

Briefing from the UK Women's Budget Group:

Easing Lockdown: Potential Problems for Women

4 May 2020

Covid-19 is a public health crisis catalysing a huge economic crisis. WBG previous [briefings](#) highlight that the health and economic impact is different and disproportionate for different groups of women due to pre-existing inequalities.

As Government attention turns to the possibility of easing the lockdown, this briefing sets out some of the challenges this will throw up for different groups of women as we enter the 'second stage' of Covid-19 response. The key priority must be avoiding further deaths and a 'second spike' but adequate consideration of gender dynamics is required to ensure "*women [and minorities] aren't disadvantaged in the course of the recovery*" (Liz Truss, Minister for Women and Equalities, Committee hearing 22 April 2020.)

Potential issues in the second phase

Health and Care

Women are more likely to rely on care services, more likely to work in care and rely on care services to do paid work. Anticipated shortages in care are of serious concern:

- **Increased pressure on health services.** The NHS has had to cancel or postpone non-urgent treatment in order to increase capacity to deal with Covid-19, with more than 2 million operations cancelled.¹ This includes treatment for people with life-limiting and life-threatening conditions. Mental health problems are expected to increase as a result of the lockdown. The backlog in cases once the immediate Covid-19 crisis is over will lead to increased waiting lists unless there is significant additional funding. This will impact not only on those needing treatments, but on those caring for them (the majority of whom are women).
- **Ongoing crisis in social care.** There are reports that a large number of social care providers may go out of business as a result of increased costs, reduced revenues and widespread staff shortages. The BBC has reported that half of the care homes in Wales could close within the year.² This will result in an increase in the already high number of people not receiving the care they need, a loss of jobs for care workers and an increased burden of unpaid care. All of these impacts will disproportionately affect women who are the majority of those needing care and the majority of those providing it, both paid and unpaid.³
- **Unavailability of childcare.** A survey by Childcare Online⁴ found that more than 10,000 childcare providers were likely to have gone out of business by the end of the Covid-19 lockdown, with a loss

¹ The Guardian (26 April 2020) More than 2m operations cancelled as NHS fights Covid-19 (<https://bit.ly/2VVDH2S>)

² BBC (26 April 2020), Coronavirus 'could close half of Wales' care homes' (<https://bbc.in/2Ya2YHR>)

³ For more information about Covid-19 and the care sector see WBG (2020) Social Care and Covid-19 (<https://bit.ly/3aI4ML4>)

⁴ Childcare.co.uk (22 April 2020) Nearly a sixth of childcare providers set to close permanently due to Covid-19 (<https://bit.ly/2VLIYia>)

of about 150,000 childcare places in England. This risk has been increased by the Government's decision to reduce the support available for childcare providers: In March, the Department for Education (DfE) issued guidance that childcare providers could continue to receive 'free entitlement' payments for children who were not attending childcare during Covid-19 and access the furlough scheme. However on 17th April new guidance was released which restricts access to the furlough scheme for childcare workers.⁵ In addition, childcare providers have warned that social distancing in nurseries will be impossible and some parents will have lost their childcare place because they have been unable to pay fees because they have lost their job, had their hours reduced or been put on furlough on reduced pay.⁶ All of this means that many parents may find themselves unable to return to work because of a lack of childcare places.

Violence against women and girls (VAWG)

- **Increased demand for domestic abuse support** when lockdown lifts and some victims/survivors are able to seek support again. Some refuges will have been forced to close or downscale staff during the lockdown while most struggle with funding at the best of times. Before Covid-19, the housing crisis meant that many women were staying in refuge for longer than they needed because they couldn't find affordable accommodation,⁷ this will be complicated by social distancing required in refuges.

Economic crises:

1. **Widespread redundancies** with women most at risk. The Coronavirus Job Retention Scheme (CJRS), generally known as the furlough scheme, has been extended to the end of June after business warned they would have to start statutory redundancy procedures.⁸ Yet, data from a University of Cambridge study suggests that **women are already four percentage points more likely to have been made redundant instead of furloughed**: 17% of women reported being newly unemployed compared to 13% of men during the period 9-14 April⁹. Looking ahead, many companies that are large employers of women may not recover from the crisis, particularly in sectors such as hospitality, retail, childcare and tourism. Women are the majority of low-earners (69%¹⁰), those on zero-hours (54%¹¹) or part-time (74%¹²) contracts making them first in line to lose out on hours or contracts. This is of particular concern for BAME workers who are a third more likely than white workers to be in precarious work.¹³ There are also concerns that women who have requested furlough or taken unpaid leave because of childcare responsibilities may be more likely to be selected for redundancy.
- **Gender pay gap increase** on account of women being more likely than men to lose work, hours or earnings due to pre-existing precarity and shortages in care. One nationally representative study by Turn2Us found that women were expecting a greater fall in income than men, which would lead to an increase in the gender pay gap of £62 a month. On average, men expected their income to drop by £247 (18%), whilst women expected their income to fall by £309 (26%). **This would indicate a 15% increase in the gender pay gap**. Additionally, in two-parent, two-earner households, the average reduction in pay that women anticipated is £405 per month, compared to £309 for men.

⁵ Early Years Alliance (17 April 2020) Alliance slams government U-turn on financial support for providers, (<https://bit.ly/3bVlhU0>)

⁶ Mumsnet.com (13 March 2020) COVID-19 nursery closure and refund, (<https://bit.ly/34ml3DL>)

⁷ WBG (2019) A Home of Her Own: Housing and Women (<http://bit.ly/2L9c9Ts>)

⁸ Guardian (17 April 2020) UK government extends furlough scheme until end of June, (<https://bit.ly/2KHsZqi>)

⁹ <https://www.cam.ac.uk/research/news/women-bear-brunt-of-coronavirus-economic-shutdown-in-uk-and-us>

¹⁰ WBG (2020) Women, employment and earnings (<https://bit.ly/2R4d4pi>)

¹¹ WBG (2020) Women, employment and earnings (<https://bit.ly/2R4d4pi>) based on ONS (Oct 2019) EMP01 SA: Full-time, part-time and temporary workers (seasonally adjusted) (<http://bit.ly/2pZwHnW>)

¹² WBG (2020) Women, employment and earnings (<https://bit.ly/2R4d4pi>) based on ONS (Oct 2019) EMP01 SA: Full-time, part-time and temporary workers (seasonally adjusted) (<http://bit.ly/2pZwHnW>)

¹³ TUC (2017) BAME workers over a third more likely to be in precarious work, finds TUC (<https://bit.ly/2UX6LW0>)

This was self-reported but suggests a worrying trend. With pay gap reporting also suspended as a result of the complication of CJRS, this increase could go unchecked and there is concern over lack of accountability.

- **Increased debt** when payment holidays lift. Many parents are facing additional living costs in lockdown due to school closures. Those who have borrowed to get by or had bills suspended during lockdown will face high interest rates and spiraling debt. Pre-crisis, ONS data shows women consistently more vulnerable to poverty: **39% of women and 34% of men reported it was a struggle to keep up with bills, some or most of the time, 26% of women and 23% of men said they ran out of money by the end of the month, and 29% of women and 23% of men said they would not be able to make ends meet for a month or less if they lost their main source of income.**¹⁴ Single parents are likely to be particularly affected by this. 90% of single parents are women. One study by Turn2US found that the **percentage of single parent families anticipating living on £500 or less in May is increasing to 42% in April, up from 30% in February.** That equates to an additional 756,000 single living on £500 or less next month, an increase of 216,000 compared to February. That also equates to 378,000 children living in single parent households where they anticipate less than £500 in income next month. There are problems with Universal Credit which mean it is not necessarily able to support many of these families including the two-child limit, five week wait and interaction with the benefit cap.
- **Confusion and pressure to return to work.** A phased exit could see some groups of women, perhaps young women, sent back to work while older women remain at risk of isolation. This is of particular concern for pregnant women and women with disabilities or underlying health conditions who may be forced back to work despite the impossibility of calculating genuine risk of infection or a 'second spike.'

Risks for different groups of women

Shortages of care and widespread economic hardship could cause:

- **Increased poverty.** Pre-Covid-19, women were more vulnerable to poverty as the majority of lone parents, single elderly people, precarious and low-paid workers and, those with caring responsibilities limiting their time for paid work. Job losses and increased unpaid care responsibilities as a result of lack of childcare and social care is likely to increase poverty and dependence on social security benefits, especially for women.
- **Increased homelessness:** Women are already the majority (67%) of statutory homeless people and this could increase if payment holidays lift suddenly and protection against eviction ends. Homeless people currently being housed and supported during the health crisis cannot be abandoned during the economic crisis to come.
- **Sustained impact of mental health pressures** that increased under lockdown particularly for key workers, victims/survivors of violence or abuse and those recovering from trauma.

Risk will be different and disproportionate for different groups of women

It is unlikely that easement will be uniform and there are rumours that there will be increased restrictions on older people, disabled people, pregnant women and people with underlying health conditions. While some people may return to work, other sectors or other groups of people will not be able to operate. For example,

¹⁴ ONS (2 April 2020) Early indicator estimates from the Wealth and Assets Survey: April 2018 to September 2019 (<https://bit.ly/34fc1bk>)

older people – the majority of whom are women - may still be under lockdown as retail or hospitality workers – the majority of whom are women¹⁵ - may not be able to return to work.

There have been suggestions that the people who are more vulnerable to Covid-19 should be shielded while restrictions are lifted on other groups. This may require further restrictions on these groups for a long period of time, since the risk of infection will increase as areas of the economy open. Increased restrictions will impact not only groups identified as particularly vulnerable to Covid-19 but members of their household.

Local community groups have been formed across the country to provide food and medicine for people unable to leave their homes, but as more people return to work the number of volunteers in these groups may fall. Many older and disabled people who normally rely on domiciliary care to meet their personal or domestic needs have either had to refuse care because of fears about infection or been unable to access care because carers are ill or are themselves vulnerable. If restrictions on other people are lifted, the risk of infection in the general population will increase, further limiting care available to those who need it.

Policy responses in the medium term should include:

- **Provide additional funding for the NHS** to meet the backlog created by postponing treatment during the peak of Covid-19 cases.
- **Reinstate the obligation to provide social care for all those who need it**, as soon as Covid-19 is under control, replacing the discretionary obligation contained in the Coronavirus Act.
- **Give local authorities new duties and powers with respect to social care** for which they should be adequately funded by central Government. These should include duties to have oversight of all forms of care in their areas and requiring care providers to provide guaranteed hours, pay comparable to similar NHS jobs, training and support.¹⁶
- Ensure **employers report the numbers of people they make redundant with breakdowns by sex** and other protected characteristics.
- Introduce **protections against redundancy** as a result of furlough for caring responsibilities or taking time off due to sickness or shielding. There must be clear guidance to mitigate a spike in indirect discrimination for those with caring responsibilities. This should be monitored over time.
- **Gender pay gap reporting should be reinitiated immediately** and include reporting on the current period.
- The **basic levels of Universal Credit should be increased** in line with real living wages indefinitely to support those who have lost their jobs.
- Increasing **support and offering flexibility** (e.g. reducing taper rate) under Universal Credit to provide support to tackle debts as well as **converting all advance payments into grants and ending the benefit cap and two-child limit**.
- **Increase child benefit to £50 per week per child** to reflect additional costs facing parents
- Consider direct financial support to write off debts incurred as a result of the crisis.
- Continue to **protect tenants from eviction** and increase local housing allowance to 50% of local median rents.
- Introduce **sustained funding for frontline women's services including VAWG services**. This should include reforming the current commissioning model so that ringfenced funding for women requiring specialist support including those led 'by and for' BAME, migrant, LGBT women and disabled women.
- **Critical infrastructure continuation fund payable to childcare and social care providers** at risk of closure to ensure continuity of care with the longer term goal of properly funded universal services.

¹⁵ Analysis by IFS shows that 36% of young women and 25% of young men worked in sectors that have been closed down including restaurants, shops, leisure facilities and travel and tourism. Overall, 17% of women and 13% of men work in these sectors

¹⁶ For more detailed recommendations see WBG (2020) Social Care and Covid-19 (<https://bit.ly/3a14ML4>)

- **Do not turn to austerity measures to pay for the cost of the crisis.** This will repeat the past and impact poor, BAME and disabled women most¹⁷. Consider alternative ways to pay for the measures needed including investment in social infrastructure to boost the economy, increased taxes on wealth and tackle tax evasion, avoidance, and havens.

Longer term recommendations:

The crisis has started new conversations about care, key work, pay, migration, security and health. The answer cannot be 'business as usual'. Instead we must:

- Invest in social infrastructure including health, care and education.
- Ensure access to childcare for everyone, no matter what stage of work or learning.
- Design a sustainable and stable social care system so that no-one has unmet needs, free to the point of use with well paid, well trained permanent staff and funded via general taxation.
- Reform the social security system so that it protects all people, including migrants, against risk, poverty and destitution.
- Rethink work so that jobs pay a decent wage regardless of age – a true living wage for all – and reflects a shared balance between work, care and leisure for all.
- Take action to address the housing crisis by reducing rent and increasing housing support.
- Sustainably funding the women's sector so that no woman is left in danger
- Introduce policies to encourage sharing of care and unpaid work between women and men.

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Please note that this briefing was up to date at the time of writing, but the situation is changing constantly and may not reflect recent policy amendments.

For questions or more information contact jenna.norman@wbg.org.uk.



www.wbg.org.uk

E: admin@wbg.org.uk

 [@WomensBudgetGrp](https://twitter.com/WomensBudgetGrp)

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¹⁷ WBG and Runnymede (2018) *Intersecting Inequalities: the impact of austerity on BME women* <https://wbg.org.uk/analysis/intersecting-inequalities/>