Having 5 key wellbeing objectives in NZ really changes how departments look at it. Having such overarching priorities helps with making sure that things stack up. For example, social cohesion and other issues have to become everyone's business. This has especially an impact in agencies that do not have thought about these impacts as much.

Question: How are different sectors being valued when looking at Wellbeing Budgeting. Here in Scotland the value of the voluntary sector as an economic player is not being recognised. Has the budget changed that in NZ?

- Strength in NZ has been that two wellbeing frameworks have been well received and not only used by NZ government but also businesses and other actors.
- Not sure how the value in different sectors has changed.

Q: In Scotland we got a Wellbeing Framework in the National Performance Framework, but indicators are so macro-level that policies are not impacted by the framework. Outcomes are so broad that it can be easy to show afterwards that any policy ticks the boxes. How can we make it clearer how low-level outcomes feed through into big outcomes?

- NZ grapples with the same issue. Layer in the middle feels like its missing.
- Wales Future Generations Act is interesting, because it is important that it is also looked at how to work in a collaborative and participatory way, because impacts can take a long time
- The He Ara WAIORA framework does look at different ways of working and policy proposals are now assessed against criteria how they were developed

How to take this forward through the CPG

- Wellbeing Economy Monitor [update](#) was out yesterday

Proposals:

- write something that we can give to committees and that we can take forward politically
- We can write to ministers
- We can write report with recommendations and to committees
- We can write to the accounts commission
- Need to identify whose desk does this need to land on? E.g. Equalities minister, finance committee
- Maybe start with an approach paper that brings together recommendations
- Can build on the work by the equalities budget advisory group.
- The government has a policy group on policy coherence, but it does not seem to be used. Could MSPs ask what the group has been doing?
- Review of the national outcomes will kick off early January with very basic process of engagement. After the public review process, it will be reviewed by parliament for 40 days minimum.
- It is important to start somewhere. Most important step is the first one.

Action points: Lukas and Paul to get together to start preparing approach paper and share with the group for feedback.

Next meeting: Wednesday, 1st of March 2023, 6:30-8:00 pm. Details will be circulated in the new year.

Relevant links mentioned in the presentations and discussion:

Video on Gender Budgeting:

<https://wbq.org.uk/analysis/spirals-of-inequality/>

SWBG and Poverty Alliance report on women's experience of the cost of living crisis:

<https://www.swbg.org.uk/content/publications/Womens-experiences-of-the-cost-of-living-crisis-in-Scotland.pdf>

A Scotland that Cares Campaign

www.ascotlandthatcares.org

WEAll report on Failure Demand

<https://weall.org/failedemand>

New Zealand's Wellbeing Budget 2022

<https://budget.govt.nz/budget/2022/wellbeing/outlook/index.htm>

Wales Future Generations Act

<https://www.futuregenerations.wales/about-us/future-generations-act/>

Ost-Belgian permanent citizen's dialogue

<https://www.buergerdialog.be/en/>

Scotland's National Performance Framework

<https://nationalperformance.gov.scot/>

Scotland's Wellbeing Economy Monitor: December 2022 Update

<https://www.gov.scot/publications/wellbeing-economy-monitor-december-2022-update/pages/3/>