

*Key facts summary*

# A home of her own

*Housing and women*

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# Key Facts Summary

Housing is one of the most urgent public policy issues in the UK. Our housing system is in crisis and the causes and impacts of that crisis are gendered. Women's lower incomes relative to men's<sup>1</sup> means they are less able to afford housing and their caring responsibilities mean they have specific needs when securing a suitable home for themselves and their children.

## Housing affordability for women

One of the knock-on effects of the gender pay gap is a gender gap in housing affordability.

Women and men tend to buy or rent their homes as a couple. Rising housing costs compared to wages have caused a crisis of affordability for two-earner couples. But as the charts below show, this crisis is particularly serious for single women who face larger ratios of earnings to housing costs.

### Buying

- Women need over 12 times their annual salaries to be able to buy a home in England, while men need just over eight times.
- The worst regions in housing buying affordability for women (and men) are London and the South East, where women need nearly 18 times and 16 times their annual earnings to afford a house (respectively).
- The regions with the widest gap in affordability between women and men are the South East and the East. This is where the gender pay gap (as measured by gross annual earnings of FT and PT workers) is the largest.
- When it comes to buying a house with a typical mortgage, women's incomes fall over 50% short in most regions, excluding in the North East, North West and Yorkshire and the Humber.
- Men's incomes only fall over 50% short in London and the South East.

### Renting

Housing is considered affordable when it takes less than a third of a household's income.

- There is no region in England where private-rented housing is affordable on women's median earnings.
- On the other hand, men can afford to rent a median home in all regions except London.

### Impact of cuts to social security on housing circumstances

Reforms since 2012 have broken the link between rent and housing benefit levels, with 90% of private renters on housing benefit in 2015 facing shortfalls.<sup>2</sup>

Women make up 60% of housing benefit claimants and so are being disproportionately affected by these cuts.

Universal credit is also having a negative impact. The five-week wait period upon application is leaving many people in rent arrears: tenants on universal credit are six times more likely to fall behind on rent than other benefit claimants.<sup>3</sup>

The benefit cap has a detrimental impact on large families' incomes, and specifically on housing, as housing benefit is the first element to be cut once the threshold is reached.

These benefit cuts and changes, accompanied by a severe shortage of social and affordable housing, are leading to increasing numbers of evictions and homelessness.<sup>4</sup>

### Women and homelessness

The vast majority of people recorded sleeping rough are men (84%).<sup>5</sup> However, women rough-sleepers face specific challenges and their experience is very often linked to abuse, trauma and violence.<sup>6</sup> They are less likely to access mainstream services and be visible on the streets.

The majority (67%) of statutory homeless people are women.<sup>7</sup>

Single mothers are two-thirds (66%) of all statutory homeless families with children (they are just one quarter of all families with dependent children).<sup>8</sup>

1 WBG (2018) The Female Face of Poverty (<http://bit.ly/2CRlx8N>)

2 IFS (2017) The cost of housing for low-income renters (<http://bit.ly/2uUVj0t>)

3 The Independent (6 Feb 2019) 'Universal credit claimants "six times more likely" to fall into rent arrears despite government reforms' (<https://ind.pn/2YZVvki>)

4 The Guardian (18 Aug 2018) 'No-fault evictions making hundreds of families homeless each week' (<http://bit.ly/2QFPzSg>)

5 MHCLG (2018) Rough sleeping in England. Table 2a

6 MHCLG (2019) Causes of Homelessness and Rough Sleeping – Rapid Evidence Assessment (<http://bit.ly/2P1gU0c>)

7 WBG (2018) Housing and gender (<http://bit.ly/2UoWR0u>). Calculations based on MHCLG (2018) Livetables on acceptances and decisions

8 The Independent (10 October 2018) 'Number of single homeless mothers soars to highest level since financial crash' (<https://ind.pn/2HTqfGY>)

Table 1. Housing affordability<sup>9</sup> for women and men in England and English regions, 2018

Region	Median house price in 2018 £	Ratio of house price to earnings			
		All	Women	Men	Gender Gap
England	239,000	9.9	12.4	8.2	4.2
North East	139,950	6.4	7.9	5.3	2.7
North West	160,000	7.1	8.7	5.9	2.8
Yorks & Humber	160,000	7.3	9.2	6.0	3.2
East Midlands	185,000	8.3	10.6	6.8	3.9
West Midlands	188,000	8.2	10.3	6.8	3.5
East	283,000	11.4	14.6	9.3	5.3
London	467,500	15.6	17.9	13.9	3.9
South East	320,000	12.4	15.9	10.1	5.8
South West	249,000	11.1	14.3	9.1	5.2

Source: Author's calculations based on ONS (2019) House Price Statistics for Small Areas (HPSSAs) Dataset 9 (median house prices); ONS (2019) Annual Survey of Hours and Earnings, Table 8.

Table 2. Difference between median earnings and mortgage-required income, 2018

Region	Single income required for 80% mortgage £	How far do median earnings fall short of income required?			Gender Gap (% points)
		All	Women	Men	
England	47,800	-49%	-60%	-39%	21
North East	27,990	-22%	-37%	-5%	32
North West	32,000	-29%	-43%	-16%	27
Yorks & Humber	32,000	-31%	-46%	-16%	30
East Midlands	37,000	-40%	-53%	-26%	27
West Midlands	37,600	-39%	-52%	-27%	25
East	56,600	-56%	-66%	-46%	20
London	93,500	-68%	-72%	-64%	8
South East	64,000	-60%	-69%	-50%	19
South West	49,800	-55%	-65%	-45%	20

Source: Author's calculations based on ONS (2019) House Price Statistics for Small Areas (HPSSAs) Dataset 9 (median house prices); ONS (2019) Annual Survey of Hours and Earnings, Table 8. Calculations based on banks lending four times gross salary.

<sup>9</sup> The ONS measures housing affordability ratio by calculating median price paid for houses to the median workplace-based gross annual full-time earnings. For the tables in this report, we use gross annual all earnings (full-time + part-time) in calculations of affordability and median house prices, unless stated otherwise.

Table 3. Percentage of median earnings absorbed by private-sector rent, 2018

Region	Median private sector rents in 2018 £	How much of median earnings would be absorbed by median private rent?		
		All	Women	Men
England	690	34%	43%	28%
North East	495	27%	34%	22%
North West	550	29%	36%	25%
Yorks & Humber	525	29%	36%	24%
East Midlands	575	31%	40%	25%
West Midlands	600	31%	40%	26%
East	775	37%	48%	30%
London	1,473	59%	68%	53%
South East	875	41%	52%	33%
South West	700	38%	48%	31%

Source: Author's calculations based on Valuation Office Agency (2018) Private rental market summary statistics: October 2017 to September 2018, Table 1.7; ONS (2019) Annual Survey of Hours and Earnings, Table 8.

### Specific groups of women and their housing challenges

For **victims and survivors of domestic abuse**, housing is key to rebuilding their lives safely. Refuges for DVA victims are at breaking point, with one in five having to turn down women due to a lack of vacancies.<sup>10</sup>

**Women with complex needs**, such as substance misuse, ill mental health, former prisoners and women at risk of sexual exploitation will need more support-intensive women-only accommodation.

The gender gap for some groups of **BME women** are even larger than for White British women. Women from Pakistani & Bangladeshi and Black African backgrounds have particularly lower earnings, so for them housing affordability is an aggravated issue.<sup>11</sup> Social security cuts have also impacted low-income BME women the hardest, exacerbating their difficulty in affording an adequate home.<sup>12</sup>

**Women with no recourse to public funds** have no access to statutory homeless support or housing benefit. They are therefore at higher risk of being trapped in abusive relationships because they cannot access DVA refuges or other types of statutory support.

For **young women** housing is less affordable because they earn less than older age groups. Housing benefit entitlements for single under 35-year olds without children are limited to the cost of a room in shared accommodation. This is particularly problematic to mothers with non-resident children and victims of male-perpetrated abuse.

**Lone mothers** head two-thirds of all homeless households with children.<sup>13</sup> They are more likely than couples with children to be renting in the private sector (a third and a fifth respectively).<sup>14</sup>

**Older women** have much lower pensions than men, a consequence of the gender pay gap and time out of the labour market due to caring responsibilities. Their capacity to afford their own homes are thus much lower than men of the same age group, a particular problem for older women who are not home owners.

**Lesbian women** in older age might be more dependent on residential care since they are less likely to have children and thus less able to rely on intergenerational informal care.<sup>15</sup> LGBT young people are overrepresented in the homelessness population and abuse and estrangement from family is the biggest cause.<sup>16</sup>

10 Women's Aid (2017) data from Routes to Support, the UK violence against women and girls database of service and refuge vacancies.

11 Fawcett Society (2017) Gender Pay Gap by Ethnicity in Britain – Briefing (<http://bit.ly/2X2E8tq>)

12 WBG and Runnymede Trust (2017) *Intersecting Inequalities* (<http://bit.ly/2XpvcYl>)

13 The Independent (10 October 2018) 'Number of single homeless mothers soars to highest level since financial crash' (<https://ind.pn/2HTqfGY>)

14 Author's own calculations based on MHCLG (2019) English Housing Survey 2017 to 2018: Annex Table 1.3: Demographic and economic characteristics, 2017-18 (<http://bit.ly/2Vb6Eop>)

15 Department of Health (2007) Briefing 5 – Lesbian Health (<http://bit.ly/2PoKiOe>)

16 Albert Kennedy Trust (2015) LGBT Youth Homelessness: A UK National Scoping of Cause, Prevalence, Response & Outcome (<http://bit.ly/2lXFuhR>)

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## Recommendations

### Government and housebuilding

- Central government should invest in social housing to spread the benefits of the housing safety net more widely and save billions of pounds in housing benefit.
- The government should make it easier for local authorities to build and invest in housing, including by scrapping the HRA borrowing cap.
- Housing funding pots for local authorities should be streamlined.
- Cuts to local government funding should be reversed and deprivation included in funding formula by central government.

### Social security

- Local housing allowance rates should be restored to local average private rents and rise in line with them each year.
- The roll out of universal credit should be halted until adequate impact assessments are carried out.
- The benefit cap should be scrapped to prevent people having to choose between a roof over their heads or food on the table.

### Refuge funding and women-only accommodation

- Local councils' homelessness duties should be extended to all residents who need them, including women with no recourse to public funds.
- The model for DVA refuge funding should be reviewed to ensure women who cannot claim housing benefit are not excluded from support.
- Money for DVA refuges should be ringfenced and local authorities should cooperate closely with local specialist women's organisations to organise refuge provision.
- Councils should collect sex-disaggregated data on homelessness and rough-sleeping to inform their local homeless strategies.
- Local councils and housing associations must recognise the links between homelessness and domestic abuse/VAWG for women and provide women-only accommodation where it is not available or insufficient.

This is a summary of *A Home of Her Own: Housing and Women*, by Dr Sara Reis, Research and Policy Officer, UK Women's Budget Group.

**Full report available here:**  
[bit.ly/2L9c9Ts](https://bit.ly/2L9c9Ts)

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