

Pwyllgor Cymunedau, Cydraddoldeb a
Llywodraeth Leol

Communities, Equality and Local Government
Committee

Jane Hutt AM
Minister for Finance and Leader of the
House

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA

28 November 2012

Dear Minister

**Communities, Equality and Local Government Committee – Inquiry into
Equality Considerations in the Welsh Government’s Budget**

As you will be aware, in October 2012 the Committee undertook a short piece of work looking at equality considerations in the Welsh Government’s budget. The primary purpose of this work was to inform the Committee’s scrutiny of the Welsh Government’s draft Budget.

The Committee welcomes the improvements made in the Equality Impact Assessment (EIA) process, in particular:

- The establishment of the Budgetary Advisory Group on Equality (BAGE);
- The reflective work that took place on decisions taken in 2011-12 (as outlined in Annex 1 of the EIA);
- The range of data sources utilised in the equality impact assessment;
- The engagement that took place as part of the EIA; and
- The inquiry undertaken between the WG and EHRC into the EIA of the budget.

The Committee understands that achieving an effective EIA is an evolving process, and in this spirit would like to provide some recommendations for the EIA next year, based on evidence gathered from:

Croesewir gohebiaeth yn y Gymraeg a'r Saesneg / We welcome correspondence in both English and Welsh
Pwyllgor Cymunedau, Cydraddoldeb a Llywodraeth Leol / Communities, Equality and Local Government Committee
Gwasanaeth y Pwyllgorau / Committee Service
Ffôn / Tel : 029 2089 8429

Ebost / Email : Communities.Equality&LocalGov@wales.gov.uk

- The stakeholder event held by the committee;
- The session on equality considerations in the WG budget;
- The written evidence from stakeholders provided to Finance Committee and this committee as part of the budget scrutiny process; and
- The evidence provided by the Minister in the budget scrutiny session.

Committee's Recommendations

In order to continue with these improvements, the Committee recommends that next year's Equality Impact Assessment of the draft budget should:

- Be published alongside the draft budget in order to underline the importance of the document as a tool of financial scrutiny;
- Take a more systematic approach to assessing equality impacts, rather than providing a narrative about how equality impacts were assessed. The Committee envisages that this should involve, for each increase or reduction in allocations:
 - A reason for the change;
 - The clear identification of the potential positive and negative impacts of the change;
 - Evidence of engagement with the groups who may be affected;
 - Plans to alleviate negative impacts;
 - Plans to monitor the actual impact of the change;
 - The data sources used to assess the potential impacts, and any expertise that has been drawn on;
- Contain an assessment of the cumulative impact of multiple changes across departments, so assessments are not segregated;
- Include more of a focus on gender;
- Give an indication of how equality has been considered throughout the financial planning process, with the EIA acting as a demonstration of this, rather than being a reactive document that assesses potential impacts after the decisions have already been made;
- Include a copy of the EIA template used to identify equality impacts, and copies of (or links to) the actual EIAs (which were referenced in the EIA document);
- Include a summary of the changes that have been made as a result of the EIA process.

Another key element of the Committee's ability to assess the effectiveness of Welsh Government policies and budgets in tackling inequalities is to be able to compare inequalities consistently between years. In the next EIA, the

Committee would welcome a clearer alignment between the Strategic Equality Plan and Programme for Government equality commitments (and their respective Annual Report indicators) and the budget actions that reflect them.

I would like to reiterate the Committee's view that a number of significant improvements have been made and that you should be commended for this progress. I hope that the Committee's comments will prove useful to you and your officials as you consider how to approach this matter in future, in order to continue this positive work.

Yours sincerely

A handwritten signature in black ink that reads "Ann Jones". The signature is written in a cursive style with a large initial 'A'.

Ann Jones AC / AM
Cadeirydd / Chair