

Equalities, Human Rights and Civil Justice Committee
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SPICe

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An t-Ionad Fiosrachaidh

Pre-Budget 2025-26 – Ministerial Evidence on National Outcomes and transparency in the Budget

Introduction

This paper summarises witness evidence for pre-Budget scrutiny 2025-26 heard on 29 October, incorporating scrutiny of the Scottish Government's proposed new National Outcomes.

At this session the Committee will hear from the Minister for Equalities, Kaukab Stewart. She will be accompanied by officials Nick Bland (Deputy Director Mainstreaming and Inclusion) and Matt Elsby (Deputy Director Fiscal Policy and Constitution).

This paper does not repeat the background briefing material and written evidence summaries from the paper published for the Committee's meeting held on 29 October, but it does give some detail on the acronyms used in the equalities budget context, and on the Sustainable Development Goals, and a reminder of commitments made by the Scottish Government.

Budget acronyms

EFSS (or EFBSS) – The Equality and Fairer Scotland Statement. Up to 2022 this was called the Equality and Fairer Budget Scotland Statement. Some people also shorten this to its original name, the Equality Budget Statement.

EHRBAG – the Equality and Human Rights Budget Advisory Group. This was previously EBAG, the Equality Budget Advisory Group.

EqlA – Equality Impact Assessment

NACWG – National Advisory Council on Women and Girls.

NPF – National Performance Framework.

OBS – Open Budget Survey.

PSED – Public Sector Equality Duty.

SDG – Sustainable Development Goal.

SHRC – the Scottish Human Rights Commission.

SWBG – the Scottish Women’s Budget Group.

Sustainable Development Goals

The United Nations set a series of [Sustainable Development Goals](#) (SDGs). These are ‘global goals’ and targets that are part of an internationally agreed performance framework. All countries are aiming to achieve these goals by 2030.

The Former First Minister committed Scotland to the Global Goals in July 2015, and it is the Scottish Government’s intention that the National Performance Framework align with these goals. This work is closely supported by the [SDG Network Scotland](#), an open coalition bringing together the voices of over 500 people and organisations across Scotland to assist with the development of a Scotland-wide response to the challenge set by the SDGs.

Academic research has looked at the extent to which the [National Performance Framework aligns with the SDGs](#), and, as the Committee found during evidence taking, this is an area of interest to stakeholders.

[Graham Long et al](#), in 2019, explained and concluded that:

The NPF indicators were mapped against the SDG indicators and targets to test the alignment between these two frameworks. Overall, 15 out of the 81 (19%) National Outcome indicators had a ‘closely aligned’ SDG indicator. 29 of out of the 81 NPF indicators (36%) had ‘relevant’ SDG indicators.

- Thus, at the level of indicators, the NPF and SDGs are aligned, but not especially closely. One implication is that Scotland could potentially be successful on the NPF without achieving the SDGs, and vice versa.
- Alignment varies by goal, with targets and indicators from goals 4 (education) and 8 (economy and decent work) best overlapping with the NPF. Goals 5 (gender) 10 (inequality) and 12 (sustainable consumption and production) are the least represented in the NPF. Scotland’s focus on community does not align closely with the SDG goal on cities (goal 11). As indicated above, a lack of alignment does not always indicate a problem, but the differences across these areas may warrant further discussion and study.
- In some cases, SDG indicators are more specific and action-focused and/or less perception-based compared to those in the NPF (e.g. ‘disease mortality’ vs ‘healthy life expectancy’; ‘level of recorded crime’ vs ‘perceptions of crime’). A comparison with the SDGs also highlights that several NPF indicators sit in clusters, especially around children’s wellbeing, culture, outdoor activity. The desirability of this clustering – in the context of gaps in alignment elsewhere – may also warrant further discussion.
- In general, and assuming that “what gets measured, gets done”, there might be scope to consider the merits and drawbacks of moving towards closer alignment with the SDGs in some of these areas.

In this work, 19 of the 81 indicators were found to have no direct alignment to the SDGs.

As the Committee has heard, equalities and human rights are cross-cutting and will impact across outcomes (and sustainable development goals), but most specifically relevant to the evidence heard are Sustainable Development Goal 5, on Gender Equality, which covers:

- Crime victimisation
- Gender balance in organisations

And Sustainable Development Goal 10 on Reduced Inequalities, which covers:

- Productivity
- Wealth inequalities
- Income Inequalities

Within these areas, the 2019 research referenced shows few areas of alignment with the SDGs. Within evidence on National Outcomes submitted to the Finance and Public Administration Committee, the most prominent concerns about alignment between the outcomes and the SDGs were around inequalities and poverty, a significant lever of inequality.

The Equality, Inclusion and Human Rights Budget

The Equality, Inclusion and Human Rights Budget itself is a relatively small budget, with little detail and disaggregation. In recent years it has gone from roughly £20m in 2017-18 to £50m in 2024-25, though some of this is a result of reprofiling (moving funding from one area of spend to another). Detail on the proposed funding set out in Budget 2024-25 is annexed.

This funding is often targeted towards specific programmes and activity, and in 2024-25 this was broken down into Delivery & Mainstreaming, Equality & Inclusion, and Human Rights Policy. The complication in analysing the Equalities budget lines is that spend contributing to the Scottish Government's aim of reducing inequality is mainstreamed across all portfolios. For example, funding related to the pupil attainment fund, housing payments, employment initiatives and social security will all contribute to these aims but are included in other portfolios rather than Equalities.

This is where the Equality and Fairer Scotland Budget Statement (EFSBS) comes in – this is intended to demonstrate across all portfolios how spending decisions have contributed to equalities and human rights aspirations. SPICe, along with previous committee witnesses have, however, highlighted that the detail in the statement is rarely linked clearly to spending decisions and that it is not possible to gain a holistic picture of the Scottish Government's investment in tackling inequalities.

Equality and Human Rights Budget Advisory Group

Heavily connected to improvements to the EFSBS is the Equality and Human Rights Budget Advisory Group (EHRBAG) which, in July 2021, published its [recommendations for equality and human rights budgeting in the Parliamentary session 2021-2026](#). It has now been over a year since the Scottish Government [published its response](#).

As a reminder, the Government made the following commitments:

For the 2024-25 Budget:

- Agree in partnership with EHRBAG an approach to the 2024-25 EFSBS and wider framework for equality budgeting.
- Take forward a more integrated approach to the equality analysis of Programme for Government and Budget, which will be discussed with EHRBAG.
- Undertake an internal campaign to raise awareness of the Equality and Fairer Scotland Budget Statement, alongside work to raise awareness of the revised guidance on equality impact assessments. As part of this campaign, we will highlight the importance of the other tools and resources that are available, including the Equality Evidence Finder. This will support colleagues as they develop policies and consider budgetary decisions. This campaign will include highlighting guidance that was issued previously on 'Tackling inequality: guidance on making budget decisions'.
- Conclude the Impact Assessments Improvement Programme.
- Engage the newly formed Senior Leadership Group on improvements to the system of strategic Scottish Government budget publications.

For the 2025-26 Budget:

- Undertake a review of the Scottish Government in-year budget revisions to identify improvements to reporting on potential impacts addressing inequalities. The findings from this review will be discussed with EHRBAG.
- Undertake a structured review of the 2024-25 EFSBS and discuss the findings with EHRBAG with a view to identifying and agreeing improvements for the 2025-26 process.

Evidence from 29 October

On 29 October the Committee heard from two panels.

The first panel focused on evidence on the proposed revised National Outcomes, with a focus on equalities and human rights as a cross-cutting issue:

- Catherine Murphy, Executive Director, Engender
- Lewis Ryder-Jones, Advocacy Adviser, Oxfam Scotland
- Catherine Robertson, Policy Officer, Zero Tolerance

The second panel brought in long-term stakeholders to focus on transparency and data, including following up on key themes from previous years' scrutiny, progress against EHRBAG recommendations and findings from the most recent Open Budget Survey.

- Sara Cowan, Scottish Women's Budget Group (also an external member of EHRBAG)
- Dr Alison Hosie, Scottish Human Rights Commission (SHRC)

As the National Outcomes don't fall within the remit of the Minister for Equalities, the evidence summarised here focuses on the interaction of the National Outcomes with the equalities budget, or areas where themes could be applied to budget scrutiny.

National Outcomes within policy development and decision-making

Some of the evidence the Committee heard on the development of the new National Outcomes mirrored that heard in past budget evidence. Specifically, Catherine Murphy highlighted that although **Engender** had been involved in the consultation process, very little collaborative discussion had taken place, and no detail had been given on the decision-making process and rationale against using suggested approaches.

Lewis Ryder-Jones (Oxfam) referred to the removal in 2018 of targets from the National Performance Framework, and argued for their reinstatement, saying that if the framework is to align with Sustainable Development Goals, then there should be targets. This was particularly relevant to targets around wealth inequality, child poverty and climate change. He highlighted the need to go beyond the implementation plan for the outcomes and address policy interactions and mechanisms. Mr Ryder-Jones also suggested that decisions are made and then assigned to a National Outcome, and that this was the reverse of what should be happening, and that the legislative underpinnings of the National Outcomes needed to be strengthened.

When asked specifically about the role of the National Performance Framework in policy development, **Lewis Ryder-Jones (Oxfam)** expressed concerns that the NPF had been deprioritised, and said that this Committee needed to push it back up the agenda. Part of this was encouraging the Scottish Government to improve public awareness of the NPF.

Dr Alison Hosie (SHRC) said that the National Outcomes should serve as a guidepost for delivering policy. She said that the National Performance Framework has transformational potential, but that this had remained untapped. Dr Hosie suggested that there may be an element of overwhelm when it comes to breaking away from siloed portfolio working, and flagged some promising pilot areas, but said there was a desperate need for a whole government approach.

Equalities data

Lewis Ryder-Jones (Oxfam) suggested that there is a need to be frank about the data underlying existing indicators before discussing what comes next, both in

reference to the current indicators which have no data sets, and the wealth of data available on inequalities which is not currently used in indicators (such as fuel poverty and homelessness). He also suggested that there needed to be more nuance around the way GDP is used as an indicator, noting that there are both good and bad aspects of GDP growth.

Catherine Murphy (Engender) spoke about concerns about the (to date) unpublished Thematic Gender Review within the National Outcomes review, which to their understanding has only used sex disaggregated data. Catherine said that this would only show a small part of the picture and fail to capture intersectional gendered issues, giving the variance of women's experience of homelessness from men's, and how this would vary in turn for women from minority ethnic backgrounds or who were LGBTQ+. She suggested that data on the most marginalised in society should be used to build policy approaches, and that there was a need to take a more comprehensive look at about what data is relevant to indicators. **Lewis Ryder-Jones (Oxfam)** implied that, in the context of poverty, a lack of quality data on ethnic minorities is a barrier, but that the overall in-poverty figures for those from minority ethnic backgrounds keeps going up. **Catherine Robertson (Zero Tolerance)** said that the capacity in services to support staff in engaging with minority ethnic groups is crucial and investment in more training is needed.

When asked about priorities for implementation of the revised outcomes, **Catherine Murphy (Engender)** emphasised the need for a gendered understanding of outcomes through appropriate data analysis and having the proper data across all impacts to understand gendered impacts. She also said that the only way to fully understand cultural intersectional implication of policy is through qualitative research, active engagement of communities and drawing in lived experience.

On the Equality Evidence Strategy, **Dr Alison Hosie (SHRC)** said that the quarterly highlight reports on progress against the strategy gave a quantifiable picture of progress. She said however, that it would take years to see impact, particularly on there being a robust infrastructure to collect data on equalities metrics. The commitments to regular transparent updates had been fulfilled so far and needed to continue.

Human Rights Budgeting

Sara Cowan (SWBG) welcomed the Committee's decision to commit to its focus on human rights budgeting and its multi-year scrutiny approach.

Dr Alison Hosie (SHRC) said that, particularly in relation to the mid-year budget changes, the Scottish Government had not adhered well to the three principles of human rights budgeting. The process was carried out quickly with very little transparency, and the level of detail provided afterwards gave little reassurance that human rights considerations were in place. For instance, if the impacts of removing funding were not judged to be serious, then why had the funding been there in the first place? A lot of public questions had been asked but she felt the outcome was unsatisfactory.

Sara Cowan (SWBG) suggested that silo working was an issue, noting evidence taken by the Health Committee on the centralisation of healthcare services in the North East entrenching gender and geographical inequality, and the disconnect between budget decisions like this and policy outcomes. **Dr Hosie** said that in situations like this, equalities must be the start point of policy development, before then looking at implementation and connecting that to the budget. Sara Cowan referenced the Pre-Budget Fiscal Statement in September and said that the headline was that these were emergency changes but countered that this had happened for three years running and perhaps the time had come for a process and opportunity for analysis needed to be in place for mid-year budgets.

Dr Hosie noted that the Scottish Government has moved away from using targets which has moved accountability on outcomes away from the Government. She flagged that SHRC would be doing some work on this next year, and that the Scottish Government and public bodies need to take a theory of change-based approach. This would make it possible to consider what needs to be measures to understand progress, and that this should go alongside more cross-cutting indicators. Put simply - are you creating right policies to create outcomes, are you putting resources in, and what are the outcomes? Dr Hosie did recognise though that this is challenging because the Scottish Government is so big and has been working in a siloed way for so long that it's hard to break down, and that resources and capacity building needed to go into making that change.

On participation in the budget process, **Dr Hosie** noted that there was a sense that there was little information shared about how to take part and that those that had taken part felt that decisions had already been made. She linked this to the need for a measure in the National Outcomes in participation and inclusivity in processes.

Equality and Fairer Scotland Budget Statement

Dr Alison Hosie (SHRC) said that there had been significant improvements in the Equality and Fairer Scotland Budget Statement, and a lot of work to make it more coherent with policy decisions. However, there remains the issue that it is published at the same time as the budget and doesn't support the public to know what discussions have happened and what has fed into decision-making. She suggested that capacity building is needed across all portfolio areas, driven from the top and seen as a commitment central to policy development. Dr Hosie went on to say that the impact assessment process needs to be improved, with these being published to allow them to be scrutinised both before and after action.

Sara Cowan (SWBG) noted that it had taken the Scottish Government two years to respond to the recommendations of the Equality and Human Rights Budget Advisory Group, so only a year of action had occurred. She said steps had been taken, but that focus and attention is needed to make sure that there is a broader outlook.

Sara Cowan (SWBG) said that it was hard to comment on the progress on improving the statement until this years' publication was available but highlighted past inconsistencies and that at times one or two portfolios had put in more detail than others. She said that if the work (to consider equalities and human rights) was

happening through the policy and budget process it would be easier to see in the statement. She said she hoped to see greater links to the Programme for Government and the National Outcomes in this years' statement.

Dr Hosie said that the main interventions of EHRBAG with the Scottish Government with relation to the Equality and Fairer Scotland Budget Statement were to do with analysis and presentation, and that the Open Budget Survey and connections with Exchequer officials had been useful in this respect. She said, however, that no departments in the Scottish Government were consistently practicing human rights-based approaches and that capacity building around this is lacking. The main issue with the equality statement is that it is still a retrospective picture of potential impact, and although EHRBAG were supporting improvements responsibility for change still lies with the Scottish Government.

Sara Cowan said that SWBG had made recommendations and had raised issues with Scottish Government officials regarding EFBS plans for this year but would ultimately need to wait to see what was published. She noted that work on the statement had begun earlier than usual this year, but it is still vital that it be used to inform decisions, rather than as a statement after decisions have been made.

Transparency and the Open Budget Survey

Dr Alison Hosie (SHRC) said that the Open Budget Survey showed that there are critical gaps in the Scottish Government's approach, which impacts on opportunities for engagement and scrutiny. She explained that when the public can interact meaningfully, it strengthens scrutiny and accountability. Within its Open Budget Survey report, SHRC highlighted that there is no Pre-Budget statement, and although there are in-year reports, these are not made public. Although impact assessments of spending decisions are made, these are not made public until after the decision has been made. Referencing the recent Pre-Budget Fiscal Statement, Dr Hosie said that the impact assessments showed a lack of depth and little detail or explanation, with vague statements like "vulnerable groups may be disproportionately impacted" or "possible consequences" and a tendency towards surface level conclusions like "no impact". She noted that in-year spending decisions are often as impactful as the main budget.

Other potential improvements **Dr Hosie** said had been flagged through the survey report included a need to improve accessibility and data quality, use real life examples, take a more systematic approach to data collection and analysis and to provide more timely and publicly available documents. She said that the Your Scotland, Your Finances document is useful, but it is presented as a budget document once decisions have been made. Instead, similar documents should be produced at every stage of the budget process to inform scrutiny and improve understanding, rather than just to say what was done.

Sara Cowan (SWBG) said that Your Scotland, Your Finances doesn't support participation in pre-budget scrutiny. She also said that information must be able to reach people through varied communication channels, and that pre-budget scrutiny information remains inaccessible. She referenced work done by the SWBG with the

Finance and Public Administration Committee, but said there were key questions that should be asked when supporting scrutiny – how do people find out about opportunities to participate? Do methods aim to reach new people? How are disabled women’s views sought? What difference does them providing their view make, how does the scrutiny process impact the budget process?

Sara Cowan also referenced the challenges around there often being a political spin on the budget, making it hard to see what has been changed. She said there was a need for a pre-budget statement about factors like spending parameters, forecasts and expected revenue streams.

Gender inequality and gender budgeting

Catherine Robertson (Zero Tolerance) emphasised the benefits of weaving gender into the fabric of everyday life and that the Scottish Government’s proposed new National Outcomes are missing vital opportunities to embed gender equality.

Catherine Murphy (Engender) said in her opening statement that Scotland is behind the curve on equalities and gender mainstreaming.

All witnesses agreed that there should be a Gender Inequality outcome, in line with Sustainable Development Goal 5 and international best practice, but that gender equality should also be woven throughout the other outcomes. **Catherine Murphy (Engender)** suggested that the Scottish Government stance has been that gender equality is woven into mainstreamed emergency practice but argued that this goes against evidence from EU and international institutions on best practice which suggests using specific and visible outcomes alongside mainstreaming.

Catherine Murphy (Engender) spoke about the importance of women’s representation in decision making spaces, saying that it was necessary to have people with a diversity of experiences in the room, around the table, and making decisions. She linked this to competence in the civil service, and the need for officials to understand what they know, but also what they do not know.

Sara Cowan (SWBG) agreed that there is a need for data improvement but that should not be a barrier to starting analysis on the potential lifetime impact of policy decisions. That analysis itself should highlight where there are data gaps, and that there is a need for improvements to quantitative data but also to qualitative data. She said that better collection and disaggregation of data has long been called for but was missing in the most recent analysis for the EFBS, and that protected characteristics are still looked at in siloes.

Ailsa Burn-Murdoch
SPICe, October 2024

Annexe - Scottish Budget 2024-25

Equality, Inclusion and Human Rights Budget

For the Scottish Budget 2023-24 the Level 2 equalities budget line was renamed [Equality, Inclusion and Human Rights](#) (EIHR). The single Level 4 'Promoting Equality and Human Rights' line was replaced by three lines: Delivery & Mainstreaming, Equality & Inclusion, and Human Rights Policy. EIHR was changed to include a previously separate Level 4 Connected Communities budget line. If the Connected Communities line had been kept separate, the Level 2 line (Equalities/EIHR) would have fallen by 3.6% in real terms between 2022-23 and 2023-24.

For the 2024-25 Budget, there have been further changes, not least the fact that the Social Justice portfolio, which equalities and human rights fits in to, has been changed to no longer include local government (which has moved to the portfolio covered by the Deputy First Minister).

The Budget document says that the Level 2 Equalities, Inclusion and Human Rights budget has increased from £49.9 million in 2023-24 to £51.9 million in 2024-25, an increase in 2.1% in real terms (2023-24 prices).

However, in the 2023-24 Level 4 spreadsheets, the 2023-24 figures were different - for the equivalent lines this totalled £52.9 million. This would mean that rather than growing by close to £2 million, the equivalent budget has shrunk by around £1 million in cash terms, or 4% in real terms.

It may be that reprofiling could explain the changes seen in past years' figures when presented alongside current budget lines, or that the differences seen could be the change from the 'draft' to final version of the Budget, but very little detail is given to explain this, and it is difficult to understand the actual changes to funding without an explanation.

Equality, Inclusion and Human Rights budget, both from 2024-25 Level 4

Budget Line	2023-24	2024-25	2024-2025 (real terms)	Real terms change (£m)	Real terms change %
Mainstreaming and inclusion	6.8	9.3	9.1	2.3	33.5%
Equalities	38.2	37.5	36.9	-1.3	-3.4%
Human Rights	1.3	2.0	2.0	0.8	60.5%
Migration Strategy	3.7	3.1	3.0	-0.7	-18.3%
Total - Equality, Inclusion and Human Rights, Level 2	49.9	51.9	51.0	1.1	2.1%
Equality, Inclusion and Human Rights less Migration Strategy	46.3	48.8	48.0	1.7	3.7%

Equality, Inclusion and Human Rights budget, at the point of initial publication, from 2023-24 and 2024-25 Level 4

Budget Line	2023-24	2024-25	2024-2025 (real terms)	Real terms change (£m)	Real terms change %
Mainstreaming and inclusion	3.0	9.3	9.1	6.1	207%
Equalities	39.1	37.5	36.9	-2.2	-6%
Human Rights	1.6	2.0	2.0	0.4	25%
Migration Strategy	4.0	3.1	3.0	-1.0	-25%
Connected Communities	5.3	0.0	0.0	-5.3	-100%
Total - Equality, Inclusion and Human Rights	52.9	51.9	51.0	-1.9	-4%
Equality, Inclusion and Human Rights less Migration Strategy	48.9	48.8	48.0	-0.9	-2%

Exploring Level 4 in more detail does little to explain the disparities in figures, and there are several changes which have had an impact on the overall settlement that might not be clear at first glance.

The Level 4 detail sets out that the 'Equalities' and 'Human Rights' lines have been disaggregated from the 'Promoting Equality and Human Rights' line, though it does not make clear that this was a change made in the 2023-24 Budget.

The Connected Communities funding has been moved into the Mainstreaming and Inclusion line. This funding was (in cash terms) £5.181 million in 2022-23, and £5.294 million in 2023-24. Inclusion, which was previously alongside Equalities, has also been moved to sit alongside Mainstreaming, further confusing the ability to track spend year-on-year. At a glance the Mainstreaming funding has increased by £2.45 million, but based on the previous Connected Communities funding (being roughly £5.2 million) and the reduction in the Equalities line with the removal of Inclusion (around £.07 million), an increase closer to £7 million might have been expected.

Funding for the Migration Strategy, which previously sat within the International and European Relations budget (within the former Constitution, External Affairs and Culture portfolio) has now been moved to the Equality, Inclusion and Human Rights budget. In the 2023-24 Budget, this line was £4.1 million.

And as noted, there are also changes, as is usually the case, between the figures set out in the Level 4 documents for each year, and the figures for the same year when presented retrospectively in the Level 4 tables for the current year. For instance, in the Level 4 figures alongside the 2023-24 Budget, if all lines are totalled and the Migration Strategy funding added in, the budget for 2023-24 was £52.94 million, yet the Level 4 table for 2024-25, used below, sets out the 2023-24 budget as £49.94 million.