



# LOCAL AUTHORITY BUDGET 2025/26 REVIEW

This briefing considers the 2025-26 local authority budgets from a gendered perspective. Focusing on key principles of gender budgeting, including the gendered impacts of revenue raising and spending decisions, transparency and participation within the budget process, and incorporating intersectional gender analysis into decision making. We have reviewed publicly available information to consider practice in Scotland.



## INTRODUCTION

The purpose of Gender Budgeting is threefold:

1. **to promote accountability and transparency in fiscal planning;**
2. **to increase gender responsive participation in the budget process, for example by undertaking steps to involve women and men equally in budget preparation;**
3. **to advance gender equality.**

For the third year in a row the Scottish Women's Budget Group (SWBG) have reviewed all 32 local authorities publicly available budget documentation. This briefing shares our findings for 2025-26. The purpose is to explore how budget decisions and documentation measure up against the principles underpinning gender budgeting, and to consider how local budget decision-making can work to tackle women's inequality.

From a gender budgeting perspective, government budgets should be:

- ▶ **Transparent:** Elected members, civil society and the public should all have easy access to information about the budget process and budget decisions;
- ▶ **Participative:** There should be meaningful engagement in the budget process;

- ▶ **Focused on outcomes:** Budget decisions should link to the government's goals, especially those for promoting equality;
- ▶ **Focused on advancing equality:** Processes should show ongoing inequalities to allow public resources to be used effectively to end them.

Public budgets have been experiencing a time of extended financial constraint while costs have been rising, making it more expensive to deliver services. For more than a decade budget allocations to local government have been squeezed by competing demands, ring-fenced spending, rising wage bills and growing demand for services such as care. Alongside this, Scottish Government's decision to regularly freeze council tax over the last decade has curtailed local authorities' ability to raise revenue directly.

While this financial year the overall envelope for the central grant from the Scottish Government did grow, this occurred in the context of higher contributions to employer National Insurance, and it remained unclear at the time of budget setting how much of this would be covered centrally. As part of their budget setting processes local authorities across Scotland have noted the challenging financial times, budget pressures, and the need for ongoing savings measures to achieve balanced budgets.

In this financial environment, gender budgeting, that includes intersectional analysis, is more important than ever to ensure that inequalities are not worsened in the process of setting a balanced budget.

# FINDINGS

## TRANSPARENCY

The accessibility of budget information remains variable across Scotland. While there are a small number of local authorities outlining information on dedicated webpages, this remains the exception rather than the rule. Once again, we found common challenges in the transparency of information:

- ▶ **Inaccessible websites which make it hard to find budget documents;**
- ▶ **Densely worded reports, which can be repetitive and lack clarity;**
- ▶ **Lack of clear reporting on the final decisions taken, particularly when multiple options have been presented in the original papers;**
- ▶ **Information on news pages shying away from giving details about negative changes and placing a positive spin on the outcomes.**

Most local authorities share information about budgets on their news pages following the Council meeting. While this is a necessary element of the communication of news from local authorities, it often has a political slant and can give limited information, particularly on areas of savings. To improve transparency, local authorities should be aiming to go a step further and produce an accessible webpage that provides a clear outline of budget information in a way that individuals can relate to. This should include outlining where funding for local authorities comes from, the role of Council Tax, and where spending is directed as well as clarity on any budget gap and how this will be dealt with, for example, through additional resources from council tax, increased income from charges or savings. Some good examples exist, including of videos produced to support consultation processes. More could be made of this work to communicate the budget more widely and support building trust in local governance.

Communicating budget information can be difficult due to:

- ▶ **Governments dealing with big numbers to overcome this we need to bring problems and information down to the human and household level;**

- ▶ **Budgets relating to vast areas such as social care, child protection and education. It can be difficult for people to assess the trade-offs and impacts involved in balancing budgets. The use of visuals and short stories can make these more relatable;**
- ▶ **Experts finding it difficult to communicate without using jargon or their everyday terms.<sup>1</sup>**

### Good practice

Falkirk Council have a page outlining the budget and finances for 2025-26, including information on both revenue and capital budgets and the housing budget. The page also points to where final decisions were made at council.

Renfrewshire breaks down budget information to show the percentage of spend in different areas; this includes producing a graphic to summarise the information on one page. This could be further improved by explaining certain 'council terms' to be clear to members of the public.



### Operational savings

Several budget papers highlight operational savings; however, not all provide detail on what these savings are and the potential impact they may have. Detail can include percentage departmental savings, efficiency savings and wider savings that are viewed as focusing on the working of councils rather than the delivery of services/policy areas. Decisions in this space are often delegated to senior council staff.

Best practice would see details of these savings outlined to provide transparency to both Councillors and the wider public. However, six of the 22 local authorities that highlighted operational savings gave no detail of what these would be.

### Good practice

Budget papers in Midlothian outlined the amount of operational savings predicted and the exact areas these would come from.



<sup>1</sup> OECD, 2025, Empowering public understanding of public finances <https://www.oecd.org/en/about/projects/empowering-public-understanding-of-public-finances.html>

## INTEGRATION JOINT BOARD FINANCES

Integration Joint Board (IJB) finances are highlighted to varying degrees throughout local authority budget papers. Providing differing levels of transparency and accountability to the budget process, particularly regarding the delivery of care services, which represent a significant proportion of local authority budgets.

Audit Scotland has provided detailed analysis of the unprecedented challenge and financial uncertainty faced by IJBs resulting in a widening inequality gap for those receiving support, increasing demand and unmet need, and increasing variation in experience of those receiving support. In 2024 the Health, Social Care and Sport Committees' pre-budget scrutiny found that there was little integration of IJB budget's reporting: 'Witnesses appeared to be in consensus that "true integration" is hindered by an ongoing perception that health and social care budgets are separate from one another.'

Through our review, the stark financial pressures for IJBs were again made clear, with many local authorities reporting that budget gaps in IJBs remained unresolved and that reserve levels for IJBs were minimal.

A smaller number of local authorities reported the need to increase funding to IJBs, beyond Scottish Government provisions, to either manage previous-year shortfalls or budget gaps in the coming year. Of those that provided detail on IJB finances, the need for IJB budget savings was evident across the board. However, no detail was provided on these savings. For the majority, the delegated authority to IJBs left decision-making on how to address these issues with the IJB. A number of budget papers included a variation

of the statement 'it will be for the IJB itself to determine how to balance its budget.' In some cases, it appears that little consideration was given to the funding required for the delivery of statutory duties delegated to IJBs. This is concerning both in terms of ensuring statutory duties are met and from a transparency and accountability point of view as the full detail of savings and increasing charges are not shared as part of the wider local budget setting process.

The provision of care and support, how it is funded, and how accessible it is, is a highly gendered area because the majority of unpaid care is undertaken by women. Savings in this area impact on the levels of unpaid care that Scotland is willing to tolerate at a political level. This budget review found little evidence of local authorities being fully aware of the detail and potential impact of savings made by IJBs on gender inequality, inequalities more broadly, and/or of the cumulative impact of savings on other areas. Alongside this, the majority of the social care workforce are women and ensuring resources are available to properly remunerate this skilled level of work is critical. One local authority noted that a process of job revaluation was underway, this is an important step in considering the skilled nature of care work.

The level of risk that local authorities have highlighted in relation to IJB finances is a clear indication of both the lack of funding to support a well-functioning social care system and a need for reform in how social care funding is managed.

### Good practice

In its budget papers, Aberdeenshire outlined actions to ensure that the full Council maintained a close understanding of IJB finances through quarterly financial reporting.



## PARTICIPATIVE

This year the budget review found evidence of 23 local authorities undertaking a public consultation as part of their budget process, of which 20 published findings, either as standalone reports or with details in the wider budget papers. One of those that did not run a consultation noted a previous exercise that was to inform multi-year budgets.

From the reports published, 11 collected demographic data, although one of these did not include data on sex. Other demographic data collected included information on protected characteristics and, in some cases, the area lived in, which provides important additional considerations especially around levels of rurality and for some island communities. Of those that collected demographic data on sex, four disaggregated at least some of their findings using this data. This is an important step in understanding who is being heard from in the participation process and how this impacts the responses given.

For example, in Moray disaggregated data showed that female respondents placed a greater value on adult social work services and additional support needs service provision while male respondents placed greater value on sports and culture and economic growth and development. Understanding this from the participation exercise can help local authorities identify who might face the greatest impact in areas of savings.

Dundee also provided a breakdown across all protected characteristics, showing how respondents from different groups felt the various proposals would impact them. This highlighted that women expected savings within education to have a slightly higher than average impact, while men anticipated a lower than average impact in this area. Respondents under the protected characteristic of pregnancy and maternity noted higher levels of expected impacts of savings in this area. The disaggregation of findings also shows that respondents from black and minority ethnic communities note higher impacts in areas such as equalities funding, the Scottish Welfare Fund, road and community safety and transport services. This differing response level highlights the ongoing gendered nature of care

giving and where the impact of reducing childcare and education support will be felt.



Understanding the intersections of people's protected characteristics would be a further step in understanding who may be most impacted by different saving proposals. For example, with the information gathered it would be possible to look at the impact of proposals on specific groups of women who may be the most marginalised – for instance disabled women or women from black and ethnic minority communities. This analysis could focus on areas which are likely to have the greatest impact, providing more comprehensive detail about the consequences of savings on service delivery.

How local authorities seek to engage through the participation process is also crucial. A few local authorities used videos to support engagement. It is clear from our engagement with women that multiple forms of outreach need to be sought as not everyone engages with social media and online platforms.

### Good practice



South Lanarkshire produced a series of videos to raise awareness about and support engagement in the consultation process. These included an honest reflection on difficult decisions that needed to be made around saving proposals.

Shetland produced videos to outline where the money comes from and some elements that are specific to the local finances. This provided a clear guide to support understanding of the finances.

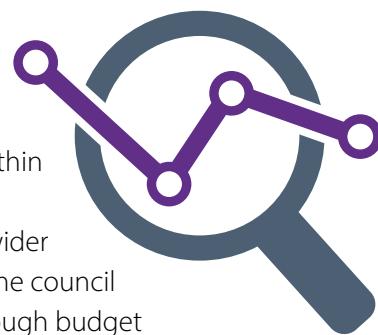
Stirling Councils' Big Conversation engagement process was delivered in two stages. Stage one sought views on council services, while stage two gathered responses to detailed proposals on ways to save and raise money. This increased engagement levels for the council.

## FOCUSED ON OUTCOMES

Gender budgeting encourages those making decisions to link the way money is raised and how it is spent to achieving agreed outcomes. This allows for the identification of priorities and increases the transparency and accountability around decision-making. It can help ensure that limited resources are being used most effectively. Given the financial pressures that local authorities are facing this is an essential step within the budget process to ensure it remains focused on outcomes.

While the key focus of budget papers was the need to legally balance the local authority budget, 22 local authorities made some reference to council plans or other documents that outline their local priorities. The extent to which plans were mentioned varied, with some local authorities putting this detail within the equality impact assessments and others referring to plans within the framing of the budget documents. Some used priority areas to structure budget tables, while others gave greater detail on how the priorities set by Council were guiding the decision making.

In a small number of cases the papers outlined further detail of how priorities were driving spending decisions. For example, in Moray detail was given on decisions to use earmarked reserves to support key priority areas. In Highland some additional investment was guided by the 'My Future Highland Programme' and in Renfrewshire the 'Creating a Fairer Renfrewshire' plan led to some specific investment areas. In addition to this, West Lothian and Perth and Kinross provided specific detail on the strategic priority areas set out in the council plans.



This additional detail within budget papers helps to demonstrate how the wider priorities and vision of the council are being delivered through budget decision making.

There is a nationwide gap in the use of overarching national outcomes, which is more pronounced now that the National Performance Framework (NPF) is under review. A weakness of the NPF has been its lack of tangible use at local level.<sup>2</sup> There is no evidence from this budget review of any change to this, however, national outcomes would help guide decision making and strengthen accountability between local and national outcomes. As part of the process of reviewing the NPF clearly understanding how it can be effectively used at a local level would improve future practice and support greater budget accountability.

<sup>2</sup> French, M. (2024) How a strengthened National Performance Framework can drive effective government in Scotland, Carnegie UK



## FOCUSED ON ADVANCING EQUALITY

Councils used a variety of measures to balance their budget gap this year. This included all councils raising council tax rates, by between six and 15.6 per cent, identifying savings at both an operational and policy/strategic level, drawing on reserves and increasing or introducing charges/fees for services.

Under the Public Sector Equality Duty (PSED) local authorities have a duty to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. In light of this, a key part of the budget process for all public bodies, including local authorities, should be to consider the role of the budget itself in achieving these duties. Most local authorities undertake impact assessments to demonstrate how they are meeting these duties.

In order to balance local authority budgets savings have again this year been identified in areas which have clear gendered impacts including changes to early years and childcare, additional support needs services, out of hours childcare, school crossing patrols, school transport and school holiday provision. Of those who set out savings, only 19 stated in the budget papers that impact assessments had been carried out, of these 12 published the assessments. From a transparency perspective failure to make these assessments available is poor, this also goes against the Equality and Human Rights Commission's (EHRC) guidance which states clearly that assessments should be published.

Of the 12 local authorities that made the assessments available, 7 had undertaken some form of gendered analysis of the savings proposals. This was done by explicitly considering in at least one assessment the differential impact on the protected characteristic of sex and the mitigations needed to limit these negative effects.

### Good practice



Aberdeen council had considered cuts to equality funding which would impact on shop mobility provision. They identified that:

*The reduction in budget for Shopmobility's services could have a disproportionate effect on women, who are more likely to be caregivers for both young children and elderly relatives. The additional burden could result in women having less time for their personal and professional responsibilities, exacerbating existing gender inequalities; also, in social interactions and their ability to engage in community and economic activities could be significantly hindered. This isolation could lead to negative mental health outcomes and further deepen the gender gap in accessing essential services and opportunities. This proposed saving did not go ahead.*

This year some budget papers again noted that full impact assessments will be carried out following the budget decision. This means that budget decisions have been made ahead of detailed policy proposals being developed and without the full impact of the decision being understood. If impacts are not considered as part of the budget decision-making process, there is a very real risk of further entrenching inequality and of the council failing to meet its duties under the Public Sector Equality Duty.

## Council Tax

Only seven of 32 local authorities undertook an impact assessment of their decision to increase council tax this year. Six of them made the impact assessment publicly available.

Two local authorities had clearly considered the impact of the decision to increase council tax on the protected characteristic of sex and identified a potential negative impact on women due to them being more likely to have lower incomes. Actions taken to mitigate this included promoting council tax discounts and reduction scheme including those available to carers. Two local authorities also recognised that the investment which could be made due to the increased funding received from increasing the council tax could benefit women and other groups who rely on public services to a higher degree.

## Charges

From budget papers it was clear that 29 out of 32 local authorities had introduced or increased charges/fees for council services. Of the other three, it was unclear from papers what decision had been made in relation to this.

The income received from fees and charges lacks transparency. Most councils do not include any reference to income from charges and fees (other than council tax and Non-Domestic Rates) in their headline figures. Within budget papers only 13 local authorities provided a clear estimate of the additional income that new or increased charges would raise.

Of those that raised charges, 12 carried out an impact assessment, the majority of these looked at all charges across the board rather than considering the impact of raising individual charges or groups of charges. Two local authorities explicitly recognised that increases in charges for early learning could impact negatively on women but noted that income related exemptions mitigated against this.

A number of local authorities again said there will be no differential impact on groups as charges will rise for everyone. This fails to recognise specific barriers that some groups may face, particularly caused by structural inequalities, and risks entrenching these further.

The local authorities that did not carry out any assessment of their decision to increase charges risk entrenching inequality. This is particularly evident in the case of one local authority that failed to assess the impact of charges on various areas despite significant differences in how charges were raised. For example, creative learning charges, electric charging point fees and charges for overstaying remained static; **allotment fees for over 60s** increased by **25%**; **sexual entertainment licences** increased by **5%**; and **charges for day care** increased by **116%**. The authority did not consider how these changes might affect their duty to advance equality.



## Investment

Most local authorities did not produce impact assessments for areas where additional funding was allocated.

Dumfries and Galloway did conduct impact assessments on their decision to invest in a pilot dog park area and in cost-of-living support.

Assessing impact of investment supports understanding of who is benefitting from this investment to ensure it is working to advance equality. Alongside outcome focused budget decision making it will drive the best decision making to tackle inequality.

### Good Practice

Inverclyde undertook impact assessments on their decision on capital investments including a £314,000 investment in the delivery of their play strategy.



## Cumulative Impact

Nine out of 32 local authorities carried out a cumulative impact assessment on the full set of saving proposals within the budget papers. These focussed on the cumulative impact of the savings proposals made.

Two of the nine local authorities that carried out a cumulative assessment identified that women were likely to be disproportionately impacted by budget savings.

Considering the areas that have been impacted by savings across local authorities in Scotland we would expect to see many more local authorities recognising the impact on sex.

### Good Practice

Orkney's cumulative assessment showed good consideration of women's greater risk to poverty in relation to care and part-time work. The analysis demonstrates good understanding of women and care. Also notes staffing impacts and higher female workforce.

In their cumulative impact assessment, Edinburgh recognised that, while women could be negatively impacted, investment decisions made as result of the additional income being generated from the council tax increases could result in a net positive benefit for women.



## Equalities as a risk factor

Given the recognised link between inequality, poverty and the need to access public services, these factors should inform the process of setting a balanced budget. While many local authorities referred to the Equality Act and PSED in their papers, only four explicitly considered inequality as a risk within the budget setting process. This is despite the increased use of the judicial review process by individuals and communities to challenge decisions taken and the costs associated with this.

North Ayrshire explicitly considered inequality as a risk factor in it being able to set a balanced budget. While others mentioned the impact of rising demand on the budget, only three other local authorities explicitly considered the impact inequality had on their ability to balance the budget.



## CONCLUSION AND GOOD PRACTICE



This year's SWBG review of local authority budgets from a gender-budgeting perspective reveals a mixed picture across Scotland. We found examples of strong approaches across all four principles of gender budgeting; however, these remain far from the norm. Only five local authorities undertook some form of gender analysis on saving proposals, and only two local authorities noted an overall cumulative impact on women. Notably, women's inequality and the structural causes of it remain hidden in plain sight.

As part of the budget process, local authorities should consider the following questions in relation to savings, increased charges and investments:

1. **How will the budget proposals impact on the outcomes the Council/policy area is aiming to achieve?**
2. **What do you know about existing inequalities of outcome in relation to the budget area and how do the budget proposals address this inequality or potentially exacerbate it?**
3. **How will your budget decisions impact upon different people and places? What is the differing impact of budget decisions on women and men? How does the budget impact on levels of unpaid care and who does this?**
4. **How will your budget decisions contribute to the realisation of human rights?**
5. **Is there enough information in the budget proposal/papers to confirm that the proposed savings are realistic? Or that additional investment will help achieve the Council's priorities?**
6. **Could the budget be used differently to better address existing inequalities of outcome particularly for women and advance human rights?**
7. **Does the budget consider the cumulative impact on different people and places?**
8. **How will the impact of the budget proposals on disadvantaged groups be evaluated?**
9. **How have the results from public consultation been used to inform budget proposals/decisions?**
10. **Has the budget information been published in a way that is clear and easily accessible?**

In January 2026 the Scottish Women's Budget Group will launch a Gender Budgeting Toolkit. This is designed to support local authorities and other public bodies to use the tools of gender budgeting in everyday practice.

## ABOUT US

The Scottish Women's Budget Group (SWBG) is a charity that promotes women's equality. We do this by helping people understand how budgets and economic policy can tackle inequality. SWBG brings together a wide range of women from across Scotland who have an interest in women's equality and want to achieve better gender equality in our society. We have focused on encouraging active gender analysis in the Scottish Budget process since 2000. SWBG offers training to Councillors and Council Officers on the use of gender budget analysis tools in local budget processes.

Find out more: [swbg.org.uk](https://swbg.org.uk)

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