

Spring Budget 2021 Pre-Budget Briefings

Local government, gender and Covid-19

Local government and gender

Pre Budget briefing from the UK Women's Budget Group

Key points:

- **Women and girls rely disproportionately on services provided by local authorities** because they do the majority of unpaid care work and therefore rely on local services to support themselves and their families.
- **Women make up 75% of local government and school workers.**
- Women – particularly BAME and disabled women – have had **their lives detrimentally harmed by funding cuts to local government** since 2010 which amount to 49% cuts in budget in real terms.
- Prior to the pandemic, local services were facing a **funding gap of £7.8 billion by 2025.**
- Total coronavirus costs to councils have been significant. The most recent estimates put the **financial impact of Covid-19 on local authorities at £9.7 billion for 2020/21**, with a **further £2.8 billion in lost income** from council and business tax.¹
- The Government promised councils that they would be reimbursed for 'whatever it takes' to respond to the coronavirus but so far **councils have only been promised 75% of irrecoverable income from taxes and some of their lost fees and charges.**
- Local authorities are facing a **funding gap of £5.3 billion from direct EU funding** that hasn't yet been replaced by UK central government funding.
- The **2021-2022 Funding Settlement for Local Government** announced in February 2021 represents a 4.5% - £2.2 billion - increase in core funding, but just 15% - £0.3 billion - of that is from central Government. After inflation and population growth, **the settlement represents a 3% per capita funding cut** compared to 2015-2016.
- **Government should urgently bring forward its long-promised Fair Funding Review** and a sustainable, long term plan for funding local authorities at a level which enables them to meet their statutory duties and provide the local services which women and local communities rely on. **Proposals to remove central government funding and replace this with local business rates will hit the poorest local authorities hardest.**

Introduction

This briefing is an update of our November 2020 briefing 'Local Government and Gender'. For more information about the impact of cuts to local government services on women see that briefing and our report, *Triple Whammy: the impact of local government cuts on women.*²

Why is local government important to women?

Services

Local government is responsible for providing or funding many of the services crucial to the daily lives and wellbeing of women and those they care for – children, families and vulnerable adults. These include social care, schools, housing,

¹ LGA (January 2021) COVID-19 funding for local government in 2021/22 consultation (<https://bit.ly/2Nwmjju>)

² WBG (March 2020), Local Government and Gender (<https://bit.ly/2Rqfq3>), WBG (2019), Triple whammy, the Impact of local government cuts on women, (<https://bit.ly/3mmy7S2>)

domestic violence services, transport, youth and leisure services, public health, business support and planning and waste collection. Traditionally councils have also been a key source of funding for voluntary sector projects from which women benefit too.

Many of these services provide care to children and adults in need of support including disabled and elderly people. Women continue to do the majority of unpaid child/care work therefore these services are integral to redistributing unpaid care and ensuring women have equal opportunity to participate in the paid economy.

Employment

Local government is also a source of women's paid employment. 75% of council employees are women.³ On average women are overrepresented in the public sector making up just over two-thirds of public sector employees in the UK.⁴ In 2017, 34% of employed women worked in the public sector, compared to 18.5% of men.⁵

For full-time employees, the median hourly pay gap in the public sector (11.2%) remains lower than in the private sector (14.1%).⁶ This is also true for the median pay gap among all workers which is 15.8% in the public sector and 22.1% in the private sector.⁷ Nonetheless, over 50% of local authority jobs are part time⁸ so the full-time figure does not necessarily convey the size of the actual public sector pay gap.

Statutory Duties

Local government has over 1300 statutory duties placed upon it, including the duty to ensure that children are educated, the assessment of social care needs and care commissioning, the provision

of a 'comprehensive and efficient' library service, the promotion of the welfare of children in need and the requirement to ensure sufficient childcare for working parents or those in education or training.⁹ A new statutory duty to assess the need and commission for support for victims of domestic violence and their children will commence in April 2021.¹⁰

Other duties include waste collection, monitoring of air quality, maintenance of roads and bridges and reimbursement of travel operators for travel concessions. Councils must also provide 'sufficient sanitary conveniences', ensure safe food and provide facilities for disabled people in their homes.

How is local government organised?

There are 339 councils in England. 188 of them are district councils, with responsibility for waste collection, housing, planning and Council Tax collection. The rest are 'upper tier' authorities – shire county councils, containing shire districts – and 'single tier' London boroughs, metropolitan districts and unitary authorities, which are responsible for social care and education, alongside all other local services.¹¹ There are around 17,700 elected councillors – only 36% of whom are women and 7% from a Black or ethnic minority background.^{12 13}

How is local government funded?

There are three main sources of local government funding in England:

- 1) Grants from central government, including the Rate Support Grant (RSG)
- 2) Council Tax: Council tax is a direct tax paid by residents and set by each individual authority. Authorities are able to retain all

³ LGA (2020) Local Government Employment Quarter 3, 2020 (<https://bit.ly/37hftVT>)

⁴ Jones, M. and Kaya, E. (August 2019) Understanding the Gender Pay Gap within the UK Public Sector (<https://bit.ly/3pkM57w>)

⁵ WBG (n.d.) Women Count: Public Sector Employment (<https://bit.ly/3tZanY3>)

⁶ ASHE (2020) Gender Pay PROV Table 13.12 (<https://bit.ly/3alWV8S>)

⁷ Ibid.

⁸ LGA (2020) Local Government Employment Quarter 3, 2020 (<https://bit.ly/37hftVT>)

⁹ NAO (2012) Central government's communication and engagement with local government (<https://bit.ly/3tZsPA0>)

¹⁰ MHCLG (2019) Local Government Secretary confirms new support for survivors of domestic abuse (<https://bit.ly/3rUZ5IP>)

¹¹ LGIU (2021) Local Government facts and Figures: England (<https://bit.ly/3baOlcg>)

¹² Local Government Association (2018) National census of local authority councillors 2018 (<https://bit.ly/2Rsd96j>)

¹³ Sobolewska and Begum (2020) Ethnic Minority Representation, University of Manchester (<https://bit.ly/3dJMg0l>)

of the funding raised from council tax in their area to support their budget.

- 3) Business rates: Business rates are set by central government, which sets the multiplier. Currently local government collectively retains half of the income from business rates, the other half is paid by councils to central government, which uses the income to fund grants to local authorities.

Some local government funding is **controllable**, that is, authorities have some say over how the funding is used locally. Some other income streams are **non-controllable** and are passed through local authorities to other bodies and individuals such as schools, police and benefits claimants.¹⁴

The proportions of Business Rate and Council Tax income vary significantly between local authorities, depending on the local Council Tax base, demography and the services provided. In poorer areas and in those where the local economy is weak, income from Council Tax and Business Rates is lower than in richer areas. However, demands for services such as social care and housing are often higher in poorer areas which generate less income from local taxation. The proportion of revenue expenditure derived from Council Tax alone rose from 40% in 2009-10 to 61% in 2021-22.¹⁵ In anticipation of a move to universal Business Rate Retention from 2020, some councils have also been doing pilots for 75% or 100% Business Rate retention, reducing further central Government support. Collectively other councils retain 50% of all Business Rates and central government has kept 50% for re-distribution via grants to local authorities.

Councils also raise funds from trading and investment and sales, fees and charges and may receive other income from transfers and payments from other public bodies including

other local authorities. Local authorities may also build up reserves to balance their budgets by providing a resource to cushion the impact of unexpected events or emergencies.¹⁶ Since 2010 councils have had to draw on unallocated reserves to maintain services, using over £1.75 billion in 2018-19.¹⁷

In recent years local authorities have also increasingly been forced to borrow to invest in commercial property and land to generate compensatory income for local services. Real terms investment quadrupled from £0.9 billion in 2010-11 to £3.7 billion in 2017-18.¹⁸ By 2020, total investment was £7.6 billion. Councils estimate that £624 million of income from these investments will be hit by the economic downturn caused by Covid-19.¹⁹

Local Government before Covid-19

Since 2010 local authorities have faced cuts to their budgets, having also faced budget reductions through 'efficiency reviews', the Best Value regime and other cuts measures under previous administrations.²⁰ Cuts have also impacted on important voluntary sector projects funded by local government.

In the period 2010/11-2017/18 central government funding for English councils fell by over 49%. Once local income from Council Tax and Business Rates was factored in, this amounted to 28.6% real terms drop in spending power.²¹

In the period 2017/18-2018/19 alone Rate Support Grant (RSG) from central government declined by 65% as councils were forced into reliance on retained Business Rates, increased Council Tax, increased charges for services and commercial investments.²² In 2019-20 councils had 23% - £300 – less to spend per resident than

¹⁴ National Audit Office (2018) Local authorities (<https://bit.ly/32wZAbW>)

¹⁵ IFS (December 2020) Assessing England's 2021-22 Local Government Finance Settlement (<https://bit.ly/2Nt0Lny>)

¹⁶ National Audit Office (2018) Local authorities (<https://bit.ly/32wZAbW>)

¹⁷ MHCLG (2019) Local Authority Revenue Expenditure and Financing: 2019-20 Budget, England (<https://bit.ly/32yFaPC>)

¹⁸ Ibid

¹⁹ The Guardian (2020) English councils poised to make cuts amid loss of commercial income (<https://bit.ly/33vmZJZ>)

²⁰ LGIU Local Government Information Unit (2008) Back to Front: efficiency of back office functions (<https://bit.ly/2BZbiOR>)

²¹ WBG (2018) Triple Whammy: the impact of local government cuts on women (<https://bit.ly/33uSbJB>)

²² MHCLG (2019) Local Government Financial Statistics England No.29 2019 (<https://bit.ly/33W1Oj2>); (MHCLG (2019) Local Authority Revenue

ten years previously. The most deprived councils had suffered 31% funding cuts, compared to 16% in the least deprived councils over the same period.²³ According to the LGA, local services face a funding gap of £7.8 billion by 2025.²⁴

In 2020, a survey of English councils found that 97% were disappointed with Government progress in delivering a sustainable system of local government finance. 97% planned maximum increases in Council Tax permitted without a local ballot (5% in most cases) while 57% planned to use reserves and 75% to increase borrowing.²⁵

In 2020, the new Government committed to 'levelling up' regional disparities. Yet the future of local government funding which already looked uncertain and precarious, is now also facing a more serious crisis from the impact of Covid-19 and loss of EU funding.

The Local Government Finance Settlement for 2020-21 was published on 6 February 2020 – before the impact of Covid-19 was apparent. It resulted in a 0.2% cash increase after inflation for 85% of councils – the first increase since 2011-12. Despite this, the median funding level was still a third lower than 2015-16, with just 75 of 343 councils seeing an increase in actual spending power. The apparent growth in funding was dependent on Council Tax increases, a 2% social care precept and one-off grants for social care and 'winter pressures'.

In 2020, the LGA pointed out that £15 billion had been taken from core funding since 2010 and that no account had been taken of the increased cost of the new National Living Wage – amounting to £220 million for social care workers alone. It further commented that use of precepts to raise social care revenue, would generate uneven amounts across councils and represent a

shift in the burden of social care funding to households, rather than general taxation.²⁶

The Government has expressed an intention to remove RSG and make councils reliant primarily on Business Rates and Council Tax. This short-term approach to local government funding is not sustainable and will make the funding system no longer redistributive between local authorities in the richest and poorest areas. It will also mean that vital local services and local council employment will no longer be funded from general taxation at all, unlike the NHS and central government.

The impact of coronavirus

Coronavirus has placed disproportionate care and domestic demands on women – especially working class and BAME women²⁷ - and raised levels of domestic violence, reinforcing women's need for reliable local government services – especially social care, housing, domestic violence services and childcare.²⁸ At the same time, there is an increased threat to local government funding and services due to the removal of central government funding, lost income, growing demand and high Covid-related expenditure. Combined with restricted services due to lockdown measures, these are posing new constraints on women's access to support for themselves and their families – as well as local jobs.

Covid-19 has also placed considerable additional demands on local authorities and their budgets as they have provided more social care, personal protective equipment for care and council employees, housing for the homeless and women facing domestic violence and emergency food and support for those facing income loss and enhanced poverty. An additional £1.2 billion was spent on adult social care alone between March and July 2020, while at the same time over £3

Expenditure and Financing: 2018-19 Provisional Outturn, England (<https://bit.ly/33SKtr8>)

²³ IFS (2019) English local government funding: trends and challenges in 2019 and beyond (<https://bit.ly/3hCQ8I9>)

²⁴ LGA (2019) Local Government Funding – Moving the Conversation On (<https://bit.ly/32ykLKG>)

²⁵ LGIU (2020) State of Local Government Finance Survey 2020 (<https://bit.ly/37m6YZl>)

²⁶ LGA (2020) Motion relating to Local Government Finance Report (<https://bit.ly/32xcWov>)

²⁷ Women's Budget Group et al (2020) First results from new study examining the impact of COVID-19 on working class women in the UK published today (<https://bit.ly/37i6x2w>)

²⁸ The Guardian (2020) Covid-19 crisis could set women back decades, experts fear: (<https://bit.ly/2Fwz6vz>)

billion was lost in Council Tax, Business Rates and sales, fees and charges. Additional funding to private social care, leisure and transport providers has also been required in some areas and councils have also been responsible for distributing funding to local businesses.

Most recent estimates (December 2020) from the Covid Monitoring Survey put the financial impact of COVID-19 on local authorities at £9.7 billion, with a further £2.8 billion in council tax and business rate losses.²⁹ According to Moody's Investor Services,³⁰ local councils in the UK will be the hardest hit amongst those in the five largest European economies.

The 2021-2022 Local Government Funding Settlement

In light of the Covid-19 crisis, the 2021-22 Funding Settlement is of critical importance to councils. While estimates of expenditure and income for 2021-22 are necessarily preliminary due to the unknown trajectory of the coronavirus, councils estimate a £6.1 billion increase in expenditure and a further £2.8 billion fall in income from lost sales, fees and charges.³¹

The Settlement announced on 6 February 2021 represents a 4.5% - £2.2 billion - increase in core funding.³² However, just 15% - £0.3 billion - of that is from central Government. The rest is from an assumed combination of Council Tax increases at the maximum rate of 5 percent (2%) and social care precepts (3%).³³ It is worth noting that, if councils levy the maximum increase, Council tax bills would be 29% higher in cash terms than in 2015-16.³⁴

The Government has agreed to compensate councils for 75% irrecoverable income from Council Tax and Business Rates lost as a result of

Covid-19. The Settlement also includes an additional £300 million for social care, a one-off £111 million grant for 'lower tier services' such as refuse, leisure and planning and £4 million for rural areas. Some capital grants are being cut.³⁵ There was no provision made for public health services vital in the wake of the pandemic – for the second year running – and the promised Fair Funding Review has once again been delayed.

After inflation and population growth, the 2021-22 settlement still represents a 3% per capita funding cut compared to 2015-2016.³⁶ The LGA has called it a 'sticking plaster' settlement, calling for urgent action on the Fair Funding Review, Business Rates, social care, post-Brexit and public health funding. The LGA also pointed out that without the tax increases, four London boroughs, eight unitary councils and 139 shire districts would be facing year-on-year cuts.³⁷ Increasing local taxes will place further economic burdens on residents facing hardship as a result of coronavirus. The IFS has also pointed out that the Government's projected rise of 1.7% in the Council Tax base is unlikely to materialise because of a projected rise in unemployment arising from Covid-19, reducing the amount that councils can generate locally.³⁸

Outsourcing

In addition to cuts, local government has also been the focus of central government policies requiring widespread commissioning and outsourcing of services.³⁹

Almost 14% of GDP – £251.5 billion per year – was spent overall on UK public procurement in 2017 and local authorities account for a large proportion of outsourced public services by value across all sectors.⁴⁰ Procurement of services and goods accounted for 47% of local government

²⁹ LGA (January 2021) COVID-19 funding for local government in 2021/22 consultation (<https://bit.ly/2Nwmjju>)

³⁰ Local Gov (2020) UK council finances 'hardest hit in Europe, claims Moody's' (<https://bit.ly/35Abi7H>)

³¹ IFS (December 2020) Assessing England's 2021-22 Local Government Finance Settlement (<https://bit.ly/2Nt0Lny>)

³² Ibid

³³ Ibid

³⁴ Ibid.

³⁵ LocalGov (15 February 2021): Councils road repair cash down £400 million next year (<https://bit.ly/2LWPIQN>)

³⁶ IFS (December 2020) Assessing England's 2021-22 Local Government Finance Settlement (<https://bit.ly/2Nt0Lny>)

³⁷ LGA (2021) The 2021-22 Provisional Local Government Finance Settlement: LGA Response (<https://bit.ly/3anogHL>)

³⁸ IFS (December 2020) Assessing England's 2021-22 Local Government Finance Settlement (<https://bit.ly/2Nt0Lny>)

³⁹ Starting with the Conservatives' Local Government and Planning Act 1980 and Compulsory Competitive Tendering

⁴⁰ House of Commons Public Administration and Constitutional Affairs Committee (2018) *After Carillion: Public sector outsourcing and contracting* (<https://bit.ly/2KIB7cw>)

expenditure in 2017-18 and rose by 7% in value between 2010-11 and 2017-18.⁴¹

For example, 79% of social care jobs have been outsourced⁴² – largely to the private sector – while other forms of privatisation such as Private Finance Initiatives (PFI), shared services and Public-Private Partnerships have resulted in large swathes of local authority workers finding themselves transferred involuntarily out of council employment. Academisation of schools has continued the outsourcing trend.

Changes to public health

Many public health functions and jobs were transferred from the NHS to local authorities in 2012. Since then funding has been continuously reduced and in the wake of Covid, the government has announced the end of Public Health England. It is unclear what impact this will have on local government's public health functions – or the services currently provided, many of which are preventative and targeted at children and young people. No funding announcement on public health was made in the 2021-22 Local Government Funding Settlement.

The impact of Brexit

The UK officially left the EU on 31 January 2020, with the Trade and Cooperation Agreement reached on 24 December 2020 setting the terms for the new UK relationship with the EU. Local authorities and UK Regions have received significant investment from EU Structural Funds to support business development and employment-related projects and are now facing an estimated funding gap of £5.3 billion due to the UK's exit from the EU.⁴³ Added to this is indirect EU funding in education, culture, policing and other areas of public life which supports UK communities and individual citizens.

The 2020 Conservative Manifesto pledged to establish a 'United Kingdom Shared Prosperity Fund' (UKSPF) to replace the EU Structural Funds. The Spending Review in November 2020 set out plans for the UKSPF to be operational by 2022, with funds of around £1.5 billion to be dispersed annually, and for a transitional £220 million to be spent on 'pilot projects' in 2021.⁴⁴ There is still considerable uncertainty about how the Fund will operate, with further details to be announced in Spring 2021. Unless local authorities are given certainty over availability of replacement funding, the impact of lost EU funding on local economies and skill development will be very damaging and councils will be placed under even further financial pressure.

Furthermore, local authorities containing ports and other trading centres will face new demands for environmental health, trading standards and other related functions. A £10 million in grants to port authorities made in November 2020 was welcomed by the LGA, which also warned of many further uncertainties for councils surrounding Brexit.

The impact on women

Women, particularly Black, Asian and Minority Ethnic (BAME*) and disabled women have been disproportionately impacted by cuts to local government services and jobs because of their reliance on councils to provide social care and childcare, other services which support children and families and for paid employment.⁴⁵

This disproportionate impact is in part explained by the failure of central and local government to properly assess the gender and race impact of

⁴¹ Institute for Government (2018) Government procurement: the scale and nature of contracting in the UK (<https://bit.ly/2E2BaO2>)

⁴² Skills for Care (2020) The State of the Adult Social Care Workforce in England 2020 (<https://bit.ly/3kwRpTl>)

⁴³ LGA (2019) £5.3bn EU cash countdown: regional aid funding to run out in 18 months (<https://bit.ly/32xGVgg>)

⁴⁴ LGA (January 2021) UK Shared Prosperity Fund (<https://bit.ly/3akUXWr>)

* WBG uses the term BAME whilst simultaneously acknowledging its shortcomings. WBG consistently calls for data to be disaggregated by sex and specific race/ethnicity groups as well as other indices of disadvantage including disability.

⁴⁵ For more information see WBG (2019), Triple whammy, the Impact of local government cuts on women, (<https://bit.ly/3mmy7S2>); WBG and The Runnymede Trust (2018) Intersecting Inequalities <https://bit.ly/2PFrb1N>

budgets and cuts: a 2020 study⁴⁶ showed that only 87 local authorities had carried out equality impact assessments or mentioned that they had given due regard to equal opportunities. Unitary authorities, London councils and metropolitan boroughs were more likely to have undertaken equality impact assessments than district and county councils. 47% of unitary authorities, 43% of London councils, and 39% of metropolitan boroughs had complied, compared to 15% of district councils and 18% of county councils.⁴⁷

DHCLG's Equality Statement on the 2021-22 Finance Settlement noted that "68% of stakeholders did not express a view on the equalities impact of this settlement" and concluded that "the government has not identified any compelling evidence that the 2021-22 Settlement will have a 'substantial' equalities impact".⁴⁸ This is surprising given the obvious disproportional impact of coronavirus on the elderly and BAME communities and the recognised detrimental impact of cuts on women.

Equality Impact Assessments should be the main way of ensuring that public bodies adhere to the Public Sector Equality Duty which requires them to have 'due regard' for the equality of people with 'protected characteristics' (age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity). The failure of the Government to assess the impact of coronavirus on women has led to calls for the Equality and Human Rights Commission to investigate this failure.⁴⁹

Drastic reductions in funding, coupled with the impact of Covid, have already had – and will increasingly have – a severe impact on councils' ability to provide services and support to women and children and vulnerable people.⁵⁰ They also

have a negative impact on the ability of other public services and the voluntary sector to function effectively. They are undermining prevention and leading to more crisis interventions by the NHS and other public services, particularly in poorer areas. These are often costlier and less effective in the long term.⁵¹

Cuts also led to almost 1 million redundancies in councils across the UK between 2010 and 2019, while employment in central government and the NHS rose.⁵² There have also been severe cuts to pay and conditions for local government and school workforces in England since 2010 compared to other public sector groups, including a real-terms decline of 20% in pay and cuts to core conditions in 90% of councils.⁵³

The impact of Covid on women's lives – especially BAME women - has been dramatic and has exacerbated the effect of cuts since 2010⁵⁴. Women – who are also the vast majority of front-line workers tackling Covid - have found themselves more likely to face furloughing than men⁵⁵ and bearing the brunt of domestic labour, childcare, home schooling and poverty. Pregnancy discrimination has been rife⁵⁶ and domestic violence has escalated.⁵⁷ Councils will need continuing, increased funding to respond effectively.

The future of local government funding

Funding levels remain way below their 2010 levels and small increases in 2020 and 2021 budgets are dependent on council tax hikes and social care precepts, rather than central government support. In addition, the Government has not yet revealed its plans for the future basis of local government funding through its Fair Funding Review and whether councils will

⁴⁶ Adisa, O and Costello, F., (2020) Equality impact assessments and equality responsiveness of budgets in English local authorities. University of Suffolk

⁴⁷ Ibid

⁴⁸ MHCLG (December 2020) Provisional Local Government Settlement, England 2021-22 (<https://bit.ly/3dl3la8>)

⁴⁹ Guardian (14 February 2021) EHRC urged to investigate ministers for 'equality failures' in Covid response (<https://bit.ly/3rSy6r8>)

⁵⁰ National Audit Office (March 2018) Financial Sustainability of Local Authorities 2018 (<https://bit.ly/2oQ6wwl>)

⁵¹ The IFS (2019) The health effects of Sure Start <https://bit.ly/2HppqHq>

⁵² ONS (2019) Public sector employment UK (<https://bit.ly/3bYkHaj>)

⁵³ UNISON (2019) 2020-21 NJC pay claim for local government workers: (<https://bit.ly/3hwdoaT>)

⁵⁴ WBG et al (2020) BAME women and Covid-19 – Research evidence (<https://bit.ly/3hvUd12>)

⁵⁵ HMRC (December 2020) Coronavirus Job Retention Scheme statistics: December 2020 (<https://bit.ly/37eS87i>)

⁵⁶ Maternity Action (2020) COVID19: new and expectant mothers in the front line (<https://bit.ly/3bZWdgn>)

⁵⁷ Women's Aid (2020) A Perfect Storm (<https://bit.ly/3c3k6nu>)

in future be largely reliant on council taxes, business rates and income from sales, fees, charges and investments. This would result in continued cuts to services and jobs, unevenly distributed across the country but overwhelmingly impacting women.

We call on the government to recognise the severe and gendered impacts of cuts to local authority funding since 2010 and undertake meaningful Equality Impact Assessments on any future plans for local government funding. We also call for plans to remove central government funding from local authorities to be scrapped. Councils too should carry out EIA's and highlight the impact of cuts on different groups of women. Dramatic reinvestment, not further reduction, is needed to stop these detrimental impacts on the lives of all women and girls, especially BAME, elderly and disabled women.

Recommendations

- Local government funding needs to be urgently restored to a level which enables councils to meet their statutory obligations and also provide the preventive, non-statutory services which are vital to the wellbeing of women, children and those in need of care. This is particularly urgent in the context of the increasing cost pressures and income losses faced by local authorities due to Covid-19. Government should commit to meeting 100% of the additional cost burden in future settlements.
- Equality impact assessments of local government funding levels and proposed cuts should be carried out by central Government *and* local authorities.
- Adequate funding should come from general taxation/central government, at least at the same level as for other public services.

- The long-promised Fair Funding Review should look at the overall resources provided and available to councils, not simply re-distribution of the current 'pot'.
- The distribution of central Government funding should ensure that the most deprived council areas are properly funded to reflect the greater reliance of poorer people and women on local services. Deprivation levels should be included in any future local authority funding formula.
- The shift to dependence on Business Rates and Council Tax should be reviewed, while giving councils greater autonomy and powers to generate income.
- Funding to meet all current social care needs should be made available from general taxation, on the same basis as the NHS.
- Cuts to funding of voluntary sector women's services must be reversed at a minimum as part of a review of sustainable funding for the sector to support and protect women survivors/victims of sexual and domestic abuse.
- Decent pay and conditions for local government workers, commensurate with other public sector groups, should be ensured through adequate funding to councils and an end to privatisation as a means of cutting women's incomes.

UK Women's Budget Group, 1 March 2021

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