

Comprehensive Spending Review

Women's Budget Group submission

February 2025

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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 and the new economics and women's movements, alongside a professional staff team, who are all essential to our work.

Summary

The UK is still grappling with the cumulative impact of Covid-19, Brexit, austerity, and the cost-of-living crisis. Rising child poverty, long NHS waiting lists, and economic inactivity disproportionately affect women, who are more likely to take on unpaid care work when public services fail. Without urgent investment in social care, early education, and healthcare, more women will be pushed out of paid work, deepening the gender employment gap and harming the economy.

The Chancellor is right to focus on investment, and the rise in average GDP spending to 2.6% is a positive sign for the economy. However, prioritising this investment in physical infrastructure alone overlooks a fundamental barrier to building a thriving economy.

Economic growth is being constrained because people cannot access adult social care, timely medical treatment, or afford their children's nursery fees, driving up economic inactivity as a result. These services - our social infrastructure - are at breaking point. Waiting for the economy to grow before investing in them misses a critical fact: public services are the backbone of a strong economy, not just a consequence of it.

The argument that we must wait for growth before investing in social infrastructure contradicts the Government's recognition that investing in physical infrastructure is an engine for growth. Rather than wait for economic growth before investing in social infrastructure, such investment is vital to building a strong economy. Moreover, in 1945, the UK built the welfare state while facing unprecedented debt, recognising that a healthy, supported population is the foundation of a thriving economy.

Today, the same principle applies. Research shows that spending on care creates 2.7 times as many jobs as the same investment in construction while producing 30% fewer

emissions¹. Prioritising investment in care, education, and health will not only drive employment and productivity but also build a fairer more inclusive economy.

And while we recognise that the Government faces financial challenges, further cuts are not the answer. Austerity has already played a decisive role and significantly impacted women's living standards, gender and other inequalities, poverty levels, health outcomes, and the essential public services that sustain our economy and wellbeing. And our research shows that women on low incomes, women from Black, Asian and minority ethnic backgrounds, Disabled women, and families with children are among those hardest hit². Instead, a balanced investment approach is needed. Expanding and strengthening social infrastructure alongside decarbonising physical infrastructure will create a more resilient, inclusive, and sustainable economy. And this needs to be funded by fair, progressive taxation whereby individuals and companies make their proportionate financial contribution to a well-functioning society across generations.

This submission sets out the critical role of investment in social infrastructure, the gendered impact of current policy, and the urgent reforms needed. It also outlines how this can be fairly funded and the accountability measures required to ensure these policies deliver real change.

¹ WBG (2020) [A Care-Led Recovery from Coronavirus](#)

² WBG (2024) [Where do we go from here? An intersectional analysis of women's living standards since 2010](#)

From Concrete to Care:

The Case for Inclusive Infrastructure Investment

Adult social care

Adequate investment in social care has the power to directly transform local economies, particularly in disadvantaged areas where unmet care needs are greatest. Expanding the sector and improving pay and conditions would create high-quality, well-paid jobs across the country³.

Before Covid, 1.8 million people aged 65 and over had unmet care needs⁴. Social care is essential not just for individuals but for the economy, yet chronic underfunding has left the workforce underpaid and undervalued. More people face unmet needs, catastrophic care costs, and increasing reliance on unpaid carers, the majority of whom are women and the majority of those who are economically inactive due to long-term sickness or providing unpaid care^{5 6}. While care provided within families may appear to be free, it carries costs for individuals, the state, and gender equality.

The financial burden on local authorities is unsustainable. Social care now consumes 40% of local government budgets on average - Hampshire spends 83%, with a projected £175m deficit in 2025-26^{7 8}. Yet, despite rising demand, central government funding for local authorities fell by 26% (2010/11-2020/21). And the additional £600m allocated to adult social care in the 2024 Budget is insufficient to address these challenges. Estimates by the Health Foundation calculate that just to meet future demand an extra £6.1bn of

³ WBG (2020) [A Care-Led Recovery from Coronavirus](#)

⁴ WBG and New Economics Foundation (2022) [Universal Quality Social Care: Transforming adult social care in England](#)

⁵ ONS (2023) [Unpaid care by age, sex and deprivation, England and Wales: Census 2021](#)

⁶ WBG (2024) [Women and the Labour Market](#)

⁷ IFS (2024) [Adult social care in England: what next?](#)

⁸ The FT (2024) [The English county facing the biggest financial 'black hole'](#)

funding is needed; to meet future demand and improve access £8.9bn is needed; and to meet future demand, improve access and improve quality of care £14.4bn is needed⁹.

The net costs of a reformed care system must be funded by central government. Regional and income disparities mean the poorest areas have the greatest care needs yet have the lowest means and therefore constrained ability to raise funds. Relying on increases to council tax or business rates to fill the gap would not only be far from sufficient overall, it would also widen regional inequalities, as areas already forced to make the deepest cuts struggle to generate additional revenue.

The economic case for investment

Our research with NEF highlights the transformative potential of investing in social care:

Job Creation

- Raising care workers to 10% of the employed population to address all moderate and severe care needs, paid at the real living wage, would create 1.35 million jobs¹⁰, boost employment rates by 5 percentage points, and reduce the gender employment gap by 4 percentage points¹¹.

Tax Revenue

- Because of larger employment effects, investment in the care sector would generate 50% more tax revenue compared to the same investment in construction¹².

Environmental Impact

- Social care investment is 30% greener than construction, supporting a care-led, green recovery¹³.

⁹ The Health Foundation (2021) [Social care funding gap](#)

¹⁰ WBG and NEF (2022) [Universal quality social care: Appendix](#)

¹¹ WBG (2020) [A Care-Led Recovery from Coronavirus](#)

¹² Ibid.

¹³ Ibid.

Recommendations - Immediate actions

- Ensure DWP has sufficient funding to support unpaid carers by ensuring adequate and accessible benefits that do not disproportionately penalise those who supplement their income with paid work.
- Address the workforce crisis by ensure DHSC has sufficient funding to invest in fair pay, professional development, and training opportunities.
- Implement a comprehensive workforce strategy to tackle retention challenges, high turnover rates, and the lack of career and pay progression in the sector.
- Conduct a cumulative equality impact assessment to demonstrate the cumulative societal and economic benefits of sufficient investment in avoiding the costs of inaction as set out above.

Recommendations - Long-term

To build a high-quality universal social care system that is free at the point of use, long-term investment is essential. This would require £85.92bn annually¹⁴ 44% of which would be recouped through additional revenues¹⁵. However, this investment would generate 1,355,000 jobs across the economy¹⁶.

To achieve this, the Government must:

- Implement universally free provision at the point of need, with no means testing.
- Improve working conditions, including establishing a sector-wide minimum wage in line with the Real Living Wage.
- Expand services to all who meet the national eligibility criteria set out in the Care Act¹⁷.

Read more: [Universal Quality Social Care: Transforming adult social care in England](#)

¹⁴ This is an inflationary adjusted calculation of the costs as set out in WBG and NEF (2022) [Universal quality social care: Appendix](#)

¹⁵ This is assuming a take-up rate of 35% for the over 65s, similar to that found in Scotland for free personal care.

¹⁶ WBG and NEF (2022) [Universal quality social care: Appendix](#)

¹⁷ The Care Act 2014 recognises the importance not only of personal care but also helps with what are called incidental activities of Daily Living, such as 'making use of necessary facilities or services in the local community, including public transport and recreational facilities or services.' However, current social care provision rarely extends to this.

Early Education and Childcare

High quality early education and childcare is a form of social infrastructure that is integral to the productivity of the economy, wellbeing of families and to gender equality. We therefore welcome the Government's focus on early years, particularly the recently announced 45% uplift in the Early Years Pupil Premium (EYPP), and the commitment to supporting early childhood development.

However, without increasing hourly funding rates to match rising costs - including National Insurance and the National Living Wage - provision will continue to be placed under pressure. With staffing making up around 75% of overheads, inadequate funding means parents will bear the extra costs just when their bills should be falling¹⁸. This will hit women hardest, forcing many mothers out of work, pushing families deeper into financial insecurity, and widening gender inequalities.

The absence of flexible, affordable and quality early education and childcare is a huge barrier to positive child outcomes, tackling inequality and increasing women's employment. Without urgent action, the Government risks undermining its own childcare and economic goals.

The social and economic case for investment

- **Attainment gaps persist:** Two-fifths of the attainment gap at age 16 is already present by age five between the most deprived fifth of families and the least deprived fifth of families due to limited access to quality EEC¹⁹.
- **The poorest children are excluded:** Just 20% of the poorest third of families qualify for the existing 30-hour offer for three- and four-year-olds²⁰.

¹⁸ Early Education and Childcare Coalition (2024) [Coalition responds to the 2025-2026 funding entitlements](#)

¹⁹ Hutchinson, J. and Dunford, J. (2016) Divergent pathways: the disadvantage gap, accountability and the pupil premium. Education policy institute

²⁰ Lloyd, E. (2018) [Submission of Written Evidence to the Treasury Committee's Childcare Enquiry](#)

- **Inadequate SEND provision:** Just 6% of local authorities have enough provision for children with Special Educational Needs and Disabilities (SEND), down from 18% in 2023²¹.
- **Childcare costs crippling families:** The average full-time nursery place for a two-year-old costs £290.77 per week - 49% of a woman's median full-time salary^{22 23}.
- **For many women it doesn't pay to work:** 1.7 million women are prevented from taking on more hours of paid work due to childcare barriers, costing the economy £28.2bn annually²⁴.

Recommendations

Long-term, the Government must invest in a system of high quality universal free childcare, as set out in our report: [Calculating the costs of a high quality, free universal childcare system](#):

- In a first stage, 30 hours of free early education and childcare for all children from six months onwards, rising to 35 hours at a later stage.
- An increase in staff qualification levels and pay at a minimum of the Real Living Wage in the first stage, and in line with primary education levels at a later stage. This is crucial to improve retention, job satisfaction and quality of care.
- Total annual spending required for first and second stage: £18.8bn and £31.2bn²⁵.
- Investment in such a system will largely pay for itself due to the big returns on maternal employment and the multiplier effects across the economy, including higher spending power, indirect jobs created and savings on social security benefits²⁶.

²¹ Coram Family and Childcare Trust (2024) [Childcare Survey 2024](#)

²² ONS (2023) [Earnings and hours worked, place of residence by local authority: ASHE Table 8](#)

²³ Coram Family and Childcare Trust (2024) [Childcare Survey 2024](#)

²⁴ Centre for Progressive Policy (2021) [Women in the Labour Market](#)

²⁵ This is an inflationary calculation adjusted from the costs as set out in WBG (2021) [Calculating the costs of a high quality, free universal childcare system](#)

²⁶ For more details see J De Henau (2022) [Simulating employment and fiscal effects of public investment in high-quality universal childcare in the UK](#). *International Journal of Child Care and Education Policy*, 16: 3

In the short to medium-term, we support the following recommendations as set out by the Early Education and Childcare Coalition:

- Establish a new National Early Years Commission to examine how current policy and services can better support families in the first five years of a child's life.
- Take steps to improve access to high quality inclusive provision for all children that is affordable for their parents.
- Commit to fair and sustainable funding for all types of providers.
- Invest in a new early years workforce strategy.

Read more: [Calculating the costs of a high quality, free universal childcare system.](#)

Women's health

The 2010s saw the longest spending squeeze in the history of the NHS: growth in spending was 1.6% during 2010-2019 (annual average), down from 3.7% each year since it began in 1948. In the Autumn Budget, a 3.8% per year real-terms increase was allocated for Health and Social care between 2023/24 and 2025/26. This is significantly higher than the increases under austerity, but lower than the peak years of spending under the previous Labour Government (6.7%)²⁷ at a time when the healthcare service is in urgent need of resources. In August 2024, the NHS waiting list reached 7.64 million²⁸.

The additional funding for capital and current spending for the NHS is a welcome lifeline, but it is not enough to manage the crisis the sector is experiencing. The King's Fund has said it will 'keep the show on the road for health care services and deliver some improvement, but it is unlikely to deliver a step change in access or quality to care'²⁹.

²⁷ The King's Fund (2024) [What does the Autumn Budget 2024 mean for health and care?](#)

²⁸ BMA (2024) [NHS backlog data analysis](#)

²⁹ The King's Fund (2024) [What does the Autumn Budget 2024 mean for health and care?](#)

Spending on health has a gendered impact. Although women have a longer life expectancy than men, they experience ill health or disability for a larger proportion of their lives compared to men³⁰. Access to and quality of services related to women's health are also under threat: the Care Quality Commission found that nearly half of maternity services they inspected required improvement or were inadequate³¹.

Women's health has seen particular fragmentation, with services like cervical screening covered by the NHS rather than specialist sexual and reproductive health services, meaning women are subject to multiple invasive procedures. Waiting times for gynaecology have gone up by 109% since 2020³². The UK has the widest gender health gap in the G20 and the 12th widest in the world³³. Women also make up three-quarters of NHS employees³⁴.

It was concerning therefore, that the new NHS priorities and targets were published without any mention of women's health services, though we welcome the focus on maternity and neonatal services³⁵.

The social and economic case for investment

- Lack of effective services and treatments for women's health has an effect on the economy, with over 1.4 million women being out of the labour market due to long-term sickness, compared to almost 1.3 million men³⁶.
- A recent poll by Mumsnet found that nearly a fifth of women have reduced their hours or left their job as a result of women's health related issues³⁷.

³⁰ Department of Health and Social Care (2024) [Women's health hubs: cost benefit analysis - GOV.UK](#)

³¹ CQC (2024) [National review of maternity services in England 2022 to 2024](#)

³² IFS (2024) [The Past and Future of NHS Waiting List in England](#)

³³ British Medical Association (2022) [Closing the gender health gap: the importance of a Women's health strategy](#)

³⁴ Women's Budget Group (2024) [Health inequalities and gender: Briefing for a new government](#)

³⁵ NHS England (2025) [2025/26 priorities and operational planning guidance](#)

³⁶ ONS (2024) [INAC01 SA: Economic inactivity by reason \(seasonally adjusted\)](#) October 2024

³⁷ The Telegraph (2025), available at <https://www.telegraph.co.uk/news/2025/02/02/women-forced-work-cannot-get-nhs-treatment-mumsnet-poll-uk/>

- The ONS recently reported a decrease in working-age women's monthly earnings between one and five years following diagnosis of endometriosis of an average £130 per month³⁸.

Recommendations

- Funding for the NHS should be restored to the long-run average once the backlog of treatments has been cleared.
- Public Health spending should be reinstated, and a new Women's Health Strategy should ensure that the fragmentation of services is reversed.
- Increase pay and improve conditions for NHS staff. Ensure that any workforce strategies go hand in hand with improvements to funded childcare and wrap around care.

Fair Funding for Local Government

The erosion of local government spending power

Local government plays a crucial role in delivering and supporting the social infrastructure that communities rely on, from social care and childcare to transport and public health, yet years of underfunding have left councils struggling to maintain these essential services.

Local authorities are at a breaking point due to a decade of funding cuts. Since 2010, councils' spending power has fallen by 26%, with core funding declining by 18% per person in real terms³⁹. The 2024-25 Local Government Funding Settlement leaves all councils worse off than in 2015/16, even when adjusted for inflation and population growth⁴⁰.

According to the LGA, local authorities face a funding gap of £6 billion in the next two years, with 88% of councils planning to use reserves to manage cuts⁴¹.

³⁸ ONS (2025) [The impact of an endometriosis diagnosis on monthly employee pay and employee status, England: April 2016 to December 2022](#)

³⁹ IFS (2024) [How have English councils' funding and spending changed? 2010 to 2024](#)

⁴⁰ Women's Budget Group (2024) [Local Government and Gender: Briefing for a new government](#)

⁴¹ LGA (2024) [Relationship reset with whoever forms next government needed as councils face more than £6bn funding gap](#)

Regional and economic disparities mean that the areas with the greatest care needs are often the poorest areas and therefore have the least capacity to raise funds through increased council tax or business rates. Doing so would therefore not only fail to bridge the funding gap, but would also exacerbate regional inequalities, leaving already struggling councils with even fewer resources to meet rising demands. Increased funding therefore needs to come from central government.

The social and economic case for fair and sustainable central government funding

The increasing reliance on council tax to fill funding gaps has hit the poorest areas hardest. The most deprived councils have seen a 35% per person funding drop, compared to 15% in the wealthiest councils since 2011/12⁴². This deepens regional inequalities and limits access to vital local services.

Women and girls – particularly Black, Asian and minority ethnic and Disabled women – have borne the brunt of these spending cuts. They rely more heavily on local authority services due to their disproportionate share of unpaid childcare and care work⁴³. Meanwhile, women make up 75% of local government and school workers leaving them directly vulnerable to pay cuts and redundancies.

Gender equality is fundamental to building strong local economies. WBG and CLES research found that⁴⁴

- Women's barriers to paid work, including underemployment and lower pay, result in a £88.7bn loss to the UK economy annually – equivalent to the annual contribution of the financial services sector.
- Regionally, the local economies lose £1.68bn per year on average, with some areas losing nearly 10% of their annual output⁴⁵.

⁴² IFS (2024) [How have English councils' funding and spending changed? 2010 to 2024](#)

⁴³ WG (2024) [Where do we go from here? An intersectional analysis of women's living standards since 2010](#)

⁴⁴ CLES and WBG (2023) [Women's work How gender equality can deliver stronger local economies](#)

⁴⁵ Calculation of the estimated value of reducing women's economic inactivity level to the same rate as men's - CLES and WBG (2023) [New research: prioritising gender inclusion in economic strategies](#)

Economic strategies must be gender-responsive, ensuring that growth policies do not re-inforce inequalities and that funding decisions are based on detailed data analyses uncovering disparities by region, sector, and demographic group.

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 well-being of women, children and those in need of all forms of care.
- Meaningful equality impact assessments of local government funding levels and proposed cuts should be carried out by central government and local authorities.

Read more: [Local government and gender: Briefing for a new government](#)

Reforming Social Security

Social security is a vital safeguard against poverty, providing protection from risks and contributing to economic stability. However, recent reforms have worsened financial insecurity, particularly for women, children, ethnic minority groups, Disabled and migrant women, and single mothers. This is because women earn less than men on average, take on more unpaid care work, and face barriers to employment due to disability, or caring responsibilities. Without a strong safety net, they remain at higher risk of poverty and financial dependence, which increases vulnerability to domestic and sexual abuse, making it harder to leave abusive relationships. More broadly, it undermines autonomy and equality in relationships.

Cuts and policy changes since 2010 - including Universal Credit reforms, the benefit cap, the two-child limit, and the benefits freeze - have worsened poverty among women,

children, and working families while deepening inequalities of gender, race, class, and disability^{46 47 48}.

The benefits freeze (2016–2020) meant working-age benefits failed to keep pace with inflation, pushing many families, particularly those with children, into poverty. Recent increases have not compensated for past losses, leaving low-income households struggling even more amid the cost-of-living crisis⁴⁹.

According to Maternity Action, the £184.03 weekly Statutory Maternity Pay and Maternity Allowance are currently worth less than half (46%) the £400.40 that someone on the higher rate National Minimum Wage would be paid for working a 35-hour⁵⁰.

Even more concerning, Maternity Allowance is failing in its intended purpose of protecting many women who are not eligible for Statutory Maternity Pay because of the anomaly in the way Maternity Allowance is treated for Universal Credit purposes. Maternity Allowance is classified as unearned income and counted pound-for-pound, meaning that a Maternity Allowance claimant who receives Universal Credit can be more than £6,000 a year worse off compared to a woman on Universal Credit and Statutory Maternity Pay.

Pensioner poverty is rising, with 16% of pensioner households living in poverty - half of those experiencing material deprivation - underscoring the urgency of reform⁵¹. Older women, particularly those who are single, are at greater risk of poverty, often relying entirely on the state pension and means-tested benefits. Women face structural disadvantages in non-state pension provision, overrepresented in low-income groups and more likely to be excluded from automatic enrolment due to the earnings threshold. In 2024, the

⁴⁶ Joseph Rowntree Foundation (2020) [What has driven the rise of in-work poverty?](#)

⁴⁷ WBG and The Runnymede Trust (2017) [Intersecting Inequalities: The impact of austerity on Black and minority ethnic women in the UK](#)

⁴⁸ WBG (2018) [Disabled women and austerity](#)

⁴⁹ Joseph Rowntree Foundation (2019) [End the benefit freeze to stop people being swept into poverty](#)

⁵⁰ Maternity Action (2024) [The real facts about Maternity Pay](#)

⁵¹ Age UK (2024) [Poverty and financial disadvantage in later life](#)

Pensions Policy Institute found that 17% of women - compared to 8% of men - do not meet the enrolment criteria⁵². Women's pension wealth remains over a third lower than men's due to the gender pay gap, interrupted careers, and systemic inequalities in defined contribution schemes⁵³.

The social and economic case for investment

Social security is a foundation of a caring economy, ensuring income security, well-being, and opportunities for all. Covid-19 reinforced the importance of a robust, inclusive social security system.

We are particularly concerned about current discourse regarding potential cuts to health and disability benefits. WBG research found that Disabled women have faced a disproportionate decline in living standards, standing to lose 11% or the equivalent of over £4,000 a year, to tax and benefit changes and public spending cuts since 2010⁵⁴. This is because:

- According to the DWP, families where someone is disabled have a higher poverty rate than families where no one is disabled, 24.34% and 19.67% correspondingly⁵⁵
- According to the Census 2021, 23% of women are disabled versus 19% of men. Women represent 55% of Disabled people in England and Wales⁵⁶.
- Almost 55% of PIP claimants are women⁵⁷.
- According to latest ONS data, Disabled women are more likely to experience domestic abuse, showing that among Disabled people, 10% were victims of domestic abuse, versus 5% of non-Disabled people⁵⁸.

⁵² Pensions Policy Institute (2024). [The Underpensioned: Defining the Gender Pension Gap](#).

⁵³ Ibid.

⁵⁴ WBG (2024) [Where do we go from here? An intersectional analysis of women's living standards since 2010](#)

⁵⁵ DWP (2024) [Households Below Average Income](#), 60 percent of median net household income (AHC) in latest prices by Disability within the family, 2022/23

⁵⁶ ONS (2023) [Age \(d\), disability, ethnic group and sex. Census 2021](#)

⁵⁷ IFS (2024) [Health-related benefit claims post-pandemic: UK trends and global context](#)

⁵⁸ ONS (2022) [Domestic abuse victim characteristics, England and Wales: year ending March 2022](#)

Far from helping people into work, further cuts will exacerbate falling living standards and rising inequalities amongst these groups. A system that prioritises dignity, universal protection, and gender equality is essential for economic stability and a fairer society.

Recommendations

To create a fair and effective social security system, the Government must:

- Increase benefits in real terms to at least restore pre-2010 values and ensure regular uprating to prevent further hardship.
- Abolish the benefit cap and two-child limit, end the Universal Credit five-week wait, and introduce a second-earner work allowance.
- Restore the link between Local Housing Allowance (LHA) and actual rental prices by raising LHA to the 50th percentile and maintaining it.
- Abolish the High-Income Child Benefit Charge and increase Child Benefit to £30 per child to restore it to pre-2010 values and reduce inequality.
- Address the anomaly in Universal Credit to ensure that Maternity Allowance is put on an equal footing with Statutory Maternity Pay and treated as earned income.
- Raise the level of Statutory Maternity Pay and Maternity Allowance to the level of the higher rate National Minimum Wage for a 35-hour week by the end of this Parliamentary term.
- Ensure state pensions remain adequate and not means-tested against couples' incomes.
- Address pension inequality by considering the impact of childcare, social care, housing, intra-household inequalities, and unpaid work.
- Remove the No Recourse to Public Funds condition, which excludes many migrant women from essential support.
- Retain Personal Independence Payment (PIP) and related disability benefits as cash payments to cover the additional costs of disability.

Read more: [Social security and gender: Briefing for a new government](#)

Housing

The gender affordability gap

Women's housing situation differs from that of men and is generally worse in terms of affordability, safety and overcrowding. In England, the percentage of women's median earnings absorbed by rent for a one-bedroom property was 47% in the year to April 2024, up from 36% at the same time in 2023. For men, this figure stood at 26% in 2023 and has increased to 34% in the year to April 2024. This widens the gender housing affordability gap from an already substantial 10 percentage points to 13 percentage points⁵⁹.

An Equality Impact Assessment carried out by the DWP in 2020 noted that, of housing support claimants who had a shortfall between their rent and their housing benefit, 52% were single women (as opposed to 18% single men and 30% couples). 66% of these women had one or more dependent children⁶⁰. Additionally, 41% of households claiming Housing Benefit are women living on their own, and another 9.5% are single mothers⁶¹. In terms of home ownership, the median home in England costs over 11 times women's median wages (eight times for men). Successive initiatives to support home buyers, such as the Help to Buy scheme, have benefitted the relatively privileged: in March 2021 average household income for those using the Help to Buy scheme was £63,229, almost double the average UK household income of £34,500^{62 63}.

Although men are the vast majority of those sleeping rough (84%), this extreme phenomenon is just the tip of the iceberg when it comes to homelessness⁶⁴. Women are the majority of people statutorily homeless (60%) and are more likely to experience hidden

⁵⁹ 2024 Women's Budget Group analysis of: [ONS private rental market summary statistics](#) and [ONS annual survey of hours and earnings](#) (table 8.7a)

⁶⁰ DWP (2020) [Equality analysis for uprating local housing allowance rates to the 30th percentile of local rents](#)

⁶¹ DWP (Feb 2024) [Stat-Xplore Dataset](#) – Housing Benefit data, Table 4: Family type by gender, Feb 2024

⁶² Joseph Rowntree Foundation (Aug 2020) [Build, build, build social housing](#)

⁶³ ONS (2024) [Average household income, UK: financial year ending 2023](#)

⁶⁴ In 2022 there were 3,069 people sleeping rough in England but 72,210 households classed as statutory homeless. Department for Levelling Up, Housing and Communities (2022) [Statutory homelessness in England: April to June 2022](#); Department for Levelling Up, Housing and Communities (2024) [Rough sleeping snapshot in England: autumn 2023](#)

homelessness⁶⁵. Single mothers make up two-thirds of homeless families with children (they are just one quarter of all families with children). Supported accommodation used by women has been affected by cuts to local government funding. Over 60% of referrals to refuges supporting women in England in 2022-23 were declined⁶⁶.

Housing will be a key sector in building a more environmentally sustainable economy. Smarter construction and energy-efficient design are essential, as housing currently accounts for 22% of the UK's carbon footprint, with 15% coming from heating and hot water.⁶⁷

The social and economic case for investment

Housing is a public health issue and a key driver of economic and social inequalities. Before the Covid-19 crisis, poor housing conditions cost the NHS over £1.4 billion per year, with housing inequalities contributing to disparities in Covid-19 infections and deaths⁶⁸. The Government currently spends £32 billion per year on housing support through the benefits system, with a significant portion of this money flowing to private landlords⁶⁹.

The impact of inadequate housing support

The decision in 2011 to reduce Local Housing Allowance (LHA) rates from the 50th percentile to the 30th percentile, alongside periodic freezes, has made at least two-fifths of private rental properties unaffordable.

- In 2022/23, Housing Benefit was used to help pay rent by⁷⁰:
 - 17% of working and 47% of non-working private renters
 - 36% of working and 77% of non-working social renters

⁶⁵ Joseph Rowntree Foundation (Aug 2020) [Build, build, build social housing](#)

⁶⁶ Women's Aid (2024) [The Domestic Abuse Report 2024: The Annual Audit](#).

⁶⁷ London Energy Transformation Initiative (2020) [Embodied carbon primer](#)

⁶⁸ Tunstall, R (2023) Stay home: Housing and home in the UK during the Covid-19 pandemic Bristol: Policy Press

⁶⁹ IPPR (2025) [The homes that children deserve: Housing policy to support families](#)

⁷⁰ DLUHC (2024) Survey of English Housing 2022/23 London: DLUHC [Annex tables for English Housing Survey headline report 2022 to 2023 - GOV.UK \(www.gov.uk\)](#)

- An estimated 440,000 households with children now have housing support that no longer covers their rent⁷¹.
- Without intervention, the IPPR warns that failure to raise LHA will push 90,000 more families into hardship within the next year⁷².

The case for expanding social housing

Expanding social housing provides a cost-effective and sustainable alternative to the current system of housing support.

- IPPR modelling suggests that moving all families with children on means-tested benefits into social housing could⁷³
 - Save the government £3 billion annually in Housing Benefit expenditure
 - Reduce relative poverty by 200,000 people

Recommendations

- Prioritise the building of more social housing and constrain the Right to Buy to preserve stock in high-demand areas: social housing stock has decreased markedly in recent years. The Government must ensure there is enough affordable housing for those in need.
- Restore the link between LHA and actual rental prices by raising LHA to the 50th percentile and keeping it there, to ensure the most vulnerable are protected.
- Increase the number of women’s refuges and prioritise funding for specialist services.
- Housing should be prioritised as a right rather than a financial asset in accordance with recent UN guidelines⁷⁴.

Read more: [Housing and Gender: Briefing for a new government](#)

⁷¹ IPPR (2025) [The homes that children deserve: Housing policy to support families](#)

⁷² Ibid.

⁷³ IPPR (2025) [The homes that children deserve: Housing policy to support families](#)

⁷⁴ OHCHR (2021) [The Right To Adequate Housing](#)

Investing in a Green and Caring Economy

The climate emergency demands urgent action to transform our economy and society. While climate change affects everyone, women face disproportionate impacts due to lower incomes, less financial resilience, and greater exposure to economic crises. This deepens existing gender inequalities. Addressing the crisis through a gender lens is essential for a fair, sustainable future.

Responding to these crises requires redesigning the economy around care: caring for the earth and its ecosystems, caring for the people who currently inhabit it, and caring for future generations. This means putting wellbeing above profit, moving away from energy-intensive and polluting industries and towards activities that care for people and planet, and ending GDP growth as our main economic objective.

The social and economic case for investment

According to research by the Grantham Research Institute on Climate Change and the London School of Economics (LSE), failing to act on climate change will have severe financial and social consequences for the UK. Economic damages are projected to rise from 1.1% of GDP today to 3.3% by 2050 and 7.4% by 2100⁷⁵. The greatest risk comes from global economic instability, which could shrink UK GDP by 4.1%, while international trade losses would cut it by a further 1.1%. However, their research finds that the cost of transitioning to net-zero is unlikely to exceed 2% of GDP, making climate action a cost-effective and essential strategy.

Beyond avoiding long-term damages, mitigation policies offer immediate economic and social benefits. Investment in green industries and infrastructure is projected to boost the

⁷⁵ Rising J, et al (2022) What will climate change cost the UK? Risks, impacts and mitigation for the net zero transition. London: Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science.

UK economy by 2.8% of GDP, while additional co-benefits—such as improved health outcomes from cleaner air—could further increase welfare by the equivalent of 3.3% of GDP. Building a green and caring economy means expanding the traditional assumptions about green industries and infrastructure to incorporate care work, which is inherently low-carbon, should be recognised as part of the green economy, as it generates stable employment while strengthening economic resilience. While energy-intensive production must decrease, labour-intensive sectors—including care, health, and education—should expand.

These sectors are not only low-carbon by nature, but further efforts should be made to reduce their environmental impact while ensuring fair wages and secure jobs. Redirecting public investment towards care and social infrastructure ensures that the transition to net-zero also enhances human well-being.

Overall, the data shows that transitioning to net-zero could add over 4% to UK GDP, making it a 'no regret' policy. If other countries follow the UK's lead in cutting emissions, global climate action could prevent economic damages exceeding five percentage points of GDP, bringing total net economic benefits and avoided costs to 9.1% of GDP.

While the cost of transitioning to a net-zero economy is estimated at 2% of GDP, the long-term benefits far outweigh this. Strong investment in climate action can limit economic losses, create jobs, and improve public health through cleaner air and better living conditions. Without urgent action, the UK faces escalating financial and social crises, with the most vulnerable communities bearing the brunt of the damage.

Recommendations

To ensure a just green transition, the Government must:

- Prioritise public investment in decarbonisation and social infrastructure, particularly care.
- Phase out fossil fuel subsidies and redirect funds to renewables.

- Use progressive taxation to fund climate initiatives and social infrastructure.
- Promote energy-efficient housing and retrofitting.
- Expand renewable energy and reform pricing to support vulnerable households.
- Invest in sustainable, affordable public transport with a focus on safety and accessibility.
- Support a green and caring labour market through job creation, reskilling, and improved conditions.

Read more: [Climate and gender: Briefing for a new government](#)

Transport

Women, people from Black, Asian and minority ethnic groups and Disabled people are less likely to own a car and more likely to be dependent on public transport⁷⁶. 'Car-centric' policies and planning have created 'public transport deserts,' where driving is the only practical form of transport due to absent or inadequate public transport, pavements and cycling infrastructure, and long distances needed to access services, opportunities and amenities⁷⁷.

The gendered division of domestic and caring responsibilities means women make more frequent, short journeys throughout the day, whereas men make fewer but longer journeys during peak hours. However, transport systems are designed around men's transport patterns to optimise peak-hour long distance radial journeys into city centres⁷⁸.

The social and economic case for investment

Women in England make a third more bus journeys than men, so they have been disproportionately impacted by bus deregulation and cuts to bus coverage⁷⁹. Disabled and older

⁷⁶ WBG (2021) [Towards Gender Inclusive and Sustainable Transport Systems](#) by Tiffany Lam

⁷⁷ CPRE (2021) [Every village, every hour 2021 buses report](#)

⁷⁸ WBG (2021) [Towards Gender Inclusive and Sustainable Transport Systems](#) by Tiffany Lam

⁷⁹ Department for Transport (2020) [Mode of Travel Statistical Data Set, NTS0601](#)

people also disproportionately use buses, so limited bus routes can increase their isolation and make it harder for them to access essential services.

New IPPR data shows that cuts to local buses between 2011 and 2023 had catastrophic consequences for the economy and the environment⁸⁰.

- An estimated 1.1 billion extra miles were driven in cars and taxis in 2023
- The economy was £2.6 billion smaller, with 39,000 fewer jobs due to a drop in the economic contribution of buses
- Annual bus miles driven per head in England fell from 25 to 18 miles, with deprived areas most affected.

Recommendations

To create a fair and sustainable transport system, the Government must:

- Make substantial, sustained investments in accessible, affordable, and widespread public transport, with consideration for free services where possible.
- Expand active travel infrastructure with input from underserved communities, ensuring accessibility for Disabled people and avoiding policies that stigmatise those who need to drive.
- Design transport systems that prioritise gender equity and inclusion.

Read more: [Towards Gender Inclusive and Sustainable Transport Systems](#)

Violence Against Women and Girls (VAWG)

We welcome the Government's pledge to halve violence against women and girls⁸¹. But the specialist VAWG sector has highlighted the chronic underfunding of their services. Without adequate funding for specialist services it is unlikely that the Government will meet its goals, let alone eradicate VAWG altogether.

⁸⁰ IPPR (2025) [Change you can board: Delivering better, greener buses](#)

⁸¹ Labour Party (2024) [Labour Party Manifesto 2024](#)

The social and economic case for investment

A survey of rape crisis centres by Rape Crisis England and Wales reported that 47% of centre managers were expecting a reduction in their funding, half were expecting a reduction in their services and 30% were concerned their centre was at risk of closure⁸². There is a pressing need for a stable long-term settlement if the government is to meet its pledge.

Women's Aid estimates that the economic and social costs of domestic abuse in England in 2022 were nearly £78 billion. Yet, investing in domestic abuse services could save the public purse up to £23 billion annually⁸³. For every £1 invested, at least £9 is saved, easing pressure on healthcare, policing, housing, and the criminal justice system. Fully funding specialist services at £426.6 million per year would generate an estimated £3.9 billion in benefits, with a benefit-to-cost ratio of 9.14:1. This investment will improve outcomes for women and children, reduce victimisation, and alleviate strain on essential services.

Recommendations

- A commitment to long-term grant funding for specialist women's services, including ringfenced funding for services led 'by and for' Black and minoritised women, Deaf and Disabled women and LGBT+ survivors.
- Ensure all migrant survivors can access protection and support services.
- More specialist training for police dealing with VAWG cases.
- Restore women's access to justice through a commitment to clearing court backlogs and increasing legal aid funding and availability.
- Invest in prevention measures in schools to address the root causes of violence against women and girls.

⁸² Rape Crisis England and Wales (2024) [The Rape Crisis Funding Crisis: a Survey of Managers and Directors 2024](#)

⁸³ £189m for refuge services and £238m for CBS services annually.

- Reform social security (including uprating benefits and scrapping the benefit cap and two-child limit) to ensure women’s economic independence and their ability to leave abusive relationships.

Read more: [Funding for violence against women and girls services](#)

Female offenders

We welcome the announcement of the Women’s Justice Board - a crucial and much-needed step. Women affected by the criminal justice system (CJS) often have a range of multiple, complex gendered needs that are different from men’s and require different responses. It is generally agreed, across government and the criminal justice system, that Women’s Centres represent the most effective support as part of alternatives to custody. Despite recognition of the value of Women’s Centres, funding for these services remains inadequate and precarious⁸⁴. As such, we urge the government to invest in Women’s Centres, proven to be the most effective alternative to custody.

The social and economic case for investment

Our 2020 report highlights the financial benefits of Women’s Centres, contrasting their cost-effectiveness with the high cost of prison⁸⁵:

- A place at a Women’s Centre costs between £1,223–£4,125, while a prison place is £78,996 per year⁸⁶.
- £1.7bn is spent annually on issues linked to female offending, but for every £1 invested in Women’s Centres, £2.84 is saved in the long term.
- Despite their success, Women’s Centres faced a £10 million funding gap in 2020, threatening the closure of vital services that keep women out of custody.

⁸⁴ WBG (2020) [The Case for Sustainable Funding for Women’s Centres](#)

⁸⁵ Ibid.

⁸⁶ Ministry of Justice (2024) [Prison performance data 2022 to 2023](#) (Cost per prison place and prisoner 2022 to 2023 supplementary information T2)

The benefits of supporting Women's Centres go much wider than the savings to the Criminal justice agencies.

- Women who are involved in, or at risk of being involved in, the CSJ are disproportionately also women who have experienced violence and mental health issues.
- Rising rates of self-harm among women in prison are a significant cost to the NHS.
- Investment in Women's Centres strengthens services to women who are victims of crime. There is considerable evidence of the links between victimisation and offending, particularly domestic and sexual abuse, and exploitation.

Recommendations

- The Treasury commit to cover the full cost of providing holistic, women-centred services to all women subject to criminal justice supervision.
- A significant element of core funding should be provided centrally and matched funding be granted from a local consortium of commissioners. Charity funds should only be sourced for extra services above the core requirement.
- The Government provide mandatory commissioning guidance to local commissioners (police and crime commissioners, local health commissioners, and local authorities) to ensure that a network of appropriate services is available nationwide.

Read more: [The Case for Sustainable Funding for Women's Centres](#)

Legal Aid

Legal aid is a fundamental pillar of democracy - without it, justice remains out of reach for those who need it most. The long-term consequences of underfunding legal aid are not just social but economic, increasing public expenditure on homelessness, social care, and crisis services. Immediate investment in legal aid is essential to protect rights, reduce gender and racial inequalities, and ensure a fair and accessible justice system for all.

The Legal Aid, Sentencing and Punishment of Offenders Act (LASPO) 2012 has severely restricted access to justice, disproportionately affecting women, particularly Black, Asian, minority ethnic, migrant, Disabled, and low-income women⁸⁷. Legal aid cuts have removed key areas of law from eligibility, including much of family law, housing disputes, employment rights, social security, and welfare claims, leaving many without legal support.

- Between 2010 and 2020, legal aid funding fell by 37% in real terms, with the number of legal aid cases dropping by 82%⁸⁸.
- Women are disproportionately affected because they make up the majority of those seeking legal aid, especially for domestic abuse cases, child custody disputes, and welfare claims⁸⁹.
- Advice deserts have emerged across the country, leaving many women unable to access free legal advice or representation⁹⁰.
- Survivors of domestic abuse and migrant women with No Recourse to Public Funds (NRPF) are among the most severely impacted, often forced to remain in unsafe situations due to a lack of legal assistance⁹¹.

Women's access to justice is now determined by their ability to pay rather than their need, creating a two-tier legal system that excludes the most vulnerable from fair representation.

The social and economic case for investment

Restoring legal aid is not just about justice - it is an economic necessity. The removal of legal aid in key areas has increased social and financial costs, including:

- Higher public spending on homelessness, social care, and crisis services as individuals are unable to resolve housing, employment, and welfare disputes before reaching crisis point.

⁸⁷ WBG (2023) [Gender Gaps in Access to Civil Legal Justice](#)

⁸⁸ House of Commons Library (2020) [Is the criminal justice system fit for purpose?](#)

⁸⁹ WBG (2023) [Gender Gaps in Access to Civil Legal Justice](#)

⁹⁰ Law Centres Network (2020) [Law for all](#)

⁹¹ WBG (2023) [Gender Gaps in Access to Civil Legal Justice](#)

- More people representing themselves in court, leading to longer case durations, increased backlogs, and inefficient use of public resources.
- Increased costs for employers and tribunals, as women facing discrimination in the workplace are unable to seek early legal intervention, leading to job loss and long-term financial instability.

Failing to invest in legal aid has worsened economic and social inequalities, leaving women at greater risk of poverty, unemployment, and domestic abuse. Reinstating legal aid eligibility for key areas of law will save public money in the long run while ensuring access to justice.

Recommendations

- Invest in conducting research on the impact of LAPSO 2012 on women's employment outcomes.
- Improving access to legal aid for employment discrimination: the scope for employment law issues covered by legal aid should be widened, and thresholds for eligibility and time limits to seek advice should be increased.
- Improve funding for specialist advice for employment and discrimination related cases, to avoid litigation and to keep cases out of tribunals, achieving better outcomes and maintaining good working relationships with employers.
- Invest in better overall legal training for solicitors themselves – and embedding legal expertise in primary-contact services (e.g. GP services, housing, homelessness, foodbanks) would mean improved access to civil legal justice.

Read more: [Gender Gaps in Access to Civil Legal Justice](#)

Ensuring Sustainable and Fair Funding

Taxation

Tax is the necessary financial contribution that individuals and companies make to a well-functioning society. Women tend to benefit particularly from the public spending that tax can be used to finance. The recommendations set out in this representation call for greater investment in social infrastructure which brings wide-reaching returns.

A wholesale reform of the tax system – including how it taxes inheritances, wealth, capital gains, property, earnings and profits and the use of tax allowances – is needed to make it more progressive, less open to abuse and better able to contribute to the funding of public expenditure. Without such reform gender inequalities will widen.

Recommendations

1. Tax wealth directly

- Introduce a wealth tax of 2% on assets over £10 million, which would raise up to £24 billion a year.
- Reform Inheritance and Capital Transfer Taxes so that lifetime receipts, rather than bequests, are progressively taxed at income tax rates.

2. Equalise capital gains tax and income tax

- Income and capital gains should be taxed in the same way as earnings. This could raise up to £16.7bn per year.

3. Reform to personal taxes

- Abolish the upper earnings limit and making national insurance payable on all forms on income and by those above state pension age.

- Abolish the Marriage Tax Allowance and the Higher Income Child Benefit Charge, which make one partner's tax liability depend on the other's income, undermining the right to independent taxation.

Read more: [Taxation and gender: Briefing for a new government](#)

From Policy to Practice:

Ensuring Effective Implementation

Meaningful Equality Impact Assessments

Women still face structural inequality throughout their lives. Gendered inequalities intersect with other structures of inequality including class, race and disability. This means that policy impacts differently on women and men, and on different groups of women and men. Equality Impact Assessments are a way to ensure that policy makers take account of these different impacts when developing policy.

The Public Sector Equality Duty (PSED) requires public bodies to have 'due regard' to equality in all aspects of their work. Equality Impact Assessments are a way to ensure public bodies have met their legal obligations under the PSED. Despite the obligations of the PSED, WBG has observed a pattern of poor quality impact assessments and, in some cases, a failure to carry out impact assessments at all.

Ensuring the EIAs are meaningful requires the gathering and analysis of data that uncovers inequality patterns and establishes an evidence base for change. The Women's Budget Group along with many others have advocated for the best possible data to be collected and made available. This data should be disaggregated into sex and the other protected characteristics as much as possible. This is to ensure that progress towards

gender and other equalities can be measured accurately and to design policies and programs that effectively address inequalities.

Recommendations

- Ensure the ONS is adequately funded to continue to collect comprehensive survey data.
- All public bodies, including government departments, should carry out and publish meaningful equality impact assessments.
- The Treasury should carry out and publish a cumulative impact assessment of the Spending Review, as well as every Budget.
- Staff responsible for these impact assessments should be trained in equality impact to ensure that assessments are meaningful.

WBG's expertise is on the gender impact of economic policy so this is our main area of focus. However, impact assessments are needed across all areas of policy and should take account of impact of policy on all disadvantaged groups.

Read more: [Equality Impact Assessments and the Public Sector Equality Duty: Briefing for a new government](#)

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