

Women's Budget Group Submission to the Women and Equalities committee on the impact of the rising cost of living on women. October 2023

About Us

The UK Women's Budget Group (WBG) is a feminist think tank that provides evidence and capacity building on women's economic position and that proposes policy alternatives for a gender-equal economy. We act as a link between academia, the women's voluntary sector and the social policy world of think tanks. We benefit hugely from our network of pro-bono experts from academia, the new economics and the women's movements, alongside a professional staff team, who are all essential to our work.

Summary

- The UK economy continues to experience significant interlinked shocks with important consequences for living standards, businesses and public finances. Inflation is at the highest level it has been in 40 years, driven mostly by global causes, chief of which is unprecedented high energy costs. Combined with lower-than-inflation wage growth and weakened public services from over a decade of underfunding followed by a global pandemic, people's living standards are falling.
- The economic impact of the pandemic and the cost of living crisis is higher on those on low incomes who are more dependent on public services, spend a higher proportion of their income on essentials and have less savings.
- A recent report by the Joseph Rowntree Foundation found that approximately 3.8 million people experienced destitution in 2022, including around one million children. This is almost two-and-a-half times the number of people in 2017, and nearly triple the number of children¹.
- Poverty is a gendered phenomenon and women are more likely to live in poverty than men. As set out in our 2018 report with Coventry women's organisations, 'The Female Face of Poverty', the position of women in the labour market, the design of social security and women's roles within the family all contribute to women's vulnerability to poverty².
- As the cost-of-living crisis comes after over a decade of severe cuts to social security and public services which left families struggling financially, it is crucial that the fabric of the benefit system is repaired with urgency; the bulk of the increases in cost of living should fall on those more able to shoulder them through a windfall tax on business; and public investment must be made in public services to support people in bearing the increased costs.

¹ JRF (2023) [Destitution in the UK](#)

² WBG with five women's organisations in Coventry (2018) [The Female Face of Poverty](#)

How are rising food, energy, housing, and other costs affecting women compared to men? What are the challenges for women:

In the last decade, the UK has experienced stagnant incomes, cuts to social security, and a reduction in public services provision. The consequences have been significantly negative for women, who generally have lower wages and due to caring responsibilities rely more on public services and social security³. This is particularly true for disabled women, single mothers and Black and minority ethnic women⁴.

The COVID-19 pandemic affected poorer households to a greater extent, with higher mortality rates, mental health issues, unemployment, and financial instability⁵. Many women faced precarious economic conditions, with increased unpaid care work, low savings and reduced capacity to overcome economic shocks.

The cost-of-living crisis is now putting even more pressure on households that were already struggling. The annual rate of inflation reached 11.1% in October 2022, a 41-year high.⁶ In September 2023 inflation was 6.7%, unchanged from August 2023. While inflation didn't increase, it does not mean prices stopped rising, instead they are simply rising at a slightly slower rate. As there has not been a similar increase in nominal wages, real wages have decreased by 3.1% in the last year (Figure 1). Households have less purchasing power, meaning they can buy or pay for fewer things with the same wages.

Poverty is gendered. Women in the UK are slightly more likely to live in poverty than men when this is measured on the usual household basis and female-headed households are poorer than comparable male-headed households⁷.

The impact of these combined crises will be gendered for a number of reasons:

- An increase in the cost-of-living will hit the poorest hardest. Women are more likely to be poor⁸, and have been hit harder by cuts to social security and provision of public services over the past decade⁹.
- Women have lower levels of savings and wealth than men¹⁰. Even before Covid-19, women were more likely to be in debt and this has worsened as a result of the pandemic¹¹.
- Women's caring responsibilities mean that they are often less able than men to increase their hours of paid work, as childcare costs were increasing above the rate of inflation for several years before this crisis¹².
- Women are the 'shock absorbers of poverty'. They tend to have the main responsibility for the purchase and preparation of food for their children and families,⁹ and for the management of budgets of poor households¹³.

³ H Wakefield (2019) [Triple Whammy: the impact of local government cuts on women](#). Women's Budget Group

⁴ WBG and the Runnymede Trust (2017) [Intersecting inequalities: The impact of austerity on Black and Minority Ethnic women in the UK](#)

⁵ A Johnston (2021) [Lessons Learned: Where Women Stand at the Start of 2021](#). Women's Budget Group

⁶ House of Commons Library (2023) [The rising cost of living in the UK](#)

⁷ [Department for Work and Pensions Households below average income: for financial years ending 1995 to 2020 - GOV.UK \(www.gov.uk\)](#)

⁸ WBG (2018) [The Female Face of Poverty](#)

⁹ WBG and Runnymede Trust (2017) [Intersecting Inequalities](#)

¹⁰ WBG (2018) [Savings and Investments: Gender Issues](#)

¹¹ WBG (2021) [Household debt, gender and Covid-19](#)

¹² WBG (2022) [Spring Budget 2022: Childcare and gender](#)

¹³ Food Standards Agency (2017) [The Food and You Survey](#)

Particular groups of women are likely to be disproportionately impacted:

- 86% of single parents are women¹⁴ and working single parents have seen the fastest rise in in-work poverty, with 23% of working single parents now in poverty¹⁵.
- 60% of carers are women, and just over three quarters are of working age. Around two-thirds care, on average, for fewer than 35 hours a week, with around one-third spending more than 35 hours a week providing informal care. Informal carers are more likely to live in poverty than those without caring responsibilities: 29% compared with 20%¹⁶.
- Victims/survivors of domestic violence and abuse, including economic abuse, are likely to find it harder to leave an abusive relationship if they are unsure how they will support themselves and their children as living costs rise¹⁷. Among survivors surveyed by Women's Aid in 2022, more than half (53.3%) of the women who lived with the perpetrator at least some of the time and who were financially linked with them were concerned about further abuse from the abuser as a result of the increased cost of living¹⁸.
- Women with 'no recourse to public funds', who are excluded from claiming social security benefits are at high risk of poverty, and often destitution, if they lose work, or separate from a partner¹⁹.

Recent research carried out by Runnymede found that there continues to be large variations in poverty rates by ethnicity²⁰.

- Black and minority ethnic people are 2.5 times more likely to be in poverty than white people.
- Beneath the poverty line, average incomes for Black and minority ethnic people have fallen faster and deeper (by six percentage points) than for white people (by 1 percentage point) over the last decade. This has become more pronounced since the start of the pandemic.
- Despite making up around 15% of the UK population, 26% of those in 'deep poverty' are from a Black and minority ethnic background and make up a growing share of those on the lowest incomes.
- As a result, Black and minority ethnic people are currently 2.2 times more likely to be in deep poverty than white people, with Bangladeshi people more than three times more likely.

The poverty rate for disabled people is 29%, some 9 percentage points above those who are not disabled. The difference is particularly stark for working-age adults: disabled working-age adults are almost twice as likely to live in poverty compared with those who are not (35% and 18% respectively).²¹

- 33% of working-age disabled women are living in poverty. This is 15 percentage points higher than for women who are not disabled.
- While 36% of disabled men are living in poverty - 18 percentage points higher than those who are not disabled.
- This disparity between disabled men and women can be explained in part by different family structures. 48% of working age disabled men are single without children, 16% higher than disabled women. As single working-age adults have higher poverty rates than those in couples, the higher

¹⁴ ONS (2023) [Families in England and Wales: Census 2021](#)

¹⁵ JRF (2023) [UK Poverty 2022](#)

¹⁶ Ibid

¹⁷ TFN blog (21 Feb 2022) [Charities warn rising bills could put domestic abuse survivors at greater risk](#)

¹⁸ Women's Aid (2022) [Cost of Living and the impact on survivors of domestic abuse](#)

¹⁹ WBG (2020) [Migrant women and the economy](#)

²⁰ Runnymede (2022) [Falling Faster amidst a Cost-of-Living Crisis: Poverty, Inequality and Ethnicity in the UK](#)

²¹ JRF (2023) UK Poverty 2022 (<https://www.jrf.org.uk/report/uk-poverty-2023#key-findings>)

proportion of single men within this group will be driving the higher poverty rate for disabled working-age men compared with disabled working-age women.

Housing Costs

- Secure and energy efficient housing is fundamental to life, security and wellbeing as well as tackling climate change and working towards a zero-carbon future.
- There is currently not a single English region where the median private rent is affordable on women's median earnings and women need over 12 times their annual salaries to be able to buy a home in England, while men need just over eight times.
- Women also make up the majority of the statutory homeless.²²
- The cost of housing has a considerable impact on families' budgets. This is reflected in poverty statistics: when housing costs are taken into account, the percentage of working-age adults with children in poverty increases from 15% to 22%.²³
- Housing costs have increased the fastest for low-income households: mean housing costs rose by 47% between 2002/03 and 2016/17 for families with children in the bottom 20% of the income distribution. For families with children in middle-income households, there was a 11% increase in housing costs in the same period.²⁴
- In the case of single parents, of which the majority are women, housing takes a heavier toll on finances: 46% of single parents are in poverty after housing costs (compared to 26% before housing costs).²⁵
- Research carried out by Runnymede Trust after the pandemic also found that Black and minority ethnic people are more likely than white people to have had to start using savings for day-to-day spending (14% BME vs 8% white British); found it harder than usual to pay for essentials and meet basic needs (12% BME vs 8% white groups); and found it harder than usual to pay bills or rent (15% BME vs 8% white groups)²⁶
- Research carried out by Scope found that, on average, disabled households (with at least one disabled adult or child) need an additional £975 a month to have the same standard of living as non-disabled households. If this figure is updated to account for inflation over the current period 2022/2023, these extra costs rise to £1,122 per month²⁷.

Energy Costs

- Households saw energy costs increase significantly from April 2023. Government support was reduced and the Energy Price Guarantee (EPG) was raised to £3,000 (from £2,500), and overall, energy bills increased by 20% in 2023-24 compared to 2022-23²⁸
- These increases come on top of pre-existing problems of fuel poverty. In 2019 (the most recent year for which figures are available) 13.2% of households were in fuel poverty.

²² WBG (2019) [A Home of Her Own: Housing and Women](#)

²³ Resolution Foundation (2017) [Low Pay Britain 2017](#) p.5

²⁴ EHRC (2017) [Impact of tax and welfare reforms between 2010 and 2017: interim report](#)

²⁵ E.g. see F Bennett (2018) 'Gender and social security' in J Millar and R Sainsbury (eds.) *Understanding Social Security* (3rd edn.), Bristol: The Policy Press

²⁶ Runnymede Trust and ICM (2020) 'Under-Protected The Devastating Impact of COVID-19 on Black and Minority Ethnic Communities in Great Britain'

²⁷ Scope (2023) [The Disability Price Tag 2023: the extra cost of disability](#)

²⁸ Resolution Foundation (2023) [The only way is down](#)

- Single parents are particularly likely to be in fuel poverty. In 2020 26.5% of single-parent households were in fuel poverty, a significant increase from 18.9% in 2018²⁹. However, End Fuel Poverty predicts that 55.7% of single parent households were in fuel poverty in 2022³⁰
- According to research carried out by Runnymede, it was expected that the ‘Energy Price Guarantee’ would lift more white households out of fuel poverty than Black and minority ethnic households. As a result, just under a third (32%) of White people were predicted to experience fuel poverty in the winter of 2022 compared to more than half (52%) of Black and minority ethnic people (rising to two thirds (66%) of Pakistani and Bangladeshi people)³¹.

Food Costs

- Food price inflation hit 19.2% in March 2023, the highest rate since 1977³².
- However, as food writer and activist Jack Monroe has pointed out, ONS inflation data is based on the price of an ‘average’ basket of goods and doesn’t take into account the fact that poorer people will rely on value ranges and discounted goods, where price rises have been steeper³³. This is clear when considering the average prices of bread and cereals rose by 19.4% in the year to March 2023³⁴.
- Again, this comes on top of pre-existing problems with food insecurity. In 2021/22, 24% of households with incomes of under £200 a week reported food insecurity³⁵.
- 27% of single-parent households with three or more children reporting food insecurity³⁶.
- Data from the Food Foundation’s Food Insecurity Tracker March 2023, shows that food insecurity levels are over three times as high in ‘households with an adult limited a lot by disability than households with no adults limited by disability’³⁷.
- The Food Foundation also found that minority ethnic families are already twice as likely to be suffering from food insecurity, with 1 in 5 minority ethnic households currently food insecure compared to 1 in 10 white households.
- The “Food and You” survey shows that 83% of women declared to have half or more of the responsibility for grocery shopping, versus a 57% of men. Regarding preparing or cooking food, 82% of women had half or more of this responsibility, versus 51% of men in the same category³⁸.

Childcare

Childcare is an issue for all parents and yet in practice, because of its affordability and accessibility, it has a far greater impact on women’s employment and income. It is the single most important driver of the gender pay and labour market participation gap. The current early education and childcare system in the UK is expensive and formal provision is patchy.

²⁹ Department for Business, Energy & Industrial Strategy (2022) [Fuel poverty statistics report for 2022 \(2020 data\)](#)

³⁰ End Fuel Poverty (2022) [Children set to suffer as energy bills rocket](#)

³¹ Runnymede (2022) [Falling Faster amidst a Cost-of-Living Crisis: Poverty, Inequality and Ethnicity in the UK](#)

³² ONS (2023) [Cost of living insights: Food](#)

³³ Jack Monroe (19 Jan 2022) [Twitter thread](#)

³⁴ ONS (2023) [Cost of living insights: Food](#)

³⁵ ONS (2023) [Family Resources Survey: financial year 2010 to 2022](#)

³⁶ Ibid

³⁷ The Food Foundation (2023) [Food insecurity tracker update](#)

³⁸ Food Standards Agency (2020), Food and You - Combined Results for England, Wales and Northern Ireland. Chapter 1.

- The OECD reported that the UK has the most expensive childcare system in the world with 35.7% of income being spent on it³⁹.
- In-work poverty rates for households with children are higher than for those without children, and among families with children they are higher for single-earner than dual-earner families⁴⁰. Low-income households with children say that the issue of childcare is one of the reasons they are unable to work more hours⁴¹.
- A national report into the childcare crisis from Pregnant Then Screwed found that 76% of mothers who pay for childcare say it no longer makes financial sense for them to work. In addition, 11% of parents say that childcare costs are the same or more than their take-home pay per day. And 22% of parents say that childcare costs are more than half of their household income⁴².
- The survey on Economic Inactivity⁴³ shows that of the economically inactive population, 59% are women and 41% are men. Among those women who want a job, 25.5% declare to be looking after their family or home, versus 96.6% for men.
- Childcare unaffordability is a compelling reason for choosing to have an abortion among 60.5% of participants of a survey conducted by Pregnant then Screwed. For 17% this was the main reason⁴⁴
- In the case of black women, 76% declared that childcare costs influenced their decision to have an abortion. The figures are similar for women from mixed ethnic backgrounds, with 76% of the participants indicating this⁴⁵.
- In 2023, the price of childcare rose by 5.6% for those aged under two to £148 per week for just a part time place ⁴⁶.
- The cost of childcare has soared over the past decade and is now more than £2,000 a year higher than it was in 2010, according to analysis from the Trades Union Congress⁴⁷.
- Low-paid workers are more likely to work non-standard hours such as evenings and weekends or have irregular shift patterns. Finding formal childcare to fit in with these work patterns is much more difficult. Research found that low-paid workers use more informal childcare, with the inflexibility of their work patterns and the cost of childcare a large factor in why they don't work more hours⁴⁸.
- Under Universal Credit, low-income parents can claim 85% of childcare costs. However, this still leaves working parents with 15% of the costs to pay, reducing the benefits of working or increasing their hours, and although the Government recently increased the cap on the amount parents can claim, it still falls short of adequately addressing the exorbitant costs of childcare in the most expensive parts of the country, such as London.

³⁹ OECD (2019) [Net childcare costs](#)

⁴⁰ JRF (2020) [UK Poverty 2019/20](#)

⁴¹ Ibid

⁴² Pregnant then Screwed (2023) [A Cry For Help](#)

⁴³ ONS (2023) [INAC01 SA: Economic inactivity by reason \(seasonally adjusted\)](#)

⁴⁴ Pregnant then Screwed (2023) [A Cry For Help](#)

⁴⁵ Pregnant Then Screwed (2022), ['6 in 10 Women Who Have Had an Abortion Claim Childcare Costs Influenced Their Decision'](#)

⁴⁶ Coram Family and Childcare (2020) [Childcare Survey 2020](#), p. 17

⁴⁷ The Guardian (13 June 2022) [UK childcare costs soar by more than £2,000 in a decade, TUC says | Childcare | The Guardian](#)

⁴⁸ Bünning, M & Pollmann-Schult, M (2016) : Family policies and fathers' working hours: cross-national differences in the paternal labour supply, Work, Employment and Society

- WBG therefore welcomed the government's announcement at the 2023 Spring Budget of a significant expansion of the early years and childcare free hours offer to younger children from working families⁴⁹.
- However, we are concerned about the challenges for delivering this expansion of provision. We estimate that to fund the current hours at their true cost will cost an additional £1.82 billion, which includes the impact of inflation and paying at least the national living wage to early years workers⁵⁰.
- Any expansion has to come with a plan to recruit, train and pay early years workers properly. The early years workforce, predominantly women, are some of the worst paid people in the labour market, with 45% relying on benefits to supplement their income, leading to over a third leaving the sector within two years.

You can read our full response to the Spring Budget's early years and childcare announcements on our [website](#). For more information about childcare see our latest [briefing](#).

How effectively is the Government's cost of living response helping women to meet the costs of essentials?

Social security benefits have decreased in real terms, deepening the income crisis for households supported by social security. Women are more likely than men to rely on social security for a larger part of their income because they earn less than men on average and are more likely to have disabilities and caring responsibilities, leaving them with less time for paid work across a lifetime.

- Women tend to rely more on means-tested benefits and men more on national insurance benefits which are not means tested. It can be harder for women to qualify for national insurance benefits because of periods out of paid work⁵¹.
- 'No recourse to public funds' means that a person is unable to access welfare benefits as well as public housing. It indirectly discriminates against migrant women who are more likely to rely on these services due to caring responsibilities and low pay.
- A social security system that provides for women is vital to recognise their humanity and wider contributions to society beyond paid employment⁵².
- We welcome the uprating of social security benefits by 10.1%, in line with September 2022 inflation. This will prevent the incomes of some of the most vulnerable households from falling in real terms. However, successive cuts to the value of social security are already leaving many struggling. Further increases in benefits are needed to restore their real-term value to pre-pandemic levels.
- The childcare element of working-age means-tested benefits was not increased in line with inflation. The childcare element of Universal Credit remains frozen since 2016, while the childcare element of Working Tax Credits has been frozen since 2006. This decision is at odds with the attempts of the Government to increase participation in the paid labour market.
- The announcement of the benefit cap uprate is a long-awaited measure, as it has been frozen since 2016. This punitive measure, alongside the two-child limit, is unfair and puts extra pressure on large families and children. Women are the ones typically cutting down on essentials for themselves to provide for their children and family members. These measures must be abolished to prevent more children and women from being thrown into poverty.

⁴⁹ WBG (2023) [WBG finds Government funding for early education and childcare falls short by £5.2bn](#)

⁵⁰ WBG (2023) [WBG's response to the Spring Statement 2023](#)

⁵¹ WBG with five women's organisations in Coventry (2018) [The Female Face of Poverty](#)

⁵² WBG (2023) [Spring Budget 2023: Social security and gender](#)

Tax Credits and Universal Credit

- Cuts and changes made to benefits since 2010 under the umbrella of austerity have resulted in reductions in payments and increases in women's, children's and in-work poverty. The introduction of Universal Credit (UC), the benefit cap, the two-child limit, the 'bedroom tax', the benefits freeze and other changes have exacerbated inequalities based on gender, race, class and disability⁵³.
- The abolition from April 2017 of any additional child element in Universal Credit (UC) for third and subsequent children is having a disproportionate adverse impact on Black and minority ethnic women. 51% of Black African, 65% of Pakistani and 64% of Bangladeshi children live in families with three or more children compared to 30% of those in White British families. In addition, 15% of Black Caribbean, 23% of Black African and 11% of Pakistani children are in lone-parent families with three or more children⁵⁴.
- Cuts to work allowances in UC and the increased taper rate compared with tax credits for many 'second earners', reduce employment incentives and therefore the capacity of many women to earn a decent living⁵⁵.
- A 2020 report from the House of Lords Economic Affairs Committee found that UC is failing in its ambitions to 'make work pay', lift people out of poverty and provide income to meet basic needs⁵⁶. These failings particularly affect women because women are more likely to rely on the social security system at some point, as noted above.
- The £20 Universal Credit uplift that was introduced as a response to the pandemic has now been reversed despite calls for it to be made permanent. To provide winter support after the uplift ended, the government announced a £500 million Household Support Fund. However, it was insufficient to compensate for the losses arising from the end of the uplift⁵⁷.
- Analysis by the Joseph Rowntree Foundation demonstrates that the temporary £20 uplift to Universal Credit's standard allowance during the pandemic was a major factor behind a temporarily reduced poverty rate in 2020/21, including for larger families⁵⁸.
- The Trussell Trust also reports that there was a slight reduction in the use of foodbanks following the 'Cost of Living Payments' to support with high energy bills, while Citizens Advice reports there was a reduced demand for advice. These temporary measures highlight how financial support can make a real and direct difference⁵⁹.

Housing Benefit

- In 2012, Local Housing Allowance (LHA) rates, the maximum private rent payable by housing benefit, were cut from the median to the 30th percentile of local private rents among non-housing benefit recipients⁶⁰.
- Overall national caps were introduced for each home-size up to a maximum rate of four bedrooms⁶¹. Single adults aged 25-34 were limited to the rate for a room in a shared house⁶².

⁵³ Ibid

⁵⁴ WBG calculations by Lucinda Platt (LSE), based on Households Below Average Income surveys (2010/11 to 2012/13).

⁵⁵ De Henau, Jerome. UKWBG (2019) [Social Security and Women](#)

⁵⁶ House of Lords Economic Affairs Committee (2020) [Universal Credit isn't working: proposals for policy reform](#)

⁵⁷ WBG (2023) [Spring Budget 2023: Social security and gender](#)

⁵⁸ JRF (2023) [UK Poverty 2022](#)

⁵⁹ JRF and The Trussell Trust (2023) [An Essentials Guarantee](#)

⁶⁰ Tunstall, B. UKWBG (2020) Housing and Gender [final-housing-2020.pdf \(wbg.org.uk\)](#)

⁶¹ Ibid

⁶² Ibid

- From 2012 to 2016 LHA rates were updated in line with the Consumer Prices Index (CPI) rather than in line with actual rents, and in 2016 they were frozen (falling in real terms)⁶³.
- In 2013, the overall benefit payable to working-age households was capped, and the cap was reduced in 2016 to £20,000 per year (£23,000 in London, and £15,000 for single adults). Households in high-rent areas and those with several children were most affected⁶⁴.
- These changes have disproportionately affected women as they are more likely than men to be in receipt of Housing Benefit, with women making up 60% of adults in households claiming Housing Benefit⁶⁵. In addition, 30% of households claiming Housing Benefit are women living on their own and another 22% are lone-parents⁶⁶.

For more information about social security see our latest [briefing](#).

Statutory Sick Pay

The UK's weekly rate for statutory sick pay (SSP) is £94.25 for up to 28 weeks. On average, that is just 20% of a worker's income. Many still do not earn enough to qualify, putting too much of a financial imperative to carry on working. The UK is also one of only four countries in the EU where self-employed people are not eligible for any sick pay⁶⁷.

1. WBG calculations find that 15.5% of women and 10.6% of men do not earn enough to qualify for SSP.
2. For those who do qualify, over 4 in 10 workers told the TUC that they would be pushed into debt or not be able to pay bills if their income dropped down to £96 per week for just two weeks⁶⁸.

WBG recommendations

1. **Social security:** As the cost-of-living crisis comes after over a decade of severe cuts to social security and public services which left families struggling financially, it is crucial that the fabric of the benefit system is repaired with urgency. We call for:
 - an increase in benefits to keep pace with inflation;
 - the abolition of the benefits cap and the two-child limit;
 - the conversion of Universal Credit advances into non-repayable grants;
 - increases in ESA, Jobseekers' Allowance and Statutory Sick Pay;
 - an increase in Child Benefit to £50;
 - increasing and extending sick pay to include the self-employed, and those in low-income jobs and on precarious contracts.
 - and an end to the 'No recourse to public funds' condition, which excludes many migrant women from support.

⁶³ Ibid

⁶⁴ Ibid

⁶⁵ (Assuming couple household claimants include an equal total number of men and women) Department of Work and Pensions (2017) Housing Benefit Caseload Statistics: Data to May 2018

⁶⁶ Tunstall, B. [UKWBG \(2020\) Housing and Gender](#)

⁶⁷ Publications Office of the EU (2016) [Sick pay and sickness benefit schemes in the European Union - Publications Office of the EU \(europa.eu\)](#)

⁶⁸ TUC (2021) [Covid-19 and Insecure Work | TUC](#)

2. Windfall tax: The bulk of the increases in cost of living should fall on those more able to shoulder them. We call for:

- a windfall tax on energy companies to tax the steep profits resulting from the increase in energy prices, to help support families struggling to pay their energy bills.

3. Public service investment: In the longer-term, we call for investment in public services that support people in bearing these costs:

- investment in retrofitting homes, to reduce energy costs;
- investment in public transport, particularly in rural areas, to reduce transport and fuel costs;
- investment in social housing, to reduce housing costs;
- investment in social infrastructure, particularly care services, to support people with care needs and so that unpaid care becomes truly a choice.

3. Violence against women and girls (VAWG): The Government must commit to long-term grant funding for specialist VAWG service provision, including ringfenced funding for 'by and for' services for minoritised women.

WBG also supports Women's Aid's ask which are to commit to a longer-term 'financial hardship fund' as part of the next spending review, to ensure survivors facing financial difficulty can access basic essentials. Modelled on the recent 'emergency fund' from the Home Office, to be disbursed through Women's Aid Federation of England. To increase sustainability and maximise impact Women's Aid recommends key changes to the model piloted in the first iteration of the fund:

- Target at survivors using refuge or community-based support services
- Target at two specific times, during the gap between leaving an abuser and accessing benefits or otherwise securing financial independence and at the point of leaving a refuge service and moving into longer term accommodation - Increase flexibility of individual grant amounts.

4. Housing: Women's housing situation differs from that of men, and is generally poorer, in terms of affordability, ownership, safety and overcrowding. Women are also the majority of people statutorily homeless and single mothers make up two-thirds of homeless families with children.

We call for both short- and long-term solutions:

- In the short-term, restore the link between Local Housing Allowance (LHA) and actual rental prices. Raise LHA to the 50th percentile to ensure those on housing benefit don't face rent shortfalls.
- In the long-term, the Government needs to commit to investing in social housing, building new, low carbon homes with guaranteed low rents.